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# Sugar industry speaks out: 10.39 percent rates increase on rural properties reeks

Farming families across Mackay region are receiving unhappy news as rates bills arrive, being sluggish with a 10.39% increase in their already high rates.

Mackay Canegrowers and Mackay Sugar have spoken out on the recent volley of farming rates rises.

"In a year where we have a reduced crop, the lowest sugar price in a decade, and rapidly increasing costs of production and cost of living, this is an absolute punch in the guts," said Mackay Canegrowers Chairman Joseph Borg.

"Over three years, and three successive budgets, we have spoken to Mackay Regional Council to articulate the key issues for our industry, the relationship between farm business viability, land under cane and mill viability.

"Council continues to maintain glossy images and talk about the sugar industry as a pillar of the economy, but it's brand of support is seeing farming families sluggish by an increase 3.2 percent higher than any residential category. And let's not forget farms are also people's homes."

"This rise is a blindside, a disgrace to Mackay's name as the sugar city."

Mackay Canegrowers strongly condemns Mackay Regional Council's decision to approve its latest budget and associated rates increase, warning the decision will place further pressure on cane farming families already facing one of the toughest seasons in recent memory.

The organisation, which represents about 80 per cent of cane farmers across the Mackay region, says the rates rise comes at the worst possible time for growers who are dealing with a poor crop, weak sugar prices and rapidly escalating input costs, including fuel and fertiliser. This, on top of the recent cyberattack on Mackay Sugar just tops off a difficult season.

Mackay Canegrowers Chairman Joseph Borg said Council's decision showed a disappointing lack of understanding of the financial pressure currently being felt across the district's cane industry.

"This budget lands like another blow to growers who are already doing everything they can to keep their businesses viable," Mr Borg said.

"Farmers cannot simply pass these costs on. When the crop is down, prices are poor and the cost of fuel, fertiliser, chemicals, labour and machinery continues to rise, every additional charge matters. Council has chosen to increase the burden on the very businesses that help underpin the Mackay regional economy."

Mr Borg said the fact that several councillors voted against adopting the budget demonstrated that legitimate concerns existed within Council itself about the impact and fairness of the decision.

"We acknowledge those councillors who had the courage to vote against this budget," Mr Borg said. "Their opposition shows that this was not an inevitable decision and that there were voices around the table who recognised the pressure this increase would place on ratepayers, including growers."

Mackay Sugar Limited CEO Carl Morton has spoken out on the potential impact of a high rates burden to the region's sugar industry.

"Mackay Sugar Limited wishes to formally express its concern regarding the disproportionately high rates increase applied to cane farming enterprises," Mr Morton said. "It is well established that cane growers typically receive no additional services compared with other agricultural operations, yet non-cane farms pay approximately 65 per cent of

the rates burden imposed on cane farmers. Applying a further ~10% increase widens an already significant and longstanding disparity.

“Cane farm viability is under increasing pressure due to a combination of structural and economic factors, including sustained low international sugar prices (with Queensland exporting around 80% of its production), ongoing loss of primary agricultural land, rising operating costs, and—this year—a record low crop. These pressures collectively threaten the stability of the region’s cane supply base.

“The sustainability of raw sugar manufacturing and renewable electricity generation is fundamentally dependent on maintaining high volumes of cane. The relationship between growers and mills is mutually reinforcing: without farmers, there are no mills; and without mills, cane farming cannot continue. Any policy or rate-setting approach that undermines farm viability ultimately jeopardises the broader regional manufacturing and energy ecosystem.

“Mackay Sugar respectfully requests that this issue be reconsidered to ensure a fair, equitable, and sustainable rating framework for cane growers—one that recognises their essential role in supporting regional industry, employment, and economic resilience.”

Joseph Borg said the Mackay sugar industry remains one of the region’s major economic contributors, supporting jobs, contractors, transport operators, mill workers, rural suppliers and local businesses. He said Mackay Canegrowers maintains the position that decisions such as the recent rates hike, that increase fixed costs on farms risk weakening the confidence and resilience of an industry that has supported the region for generations.

“Council must understand that cane farms are not just lines on the rates schedule,” Mr Borg said. “They are family businesses, employers and long-term contributors to this region. In a season like this, Council should be looking for ways to ease pressure, not add to it.”

Mackay Canegrowers is calling on Mackay Regional Council to engage directly with the sugarcane sector, review the impact of the rates increase on producers and commit to a fairer approach that recognises the seasonal and market pressures faced by growers.

“We are not asking Council to ignore its responsibilities,” Mr Borg said. “We are asking Council to recognise reality. Growers are operating in extremely difficult conditions, and this budget makes that job harder.”

“Any reduction to the cents in the dollar rate that was offered in recent years has now disappeared. New land valuations are due in the near future, and that will make this burden all the more brutal.”

“We call on council to repeal this onerous increase, we call on them to introduce a fairer mechanism to manage rates on rural properties.”

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