

Lower electricity prices for irrigators will deliver benefits to the South Region

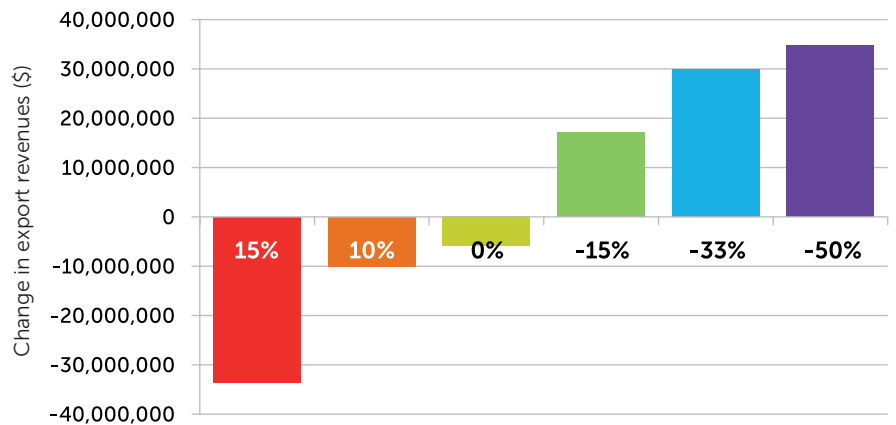


With lower electricity costs, farmers can afford to irrigate more and grow a larger sugarcane crop. A larger sugarcane crop means more jobs in regional areas as well as higher export earnings for regional Queensland communities.

These export revenues flow directly to communities around Bundaberg, Childers and Maryborough.

► Electricity price impact on the South Regions' export revenue

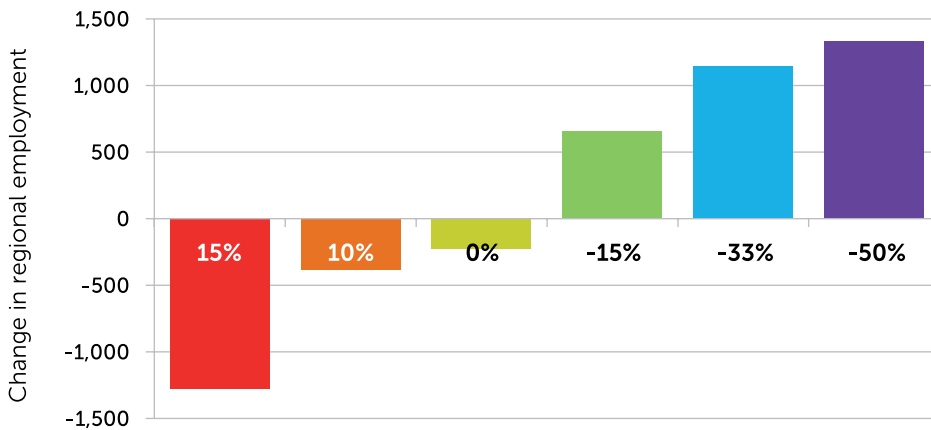
Lower electricity prices for irrigators will increase the Southern Region's sugar export revenues



Change in retail electricity price 2014-15

Source: CANEGROWERS

► Electricity price impact on employment in the South Region



Change in retail electricity price 2014-15

Source: CANEGROWERS

Lower retail electricity prices for irrigators will boost farming and manufacturing jobs in the Southern Regions

A five-step approach

While this factsheet focusses on retail prices for 2014-15, CANEGROWERS is actively involved in all areas of the electricity pricing reform. The five key components of our strategy to get the best result for irrigators are:

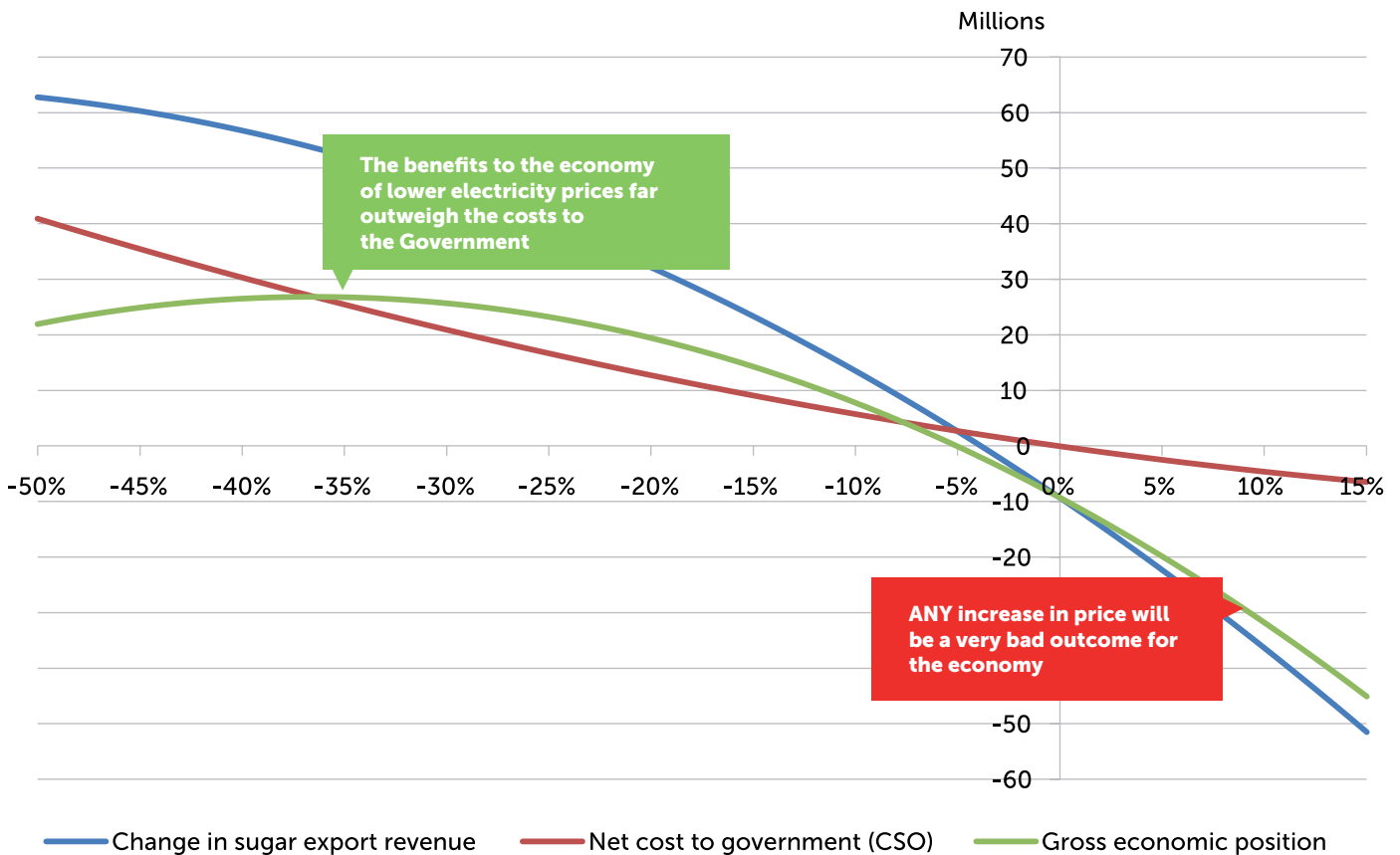


Factsheets for forthcoming issues will be provided by CANEGROWERS as they are announced.

The BIG picture!

Lowering retail electricity prices for irrigators will deliver a significant net benefit to the Queensland economy.

► Impact of change in retail electricity prices on regional Queensland economy



Source: CANEGROWERS

The net benefit is calculated by subtracting the change in CSO liability from a reduction in retail prices for irrigation tariffs (T62, T65 & T66) from the change in value of the sugar industry's export revenue. The change in CSO liability has been based on QCA calculations.

Big Industry – Big Impact

- World's third largest exporter of sugar (80% of Australian sugar is exported).
- \$2 billion value to the Queensland economy (to the annual Gross State Product).
- Second largest agricultural commodity in Queensland.
- 15,600 jobs directly, and 70,200 indirectly, accounting for 15% of employees in coastal Queensland.
- \$7 billion in land and \$4 billion in infrastructure assets controlled by the industry.



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