

POSITION STATEMENT

February 2018



Water

OBJECTIVE

Ensure growers maintain economic access to water resources to be used in an environmentally and socially sustainable way to produce sugarcane and other agricultural crops.

POSITION

Irrigation is critical to Queensland's sugarcane industry as around 3500 cane growers irrigate their cane farms. This represents around 55 per cent of all growers and 60 per cent of total production.

Cand growers use around 1,200,000ML of water per year which is around 350ML per grower. This is a major farm input cost.

The main sugarcane irrigation areas are the Atherton Tablelands, Burdekin, Proserpine, Mackay, Bundaberg, Isis and Maryborough and most growers in these areas irrigate. Without irrigation, sugarcane production would be much lower. To reflect their role as an enabler of regional economic activity, bulk and channel water charges in existing irrigation

schemes are based on a zero rate of return on capital.

Availability of irrigation water will enable the further development of high value added agriculture in north Queensland.

ISSUES

- The transition to local management has been underway for five years and needs to be resolved.
- Irrigation water costs are too high under SunWater management.

ACTIONS

- Fully fund and commit to finalise the switch to local management in the next term of parliament.
- Fully compensate any loss of water entitlement arising from Water Allocation Management Plan changes.
- Maintain the current QCA determined irrigation water price path, capped at \$2.00 + CPI, during the transition to local management.
- Ensure water prices for all new and existing government owned bulk and channel irrigation schemes by are based on a zero rate of return on capital, with prices set to recover no more than efficient operating, maintenance and replacement costs. ■

FOR MORE INFORMATION

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Australia is the world's second largest exporter of raw sugar



80% of Australia's raw sugar production is exported



\$2.5 billion value to the Australian economy



17,400 direct jobs, and 80,800 indirect jobs supported by the sugar industry



CANEGROWERS is the peak representative body for Australian sugarcane growers. Representing some 80% of growers, **CANEGROWERS** ensures growers needs are represented at the highest possible level of industry and government decision making. For more information visit www.canegrowers.com.au