

7:30 Report Nails Impact of Electricity on Regional Business

CEO of the National Irrigators' Council (NIC), Steve Whan, says the ABC's 7:30 Report has nailed the dangers for rural communities of skyrocketing energy prices with rural reporter Lucy Barbour's story last night.

[The ABC 7:30 Report story](#) highlighted a tripling of electricity prices and the likely loss of jobs in Bundaberg.

Steve Whan said "the problem of Australia's power prices is now much much more than just a strain on the hip pockets of Australian families – it is a direct threat to health and competitiveness of the Australian economy.

"Irrigated agriculture has been bearing the brunt and if they continue to be ignored by power suppliers and the regulator then we will see jobs and production lost."

NICs Energy Committee chair and Bundaberg Canegrower's General Manager, Dale Holliss, summed the direct local impact, saying that if power prices stay too high then one option is to "switch off the pumps and go back to dry land and that impacts upon the productivity of the region and impacts upon jobs - not only at the sugar mill, but harvesting jobs and also jobs in town: small businesses, butcher shops, people like that."

Steve Whan said "some irrigators are making the choice to move from the electricity grid to diesel generators. I am not sure that anyone would argue that moving from Australian sourced renewable or non-renewable power to an imported fossil fuel is a good policy outcome.

"The other option for canegrowers, as Mr Holliss outlined, is to switch off the pumps and grow dry land cane. The impact of that decision is stark. Irrigated cane in the Bundaberg region produces 90 to 100 tonnes per hectare, dry land cane produces 40 – 45 tonnes. Halving the region's output means half the number of harvesting and processing jobs and half the income coming in to the local economy.

"That one decision could result in 400 direct job losses in milling, just in Bundaberg, with many times that lost in flow on impacts.

"The scary thing is that the regulator has just approved a tariff model which will see prices for these producers continue to rise. The message Government's and Oppositions need to be hearing is that if they want Australian farmers producing goods for Australian families they need to act on electricity."

Media Contact: Steve Whan 0429 780 883
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