

Reducing electricity cost must stay focus for 2018

10 peak agricultural industry bodies are meeting this week to reinforce the message to State and Federal political parties that getting the, competition destroying, cost of power down must be a key focus for 2018.

The groups are part of the Agricultural Industries Energy Taskforce, convened by the National Irrigators Council (NIC) which is been working to highlight the impact of rising energy costs on Australia's competitiveness as an agricultural producer and propose solutions to government.

NIC Energy Committee chair, Dale Holliss, said, "we need to be very blunt about this, if Australia does not get the cost of electricity down then we will lose our position as a competitive global producer of food and fibre. That means we have no chance of being the 'food bowl' for Asia, jobs will disappear and locally grown products will become more expensive.

"We need to see price ceiling of 8 cents per kilowatt hour for electrons and 8c for transmission to be competitive and in the game. We have shown time and again that this is achievable.

"Agriculture is not sitting around asking others to fix the problem. Farmers have been doing their bit to improve efficiency and productivity and are at the forefront of renewable adoption. The task force has already contributed to more than 17 reviews and inquiries; and we've identified problems and suggested real and practical solutions.

"Unfortunately, years of policy uncertainty and outrageous electricity industry profit margins are forcing many to consider switching off the equipment that drives productivity, or even going off grid and switching to diesel generators."

NIC CEO Steve Whan said "we are seeing perverse outcomes from a decade of failure to get energy policy right and in 2018 we need to see governments working together to ensure not only certainty in national energy policy, but each state focusing on the factors which are making their own power prices - particularly network costs - too expensive for consumers.

"We saw some positive moves last year, but we need to see them followed up with real action. That needs bipartisan agreement at each level of Government. The Federal Government's National Energy Guarantee is one positive starting point but we also need to see action on network costs and the cosy rules that allow the owners of our infrastructure to put their interests ahead of the clear national interest.

"The seriousness of this issue is highlighted by the fact that in the room this week will have the National Farmers Federation, Queensland farmers, New South Wales farmers, Cotton Australia, dairy connect, sugar producers and irrigators groups representing NSW, Queensland, South Australia as well as the NIC."

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