



Affordable energy and water key to ag sector competitiveness and growth

The Queensland Farmers' Federation (QFF) is urging the state government to genuinely address electricity and water affordability, and the productivity nexus between them ahead of next week's budget.

QFF President Stuart Armitage said the Queensland Government was not providing essential and enabling services such as electricity and water at a 'fair cost' for agriculture.

"Australia has gone from having a competitive advantage in energy costs to being one of the most expensive countries in the world, resulting in many irrigated and intensified farm businesses losing their ability to compete globally, risking significant job losses and lower levels of production," Mr Armitage said.

"The price of electricity has increased about 10 times the rate of inflation over the last 10 years for Queensland farmers and is now a major, and in some cases an unsustainable, cost for many farm businesses."

"Similarly, the price of water and the associated pumping costs are becoming cost prohibitive, with over 1,000,000ML of unutilised water sitting in existing public storages, very low take-up of additional water releases and farmers reverting to lower productivity dryland agriculture."

Irrigated agriculture is the product quality and quantity engine room for the sector and QFF is calling on the Queensland Government to invest in actions to reduce the high cost of electricity and water for farmers.

“Over time, there has been excessive investment in the state’s transmission and distribution networks which has led to unnecessarily higher electricity prices.”

“Independent analysis from the likes of the ACCC and the Grattan Institute have confirmed what QFF and our members have been saying for years about ‘gold plating’ and erroneous congestion charges. It is time for the Queensland Government to start the process of writing-down the regulated asset bases of the transmission and distribution networks and efficiently pricing electricity,” Mr Armitage said.

“Other measures including lifting the ‘small energy’ business user category from 100MW to 160MW must also be factored into the budget.”

“With network tariff structures and prices for the next five-year regulatory period to be determined in the second half of this year, the government must be prepared to make the right policy decisions to ensure agriculture has access to reliable and affordable energy and water so Queensland farmers can continue producing world class food, fibre and foliage.”

ENDS

Media Contact:

Kayla Plunkett - 0448 000 692

ONLINE QFF STATEMENT

