




Speech By
Stephen Bennett

MEMBER FOR BURNETT

Record of Proceedings, 6 March 2014

PRIVATE MEMBER'S STATEMENT

Irrigation Tariffs

 **Mr BENNETT** (Burnett—LNP) (3.42 pm): I would like to continue to highlight the issues facing irrigators in my electorate of Burnett and the ongoing issue of electricity costs. While a lot of work continues—and I acknowledge that the background as to why electricity prices have risen so much and how tariffs are determined is very complex—we have to acknowledge that farming is critical for Queensland and a rural seat like Burnett, and of course agriculture is an essential part of our regional economy.

The value of irrigation in the region was realised in the 1960s, when industry lobbied both the state and federal governments for an irrigation scheme to drought proof the region. The Bundaberg surface water irrigation scheme had an immediate effect on progressing an increase in the area of land under production. This has supported the economy of the region and allowed it to prosper for many decades. I welcome the many reforms that will drive downward pressure on pricing; however, currently local irrigators have experienced a 96 per cent increase in electricity pricing since 2009.

As the drought deepens across the state, we in the Burnett have not been immune. This has meant that our farmers have had to maintain extensive irrigation activities to meet crop water requirements. Most power bills are at least double what they were last year. My engagement with the sector stakeholders consistently raises issues for consideration, and the sector has requested the introduction of a suite of volume based food and fibre tariffs. Like baseload irrigation tariffs, this may include a network component that excludes costs associated with rising cost structures that are not associated with delivery of electricity to irrigators. Off-peak irrigation tariffs would provide a worthwhile incentive for off-peak use by further reducing the network component to encourage use in low network usage periods and weekend irrigation tariffs which would be set at an equivalent to off-peak irrigation tariffs to encourage weekend use. The food and fibre producers in the region are export dominated, and it is impossible to pass significant price increases to the end consumer. In highlighting this issue in terms of gross value added employment and business numbers, the Burnett region has high reliance on agriculture; some 13 per cent as compared to 3 per cent for Queensland as a whole. This reliance on agribusiness means that any negative impact on our farmers' ability to generate and market the crops and products they produce has a much greater impact on a community like Burnett. Electricity is a significant cost to irrigators. This cost can be amplified depending on the actual farm locations and the source of the irrigation water.

I take this opportunity with the time remaining to highlight the great news from today that this government is tackling this issue, and I mention the reforms to the Solar Bonus Scheme and the many other reforms that are currently before the House. Locally we are buoyed by the fact that local water management continues to be on the agenda, and we do look forward to more sustainable farming practices in the future.