



Invicta Cane Growers Organisation Ltd

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Attention: Queensland Competition Authority

Re: Irrigation Price Review 2020–24

The Invicta Cane Growers Organisation (ICGO) puts forward the following submission to participate in the Irrigation Price Review 2020 – 2024 held by the Queensland Competition Authority. We represent a large number of cane growers in the Burdekin Haughton irrigation region. Through this process we seek to highlight a number of issues that need to be considered as part of this review process.

The Burdekin Haughton region is one of the largest consumers of water for irrigation purposes in Queensland. As a result we are one of the largest customers of SunWater. It is our intention to put forward a detailed business submission in response to SunWater's pricing submission and strategy already provided to the Queensland Competition Authority. In this submission ICGO will provide a comprehensive analysis of the impact on any changes to the pricing structure along with providing a direct response to the initial proposal put forward by SunWater.

Cost of Doing Business / Ability to Pay

Cane growers in this region are a significant user of water for irrigation. As an industry our long-term viability and cost effectiveness is impacted directly by the price setting of sugar based on the global market. This is a constantly fluctuating system where growers have no control. At a local level we are subject to constant and regular increases in prices for critical resources such as water, rates and electricity which all impact on the cost of producing sugar cane. ICGO will outline as part of our detailed business submission a comprehensive analysis at a practical and economic level on the impact of significant changes to water pricing. ICGO has significant concerns that changes to the pricing structure and increases in costs will drive growers to leave this industry and impact on overall sugar production at a regional and national level.

Bulk Water

ICGO also holds concerns in relation to SunWater's intention upgrade the dam in the event of a significant weather event. As indicated in the dam safety paper provided, the concern of SunWater relates to the potential failure of this dam during a major event. ICGO's major concern and issue with this concept is the significant and large catchment area that requires this level of rainfall to contribute to a dam failure. In the event that this amount of rainfall is experienced across the catchment area major and catastrophic inundation of land prior to dam failure would already exist. ICGO seeks an opportunity to put forward to the Queensland Competition Authority a detailed analysis of this issue as part of future business submissions.



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ICGO is a representative of two irrigation areas in the Burdekin Haughton region. Each area utilises water across different irrigation methods and is impacted by a number of factors in the efficient and effective utilisation of this water. ICGO intention is to provide a comprehensive analysis that represents each of these areas and provides to the Queensland Competition Authority a clear indication of how adjustments to pricing or supply of water will impact on growers and the sugar industry.

ICGO represents all our members. We intend to highlight some of the individual issues that impact on specific areas. This will include but not be limited to areas such as the Giru Benefited Area that are seeking to maintain the natural yield of water that was in place prior to the Burdekin Dam and are impacted by a different cost structure and process by SunWater. Each area should be afforded the opportunity to highlight in detail their concerns and issues moving forward.

ICGO seeks involvement in the consultation process through the submission of a detailed business submission and participation in local workshops. It is through these mechanisms we can provide the required representation of members and outline the issues faced by one of the largest regions of cane growers and irrigators in Queensland. ICGO offers an impartial, holistic and accurate reflection of cane growers involved in our organisation and across a broad spectrum of this region. We are confident we can provide to the Queensland Competition Authority a comprehensive analysis of issues with available data and evidence to inform future decision making.

ICGO looks forward to future interaction with the Queensland Competition Authority and the submission of additional material within a consultation process.

Yours faithfully,

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