

# THE BENEFITS FOR SUGAR COMMUNITIES OF MORE AFFORDABLE IRRIGATION WATER IN THE PIONEER WATER SUPPLY SCHEME

Supplying the Farleigh, Racecourse (0.5) and Marian (0.5) Sugar Mill in the Mackay Milling Region

Proposed Scenario

**↓ 25% REDUCTION IN 2020/21 TO 2023/24 PRICES**  
to levels to sustain and grow the sugar industry

Year	QCA* proposed	25% reduction
2020/21	\$65/ML	\$49/ML
2021/22	\$69/ML	\$52/ML
2022/23	\$73/ML	\$55/ML
2023/24	\$78/ML	\$58/ML

\*Queensland Competition Authority



## MODELLED COMMUNITY BENEFITS (2020-2024)

↑ **\$22.6m** in additional indirect output along the supply chain (\$33.7m total)

↑ **\$7.1m** in additional incomes within the industry and along the supply chain

↑ **24 jobs** in the region

↑ **\$15 million** in additional value add (Gross State Product)



## ADDITIONAL BENEFITS

**Improved** sugar mill sustainability due to improved earnings and plant utilisation

**Reduced** risk of stranded water assets\*

**Improved** environmental outcomes due to the more efficient use of applied nitrogen and herbicides

\* Higher utilisation of water allocations lowers the socialisation of costs from non-users onto users, making water supply schemes more affordable and viable.



## MODELLED SUGAR INDUSTRY RESPONSE (2020-2024)



**232,413 more** cane tonnes grown



**\$15.1 million** in direct output (additional sugar, molasses and energy production)

