

# Bananas Over Rates

Sustaining the Cassowary  
Coast's Green Gold

**9<sup>th</sup> April 2024**

**Kathryn Dryden**



Australian  
Banana  
Growers



# Australian Banana Growers Council

The ABGC leads and represents commercial banana growers to ensure a profitable and resilient industry future.



# ABGC

Sustainability  
through innovation  
and preparedness



Improved profitability



Develop industry  
capability



# Presentation Purpose



To respond to CCRC's Rates Review and related draft recommendations.

To raise awareness of the banana industry and its importance to a thriving community on the Cassowary Coast.

To make recommendations on a way forward from a banana industry perspective.



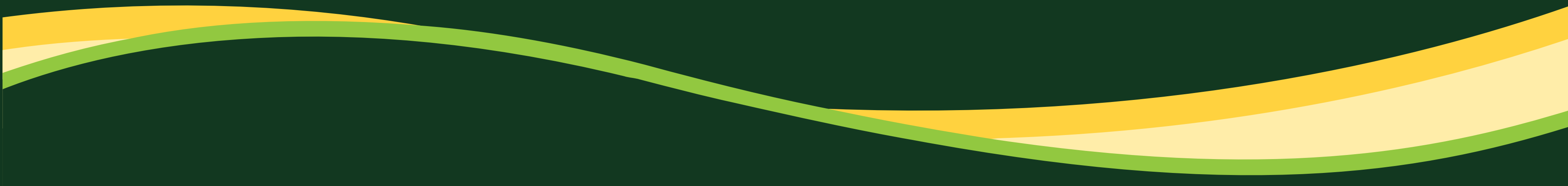
# Presentation Overview



- The Cassowary Coast Banana Industry
- Economic Contribution, Community & Lifestyle
- Challenges Faced by Growers
- CCRC Rates Review – response to recommendation 10
- Linkages to the CCRC EDS
- Industry Rates Recommendations
- Moving Forward
- Q&A



# **The Cassowary Coast Banana Industry**



“Bananas are Australia's largest horticultural industry and are the highest selling supermarket product.”

*Cassowary Coast Regional Economic  
Development Strategy*



86% of Australia's bananas for domestic consumption







# Australian Tree Crop Map Dashboard

AARSC

Built by the Applied Agricultural Remote Sensing Centre

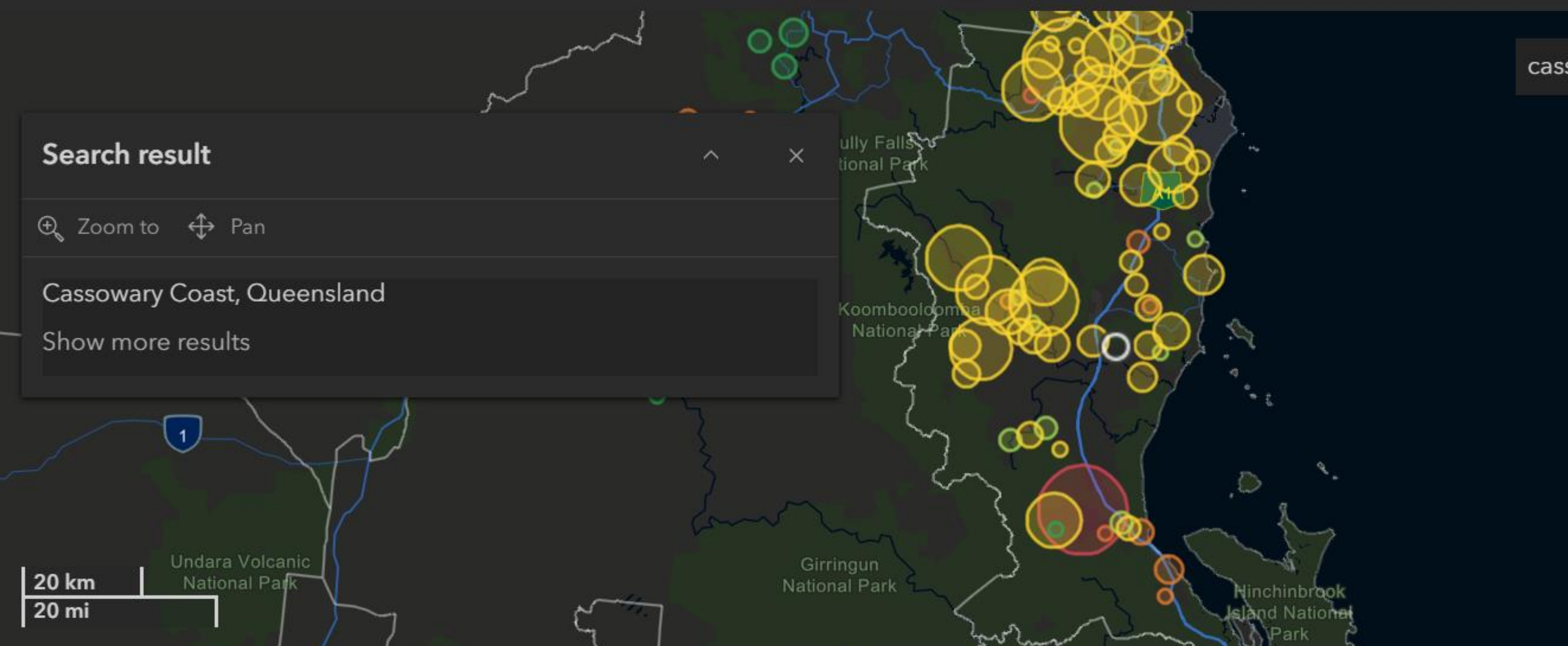
cassow

## Search result

Zoom to Pan

Cassowary Coast, Queensland

Show more results



Department of Resources, Dept. of Environment and Science, Esri, TomTom, Garmin, Foursquare, FAO, METI/NASA, USGS

418 ha



of avocado orchard:

9,263 ha



of banana plantation:

80 ha



of citrus orchards:

28 ha



of macadamia orchards:

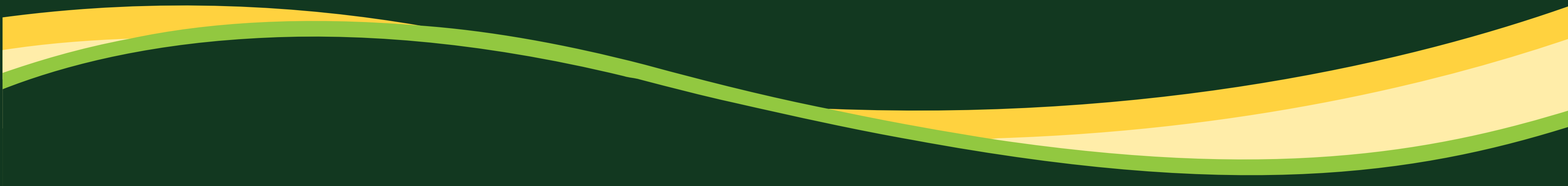
51 ha



of mango orchard:



# Economic Contribution



# Industry Economic Value

## Employment



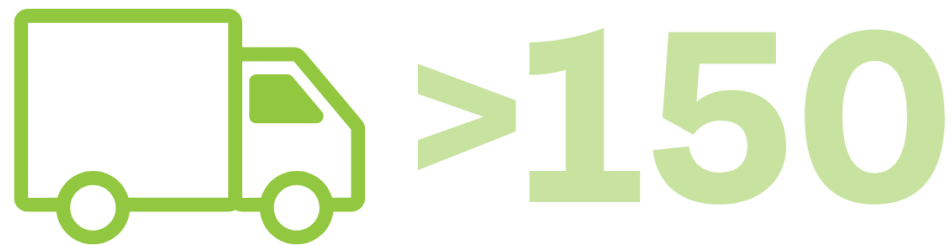
direct jobs in the Cassowry Coast region  
based on average 1 worker per 5 acres.  
1,324 jobs (10.7% as per ABS 21) (10.7%)

## Production Value



Over 60% of the region's agricultural income comes  
from bananas and other small crops.

## Local Commerce



other local businesses benefit financially  
from the industry.  
*~30 services x average of 5 businesses  
each*

## Area

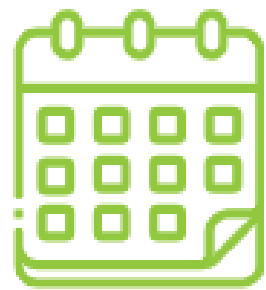


of quality agricultural land invested in by banana  
growers and contributing rates.



# Industry Economic Value

## Consistent



52wks

Year-round industry with ongoing benefits

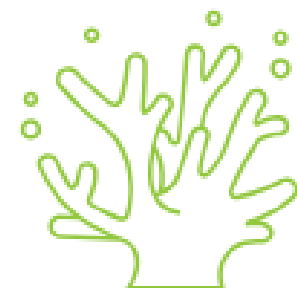
## Lifestyle



96

farming families support diversity and investment in schools, community groups, and businesses, along with contributing to rates.

## Environmental



>150

farms in reef catchments are participating in industry best management practice for improved water quality.



# Flow-on Effects

(Local Commerce)

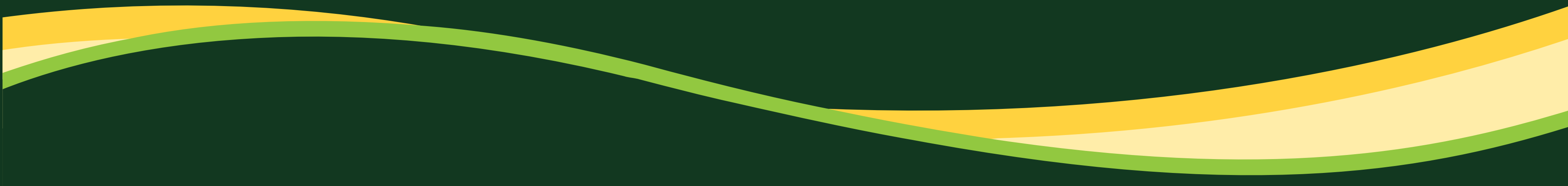
Electricians  
Hydraulics  
Mechanics  
Equipment  
Transport (Road, Rail)  
Engineering  
Vehicle purchases  
Aerial operators  
Airport  
Accountants  
Solicitors  
Banks

Packaging  
Resellers  
Irrigation & pumping  
Chiropractors  
Doctors  
Pharmacies  
Builders  
Accommodation  
Pubs  
Meals  
Taxis

Physios  
Groceries  
Bakeries  
Schools  
*The list goes on...*



# Just Doing Business



# Grower Challenges

- Panama TR4
- Cost of production
- Competition
- Compliance
- Workforce
- Disaster preparedness, management and response
- Reef regulations
- Waste management – fruit, plastics
- Carbon and energy
- Mental Health



# Case Study

## WAGES

Wages from 2022 to 2023 increased by 5.75% which equates to \$1.93 per hour for those on the award.

Local farm with 30 employees = increase of >\$2,200pw.

>\$114,400 increased cost pa for an average sized farm of 30 staff, just in wages.

*Likely wages are increasing again from 1<sup>st</sup> July 2024.*





# Impact of COVID

While other industries continued to thrive, banana growers were hit hard:

- Workforce
- Consumption and demand patterns shifted
- Logistical challenges
- Increased input costs

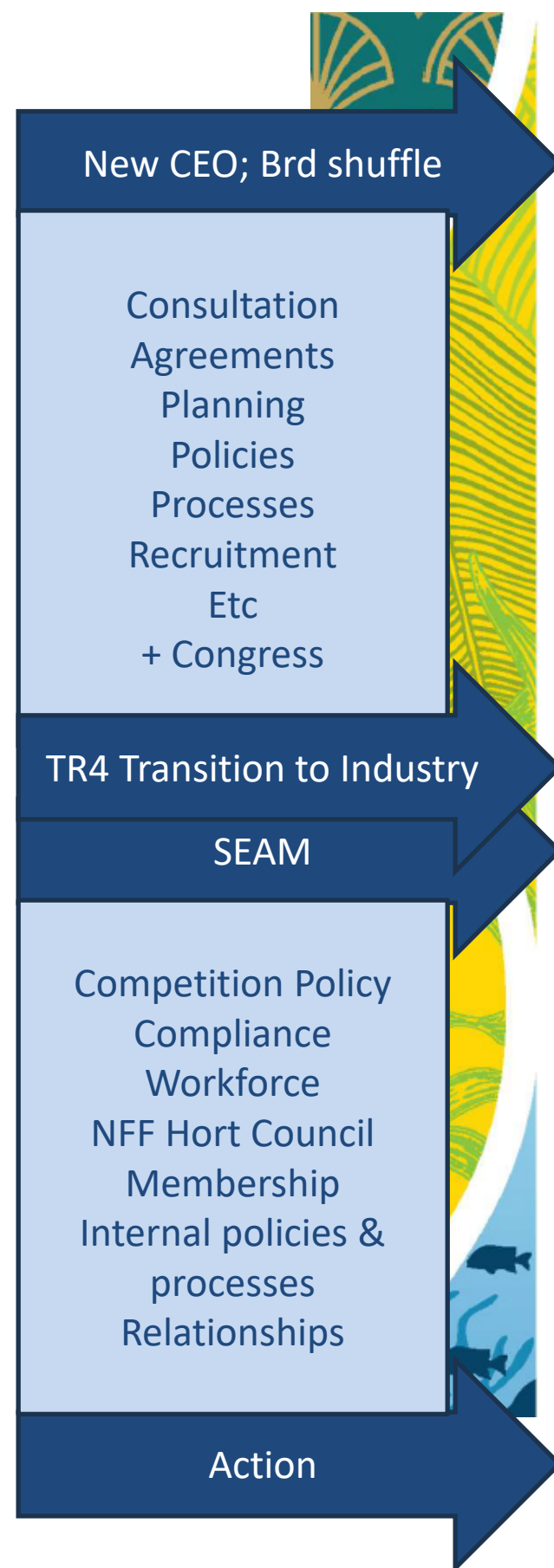


# The CCRC Rates Review



# Consultation

# Process



## Project Timeline

23 February 2023	Establishment of Rating Advisory Committee & endorsement of Terms of Reference
6 March 2023 – 10 April 2023	Expressions of Interest open for community to be apart of the committee Marketing for the Expressions of Interest: <ul style="list-style-type: none"> <li>- Paid advertising on social media</li> <li>- Council's website</li> <li>- Social media</li> <li>- Radio</li> <li>- Newspaper – Wet Tropic Times</li> </ul>
22 June 2023	Endorse the Rating Advisory Committee down selection and appointment of the Independent Facilitator from Mead Perry
September – November 2023	4x Rating Advisory Committee Meetings (chaired by John Perry – Mead Perry Group)
24 January 2024	Draft Findings & Recommendations presented to Council for Public Consultation
24 January 2024	DL Flyer distributed with Rates Notice Your Say registration site live (consultation scheduled to close Sunday 7 April to allow post-event feedback)
29 January 2024	RAC Findings and Recommendation Report uploaded to Your Say Media release issued / published on socials and website



# Drivers for Change to Banana Rates

What we understand:

- Graziers have concerns and have rightfully and actively requested rates relief.
- Bananas are to be rated more to make up for the shortfall of ratable ag land due to proposed grazing discount.
- CCRC seek to improve the alignment of the rating methodology and enhance rating equity.
- Bananas utilise Council roads and infrastructure at a higher level and should therefore pay more.



# Response

Recommendation 10 – That the Primary Producer Categories split into five categories.

- Change of land use
- Cross commodity

Higher roads usage

- Bananas fill backloads
- Should growers bear the cost of other industries who benefit from using roads
- Higher roads usage vs economic benefits
- What studies have been done to determine these figures?

Primary production activity	farm output per acre KGs (DAF data)	% transport by road	farm output via road	% compared to bananas
Bananas	15,000	100%	15,000	100%
Sugar Cane	30,000	8%	2,280	15%
Grazing	390	100%	390	3%



# Response

Description	RID New	Compare CID %	Min New	Max +\$ Δ	Av \$ Δ	Median \$ Δ	Levy % Δ	New Rates & Levy 24-25	Rate & Levy \$Δ 24-25	Rate & Levy %Δ
Livestock	2.4029	115%	\$1,277	-\$100	-\$1,387	-\$928	-13.6%	\$1,870,381	-\$278,273	-13.0%
Sugar Cane	2.9722	143%	\$1,277	\$12,386	\$607	\$381	6.8%	\$7,976,357	\$502,723	6.7%
Small Crops (Bananas)	3.2222	155%	\$1,277	\$11,014	\$1,390	\$815	15.8%	\$2,847,571	\$378,155	15.3%

→ Unclear on proposed reduction to Livestock (-13% or **-\$278,273**) vs increases to cane and bananas (22% or \$880,878).



# Response

Banana land values are higher than grazing.

Depending on land valuations, banana farmers are already paying MORE for rates.

## Case Study

**Banana**

\$195.70 per ha pa

**Grazing**

\$122.04 per ha pa



# Case Study

## Rates Comparisons

### F1

#### CAIRNS

- 65ha of usable land
- \$1,671.42 six-monthly
- Incl bins & town water

\$51.47 per  
usable ha pa

### F2

#### CASS CST

- 92ha (49ha usable)
- \$4,416.86 six-monthly
- Incl bins

\$180 per  
usable ha pa

### F3

#### CASS CST

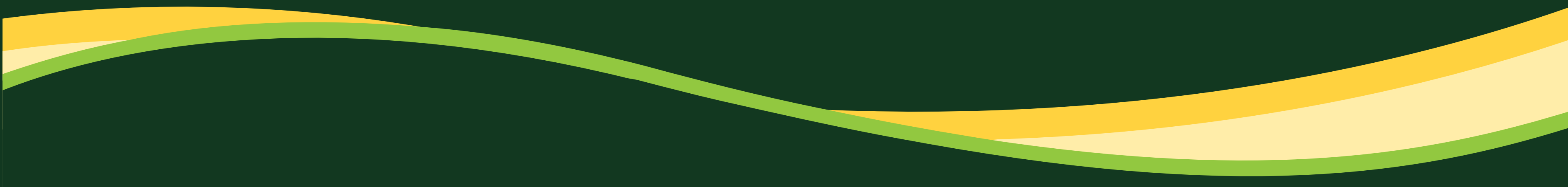
- 73 ha usable land
- \$7,179.62 six-monthly
- Incl bins & town water

\$195.70 per  
usable ha pa

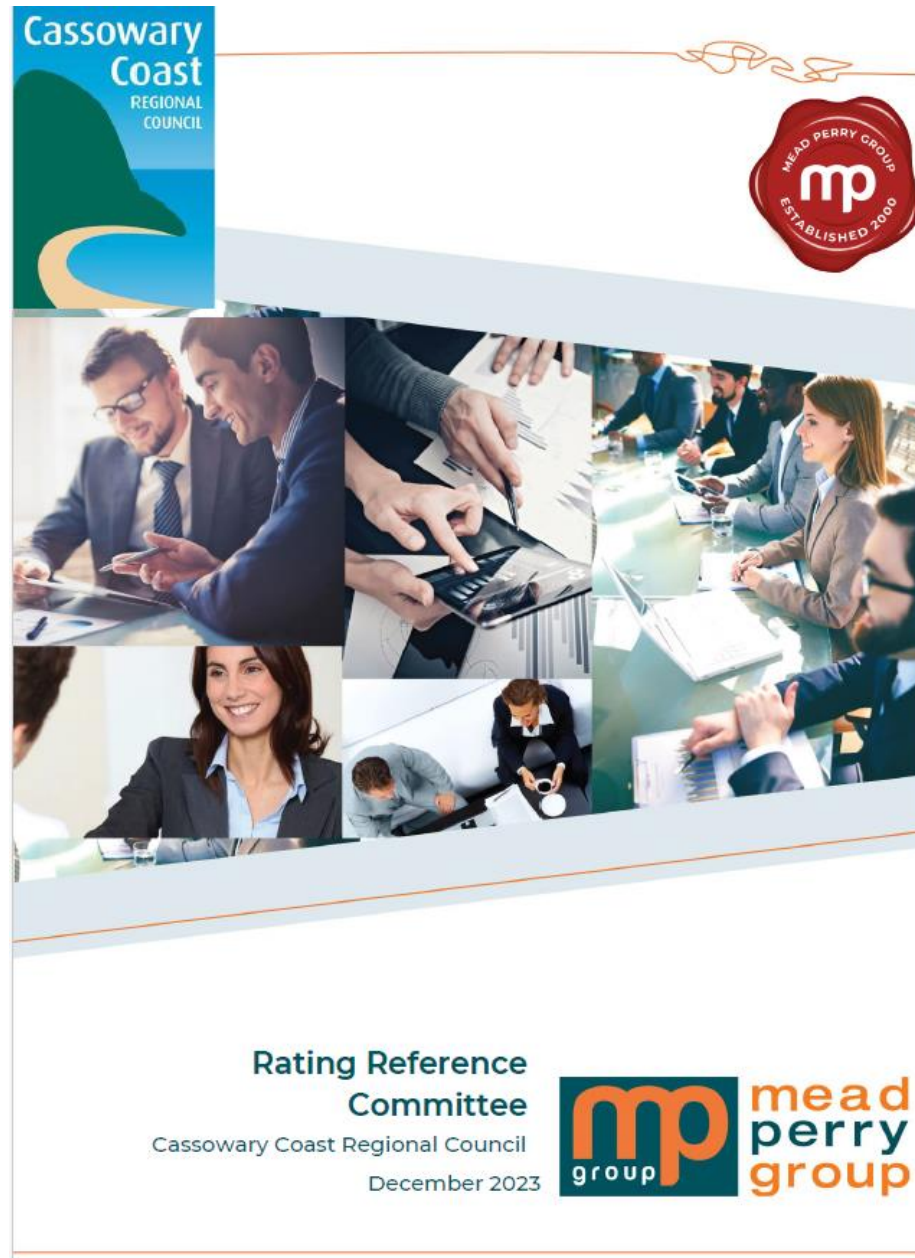




# Linkages to the CCRC EDS



# Linkages to the EDS



Rates Review



CCRC EDS



# Comparison

<b>Rates Review</b>	<b>Economic Development Strategy</b>
<p>One of the strengths of the Committee was its diverse range of views.</p>	<p>Guiding Principals:</p> <ul style="list-style-type: none"><li>• Connectedness, Collaboration and Cohesion - facilitate greater engagement and collaboration between the Council, industry....and the community</li></ul> <p>Measuring Outcomes and Success:</p> <ul style="list-style-type: none"><li>• Industry and advocacy groups are EDS implementation enablers</li></ul>



# Comparison

<b>Rates Review</b>	<b>Economic Development Strategy</b>
<p>Improve the alignment of the rating methodology and enhance rating equity.</p>	<p>Investing in Our Future:</p> <ul style="list-style-type: none"><li>• Sustainable and Resilient Economy - grow an economy that supports our traditional industries...withstand economic challenges into the future</li><li>• Attractive Place to Invest and do Business - destination of choice for businesses to establish, operate and invest...</li></ul>



# Comparison

<b>Rates Review</b>	<b>Economic Development Strategy</b>
<p>At 15,000 KG produced per acre for a banana farm, the transport burden on the roads of a small 40- acre banana farm would be equivalent to a grazing property of at least 1,500 acres. More if the inputs are taken into consideration. This also does not consider the maintenance priority of a banana farm.</p>	<p>Transport and Logistics:</p> <ul style="list-style-type: none"><li>• considered as an enabling industry for the region</li><li>• presents significant opportunity...as a major economic driver...</li></ul>



“There is an imperative to continue to support and nurture the industry going forward.”

Cassowary Coast Regional Economic Development Strategy

### Cassowary Coast Banana Industry

The Cassowary Coast is the primary banana growing region in Australia.

With cultivation focused on the agriculture areas surrounding Tully and Innisfail, the banana industry is a significant driver of economy activity and employment within the region. The industry also supports a range of related industries such as transport, accommodation and manufacturing. It is for this reason, that there is an imperative to continue to support and nurture the industry going forward.

The potential for the industry to continue to contribute to the region's economy and future prosperity is high. However, to achieve this potential the industry must transform and adapt to the shifting environmental regulations and the ongoing biosecurity challenges faced. To secure a long and resilient future for the industry, the investigation and implementation of future opportunities to diversify revenue will be critical. This could be achieved through the integration of circular waste solutions, production of bio products (e.g. banana paper and fibre) and operational optimisation through the adoption of emerging technologies.



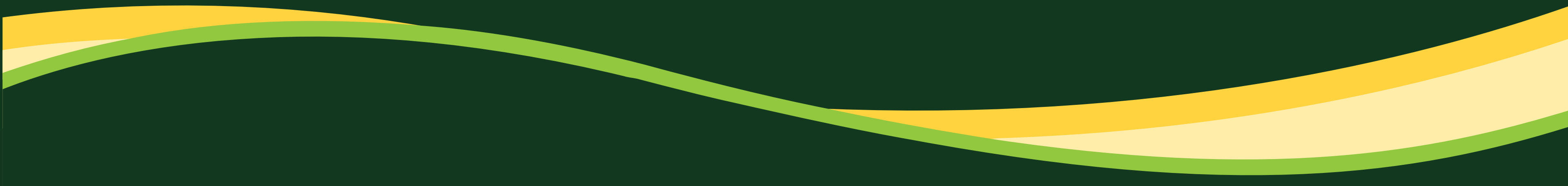
Source: Australian Bureau of Statistics (ABS) (2023). Cassowary Coast 2021 Census All persons QuickStats; Queensland Government (n.d.). Growing Bananas in Queensland.



**Banana Industry**

**Rates**

**Recommendations**



# Recommendations

1. Do not support a split of agricultural categories.
2. Do not increase banana rates
3. Lobby Government for grants and contributions to maintain/improve related infrastructure including roads.
4. Lobby Government and other stakeholders for grants and investment in banana waste solutions.
5. Consider other revenue streams other than raising rates.

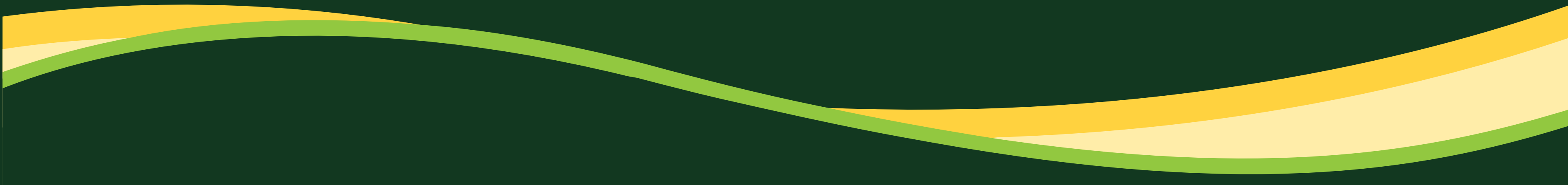
## Further to Rates Review

- Consult and collaborate
- Support industry initiatives to minimise spread of TR4



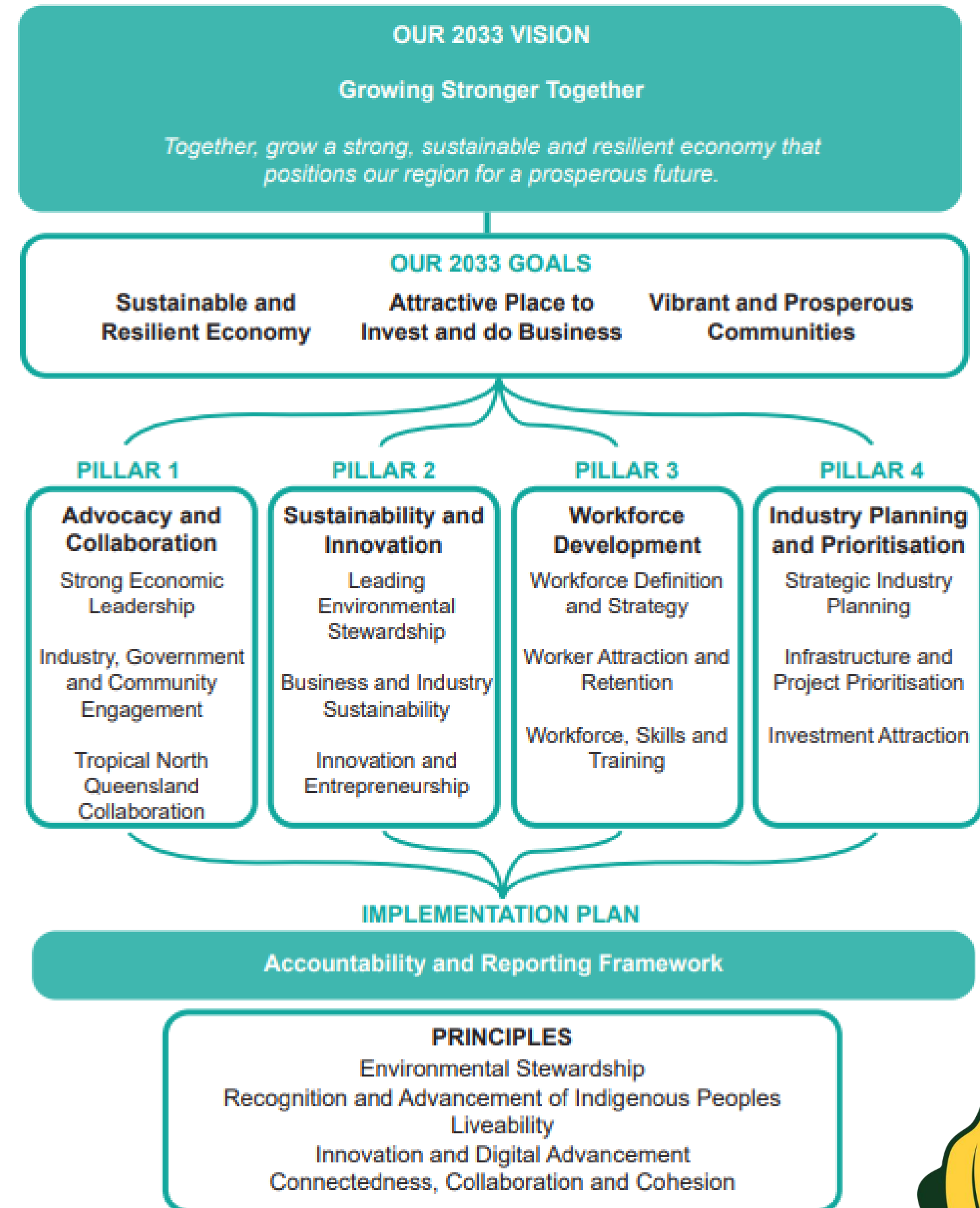


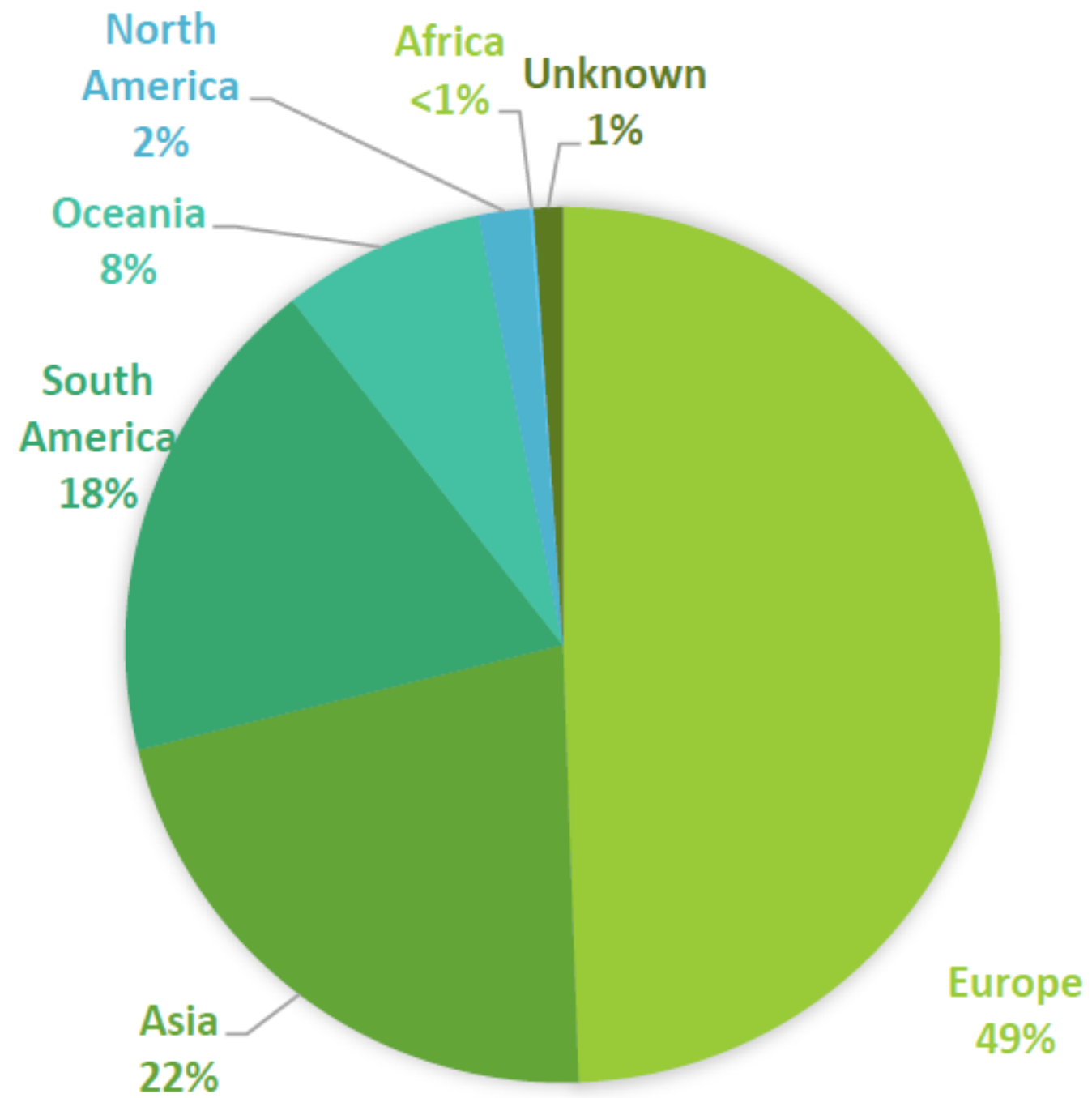
# Moving Forward



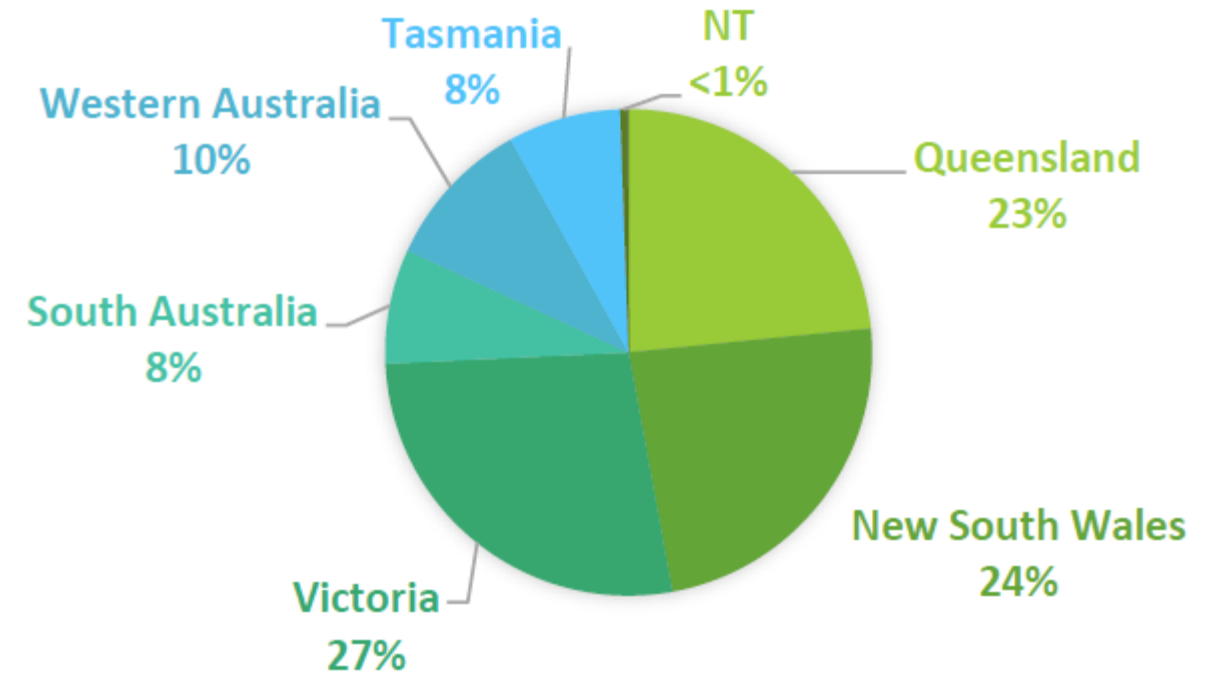
# Vision

There is an opportunity here!

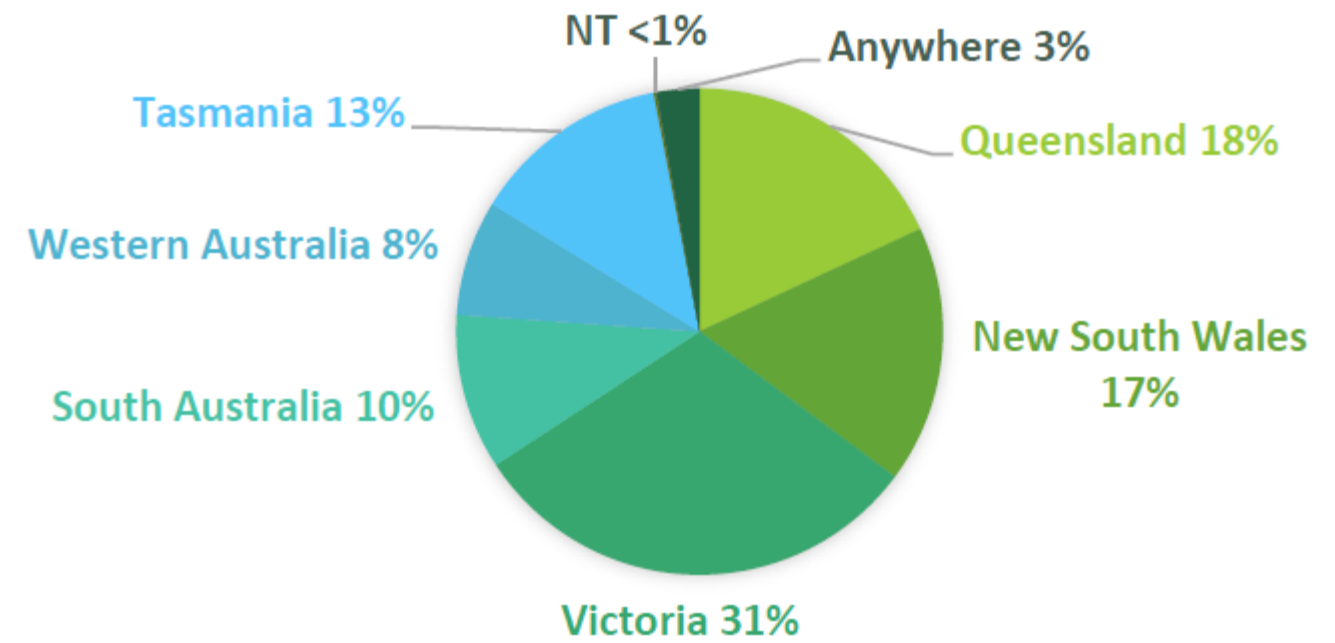


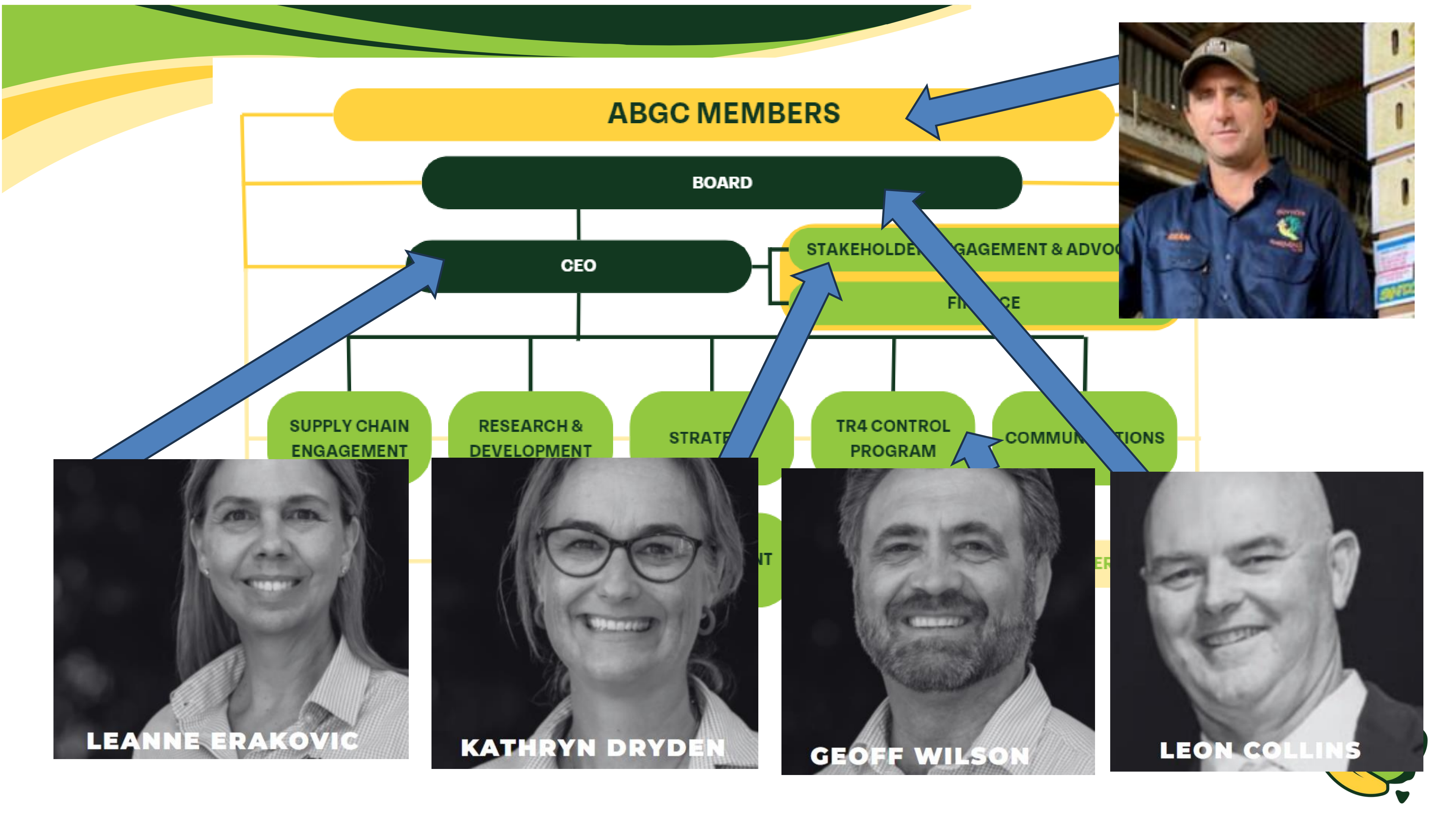


### WHERE JOB SEEKERS ARE REACHING OUT FROM



### LOCATION WHERE JOB SEEKERS ARE WANTING TO WORK





# Get in Touch

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