

The size of the proposed increase in electricity charges in our Far North Queensland area is very alarming. We have absorbed large increases (87%) over the past decade. Throughout this period we have been unable to pass these increases on to our guests due to the price sensitivity of our market. Similarly to all other accommodation providers the absolute most we are able to increase our charges to guests is CPI. Our main geographic market over the past few years has been Townsville. Given the serious unemployment issues that region is facing there is even less chance of being able to increase our charges to offset the new electricity costs.