

the Australian Cane Farmer

D'Asia Vu Anyone

The Queensland Cane Growers Organisation (QCGO) and the Australian Sugar Milling Council (ASMC) have been working from July 2006 on a proposed Australian Sugar Industry Alliance (ASIA).

ACFA understands that a 'Heads of Agreement' has now been entered into by QCGO and ASMC and that an announcement is imminent.

The fact that the Queensland Canegrowers organisation has kept this from the industry for close to nine months speaks volumes.

They know farmers in the fields would not approve of this alliance as it stands because it offers no democratic mechanism for them to express their views.

ASIA would seek to formalise an alliance between QCGO and the ASMC, ineffectively imitating the structure of the old Australian Sugar Producers Association (ASPA), and defeating the purpose of the deregulation that Canegrowers have supported over the last decade.

Until 1988, the ASPA represented all milling and farming interests but was eventually undermined on the grounds of conflict of interest and alleged power skew in favour of farmers.

The ACFA strongly objects to the name ASIA; particularly the inclusion of the word 'Australian'. ASIA in its proposed format certainly could not represent the Australian sugar industry. Instead, it could only represent the interests of QCGO and ASMC and there would be no mechanisms in place or guarantee to ensure that full industry and regional representation would be delivered.

ASIA would not directly represent cane farmers and mills in Queensland and it would not represent cane farmers or sugar mills in New South Wales; nor would it represent Caneharvesters or members of the ACFA, the longest serving National sugar industry body dedicated to serving cane farmers.

Strong regional groups do not exist now because centralist powers go out of their way to ensure this and nothing will likely change in the future. The only regional group QCGO would support is one they control. Therefore, the alliance should not be endorsed in its current form.

I am concerned that such an alliance would compromise not only the segment of Queensland cane farmers it did represent, but all the others in Australia as well.

ASIA is simply another example of QCGO seeking to gain power at the expense of peak sugar industry bodies. Proposed subsequent membership in ASIA would be at the whim of the Canegrowers organisation as they endeavour to create an unhealthy dominance in the sugar industry.

An industry alliance must be set up correctly from inception otherwise it will be a power base for the select few.

ACFA unequivocally rejects ASIA in its current format and strongly urges the Federal and State Governments to do the same.

In fairness to the whole of the Australian sugar industry, a more democratic inclusive process and transparent avenue of representation must be pursued.

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Breaking News

Time is running out for farmers to claim the ROPS rebate for their on-farm vehicles.

From July 1 it will be compulsory for all tractors, where an exempt category doesn't apply, to be fitted with a Rollover Protective Structure (ROPS).

Failure to comply may result in the receipt of an improvement or a prohibition notice.



Leading farmers into the future



By ACFA.
Chairman
Ross Walker.

The sugar industry is never boring and unfortunately neither is sugar industry politics.

The majority of the time industry organisations work together in harmony for the best interests of the industry.

There are some who seek to entrench themselves through undemocratic means.

The Honourable Peter McGauran MP, Federal Minister for Agriculture, Fisheries and Forestry, and the Honourable Tim Mulherin MP, Queensland Minister for Primary Industries, met with the Chairman and General Managers of Canegrowers and the Australian Sugar Milling Council (ASMC) to discuss the establishment of a Sugar Industry Leadership Group.

This meeting was held on 21 July 2006.

A Heads of Agreement has now been entered into by Canegrowers and ASMC to sponsor the establishment of the Australian Sugar Industry Alliance (ASIA). An announcement

ASIA is a farce

is imminent and may occur before this goes to print.

ASIA would seek to formalise an alliance between Canegrowers and the ASMC, ineffectively imitating the structure of the now defunct Australian Sugar Producers' Association (ASPA).

In recent years an alliance has formed between the ASMC and Canegrowers which appears to function as an unquestioning servant of government.

Have milling Companies now controlled and changed the entire industry such that there is nothing they need altered?

Is the only true purpose of the ASIA to try and legitimise one farmer organisation?

ASMC make no secret about preferring to deal with one farmer organisation. Why wouldn't they? Canegrowers have ratified Milling Companies proposals.

The Queensland Government have said they prefer to deal with one farmer organisation. Why wouldn't they? The Canegrowers have ratified State Government proposals.

The ASMC, the Queensland Government, and Canegrowers are embracing each other in a marriage of convenience.

Are they forgetting about the rest of the industry you might ask? No, it is just being ignored.

The ASIA 'Heads of Agreement' mentions the addition of regional groups at some future point.

Yet autonomous regional groups don't exist now because centralist powers go out of their way to ensure they don't and there is little indication of change in the future.

It would be naive to think that Canegrowers, through ASIA, would support regional groups that they didn't control.

It was only two years ago the farming side of the industry had a golden opportunity to form truly regional, locally owned and controlled entities.

The locally owned assets held in trust for all farmers were pursued voraciously by the Canegrowers organisation.

The potential democratic, autonomous local structures were never realised.

Canegrowers lobbied the then Queensland Minister Mr Palaszczuk relentlessly for two years until he eventually changed the legislation whereby the Canegrowers organisation was able to centralise power in Brisbane.

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ASIA is a farce

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Instead of ending industry politics, ASIA will intensify it further by excluding large sections of the industry from participating in industry issues.

How many farmers (including Canegrowers members) know of the ASIA and what it intends to do?

All farmers, regardless of their political alliances, have every right to ask what benefits they would reap from this proposed alliance or, at the very least, why they weren't consulted about such a major change to the industry.

Instead of consulting with their members, Canegrowers are attempting to railroad the Federal Government into ratifying this alliance by the 31st of March.

ACFA has written to the Federal Government to voice the industry's concerns with the proposal and to lobby for a more inclusive group that includes all industry sectors and stakeholders, not just the Queensland Canegrowers and the ASMC.

Industry restructuring must deliver benefits for all and not just the bigger players.

An industry alliance must be set up correctly from inception otherwise it will be a power base for a select few.

The current proposal is just that – a 'Clayton's' representative group.

Governments of democratic societies must recognise that they must deal with all groups equally. This proposal will never achieve this.

Governments must realise that the Australian sugar value chain is a sum of the serious investment of co-operating and competing interests - there is not one single industry.

Governments should not abrogate responsibility for being an honest broker in arbitrating industry policy.

To expect a value chain comprising several industries to take a single industry view is unrealistic in most circumstances.

Decisions made by a 'peak body' could and should be challenged by aggrieved parties.

With respect to policy; democratically run organisations

have every right to participate equally and be heard.

ASIA is another example of industry organisations seeking to appear 'representative' through unrepresentative means.

One should enquire as to whether any proposed subsequent membership in ASIA would be any more than a selective justification of relevance, masquerading as democracy.

ASIA will be a railroading of sugar industry policy. It will gag debate by closing out of individual businesses and other representative organisations such as ACFA, the QMCHA and the New South Wales industry.

As proposed, ASIA is nothing other than an alliance of agenda attempting to hold sway. It cannot be representative nor should it be taken seriously.

No 'peak body' could ever be taken to be representative by constituting in such an undemocratic and unrepresentative manner.

Unfortunately, when organisations assume that the key to individual legitimacy is to align to act as a 'rubber stamp', they confuse the orientation of their representation.

The ACFA knows that Governments want to know what the constituents are thinking and this is essential to avoid perverse policy outcomes - ASIA cannot provide this.

There would seem to be little point in deregulating the sugar industry only to re-establish, in another form, the same old cronyism that was a major part of the past.

The ACFA is however prepared to participate in a democratic and representative sugar industry 'peak body', where members enjoy equal standing.

The current setup should be rejected outright by industry and Governments.

Short and Sweet

The public are invited to have their say on the draft terms of reference for the Pinkenba Ethanol Bio-Refinery project planned by proponent Primary Energy.

Once fully operational in late 2008 or early 2009, the proposed Bio-Refinery could process 400,000 tonnes of grain feedstock per annum for 160ML of fuel grade ethanol. 240,000 tonnes of fertiliser, 16,000 tonnes of aqueous ammonia and 23MW of green electricity.

\$14 million for final Sugar RCP Grants

Sugar industry businesses wanting to improve their efficiency and sustainability are invited to apply for funding under the final round of the Australian Government's Regional and Community Projects (RCP) programme.

The emphasis of this round will be to provide funding for smaller projects that can be quickly implemented and fully operational within 12 months.

Australian Minister for Agriculture, Fisheries and Forestry, Peter McGauran, said the RCP programme, which is part of the Government's Sugar Industry Reform Programme 2004, will help industry meet its medium and longer-term reform and restructuring needs.

"Up to \$14 million is available to individuals and businesses across Australia's sugar growing areas. As this is the final round of the RCP, applicants must demonstrate that their projects can be fully completed by June 2008," Mr McGauran said.

"Successful projects will expand the economic base of Australia's sugar-growing regions and will meet the RCP programme's broad objectives to boost sustainability, develop new ideas and increase regional self-reliance.

"Projects should focus on developing business, employment and industry opportunities in Australia's sugar-growing regions."

The closing date for applications is 27 April 2007.

Previous successful RCP projects have included a sugarcane mulch processing facility in the Ord River, the development of low-GI sugar and molasses extracts, geospatial crop-yield monitoring systems and low-tillage harvesting.

NSW and Western Australian applicants should contact the Australian Government Department of Agriculture, Fisheries and Forestry on 1800 098 071 (freecall), or email sugarprojects@daff.gov.au

The guidelines and application forms are also available on the Australian Government Department of Agriculture, Fisheries and Forestry web site at www.daff.gov.au/sirp For copies of the guidelines and application forms, and for assistance with completing applications, Queensland applicants should contact their local Sugar Executive Officer. A full list, including contact details, follows.

In the Far North farmers can contact Fred Marchant at 07 4051 7836, 0409 643 055 or email him at: seo@fnqacc.com

In the Herbert farmers can contact Caroline Coppo every Monday, Wednesday, Thursday and Friday at 07 4776 3638 or 0429 865 864. On Tuesday you contact Caroline at 07 4772 4166 or 0419 036 617, or email her at ccoppo@nqacc.org.au

In the Burdekin farmers can contact Terri Buono every Monday, Wednesday, Thursday, Friday at 07 4783 1355 or 0408 981 232. On Tuesday you can contact Terri at 07 4772 4199 or email her at tbuono@nqacc.org.au

In Mackay you can call John Alcorn at 07 4951 2473 or 0407 129 622 or email him at sugar@mracc.org.au

In Bundaberg you can contact Angela Williams at 07 4154 0449 or 0427 217 077 or email her at sugar@wbbacc.com.au

In the Southern Region you can contact Edward Gainer at 07 5479 5719 or 0418 748 265 or email him at edward.gainer@scacc.com.au

Calendar

April 6 - Good Friday

April 9 - Easter Monday

April 13 - BSES Herbert River Field Day

April 23-24 - Kingsman Australia Sugar Conference

April 25 - Anzac Day

April 26 - SRDC Regional Workshop, Ballina

April 30 - SRDC Regional Workshop, Mackay

May 1 - SRDC Regional Workshop, Proserpine

May 14 - SRDC Regional Workshop, Maryborough

May 15 - SRDC Regional Workshop, Bundaberg

May 17 - BSES Central Region Field Day

Conversion of Pioneer Valley Water Board to an Irrigator Owned Co-operative

By John Palmer, Manager of Pioneer Valley Water

Pioneer Valley Water Board is a Queensland Government owned statutory water authority that has built and operates an irrigation scheme supplying water to sugar cane producers in the Pioneer Valley at Mackay.

The scheme supplies water to 246 allocation holders with a total allocation of 47,390 megalitres including distribution loss allocations held by the Board to deliver individual allocations through the constructed infrastructure.

The irrigation infrastructure was constructed in 1997 and 1998 and has a current listed value of \$20 million.

Funding for the scheme was provided substantially through a contribution of \$11 million from Mackay Sugar Co-operative Association Limited and a loan taken out by the Board of \$7.5 million.

The loan is being paid off through water charges raised on the irrigators in the scheme.

Water charges in the scheme also cover full administration, operation and maintenance of the scheme and provide for a sinking fund for the future renewal and replacement of assets.

The irrigation scheme has five separate reticulation areas with supply regimes to irrigators ranging from supplemented natural stream supply in three areas, fully piped under low pressure in a fourth area and to fully piped under high pressure in the remaining area.

Each area has a separate water charges structure to reflect the actual cost of water supply.

The Queensland Water Act 2000 includes provisions for statutory water authorities such as the Pioneer Valley Water Board to be dissolved for conversion to an alternative institutional structure.

With the scheme being totally funded locally, the current Board of Pioneer Valley Water proposed that it make application to the Queensland Government for its dissolution and conversion into an irrigator owned co-operative.

A co-operative structure was selected as it offers the most financially efficient regime for a private irrigation corporation.

As required under the legislation, the proposal was put to the ratepayers in the Pioneer Valley Water Board scheme and received almost unanimous support in the requisite secret ballot.

With this high level of support from irrigators in the scheme, the Board has progressed under the legislated process by providing full details of the conversion for consideration by the Queensland Government.

The key advantages of the conversion of Pioneer Valley Water Board from a statutory authority to a co-operative are summarised as follows.

- Private ownership of a scheme that has been privately funded
- Protection of sinking funds for asset renewal from public acquisition
- No requirement for return by way of dividends on scheme infrastructure assets to Government.

The other important aspect of the conversion is the establishment of a water trading market both within the scheme and to outside of the scheme that does not impact on the viability of the scheme.

With the formation of the co-operative, irrigators are agreeing to voluntarily transfer the legal title to their water allocation to the co-operative in return for the issue of shares in the co-operative with the shares having attached a certificate of corresponding nominal water allocation.

The shares thus become the individual irrigator's equitable title to water and the shares with the stapled water allocation are then able to be traded in the water market.

The co-operative structure does not present any barriers to water trade for individuals and yet avoids the stranding of assets for the scheme.

Co-operative shares retain the financial characteristics of the reticulation area where they originated and water can freely move away from areas without impacting on costs for remaining irrigators.

In regard to water allocations proposed to be purchased by

Continued over page...

Conversion of Pioneer Valley Water Board to an Irrigator Owned Co-operative

By John Palmer, Manager of Pioneer Valley Water

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a non-member of the co-operative (external trade) there would be two possible options. The non-member could apply for membership of the co-operative and thus participate of the full benefits of private scheme ownership.

Alternatively, the non-member could enter into a separate contractual arrangement with the co-operative for water supply.

The contract would cover all aspects of supply including financial obligations for the continuing water supply.

The significant advantage of holding the water allocation under the co-operative will be the ability for the co-operative to be a single voice to effectively represent the irrigators in the scheme in all dealings with the Government and its agencies to achieve the best possible outcomes.

This is not always possible under Government ownership as a statutory water authority.

The co-operative held water allocation will also allow for detailed examination by the co-operative of proposals for the improvement or increases to water supply in the scheme.

It is becoming very obvious that predictions for climate change cannot be ignored and working together as a co-operative will afford the best opportunity to explore what the likely impacts are and what steps the scheme as a whole could take to minimise these impacts.

The first stage of the co-operative formation is the lease of water allocations by individual irrigators to the co-operative.

This process is underway and the five year lease term will allow for matters associated with duties and taxes for the transfer of water title from individuals to the co-operative to be resolved.

It will also allow all stakeholders in the scheme to assess the effectiveness of the co-operative in achieving the espoused benefits of the new structure.

Some thirty five percent of water allocations in the scheme have mortgages registered over them.

Financier approval is required for the lease of the allocation to the co-operative and this can be provided by banks either as consent to the lease or through release of the mortgage.

The banks involved in the scheme have developed their own policies on how they will respond to lease of allocations where they hold mortgages.

Some banks have elected to readily provide either consent to leases or release of mortgages.

It is considered that this response from these banks demonstrates their understanding of the conversion to a co-operative for the scheme to ensure that it remains viable for the long term.

Discussions have also been held with the Australian Bankers Association (ABA) on the lease of water allocations with the ABA providing their policy position on the matter.

Generally the response from the banking industry to the conversion to a co-operative has been supportive.

This is in accordance with the other irrigation co-operative schemes in Australia where banks have accepted that there is no discernible difference between water entitlements held on State registers and water held as shares in those co-operatives.

Short and Sweet

A large turnout of Mulgrave Central Mill shareholders voted unanimously to proceed with the negotiations for the proposed merger with Bundaberg Sugar Northern Region.

They also voted to continue to assess and analyse the Maryborough Sugar Factory offer.

Last week, Bundaberg Sugar and the Mulgrave Central Mill chairmen announced the two sugar milling companies were proposing a merger to achieve greater economy of scale in Far North Queensland.

At the same time, Maryborough Sugar Factory notified the Australian Stock Exchange it had made an offer to purchase the Mulgrave Central Mill for \$56 million.

Source: Farmonline.com.au

Time is running out to claim ROPS rebates

The Queensland Government is offering a WorkCover funded rebate of \$150 off the cost of fitting rollover protective structures (ROPS) to a tractor.

The rebate will finish on 27 April 2007.

Who can access the rebate?

If you have a ROPS on your wheeled tractor, have a normal WorkCover policy and want to claim your rebate, now is the time to do it.

The ROPS rebate applies to wheeled tractors in the 560 kg-15,000 kg weight range that are owned by a Queensland WorkCover policyholder and used for the purpose to which the policy applies.

Suppliers of tractors with an appropriate Queensland WorkCover policy can also access the rebate.

Holders of "Household Workers" or "Workplace Personal Injury Insurance" WorkCover policies will not be eligible to claim a rebate.

Track mounted tractors or earth moving equipment do not qualify for the subsidy.

Safety standards ROPS must meet

"Off-the-shelf" ROPS must comply with AS 1636 Tractors – Roll-Over Protective Structures, Criteria and Tests, or one of the following:

AS 2294 Earth-moving machinery – Protective structures

ISO 3463 Wheeled tractors for agriculture and forestry – Protective structures – Dynamic test method and acceptance conditions; Amendment 1

ISO 3471-1 Earthmoving machinery; roll over protective structures; laboratory tests and performance requirements

ISO 5700 Wheeled tractors for agriculture and forestry – Protective structures – Static test method and acceptance conditions; Amendment 1

SAE J1040 Performance Criteria for Rollover Protective Structures (ROPS) for Construction, Earthmoving, Forestry, and Mining Machines (Cancelled May 2003)

SAE J1194 Rollover Protective Structures (ROPS) for Wheeled Agricultural Tractors

SAE J2194 Roll-Over Protective Structures (ROPS) for Wheeled Agricultural Tractors.

Check the compliance plate affixed to the ROPS by the manufacturer.

For "one-off" ROPS:

the ROPS must be stamped to comply with AS 1636 or AS 2294

the ROPS must be designed and constructed under the supervision of a suitably qualified engineer

the designing engineer must attest compliance of the ROPS to the standard

the engineer must provide his/her registration number for either Registered Professional Engineer Queensland (RPEQ) or Institute of Engineers (Australia).

To download a ROPS rebate application form go to <http://www.deir.qld.gov.au/workplace/subjects/tractors/rops/rebate/#4>

Information sourced from Queensland Government, Workplace Health and Safety website.

Short and Sweet

The Forbes magazine has recently published an article about a new ethanol company in Brazil with prominent foreign investors including former World Bank President Ian Wolfensohn, American Supermarket Magnate Ron Burkle, and American Online Founder Steve Case.

The company Brazilian Renewable Energy Company Ltd (Brenco) will be overseen by former chief executive of Brazilian Oil giant Petrobras, Mr. Philippe Reichstuh. Brazilian ethanol is made from sugar, cheaper than its American counterparts, but the Brazilian production is mostly for the domestic market.

Short and Sweet

In a major breakthrough for Australian farmers and consumers, a new 'Australian Grown' logo will identify packaged foods that have been grown on Australian farms.

"For the first time ever, shoppers will be able to quickly and easily spot the Australian Grown products on supermarket shelves," said Australian Minister for Agriculture, Fisheries and Forestry, Peter McGauran.

Mr McGauran also announced that the Government would provide up to \$2 million to promote the new 'Australian Grown' logo.

SRDC Workshops

It doesn't matter where you are across Australia's sugar producing regions this April and May you'll have your chance to have your say on research and development activities at one of the Sugar Research and Development Corporation's regional workshops.

The workshops, held each year, allow all members of industry to have input into SRDC's R&D investments within their own region and across industry.

SRDC Executive Director, Russell Muchow said the workshops were the ideal forum for all industry participants, researchers and industry partners to be heard on issues affecting them.

"These workshops always attract a large number of industry participants, and each year we're keen to make sure more people know about the workshops and attend," Dr Muchow said.

"SRDC receives its income from levies paid by the sugar industry which are matched by the Australian Government.

"It is important that we make sure we remain responsive to industry's needs when we invest this money into research and development projects.

"We want to make sure we are investing in the activities that industry needs to succeed, and to do that we need to make sure the people of the industry have a chance to tell us what will make the biggest difference in their region.

"We realise that each sugar producing region has quite unique needs and we try to match our investments in R&D to ensure the needs of each region are met, as well as the needs required more broadly across the industry" he said.

The workshops also allow the men and women of industry to find out how they can be more involved in research and hear the results from local research projects.

Participants will also have the opportunity to hear about SRDC's R&D Plan 2007-2012 and discuss new R&D opportunities that will come out of the plan.

Regional Workshops dates and locations are available on the SRDC website www.srdc.gov.au.

Workshops will run from 1:30pm until 5:30pm, and will be followed by drinks and nibbles.

You can register online, or by contacting SRDC on 07 3210 0495.

- Burdekin , Tuesday 17 April
 - Herbert, Wednesday 18 April
 - Innisfail (for Innisfail, Mulgrave, Mossman and Tablelands), Thursday 19 April
 - Tully, Friday 20 April
 - Ballina (for NSW), Thursday 26 April
 - Mackay (for Mackay and Plane Creek), Monday 30 April
 - Proserpine , Tuesday 1 May
 - Maryborough (for Isis, Maryborough and Rocky Point), Monday 14 May
 - Bundaberg, Tuesday 15 May
 - Kununurra , Friday 18 May
- For more information contact Claire Power, Communications Manager 07 3225 9444

Short and Sweet

The Government has announced up to \$5 million to help farmers prepare for the risks associated with climate change.

Minister for Agriculture, Fisheries and Forestry, Peter McGauran, who announced the funding at a roundtable in Canberra, said climate variability posed an enormous challenge to Australia's farm sector.

The roundtable brought together 50 representatives from industry, research organisations and State and Federal governments.

"Over the past 200 years, Australian farmers have shown an ability to evolve within one of the world's most variable climates. They have adapted to the great challenges that come with record high temperatures and record low rainfalls," Mr McGauran said.

Ethanol 2007

Some of the world's foremost experts on ethanol will gather in Melbourne in April for Australia's third annual Ethanol Conference.

The national Ethanol 2007 Australia conference is being organised to further grow the nation's emerging ethanol industry.

It will raise the profile of ethanol as a cheaper, greener and home grown fuel.

The conference is being organised by a committee representing industry proponents and supporting organisations including the Australian Cane Farmers Association, Agforce Grains, the Victorian Farmers Federation, the New South Wales Farmers Association and the South Australian Farmers Federation.

For the first time, the conference is being held in Victoria, and the Victorian State Government has announced their support of the event, with a \$70,000 sponsorship.

"We are very pleased to this year have the Victorian State Government show their support of the ethanol industry by throwing their weight behind this conference," said organising committee member, Bill Elliott.

"The Government's contribution will help keep the registration prices down and make the conference more accessible to the people who need it.

Over 400 people attended the ethanol conference sponsored by the Queensland Government last year, and

we're planning for 500 this year."

BBI Conference and Event Planning will manage the comprehensive four day event, which is being held at Melbourne's Crown Promenade Hotel from 17 to 20 April 2007.

The conference program will focus on near-term commercial ethanol production and provide valuable presentations by industry experts from around the world.

Delegates will have the chance to meet with key stakeholders and industry decision makers to discuss industry opportunities and learn how to develop successful ethanol projects.

They will also be able to network with a variety of international industry representatives and government agencies.

In addition, there will be a two day trade show, with companies from around the world showcasing the latest technologies, products, services and equipment for building ethanol facilities.

"Approximately 40 exhibitors including design and building contractors, technology companies, engineering representatives, equipment and service providers will participate" said Mr Elliott.

People can register for this year's conference by logging onto www.ethanol2007.com

\$60,000 for Biofuels Study

The environmental, social and economic benefits of biofuels produced from renewable organic material will be the subject of a pilot study conducted by the Wimmera Development Association.

Minister for Agriculture, Fisheries and Forestry, Peter McGauran, today announced a \$60,000 grant for the study, which will focus on the possibility of a biofuels processing industry being developed in the Wimmera.

"Biofuels remain in the early stages of development and are costly to produce," Mr McGauran said.
"However, there are opportunities for growth and the

Government is keen to help the Wimmera business community investigate ways to diversify and create a regional industry and associated employment.

"I look forward to seeing whether a business case can be made to justify industry and the communities taking the project further."

The study, which has strong community backing, will assess the region's capacity and preparedness to support a biofuels industry and will consider various sites across the six Wimmera shires where processing plants could be located.

Federal Government backs ethanol plan

Minister for State Development John Mickel said a new federal Government report on the performance of ethanol blended fuels (+e) paved the way for the introduction of an ethanol mandate in Queensland.

The Queensland Government is committed to introducing the mandate by 2010, a move that would see +e widely available throughout the State.

Mr Mickel said the Federal Government's latest ethanol report, Assessment of the Operation of Vehicles in the Australian Fleet on Ethanol Blended Fuels, backed up State Government issued advice on the appropriate use of blended fuels.

"For a long time we've been saying that if your car is pre-1986 or is a carburettor vehicle then you will need to check whether you can take advantage of ethanol blended fuels.

"We do expect that by the time the mandate comes into force, most pre-1986 cars will no longer be in operation.

"Some newer higher performance vehicles also run on carburettors and owners can do a simple check to determine whether their vehicle is ethanol friendly."

Motorists can check their vehicle's +e compatibility by visiting www.autoindustries.com.au/ethanol

He said that the report would be used in conjunction with advice received from the Ethanol Mandate reference group to determine how best to introduce a mandate into Queensland by 2010.

"The Ethanol Mandate Reference Group consists of key industry people and stakeholders and I'll consider both this report and their advice in determining how best to introduce a mandate," Mr Mickel said.

"Clearly there will be some vehicles on the road in 2010 that aren't compatible with +e so the federal Government will need to ensure the appropriate labelling of fuels so motorists can make an informed choice.

"This will be a key issue for the

mandate reference group."

Mr Mickel said the State Government welcomed the report's endorsement of +e at a time when global warming had become an issue of concern to the general public.

"It's important we press full steam ahead with the development of an ethanol industry," Mr Mickel said.

Queensland consumes about 4250 megalitres of fuel a year and a 2003 ABARE study found that ethanol blended fuels reduce greenhouse gas emissions by 7 per cent at the tailpipe.

As well, research by CSIRO in New South Wales suggests that for each litre of ethanol produced, there is a 2.5kg reduction of greenhouse gas emissions."

He applauded Queensland motorists and the fuel industry for getting behind the renewable fuel.

"We now have more than 180 petrol stations across Queensland offering motorists the positive +e choice."

Regional Reports

Mossman/Mulgrave Regional Report

The prospect of a very good crop is increasing as perfect growing conditions prevail.

The Julatan area is behind the coast due to a dry December - January period but may recover if moisture allows. Up to 700 mm was received for the month of February with plenty of sunlight.

Don Murday
ACFA Northern Region Director

Innisfail Regional Report

A prospective merger between Mulgrave Mill and Bundaberg Sugar or Maryborough Sugar is on the cards.

Work is proceeding satisfactorily on upgrades to both South Johnstone and Babinda mills.

Crop estimates are at about 2 to 2.2 million tonnes for the Bundaberg Sugar coastal mills and at around 800,000 for the Tableland mill. Mulgrave mill is looking at crushing

about 1 million tonnes at this stage.

Rain has eased but showers are the order of the day.

John Blanckensee
ACFA Northern Director

Herbert Regional Report

March has been reasonably fine, hot and steamy with Dalrymple measuring 16mm of rain. Two meetings of interest have been attended by members.

Regional Reports

The first was a BSES/ Productivity Board meeting, held at the station on the 21st of February to inform growers of the latest smut news.

It was well attended and 19 farms have been confirmed with smut in the Herbert.

The second involved driving to the Burdekin to attend a Global Warming Workshop presented by a number of N.G.O's and hosted by Burdekin Landcare.

There were 200 people present and a number of interesting energy saving devices were on display.

The general consensus was that the information was very unbalanced and based on computer modeling rather than solid science.

The combined BSES/Productivity Board Awards Night will be held on March 30, while the BSES Field Day will be held at the Station on the 13th of April.

ACFA has been invited to provide a stand.

The latest estimate for this years crop of which I am aware is for 4 million tonnes of cane.

Dawn Brown
ACFA Herbert Director

Burdekin Regional Report

Crop looks as though it will be less than last year but there is still a lot of growing left to do.

So far Smut has not been found in the Burdekin, but farmers are still focusing on planting more Smut-resistant varieties.

New variety KQ228 is still only available in limited amounts.

Kent Fowler

ACFA Burdekin - Branch Director

Central Regional Report

Furfural project at Proserpine mill has commenced and recent rains have lifted capacity at Peter Faust dam to 35 per cent. 40 per cent of farmers in Proserpine want to participate in the producer pricing scheme being implemented by Proserpine Mill.

Early cane ripening trials conducted last year showed an average increase in PRS (Pure Recoverable Sugar) of 0.87 units. As a result many farmers will be using ripeners this year.

Mackay Sugar members will be attending meetings where the board will explain a proposal that involves Mackay Sugar Co-operative Association Limited converting to a public unlisted company called Mackay Sugar Limited, which will issue shares to farmers based on 10 year production history.

A new non-trading co-operative Mackay Sugar Co-operative will be formed.

Only farmers with a cane supply agreement with Mackay Sugar Limited, can become members of the new cooperative, which will retain control of Mackay Sugar Limited through a foundation or golden share.

The golden share ensures that farmers retain certain key control powers under co-operative legislation. Farmers will be free to trade Mackay Sugar Limited shares but only to other farmers or former farmers.

Ross Walker
Central Region Director

Southern Region Report

Early to mid-February the district received from 100 to 200 ml of rain depending on location. It has been dry since and the area is desperate for rain.

Water allocation for surface water is at 46 per cent and those on ground water have seen some varied reductions.

If no inflows occur soon next years water allocation will be very low.

Whether to plant or not to plant the non-resistant smut varieties in Autumn, has been a hot issue here.

In early February some blocks of cane near Childers had been walked to detect Smut and stools infected were counted.

These blocks were walked again weeks later, and infection rates had multiplied alarmingly.

The industry should be concerned with ABARE's prediction of a 27 per cent reduction in earnings for the 2007 crop compared to 2006 and it has been unofficially noted that a further 17 per cent loss could hit the industry in 2008.

Errol Zunker
Southern Region Branch Member

New South Wales Regional Report

Rain in early March gave the crop a much needed drink with hope of a good autumn to maximise crop potential.

There are some very good soya bean crops in the three mill areas, however there are also some poor crops due to the dry conditions in January/February.

Work at both co-gen sites is extremely busy with a large amount of construction taking place, hoping that these will be completed on schedule.

The large aluminium super bins have started arriving from China and are being delivered to both co-gen mills in readiness for the 2007 season.

Wayne Rogers
New South Wales Director

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ACFA services

Publications:

The Australian CaneFarmer - published eleven months per year.
Australian Sugarcane - the leading R&D publication - Bimonthly.

Representation: ACFA has a proven record of fighting for farmers where others have either given up or not begun.

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