

# the Australian Cane Farmer

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## ACFA defeats miller takeover of QSL

In what is being hailed as a victory for farmers, the Australian Cane Farmers Association (ACFA) defeated an ultimatum issued by millers that ordered all cane farmers to remove themselves from Queensland Sugar Limited's (QSL) board; the industry's marketing body.

The ultimatum was voted upon at QSL's board meeting in Brisbane recently where it failed to garner enough industry support to be carried.

This proposal not only asked farmer-directors to remove themselves from QSL's board, it also demanded that farmer bodies remove themselves from QSL's constitution as well, effectively handing control to milling companies.

ACFA's Chairman, Ross Walker said the national body's decision to oppose the proposal was thoroughly considered. "After consulting with and receiving the support of grassroots farmers and industry stakeholders, ACFA's board voted unanimously to reject this proposal," he said.

"Cane farmers have a two thirds interest in this business and are more than entitled to be directly involved in the marketing arrangements, ownership of the marketing company and seats on the board," said Mr Walker.

This opinion was also initially supported by Alf Cristaudo, Director of the Miller-Grower representative body, the Australian Sugar Industry Alliance (ASA); Mr Cristaudo also wears a second hat as Chairman of the Queensland Cane Growers Organisation (QCGO).

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May 2008  
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### Breaking News

QSL has released another proposal that is attempting to circumvent balanced stakeholder representation in a bid to remove farmers from the companies board.

ACFA is reviewing the new proposal that will be voted upon towards the end of June.



Leading farmers into the future

### ACFA votes for Farmer-Directors on QSL's Board



By ACFA.  
Chairman  
Ross Walker.

The resolution ACFA voted against on May 19 was the correct decision for farmers.

ACFA supported QSL being more commercial and less political but did not support the way in which it was to be achieved.

For generations, millers and farmers, totally dependent on each other, have been in a partnership whereby there was a balance in control and influence.

This is vitally important if such a partnership is to succeed.

Since January 2006 (i.e. post vesting) this balance has been lost. Millers, now, through the ownership of

the cane and then the sugar produced, have had enormous control over QSL.

The proposed Board restructure would have left millers clearly commanding the ship.

Let's be clear about it. Farmers would have had no say unless they were on the board.

Millers have no such problem as they own the sugar produced and ownership is control.

QSL is essentially a farmers' organisation with farmers having approximately two-thirds ownership.

Equity, revenues and costs, risk, sales and premiums, goodwill and the Queensland brand are two thirds owned by farmers.

Farmers have paid for and

built this over 85 years. 85% of the pricing undertaken is for farmers.

But this is irrelevant to some millers who single-mindedly are attempting to take control from farmers under the pretence of being more commercial and depoliticising the process.

Farmers must be on the Board. If some stakeholders find this unacceptable, it is they who are being uncommercial by seeking an inequitable Board.

Their proposal would only have depoliticised the Board because it would have removed farmers and left millers in total control.

Statements have propagated the idea that 95% of farmers supported the resolution.

QSL farmer members voted 95% for but this was simply a bloc Canegrowers organisation follow the leader vote.

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### QSL's future hangs in the balance

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I am sure the vast majority of farmers support the ACFA position of voting against the resolution thereby keeping farmers on the Board.

Further to the problem of market power is the issue of political power.

The proposal clearly intends to embed the Australian Sugar Industry Alliance (ASA) in QSL's constitution.

The QSL board has proposed that industry politics and hence representative bodies be erased from the constitution while simultaneously proposing to replace them with ASA.

ASA is a completely unproven political body set up by Canegrowers and the ASMC.

It was set up in isolation from the rest of the industry in an unrepresentative and undemocratic manner, and to the exclusion of all other industry owned bodies.

ASA is not funded and membership is discriminatory.

The future now is as it has been for some time – in the hands of millers.

If millers choose to pack their bags and depart it will be deliberately divisive and will benefit no-one.

It will be an action with no financial gain and will be done simply because it can be done.

Any break up of QSL now will rest firmly on millers shoulders.

QSL Chairman Keith DeLacy says a new proposal has been formulated that will achieve the same outcome.

This is unacceptable and a slap in the face to all farmers.

The way forward is QSL with farmers, millers and independents co-operating in partnership where there is commercial balance and not commercial imbalance as was proposed.

The Queensland Cane Growers Organisation (QCGO) has played an ongoing role in re-regulating the sugar industry that began when they supported the removal of the sugar tariff.

The cost borne by farmers was high.

QCGO supported domestic pricing moving from import parity to export parity and again, the cost to farmers was enormous.

They supported the establishment of the Voluntary Marketing Working Group to abolish statutory single desk marketing.

There was to be a Review of marketing arrangements which would have been an open and transparent process giving everyone the opportunity to participate.

The review was to commence in 2006 and report back to the industry and the Queensland Government by December 2007.

*Continued on page 4...*

## QSL's future hangs in the balance

*...from page 3*

However, the Australian Sugar Milling Council (ASMC) and QCGO agreed to bypass the review process.

They, along with the Queensland Government, set up the Voluntary Marketing Working Group (VMWG).

The process was conducted behind closed doors and excluded all other industry bodies.

The aim of the VMWG was to remove vesting and set up a voluntary marketing body (for millers).

The process handed millers ownership of the sugar produced (a poor result for farmers) and set up transition arrangements to move to the new voluntary QSL.

QCGO, along with ASMC and the Queensland Government, endorsed the process and the transition arrangements which have been a disaster for both QSL and farmers.

In 2006 and 2008, due to the millers refused to commit tonnage, QSL was unable to lock in high prices and farmers lost tens of millions of dollars.

Since January 2006 millers have been able to price outside of QSL for multiple years, but most farmers have not.

Farmers have been the big losers.

Many are now worried the millers will pull out of QSL and market their own sugar.

Millers will always have this option. The industry had secure marketing arrangements but the VMWG threw them out from January 2006.

The Canegrowers Organisation supported the removal of the previous arrangements and the transfer of ownership of sugar over to the millers.

If QSL fragments, the blame will be squarely on those who endorsed these changes.

### Short and Sweet

The Hon. Tony Burke MP, Minister for Agriculture, Fisheries and Forestry officially launched the Sugar Research and Development Corporation's (SRDC) Research and Development Plan 2007-2012.

The research and development plan presents a strategic view of the needs and opportunities for research and development and outlines an investment strategy to achieve outcomes that meet the expectations of industry and government.

ACFA General Manager Stephen Ryan attended the launch at Rocky Point Mill and congratulated the SRDC on their plan.

"The SRDC play a vital role in our industry and this plan will provide a guiding structure for the organisation's work over the next five years," he said.

"Our industry must adapt if it is to survive and sound research and development is necessary if any meaningful change is to be achieved.

"I wish the SRDC every success in achieving their goals."



## QSL's future hangs in the balance

*...from front page*

Only a few weeks ago Mr Cristaudo, echoing ACFA policy said; "Cane growers have a two thirds interest in this business and are more than entitled to be directly involved in the marketing arrangements, ownership of the marketing company and seats on the board," said Mr Cristaudo.

Mr Cristaudo also questioned miller arguments that QSL's current structure was too political and not commercial stating: "What does that really mean, is it real or is it a smokescreen for another agenda?"

Mr Walker said he was dumfounded at Mr Cristaudo's decision to backflip on those statements and support the miller takeover.

"I'm extremely disappointed with Mr Cristaudo's decision to vote to remove the Queensland Cane Growers Organisation, the organisation he Chairs, and ACFA from QSL's constitution.

"If ACFA had not stood up for farmers today, QSL would be in the hands of millers tonight."

Mr Cristaudo has missed his chance to make amends for Canegrowers' decision in 2004 to sign up with the Voluntary Marketing Working Group, a group that was formed to set up a Voluntary Marketing Company which resulted in millers walking away from QSL to pursue their own marketing options.

"ACFA is the only independent national cane

farmer organisation that is solely dedicated to the retention and protection of cane farmers' rights," said Mr Walker.

"We stand by our decision today and urge farmers to take a more pro-active approach towards their industry by only supporting organisations which solely represent them," said Mr Walker.

ACFA supports QSL with farmers and millers cooperating in partnership where there is commercial balance and not commercial imbalance as proposed today.

It is now up to the directors of QSL to rethink their direction and to work together and act in the best interest of the company with full stakeholder participation.

The ACFA is ready to work to that end.

### Short and Sweet

QMAC Machinery are suppliers of Case IH, Austoft and Kubota machinery with branches in Woree, Innisfail Tully and Ingham.

Woree - 4044-4440

Innisfail - 4061-6466

Tully - 4068-1311

Ingham - 4776-2533

ACFA thanks QMAC Machinery for supporting Sugarcane '08.

### Ethanol 2008

ACFA Chairman Ross Walker, ACFA Deputy Chairman John Blanckensee and ACFA General Manager Stephen Ryan recently attended Ethanol 2008 in Sydney earlier this year.

Ethanol 2008 is the third in series of conferences presented by BBI Biofuels Australia that began in Brisbane in 2006.

ACFA General Manager Stephen Ryan was again involved in organizing the conference which assembled a top-class line-up of International guest speakers.

"Ethanol 2008 was a resounding success," said Mr Ryan.

"While Australia's ethanol industry is lagging far behind its competitors internationally there are some positive signs that we are taking steps in the right direction," he said.

One of those steps is the construction of an Ethanol refinery at Dalby which is due to be completed at the end of 2009?

Mr Walker said he thought the three-day conference was excellent platform to debunk the so-called fuel versus food debate that was being perpetuated by the media.

"Ethanol 2008 did a wonderful job of debunking the myth that increased ethanol production from biomass was driving up food prices," he said.

"When the figures were presented that amount

of foodstocks that were discarded every year it became obvious that the debate is farcical and simply the second phase in a series of stalling tactics by the oil companies that began with the 'ethanol damages your vehicles statements that littered the media some years ago.'

Mr Walker went on to call for a mandate on the biofuel.

"What Australia's ethanol industry needs is a usage mandate, this will give confidence to prospective investors in Australia's ethanol market and stimulate growth," said Mr Walker.

"New South Wales has bitten the bullet and instituted a mandate for ethanol usage and Queensland claims it will legislate for a mandate in 2010.

"I applaud Queensland and New South Wales governments for their decisions to mandate ethanol but urge the Queensland Government to legislate for the mandate before the next election," said Mr Walker.

"Why the wait," said Mr Walker.

"The will is stronger than ever amongst cane farmers and we must strike while the iron is hot.

"Families are feeling the pinch of rising oil prices and farmers are feeling the pinch of low sugar prices.

"A mandate would stimulate local production and help to alleviate these problems," he said.

## Ethanol 2008

AC FA Chairman Ross Walker and New South Wales Premier Morris Iemma after Mr Iemma's keynote address at Ethanol 2008, held at the Crown Plaza, Darling Harbour.



ACFA General Manager Stephen Ryan, AC FA Chairman Ross Walker and ACFA Vice-Chairman, John Blanckensee stand beside the a promotional vehicle at Ethanol 2008.

### Sugarcane '08 - Information, Innovation and Ideas

ACFA members, farmers and industry stakeholders flocked to Sugarcane '08 Information, Innovation and Ideas, ACFA's annual conference.

The conference was held at the Pacific International Hotel in Cairns and boasted one of the strongest speaking rosters for a number of years.

Mr Walker paid tribute to Q-Mac Machinery who sponsored the conference and AON Insurance who were present to assist farmers with any insurance enquiries.

Approximately 80 delegates attended the conference and the consensus unanimous; it was day well spent.

The conference commenced at 10am with ACFA Chairman Ross Walker welcoming the speakers and attendees, this was followed by an inspiring opening address by newly-appointed SRDC Director, Dr Frikkie Botha.

Associate Professor in the Department of Infectious Diseases and Immunology (Department of Medicine, Central Clinical School) at The University of Sydney, Dr Ray Kearney, also gave an outstanding presentation about the health impacts of fossil fuels and why ethanol is a clean alternative fuel.

His sentiments were echoed by Sydney Mills of Manildra Energy Australia who gave an entertaining speech entitled, 'Ethanol and sugarcane: What are the options?'

Mr Mills called on cane farmers to do more to make ethanol a viable industry and said that our cane fields have the potential to become tomorrow's oil fields if the correct action is taken.

Mr Mills pointed to the many positive aspects an ethanol industry provided for his home country, Brazil, and urged Australia to follow suit.

Mr Walker said that amongst the excellent presentations given the message resonating from all of them was that the future of our industry is, in many regards, what we make it and it was up to us to ensure our industry's future was bright.

"The conference was an excellent example of farmers, in partnership with industry stakeholders, creating new uses for their cane and agricultural lands and by diversifying their income streams they have put a buffer between themselves and the corrupt world market that many of us are still slaves to," said Mr Walker.

"More farmers must take more of an active interest in their industry for any significant changes to be made."

"ACFA acknowledges the great support we have from Q-Mac Machinery and AON Insurance and we urge farmers to support the businesses that support their industry by sponsoring events such as Sugarcane '08," said Mr Walker.



## Sugarcane '08 - Information, Innovation and Ideas

Assoc Professor Dr Ray Kearney, Sydney Mills, ACFA Burdekin Director Margaret Menzel and ACFA Chairman Ross Walker with a painting depicting a cane fire. Presentations were made to Dr Kearney and Sydney Mills; on behalf of Mr Dick Honan, owner of the Manildra Group; for services to the Australian ethanol industry.



Alan Barnard and Christopher Scott of Rabobank during a break at Sugarcane '08.

### Sugarcane '08

"The Pacific International Hotel was an excellent venue, the staff was courteous and professional and the facilities were first class."

"All in all it was an excellent conference and the best ACFA has had in many years."

All farmers who are interested in learning more about our conference should contact ACFA at 1800 500 025.

## Sugarcane '08 - Information, Innovation and Ideas



Norm Webster and Peter Laudison enjoy some afternoon tea at Sugarcane '08



Two pairs of innovative farmers, Angelo and Mary Puglisi and Maureen and Peter Verri.



Two of the speakers at Sugarcane '08; Dr Anne Rae - CSIRO and Dr Jeff Parr of Southern Cross University. Both of their speeches were well received at the conference.



Dino Quabba and Stuart McCubbin both attended Sugarcane '08. The conference boasted a line-up of first-class speakers that helped farmers get the most out of their farms.

## SRDC Update

### Introducing SRDC's new Board

In early May, the Hon Tony Burke, Minister for Agriculture, Fisheries and Forestry announced the appointment of the Board of SRDC.

Directors' blend of sugarcane industry knowledge and corporate expertise will provide strong leadership for the organisation. SRDC currently has seven directors plus an Executive Director.

SRDC's recently appointed directors are: Michael Braude (new appointment), David Campbell (new appointment), Caroline Coppo (new appointment), Stephen Guazzo (new appointment), Ian Sampson (new appointment), Angela Williams (new appointment).

### Sugar industry funding for travel and learning to broaden horizons

Over 80 members of the Australian sugarcane industry will have the chance to get off the farm, get away from the office, or hang up their lab coats thanks to more than \$70,000 in funding from the Sugar Research and Development Corporation.

As part of SRDC's Travel and Learning Opportunity projects the growers, millers and researchers will travel to other sugar producing regions and attend conferences to learn from their peers and share their ideas.

SRDC Executive Director Frikkie Botha said

that the projects were about helping members of the sugarcane industry to think outside the square.

"This funding is all about allowing people to get out there and find out about the latest thinking in their field," Dr Botha said.

"Cane growers will also look beyond the sugar industry to learn from other agricultural industries.

Nine extension officers and growers from New South Wales, Bundaberg and far north Queensland will travel to the Darling Downs to investigate the development and management of herbicide resistance within the broad acre industries.

"This project will allow participants to use their findings to improve weed management in sugarcane production and to minimise development of herbicide resistance within improved sugarcane farming Systems.

### Grants for young innovators

The Rudd Government is offering grants of up to \$20 000 to help young Australians with innovative plans to boost the competitiveness of our rural industries.

Minister for Agriculture, Fisheries and Forestry Tony Burke has called for applications for the 2008 Australian Agricultural Industries Young Innovators and Scientists Awards.



### ISO estimate for 2007/08 at 168.44 million tonnes

*By Cally Wilson, Marketing Analyst, Queensland Sugar Limited*

The ICE No.11 May 2008 raw sugar futures contract commenced the beginning of April at US 11.69 c/lb and traded upwards, reaching an interim peak of US 12.08 c/lb early in the month.

Once reached however, heavy fund selling pushed the May 2008 contract back to month opening values.

As oil prices rocketed upwards, the May 2008 contract followed, attaining an April high of US 12.94 c/lb mid-month.

The May 2008 contract was unable to sustain the momentum, and even as oil climbed higher, broke away and retraced its steps back to month opening values again.

The ICE No.11 May 2008 raw sugar futures settled at US 11.37 c/lb at time of writing, a US 0.32 c/lb decrease on the beginning of the month.

The London No.5 (LDN5) white sugar May 2008 contract began the month of April at USD 331.10 per tonne and saw some aggressive buying early on, reaching a fortnight high of USD 345.00 before heavier selling emerged to push the prompt downwards.

During the second week, the May 2008 contract was well supported on the back of a strong raws market and in the final few days of its trading life continued to climb upwards before finally settling at USD 378.20 per tonne on Tuesday, 15th April.

The August 2008 contract became the prompt on Wednesday and opened at USD 361.20 per tonne to climb higher over the week on the back of the strong raws market and soaring oil prices.

As the raws market traded downwards towards the end of April, the whites market followed and on Friday 25th, settled at USD 348.00 per tonne.

UNICA has published its latest estimate for Centre-South Brazil's 2008/09 season sugar cane crop.

UNICA is forecasting a cane crop of 498.1 million tonnes, an increase of 66.9 million tonnes on the previous season. The cane crop is estimated to produce 28.6 million tonnes of sugar and around 24.3 billion litres of ethanol. The harvest has just commenced but started slower than expected due to wet weather.

The International Sugar Organisation (ISO) predicts that world sugar production for the marketing year ending September 2008 will be a record high of 168.44 million tonnes, an increase of 2.4 million tonnes on the previous 2006/07 season.

The ISO Executive Director Peter Baron stated that, "The rise in production is due to new record output highs in a number of key producing countries like China, Philippines, Indonesia and Thailand".

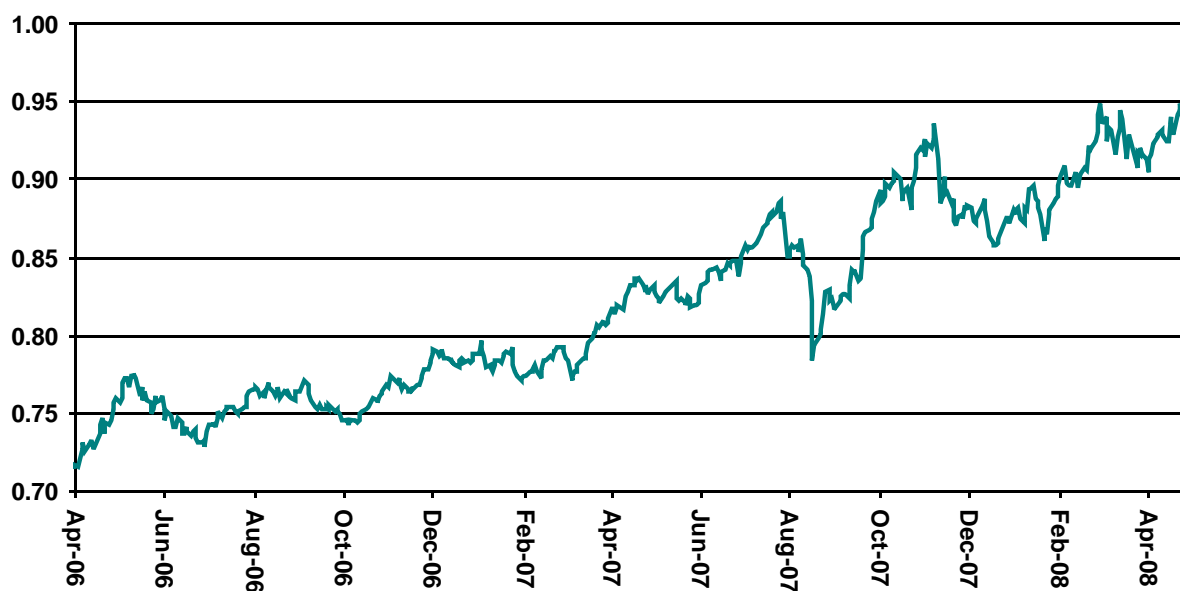
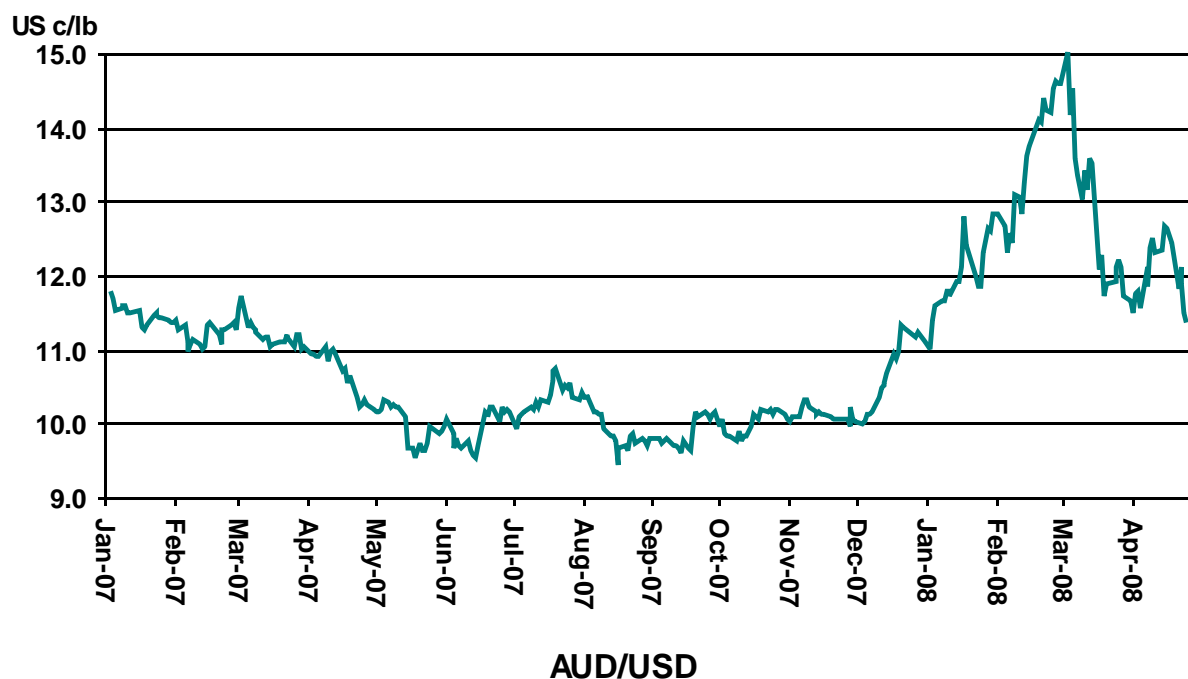
The AUD traded between 0.9049 - 9516 against the USD. The AUD was trading at 0.9385 against the USD at time of writing.



## ISO estimate for 2007/08 at 168.44 million tonnes

*By Cally Wilson, Marketing Analyst, Queensland Sugar Limited*

### ICE No.11 Raw Sugar Futures Prompt Contract Price



## Back to Basics - The Employment Contract

*Article provided by McKays Consulting, a division of McKays Solicitors*

We have noticed that employers coming to us for advice on the impact of the upcoming changes to WorkChoices are concerned about similar issues.

Employers are particularly concerned about changes to minimum employment standards and the abolition of AWA's... and want to know what they can do now to adjust.

Depending on the employer's industry and business goals, our advice often is to "keep it simple" – and to discuss the merits of a well worded common law employment contract.

This is the first in a short series of articles about common law employment contracts, and the basics a contract needs to cover.

Are common law employment contracts possible after the amendments to

WorkChoices?

The new "Forward with Fairness" amendments are aimed at abolishing Australian Workplace Agreements (AWA's). Employers under the Federal WorkChoices system will still be able to enter into employment contracts with their employees.

Does it need to be in writing?

An employment contract can still be enforceable despite the absence of a written agreement, and this is often the case for many small employers, but the advantage of having a written contract is it provides certainty to the

terms of the employment.

A properly worded employment contract will cover much more than the employee's wages and duties.

Is a Letter of Appointment enough?

Often employers give a short letter to a new employee covering the very basics of their appointment.

The danger of this is that large gaps are left in the terms of employment. A court can then fill these gaps by implying terms into the contract, such as:

- reasonable notice to end the employment
- type of work available to the employee
- confidentiality obligations

What issues should an employment contract cover?

The terms of employment, either in a letter of appointment or contract, need to be signed by both an employer and employee.

In order to avoid areas of uncertainty and having terms implied by a court, we recommend that the following should be included:

- full names of parties: both the employer (including ACN) and employee

## Back to Basics - The Employment Contract

*Article provided by McKays Consulting, a division of McKays Solicitors*

- position title and job description
- nature of employment: full time, part time or casual
- commencement date and place of work
- hours and days of work
- remuneration and superannuation
- leave: annual, sick, study and compassionate
- probationary period, and period of notice on termination
- confidentiality clause, and restraint of trade if necessary
- any workplace policies

In upcoming articles, we will look more closely at some of the above terms of an

employment contract, as well as pointing out how a well worded employment contract can cater very nicely (for many employers) for the complexities and pitfalls for employers in

Workchoices and Forward with Fairness.

### Contacting us

If you would like assistance with drafting employment agreements, or would like to discuss how the proposed minimum employment standards will affect your workplace, then please contact: Scott McSwan on (07) 4963 0860 or [smcswan@mckayslaw.com](mailto:smcswan@mckayslaw.com) or

Karen Porter on (07) 4963 0870 or [kporter@mckayslaw.com](mailto:kporter@mckayslaw.com)

*This newsletter is for the general information of McKays' clients and associates.*

*The information contained in the newsletter should not be relied upon without first consulting us and obtaining specific advice.*

## Short and Sweet

India's western state of Maharashtra has ended sugarcane crushing for the current year ending September 2008, and has produced about 9.05 million tonnes of sugar, a senior government official said recently.

The output this year is slightly lower than the 9.1 million tonnes produced last year. "We have closed the crushing now and have produced about 9.05 million tonnes this year," Rajagopal Devara, commissioner of sugar,

Maharashtra, said.

In all, the state has crushed 76.3 million tonnes of sugarcane at an average recovery of 11.89 per cent. "The recovery this year was better by almost 0.5 per cent compared to last year," Devara said.

The sugar output was expected to go up to 9.4 million tonnes on the back of higher recovery, a senior industry official had said last month.

### What's going on in the sugar regions?

#### Innisfail Regional Report

We had a successful Annual General Meeting and Conference in Cairns recently.

The conference was a great success and we had very positive feedback from farmers about many of the great presentations.

The crushing season is underway with the Tableland Mill has beginning to process cane.

It is estimated that about 24,000 to 25,000 tonnes of cane have gone through the factory so far.

Recent rainfall throughout the Innisfail, Babinda and Tully areas was between 60ml to 250ml.

Unfortunately the rain was unwanted; however, we are back into good fine weather now.

The sky have been filled with smoke resembling cane fires of yesteryear; however, in reality it was a burn off from cane cut off and dropped on ground from forestry companies.

Cane supply contracts began in the Bundaberg Sugar area on the 17th of June for both South Johnstone and Babinda mills and at this stage there are no dates for Tully or Mulgrave.

Smut spore traps were placed here in March and the results have come back and has confirmed that spores are in the area.

The confirmed reading came from east of

Innisfail.

The BSES held meetings with farmers in relation to the smut situation and also the staggering increase in fertiliser input costs.

They have given farmers suggestions on how input costs can be minimised.

John Blanckensee  
ACFA Northern Director

#### Herbert Regional Report

95 millimetres of rain in May has proved very beneficial for the germinated young cane, while on the other side it has held planting up until the ground dries.

There is increasing evidence of cane grub activity around the Helen's Hill area. Hopefully the rain will assist the cane and minimise the damage.

Crop estimates for the 2008 Herbert season should produce a crop in excess of 4.6 million tonnes. It is anticipated that crushing will start in the middle of June.

More blocks of smut are being found during routine tasks of plant source inspections. Varieties being planted are by and large smut resistant with none being planted under a rating of 4.

Currently, HCPSL staff and Cuban Technologists for Agriculture are fitting hardware onto harvesters for this year's crushing season. By commencement of the harvest this year the Herbert harvesting fleet



## What's going on in the sugar regions?

will be all fitted out with next G Modems and 60 of the harvesters will be outfitted with yield monitors.

Our annual Conference in Cairns proved to be a great day.

For those who did not attend the Conference, you missed one of our best.

Information from the Conference will soon be available.

Carol Mackee  
ACFA Herbert Director

### Burdekin Regional Report

All four Burdekin Sugar Mills started steam trials from the end of May to check that the factories are ready for the first harvested cane of the year, according to CSR Burdekin Region General Manager, John Power, "We committed to improve our performance after last season and we're optimistic the work being done will have a positive impact on our operations this year."

Mr Power expects that all four mills will be ready to start crushing an estimated crop of 8.142 million tonnes of cane in the Burdekin on 10th June and that crushing will be completed by early November.

Early planting is almost completed with predominantly KQ228 and some Q208.

KQ228 strikes have been excellent, especially when compared to Q208, which is notoriously slow and seems to lack early plant vigour.

There has been a significant reduction of smut susceptible varieties over the 2007/8 summer, with about 30 per cent of susceptibles being ploughed out.

These have mostly been Q127, Q117, Q165, Q180, Q176 and some Tellus (most Tellus is only 1or2R this year).

The massive increases in fertilizer costs have seen the need to highlight where savings can be made, including:

Soil Testing.

Using BSES rates (130-180kgN in plant and 180-220kgN in ratoons).

Only apply nutrients that are required (phosphorus is often not required in the delta, and even BRIA soils require lower P rates than most growers apply in plant cane).

Dropping out K for 2008, with ratoons on soil with marginal K levels.

Urea is still cheaper per unit N than Sulphate of Ammonia.

Apply ratooning fertilizer after first irrigation.

Adjust rates for older ratoons with lower yield potential.

Make more use of mill mud and ash.

Look to using legume fallows.

These issues will all be addressed at grower meetings planned for the next few months.

### What's going on in the sugar regions?

Proserpine Mill AGM was held recently and growers were notified that retiring Proserpine Mill Manager, Chris Connors would be replaced by John Power, previously CSR Burdekin Region General Manager.

Margaret Menzel  
ACFA Burdekin Director

#### Central Regional Report

Continuing dry weather is seriously affecting the entire central region crop.

Crop estimates are down up to 30 per cent in some areas and will continue to decline if rain doesn't fall.

Maturity tests are showing higher than normal sucrose levels which is positive.

Mackay Sugar's estimate is 6 million tonnes of cane.

Crushing will commence at the Marian and Pleystowe mills on June 23 followed by Racecourse and Farleigh on June 25.

Proserpine Mill expects to crush 1.85 million tonnes this year, this is up from last year's figure of 1.757 million tonnes.

John Power will be the new CEO and will commence in July.

The mill expects to commence crushing on July 1.

Mackay Sugar's restructure proposal will be explained at meetings starting June 13 and during the following week on June 16, 17 and

20.

The closing date for the ballot is July 4.

Plane Creek will commence crushing on June 23 with a crop estimate on 1.25 million tonnes of cane which is well down on last years crush of 1.45 million tonnes.

Mill management report an increase in capital expenditure should result in the mills performing better this season.

CSR has been rolling out pricing options for farmers for the 2008 and forward seasons.

Ross Walker  
ACFA Central Region Director

#### Southern Regional Report

The recent BSES roving field tour in Isis was certainly worth the time.

These are becoming more important as a place to talk as other events are disappearing or turning into lifestyle block owner marketing days.

The Bundaberg area had Tegege Field Demo Day which was very well received and Jim Sulli's bus trip around the Isis area drew a crowd to almost fill two coaches.

Farmers still need to talk and having the opportunity to hear what a fertiliser company representative has to say about the market is not to be missed.

Estimates for 2008 crush are in and improved productivity is expected but not necessarily an

## What's going on in the sugar regions?

increased total crush.

This is because sugar cane land is going to other uses.

Bundaberg Sugar has stated publicly Bingera Mill is next to go if the total tonnage declines next year.

At least 100mm of rain fell in the last weekend of May in the Burnett and Mary catchments and has made for a good finish and a hopeful start for cane this coming season.

The real question is, how to win back that Gross Margin?

Mike Hetherington  
ACFA Southern Region Director

### New South Wales Report

Both Condong and Broadwater were to start commencing crushing on the 3rd and 4th of June consecutively however a major rainfall event has delayed the start.

Harwood is due to start in mid-June.

Figures for the season are as follows:-

Broadwater 800,00 tonnes  
Condong 530,000 tonnes  
Harwood 670,000 tonnes

Both co-generation plants have been operating very successfully with both achieving maximum output with minimum effort.

However a minor issue with the oil in the turbine gear boxes suspended operation until the problem was rectified and everyone is anticipating an excellent run with the new equipment during the season.

Wayne Rodgers  
ACFA New South Wales Director

## Short and Sweet

by Sandra Webb

Congratulations to all sugar industry women – you now have your very own electronic network!

An electronic network for women in the sugar industry has been established thanks to an SRDC funded project being conducted by researchers from CSIRO and UQ.

The aim of the network is to try to connect women involved in the sugar industry across the state.

The network is a great way for women in the industry to share information in their own way.

The network can be accessed via the google page at  
<http://groups.google.com.au/group/women-in-sugar>

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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.

### Branch Network & Local

**Representation:** Make use of your local ACFA branch, call your local director or visit [www.acfa.com.au](http://www.acfa.com.au).

**Corporate services:** World sugar news, Market information, Politics, Local sugar related news, Wage & industrial relations, information Environmental

matters Water issues.

**Industry surveillance:** ACFA is constantly monitoring matters relevant to canefarmers.

**Insurance:** General insurance - ACFA insurance is the market leader. It has the largest share of cane farm general insurance in Qld & Australia:

- Crop insurance
- Life insurance & personal accident insurance - ACFA insurance provides life & personal accident insurance via AON and Australian Casualty & Life.
- Financial planning - ACFA members have access to AON financial planners.

**Pays:** For a low fee, ACFA members have access to an automated pays service.