



The Australian Cane Farmer

Leading farmers into the future

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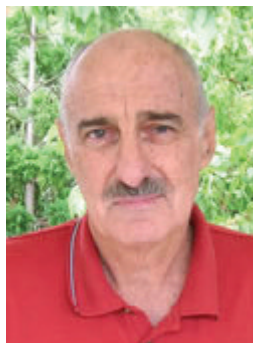
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REPORTS

ACFA invites you to attend... A Great Barrier Reef Discussion

The Australian Cane Farmers Association is holding a Conference in Cairns on Wednesday 23rd March, corresponding with our Annual General Meeting.

The Conference, entitled, ***A Great Barrier Reef Discussion*** will present the latest research on ***the relationships between Agriculture and the Reef.***

Guest speakers will be:



Jon Brodie:
Senior Principal
Research Officer
at James Cook
University.



Prof. Peter Ridd:
Head of Discipline,
Physics at James
Cook University.

WHEN: Wednesday 23rd March 2011
AGM registration
commences at 09.00am for
a 09.30am start.

ACFA members are invited
to attend the AGM.

Conference registration
commences 10.30am for a
11.00am start.

ACFA members and non-
members are invited to the
Conference.

The Conference is expected
to close at 1.30pm.

Members are encouraged to
invite non-member cane
farmers.

WHERE: The Pacific International Hotel
Cnr The Esplanade &
Spence Street
Cairns Queensland 4870

COST: For ACFA members the cost
is only \$10, including
morning tea and lunch. Cost
for non-members is \$30.

RSVP: Please contact ACFA
on 1800 500 025 by
Monday 21st March



Don Murdy
Chairman

Chairman's Comment

QSL and the 2010 crop

The unseasonable weather which closed the 2010 crush resulted in a sugar supply shortfall cost, which QSL is obligated to refer back to its suppliers. Although Mackay Sugar has sorted out the exposure for itself and its suppliers, some other regions are talking to the media about legal action to prevent their mills from passing any costs on to farmers. This is a serious issue which has quickly grown contentious, as each region has its own supply contracts and suppliers have differing ideas about what constitutes marketing/administration costs. QSL, for its part, has attempted to explain the matter to farmers in local meetings but many voices are muddying the waters. QSL has also commissioned a review by auditors Ernst & Young to examine the effects of the 2010 season.

QSL rightly says that the industry must now consider how to develop improved pooling systems and processes, including crop forecasting.

ACFA fought to retain farmer directors of QSL and therefore farmer oversight of its operations. Greater than two thirds of QSL's pricing is for farmers' share of sugar that they do not own. As with the directorship of QSL, ACFA opposed the aspect of sugar industry deregulation which handed ownership of sugar to milling companies. On both counts, ACFA was opposed by the other grower organisation. The 2010 experience highlights the need for farmers to have a say over aspects affecting their livelihood which until now have been opaque at best, while other aspects have been totally hidden.

The 2010 season has also highlighted that grower/miller interests and grower/grower interests are now less aligned; where getting the crop off to meet forward pricing commitments was the modus operandi; wrecking fields and stressing equipment under appalling conditions. As CCS declined the process became a vicious cycle of diminishing returns which will significantly affect future crops.

The result is a mess that can only be planted out over the next several years. We now desperately need months of sunshine to salvage existing crops and a reliable sourced of planting stock for a successful 2011 planting program.

ACFA AGM & Conference

I encourage all ACFA members to attend the 2011 AGM and Conference (see page 1) on Wednesday 23rd March 2011 at the Pacific International Hotel in Cairns. This event promises to be informative and interactive with plenty of time allowed for questions. Members are encouraged to invite non-member cane farmers.

Don Murdy
Chairman

ACFA comment

Cyclone Yasi

Following Cyclone Yasi, North Qld farmers are trying to repair their shattered properties.

Cyclone Yasi and associated flooding has once more tested the resolve of far northern Queenslanders. With the 2010 season incomplete in harvest, plant, nutrition and weed control, we needed everything to go right in order to salvage the situation – it was not to be! In many cases the significant stand over crop has suffered severe damage, reminding us all of the risks associated with stand over crops and the need to conduct an efficient crushing season with minimal delays from mechanical failure and industrial action. Unseasonable weather cannot be avoided but in some cases its impact can be reduced, if other factors are not allowed to hold up the season.

These events raise further questions over the efficacy of a high level of participation in sugar price hedging and any subsequent effect on the seasonal pool. Recently, milling companies discussed a much awaited scheme to soften the financial damage to farmers caused by the unseasonable rainfall of late 2010, which brought an early close to the harvest.

The difficult 2010 season has led to a shortage of seed cane to plant in 2011. There will need to be a massive replanting program drawing seed cane from every available area, similar to the orange rust replant ten years ago.

Federal and State Governments must quickly implement a singular, transparent, no-nonsense, effective rebuilding program, combining grants and interest relief for farmers, harvesters and small businesses and their employees.

Getting it right, this time, is a challenge that must not fail!

Last Chance for Grower Ownership of Australian Industry

Recently Tully Sugar shareholders narrowly voted down a special resolution to amend the constitution and lift the 20% individual shareholding limit.

The vote has highlighted division between shareholders attracted by the \$41 per share offer by international sugar trader Bunge and those wanting to form a company of millers committed to supplying

Queensland Sugar Limited (QSL).

We are currently in a time of unprecedented international interest in Australian sugar milling assets, a good news story for our industry which needs to be managed carefully.

It is true that the Tully region has been hard hit by cyclone Yasi and could use the cash generated by the proposed buyout but in the longer term will this be the best option?

Sugar assets in the hands of the trade will ultimately serve the interests of the trade. That may align with the immediate needs of shareholders and their local economies but will that best serve the longer term interests of their farming businesses?

There may be other ways to better align the interests of the region and its growers in the context of a strong Australian sugar industry. The options should be explored!

The formation of a block of grower-owned milling entities is one way to preserve growers' interests and to retain the advantage of pooling our sugar and retaining our markets through QSL. It is also essential to provide forward pricing. Without grouping together there can be no QSL and without QSL there can be no pooling and forward pricing would be difficult to fund.

Grouping together also increases the efficiency of the bulk sugar terminals, whereas a fragmented industry may cause issues with terminal access and associated costs.

The grower owned mills must now put a proposal together. It is now decision time for grower controlled structures in the Australian Sugar Industry – perhaps the last chance for the Australian industry to retain ownership.

Babinda Mill Closure

On 8 February 2011, The Maryborough Sugar Factory Ltd (MSF) announced a proposal to close Babinda mill.

The Northern Milling Joint Venture comprising Bundaberg Sugar Ltd and The Maryborough Sugar Factory Ltd, announced a proposal to close its Babinda Mill and transfer its operations to the Mulgrave and South Johnstone mills. MSF completed the closure on Friday 25 March.

Cane will now be delivered to either the Mulgrave or South Johnstone mills on existing cane train lines. The question Farmers are asking is will the single line infrastructure cope and will the cut to crush be completed within 18 hours?

The Joint Venture has committed to invest an initial \$8 million at South Johnstone, Tableland and Mulgrave Mills, so that cane can be crushed in a normal season length for the region – farmers remain unconvinced.

Joint Venture Operations Manager and Maryborough Sugar Factory CEO, Mr Mike Barry said the proposal to close Babinda Mill was made as a result of the loss of large cane areas in the region over the past 10 years. The final trigger for the proposed closure is a combination of the direct loss of around 300,000 tonnes of cane from the Upper Murray Kennedy region to Tully Mill and a reduced forecast as to the quantity of available cane for the 2011 season.

Mr Barry said the proposed decision has been very difficult to make but the reality was that continuing to operate Babinda Mill was no longer viable, particularly given the excess capacity available at Mulgrave and South Johnstone.

Mr Barry said that over the past 10 years, the area lost to cane equated to more than one million tonnes. The losses had largely been to other enterprises such as Managed Investment Scheme plantation tree operations, bananas, cattle and urbanisation.

Monsoons Mergers and Marketing Woes

Sugarcane crops throughout the industry struggle under a continual monsoonal drenching.

Since August 2010 unseasonable rainfall brought the crush to its knees, giving way to the regular monsoon which has not let up. Crops need vital sunshine hours in strong doses to reclaim their potential. Hopes of an early May start to the 2011 crush are hampered by further predicted rain and a set-back crop. Since cyclone Yasi, some regions have received more than a metre of rain with some approaching two metres.

On 2 March, the Gillard and Bligh Government's announced

additional Category D Relief in 33 Queensland Local Government Areas severely impacted by the recent flooding and Cyclone Yasi.

This assistance allows eligible businesses, primary producers and not-for-profit organisations that have suffered extreme damage to access special concessional loans of up to \$650,000, with a grant component of up to \$50,000. The loans will be offered over a ten year period, the first two years are interest and repayment free.

Mill Merger talks

On 4 March 2011 Mackay Sugar, Tully Sugar and Mossman Central Mill announced that they have "Commenced discussions with a view to exploring the possibility of a merger transaction involving them and, potentially other parties." Bunge has disengaged its \$128 million offer for Tully Sugar allowing the Mackay Sugar lead consortium to form a merger proposal.

It is now decision time for grower controlled structures in the Australian Sugar Industry – perhaps the last chance for the Australian industry to retain ownership.

ASSCT

The 33rd Annual ASSCT Conference will be held in Mackay at the Mackay Entertainment & Convention Centre from Wednesday 4th May to Friday 6th May 2011. Professor David Hughes, who is Emeritus Professor of Food Marketing at Imperial College London, will open the conference.

Farmers wanting to attend should contact the ASSCT Secretariat on (07) 4954 3956 or assctadmin@ozemail.com.au

Cyclone Yasi Assistance

Category D Relief to Queensland

On 2 March the Gillard and Bligh Government's announced additional assistance in 33 Queensland Local Government Areas severely impacted by the recent flooding and Cyclone Yasi.

This extra support will allow eligible businesses, primary producers and not-for-profit organisations that have suffered extreme damage to access special concessional loans of up to \$650,000, with a grant component of up to \$50,000. The loans will be offered over a ten year period, the first two years are interest and repayment free.

The additional assistance is activated under Category D of the Natural Disaster Relief and Recovery Arrangements (NDRRA). The assistance covers all areas declared as Category C under the NDRRA, including areas impacted by floods between December 2010 and February 2011, and Tropical Cyclone Yasi.

Eligibility for these grants will be assessed on a case by case basis. These assessments will have regard to the extent of damage in each case and will be consistent with the approach to assessments in the other areas already activated for Category D assistance.

The assistance is targeted towards those industries that are particularly significant to local communities and whose prolonged closure will have a detrimental impact on that community.

This assistance will be jointly funded by the Commonwealth and State Government under the NDRRA process.

This measure builds on the assistance that has already been rolled out to regions of Queensland, including:

- \$265 million from the Federal and State Governments to fast-track the repair of damaged infrastructure across Queensland.
- An upfront payment of \$50 million to contribute to regional and remote councils employing people to perform important clean-up and repair work.
- One-off payments of up to \$1,000 per eligible adult and \$400 per eligible child under the Australian Government Disaster Recovery Payment to people who have been adversely affected.
- Assistance to eligible employees, small business persons and farmers who lost income as a result of the floods through the Disaster Income Recovery Subsidy.
- Personal hardship and distress grants, counselling, standard concessional interest rate loans (of up to \$250,000), restoration of essential public infrastructure and other assistance measures under the Natural Disaster Relief and Recovery Arrangements (NDRRA).

- NDRRA Category C clean-up and recovery grants of up to \$25,000 are also being made available for eligible small businesses, primary producers, and not-for-profit organisations in 36 LGAs affected by the recent disasters.

The announcement is particularly significant for businesses with over 20 full-time equivalent staff. Under the Category D arrangements the standard 20 employee definition of a small business has been lifted giving more small to medium sized businesses the opportunity to rebuild with concessional loans.

More information about the assistance can be found at www.disasterassist.gov.au or via the Queensland Rural Adjustment Authority 1800 623 946 or www.qraa.qld.gov.au.

Extended concessional loans and grants measures are now available within the defined portions of the following LGAs:

Balonne; Banana; Barcaldine; Brisbane; Bundaberg; Central Highlands; Cherbourg; Fraser Coast; Gympie; Ipswich; Lockyer Valley; Moreton Bay; North Burnett; Rockhampton; Scenic Rim; Somerset; South Burnett; Southern Downs; Sunshine Coast; Toowoomba; Western Downs; Woorabinda; Burdekin, Cairns, Palm Island, Townsville and Yarrabah; and the defined portion of Blackall-Tambo, Gladstone, Goondiwindi, Isaac, Maranoa, Murweh.

This assistance is already available within the following LGAs:

Charters Towers, Tablelands, Hinchinbrook, Cassowary Coast, Etheridge and Flinders.

Notice of Annual General Meeting & Conference 2011

Members of Australian Cane Farmers Association Limited (ACFA) are invited to attend the 2011 Annual General Meeting, which will be held at Pacific International Hotel, Cairns.

Commencing at 09:00 am

Wednesday 23th March 2011

(AGM Registration & Morning Tea - 8:30am)

Business

Items of business will include consideration of the financial statements; board remuneration, members' and contributor levy amounts.

Any other business that may be properly brought before an annual general meeting will be special business and will require written notification to the company 48 hours prior to the meeting.

Members of ACFA are advised that you must be a Member of the Company in order to be entitled to vote at the AGM.

Members of ACFA are advised that a member who is entitled to attend and cast a vote at this meeting may appoint a person as the member's proxy to attend and vote for the member at the meeting. Each member may appoint one proxy. A proxy must be a member of the company.

Please contact the ACFA offices by Friday 18th March on 1800 500 025 to register for the AGM /Conference.

Jade Mackey - Company Secretary

ACFA Director Elections

ACFA is calling for nominations for the election of one (1) Director per region in each of the Northern, Herbert, Southern Region and two (2) Directors in the Central Region

As per the Australian Cane Farmer Association constitution, members of the company from the Northern, Herbert, Southern and Central Regions only are able to nominate for the director position in their region.

The Nomination closing date is the 18th March 2011.

Nominations close at 5pm on the closing day.

Nominations must be—

(i) written; and

(ii) signed by the nominee and at least 1 Member; and

(iii) if the nominee is an authorised representative—

state the name of the corporate member that the nominee represents; and

be accompanied by a representative authority for the representative from the member; and

(iv) given to the returning officer before nominations close;

In order to be eligible to nominate or be nominated for this election you must be a Member of the company.

To vote in the election of an ACFA Director, you must be a Member of the company on the Nomination closing date (18th March 2011).

To become a Member of the company, please complete a Company Membership form and return it to ACFA's Brisbane office. Membership forms can be found on ACFA's Web site, or can be mailed to you by contacting the ACFA office on (07) 3303 2020.

ACFA must have received your completed Company Membership form prior to or with your Nomination Form in order for your Nomination to be valid.

Nominations received from anyone who is not a Member of the company will be invalid.

Australian Government Disaster Recovery Payment

(AGDRP) Tropical Cyclone Yasi - February 2011

The Australian Government Disaster Recovery Payment, or the AGDRP, is a one-off payment for people who have been adversely affected by a disaster.

If you are eligible you will receive:

- \$1000 per adult
- \$400 for each child (under 16 years of age).

Who is eligible to receive the payment?

Centrelink advises that you (your partner and/or children) may be eligible to receive the AGDRP if you:

- are an Australian resident, and
- are 16 years or older or are receiving a social security payment, and
- have not already received an Australian Government

Disaster Recovery Payment for this disaster, and

- have experienced one or more of the following:

- you have been seriously injured, or
- you are the immediate family member of an

Australian killed as a direct result of this disaster, or

- your home has been destroyed or has sustained major damage, or you have been stranded in your home, or unable to gain access to your home, for a period of 24 hours or

more, or

- your home was without electricity, water, gas, sewage services or another essential service for at least 48 hours, or
- you are the principal carer of a dependent child who has experienced any of the above.

Evidence of damage to your home may be required before Centrelink can approve your claim.

Call Centrelink on 180 22 66

Disaster Income Recovery Subsidy Flooding and Severe Weather and/or Cyclone Yasi – November 2010 to February 2011

Centrelink advised that you may be eligible for assistance if you:

- are 16 years of age, or older, and are not a dependent child

- are an Australian resident and living in Australia for the period of time you receive the subsidy, or a foreign national living or working in Australia at the time of the disaster and for the period of time you are in receipt of the subsidy

- derive an income from the area affected by the disaster, or resides in the area affected by the disaster; and

- have experienced a loss of income as a direct result of the disaster

- can show evidence supporting the claimed loss of income within 28 days

- are not currently (at the time of lodgement) receiving another income support payment or pension (such as Age Pension, Newstart Allowance, service pension from the Department of Veterans' Affairs, or Exceptional Circumstances Income Relief Payment).

Each member of a couple must qualify in their own right.

Call Centrelink on 180 22 66

Wage Assistance for businesses directly affected by Cyclone Yasi to help them maintain their workforce.

Wage Assistance is available for employers (including businesses, farmers and not-for-profit organisations) whose business has been affected by Cyclone Yasi to help maintain their workforce and the viability of businesses and the local community.

Wage Assistance of \$469.70 per fortnight for each fulltime equivalent employee will be available to employers for a maximum of 13 weeks. If employees transfer from the Disaster Income Recovery Subsidy (DIRS) to Wage Assistance, the total of 13 weeks encompasses both payments. No income test applies.

Wage Assistance is a partial component of the employee's remuneration. It is expected that the payment will be a topup to the employee's reduced income, and will encourage employees to remain at or return to work. An employer can only claim Wage Assistance for positions that existed prior to Cyclone Yasi. However, it is not necessary for the same employee to occupy each position. Wage Assistance is available for full-time and part-time positions.

There is no limit on the size of the business or the number of employees per business for whom Wage Assistance can be paid, however the number of employees is capped at the number of full-time equivalent positions that existed prior to Cyclone Yasi.

If you or someone you know has been affected by this disaster you should speak to Centrelink as soon as possible to arrange assistance.



Cyclone Yasi damaged cane

Who is eligible to receive the payment?

A business will be eligible for Wage Assistance if they satisfy all of the following criteria:

- their principal place of operation is located in the Local Government Areas of Cassowary Coast, Hinchinbrook or parts of Tablelands
- they derive the majority of their income from the Local Government Areas of Cassowary Coast, Hinchinbrook or parts of the Tablelands
- they are a business, primary producer or not-for-profit organisation with a registered ABN
- they have suffered direct damage from Cyclone Yasi and intend to re-establish the business enterprise
- they can provide evidence of significant and direct loss of income stemming from Cyclone Yasi
- they can provide evidence of financial viability of the business prior to the impact of Cyclone Yasi
- they can provide evidence that the business will resume normal operations and financial viability, even at reduced capacity
- they can demonstrate that the business would not have been able to retain its employees without the Wage Assistance
- they can list the names of employees in the positions for which the claim is based.

Call Centrelink on 180 22 66

QSL to establish sugar industry working group

QSL (Queensland Sugar Limited) has announced it will establish a sugar industry working group to conduct an industry-wide review, in order to reconsider pricing and risk options for all industry members following the extremely wet 2010 season.

“The 2010 season has been truly awful for all involved. Lessons from the 2010 season can and will be learned, but we need to ensure that we adopt a robust, system-wide approach to reviewing pricing and risk options so that any changes made to the marketing system deliver effective results for all industry members,” said Neil Taylor, chief executive and managing director of QSL.

“QSL is currently working through a number of issues with mills regarding the 2010 crop shortfall, as soon as these issues have been resolved we will establish an industry working group to find a way to move forward from the season as quickly as possible.”

In a speech to the Australian Sugar Industry Alliance last week, Mr Taylor suggested that the industry working group would be focused on implementing solutions for the 2012 growing season.

“There are a number of questions the industry working group will look at, including future risk appetite in terms of managing risk, pricing platforms and what new industry participants may want to see in terms of price and risk. The review will look at how to manage the Seasonal Pool so it delivers the price outcomes growers and millers are seeking without being as vulnerable to production risks,” Mr Taylor said.

“QSL is now working to improve the independence and sophistication of overall industry crop forecasting and monitoring techniques and will seek input from the working group on this front.”

Sugar industry participants who wish to provide input to the industry working group are encouraged to contact QSL on (07) 3004 4400.

Community Networks and Capacity Building

Youth

A call for applications is now open for Round 3 of the Next Gen Farmers Grants

The Next Gen Farmers grants offer support for projects to improve the leadership and representative capacity of young people entering or involved in primary industries, particularly in the context of the challenges and opportunities in these industries as a result of a changing climate.

As a sponsor of the ABC's Heywire competition the government supports young people in rural and regional Australia to create and share their stories, ideas and opinions.

The department has also supported scholarships to undertake the Australian Rural Leadership Program. The program offers a unique opportunity for selected rural and regional leaders to grow personally and professionally — developing skills, knowledge and networks needed to be effective in regional, state, national and international arenas.

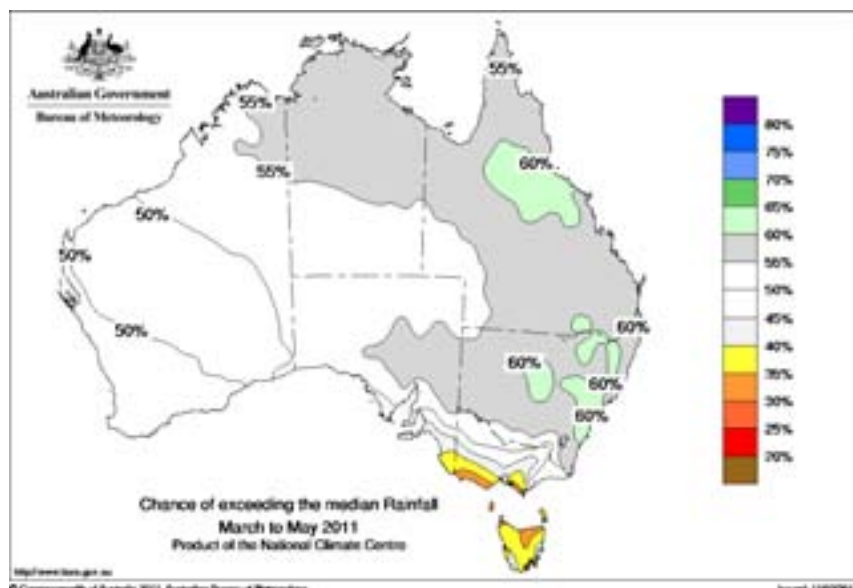
The Australian Government's youth website is the new central hub for youth related information. You can find information there on the Australian Youth Forum, an exciting initiative helping young people engage in discussion with the Australian Government about issues affecting them.

If you are a young person entering or involved in primary industries there are a number of websites which you can access for information about issues that may affect you. The young people in primary industries can help you find out about existing networks to meet other young people living and working in rural Australia.

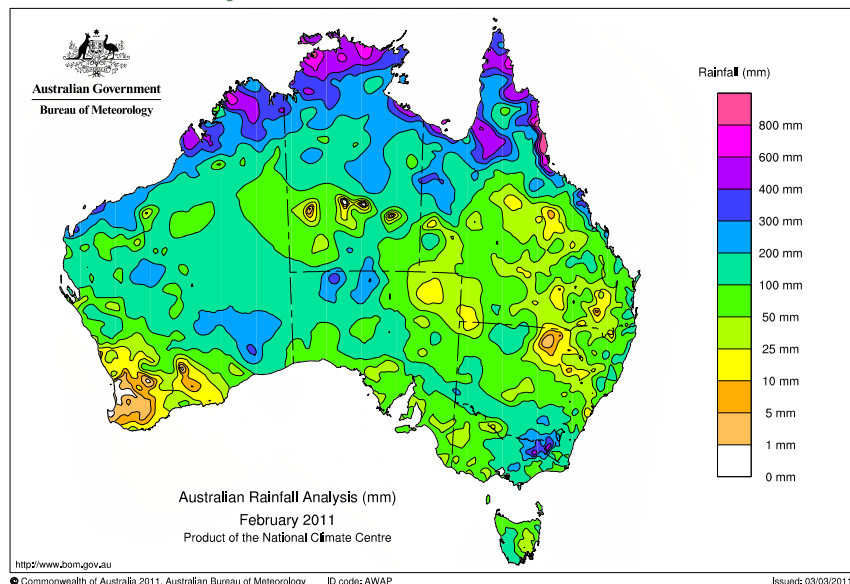
Further information

Please call the Australia's Farming Future hotline on 1800 638 746.

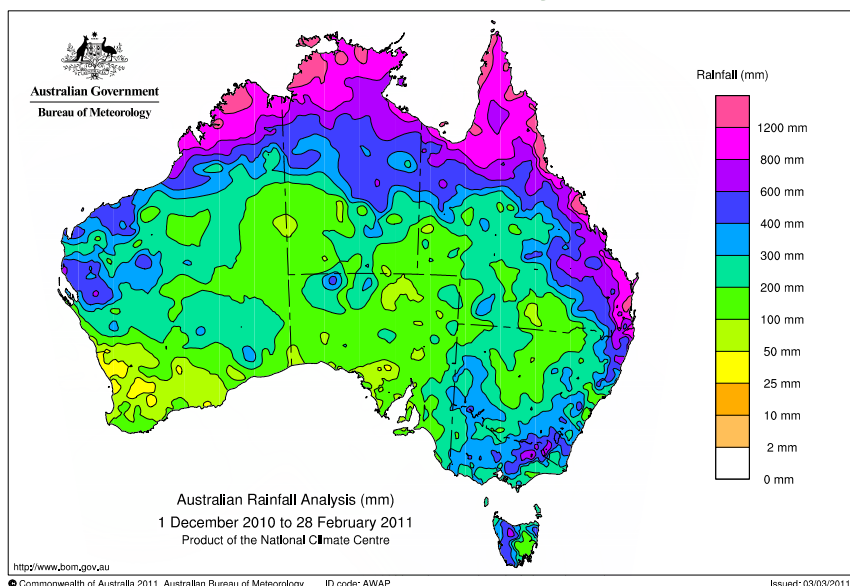
Chance of exceeding the median rainfall for March to May 2011



Rainfall February 2011



Rainfall 1 December 2010 to 30 February 2011



A message from SRDC



Annette Sugden
SRDC Executive Director

This month SRDC Executive Director Annette Sugden shares her observations and experiences.

If you want to contact Annette call SRDC on phone 07 3210 0495 or asugden@srdc.gov.au

The Australian sugarcane industry has taken a hammering this year and there will no doubt be some in our industry who will feel very disheartened by the difficulties they face. The long wet season, floods and now cyclones add a great deal of complexity to an industry that would be a whole lot easier without these distractions.

It is times like this that make people question the value of research and development. But it is also times like this when the value of research comes to the fore. Things like water tolerant cane, good farming systems, green cane harvesting and efficient milling processes all add value when times are tough. It would be good to think when times are calmer we may be able to identify new areas for investment to address the abnormal and normal issues associated with productive effort in the industry.

The SRDC is funded equally by the Australian government and the sugarcane millers and growers. When times are tough and production falls, our income falls too. However, the Corporation is still in good shape due to prudent budget management by the Board and my predecessors who have maintained a funding reserve expressly for times like these when the levies decline. I can assure you all that our current research portfolio will continue to be funded and that for us it is 'business as usual'.

"Recently we and other sugar industry representative groups and the BSES met with Minister Joe Ludwig's adviser, Ben Smith-Stubbs, in Brisbane to provide a briefing on the potential impacts of damage caused to farms, mills, terminals, communities and research facilities by the recent flooding and

cyclones. At this stage, it is too early to define the short and long term impacts on research activities but we do know there are going to be some projects whose activities will be delayed or which will need to be terminated. SRDC staff have put into place contingencies to address potential timing and funding variations and will continue to work closely with project managers to ensure the best industry outcome occurs.

Next week, we will be advertising our new round of Capacity Building Projects and we will soon advertise the availability of more funding for our popular Grower Group Innovation Projects. Our website will soon be updated to include information on these opportunities. These projects have delivered strong returns to the Australian sugarcane industry at relatively low cost and will be hotly contested.

SRDC also supports innovation through the **SRDC Innovation Awards**. Nominations for awards to groups and individuals and, for the first time, for outstanding technicians and grower groups, will open on 21 February and close on 21 March 2011. We depend on you all to identify and nominate those people who have really made a difference through long service to the industry, through outstanding scientific research or through teamwork to achieve a common and successful goal. This year's awards will be presented at the Australian Society of Sugarcane Technologists Conference in Mackay during the ASSCT conference dinner on 5 May.

We wish all those who have been affected by the adverse weather conditions of the last few months a rapid and full recovery.

SRDC research projects funded for 2011

Currently, SRDC supports Research projects, Grower Group Innovation Projects, Scholarships, and Capacity Building Projects.

In addition we work on a range of collaborative activities including the National Program for Sustainable Irrigation, the newly re-energised national Climate Change Research Strategy for Primary Industries, the Farming and Fishing Health and Safety initiative, the Managing Climate Variability Research and Development Program, and the Training Rural Australians in Leadership Program.

SRDC has also joined with others in the sugarcane industry to address reef management, soil management, irrigation, gene technology, research prioritisation and people development issues with positive results.

This year SRDC will invest in a further thirteen research projects, eight new Capacity Building Projects, five new Grower Group Innovation Projects and three new post graduate Scholarships. Read media releases announcing successful research projects funded in 2011.

For more information about SRDC research projects contact one of SRDC's Investment Managers on ph: (07) 3210 0495.

Investment Managers
Bianca Cairns, Diana
Saunders and Ben
Baldwin



Farm Health and Safety

Floods and cyclone pose mental health challenges

As sugarcane in Queensland and northern New South Wales remains flood or cyclone damaged, SRDC is reminding farmers of the importance of keeping themselves in sound mental health. Canegrower Angus Stainlay said some growers are facing an uncertain year ahead.

"During these difficult times I suggest farmers pursue their hobbies as a way to relax and think freely from the farm pressures – fishing for example is something that works for me."

Farming families are encouraged to seek professional help if a family member or friend shows symptoms of anxiety or depression. Beyond Blue: the national depression initiative is working with various agencies to provide support to those affected by the floods.

Call Beyond Blue on toll free 1300 22 4636 or visit www.beyondblue.org.au

SRDC Events Diary

4-6 May

ASSCT conference, Mackay

5 May

SRDC Innovation Awards dinner, Mackay

Stay down to fuel up

On-farm fuel storages are attracting increasing scrutiny from occupational health and safety authorities as well as fuel distributors. The risk of falling poses the most risk and previous solutions such as access stairs and railed platforms are becoming unacceptable to fuel suppliers.

State occupational health and safety guidelines govern the safety requirements regarding filling on-farm fuel tanks. But, fuel distributors are also increasingly demanding a certain level of safety infrastructure before they will deliver. While stairways and railed platforms may be built to conform to occupational health and safety guidelines, some fuel distributors now refuse to climb any form of ladder or stairway. These companies will only fill fuel tanks, which are fitted with a ground fill delivery pipe and a sight tube to monitor the tank's capacity.

The Sugar Research and Development Corporation is a partner in the Collaborative Partnership for Farming and Fishing Health and Safety program and as a result, receives information about new initiatives that will affect people in the Australian sugarcane industry. For more information on farming and fishing health and safety www.rirdc.gov.au



COLLABORATIVE PARTNERSHIP FOR
FARMING AND FISHING
HEALTH AND SAFETY



Cylone Yasi damaged cane



**For further information
on managing flood
affected cane contact
your local BSES
extension officer.
www.bses.org.au**

Managing flood damaged cane - the best approach

Introduction

For growers with “river flat” farms in far north Queensland, flood damage is a regular occurrence. In years with above average rainfall and protracted flooding, flood damage reaches the higher cane fields and is more extensive. Generally, the sugarcane crop can withstand this harsh treatment but is adversely affected when inundated for longer periods, especially if the cane is in the early stages of growth.

The effect on cane from flooding needs to be assessed carefully as quite often it appears worse initially. The effect of flooding on sugarcane yields depends on a number of factors, including age and height of the crop, duration of submergence of the growing point, stalk breakage and the silt load in the floodwater.

This information sheet highlights a series of questions to answer to determine appropriate course of action.

Is it worth saving the waterlogged crop?

Where drainage water is still trapped within a field from blocked or silted drains or pipes, these should be cleaned out as soon as practical to drain the water from the field and prevent further loss of crop. Further earthworks may be required during the dry season to overcome the problem.

Is it going to survive?

The growing point in the top of the cane plant will normally die if it is submerged for more than four days.

If the growing point does not start to go brown and die after it has been out of the flood waters for a week or so, it will usually survive. The stalks may still side shoot. Where the growing point is killed, further growth will be via these side shoots. Losses will be small if the crop is well advanced (more than 2.0 m of cane stalk) at the time of inundation. Significant losses occur if the crop is small (less than 1.0 m of cane stalk) at the time of flooding. Where repeated flooding occurs, the side shoots may be killed in the later floods. If moderate losses occur, the crop may still be able to be harvested and then ratooned. However, if growth is badly restricted, but the stool is still alive, it is best to slash the crop and ratoon it. It will produce a normal crop the following season. Slashing is recommended for severely damaged cane, as the crop will have low ccs levels if harvested with significant extraneous matter from silt and debris.

Is it worth saving part of the crop?

Where part of a block is severely damaged, assess the area damaged and the area worthy of retaining. If the area is plant or first ratoon, a part could be harvested or slashed and ratooned and the remaining area could be replanted. Consider direct drilling with a double disc opener planter. The replanting decision will also depend on the extent of the damaged area and the ability to carry out the extra planting in the appropriate planting window, plus having sufficient planting material. Fields prone to flood damage should be planted as early as possible to have the cane advanced at the start of the next wet season.



**Flood damaged cane -
2009 Herbet floods.**

What are my herbicide treatment options?

If the crop is badly set back by the flood and loses ground cover, a knockdown plus a pre emergent herbicide may be required to control the resulting weed growth. Other areas may just require an additional application of a broadleaf herbicide to manage vines.

Will it need more fertiliser down the track?

Generally additional fertiliser is not required following flooding. The need for fertiliser is offset by the silt deposited in the field. Additional nitrogen fertiliser may be required where cane survived strong current which removed the topsoil.

Is it a plant crop, ratoon, etc?

The stage of the crop cycle plus other block issues such as damage through erosion will help determine if part or the entire block is going to be retained, even when it survives the Initial flood. If there is no physical damage to the block itself and the block is early in the cropping cycle steps can be considered to retain the viable areas and fallow the damaged areas, or replant the damaged areas.

What weed treatment is needed, and cost associated?

Grass and broadleaf weeds will have to be managed with almost all options, so seek advice from your local extension officer to implement the most cost effective weed management strategy.

How long has the crop been under water?

This question needs to be considered and duration documented. Cane may suffer around 15-20% yield loss after 5 days of submergence, between 30% and 60% yield loss after 10 days and between 37% and 100% yield loss after 15 days. The magnitude of loss for each period of inundation depends on stalk height with the least loss for 2.5m stalks and the most loss for 0.5 m stalks for each period of inundation.

What is the temperature of the ponded water?

As ponded water increases in temperature when the sun shines after the flooding event, it will severely damage cane particularly if the cane is at least two thirds inundated and the water is not flowing. Being able to drain water from these fields is the only option open to saving part or the whole field.

Are there any varieties that are better suited to water inundation?

Limited information is available through QCANESelect™ on variety tolerance to waterlogging in different regions. At present there are a number of varieties with a rating, and they are highlighted in Tables 1 and 2.

Table 1: Waterlogging tolerance ratings for Northern coastal area.

Good	Average	Poor	Unknown
Q219 [®]	Q229 [®] KQ228 [®] Q219 Q208 [®] Q200 [®] Q190 [®] Q183 [®] Q135 MQ93-538	KQ236 [®] Q220 [®] Q200 [®] Q172 [®]	Q237 [®] Q231 [®] Q230 [®] KQ228 [®]

Table 2: Waterlogging tolerance ratings for the Herbert area.

Good	Average	Poor	Unknown
Q119	KQ236 [®] Q232 [®] Q231 [®] KQ228 [®] Q219 [®] Q208 [®] Q200 [®] Q190 [®] Q183 [®] Q135 MQ93-538	Q233 [®] Q199 [®] Q172 [®] Q135 Q96 CASSIUS	Q237 [®]

Mossman region



Gerard Puglisi
Northern Region Director

2011 has arrived and continued on from where 2010 finished off.

Over the last few weeks the devastating images that we have all witnessed, of the major flooding in Central and Southern Queensland and even down to Northern New South Wales, has had a major effect on people's lives and the sugar industry. The last thing the sugar industry needed was for a category 5 Cyclone to hit the northern part of the state.

The follow on effects of these major weather events will make the 2011 crushing season very difficult.

For the Mossman region we dodged a bullet with only a few isolated farms receiving damage to some of their early cut and plant cane blocks. The variety that has been reported to have received the most damage is Q231 with broken tops, there has also been reports of Q187 with similar damage. The persistent rain in the days that followed cyclone Yasi crossing caused flood damage to low lying fields.

At the end of last year and at the start of 2011 the Mossman region managed to receive a few dry weeks. This enabled all farmers to complete their fertilising and most of their weed and rodent control.

While it is still early in the 2011 season and we still don't know the full extent of damage to this crop I am hopeful of a crop similar to last year, around 530,000t.

Some of the damage sustained to the 2011 crop includes:

- Excessive rainfall.
- Flooding.
- Water logging.
- 2010 wet harvesting conditions.
- Lack of sunlight.

Local farmers are starting to receive the result of their Environment Risk Management Plans. It appears that most farmers in the Mossman region are receiving approval for 3 years with the option to refine their plan to enable them a 5 year approval.

Local growers are also reminded that a Species Management Plan for rodent control has commenced and will provide growers with better options to control rats in cane crops and surrounding harbourage areas.

Under the new Species Management Plan a damage mitigation permit is now issued automatically to Productivity Services. The baiting window has been extended by three months starting on October 1st through to the end of June. This extended window of opportunity allows effective baiting for the climbing rat which can often cause problems between March and June. Under the plan a grower is required to ensure an integrated approach with effective weed control in both crop and harbourage. He or she must assess the extent of any rat problem before baiting, and only bait with registered baits, within label restrictions. For more information please contact your local Productivity Services advisor.

Right across the sugar the industry the effects of natural disasters have taken their toll on growers and we only hope that the year finishes off better then it started.

Gerard Puglisi

Northern Director

Mulgrave-Innisfail-Babinda-Tully region



John Blanckensee
Northern Region Director

The Tully region is a scene of devastation. The destruction is like that which cyclone Larry wreaked upon Innisfail in 2006, only over a greater area. The damage to farms and townships is immense and will take years to remedy.

Early cane crops are blown down and broken but it is hoped that a good amount will be mill-able. Late plant and ratoons are badly smashed; their viability unknown. Whatever is mill-able will be affected by dead cane, suckers and layering, so it will be some time before a useful crop assessment can be made.

In the Tully region the MIS forests are smashed off head high leaving as few as ten leafless trees per acre, like

stranded matchsticks. The tax subsidised MIS industry has taken a lot of land out of sugar production in recent years, demonstrating the enormous risk facing such schemes and their inability to regenerate quickly like sugar cane and horticulture.

Innisfail/Babinda has some badly smashed cane and farmers are saying the 2011 harvest will be badly affected. As one farmer remarked; **“This time round, Innisfail copped a bullet but Tully copped a missile – a direct hit.”**

Mulgrave has suffered blown down crops; the Tableland area seems to have escape cane crop damage and the Mossman district has been very lucky with minor damage in the Mossman River Valley.



Cyclone Yasi damaged cane

Heavy rain is hampering clean-up operations as the area comes into the traditional wet month of March.

The Maryborough Sugar Factory closure of Babinda mill has caused angst among employees and farmers. Haulage distances raises concern over cut to crush delays and the scheduling and reliability of rail transport infrastructure. The rail network is a single line and will need to cope with full rakes and return traffic.

ACFA has commenced contract negotiations with Maryborough Sugar Factory.

Recently Tully Sugar shareholders narrowly voted down a special resolution to amend the constitution and lift the 20% individual shareholding limit.

The vote has highlighted division between shareholders attracted by the \$41 per share offer by international sugar trader Bunge and those wanting to form a company of millers committed to supplying Queensland Sugar Limited (QSL).

John Blanckensee

Independent Director Innisfail

Herbert region



Carol Mackee
Herbet Region Director

In the Herbert, cyclone damage, followed by flooding has put out communications and affected the town water supply.

Cane crops are lodged and have been flooded. It is yet too early to fully assess the damage. Piles of green leaves have accumulated on cane crops, foreshadowing a difficult harvest.

BSES's Rob Magarey and Adam Royal have been assessing on-farm crop damage.

MIS forestry has been badly affected: in the Herbert area, African mahogany trees are knocked over, leaving some smaller Teak trees standing. Continual rain is compounding clean-up efforts.

Carol Mackee

Herbert Director

Burdekin region



Margaret Menzel
Burdekin Director

Well, if 2010 provided 'difficult' weather, 2011 has capped it off with one catastrophic event after another.

With heart-breaking reports of the flood devastation starting the year, Cyclones Anthony and Yasi, flooding and heatwaves in the southern states and the WA bushfires to follow, I'm not alone in hoping things settle down for the rest of the decade at least and that all those affected will be assisted and supported throughout the recovery and re-build periods.

Scheduled meetings with QSL and BSES have been postponed due to local conditions following Cyclone Yasi. Meeting dates will be rescheduled as soon as possible.

Cyclone damage locally appears to be less than expected, from winds that have uprooted massive trees across the district and damaged structures to varying degrees. While cane has been flattened, most appears to be leaning, rather than snapped, with some exceptions in localised areas. If the sunshine and humidity continues, much of the cane should straighten and recover, hopefully with losses minimised.

For those growers who have suffered crop, structural or machinery losses, Yasi has been one more blow to an already bruised industry and community. For our northern neighbours, Yasi unleashed her full fury and has decimated many producers and their homes, businesses and communities. The effects have been widespread and devastating. Our thoughts and prayers continue to be directed towards their recovery and rebuilding in the months and years to come.

Governments and industry representatives need to be mindful of the average age of farmers and their ongoing financial losses, in assessments of clean up assistance requirements and community recovery provisions for future events of this magnitude. Many of these communities have suffered one too many blows for them to recover readily this time. Recent reports of closure of Babinda Mill, QR redundancies and difficulties in the dairy industry are compounding the crippling effects of weather on communities and are a direct result of deregulation and corporatisation of our essential infrastructure and primary industries. Governments and industry must wake up and correct the haemorrhaging in our rural and regional areas with sound policy and infrastructure. We've been 'out of sight and out of mind' when funding is allocated, for far too long.

Last year's recurring flooding resulted in many growers being unable to complete planting or fallow cropping of legumes, etc. in 2010, thereby resulting in further negative financial impacts for canefarmers. A plan and local list of available wet weather gear must be formulated to deal with adverse weather issues and fortnightly meetings with Sucrogen have commenced, to address shortcomings from the previous season. Harvesting and milling structures generally proved to be quite inadequate to deal with the wet paddock conditions last year and 2011 is unlikely to see the crop crushed within an optimum season length without a serious effort to improve harvesting, transport and milling capacity. Growers and harvester

operators are encouraged to attend these meetings to provide input into the discussions also. Any plan must have as its focus, a clear intent to harvest the full crop potential for the district within the optimum 18-20 week period, rather than continue to extend season lengths to accommodate inadequacies in milling capacity or availability.

Total tonnages of harvested cane in the Burdekin for 2010 were more than 3 million tonnes short of the available crop due to adverse weather, recurrent mill breakdowns, strikes, lack of wet weather infrastructure and inadequate availability of suitable sidings for the wet weather gear to operate on and a bin fleet capable of transporting the crop.

The final 2010 production figures for the Burdekin district were as follows:

Total Cane Crushed for the Burdekin Mills: CCS:

Invicta	2,362,098	13.57
Pioneer	1,409,827	14.10
Kalamia	1,227,348	13.56
Inkerman	1,460,848	13.47
Total:	\$6,460,121	13.66

The **final date for lodging harvesting group application changes for the 2011 season was 28th February**. Discussions relevant to any proposed changes will need to be commenced, for shared siding arrangements shortly.

A final agreement was not finalised for last year's harvest, underlining the **failure of the deregulated industry and lack of compulsory arbitration in current legislation**. 2010 season proved the necessity of inclusion of **ccs underpinning past optimal harvesting dates as an incentive towards higher mill performance standards**. Every collective negotiations since deregulation of the industry has resulted in the agreements being signed under duress, confirmation of a lack of market power in the farming sector. Further contract negotiations will commence in the near future.

Discussions on local land valuations will take place this week, between grower representatives and government officials, to hear outlines of possible valuation changes and estimates.

Personal representations have also been made regarding the possibility of government charges on unused water in irrigated crops being waived for the 2010 crop. With 2010 being a year of significant financial hardship in the district, the state government and SUNWATER are in a position to show consideration, by waiving the charges for unused irrigation water for the 2010 year, especially following the detrimental effects of recurrent heavy rainfall during the planting and harvest seasons last year and Cyclone Yasi more recently.

Canefarmers are encouraged to attend the AGM and Conference to be held in Cairns on 23rd March.

Margaret Menzel

Burdekin Director

Central region

Continual rain is affecting the crop which desperately needs sunshine hours. The early ratoons established well but early plant has suffered.

Cane cut or planted from October has suffered severe waterlogging. Fertiliser and spray regimes were seriously disrupted so weedy and hungry cane is common.

In the Plane Creek area, early plant and ratoons got away well but the late plant has not stooped, especially Q208. Later ratoons are mediocre. The standover is looking good but many varieties such as Q157 and Q208 are untested for standover. This may be complicated by the extensive arrowing of Q208 in 2010. Grubs are an ever present problem and some evidence of damage is starting to show.

Merger

On 4 March 2011 Mackay Sugar, Tully Sugar and Mossman Central Mill announced that they have “Commenced discussions with a view to exploring the possibility of a merger transaction involving them and, potentially other parties.”

ASSCT

The 33rd Annual ASSCT Conference will be held in Mackay at the Mackay Entertainment & Convention Centre from Wednesday 4th May to Friday 6th May 2011. Professor David Hughes, who is Emeritus Professor of Food Marketing at Imperial College London, will open the conference.

Farmers wanting to attend should contact the ASSCT Secretariat on (07) 4954 3956 or assctadmin@ozemail.com.au

Contributions by Steven Fordyce and Proserpine and Plane Creek members.

Southern region



Mike Hetherington
Southern Director

Flood Report. Bundaberg and Maryborough cities suffered inundation to a degree not seen in a generation. Although not record flood levels, no one is looking to break records in this category.

The dislocation of every aspect of life was a reality check for most of us. The media coverage so far has made it unnecessary to fill a Regional report with anecdote, so I will try to give a value to this natural disaster.

The 2010 harvest finished incomplete. 2010 spring planting was also incomplete and then a loss of up to 40 % of the area which was planted. Ratoons are behind for 2011 due to an inability to apply fertiliser in a timely manner. Therefore 2011 crop estimate is lower by a painful amount. One ACFA member with farming and harvesting interests can justify a gross income reduction of \$900,000 by the end of 2011/12 financial year. The point to remember is that his business did not actually go under water. This figure is a summation of the effects of all the events over 12 months!

While not liking to put these types of forecasts to the fore I feel it is in our interests to see the true position.

An unusual effect of the Burnett River flood is the disruption to the loading of bulk raw sugar from Bundaberg Sugar Terminal. The amount of natural debris that can be seen from the bank of the river is amazing so it is no surprise that the river bed changed its shape and depth. The dredging of the now famous 'swing basin' at the port has been completed.

To irrigation. Yes some growers in ISIS are watering: Since the flood, little rain has fallen and with good growing conditions water will be viable. Water Pricing is continuing along with the QCA Enquiry, but with a few delays due to the flooding.

At the ISIS Productivity Limited AGM, the question of the future direction of a such successful organisation was discussed. The "if it ain't broke don't fix it" of the Chairman and Board was well received by the members. Irrespective of if or when R & D in the sugar industry takes a change in direction, Chairman Neil Kingston felt that the usual orderly manner of the Board would see the I.P.L. well into the future.

Now we are looking to Autumn planting in the Southern Region, so I guess I had better check the oil and water and the operators of the new satellite guidance unit and make a start on the 2012 crop.

Michael Hetherington

Southern Region Director

NSW region



Robert Quirk
NSW Director

Along with my fellow members of ACFA in NSW, I was pleased to host a recent visit and meetings with the Chair, CEO and board members of ACFA in Harwood, Broadwater, and Condong mill areas.

According to the feedback, those attending were very pleased and the interactive meeting seems to be the forum that growers wish to have, rather than a long line of guest speakers who speak at you rather than with you.

Chairman of the board Don Murday gave updates on sugar politics, pricing of sugar, mill performance and closures and the interest being shown by overseas companies in the Australian industry.

Those present had the opportunity to speak with and hear updates from regional directors Gerard Puglisi from the northern region, Michael Hetherington from the southern region and CEO of ACFA, Stephen Ryan who grew up on a Clarence cane farm.

The feedback from these meetings has been excellent with growers making comments like, I find out more about the Australian and Global sugar industry in one meeting of ACFA each than I do in a year from all my other information sources.

Like our colleagues in almost all sugar cane growing regions of Australia, we have had a tough year in NSW in 2010.

Cane planting was way below normal in the three river districts with some growers having planted twice and lost the plant cane both times. They now face up to a third planting in the spring of 2011. Some, due to wet weather, did not get a window in which to plant at all. I guess, in retrospect, they were the lucky ones!

The NSW industry has joined the submission to both state and Federal governments for a one-off grant to help growers get cane back in the ground for 2012 at Condong and for 2012-3 in Harwood and Broadwater.

The success of this submission is paramount to the NSW industry getting back on its feet.

Growers would only receive funding for planting over and above the area that they normally plant. For example, say a grower normally plants 20 hectares and this year will have to plant 40 ha, then the funding would be available for 20 ha. Of course this is provided that the State and Federal Government agree to provide the funding grant.

Another major area for concern is the availability of planting material. For this year, much of the crop is very small and some growers will have no plants at all.

The NSW industry is surveying growers at the moment to see whether they have plants for themselves and if they have plants available for others.

Some of the cane that sat in water for many weeks in December and January has now shot in the eyes making at least the bottom 300mm of the stalk useless for planting, to say we have some challenges for 2011 would be an understatement, but with a bit of innovation I am confident we will get through it. I am sure we are all looking forward to a better season this year.

Robert Quirk
NSW Director

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