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## Young cane farmer finalist for Farmer of the Year awards



**Farmer of the Year  
finalist Gerard Puglisi**



**Gerard and father  
Angelo with their  
cocoa plantation**

Mossman farmer, Australian Canefarmers (ACFA) director and Next Gen Officer, Gerard Puglisi, was recently named as a finalist in two categories in the prestigious Australian Farmer of the Year Awards.

Gerard's clear commitment to his industry earned him a finalist position in both the 'Rural Leader of the Year' and 'Diversification Farmer of the Year' categories.

"I am very pleased to be named as a finalist in both of these categories. It's a real honor to be recognised by such a respected forum and to be considered amongst so many deserving candidates," Mr Puglisi said.

For over ten years, fourth generation cane farmer Gerard, has been actively involved in numerous leadership positions linked to the sugarcane industry, regional communities and agriculture.

Gerard has also been actively involved in on-farm research and has successfully garnered links with researchers to improve crops and instigate grower-led research projects.

Sitting on the Bonsucro Standards Revision Committee as the only farmer globally, Gerard brings his knowledge and expertise in farming and environmental stewardship to the committee. With Gerard's farm also being a fully accredited member of Bonsucro, he has made the commitment to a sugarcane sector that is continuously improving.

Added to his list of already outstanding achievements, Gerard is also a founding member of the sugar industry's peak young farmer program, Next Gen. As Next Gen Officer, Gerard is the driving force behind the program, which encourages and supports young cane farmers into a career in agriculture.

In the last few years, Gerard has joined with a progressive group of farmers and entrepreneurs in his region to embark on cocoa production and has been appointed Director of Daintree Estates, the world's first to produce origin chocolate made from Australian grown cocoa.

# Chairman's Comment

Global investment in sugar milling assets has continued to change the way the industry functions. When Wilmar International obtained the ability to market its own 'economic interest' export sugar, it received mixed reactions. This decision was perceived by some farmers and millers as the beginning of the slippery slope of the erosion of value for farmers; while others saw it potentially leading to the loss of QSL.

The ACFA supports QSL as the most efficient operator and natural choice for Qld farmers and millers to market our sugar; obtain the most consistent premiums; provide pricing products for farmers; fund the advances program and manage shipping and our bulk-terminal asserts.

The four pillars of QSL, namely Pool Pricing and Risk Management; Storage, Handling, Quality and Logistics; Financing; and Sales and Trading represent value for farmers, who are the recipients of the greater part of QSL's effort.

In May, QSL welcomed the announcement by MSF Sugar that it would sign a new Raw Sugar Supply Agreement (RSSA) and so returning to QSL. In July, QSL announced that all six current milling partners had agreed to rollover their existing Raw Sugar Supply Agreements (RSSA) with QSL, which will see them supply raw sugar until at least the end of the 2016 season (30 June 2017).

The industry is currently putting the finishing touches on the Raw Sugar Supply Agreement (RSSA) which is the contract between the mills who supply sugar for export to QSL. The RSSA is being amended to formalise what the industry refers to 'option B', i.e. the option for mills to buy back their own share only of export raw sugar and market it directly. The issue has caused some debate leading to an industry consensus in June 2013. ACFA General Manager Stephen Ryan and I attended key meetings and Stephen has participated on the 'Option B working group'.

I'm pleased to report that on this matter the ACFA and Canegrowers are to date in agreement in policy on marketing and will be striving to provide a united front in order to achieve the best outcome for farmers.

The deregulation of QSL which commenced in January 2006 has placed farmers in a commercially illogical position. Mills have the RSSA, their contract with QSL and, by the requirement of legislation, farmers have a contract with their mill but no commercial relationship with QSL. Yet farmers and millers equally make up the membership of QSL.

To summarise the relationship: farmers own 50% of QSL whose cash flow is more than two-thirds attributable to farmers, yet farmers have no commercial relationship with QSL. Absurd! Well, yes: under the last version of the regulated system, QSL managed all export sugar and derived a single pool price which fed into cane pricing formulae. Subsequently, some mills have sought greater flexibility to market their own sugar culminating recently when one miller proposed to market its growers' share of the sugar: a proposition which has prompted much debate and has led the industry to discuss such a historically delicate topic, in a mature manner.



**Don Murdy**  
Chairman

The path to this point has not been smooth. At the time of the deregulation of QSL, there were farmers and millers on the board of QSL, though not by regulation. After the deregulation, some millers who wanted more control of the sugar, argued that their direct commercial relationship with QSL should be managed by a contract and all farmers and millers should be removed from the board of QSL in favour of independent directors. This involved a change of the constitution of QSL, which ACFA fought. Although we supported the installation of suitable independent directors (as had been the case up till then), we opposed the entire removal of industry directors, warning that the QSL board could lose touch with the industry whose function it is to serve as an industry utility. ACFA was also concerned that the millers would control all director appointments and the farmers would be shut out of QSL, which is effectively what happened.

Leading up to these events, Canegrowers backed the deregulation of QSL and the removal of industry people from the board of QSL.

When the disastrous wet season of 2010 occurred, the QSL board was by then totally controlled by, and listening to, millers who assured QSL that they would complete the harvest, when it was obvious to farmers and climate specialists that this was bunk. After this disaster, many of the mills turned on QSL blaming it for the problem which they helped create, by not promptly indicating their inability to supply their hedged (committed) tonnage. The animosity and financial pain is still being felt throughout the industry and was only temporarily mitigated by QSL acting as industry underwriter; loaning the amount of the loss to millers and farmers, to be paid back over three years.

Mills like my own completed the 2010 crush yet as this loss was socialised over the entire industry, individual farming businesses lost tens and even hundreds of thousands of dollars.

Now, after a change of Chairman, and alarm over a push by some millers to remove export sugar from QSL and market it themselves, the Canegrowers have done a 180° turn, commissioning a report by Green Poole, which argues that for farmers to have market power and some control over the marketing of sugar, we must have legal title to our 2/3 economic interest (EI). The penny has dropped!

Throughout the whole saga, the ACFA has been a steadfast and lone voice. We were told that we were sabre-rattling and making trouble, yet the ACFA could see that the deregulation of QSL was simply a commercial grab by millers to get their hands on the farmers share of the sugar. The ACFA knew that under a

deregulated QSL, the end-game of many small farmers pitted against a few powerful millers would result in a display of raw market power, against farmers interests. This is further evidenced by the difficulty that farmers face, even with collective bargaining, to constrain season lengths and achieve payment for diversification income from cane products.

The former Labor Government naively assumed that by deregulating the industry and allowing commercial forces to play, the industry would sort things out. The reality is and always has been that when the props of deregulation are removed too quickly and/or without appropriate checks and balances, to protect the weak from the strong, there is always a scrambling for market power, driven by self interest.

The way forward from here is not yet totally clear, as there are various ways to achieve greater farmer security. These range from amending the Sugar Industry Act, to negotiating commercial arrangements under the RSSA and/or local cane supply agreements - here, the mills would need to be in unanimous agreement. The industry has agreed to discuss the matter in a friendly and constructive manner, in order to arrive at a solution where QSL can have the longer-term certainly of miller commitment and farmers can have greater control over our share of the sugar.

What is absolutely certain is that ACFA and Canegrowers must continue to work together as one on this.

**Don Murday**  
Chairman



# General Manager's Comment

Since 5th August Sugar Research Australia (SRA) – the new research and development entity for the entire Australian industry – has been in full swing.



**Stephen Ryan**  
ACFA General Manager

The assets of the Sugar Research and Development Corporation (SRDC) have been transferred to SRA by Commonwealth legislation, namely the *Sugar Research and Development Services (Consequential Amendments and Transitional Provisions) Act 2013*.

Farmers will have noticed that from July 2013, the compulsory statutory levy increased from 7¢ per tonne of cane to 35¢ per tonne of cane delivered to a processor.

SRA advises that BSES directors met on 1 October to consider matters, including the draft audited financial statements to 1 August 2013; a recommendation to Members to voluntarily wind-up BSES Limited.

A general meeting to wind up BSES Limited was set for 31 October 2013.

Qld DAFF has agreed to transfer the Qld Government's financial support for BSES Limited to SRA. & the industry has agreed on a mechanism to facilitate this.

SRA has affirmed to industry its commitment to YCS research, in order to identify the cause and mitigation strategies for yellow canopy syndrome (YCS).

SRA's interim Strategic Plan has been submitted to the Commonwealth Minister for Agriculture, the Hon Barnaby Joyce for approval. The 2013/14 – 2017/18 Strategic Plan has commenced the consultation phase and is expected that it will be completed by early 2014.

SRA has submitted a Consultation Plan, which is subject to Ministerial approval. Once approved, SRA will consult with stakeholders to develop the Strategic Plan.

SRA will be seeking stakeholder input regarding the research, development and engagement areas that SRA should undertake; and has announced the dates and venues for regional consultation meetings. See page 18.

All levy-payers will be invited to become members of SRA and a membership campaign will commence shortly. Farmers should know that while the SRA levy is compulsory, membership is not. It is important that levy-payers take the time to read the membership material from SRA and understand **that if farmers wish to have a vote in SRA matters, they can only do so by completing the membership application.**

This issue was a problem with BSES in April 2013, where farmers, who were paying subscribers of BSES, had not applied to become members and so were disappointed when they were not entitled to vote on the resolution to transfer the net assets of BSES to SRA.

On another procedural matter, SRA will soon announce nominations for Group G (Grower) and Group M (Miller) Delegates.

SRA will explain the nature of delegates in its information pack. Delegates are provided for in the SRA constitution (13.6) and their role includes, among other things; to consider matters relating to Performance Reviews and the Sugarcane Levy; to vote to elect the SRA Director Selection Committee members; to be the direct contact and link between SRA members and SRA on numerous issues, including member feedback.

**Stephen Ryan**  
General Manager

11 November 2013

## Sugarcane Levy payers encouraged to accept an invitation for Membership

Sugar Research Australia Ltd (SRA) has invited grower and milling business levy payers to become Members of their industry-owned research, development and extension (RD&E) company.

Mr Paul Wright AM, Chairman, SRA said that Members of SRA will have the opportunity to directly engage with the company and will drive the organisation to a better future.

“As an industry-owned company everything we do, we do for the benefit of our levy payers. We value their opinions and want them to be directly involved in key aspects of our company such as contributing to our research priorities and voting on important matters,” said Mr Wright.

“Levy payers also have excellent relationships and strong ties within their sugarcane community. We want to be part of this conversation to build a stronger community for all.”

Any company or individual that holds an Australian Business Number (ABN) and pays the Sugarcane Levy is entitled to become a Member of SRA.

Where the Member is an individual that person can automatically become a Member upon lodging a completed Membership Application Form with SRA. Where the Member is a company or organisation they must appoint an individual to represent the organisation and exercise its rights.

The advantages and benefits of becoming an SRA Member include the ability to:

- attend, vote and speak at SRA General Meetings
- elect Directors to the SRA Board
- receive direct and priority notification of RD&E activities
- receive other member-specific benefits such as discounted publications
- nominate or be nominated as a Delegate
- elect Delegates.

“Delegates will have the potential to add significant value to our industry. We will shortly be calling for Delegates to be nominated from grower and miller Member representatives,” he said.

Delegates will have prime responsibility for electing the Director Selection Committee members, as well as considering matters relating to SRA Performance Reviews and the Sugarcane Levy.

“On a more general basis, Delegates will connect our company directly to our Members,” said Mr Wright.

“They will help to serve as our eyes and ears on the ground and will provide us with invaluable feedback about our Members’ views on industry trends, challenges and opportunities that can improve their farming or milling business.”

### Further information:

All grower and milling business levy payers will receive a Membership pack via post from Monday 11 November 2013.

To become a SRA Member levy payers are asked to complete the Membership Application Form and return it in the supplied reply paid envelope. Visit the Sugar Research Australia website [www.sugarresearch.com.au](http://www.sugarresearch.com.au) for further information. For membership enquiries please call 1300 SRA 111.

## Thailand Study Tour 2014

**ACFA is looking for interest in a study tour to Thailand in January/ February 2014.**

The 10 day trip will include tours of several cane growing regions and will be hosted by Warren Martin and the KSL Group.

**Australian  
Cane  
Farmers**



To register your interest, please email [info@acfa.com.au](mailto:info@acfa.com.au) with your name and contact details.

# 2013 Wilmar Sugar Australian Hand Cane-Cutting Championships



Australian Canefarmers proudly sponsored the Wilmar Sugar Australian Hand Cane-Cutting Championships that were held on Saturday 15th June 2013 at the Vass Farm, First Street, Home Hill. The event showcased the skill of hand cane-cutting, and is the only competition of its kind in Australia.

Competitors were required to cut 1.5 tonnes of cane by hand, which is timed and judged on technique. This is an iconic event for the Burdekin region and the event brings a piece of North Queensland history back to life.

The event saw a total of 19 competitors who travelled from as far as Bundaberg and Cairns to compete in the event and overall feedback from the event.

## Final Results

### Pioneer Cane Growers

#### 35 Years and Under Championships

- 1st – Michael Woods (26 min. 13 sec.)
- 2nd – Chris Vass (26 min. 45 sec.)
- 3rd – Adam Bowden (29 min. 22 sec.)

#### Landmark 35 – 55 Years Championships

- 1st – Arthur Woods (18 min. 21 sec.)
- 2nd – Paul Felesina (19 min. 46 sec.)
- 3rd – John Arrate (19 minutes 70 sec.)

#### Burdekin Shire Council 55 Years and Over Championships

- 1st – Laurence Zumaran (17 min. 65 sec.)
- 2nd – Anselmo Felesina (17 min. 74 sec.)
- 3rd – Enzo Codega (19 min. 2 sec.)

#### Wilmar Sugar Australian Hand Cane-Cutting Championships Final

- 1st – Anselmo Felesina (18 min. 36 sec.)
- 2nd – Paul Felesina (19 min. 17 sec.)
- 3rd – Michael Woods (21 min.)

#### Kevin Swindley Memorial

- 1st – Laurence Zumaran (7 min. 34 sec.)
- 2nd – John Arrate (7 min. 59 sec.)
- 3rd – Anselmo Felesina (7 min. 65 sec.)

#### Cut, Top and Load

- 1st – John Arrate, Adam McLaughlin, Nevel Mial, Chris Vass
- 2nd – Anselmo Felesina, Colin Bawden, Adam Bawden, Ross Moschella
- 3rd - Paul Donnelly, Michael Woods, Enzo Codega, Paul Felesina

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# KSL Delegation

ACFA Northern and Burdekin Directors recently hosted a group of KSL Group delegates from the Thai, Laos and Cambodian sugar industries who visited on a cultural exchange.

The delegates arrived in Cairns on Sunday 4 August and immediately began their tour, travelling to Mossman to tour the Puglisi family's cane and cocoa farms, followed by a welcome function at ACFA Chairman Don Murday's farm where Don and Stephen Ryan gave a talk on the Australian industry.

The following morning the delegation and hosts set-off for Mareeba on the Atherton tablelands for a tour of the Singh farm. Rajinder Singh and family produce around 70,000 tonnes of cane on the Tableland and in the Mulgrave region. Rajinder kindly explained his farming system to the visitors who were amazed that 70,000 tonnes of sugarcane could be produced by just three people – a great example of the technology and efficiency of the Australian industry. The visitors were also amazed to learn that the hourly cost of hiring an Australian sugarcane field worker is equivalent to the cost of hiring a worker for three days in Thailand.

Later that week and further down the road David Cox treated the tourists to a thorough presentation of his farming system employed on his Burdekin farms, which produce several hundred thousand tonnes of sugarcane. The delegation also visited other Burdekin farmers before heading home.



**Rajinder Singh demonstrates his furrow irrigation system on a block of first ratoon Q183**



**Davco Harvesting- Dave Cox's dual row harvester and haulouts (using precision harvesting**



**Dave Cox explains his precision farming system**



**Back row L-R Stephen Ryan, Terese Puglisi, Gerard Puglisi, Piripon Chinthammit, Warren Martin, Supatpong Ariyasatchawekin, Don Murday, Santi Piamwattanachai, Angelo Puglisi, Ekapak Chutimavorapant, Thanakorn Burintarachart. Front row L-R Sompong Royta, Teerawat Wongsriwor, Ruamrith Mahvinitchaimontri, Arom Saengnak, Krit Sanpa-asa and Theeranon Suwannasit.**



## Next Gen Projects

### Leadership Program

The Next Gen Leadership Program will run from 2nd to 6th December this year and will allow successful applicants to complete the Australian Institute of Company Directors (AICD), 'Foundations of Directorship' course.

The AICD course is followed by a two day session where participants will be able to meet a panel of leadership consultants who will be on hand to offer them advice over a ten month period.

Next Gen has identified a panel of leadership consultants across various fields of expertise that interest young farmers and sugar industry professionals. They will ensure their personal and professional growth continues so that participants are empowered to take the reins of the industry and lead Australian sugarcane farming into the future and beyond.

Participants can expect to gain the following by participating in the program:

- learn insights and new innovative ideas from a panel industry experts;
- complete the three day AICD course which is regarded as one of the best in the world;
- participate in the two day session where they will meet the panel of expert leadership consultants and;
- have fun and catch up with mates and industry leaders from the Case IH Step UP! Conference.

Applications for this program are now closed.

Through funding granted by Sugar Research Australia (SRA), ACFA's Next Gen program will be running two projects in late 2013/ early 2014; Leadership Program and Business Planning and Cash Flow Management course.

### Business Planning and Cash Flow Management course

This course is aimed at young farmers and will provide them with the knowledge about how to better understand and manage their business to help them make informed decisions about their farming future.

The course will be held over two days and will cover topics such as Business Structures, Government Regulations, Legal and Taxation Issues, Income & Cash Flow Projections, Profit & Loss and Break-Even Projections.

Elements from the course are taken from a nationally accredited training package and credits can be gained towards further studies.

The course will be delivered in six locations across Queensland and Northern New South Wales in early 2014 at a cost of \$150 per person.

If you would like to register your interest or require further information, please email [nextgenfarmers@gmail.com](mailto:nextgenfarmers@gmail.com) or call (07) 3839 1900.

This project offers a great opportunity for young farmers and sugar industry professionals to further their career and assist with their farm business and is open to all young cane farmers to participate, subject to numbers.





**Dr Bernard Schroeder of Sugar Research Australia receives the Fertilizer Industry Snapper Award from Charlotte Hebebrand of the International Fertilizer Industry Association at the Australia New Zealand Fertilizer Industry Conference Gala Dinner.**

## Dr Bernard Schroeder Recognised in Fertilizer Industry Environment Awards

Dr Bernard Schroeder was presented with the prestigious Snapper Award at the Australia New Zealand Fertilizer Industry Conference gala dinner on the Sunshine Coast. The Award recognises his efforts in soil and plant nutrition which have helped to optimize sugarcane yields and profitability while minimizing nutrient surplus, off-site losses and water quality impacts on sensitive ecosystems such as the World Heritage listed Great Barrier Reef.

Accepting the Snapper Award, Dr Schroeder, Principal Scientist with Sugar Research Australia said he was delighted this work had been recognised with such a prestigious Award.

“A major part of the work of my colleagues and I has been aimed at fine-tuning nutrient requirements for the Australian sugar industry. Not only has this culminated in many scientific papers, but has also been given practical expression as the SIX EASY STEPS program,” Dr Schroeder said.

“The SIX EASY STEPS program is an integrated scientifically-based nutrient management program developed for the Australian sugar industry. It is the result of a team effort, positive interaction with collaborators and ongoing support from the industry,” he said.

In presenting the awards, Charlotte Hebebrand, Director General of the International Fertilizer Industry Association congratulated Dr Schroeder on his contribution to soil and plant nutrition science which not only had significant implications for sugar cane productivity, but

also had a role in the development of natural resource public policy aimed at reducing off-site nutrient impacts.

The SIX EASY STEPS concept was adopted by the Queensland Government as the Regulated Method for determining sugar cane nutrient inputs under Reef Legislation in late 2009. The concept will almost certainly be incorporated into the new sugarcane best management practice program in the final stages of development by the Canegrowers Organisation.

Fertcare underpins the significant contribution of the fertilizer industry to the development and implementation of good public policy to deal with issues associated with the use of fertilizer products. “Fertcare helps ensure that tools such as SIX EASY STEPS which are based on sound science are put into practice by land managers through the provision of consistent advice,” said Ms Hebebrand.

## ACFA Regional Meetings- August/September



**Carla Keith - giving an update to the group in the Burdekin**

**In early August, ACFA Chairman, Don Murday, and ACFA General Manager, Stephen Ryan, hosted branch meetings at the Bally Hooley in Mossman, the Bowls Club in Gordonvale and at the RSL in Innisfail.**

Don and Stephen then hit the road again to hold meetings at the Kalamia Hotel in Ayr, Grand Central Hotel in Proserpine and West Tigers Leagues Club in Walkerston at the beginning of September.

On the agenda for the meetings was a sugar market update, sugar R&D update and a general discussion. Both Don and Stephen were pleased to catch up with members in their areas and thank those who attended the meetings.

**Stay up to date with upcoming branch meetings by subscribing to the ACFA E-News, visit [acfa.com.au](http://acfa.com.au) or email [info@acfa.com.au](mailto:info@acfa.com.au) to sign up.**

## ACFA welcomes Joyce as new Ag minister

**Australian Canefarmers Association (ACFA) has welcomed Barnaby Joyce as Australia's new Minister for Agriculture.**

ACFA Chairman, Don Murday, said he warmly welcomed the announcement of Mr. Joyce taking over the all important Agricultural portfolio and looked forward to working with him and his team.

"It is vital that the Australian Agricultural industry is prioritised on the national agenda and ACFA is committed to working with the new Minister of Agriculture to ensure this." Murday said.

Building on the Queensland State Governments' plan to double agricultural production by 2040, the Coalition, as part of their '5-Pillar Economy', aim for Australia's agriculture sector to become the 'Food Bowl of Asia'.

"For us to achieve both the State and Federal governments' plans for agriculture, it is critical that the ever increasing costs of production are dealt with.

"Our priority has always been securing a strong, sustainable sugar industry, and for this to be achieved, the cost of inputs, including water, fertiliser and electricity prices, we are currently facing need to be addressed as a matter of urgency," Mr Murday said.

ACFA also welcomed Warren Entsch as chair of a new parliamentary committee for northern development, Liberal senator for NSW, Senator Richard Colbeck, as parliamentary secretary for agriculture, and Jamie Briggs as assistant Minister for Infrastructure and Regional Development.

# QSL Update

WEEK ENDING 08.11.13

## By QSL Industry Relationship Managers Cathy Kelly and Carla Keith

While the Queensland harvest has finished in most regions, our teams at the terminals are still in full-swing managing the storage of sugar and loading shipments. Although most of this year's sugar has now been received, we are still receiving Harvest Pool Production Buffer sugar, and this will continue until our last milling supplier stops crushing next month.

Please see below an update on each of our four value offerings as well as the latest Market Update by our Treasurer Stephen Stone. Remember, you can keep abreast of the daily market activities by subscribing to our daily market reports and daily indicative prices by visiting our website [www.qsl.com.au](http://www.qsl.com.au).

### Financing

As discussed in an earlier update, a recent review of our Advances Program showed that a weakening sugar price and high Aussie dollar could potentially result in some millers (and therefore growers) receiving lower payments at the start of 2014. This is because the price ultimately obtained for their sugar had already been mainly paid in earlier instalments. In response to this, QSL is proposing to increase the percentage rates for January, February and March to 77.5% (from 72.5%), 80% (from 75%) and 82.5% (from 80%) respectively.

By increasing the percentage rates we aim to give growers confidence that you will continue to receive cash flow. The proposed rates also provide a sufficient safeguard against the market price movements on the unpriced portion of QSL-managed pools. It should be noted that these indicative rates require the approval of the QSL Board who are meeting next week.

### Pricing

We have seen a 10 per cent fall in the ICE 11 Futures Market since the highs experienced on the day of the Santos Port fire in Brazil last month. QSL Treasurer Stephen Stone explains the reasons behind this in his latest update below.

In terms of how the QSL-managed pools are tracking, growers can monitor their performance via the Price Pool Matrices, published on our website ([www.qsl.com.au](http://www.qsl.com.au)). This information is updated regularly and is all about giving growers a sense of how the QSL managed pools are performing over the current season.

**If you have any questions or feedback, please don't hesitate to contact one of us;**

**Cathy Kelly on 0409 285 074 / [cathy.kelly@qsl.com.au](mailto:cathy.kelly@qsl.com.au) or**

**Carla Keith on 0409 372 305 / [carla.keith@qsl.com.au](mailto:carla.keith@qsl.com.au).**



Cathy Kelly



Carla Keith

The prices given below are in Gross \$A dollars/ IPS tonnes and don't include a shared pool allocation.

Current as of 25 October 2013	2013 Gross
QSL Harvest Pool	\$403
QSL Discretionary Pool	\$399
QSL Actively Managed Pool	\$411
QSL Guaranteed Floor Pool	\$393
QSL US Quota Pool	\$471
QSL 2013 Season Forward Pool	\$430
QSL 2014 Season Forward Pool	\$420

### Marketing

Regional premiums have weakened recently on the back of the expectations of a large crop from Thailand this season. Lower premiums for Thailand have a knock-on effect to the regional premiums Australian sugar attracts. Our marketing team remains focused on maximising pool returns by leveraging our storage capabilities to enable sales in the more lucrative off-season contracts of March and May. As always, they will continue to monitor the market and target opportunities for maximum returns.

### Logistics

Our latest 2013 RSSA supply forecast has increased to 2.95 million tonnes, surpassing our 2012 total of 2.77 million tonnes. We are waiting to receive the remainder of the almost 487, 000 tonnes of Harvest Pool Production Buffer tonnage and are managing storage at all of our terminals.



# QSL Advances Program

By Finance Manager,  
Supplier Relations  
Bryce Wenham

Tuesday, 15 October 2013

With the crush coming to an early end in most regions and QSL now receiving the Harvest Pool Production buffer tonnage, we are closely monitoring and managing storage peaks at our six terminals. At this time of the year, growers are turning their minds to next year's crop and as a result QSL has started to receive questions around advance payments and their continuation over the New Year period.

The Advances Program is one of the offerings QSL is able to provide its members at low-cost under its finance value pillar. This program allows QSL to provide cash flow to millers (who pass onto growers) throughout the year; in and out of the harvesting season. Payments are made in instalments throughout the year and in some cases in advance of QSL receiving revenue from its customers.

It's a proportional system where each mill receives the same percentage of their expected returns from QSL. However, the dollar per metric tonnes IPS rates that are paid to individual milling companies will differ depending on which pools a miller has elected to participate in and the results of their forward pricing. Millers are paid a proportional amount of QSL's then current estimate of the final weighted average price that the miller will receive for their raw sugar supplied under the RSSA.

This weighted average estimate is based on:

- price already obtained for sugar in a nominated pool or
- current market rate if the sugar has not been priced or
- mix of both of the above if only some of the sugar has been priced.

As each miller's payment is different, growers will need to check with their milling company on the rate of advance they can expect.

Due to the volatility of the sugar and currency markets, QSL regularly reviews its Advances Program indicative percentage rate for payments with the goal of ensuring ongoing payments throughout the year. For example, a more recent review showed that a declining sugar price and high Australian dollar could potentially result in some millers receiving lower or no payments at the start of the New Year because the price ultimately obtained for their sugar had already been paid in earlier instalments. Although the market has started to rally there is still potential that it could drop again before 2014.

As such, QSL is proposing to increase the percentage rates for January, February and March. By increasing the percentage rates, we aim to provide confidence to millers and growers that you will continue to receive cash flow. The proposed rate also provides a sufficient safeguard against the market price movements on the unpriced portion of the pool. It should be noted that these indicative rates require the approval of the QSL Board at their meeting in November.

The updated schedule is below and includes the proposed updated percentage rates for January, February and March.

During the harvest, QSL makes payments to millers on a weekly basis as sugar is coming in on a regular basis. Once all of the sugar has been received, these payments move to monthly as they are just covering the incremental differences to make up 100 percent of the total final payment due. Final payments for each pool are determined once all the sugar is priced and the pool is closed-out at the end of the season in July.

Pay date (Wednesday)		
Weekly in harvest & monthly outside of harvest		
	% Rate	Updated proposed % rate
Initial	57.5%	Approved by QSL Board
21 August 2013	60.0%	Approved by QSL Board
25 September 2013	62.5%	Approved by QSL Board
23 October 2013	65.0%	Approved by QSL Board
20 November 2013	67.5%	
18 December 2013	70.0%	
22 January 2014	72.5%	77.5%
19 February 2014	75.0%	80.0%
19 March 2014	80.0%	82.5%
23 April 2014	85.0%	
21 May 2014	90.0%	
25 June 2014	95.0%	



**Stephen Stone**  
QSL Treasurer

## Market Update

by **Stephen Stone,**  
**QSL Treasurer**

Wednesday, 06 November 2013

### Raw Sugar

Raw sugar prices have corrected from the 20c/lb. level as the market reassesses the full implications of the recent fire at the Brazilian port of Santos. Sugar futures have retreated to the 18 c/lb. level, reducing the large level of speculative positioning now attracted to the improving sugar market fundamentals. The price correction is seen as healthy, allowing the sugar market to consolidate before a likely move above 20c/lb. again into 2014.

### Why the sudden cooling of prices?

- Weaker physical cash and refining premiums remind all a surplus is still in play.
- The implications of the fire in Brazil are more of an internal logistics issue, playing-out in the medium-term.
- Recent crush updates suggest a stronger end for Brazil's crush.
- Speculative positioning and a weaker Brazilian currency.

While all care is taken in the preparation of this report the reliability or accuracy of the information provided in the document is not guaranteed. QSL does not accept any responsibility to any person for the decisions and actions taken by that person with respect to any of the information contained in this report.

### Australian dollar

The Australian dollar has also lost some of its renewed strength in recent weeks. A run of improving economic data in China and locally saw our currency trade as high as US98 cents, attracting renewed focus from the Reserve Bank of Australia (RBA). The RBA continue to highlight the negative impact of a stronger currency on our economy and with little room left to reduce interest rates we expect them to use Governor Stevens to help weaken the currency.

The Australian dollar is now trading closer to the US94 cent level, largely reflecting a broader strengthening of the US dollar. All financial market participants are closely monitoring the pulse of the US economy as higher interest rates are inevitable for the world's largest economy; the difficult part of the puzzle is working out when this will occur. Seven straight sessions of Australian dollar weakness highlighted the overriding importance of the broader US monetary policy theme, and provide confidence we will see the Australian dollar weaken with consistent evidence of a stronger US economy.

Accordingly, we remain confident Australian exporters will see a lower Australian dollar into 2014. The current period of consolidation around the US95 cent may frustrate in the short-term, however, reflecting the patchy nature of the US economic recovery.

In summary, an Australian dollar under US90 cents remains probable however the timing around the next period of weakness has now certainly been delayed.



**KFSU's product, Kfibre, helps to promote improved bowel and gut health**



**KFSU Managing Director, Gordon Edwards**

## World first dietary fibre set for commercial scale production

**Commercial scale production of dietary fibre from sugarcane is set to get underway creating a new and healthy role for Australian sugarcane within the world food industry.**

Following successful trials into the Australian and Japanese markets, the Federal Government has supported an expansion into commercial scale production with an investment of \$1.8million through its Commercialisation Australia grant program.

KFSU Ltd Managing Director Gordon Edwards said over the coming months he would

commission a world first manufacturing plant that will produce 1,320,000 kilograms of dietary fibre per annum.

“We are extremely grateful for this support from Commercialisation Australia which signals confidence in the sugarcane industry, our process, and our ambition towards becoming a leader in the field of sugarcane diversification and healthy products from agricultural raw materials.”

Mr Edwards said that the sugarcane dietary fibre excited food technologists seven years ago when pioneering research and development revealed the potential to enhance baked goods, health and medical foods, snacks and small goods.

“This functional food ingredient originates from the fibrous component of sugarcane which has traditionally been burnt as boiler fuel in the sugar milling process.

“KFSU now has the ability to utilize 100% of the sugarcane plant as a food source.”

KFSU Ltd officially launched the dietary fibre product, Kfibre™, and opened a factory in Ayr in October of 2011, with a small-scale proof-of-concept line designed to fine-tune the product and test markets.

Strategically located in the Burdekin cane growing area of North Queensland, the factory has potential to supply into Australia, Japan, America and eventually China where there is enormous demand for natural ingredients that have the potential to improve food products and the general human health.

“Traditionally sugarcane has produced only one export crop being sugar, which is highly

vulnerable to the vagaries of commodity pricing. This Kfibre™ product will help the industry to diversify and value add,” Mr Edwards said.

“For farmers, the product has a higher return than sugar, which has piqued interest from other cane growing regions,” he said.

“Consumers in developed countries are increasingly discerning, some obsessively so, about additives and allergens, which has created enormous demand within food manufacturing for natural alternatives to traditional wheat-based fibres.



“Our technology applies a unique chemical-free process which maintains the ‘all-natural’ quality and inherent goodness of sugarcane without the sugar.

“We have full traceability from the consumer back to the farmer which is desired by medical food manufacturers.

“When added to food the Kfibre™ powder is shown to lower the GI of the food, and exhibit health benefits associated with dietary fibres such as improved bowel and gut health.

Mr Edwards said ongoing research would investigate further health benefits distinctive to Kfibre™.

“Consumer response trials have demonstrated that the product from the proof- of-concept line has high acceptance at a retail level. With the assistance of the Federal Government grant KFSU has the capacity to commercialise the technology.”

Mr Edwards said that KFSU would like to thank supporters and shareholders, including ACFA, who have made this journey possible, in particular, the farmers and the Burdekin community.

“We have had considerable support from ACFA and their members both now and in the past, and I would particularly like to acknowledge ACFA Chairman, Don Murday, and ACFA Burdekin Director, Margaret Menzel, for their continued support,” says Mr Edwards.

## Farm injury report highlights lethal quad bikes

**Figures released by the Australian Centre for Agricultural Health and Safety are a stark reminder of the importance of safety within agriculture. An analysis of media reports in the first six months of 2013 indicates that 28 people have tragically lost their lives in on-farm incidents and a further 63 have been involved in non-fatal incidents that were serious enough to make the media.**

“These figures are similar to the same time last year” said Centre Director Dr Tony Lower “However, the figures are only a very small part of the issue, as behind every one of these cases there is an individual, a family and a community that has to manage the unnecessary loss of a loved one or friend.”

Among the deaths, quads are yet again the leading culprit with six on-farm fatalities in the period (and a further four off-farm) along with 22 reported quad injuries. “There is no hiding the fact that quads are a major safety issue as they have ranked as the number one cause of deaths for the past two years and this looks likely to continue in 2013” said Lower.

“While quad manufacturers always point to rider error to avoid any implications regarding the safety of their product, with over 60% of deaths in Australia involving rollovers, the lack of a lateral stability standard and crush protection means not only do they roll all too easily, but when they do, the consequences are often fatal. Because of these design flaws, the margin of error for riding quads is so small that it all too often ends in tragedy.”

“We strongly encourage farmers to use other safer vehicles or if continuing to use a quad, then to ensure a crush protection device is fitted, wear a helmet and follow basic riding safety practices.”

Tractors and other on-farm machinery also feature commonly in the incidents to date in 2013.

“We know that there are highly effective ways to control the risks and prevent needless deaths and injuries. Hindsight is a wonderful thing, but we need to take these steps before issues arise. In this way we will not only save lives and serious injuries, as an industry we will be more productive.”

A copy of the report and a wide range of materials that can assist those that work and live on farms to reduce the risks to themselves, farm workers, family members and visitors, is available from the Australian Centre for Agricultural Health and Safety web site [www.aghealth.org.au](http://www.aghealth.org.au) on 02 6752 8210 for further information.



Neil-Fisher

By Neil Fisher,  
Chief Executive Officer

28 October 2013

## Sugar Research Australia Industry Update

### Update on our Interim Strategic Plan

Last month I reported that our Interim Strategic Plan had been submitted to the new Minister of Agriculture.

Until we receive the Minister's approval on the plan we are unable to start a number of key activities including releasing the timetable for the first round of contestable funding; consulting with industry to develop our *2013/14–17/18 Strategic Plan*; and conducting our Member and Delegate drive.

We are working with the Department to gain approval so that we can kick-start these actions as soon as possible.

### Appointment of the Milling Research Advisory and Production Research Advisory Committees

These committees will play an important role in ensuring that our funding process remains transparent, rigorous and focussed on delivering improved industry benefits.

The committees will assist SRA's Research Funding Panel (RFP) by evaluating some of Preliminary Research Proposals that are received during our open research calls.

They will consider the potential benefits the proposal provides to industry and assess the likely adoption levels. Overall they will also assist the RFP in evaluating the impact that the successful project would deliver to industry.

CANEGROWERS and the Australian Sugar Milling Council will help to select the committees in due course.

### Appointment of the Directors Selection Committee Charter

The SRA Board has approved the Directors Selection Committee Charter.

The Committee's role is to nominate persons for election or appointment as Chairperson or Directors of SRA.

The Committee is also responsible for determining the number of people needed for an election and ensuring that there is a good field of well-skilled and experienced candidates from which to choose nominees.

### Transition of SRDC funded projects to SRA

The Sugar Research and Development Services (Consequential Amendments and Transitional Provisions) Act 2013 has now transferred the assets and liabilities of the Sugar Research Development Corporation (SRDC) to SRA.





This means that all prior SRDC funded projects now belong to SRA and the administration of the financial and project management for this portfolio will be conducted by SRA's Research Funding Unit (RFU).

The SRA Board has agreed to fund all existing contracted research projects for the 2013–14 financial year.

Research projects which extend beyond this date will be assessed for their alignment against the SRA Strategic Initiatives of Industry Growth; Cost and Profitability; Environmental and Regulatory Issues; and Diversification.

This will ensure that an appropriate and balanced investment portfolio that delivers outcomes to industry exists.

### **The windup of BSES Limited**

The BSES Limited Directors met on Tuesday 1 October 2013 to consider the draft audited financial statements for the period ending 1 August 2013, a Declaration of Solvency and a recommendation to Members to voluntarily windup BSES Limited.

A Special General Meeting to formally wind up BSES Limited will be held on Thursday this week.

### **Memorandum of Understanding with QDAFF**

The Department of Agriculture, Fisheries and Forestry Queensland has advised that they formally support the novation of the Memorandum of Understanding from BSES Limited to SRA Limited and have agreed to the proposed process for the Queensland Government funding as proposed by SRA.

## **Yellow Canopy Syndrome**

21 October 2013

### **The search for the cause of Yellow Canopy Syndrome marches on with new research actions**

Existing field trials have been extended, and new field trials and laboratory tests introduced to continue the search for the cause of Yellow Canopy Syndrome, a condition affecting some cane-growing regions in northern Queensland.

The trials and tests, conducted within the Solving the Yellow Canopy Syndrome research project funded by Sugar Research Australia and the Department of Agriculture, Fisheries and Forestry Queensland (DAFFQ), are building upon the knowledge gained about the condition over the last few months said Mr Davey Olsen, research project leader.

"With our project partners—Herbert Cane Productivity Services Limited, Burdekin Productivity Services Limited and DAFFQ—we have ruled out a number of things that are unlikely to cause the condition, including known diseases, common viruses and nutritional issues," said Mr Olsen.

"Collectively the new set of trials and tests will pay attention to how the condition is transmitted, whether it can be managed using every day standard practices and whether some causes, which we haven't investigated, may trigger it."

### **Key trial and test activities include:**

- Determining whether YCS can be transmitted in plant source material and soil.
- Evaluating whether water stress intensifies the symptoms of YCS.
- Testing whether applying insecticide, improving root conditions and using cold-soak-hot water treatment reduce the symptoms of YCS.
- Investigating whether insects other than linear bugs cause YCS.
- Determining if YCS is caused by soil fungi or nematodes.
- Identifying whether grasses other than sugarcane are susceptible to YCS.

The monitoring of affected sites in the Herbert and Burdekin cane-growing regions will continue to assess the severity of YCS across a range of varieties in young plant and ratoon cane.

"Our field trials, laboratory work and monitoring sites are critical to understanding this condition better," said Mr Olsen.

"The data collected from this year's harvest showed that the impact of YCS on Commercial Cane Sugar (CCS)—a measure of recoverable sugar in the cane, improved as the season progressed. However, we have not reached a conclusion about its impact on yield, other than in severely affected fields where yields were significantly reduced.

"The SRA research team and our project partners continue to work on this vital industry issue as a priority."





## Let's hear your thoughts

SRA is seeking levy payer and industry stakeholder input into the future direction of SRA and the development of its Strategic Plan.

You are invited to share your views and have input into our planning process either through attendance at an upcoming Regional Forum, completing our online survey or by providing us with a written submission.

### Regional Forums

A series of Regional Forums will be held at the following locations:

Location	Venue	Date	Time
Ballina	Ballina RSL, 240 River Street, Ballina NSW 2478	Monday 18 November	1.30 pm - 5.00 pm
Bundaberg	Brothers Sports Club, 130 Takalvan Street, Bundaberg Qld 4670	Thursday 21 November	8.30 am - 12.00 pm
Mackay	Shamrock Hotel, 165 Nebo Road, Mackay Qld 4740	Tuesday 26 November	8.30 am - 12.00 pm
Ayr	Kalamia Hotel, 50 Queen Street, Ayr Qld 4807	Wednesday 27 November	8.30 am - 12.00 pm
Ingham	Royal Hotel, 46 Lannercost Street, Ingham Qld 4850	Thursday 28 November	8.30 am - 12.00 pm
Tully	Tully Mill Recreation Hall, Writ Lane, Tully Qld 4854	Friday 29 November	8.30 am - 12.00 pm
Gordonvale	The Mulgrave Rambler, Gordon Street, Gordonvale Qld 4865	Friday 29 November	2.30 pm - 6.00 pm

**RSVP:** If you wish to register for any of these Forums please telephone 1300 SRA 111 (1300 772 111) or email [aevers@sugarresearch.com.au](mailto:aevers@sugarresearch.com.au). Please include the location you wish to attend and any special requirements you may have. It would also be appreciated if you could send your response at least three days prior to the day of the Regional Forum you wish to attend.

If you have any questions in relation to our consultation program, please call Leigh Clement, Manager Corporate Planning and Reporting on (07) 3331 3329 or email to [lclement@sugarresearch.com.au](mailto:lclement@sugarresearch.com.au).

If you are unable to attend a Regional Forum, you can still share your thoughts and perspectives on the opportunities, challenges and Research, Development and Extension priorities the sugarcane industry faces both now and into the future by either completing our online survey or providing SRA with a written submission.

The **online survey** can be accessed via SRA's website at [www.sugarresearch.com.au](http://www.sugarresearch.com.au) and all levy payers and industry stakeholders are welcome to complete it. **Written submissions** will also be accepted via email or mail to:

[lclement@sugarresearch.com.au](mailto:lclement@sugarresearch.com.au)

Ms Leigh Clement, Manager Corporate Planning and Reporting  
Sugar Research Australia  
PO Box 86, Indooroopilly QLD 4068

# Australian sugarcane industry invited to drive their RD&E future

Sugar Research Australia Ltd (SRA) has invited the Australian sugarcane industry to a series of forums to put forward their perspective on the opportunities, challenges and research, development and extension (RD&E) priorities that SRA should focus on in the coming years.

Mr Paul Wright AM, Chairman, SRA said that the consultation process will form the building block for the company’s 2013/4 – 2017/18 Strategic Plan and shape the future research direction of the industry.

“SRA is an industry-owned company and we have a commitment to listen to our levy payers to understand how our research solutions can improve operations on the farm and at the mill,” said Mr Wright.

“As well as understanding the challenges our levy payer’s face it’s important to capture the opportunities and trends they and other sugarcane industry participants believe could drive our industry to a more productive, profitable and sustainable future.”

Grower and milling businesses, researchers and other businesses involved in the industry are invited to attend one of seven open forums being held in major cane-growing centres throughout November.

A forum will also be held in Brisbane to provide the research community with an opportunity to contribute innovative ideas for both current and future research and development activities that could benefit the industry.

In addition SRA will sponsor a Young Industry Participants’ forum to capture the views and insights of the next generation of growers, millers and researchers.

“We want to hear about what matters to our industry – now and into the future,” said Mr Wright.

“To ensure we collect as many opinions as possible, for those who can’t attend one of our forums feedback can be submitted via an online survey and in writing.”

“Comments received through the consultation process will inform the development of our 2013/14 – 2017/18 Strategic Plan. To ensure the plan is inclusive we will also engage with the Australian Sugar Industry Alliance (ASA) and other industry representative bodies to draft and finalise the plan,” concluded Mr Wright.

## Further information

Location	Date	Venue	Time
Ballina	Monday 18 November	Ballina RSL	1.00pm – 5.00pm
Bundaberg	Thursday 21 November	Brothers Sports Club	8.00am – 12.00pm
Mackay	Tuesday 26 November	Shamrock Hotel	8.00am – 12.00pm
Ayr	Wednesday 27 November	Kalamia Hotel	8.00am – 12.00pm
Ingham	Thursday 28 November	Royal Hotel	8.00am – 12.00pm
Tully	Friday 29 November	Tully Mill recreation hall	8.00am – 12.00pm
Gordonvale	Friday 29 November	The Mulgrave Rambler	2.00pm – 6.00pm
Brisbane	Monday 9 December	Hillstone St Lucia	8:00am – 12:00pm

Further information about the forums, the online survey and instructions on how to submit a written application are available on the SRA website [www.sugarresearch.com.au](http://www.sugarresearch.com.au)



## Chartering

By Chartering Manager Kuldeep Singh 05 September 2013

Commercial shipping, or commonly referred to as “chartering” in the industry, is an activity that Queensland Sugar Limited (QSL) seamlessly executes on behalf of its members but is a complex process.

Chartering of bulk sugar in Queensland dates back to about November 1951 when the first cargo was shipped from Mackay. QSL undertakes this activity as part of its value offerings to customers: providing low-cost financing through advance payments; knowledge, expertise and experience in pricing and managing futures markets; maintaining strong relationships with high-returning customers in the Asia Pacific region; and operating safe and efficient storage and shipping of raw sugar.

QSL achieves cost reductions in the area of chartering for members by managing the majority of Queensland’s export sugar in bulk and optimising the flexibility provided through the six bulk sugar terminals it manages.

Like commodities, shipping has its own market, the Baltic Exchange, which is a multilateral trading facility. It is an electronic trading platform for ship owners, charterers, traders, brokers and speculators arranging for the ocean transportation of industrial bulk commodities from producer to end user. The exchange produces daily independent assessments of the market including spot and future rates for a range of vessels (ships) and provides insight based on supply and demand of vessels versus cargoes. QSL uses this information to determine the timing of when to charter ships.

Similar to the sugar market, the freight market is cyclical in nature experiencing high levels of volatility depending on fleet supply, commodity demand, weather and bunkers (fuel – oil price movements). Not surprising, about 60 percent of the shipping costs today are made up of fuel costs. Australia’s close proximity to QSL’s customers in Asia provides us with a freight advantage when considering fuel and timing involved in moving the sugar.

QSL’s marketing team sells sugar to customers based on cost plus freight (CFR) or cost plus insurance plus freight (CIF) delivered to the discharge port. The team also arrange free on board (FOB), which involves QSL paying the cost to get cargo onto the ship at the loading port with the freight costs being the customer’s responsibility. This option is used by millers that sell their own economic interest sugar and those that have storage and handling contracts with QSL.

Once the sugar is sold, QSL works with shipping brokers to obtain the best deal for our members. QSL is able to generate value by packaging cargoes, similar to bulk buying. Quotes are obtained from a group of reputable and financially secure vessel owners. Counterparty risk management practices are in place by QSL to manage potential risks.

The selection process involves assessing flexibility, suitability and price while optionality available on additional future cargoes is also considered. Depending on the state of the market, QSL is able to derive value by negotiating additional voyages as add-ons with QSL having the discretion to execute these in the future after considering chartering market rates at point of future sales. The shortest window to fix a ship is about three weeks as vessels generally have to sail to Australia empty (on ballast) from either North Asia or South East Asia and the voyage takes 10 to 12 days.



Important considerations when chartering are the loading and discharging ports' physical restrictions, which determine the size of ship that can be used. For example, the Port of Cairns is a river port and therefore can only take 30,000 tonne vessels while Mourilyan is restricted by tidal movements and our Japanese customers' ports can only take 24,000 – 30,000 tonne ships due to depth restrictions. Ships are categorised into different groups depending on their size and QSL commonly uses the following types of ships:

- Handysize - 22,000 – 39,999 carrying capacity without fuel and storage. Used by QSL to ship sugar to USA, Japan and New Zealand.
- Handymax – 40,000 – 49,999 carrying capacity without fuel and storage. Used by QSL to ship sugar to Taiwan, Malaysia and Korea
- Supramax – 50,000 – 66,000 carrying capacity without fuel and storage. Used by QSL to ship sugar to Malaysia and Indonesia.

Once all of the above considerations have been taken on-board, a charter party is drawn and on the nominated dates a vessel will arrive at the appropriate bulk sugar terminal. Here, the ship is loaded over an approximate 40 hour timeframe by the QSL team at the terminal.

**QSL has a proud record in chartering and in 2012 more than 98 percent of sugar exports were delivered in-full and on-time. If you have any questions regarding chartering, please don't hesitate to email me at [info@qsl.com.au](mailto:info@qsl.com.au).**

## Industry News

**17/07/13**

### **QSL return solid 2012 pool prices**

Queensland Sugar Limited (QSL) announced it secured strong 2012 pool price returns for its members; growers and millers.

**24/07/13**

### **QSL rating re-affirmed and outlook revised to stable**

Queensland Sugar Limited (QSL) welcomed Standard & Poor's revised improved rating to 'stable' from 'negative' and their affirmation of QSL's existing 'A long-term' and 'A1 short-term' credit rating.

**25/07/13**

### **Isis canegrowers welcome company payment**

Shareholders welcomed the record additional price payment by Isis Central Sugar Mill as reported by News Mail.

**29/07/13**

### **Wilmar loses top executive**

ABC Rural reported Wilmar, Australia's largest raw sugar , announced the resignation of its key executive, Craig Doyle, at a critical stage of negotiations with growers about the future of sugar marketing.

**31/07/13**

### **Frost damages nearly fifth of Brazil sugar cane crop**

Reuters reported that frosts in southern Brazil damaged nearly a fifth of the un-harvested cane crop in the principal growing region, an event likely to cut sugar exports from the world's largest producer.

**05/08/13**

### **All systems go for the Australian sugarcane industry's new research body**

Sugar Research Australia Limited (SRA) – the Australian sugarcane industry's new research, development and extension (RD&E) industry-owned company –commenced operations on 5th August 2013.

**09/08/13**

### **Blue skies but storm brews at sugar mill**

ABC Rural reported that strike action was expected to halt production at Mulgrave Central Mill as workers step up their campaign for a bigger pay rise.

**19/08/13**

## **Key appointments kick-start Sugar Research Australia's RD&E investment journey**

Sugar Research Australia (SRA) was appointed by the Hon. Joel Fitzgibbon, Minister of Agriculture, Fisheries and Forestry as the industry service body for the Australian sugarcane industry.

**23/08/13**

## **\$80 million bill for feral pig damage**

NQ Dry Tropics say feral pigs cost the region more than \$80 million last financial year and have launched pallets of free resources to help North Queenslanders catch and control the Feral Pig.

**27/08/13**

## **Cost of electricity hurting farmers**

News Mail reported that Bundaberg farmers are calling for federal candidates to make electricity costs a key focus of their campaign, fearing rising power bills will force growers off the land as the industry becomes unviable.

**28/08/13**

## **New food bowl to dwarf the Ord**

Foreign interest is growing in a \$2 billion irrigated sugar, cattle and guar gum food bowl planned for Queensland's remote far north by the original owners and designers of Australia's biggest irrigation and cotton farm, Cubbie station reported The Australian.

**28/08/13**

## **Tweed's sugar yield smashed after January floods**

January's big wet slashed the sugar cane yield on the Tweed from a predicted half-a-million tonnes to 340,000 says grower and president of the Tweed Cane Growers Association, Robert Quirk, reported My Daily News.

**02/09/13**

## **Safety priority for cane truck hauling**

Safe and sustainable methods in transporting sugar cane to Mossman Mill from the Atherton Tablelands next year was hoping to be resolved by the formation of a local committee reported The Newsport.

**03/09/13**

## **Sugar mill strikes to end**

Workers involved in strikes at the Mulgrave Sugar Mill have been ordered back to work after the Fair Work Commission suspended protected action reported Weekly Times Now.

**05/09/13**

## **Sugar industry debates impact of mystery disease**

The sugar industry stepped up its investigation into the cause of the unknown cane disease, Yellow Canopy Syndrome, reported ABC Rural.

**05/09/13**

## **Massive sugar farm threatens North Qld farmers**

ABC Rural reported a farmer on the Gilbert River in North Queensland fears a billion-dollar sugar farm development may put smaller operators out of business.

**05/09/13**

## **Czarnikow Reduces Sugar Surplus Forecast by 49% on Rising Demand**

Bloomberg News reported the global sugar surplus will be 49 percent smaller than previously forecast.

**06/09/13**

## **Bundaberg Port on a sweet track**

ABC Rural reported that after being slammed by floods, and after being the subject of protest after large sugar ships couldn't enter the silt-choked channel, that operators say the Port of Bundaberg is back on track.

**10/09/13**

## **Bonsucro reaches 100 members**

Bonsucro has grown from 15 members in 2008 to 100 members in 2013 with membership set to continue to multiply rapidly over the coming years.

**7/09/13**

## **Mackay Sugar loses \$3 million compensation appeal**

Mackay Sugar's chief expressed disappointment after losing an appeal against a \$3 million compensation order made in a raw sugar supply dispute reported The Queensland Times.

**13/09/13**

## **Sugar giant pulls plug on selling options**

ABC Rural reported Australia's largest sugar milling company has acted swiftly to avert a standoff with farmers over the future of sugar marketing.

**17/09/13**

## **Big year for NSW cane plant**

Ideal seasonal conditions and new varieties coming online paved the way for above-average sugar content in NSW cane crops this winter and set the scene for a record spring plant reported Queensland Country Life.

**19/09/13**

## **FNQ crop boosts season's sugar estimate**

Australia's 24 sugar mills were well advanced overall in the processing of this year's 30.5 million tonne sugarcane crop reported The Whitsunday Times.

**19/09/13**

## **DAFF name shortened**

The North Queensland Register reported that the federal Department of Agriculture, Fisheries and Forestry (DAFF) has had its name officially shortened to the Department of Agriculture.

**20/09/13**

## **Agriculture Secretary's sacking shocks industry**

Agriculture industry representatives and the Labor Party said they were shocked by the new Federal Government's decision to sack the head of the Department of Agriculture, Fisheries and Forestry reported ABC Rural.

**30/09/13**

## **Good Fortune for NBQE project**

Construction of a \$500 million State Government approved renewable power, sugar and bio products facility in Ingham, North Queensland, is on target for completion in 2016 following a breakthrough agreement with an international partner.

**01/10/13**

## **Chinese cane farm buys Qld machinery**

Sixteen pieces of agricultural machinery from Queensland are bound for a sugarcane farm in China where most of the work is being done by hand reported ABC Rural.

**02/10/13**

## **Flushing toilets helps cane-farmers and their crop**

Close to 90 per cent of Mackay's treated effluent is recycled and used for irrigation by cane farmers, reducing demand on groundwater by 8,500 mega litres per year reported ABC Rural.

**07/10/13**

## **Abbott confident of getting free-trade deal with China in 12 months**

Prime Minister Tony Abbott said he is confident of securing a free-trade agreement with China within 12 months reported ABC News.

**14/10/13**

## **More support on the cards for drought-hit farmers**

Queensland Agriculture, Fisheries and Forestry Minister John McVeigh announced increased levels of state support for drought-hit farmers reported News Mail.

**18/10/13**

## **Bill Shorten announces Shadow Ministry**

Newly appointed Labor leader, Bill Shorten, announces Joel Fitzgibbon, former Agriculture Minister, as the Shadow Minister for Agriculture.

**19/10/13**

## **Raw Sugar Surges to One-Year High as Fire Hits Brazil Port**

Raw-sugar futures jumped to the highest in almost a year after a fire left four injured and six warehouses "totally compromised" at the biggest port in Brazil, the world's largest producer and exporter reported Bloomberg.

**30/10/13**

## **Reef Rescue helps out a lot of farmers**

For Tony Bugeja, the launch of \$7.5 million worth of Reef Rescue funding means he will have a more sustainable future on his cane farm reported the Daily Mercury.

**31/10/13**

## **Yellow cane "worse than smut"**

An early end to the sugar harvest at Ingham in North Queensland has not diminished anxiety for cane growers still dealing with a mysterious yellowing of cane reported ABC Rural.

**31/10/13**

## **Great Barrier Reef draft strategic assessment released**

The Great Barrier Reef Marine Park Authority and the Queensland Government are currently seeking public comment on their draft strategic assessment and program reports for the Great Barrier Reef Region and adjacent Coastal Zone. The public comment period closes on 31 January 2014.

**01/11/13**

## **Bugeja voted in as director**

Gaining full grower confidence in Mackay Sugar was one of the biggest challenges Lawrence Bugeja said he would face in his new role as board director reported Central Queensland News.



23 August 2013

# \$80 million bill for feral pig damage

**Feral pigs cost the region more than \$80 million last financial year. They ate our crops, killed our livestock and spread deadly diseases. NQ Dry Tropics launched pallets of free resources to help North Queenslanders catch and control the Feral Pig.**

The practical resources come as a series of in-depth handbooks on the range of control techniques available as well as a video showing real locals having real results in the fight against this pest.

NQ Dry Tropics Regional Pest Management Officer Byron Kearns says feral pigs are a huge problem for the Dry Tropics region.

He says the free resources are designed to save landholders time and money when managing feral pig damage to their crops, livestock and family's health.

"Feral pigs are a huge problem. Experts have estimated a cost of \$80 to \$100 million every year to North Queensland's agricultural industry alone.

"Most landholders in our region are managing the problems caused by feral pigs; however no one standalone technique is best on its own. With these books we wanted to provide accurate factual information to landholders on the advantages and disadvantages of poisoning, hunting, trapping and fencing, helping them choose the right range of techniques that suit their situation and budget.

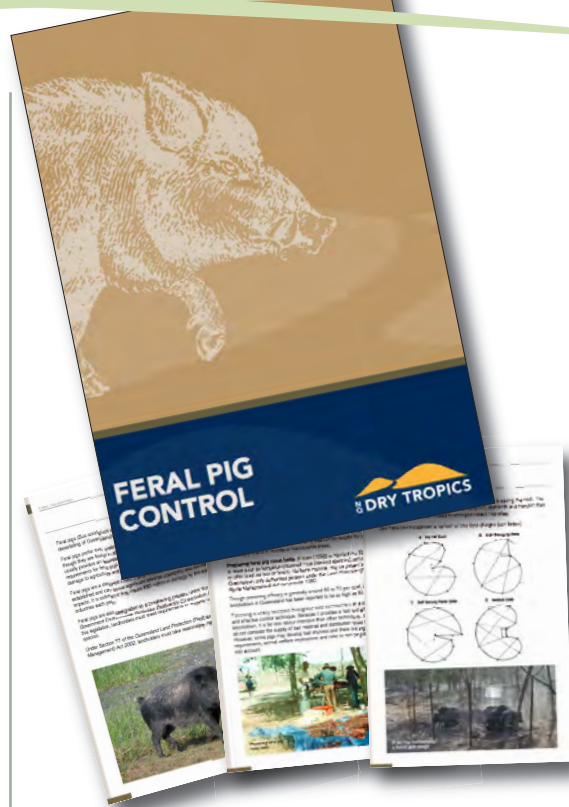
Mr Kearns warns the feral pig problem should not be left to farmers and graziers to deal with.

"The feral pig problem affects everyone, from the grazier whose calves are being killed, to the grower whose produce is being dug up. They can even have deadly consequences for the average person on the street. What many people don't realise is that feral pigs can carry a huge number of endemic diseases that threaten not only our livestock and our native species, but people as well."

Charters Towers zoologist and feral pig expert Dr Jim Mitchell, who worked with NQ Dry Tropics to produce the resources, agrees. He warns the feral pig problem could end up costing the region much more.

"Just about any disease that humans can get, feral pigs can get as well, and transmit," Dr Mitchell said, pointing to Ross River Fever and Foot and Mouth Disease as two of the worst diseases spread by feral pigs.

"It is estimated that if Foot and Mouth disease gets into Australia we could lose up to \$9 billion in the first year of the disease outbreak."



**View the handbooks at:**  
<http://wiki.bdnrm.org.au>

**View the video at:**  
[www.youtube.com.au/nqdrytropics](http://www.youtube.com.au/nqdrytropics)

Charters Towers potato growers Michael and Natasha Penna shared their control techniques in the NQ Dry Tropics Feral Pig Control video after losing thousands of dollars due to feral pig damage.

"One time we had what would have been approximately 50 pigs come digging one night," Mr Penna explained.

"They would've cleaned up at least a couple of acres of potatoes that we'd just freshly planted. That sort of equates to probably about 50 tonnes of produce that I didn't sell that year due to feral pigs. That's about \$20,000 just like that," he said.

The resources form part of NQ Dry Tropics' Regional Pest Management program aimed at supporting land managers in the 24/7 fight against weeds and feral animals.

## The red witch of the north

**Red witchweed (*Striga asiatica*) is an exotic pest plant which has been detected a small number of sugarcane properties in the Mackay region in North Queensland.**

As the name suggests, this small red-flowering plant has a sinister side, attaching to the roots of host plants, depriving them of water and nutrients. Hosts of red witchweed include commercially-important grasses, including sugarcane and cereal crops such as sorghum, maize and rice. It can also grow on a wide range of tropical grasses common in headlands and pastures.

Overseas, red witchweed causes significant reductions to grain and sugar crop yield. It can also lead to restrictions on trade in crop products. Symptoms of infestation include stunting, chlorosis, wilting and, in some cases, plant death.

A Red Witchweed Response has been established by Biosecurity Queensland with the aim of identifying the geographical distribution of the pest and preventing spread from known infested areas.

Biosecurity Queensland is working closely with the owners of the infested properties and industry representatives to ensure business continuity without compromising Response objectives.

Biosecurity Queensland is also conducting surveillance on a number of properties that may have received high risk items, such as machinery, from the infested properties.

To date, surveillance has been conducted on 124 properties, covering approximately 9,200 ha.

However, as the full distribution of the weed has not yet been determined, Mackay producers are asked to be on the look out for red witchweed and to maintain good weed hygiene practices to protect their properties.

### What to look for

Red witchweed is a small plant which grows 5-40 cm and has distinctive red flowers. Its leaves are tapered, 6-40 mm long, and arranged in opposite pairs along the stem.

The tiny, dust-like seeds of red witchweed germinate in response to warm soil temperatures and summer rains, so spring/summer is the expected peak flowering period.



If you find a plant that may be red witchweed, you must:

- Report the plant immediately to Biosecurity Queensland on 13 25 23.
- Mark or clearly note the location of the weed and, where possible, take photos that can be used to help with identification.
- Leave the plant intact until Biosecurity Queensland can investigate. Seeds are tiny and can easily drop into the soil, enabling its spread.
- Do not spray the weed with herbicides without direction from Biosecurity Queensland.

**A range of tools and resources are available online to help identify red witchweed. Visit the website regularly for information updates at [www.daff.qld.gov.au](http://www.daff.qld.gov.au) or call 13 25 23. Follow Biosecurity Queensland on Facebook and Twitter (@BiosecurityQld).**

# Prime Minister, Tony Abbott, announces Cabinet

**Australia's new Prime Minister, Tony Abbott, claims that the incoming Government will restore strong, stable and accountable government to build a more prosperous Australia.**

"This is the team that will scrap the carbon tax, end the waste, stop the boats, build the roads of the twenty first century and deliver the strong and dynamic economy that we need.

"The simplification of ministerial and departmental titles reflects my determination to run a "back to basics" government.

"The Australian people expect a government that is upfront, speaks plainly and does the essentials well," Mr Abbott said.

The Coalition says that the Cabinet will be assisted by a strong team of ministers with proven capacity to implement the Government's policies. Parliamentary secretaries will assist senior ministers and be under their direction.

As Deputy Prime Minister and as Minister for Infrastructure and Regional Development, the Hon Warren Truss MP will be responsible for ensuring the Government delivers on its major infrastructure commitments across Australia. Mr Jamie Briggs MP will be the Assistant Minister for Infrastructure and Regional Development with specific responsibility for roads and delivery of the Coalitions' election commitments across metropolitan and regional Australia.

Mr Barnaby Joyce MP will be the Minister for Agriculture and will be working to fulfil Australia's potential as the food-bowl of Asia. The agricultural opportunities for Northern Australia in particular are immense say the Coalition. Senator the Hon Richard Colbeck will be Parliamentary Secretary to the Minister for Agriculture.

The Hon Julie Bishop MP will serve as Minister for Foreign Affairs and the Coalition claims will be a strong voice for Australia during a time when Australia is a member of the United Nations Security Council. Australia, in addition, will assume the Chair of the G20 on 1 December for a year. Senator the Hon Brett Mason will be Parliamentary Secretary to the Minister for Foreign Affairs.

With the unemployment rate at its highest level in four years and with Treasury forecasting that the number of unemployed will rise to around 800,000 by the middle of next year, helping Australian businesses generate more jobs underpins the Coalitions agenda to build a stronger economy says Mr Abbott.

According to the new Prime Minister, Senator the Hon Eric Abetz as Minister for Employment, Minister Assisting the Prime Minister on the Public Service and Leader of the Government in the Senate, will be responsible for reducing impediments to employment growth. The



Coalition claims that in keeping with their pre-election commitments, the Coalition will restore the Australian Building and Construction Commission, return the industrial relations pendulum to the sensible centre and re-invigorate Work for the Dole. Mr Luke Hartsuyker MP will be Assistant Minister for Employment and Deputy Leader of the House.

Senator the Hon George Brandis QC will be Attorney-General, Minister for the Arts and Vice President of the Executive Council and will be responsible for establishing a bipartisan process that will lead to a referendum and recognition of indigenous Australians in the Constitution. Mr Michael Keenan MP will be Minister for Justice.

The Coalition say that strengthening the economy, lifting productivity and turning around Australia's competitive decline will be at the heart of the new Government. They say by strengthening the economy they can create more jobs and better afford the services that we all want.

As Treasurer, the Hon Joe Hockey MP will lead the Government's work to restore the Budget position and grow a stronger economy and Senator Mathias Cormann, as Minister for Finance, will be responsible for delivering better value for taxpayers the Coalition claim. Senator Arthur Sinodinos AO will be Assistant Treasurer. Mr Steven Ciobo MP will be Parliamentary Secretary to





Tony Abbott



Joe Hockey



Eric Abetz



Greg Hunt



Barnaby Joyce



Christopher Pyne



Ian Macfarlane



Julie Bishop



Bronwyn Bishop



Warren Truss



Andrew Robb



George Brandis



Warren Entsch



Malcolm Turnbull

the Treasurer and Mr Michael McCormack MP will be Parliamentary Secretary to the Minister for Finance.

The Hon Christopher Pyne MP will be Minister for Education and Leader of the House and will work with the states and territories to deliver real improvements across all aspects of education the Coalition say.

The Hon Ian Macfarlane MP returns as Minister for Industry having held this role during the last two terms of the Howard Government. The Coalition say that Mr Macfarlane's experience and record of success will be invaluable as we seek to build more competitive industries across Australia. The new Industry portfolio will include responsibility for energy and resources. The Hon Bob Baldwin MP will be Parliamentary Secretary to the Minister for Industry.

The new Prime Minister says that the Hon Malcolm Turnbull MP as Minister for Communications will deliver a new business plan for the NBN so that we can deliver fast broadband sooner and at less cost. Mr Paul Fletcher MP will be Parliamentary Secretary to the Minister for Communications.

The Coalition say that small business employs almost one in two Australians and its stand-alone presence in Cabinet acknowledges its role in job creation. The Hon Bruce Billson MP is an evangelist for small business and will drive the Government's small business agenda.

The Hon Andrew Robb AO MP, serving as Minister for Trade and Investment, will be Australia's ambassador for jobs by expanding Australia's participation in free trade agreements.

The Coalition say that the Hon Greg Hunt MP as Minister for the Environment will have responsibility for the abolition of the carbon tax, implementation of the Coalition's Direct Action plan, the establishment of the Green Army and the creation of a one-stop-shop for environmental approvals. Senator Simon Birmingham will be Parliamentary Secretary to the Minister for the Environment and have responsibility for water. Recognising the value of deregulation to improving Australia's productivity, responsibility for driving the

Government's deregulation agenda will shift to the Department of Prime Minister and Cabinet the Coalition say.

Mr Josh Frydenberg MP and Mr Alan Tudge MP will be Mr Abbot's Parliamentary Secretaries.

The Hon Bronwyn Bishop MP, with Mr Abbott's support, will be the next Speaker of Federal Parliament.

The Hon Warren Entsch MP has agreed to chair a new Joint Parliamentary Committee on Northern Australia. Mr Abbott says that carefully developing their long-term plan for Northern Australia will be a priority of the new Coalition government.

The Hon Philip Ruddock MP has agreed to be Chief Government Whip. Ms Nola Marino MP and Mr Scott Buchholz MP have also agreed to be Whips. Mark Coulton is the Nationals' Chief Whip.

The Senate Whips are elected by the Liberal and Nationals Senate Party Rooms. The current Senate Whips are Senator Helen Kroger (Chief Government Whip), Senator David Bushby (Deputy Government Whip), Senator Chris Back (Deputy Government Whip) and Senator John Williams (Nationals Whip).

Mr Abbott says that this is an experienced and talented team and will deliver results for the Australian people from day one.

## Bonsucro Board meeting, seminar and training, Mexico City, July 2013. By Robert Quirk

In July, I had the pleasure of representing ACFA at the Bonsucro Board meeting, seminar and training workshop in Mexico City, which, I can report that all went exceptionally well.



Amy Omann from General Mills addresses the Bonsucro sustainability seminar in Mexico city .



Senior government office asks a question at the Bonsucro training day in Mexico City.

### Board Meeting

New Bonsucro Chairman, James Primrose, has settled in well and ran an excellent board meeting.

The presentation of the papers by the staff was very precise. I believe that the secretariat and the Bonsucro Board members are getting a good understanding of what each other's needs/wants are in the papers and the presentation of them, and are developing an excellent working relationship.

We are very grateful to Coke and to Denise Knight, Coke's representative on the Bonsucro board, for hosting the meeting at their Mexican head quarters.

### Seminar

The seminar was a major step forward for Bonsucro in Central America, with members of the Board present to help the staff engage with participants.

There were around 25 of the 50 mills in Mexico present, along with a representation from other countries in the region.

The real money and benefits for millers of becoming Bonsucro accredited came out very clearly during the course of the seminar.

It was explained that millers with their own agricultural production areas who reach the Bonsucro production standard will reduce their input costs, produce more with less, while having much less impact on the environment.





**Participants in the Bonsucro training day, 25 of the 50 Mexican mills were represented at the two day training .**

## Training

Natasha Schwarzback and Nicolas Viart (both from the Bonsucro secretariat) ran an excellent two day training course for a capacity group of 50.

I attended a training day in Recife, Brazil last year and the difference in the professional presentation from then to now is to be commended. The presentation in Mexico was very interactive and a delight to behold- this team just goes from strength to strength.

After completing the two day training course, the delegates had a clear understanding of what Bonsucro certification was about and how to become accredited. There was an abundance of questions that Nicolas was able to answer.

Daniel Lobo, also from the secretariat based in Brazil, who heads up the farmer working group and farmer engagement, filled in any gaps and engaged well on a one to one with all the participants, especially farmers.

The board meeting, seminar and two day training course were excellent opportunities for myself and others to engage with old friends as well as make a lot of new acquaintances, with a common interest in sustainable sugar cane growing.

Nick Goodall , Bonsucro CEO, has a great team and with his leadership Bonsucro will continue to influence the way sugar cane is grown around the world.

# Bonsucro Week 2013

**Building on the success from previous years, Bonsucro held its annual 'Bonsucro Week' from 4th to 7th November in New Orleans, Louisiana.**

Highlights of the week included the opportunity to; interact with the entire value chain over 5 days, participate in the consultation on the first draft of the revision of the Production Standard, contribute to the discussion of our ambitious expansion plans, and hear the announcement of election opportunities to the Board.

Participants were able to meet 20 of the world's leading speakers on sugar, ethanol, markets, human rights, and the environment.

Keynote speaker, Jason Clay, Senior Vice President of Market Transformation motivated and reminded delegates why the global sugar community needs to work together to address the sustainability challenges that exist in the production of sugarcane.

ACFA Senior Deputy Chair, Robert Quirk, along with ACFA Junior Deputy Chair and Next Gen Officer, Gerard Puglisi attended the weeks' events.

The week saw over 120 people from 25 countries representing the entire sugarcane value chain attend.



## ALIC Japan visit ACFA

On Tuesday 17th September, ACFA hosted a meeting with a small delegation from Agriculture & Livestock Industries Corporation from Japan.

The group was on a study tour of Queensland finding out more about the Australian sugar industry and discovering what Australian practices the Japanese sugar industry may benefit from.

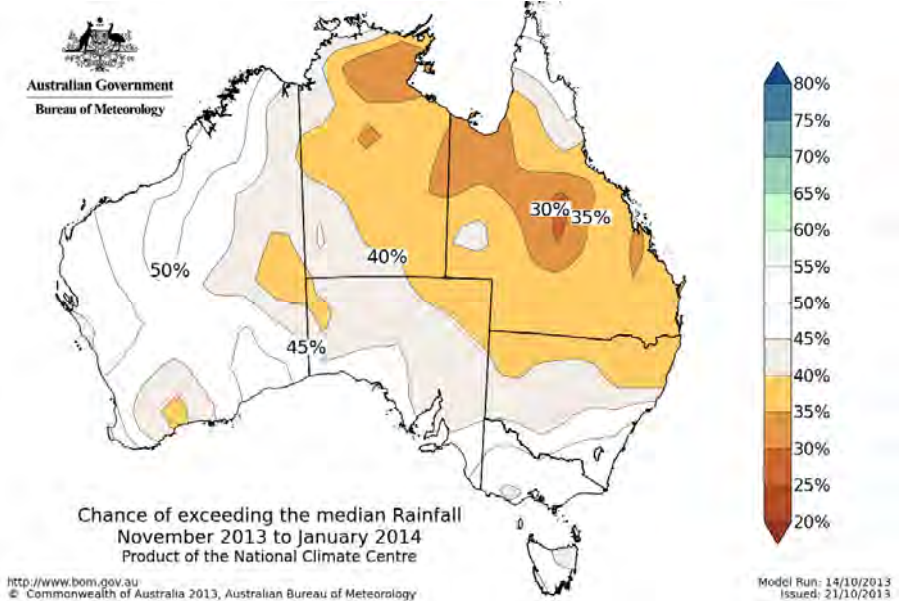
The emphasis and benefits of grower-led projects were discussed in projects such as Reef Rescue, Reef Plan and Project Catalyst. Bonsucro, the global sugar standard, was also discussed at length.

The delegation expressed particular interest in the practice of zonal tillage. ACFA General Manger, Stephen Ryan, showed the visitors pictures of a zonal hoe and described the practice of only one row area being cultivated in preparation for planting, while the inter-row area remains undisturbed as a traffic zone.

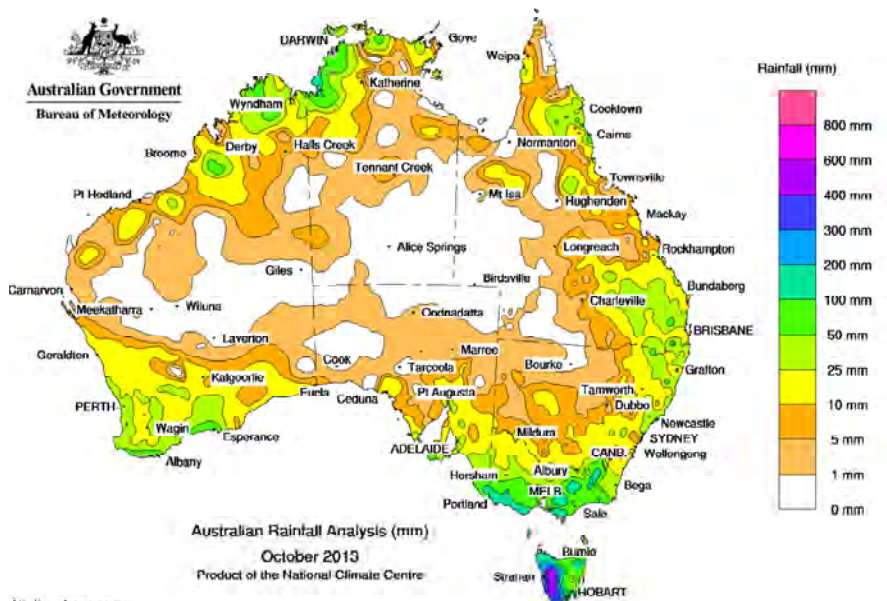


Toshio Nomura, Stephen Ryan, Minoru Ishii and Aya Ueda

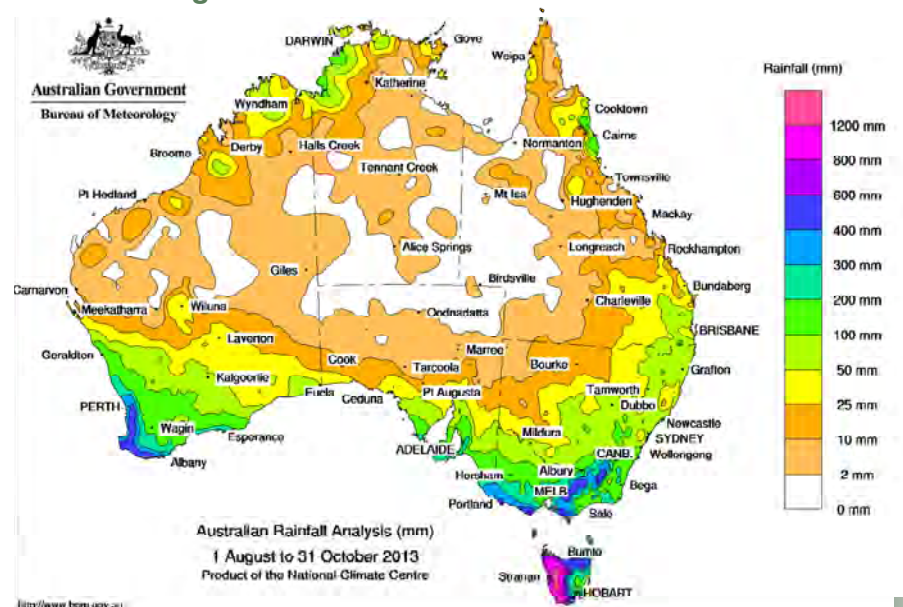
### Chance of exceeding the median Rainfall November 2013 - January 2014



### Rainfall October 2013



### Rainfall 1 August to 31 October 2013



# Mossman region



**Gerard Puglisi**  
Northern Region Director

The 2013 crush is well advanced for another year in the Mossman region and at this stage the crush is due to finish in the first half of November. The Mossman region is still cutting above estimate, but weeks eight and nine did see a slight reduction to the estimate. The mill also had some major breakdowns at the start of week 10, which left over 10 hours of cane waiting to be processed.

To the end of week eleven, 307,302t had passed through the rollers with an average CCS for the Mossman Mill area averaging 12.26 for the year.

Most of the 2013 planting is now completed in the region and some farmers are shifting focus to start their fertiliser and spraying routines. The main varieties that have been planted are Q208, Q183, Q241, Q250 & Q238. The weather has been favourable for our plant cane and ratoon crops for the 2014 season, however a heavy rain event in late August did cause some damage to some planted blocks on the North side of Mossman.

The Mulgrave and South Johnstone Mills have finally had some decent weather, which has helped with the harvest and also helped farmers carry out their farming activities. Mulgrave growers have had a frustrating run with unscheduled mill stops caused by industrial action and mill breakdowns. The good news so far for these two regions is that to date the estimates seem to be holding.

To the end of week 13, the Tableland Mill has crushed 360,310t with an average CCS of 13.88 and a crop average of around 115t/ha. The current estimate for the Tableland area is around 850,000t and if the mill can't increase their weekly crush rate before the wet season arrives, there is a strong chance that some of the 2013 crop may have to be stood over.

Over the last few months there has been ongoing discussions between industry and Biosecurity Queensland regarding the arrangements for sugarcane plant material (stalks & leaves) or machinery that has been in contact with a sugarcane plant, or soil on which a sugarcane plant is or has been growing; being inspected if moving between pest quarantine areas. This type of material must have an Inspector's approval to move between pest quarantine areas.

Mossman Agricultural Services will be providing this inspection service for the Mossman region. So if you have to move a machine between pest quarantine areas you should contact Mossman Agricultural Services and please give them as much notice as possible.

**Gerard Puglisi**

Northern Director

## Herbert region



**Carol Mackee**  
Herbet Region Director

**Extremely dry conditions are being experienced over the whole district at present. The southern side of Ingham has not seen rain since April. Some of the plant cane is now showing signs of stress.**

With crushing powering ahead it looks like all of the Herbert crop will be harvested by the end of October.

Feral pigs are everywhere and the broilgas have landed in paddocks and seem to be searching for grubs among the trash; they are turning the trash over the same as feral pigs.

The last of the MIS trees have disappeared into windrows of timber which have been steadily burnt. When planting gets underway next year all the land in the Abergrowrie region will be back under cane.

Our General Manager, Stephen Ryan, Chairman Don Murday, Burdekin Director Margaret Menzel, and I attended discussions with Wilmar representatives over their proposal for sugar/cane pricing. Due to consensus among farmers, the Wilmar proposal has been abandoned at this stage. Discussion of various marketing alternatives is continuing, in good faith.

I also attended a meeting held by Women in Sugar where we were given a presentation on handling our medicines, researching the ingredients and the reactions one could have; and letting doctors know exactly what we take, including alternative medicines. This certainly gave everyone an insight into what can go wrong. If the opportunity arises we should all attend meetings such as this one.

I had occasion to attend the NQBE meeting yesterday, the news was very welcome, as farmers have supported this project for the last 3 years.

### **GOOD FORTUNE FOR NQBE PROJECT**

Construction of a \$500 million State Government approved renewable power, sugar and bio products facility in Ingham, North Queensland, is on target for completion in 2016 following a breakthrough agreement with an international partner announced today.

In a joint statement, North Queensland Bio-Energy Corporation Limited (NQBE) and China's Nanning Good Fortune Heavy Industry Co. Ltd (GFHI) said the two companies had signed a Memorandum of Understanding (MOU) in relation to the provision of equity and supply of plant and equipment for the ground-breaking project.

The facility, which will be the first of its kind in Australia, will be the most technically advanced sugar processing facility of its type in the world.

GFHI is a Chinese state-owned producer of heavy duty machinery, based in Guangxi Province in Southern China.





GFHI manufactures plant and equipment for the sugar, hydro power, thermal power, mining, cement, chemical and building industries throughout Asia, Africa, Europe, South America and Oceania.

The company also has investments in numerous factories producing sugar, power, alcohol, and paper.

Since being founded in 1958, GFHI has built over 100 major sugar facilities and over 200 power projects.

NQBE is a company owned predominantly by 220 Herbert River (Ingham) sugar cane farmers who are committed to diversification in their industry.

NQBE Chairman, Robert Carey, said the agreement between the two companies had come after more than three months of intense negotiations, including discussion and negotiations in Ingham during the past five days between principals and representatives of both companies.

“NQBE is obviously delighted to have reached an agreement with GFHI which will allow the project to proceed this year and for the facility to commence operating in June 2016 in time for that year’s sugar cane harvest,” Mr Carey said.

“Having such a highly respected and reputable partner as GFHI as a project partner in NQBE is a major boost for the project and it does provide a great degree of comfort to the founding NQBE shareholders. Together, we are now confident of being able to deliver on our promise to construct a new state-of-the-art sugar based facility that will set a new benchmark for the Australian Sugar Industry.”

GFHI Special Assistant to Chairman and Chief Negotiations Officer, Mr Yang Xiang Yu, said his company was proud to partner with

**Robert M Carey Chairman – NQBE;  
Mr Yang Xiang Yu Special Assistant  
to Chairman and Chief  
Negotiations Officer GFHI.**

NQBE to construct such a cutting edge facility.

“We have been very impressed with the amount of work and detail that the NQBE team have put into the design of the facility and also the way that the Ingham cane farmers have fought to improve their outlook by embracing diversification through new technology,” Mr Yang said.

“We look forward to a successful association with NQBE and the local cane farmers who have shown faith in this project and the local community. We do understand the significance of this project for the future of the Ingham community.”

Mr Carey said the focus was now on completing detailed engineering drawings and associated work, including tender packages, so that civil works could commence after the end of the 2013/2014 wet season.

“We face a tight timeline, however, NQBE has shown in the past that it is ready, willing and able to embrace challenges and deadlines, and this is no different. The important thing is that NQBE has secured its major equity partner and it is full steam ahead.”

“We have an obligation to our shareholders (mostly cane farmers) to deliver this project in 2016 and with the help of GFHI, we are now well placed to do that.”

**Carol Mackee**

Herbert Region Director

## Burdekin region



**Margaret Menzel**  
Burdekin Director

Total crushing figures through our district mills over the last week was 393,141 tonnes and with the season now approaching the final weeks of harvest, credit is due to all who are working to achieve the best result in all areas of production, harvest, transport and milling.

The season estimate stands between 7.28 to 7.3 million tonnes and falling, with possible end dates as follows for the Burdekin mills:

Invicta suppliers:

Harvest completed on Tue 8th October

Pioneer suppliers:

Sunday 15th October

Kalamia suppliers:

Tuesday 22nd October

Inkerman suppliers:

Saturday 22th October

### Weekly production figures

#### Wilmar Sugar

#### Burdekin Mills

Week 18, ending 5 October 2013

Cane crushed

	This week	Season to date
Invicta	150,727	2,496,526
Pioneer	83,265	1,456,237
Kalamia	78,236	1,308,947
Inkerman	80,913	1,488,380
Total	393,141	6,750,089

CCS	This week	Season to date
Invicta	15.51	14.53
Pioneer	15.57	14.63
Kalamia	15.46	14.45
Inkerman	15.45	14.54
Burdekin	15.50	14.54

### Cane variety performance for region

Variety	%	CCS
KQ228	31	15.30
Q183	27	15.95
Q208	37	15.41
Q133	1	15.11
Q200	3	15.40

During last month, a group of millers and farm managers from Thailand (sponsored by KSL), were hosted by Warren Martin, Tate & Lyle, in various areas of the industry, including the Burdekin district. The group enjoyed the local hospitality as well as being shown through many aspects of the farming and harvesting practices in the Burdekin district. Included in their experiences were the precision farming, planting and harvesting techniques employed by Davco Farming, as well as more typically sized farming enterprises in the district. The group compared a range of farming, irrigation and management practices as well as enjoying the spectacle of a Burdekin cane fire.

Subsequently, a group from Japan has also visited the Burdekin with Carla Keith from QSL hosting the visitors and following a similar format.

KFSU Cane Fibre products has recently received a Federal Government grant for \$1.8 Million to help fund development of a new mill to produce sugar cane fibre in the Burdekin. I recently co-hosted a presentation for local growers and community members, including QSL representatives, to tour the factory and see the results of some of the research trials, etc. KFSU are in the process of welcoming local investors to participate in their present share offering, closing soon.

Harvesting contractors and farmers have worked well with Wilmar staff and grower representatives in the 2013 season, to ensure that all crews using sidings have completed current workplace safety inductions.

### **Workplace Safety siding Inductions:**

It is COMPULSORY for all harvester/haul-out operators and anyone working at sidings during the course of the season, to attend a siding induction course before commencing work in a contract group. Please take advantage of the siding induction courses available by phoning: 07 - 47 821 922 or Mob: 0438 747 596 to register. Courses are held fortnightly. Failure to demonstrate currency of training may result in bin deliveries/pick-ups being withheld.

A Yellow Canopy Syndrome (YCS) update was held in Brandon and growers and industry participants are advised that all information will continue to be updated on the sugar research website at: [www.sugarresearch.com.au](http://www.sugarresearch.com.au). For any concerns or for additional advice, growers should contact their local productivity board. BPS: 07-47831101.

The district's late planting is completed and weather conditions have been favourable in completing the harvest and despite another seriously reduced district crop, the early finish should assist the 2014 crops get off to an early start.

General Manager, Stephen Ryan and Chairman, Don Murday attended discussions with Herbert director and myself and Wilmar representatives over their proposal for cane pricing, which has been abandoned at this stage. A regional meeting was held in Ayr on that night, with concerns raised about grower's economic interest and security of sugar payments as well as the outrageous charges on water, electricity and rates. With local producers hit with an additional 8% on their rate bills over the past two years alone, questions have been raised with the relevant state minister. There is a blatant anomaly in the system, when the district's cane producers are responsible for under 25% of the rateable land area in the Burdekin, yet are forced to pay over 50% of the shire rates...it is clear that the council has a great deal of explaining to do and the minister is on notice to address the issue, as a matter of urgency.

I have also raised questions about increased Workcover premiums imposed by the state government, with the rates being approximately doubled for the equivalent wages outlay since the election of the Newman LNP government.

With the federal election just past, congratulations are due to the incoming government members, including re-elected member for Dawson, George Christensen. At recent meetings with the Member for Dawson, local issues in the industry have been discussed and suggestions offered to rebuild rural policies that better represent the industry and the farming families that underpin its survival. It is

disconcerting to reflect on how little (if any) effort has been expended by the major parties, in formulating any detailed primary industry policies or direction, or in addressing the very real concerns faced by this and other primary industries in this nation, in the lead up to the election.

The local industry has been hammered by increases in rates, government charges on every level, irrigation water charges and escalating fuel and electricity prices, wages and other input costs, as well as losses from weather events, YCS, etc...yet we are still forced to accept a corrupted world sugar price for our product, with no cost of living or local cost impacts factored in.

In contrast with every other competitor nation, including the developing world, our farmers receive only a percentage of the corrupted world sugar price for their product...with no consideration for the whole product or the by-products produced, e.g., ethanol (fuel and pharmaceutical), co-generation and bio-dunder and the potential for all manner of other goods. Industry representation needs to speak up to all levels of government with one voice on this issue, or growers will never receive their entitlements or due consideration for their considerable investments and inputs.

Commercially sound rural policies need to be adopted by government, or the triple bottom line may as well be written off for rural Australians, who have endured the cost of a nation's excesses for far too long.

Regards,

**Margaret Menzel**  
Burdekin Director

Mob: 0407 779 700



## Central region



**Steve Fordyce**  
Central Region

**Mackay Sugar is up to 4 million tons of cane crushed. Harvesting conditions have been ideal with no wet weather affecting the operations. Mackay Sugar's Chairman commented that the through put will be about the 5 million tons of cane for this year, however with the current high PRS the sugar make will be significantly higher than last year. The harvest should be completed at this stage by 19th November.**

The district is desperately in need of rain and the chances are below average of receiving it. There have been no general falls of rain since June. Plant cane and ratoons are suffering and need moisture now. The longer this dry period last the greater the impact on the crop for next year.

Mackay farmer Simon Mattsson has become a winner of a Nuffield Scholarship which is supported by SRA. The Marian Canefarmer has also grown soybeans and chickpeas for the last 15 years on his farm. His study soil health and will focus on both the beneficial and predatory microbial activities that are crucial to sustaining productive soils.

Sugar Australia's claim against Mackay Sugar was for \$3.15 million (excluding legal costs and interest awarded by the court) for the additional costs which Sugar Australia incurred in sourcing alternative raw sugar as a result of the non-supply by Mackay Sugar.

The matter has been long running and was previously the subject of two arbitration decisions and a Supreme Court appeal prior to the matter coming before Jackson J. Stee.

The outcome of the decision by Jackson J. delivered on Thursday 5 September 2013 is that Mackay Sugar was successful in its application for leave to appeal but was not successful as to the merits of the claim, with judgement being awarded in favour of Sugar Australia.

Mackay Sugar was inducted to Queensland Business Leaders Hall of Fame for its "contribution to the state's reputation and economy despite its 150-year long battle to survive in the highly volatile sugar market." In accepting to award on behalf of the company he commented "Through innovation and co-operation, our growers have been able to thrive despite volatile weather and global competition."

**Steve Fordyce**

Central Region

## Southern region



**Mike Hetherington**  
Southern Director

ISIS mill crushed over the 1,000,000 tonne mark recently with sugar content higher than we are used to, due to dry weather. The adverse affect of this is that the ratoon crop is struggling to come along. Irrigation is a must even before anything is seen of the new shoots. Irrigation systems, both on farm and SunWater, are being run up to max already.

The effects of the Australia Day flooding is becoming known as underground infrastructure and a lot of electrical components are failing from unseen damage caused by the ex-tropical cyclone Oswald. Surface water shutdowns are frequent and electricians are everywhere. Ants and corrosion are often the cause of failure.

Bundaberg farmers are crowing about the sugar levels they have seen and with good reason; CCS in the 18's is certainly welcome. The Bundaberg crush is due to finish by the end of October.

Maryborough has had a similar clear weather spell and at last the farmers there have been able to simply get on with the harvest. The southern MSF suppliers are also ramping up. It seems the alternative sugarcane processing venture has closed its doors; a great pity.

One challenge we have to face is workforce retention. With eight months until next harvest, I wonder what will become of our good people. We are looking at a huge crop for 2014 and will have to be prepared.

**Michael Hetherington**

Southern Region Director



### A new style of planting

This photo shows the 'different' planting method we have adopted. The construction of a single row bed former is half the story. The alteration of the "Moller" type planter is the other half. We cannot separate the two now.

From Northern New South Wales ideas, I have lifted the billet placing from about 150mm below normal soil surface level to about 25mm below normal surface level. The bed former used to give the planter some "dirt" to work in. Doesn't seem like much, but maybe, just maybe, it will solve one of our farms most difficult problems.

With 90 % of our farm the white wallum soil we have a real problem with losing plant crop to wet weather; this year is an exception. 300mm of top soil then a layer of clay is what we have to work with. Any wet weather results in water-logging up to about 150 mm below soil surface. We are having a go at keeping the setts above this, but obviously still needing 100 or so millimeters of cover. Now we are bedding up and with a ground level mouldboard, placing the sett just about on the surface and throwing soil on top.

Well, we have a strike with what we have done so far. It is a big change from the Childers red soil deep furrows. It's taken twenty years to get brave enough to give it a go.

## NSW region



**Robert Quirk**  
NSW Director

**The harvest started like last year: very wet then about mid July it turned dry. We have had 6 weeks without rain, which was causing some concern for the early plant cane.**

In late September, we had a very welcome 40-50mm this has made for perfect planting conditions at least for the next month or so.

Once again there is a very big planting regime in all NSW mills areas as we rebuild our industry, following the three years of floods.

The production at all mills is up on last year by about 40% in total. We can only hope that these return to more normal levels ASAP.

We have finishing dates at mill from 10th-24th of November, so all will finish early and this should give the ratoons a good early start for next year.

NSW Sugar continues to be the only industry outside Brazil to be certified to the Bonsucro Production standard, and with two members of the NSW industry sitting on the board of Bonsucro, we have quite a lot of influence.

NSW has the unique position to be the only farmer-mill-refinery supply chain in the world certified from the fields to the customers.

The three rivers had visits from SRA's Cam Whiting to conduct trials on cane and sugar losses during harvest in early September. The results were (to say the least) both revealing and quite disturbing.

In green cane with the extractors running at 1,150 rpm there was a measured loss of sugar per ha of \$485, with about 12.7% of the crop being thrown on the ground and lost.

The Tweed trial was done in a crop of plant Q208 around 75 tph with the harvester traveling at 6.5kph.

Since I first heard Cam present the findings of his research on harvester losses, I have been amazed at how long it has taken the industry to react to his work. In simple terms, to extrapolate the finding to a 100 ha farm, the losses could be as much \$50K per year.

**Robert Quirk**  
NSW Director



## Robert in Brazil

It was my pleasure to represent ACFA at the board meeting of Bonsucro in Sao Paulo Brazil on the 10th of September; the meeting was hosted by one of Bonsucro's member companies, Bungie, at their head quarters.

The meeting was quite a marathon from 8:30am until 6:30pm, in the main we worked on the strategic plan for the future of Bonsucro. One outcome was that the Farmer Working Group(FWG) was allocated \$30K to extend their engagement of growers globally.

I then spent a few days with the head of Bonsucro Farmer Engagement, Daniel Lobo, visiting with Solidaridad and NGO, who have developed a tool to help bring farmers up to the Bonsucro Production Standard.

There are around 100 farmers ready to run the tool over their production to see how close they are to the standard.

The FWG is working with the Bonsucro Secretariat to see if it is possible to present Bonsucro farmer members with a certificate of recognition that they are producing sugar cane to the production standard. We also visited a mill Sao Joao that has a certified area of its production of 18,000 ha and following our discussion I believe they will move to have the whole of their area certified of 32,000ha.

We visited with two of their staff, Sergio Luiz Sotta and Luiz Pitelli, who presented on their work then I was able to show them some of the practices we use in Australia .

We visited two farmers, Bruno Rangles and Ismael Perina Junior a Past Chair of Peak body of growers organisation, for the central south of Brazil which represents around 350MT of production.

There is a lot of interest in Bonsucro and the FWG in particular by growers in Brazil.

**Robert Quirk, ACFA Director.**



**Bruno Rangles Bonsucro farmer treasurer of Sosicana**



**Contour of the land with the grove of eucalyptus in the back ground**



**Sao Joao Mill with the environmental officer from that mill , in the back ground note the Bonsucro certification certificate.**

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