



## OCTOBER 2014

**P2 CHAIRMAN'S  
COMMENT**

**P3 GENERAL  
MANAGER'S  
COMMENT CONT.**

**P6 SUGAR MARKET  
INVESTIGATION**

**P7 NATS LAUNCH  
INQUIRY TO EXAMINE  
POSSIBLE MARKET  
IMBALANCES**

**P8 ACFA DIRECTOR  
NAMED FINALIST IN  
AUSTRALIAN FARMER  
OF THE YEAR AWARDS**

**P9 QSL MEDIA  
RELEASE - IS THERE  
MORE TO SUGAR  
MARKETING THAN  
PRICING THE ICE11?**

**P14 REDUCED  
QUORUM FOR STL  
SHAREHOLDER  
MEETINGS**

**P15 INDUSTRY NEWS**

**P17 DIRECTORS  
REPRESENT ACFA ON  
NATIONAL &  
INTERNATIONAL  
STAGE**

**P18 RAINFALL**

**P19 NEXT GEN**

**P20 NEW BENCHMARK  
PARTNERSHIP TO  
EXAMINE MACKAY-  
WHITSUNDAY  
WATERWAY HEALTH**

**P22 SRA UPDATE**

**P25 BONSUCRO  
UPDATE**

**P26 HERBERT RIVER  
GROWER REACHES  
SMARTCANE BMP  
MILESTONE**

## Sugar Marketing Inquires: concurrent threads of hope, running through uncertain times

By Stephen Ryan

**3 April 2014**

Wilmar Sugar Australia (WST) notifies QSL of its intent to resign from the RSSA.

**21 May 2014**

WST issued QSL with a notice of termination of their RSSA with QSL.

**24 June 2014**

Qld Minister for Agriculture, Fisheries and Forestry, Hon Dr John McVeigh convened a meeting of stakeholders to "discuss more broadly the future of sugar marketing arrangements in Queensland and to explore what options are available to the industry which will deliver long-term favourable outcomes for all parties."

**26 June 2014**

Minister McVeigh wrote to participants seeking expressions of interest to participate in "further discussions and investigate options for a marketing model that could be supported by the whole industry."

**27 June 2014**

MSF limited issued QSL with a notice of termination of their RSSA with QSL.

**30 June 2014**

Tully Sugar Limited issued QSL with a notice of termination of their RSSA with QSL.

**15 July 2014**

Agriculture Minister John McVeigh announced immediate plans for the State Government to investigate competition concerns in the industry, in order to ensure that "Queensland sugar cane farmers continue to have confidence in the marketing of the state's sugar."

Regarding Willmar, MSF and Tully Mills, the Minister said that, "to ignore long held canegrower preferences for the industry owned and not-for-profit traditional marketer Queensland Sugar Limited to continue to market Queensland's sugar has created unprecedented angst in the industry."

He also said that, "The State Government is disappointed by the decision of three, major internationally-owned millers to withdraw from QSL which threatens to erode the long-standing marketing arrangements and place cane farmers in a weakened negotiating position in the future."

Of the three millers, the Minister commented; "Their presence and investment in the industry is welcome, but their apparent disregard for long held industry practices and understandings is of great concern."

**continued page 3 >**

# Chairman's Comment

### Uncertainty continues to grow over the future of sugar marketing.

After a number of discussions between growers and millers no resolution was reached with the formal recognition of Grower Economic Interest (GEI) being the sticking point.

Confusion over the meaning of GEI doesn't help. GEI is not title: it is the basis for calculating a farmer's cane price and the linkage between the farmer's individual price for sugar and the farmer's individual price for cane.

The industry defines economic interest as:

**Grower Economic Interest** sugar is raw sugar for which Growers, excluding those Growers who are Related Bodies Corporate of a mill, bear the price exposure under the cane supply or other agreements between the Supplier and the Grower.

**Mill Economic Interest** sugar is the total of raw sugar that a mill produces for which the mill bears the price exposure. For the avoidance of doubt, this excludes any Raw Sugar for which a Grower (other than a Grower that is a Related Body Corporate of the mill) has the pricing exposure.

ACFA holds that, in a deregulated environment, farmers must have the right to assign the marketing and pricing of their GEI because their income is directly linked to the value of their Economic Interest.

The deregulation of sugar marketing has resulted in market power eroding farmers' market position. There is a lack of competition for farmer's cane and therefore a market imbalance in the industry, in favour of mills and against growers. Farmers need regulation to address this market failure by countering the market power of regional mill monopolies.

Pro-competition regulation would increase competition in the market for sugarcane and would remedy the market power issues related to farmers having become captive suppliers of sugarcane to monopoly mill processors. This is consistent with the principles of National Competition Policy.

Both growers and mill owners have an economic interest in the raw sugar produced and this is defined in the longstanding cane payment arrangements where the price of sugarcane is directly linked to the price of sugar.

We are participating in the Qld Government's investigation into competition concerns in the industry and the Senate inquiry, 'Current and future arrangements for the marketing of Australian sugar.'

ACFA and Canegrowers have made a joint submission to the Agricultural Cabinet Committee and have jointly presented to the Committee on 10 September 2014. We are currently finalising arrangements for our approach to the Senate enquiry.

I urge the Qld Government to conclude its investigation as close to the Senate enquiry reporting date as possible, as farmers need certainty to invest in future crops and the current environment holds anything but certainty.

### Water and energy prices

On 1 July 2014, the Minister for Energy and Water Supply, Mark McArdle MP, responded to a partition from Canegrowers, "That my department is working with



**Don Murdy**  
Chairman

the Department of Agriculture, Fisheries and Forestry, Ergon Energy and the Queensland Farmers Federation to develop an initiative aimed at addressing the rising costs of water and energy." We look forward to the outcome of that process.

Water and energy prices have placed many irrigated cane farms under extreme financial pressure. We along with Canegrowers and other rural industries are keeping the pressure up on the Qld Government to remedy these unsustainable prices, which is essential for the Government to even begin to fulfil its policy to increase agricultural production.

## Director awards

I would like to take this opportunity to congratulate ACFA's Deputy Chair, Robert Quirk, on taking out the prestigious National Carbon Cocky of the Year award at the National Carbon Farming Conference and Expo in Canberra in March 2014. Robert is nothing short of a practise-change pioneer and his outstanding contribution to the sugar industry is undeniable.

I would also like to congratulate ACFA Director and Next Gen Officer, Gerard Puglisi, for being named a finalist in two of the country's most reputable Awards; the Premier's Sustainability award (Rural category) and the prestigious *Australian Farmer of the Year* awards in the Diversification category. For those of you who are unaware, Gerard grows both cane and cocoa on his Mossman farm and has recently further diversified by opening a farm tour business called *Sweet Farm Tours*.

*I wish all stakeholders a successful conclusion to the 2014 season.*

**Don Murday**  
Chairman

## continued from page 1 >

The State Government is formally requesting action by the Federal Government, at the same time as investigating potential solutions in State legislation, and calling on all sectors of the industry to step up their own efforts to reach resolution.

Minster McVeigh has written to Federal Treasurer Hockey calling on him to formally consider powers under the Federal Competition and Consumer Act in relation to the millers' decision to ditch long-standing marketing arrangements within the industry.

"Any consideration under the Federal Act may require a major assessment of the economic impact of the millers' decision to withdraw from QSL. The LNP Government stands ready to provide the Federal Government with any assistance required to complete this assessment."

Mr McVeigh said the Queensland Government has also referred the issue to the Agricultural Cabinet Committee to investigate if the traditional practice of growers choosing where their economic interest in the sugar is marketed could be preserved in the current Sugar Industry Act 1999.

"This is about the possibility of ensuring growers a choice in marketing. It's not about re-regulating the sugar industry, it's simply preserving a right that gives cane farmers a choice in who markets their sugar," he said.

"The Australian Sugar Milling Council and its members, Canegrowers and ACFA, will be called to make submissions and present to the Ag Cabinet Committee on this key issue.

"The LNP Government's preferred position, as previously stated, is for growers to be offered a real choice in marketing arrangements.

The Minister noted that, "At the industry meeting I recently convened in Brisbane, I made a genuine offer to chair further meetings to re-examine 'Grower' Choice' model proposals, but Wilmar indicated no interest.

"It's my job to work with industry to find the best path forward for all sectors, but Government can't do that on its own."

## 12 August 2014

Minister McVeigh confirms: "I have written to Treasurer Joe Hockey calling on him to formally consider powers under the Federal Competition and Consumer Act in relation to the millers' decision to ditch long-standing marketing arrangements within the industry.

"Canberra may be able to help in ensuring that growers can retain choice when it comes to the marketing of sugar," he said.



**Stephen Ryan**  
ACFA General Manager

"Whilst we are conducting our own investigations and calling upon the Federal Government to do the same, I am continuing to call on all sectors of the industry to show stronger leadership and pursue commercial solutions to the impasse."

#### 4 September 2014

The Senate moved that the following matters be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 27 November 2014.

#### 'Current and future arrangements for the marketing of Australian sugar'

Submissions should be received by 13 October 2014. The reporting date is 27 November 2014.

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Committee Secretary

Senate Standing Committees on Rural and Regional Affairs and Transport  
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Parliament House

Canberra ACT 2600

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#### 10 September 2014

The Qld Government's Agricultural Cabinet Committee begins several rounds of consultation with stakeholders, over the next few months. It is expected that a recommendation will be presented to Cabinet, early 2015. It is worth noting that the last possible date for the next Qld election is Saturday 20 June 2015.

With the Senate report due on 27 November 2014, the ACC should have ample time to make a recommendation to Cabinet before the election is due.

The difficulty might be with passing the necessary legislation before the election due to the Government being in caretaker mode.

This review will be the first time the issue of market imbalances in the sugar industry has been reviewed by the Commonwealth in more than a century, since the 1912 Royal Commission on the sugar industry.

#### **The appropriate role for Government to ensure competitive and fair markets**

The first major review of the Australian sugar industry by the Commonwealth government was undertaken by a Royal Commission in 1912.

The Royal Commission observed:

*But the growers as a class do not, in our opinion, receive their fair share of the profits of the industry as a whole (Brown et al 1912).*

The Royal Commission conceded that 'squeezing of the primary producer' has not reached the magnitude in the Australian sugar industry it has attained in some other countries.

*But we take it that Australian statesmanship should seek to prevent as well as to ameliorate – to deal with evils as they arise without waiting for them to reach a stage when any remedy must involve far-reaching social and industrial dislocation (Brown et al 1912).*

Clearly then, the action of the Minister agrees with the Royal Commission of long ago, in that it is more appropriate for Government to seek to prevent a disaster, rather than deal with the aftermath, especially when the problem may no longer be remediable.

It is clear that at present there is a risk of market power turning the clock back



more than 100 years, in the favour of milling companies, where farmers have little practical ability to negotiate fair terms for their cane, which includes the right to price the portion of sugar in their cane which translates to their cane price, in the manner of their choosing.

***It is appropriate for Government to intervene in markets where there are natural monopolies. Government can restore commercial balance to enable markets to operate free from abuses of market power.***

In his 18 June media release, QSL's CEO Greg Beashel makes a valid argument.

"At the heart of this issue are the principles of value, risk, trust and transparency. Price is one aspect of the value proposition and should not be considered in isolation. Pricing is one of the four pillars of our industry system, along with financing, marketing (selling) and bulk storage, handling and shipping."

This is what ACFA has been arguing – **the need for choice and a formal right to it!** In order to achieve this, cane farmers must support and improve QSL, the company they already own and which has served them well.

As for any incentives to leave QSL for a rival, farmers need to be sure that the 'carrots' offered don't turn into 'sticks' in the longer-term.

The deregulation of the Australian sugar industry has, as predicted, led to market forces taking control. Despite claims made, the proprietary miller models are not choice models. These exclusively package-up growers into the supply chain of their miller as ***captive suppliers***.

The role of government identified by the Royal Commission of 1912 has not changed. It is to establish a regulatory structure that prevents the misuse of market power, addresses market failure and establishes a competitive market.

Government intervention in markets where natural monopolies exist is appropriate, which the Royal Commission states. Careful regulation can restore the balance of a market, allowing it to operate efficiently and free from anticompetitive practices.

There are many issues facing the viability of cane farmers at present and farmers need a transparent price delivery system that consistently serves their best interest for the long-term.

The ACFA is committed to work with Government and stakeholders in order to find a way forward for farmers to hold a real and competitive choice for the marketing of their economic interest.

## LAST POSSIBLE DATE FOR THE NEXT QUEENSLAND STATE GENERAL ELECTION

- The *Constitution Amendment Act 1890* specifies a three (3) year parliamentary term "from the date appointed for the return of the writ(s)".

**Hence: Monday 23 April 2012 + 3 years = Thursday 23 April 2015**

- The *Electoral Act 1992* (s 82(2)) specifies the Governor must issue the writ for a general election "not later than four (4) days after the day on which the Legislative Assembly is dissolved or expires by the passage of time".

**Hence: Thursday 23 April 2015 + 4 days = Monday 27 April 2015**

**Hence: Last possible day for the issue of the writ = Monday 27 April 2015**

- Finally the *Electoral Act 1992* (s 84(1) (d)) specifies "polling day must be a Saturday...not more than 56 days after the issue of the writ".

**Hence: Monday 27 April + 56 days = Sunday 21 June 2015**

**The Saturday prior to Sunday 21 June 2015 =**

**Saturday 20 June 2015**

## Cane farmers welcome sugar market investigation

15 July 2014

**Australian Cane Farmers Association (ACFA) has welcomed the announcement made by the Queensland State Government outlining their immediate plans to investigate competition concerns in the sugar industry.**



**John McVeigh**

**Hon Dr John McVeigh**  
Minister for Agriculture,  
Fisheries and Forestry

Ph: (07) 3719 7560

15 July 2014

The Hon. Dr John McVeigh made the announcement earlier which follows in wake of the news that three sugar traders have withdrawn from the industry owned marketing body Queensland Sugar Limited (QSL).

Minister McVeigh had also previously initiated a consultation process amongst grower groups and Queensland sugar mills.

ACFA Chairman, Don Murday, said that farmers are grateful that the Government has publicly recognised the seriousness of this issue.

“Cane farmers from across the State put the call out to Government to step up and intervene to ensure a sustainable future for our industry; thankfully they listened,” Mr. Murday said.

“This act is a step in the right direction to ensure that grower’s rights are better protected going forward.

Mr. Murday continued to say that there is 100 years of industry which has been built on the tradition of partnership between millers and farmers and that this is how farmers expect the industry to continue.

“Those millers who have ignored farmer’s wishes to continue with this partnership model, which is the envy of the world, have undermined the very essence of what our industry is based on,” Mr. Murday said.

“Our industry is only what it is because of this model and would not have grown to the size and efficiency without this partnership.

“For several years this has been derailed as the previous Government which handed ownership of sugar to mills.

Mr. Murday went on to say that ACFA encourages the millers who have resigned from QSL to come back to the table and embrace the reality of how farmers wish to participate in their industry.

“We will continue to work with all industry bodies to ensure a mutually beneficial raw sugar marketing arrangement,” Mr. Murday concluded.

# ‘Nats launch inquiry to examine possible market imbalances in sugar industry’



**Barry O'Sullivan**

**Senator Barry O'Sullivan**  
Senator for Queensland

Ph: (07) 4638 7555



**John William**

**Senator John William**  
Senator for NSW

Ph: (02) 6721 4500

4th September 2014

**Cane grower concerns over supply chain market imbalances in the \$2 billion Australian Sugar Industry will be examined by a Senate committee after an inquiry was announced in Canberra today.**

The inquiry, which passed through the Senate at noon on Thursday, has been instigated by Queensland Nationals Senator Barry O'Sullivan and New South Wales Nationals Senator John Williams.

Under the inquiry's terms of reference that passed through the Senate, the Rural and Regional Affairs and Transport References committee will examine supply chain issues such as equitable access to infrastructure, impacts of foreign ownership and whether there is a need for stronger competition laws.

The committee is expected to present its report by 27 November 2014.

Growers through the cane-growing regions of Queensland and New South Wales have expressed concerns over impacts on market power following the announced decision of some major sugar milling companies to exit the current industry marketing arrangements from 2017.

This review will be the first time the issue of market imbalances in the sugar industry has been Federally reviewed in more than a century.

Senator O'Sullivan said strong lobbying from local growers and his Queensland House of Representative colleagues had convinced him of the need for an inquiry.

"My LNP Queensland colleagues who sit with the National Party in the House of Representatives have pushed long and hard for a Senate inquiry and it is pleasing to announce it will proceed," Senator O'Sullivan said.

"The intended exit from the QSL single desk system by the major milling companies in 2017 will be the most significant change to the Australian Sugar industry in more than a century.

"The seriousness of this structural overhaul and the vocal concerns of growers means government must examine the situation."

Senator Williams said the inquiry responded to concerns raised by growers in New South Wales and Queensland.

"I had met with growers in the Tweed region and they raised their concerns about the direction their industry was heading," he said.

"We cannot afford to see another Australian industry on its knees. As legislators, we must find out what the problems are and work to address them."

# **Cane farmers welcome Senate inquiry into sugar marketing**

**4 September 2014**

**Australian Cane Farmers Association (ACFA) has welcomed the announcement made by the Federal Government outlining their plans to investigate competition concerns in the sugar industry.**

Australian Cane Farmers Association (ACFA) has welcomed the announcement made by the Federal Government outlining their plans to investigate competition concerns in the sugar industry.

The matter is to be referred to the Rural and Regional Affairs and Transport References Committee for inquiry, as moved by Senator Barry O'Sullivan earlier today, with the inquiry report due by 27 November 2014.

The developments follow the announcement by three large sugar traders/millers earlier this year of their resignation from Queensland Sugar Limited (QSL), due to take effect at the end of 2016.

ACFA Chairman, Don Murday, said that the deregulation of the Queensland sugar industry during the past decade has resulted in the market power of sugar millers eroding farmers' position.

"There is a market imbalance in the industry, skewed against growers and eroding competition," Mr. Murday said.

"With farmers exposed to world sugar prices, they rely on full price transparency and the ability to have a say over the marketing and pricing of their product, which, under long-term industry convention, they have a share.

"Cane farmers mostly supply regional monopoly millers and when they are unfairly treated can only turn to Government to insist on fair play.

"Australian competition legislation needs reinforcing in order to prevent small sellers of agricultural products from being held captive by processors. This matter affects many agricultural producers in various industries who look to Government to restore a commercial balance.

"ACFA is fully committed to assisting in the inquiry and look forward to the opportunity to do so," Mr. Murday concluded.

## **ACFA Director named finalist in Australian Farmer of the Year awards**

**Congratulations to ACFA Director, Gerard Puglisi, for being named a finalist in the Australian Farmer of the Year awards in the Diversification category.**

A big congratulations must also go to Chris Condon from Tully for being named a finalist in the Young Farmer category!

Both Gerard and Chris attended the awards dinner at in Melbourne on Wednesday 10th September. A full list of winner is available at <http://www.farmingahead.com.au/FarmerOfYear>





# Is there more to sugar marketing than pricing the ICE11?

27 August 2014

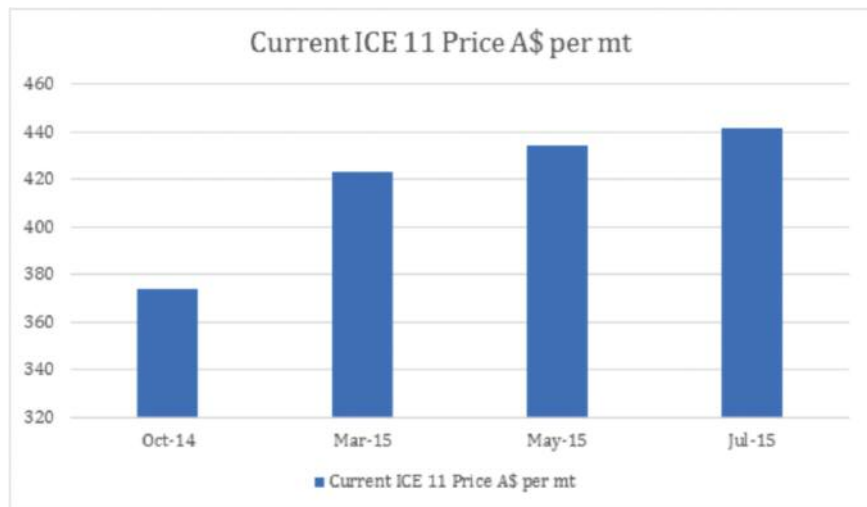
There is a lot more that needs to be considered when looking at sugar marketing than simply the ICE11 component of the sugar price. The proposition that growers have some control over how grower economic interest sugar is priced on the ICE11 and therefore do not need to be concerned about marketing arrangements is incorrect as it ignores:

- That the ICE11 price depends on which futures position that sales and pricing are being contracted against. It is the job of the marketer to optimise this and sell and hedge in the shipment periods that deliver the best return.
- That there are a number of significant factors other than the ICE11 price that can influence sugar prices that are directly related to how the marketing program is structured and managed.

The following discussion explains these points further.

## Why can't I just do my pricing against the highest ICE11 contract?

The chart below shows the current prices of the remaining futures contracts that will be used to hedge the 2014 season crop.



The price differences between the positions are significant and one key aspect of maximising price is to consider futures market prices for each futures position.

Marketing is not just a matter of finding the highest-priced futures contract to use for price hedging and making sales against that position. There are many other considerations when determining which ICE11 position to make sales against for sugar prices to be optimized, such as:

- Physical constraints including storage availability. About half of Australia's export raw sugar needs to be sold in season to allow room for the rest of the crop to be stored.
- The different supply, demand and freight dynamics at play in each shipment period that influence the premium above the futures market
- Carrying costs, such as financing – if sugar is sold later it needs to be stored and financed for longer
- Fitting in with when customers want sugar
- Allowing flexibility in the sales program to manage crop changes and market movements.

## What are the other revenues and costs other than the ICE11?

There are some very significant costs and revenues to be managed other than the ICE11 sugar price. Two of the key non-ICE11 revenues and costs are premiums and freight. I would like to spend some time in future articles explaining why these items are important and need to be closely managed.

If you would like further information, please don't hesitate to contact our Industry Relationship Managers:

Cathy Kelly 0409 285 074

cathy.kelly@qsl.com.au

Carla Keith - 0409 372 305

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**Greg Beashel**

**By Greg Beashel,  
Chief Executive Officer  
Queensland Sugar Ltd**

Wednesday, 30 July 2014



# SUGAR MARKETING - IS IT ALL ABOUT THE ICE11?

**I have been spending a lot of time lately explaining some of the facts around the current debate about sugar marketing.**

Recently, I addressed the Rural Press Club and one of the questions I received focused on why there is so much fuss over marketing arrangements when growers can control 95 percent of their pricing via the ICE11. Wilmar have also pointed to this in their latest media release where they state: "The choices currently available to growers allow them to determine more than 95% of the gross price of their sugar exposure independently of the miller". The final sugar price is determined by more than just the ICE11 price and these factors can influence the final sugar price significantly. These other marketing costs and revenues, as well as the influence marketing decisions have on tonnages priced against each of the ICE11 pricing positions, have a large impact on final sugar prices.

Marketing costs and revenues attribute to final returns

If we solely look at the non-ICE11 components of the sugar price, there are some significant revenue and cost items, as shown in the chart taken from our 2012/13 annual report.

Most of these costs and revenues will be significantly influenced by the marketer and the decisions that are made around the marketing program. If we add up these costs and revenues that are in addition to the ICE 11 price, whilst they do typically largely cancel each other out, there are some very significant sums involved. Our competitiveness as an industry operating in an export oriented commodity market is significantly influenced by how well these non-ICE11 costs and revenues are managed.

These non-ICE11 revenues and costs are significant and need to be closely managed by the marketer. There is even more to consider though when thinking about the influence on the final sugar price of the ICE11.

Marketing program and storage capacity influence ICE11 pricing positions

Marketing decisions and available storage capacity determine the tonnage allocated to each ICE11 pricing position. In other words, the marketer needs to make sure sales are being made against the ICE11 positions that when combined with other costs and revenues give the highest sugar overall price.

As I write this article today, the difference in prices between the different ICE11 positions for the 2014 season are very significant – USD37/tonne in the case of Oct/March and USD41/tonne in the case of Oct/May. It is obvious from these figures that if too much sugar is sold against the October position, a very significant opportunity cost could be incurred. This opportunity cost will not be reported in any financial accounts but is a very real cost of not managing the sales program well or optimising storage capacities.

In summary, I see the debate about sugar marketing arrangements being much larger than just five percent of the sugar price. Sugar marketing decisions have a much larger influence over the sugar price through management of the non-ICE11 cost and revenues and the tonnages priced against each of the ICE11 positions. This marketing debate is also about what future we want for our industry and whether growers should be given a choice over how grower economic sugar is marketed, especially as growers' cane payments are linked to sugar prices.

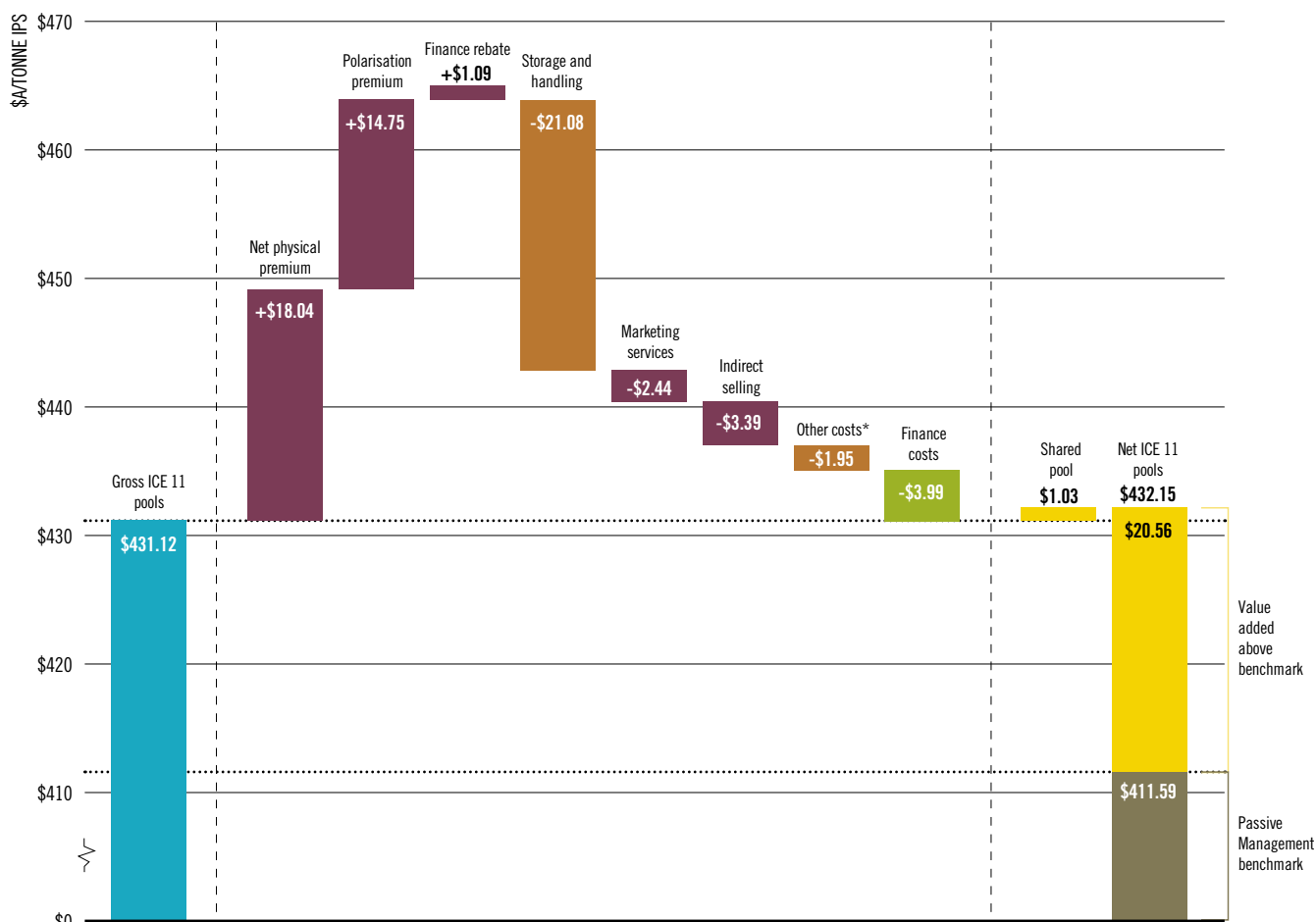
## Notes on chart below:

- The net physical premium is net of freight costs
- The other costs relate to additional transportation that needed to be undertaken due to silt build-up at Bundaberg Port from the January 2013 floods
- Indirect selling is the QSL quality scheme

## VALUE SNAPSHOT

### OVERALL VALUE CREATED IN THE QSL-MANAGED ICE 11 POOLS

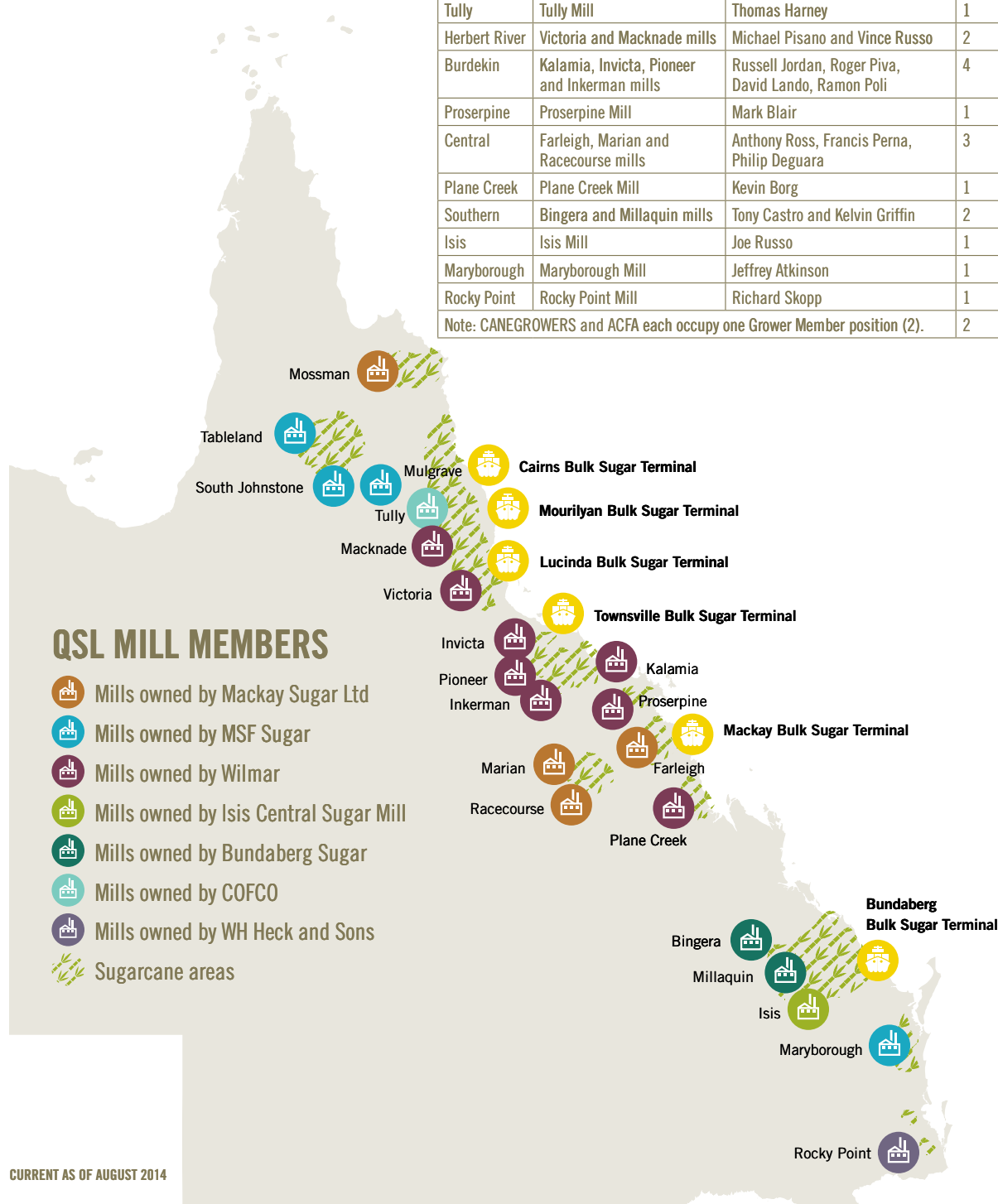
#### COMPONENTS OF TOTAL QSL-MANAGED ICE 11 POOLS VERSUS THE PASSIVE MANAGEMENT BENCHMARK



# Grower Representative Members



Region	Mill Area	Grower Representative Member/s	Grower Member positions available (23)
Mossman	Mossman Mill	Gerard Puglisi	1
Tableland	Tableland Mill	Nirmal Chohan	1
Mulgrave	Mulgrave Mill	Jeffrey Day	1
Northern	South Johnstone Mill	Barry Stubbs	1
Tully	Tully Mill	Thomas Harney	1
Herbert River	Victoria and Macknade mills	Michael Pisano and Vince Russo	2
Burdekin	Kalamia, Invicta, Pioneer and Inkerman mills	Russell Jordan, Roger Piva, David Lando, Ramon Poli	4
Proserpine	Proserpine Mill	Mark Blair	1
Central	Farleigh, Marian and Racecourse mills	Anthony Ross, Francis Perna, Philip Deguara	3
Plane Creek	Plane Creek Mill	Kevin Borg	1
Southern	Bingera and Millaquin mills	Tony Castro and Kelvin Griffin	2
Isis	Isis Mill	Joe Russo	1
Maryborough	Maryborough Mill	Jeffrey Atkinson	1
Rocky Point	Rocky Point Mill	Richard Skopp	1
Note: CANEGROWERS and ACFA each occupy one Grower Member position (2).			2



CURRENT AS OF AUGUST 2014



## QSL Grower Representative Members appointed

8 August 2014.

The election process for Queensland Sugar Limited (QSL) Grower Representative Members has now been completed. As a result, QSL has 21 Grower Representative Members who have been appointed to their positions for a three-year term, commencing August 2014. The nomination and votes received by QSL were tallied, counted and signed off by an independent scrutineer.

QSL Grower Representative Members are a vital communication link between QSL and growers throughout Queensland. This link is vital now more than ever with the ongoing developments in Queensland's sugar marketing arrangements for the future and QSL's continued advocacy for grower choice. We encourage growers throughout the state to reach out to their local QSL Grower Representative Member and provide them with feedback.

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Sign up now at [acfa.com.au](http://acfa.com.au) or by emailing [info@acfa.com.au](mailto:info@acfa.com.au)



## APPLICATIONS OPEN FOR RESEARCH FUNDING

Sugar Research Australia (SRA) has announced its call for researchers to submit Preliminary Research Proposals (PRPs) for activities commencing 1 July 2015 in identified areas of sugar industry research priority.

Priority will be given to applications that address the Australian sugarcane industry's Key Focus Areas that have been identified within SRA's *Strategic Plan 2013/14-2017/18*. The Key Focus Area are:

- Key Focus Area 1:** Optimally-adapted varieties, plant breeding and release
- Key Focus Area 2:** Soil health and nutrient management
- Key Focus Area 3:** Pest, disease and weed management
- Key Focus Area 4:** Farming systems and production management
- Key Focus Area 5:** Milling efficiency
- Key Focus Area 6:** Product diversification and value addition
- Key Focus Area 7:** Knowledge and technology transfer and adoption
- Key Focus Area 8:** Capability development, attraction and retention

Each PRP application must clearly align with relevant research priorities. Applications must specify the industry need for the proposed research, provide a clear description of the research outputs and outcomes, and describe plans for their subsequent adoption. Successful projects are expected to demonstrate a significant industry return on the project investment and contribute to triple bottom line benefits.

#### Lodging your application

PRP applications are to be completed using SRA's online application software SugarNet. SugarNet will accept applications from **8 September 2014**. Project applications must be submitted by close of business **20 October 2014**. Proposals submitted after this date will not be accepted.

#### Assessment process

SRA will run a two-stage assessment process. Shortlisted PRP applicants will be invited to submit a Full Research Proposal (FRP). The FRP submissions will be assessed with successful project applications to begin on 1 July 2015.

To view our Strategic Plan and for further information about this project call including application instructions, visit [www.sugarresearch.com.au](http://www.sugarresearch.com.au), or contact the SRA Research Funding Unit on (07) 3331 3333 or at [funding@sugarresearch.com.au](mailto:funding@sugarresearch.com.au)

## Reduced quorum for STL shareholder meetings



**At its AGM to be held on 21 October 2014, Sugar Terminals Ltd is proposing to reduce the quorum at its Shareholder Meetings from 10 grower shareholders to 2 and from 3 miller shareholders to 2.**

In recent years STL has struggled to achieve a quorum of members attending its AGM. As is the general custom, many shareholders give a proxy to the Chairman and the Chairman's attendance only counts as one attendee for the purpose of the quorum requirement, irrespective of the number of proxies he holds.

Failure to achieve a quorum would be both inconvenient and costly to the company as no business can be transacted and the meeting must be rescheduled. While the STL Directors encourage shareholders to attend shareholder meetings, they understand that this is often not convenient or possible, as in order to keep costs to a minimum they are held in Brisbane.

This reduction in quorum numbers will bring STL into line with many other publicly listed companies including Qantas and Bank of Queensland.

Any questions on this proposed change can be directed to STL's General Manager, Richard Farquhar, email [r.farquhar@sugarterminals.com.au](mailto:r.farquhar@sugarterminals.com.au) or to either of the STL grower representative directors:

- **Con Christofides**  
[conachristofides@bigpond.com](mailto:conachristofides@bigpond.com)
- **Drew Watson**  
[drew@briebrrie.com](mailto:drew@briebrrie.com)

## FARMERS, HARVESTERS, MILLERS & RESEARCHERS... MAKE SURE YOU SAVE THE DATE!

*Next Gen invites the young (and young at heart!) to 'Step UP!' and join in the conversation about innovation, sustainability and profitability in the Australian sugar industry at the **Case IH Step UP!** Conference in March 2015.*

**Where: Hotel Grand Chancellor, Palm Cove, Queensland**

**When: Tuesday 17<sup>th</sup> to Wednesday 18<sup>th</sup> March 2015 (Welcome Event to be held on the evening of Monday 16<sup>th</sup> March)**

To find out more, or to register for the event, visit [nextgenstepup.com](http://nextgenstepup.com).



## Industry News

**01/07/14**

### **Farm household support underway**

Farming families doing it tough, regardless of drought, will be able to apply for the Farm Household Allowance starting from July 1 reported North Queensland Register.

**01/07/14**

### **Bully-boy tactics in sugar war**

Wilmar Sugar's latest actions were likened to that of a schoolyard bully by Member for Dawson George Christensen after the Singapore-based sugar giant announced it would not engage in any further discussions with government ministers on the possibility of remaining with Queensland Sugar Limited (QSL).

**02/07/14**

### **Wilmar ignores its growers in snub to grower choice talks**

QSL CEO, Greg Beashel, said, 'Wilmar has shown a blatant disregard for its growers, the government and the sugar industry in rejecting Queensland Minister for Agriculture, John McVeigh's, invitation to take part in talks around a grower choice industry mode.

**03/07/14**

### **Sugar industry targeting 31.5 million tonnes of cane for 2014**

Sugar mills that had started the

2014 crush settled into their stride processing more than 1 million tonnes in a week for the first time in the 2014 season. This brought the season to date figure to 1.7 million tonnes representing just 5% of the estimated crop for Australia of 31.65 million tonnes.

**07/07/14**

### **Sugar marketing not a Federal matter: Joyce**

Federal Agriculture Minister Barnaby Joyce raised the prospect of stronger competition laws to protect cane growers in a battle with millers over future marketing arrangements for export sugar reported ABC Rural.

**10/07/14**

### **North Qld court decision highlights battle of rival sugar millers**

A judgement in the Supreme Court in Cairns has overturned an agreement between a Tableland cane grower and the owner of the Mossman sugar mill after successfully arguing the contract with Mackay Sugar was not legally binding because it did not meet the requirements of the Sugar Industry Act reported ABC Rural.

**14/07/14**

### **Agriculture Minister announces sugar market investigation**

To ensure Queensland sugar cane farmers continue to have confidence in the marketing of the state's sugar, Agriculture Minister John McVeigh announced immediate plans for the State Government to investigate competition concerns in the industry.

**15/07/14**

### **Millers roll over RSSA's with QSL**

Queensland Sugar Limited (QSL) announced that Mackay Sugar, Bundaberg Sugar and Isis Central Sugar Mill had rolled over their Raw Sugar Supply Agreements (RSSAs) with QSL for the 2017 season.

**17/07/14**

### **QSL delivers strong pool prices for 2013-14 season**

Queensland Sugar Limited (QSL) released strong pool results for the 2013/14 season, with all QSL-managed pools outperforming the average market benchmark.

**21/07/14**

### **Queensland's cane farmers learn about climate change via virtual reality world**

Queensland's sugar industry has turned to virtual reality to educate farmers about climate change reported ABC News.

**24/07/14**

### **Cane train safety alert outdated**

The cane harvest in the Burdekin, in north Queensland, is being conducted without a safety alert system on cane locomotives for the first time reported ABC Rural.

**25/07/14**

### **Mill celebrates 120 sweet years**

When the Isis Central Sugar Mill first registered as a company on July 16, 1894, there were many hurdles to overcome before a factory could be built, however 120 years on the mill is celebrating their success story reported News Mail.



**25/07/14**

## **Australia's no Asian food bowl: Joyce**

Australia is not the food bowl of Asia, nor should it claim to be. That was the message from Agriculture Minister Barnaby Joyce reported The Australian Associated Press.

**25/07/14**

## **Worst year in living memory for canegrowers**

Cane growers in the Maryborough region are looking at their worst year in living memory, with more than 40 farmers unable to produce a crop for this season's crush reported Fraser Coast Chronicle.

**29/07/14**

## **Ergon Energy Retail has switched to new tariff rates without the carbon price, effective from July 1**

All Ergon Energy Retail bills issued from July 24 do not include a carbon price component from July 1 onwards, successfully delivering on the commitment to pass on the savings from the repeal of the carbon price.

**29/07/14**

## **Heritage listing for north Queensland sugar experiment station**

The Meringa Sugar Experiment Station (SES), located on the east side of the Bruce Highway about 1km north of Meringa and 2km north of Gordonvale, has been entered in the Queensland Heritage Register.

**30/07/14**

## **El Nino prediction revised down to 50 per cent chance by Bureau of Meteorology**

The Bureau of Meteorology revised down its prediction of an El Nino weather event developing later this year reported ABC Rural.

**31/07/14**

## **Next Gen's Step UP! Conference attracts global brand sponsor**

Next Gen, the industry body for young sugar cane professionals, is thrilled to announce Case IH will once again support the popular Step UP! Conference in 2015.

**05/08/14**

## **Precision system finds the sweet spot on sugar yields**

The country's sugar cane industry is benefiting from a new precision agriculture system that provides mills with 97 per cent or better exactitude on yields — more accurate than traditional grower estimates reported The Australian.

**05/08/14**

## **Sugar flattens after Brazil warehouse fire sparked surge**

Raw sugar futures steadied after surging 5.6 percent in the first three minutes of trade in a knee-jerk reaction to a sugar warehouse fire at top grower Brazil's Santos port reported the Business Recorder.

**06/08/14**

## **Macadamia nuts used to power sugar processing plant at Bundaberg Sugar's Millaquin mill**

A sugar mill in Queensland's Wide Bay region has fuelled one its boilers solely on macadamia nut shells reported ABC Rural.

**06/08/14**

## **Calls to protect sugar cane industry in NSW from impacts of coal seam gas**

A local council in northern NSW is calling on its State Government to protect the regions main agricultural crop from the impacts of unconventional gas extraction reported ABC Rural.

**07/08/14**

## **Economic consultant commissioned by Wilderness Society labels north Queensland sugar farm 'unrealistic'**

An economic consultant commissioned by the Wilderness Society says plans to build a large-scale sugar farm in north Queensland are unrealistic reported ABC Rural.

**12/08/14**

## **Sugar industry investigation moves ahead**

Representatives from across the sugar industry will soon be invited to have their say on the sector's marketing and competition challenges following the approval of a State Government investigation the Honourable John McVeigh said.

**18/08/14**

## **Renewable Energy Target – Essential for Australian Sugar**

Australian Sugar Milling Council CEO, Dominic Nolan, expressed great concern regarding recent media reports that the Renewable Energy Target (RET) is under threat of being abolished.

**19/08/14**

## **Manildra Harwood Sugars celebrates 25th anniversary**



In September, Manildra Harwood Sugars (MHS) celebrates a major milestone with the achievement of supplying the Australian market for 25 years with a range of high quality refined sugar products.

**19/08/14**

### **Sweet sorghum research project could 'revitalise the sugar industry'**

A joint project between researchers in Queensland and China to derive sugars from sorghum could result in extraordinary social, economic and environmental benefits for future generations reported Food Navigator.

**5/09/14**

### **Researchers encouraged to bring their best ideas to the Australian sugarcane industry**

Sugar Research Australia Ltd (SRA) is calling for applications for research projects that will help build the productivity, profitability and sustainability of the Australian sugarcane industry.

**09/09/14**

### **Sugar 'not addictive' says Edinburgh University study**

People can become addicted to eating for its own sake but not to consuming specific foods such as those high in sugar or fat, new research suggests reported BBC News.

**15/09/14**

### **Farmers given ambitious targets to reduce nutrient runoff into the Great Barrier Reef**

Farmers along Queensland's east coast will need to halve their

fertiliser runoff in the next five years to meet the water quality targets set for the Great Barrier Reef reported ABC Rural.

**19/09/14**

### **Expectations rising for 32 million tonnes sugarcane crop for Australia**

With just over half of the 2014 sugarcane crop crushed, the Australian sugar industry looks to be heading for its highest crush since 2006 with current forecasts putting the crop at about 32 million tonnes said Australian Sugar Milling Council.

**25/09/14**

### **Mackay Sugar employee seriously injured at Mossman Mill**

At approximately 8.30am on 25th September, a male Mossman Mill employee received serious injuries to his right foot while working within the mill's cane receival area.

**26/09/14**

### **Industry communicator to blaze a trail in driving change on the farm**

Sugar Research Australia Limited (SRA) is investing in the Australian sugarcane industry's future, and contributing to rural Australia through funding Ms Suzi Moore to attend the Training Rural Australians in Leadership TRAILblazers program.

**01/10/14**

### **Queensland cane harvest electrical accidents hit seven year high as fatigue and low skilled workforce blamed**

The number of electrical accidents involving cane harvesters in parts of Queensland has reached a seven year high reported ABC Rural.

## Directors represent ACFA on national and international stage

**In early October, NSW Director Robert Quirk spoke at NCCARF's (National Climate Change Adaption Research Facility) Climate Adaptation Conference on the Gold Coast on 'How Long Can we Hold Back the Tide of Climate Change?'.**

As part of the Water. Rest. Shade. campaign, Robert will be travelling to El Salvador with La Isla Foundation (a Nicaraguan-based NGO) and Solidaridad (a Dutch NGO) in October. These two organisations have together received a 3 million Euro grant to work toward eradicating chronic kidney disease that is prevalent amongst cane cutting communities in several Central American countries. It is suspected the disease is brought on by severe dehydration experienced in the brutal heat in which hand cane cutters work. Robert will visit El Salvador a second time in January with Ayr cane farmer and champion cane cutter Paul Donnelly. Paul will demonstrate how to cut the same amount of cane with far less energy.

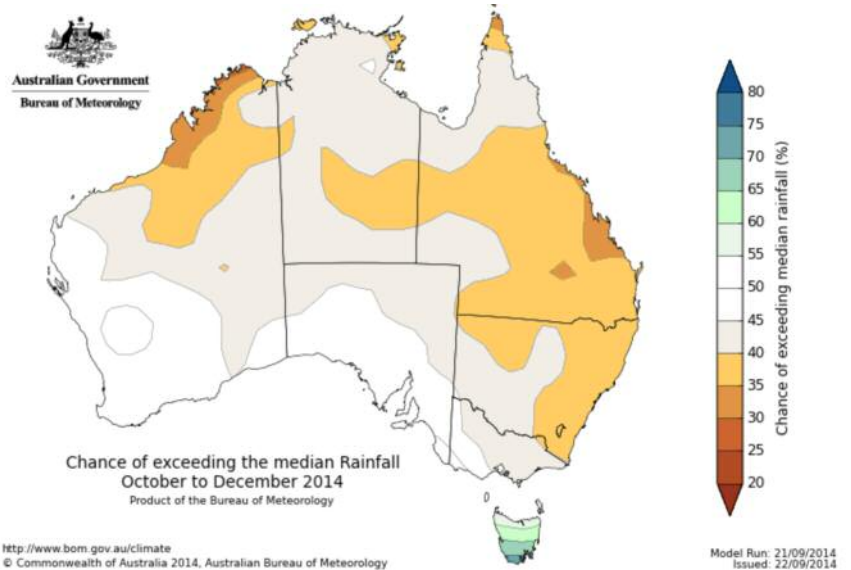
Following Robert's trip to Central America, he will attend Bonsucro Week 2014 in Manila at the beginning of November. As well as attending the Bonsucro Board meeting and AGM, Robert will take part in the week's events which include workshops, field trips and the Sustainability Awards ceremony.

Robert also sits on the National Committee for Acid Sulfate Soils (NatCASS) and will meet with the group on 26th November 2014 in Sydney. NatCASS meets twice a year to share information and to work on implementing the National Strategy for the Management of Acid Sulfate Soils. Robert represents the farming sector.

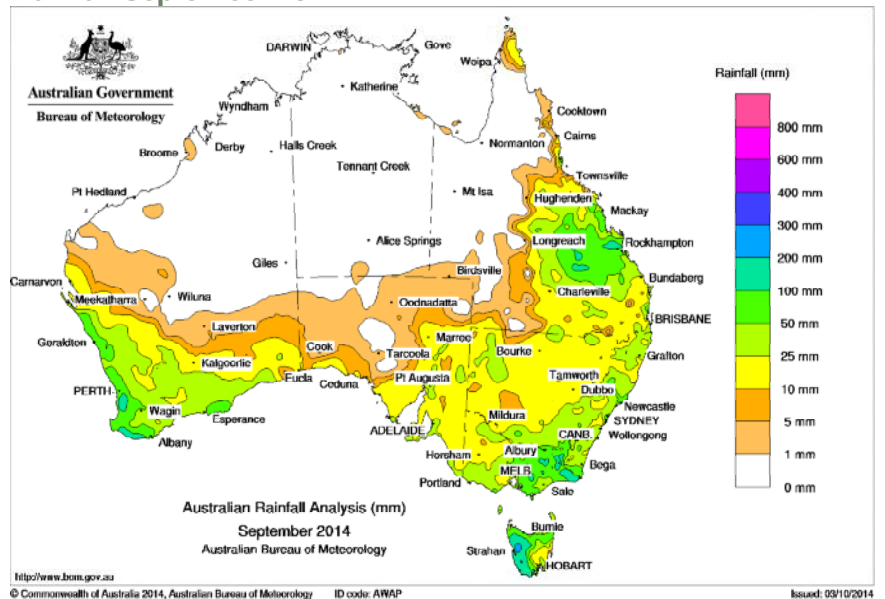
Herbert Director, Carol Mackee, will also represent ACFA at the National Farmers' Federation (NFF) National Congress being held at the Australian Institute of Sport Arena in Canberra on Monday 20 and Tuesday 21 October.

The Congress gives the opportunity for the agricultural sector to come together to cement our position nationally and globally and to ensure that we remain at the forefront of the latest developments and opportunities, from a grass roots level to a global level.

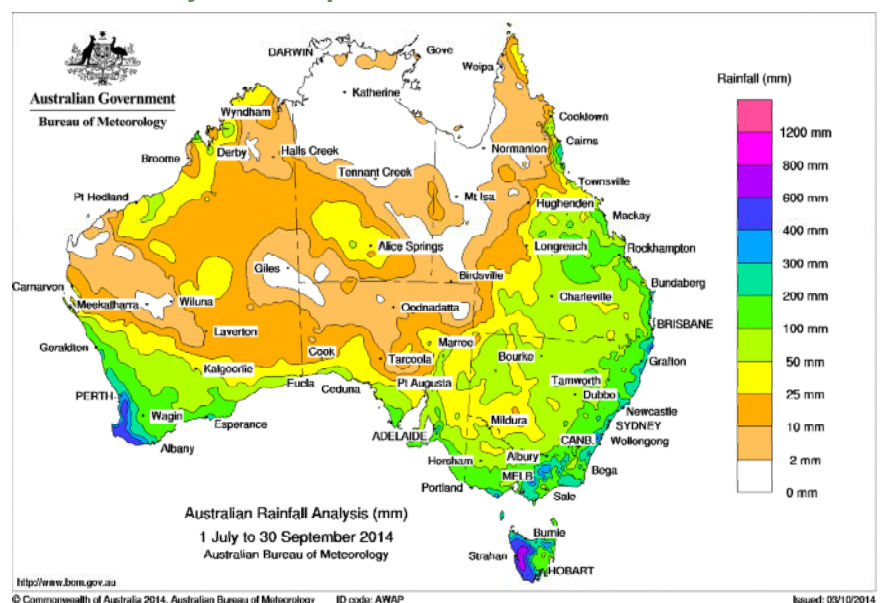
## Chance of exceeding the median Rainfall October - December 2014



## Rainfall September 2014



## Rainfall 1 July to 30 September 2014





Young mill electrician  
Hayden Quabba with  
QSL CEO and MD Greg Beashel  
at Leadership Week

## Next Gen Update

The Next Gen program, headed by ACFA Director Gerard Puglisi, continues to go from strength to strength. The program continues to grow and be positively recognised within our industry as being a vital part of ensuring a sustainable Australian sugar industry.

This year Next Gen, through funding from Sugar Research Australia (SRA), has been able to host two fantastic projects for young people in the sugar industry which have both recently concluded.

The Leadership Program kicked off in December last year which attracted young farmers, millers, researchers and harvesters from all over QLD and NSW to Brisbane to participate in 'Leadership Week'. In Brisbane, participants were given the opportunity to complete the Australian Institute of Company Directors 'Foundations of Directorship' course. The group also heard from key industry leaders with whom they have since been holding regular meetings.

The Business Planning & Case Flow Management courses were held in six key sugar regions which gave the opportunity for young farmers and their partners to learn the skills required to run a successful farming business.

Looking forward, we are pleased that Case IH has once again come on board as the major sponsor for the bi-annual Next Gen Step UP! Conference. **Case IH Step UP! 2015** will be held at Hotel Grand Chancellor in Palm Cove from 16th to 18th March next year and encourage all members of the sugar industry to join the discussion on how to ensure our industry remains profitable. More information can be found at <http://nextgenstepup.com/>.



# New benchmark partnership to examine Mackay-Whitsunday waterway health

**A benchmark partnership has been established in Mackay to help safeguard and monitor the health of the Mackay-Whitsunday coast, waterways and marine environment.**

Queensland Minister for Environment and Heritage Protection, Mr Andrew Powell MP, joined 21 Mackay, Whitsunday and wider Queensland organisations to launch the new Mackay-Whitsunday Healthy Rivers to Reef Partnership.

The partnership will oversee the production of an annual Mackay-Whitsunday regional waterway health report card, building off the highly successful Mackay-Whitsunday Water Quality Improvement Plan.

The report card will focus exclusively on waterways in the Mackay-Whitsunday region, including freshwater rivers, wetlands, estuaries and coast and marine environments. It will provide a comparable set of reporting arrangements to the SEQ Healthy Waterways initiative and the Gladstone Healthy Harbour Partnership.

The new partnership will be jointly coordinated on the ground by Reef Catchments (Mackay Whitsundays Isaac) Limited and NQ Dry Tropics NRM.

Reef Catchments CEO, Robert Cocco, said the collaboration was a further step forward.

"This partnership brings together not only industry, science and environmental experts but, most importantly, it involves the local community in the long term health of our waterways," Mr Cocco said.

"The formation of the Mackay-Whitsunday Healthy Rivers to Reef Partnership furthers the work undertaken via the previous Healthy Waterways Alliance program and now includes additional stakeholders and regions, such as the Don River catchment including the area of Abbot Point.

"With everyone from industry, government and community involved, I am confident that the health of our waterways and marine environment can be enhanced while actively meeting community aspirations," Mr Cocco said.

He said coast and water systems were a major part of life in the Mackay-Whitsunday region.

"Feeding directly into the iconic Great Barrier Reef lagoon, our waterways and land catchment areas support critical areas of biodiversity and natural resources; as well as tourism, a coastal lifestyle, a thriving agricultural sector and more," Mr Cocco said.

"Our water resources are irreplaceable. Reef Catchments looks forward to coordinating this new partnership to allow the community

and its stakeholders to make informed decisions about how to protect and manage natural assets for future generations."

NQ Dry Tropics CEO, Dr Scott Crawford, congratulated the partners for their commitment to the Healthy Rivers to Reef Partnership.

"Ready access to reliable and timely information is an essential ingredient to building community confidence in the management of our waterways and coastal and marine environment," Dr Crawford said.

"The Report Card is a strong step in the right direction, and will allow for improved information sharing, transparency and data quality. Ultimately, this will improve our understanding and management of a complex and remarkable environment.

"NQ Dry Tropics is proud of the opportunity to play a leadership role in the Partnership, and looks forward to working alongside industry, community, government and the research sector in the development of the Report Card."

Environment Minister Andrew Powell said the Mackay-Whitsunday Healthy Rivers to Reef Partnership would deliver the annual report card from Abbot Point to south of Mackay.

"The Great Barrier Reef is one of Queensland's greatest assets and we want families in future generations to enjoy it in the same way that we have," Mr Powell said.

"The report card will be based on the best independent science available so the most significant factors affecting waterway and Reef health can be targeted.





“The report card will tell us where we are heading and where we need to improve.

“It builds on the successes of the Healthy Waterways Report Card in South East Queensland and the Great Barrier Reef Report Card. It will complement existing reporting through the broader Reef Report Card, but also provide more specific local data to allow partners to prioritise actions to improve waterway health.”

Mr Powell also announced the first \$1 million of a proposed \$3 million over three years for the next phase of eReefs – a partnership with the Great Barrier Reef Foundation, Bureau of Meteorology, CSIRO, Australian Institute of Marine Science, the Federal Government and the Great Barrier Reef Marine Park Authority.

“Using the latest technologies to collate data and new and integrated modelling, eReefs will produce powerful visualisation, communication and reporting tools for the near shore and off shore marine environment,” he said.

**by Reef Catchments**

## **Signing on to the new Mackay-Whitsunday Healthy Rivers to Reef Partnership are:**

### **BACK –**

**Julie Boyd** (CEO, Resource Industry Network),  
**Dr Roger Shaw** (chair of the Reef Plan Independent Science Panel),  
**Russell Reichelt** (Chair, GBRMPA),  
**Gerard Carlyon** (Director Community & Client Services, Mackay Regional Council),  
**Steven Lewis** (CEO, North Queensland Bulk Ports Corporation),  
**Rob Cocco** (CEO, Reef Catchments)

### **MIDDLE –**

**Margaret Lane** (Chair, Pioneer Landcare),  
**Deirdre Comerford** (Mayor, Mackay Regional Council),  
**Michael Roche** (CEO, Queensland Resources Councils),  
**Jennifer Whitney** (Mayor, Whitsunday Regional Council),  
**Scott Crawford** (CEO, NQ DryTropics)

### **FRONT –**

**Andrew Cappello** (Chair, Mackay Sugar Limited),  
**Andrew Powell** (Qld Minister for Environment & Heritage Protection),  
**Di Tarte** (Independent chair of the new partnership) and  
**Kerry Latter** (Ceo, Canegrowers Mackay).



**Neil-Fisher**

**By Neil Fisher,  
Chief Executive Officer  
Sugar Research  
Australia**

29 September 2014

## Sugar Research Australia Industry Update

### Notice of Annual General Meeting

SRA will hold its first Annual General Meeting on 22 October at our head office in Indooroopilly, Brisbane. All SRA members are welcome to attend.

SRA members will have received a Notice of Meeting and Proxy Form in the mail. The matter regarding acknowledgement of the Director Selection Committee recommendation will be voted on at the meeting, so I encourage you to return your completed Proxy Form – appointing SRA's Chairman or another person – to act on your behalf, if you are unable to attend the meeting yourself.

SRA members have also been asked if they would like to receive a printed copy of the SRA 2013-14 Annual Report and future annual reports. If you do not wish to receive a printed copy but would like to read the report, it is available on our website [http://www.sugarresearch.com.au/page/About\\_SRA/Corporate\\_publications/2013-14\\_Annual\\_Report/](http://www.sugarresearch.com.au/page/About_SRA/Corporate_publications/2013-14_Annual_Report/)

### Capturing the best research ideas to grow our industry's future

SRA recently announced a new investment call for research projects that address one or more of the eight key focus areas (KFAs) detailed in our 2013/14-2017/18 Strategic Plan.

A two-stage assessment process will be conducted to ensure that only those projects that demonstrate a significant industry return on the project investment, to our members, will be supported. This process will be led by the Research Funding Panel (RFP).

To pass the first stage of assessment applications must clearly outline how they align with the KFAs, and describe the industry need addressed by the project. The applications must also present how research outcomes will be delivered, and how adoption by industry will be maximised. These proposals will be assessed with input from the Production Research Advisory Committee (PRAC) and the Milling Research Advisory Committee (MRAC).

The closing date for Preliminary Research Proposals (PRP) is 20 October 2014. Shortlisted PRP applicants will be invited to submit a Full Research Proposal (FRP). FRPs will be assessed again by the RFP with input from industry and peer experts to evaluate the feasibility of the project meeting its stated objectives. Successful applicants are expected to be contracted to begin project activities from 1 July 2015 onwards.

### Research program review

As a part of continuing to provide industry and our research community with focussed research priorities, SRA will be conducting reviews of our investment in molecular breeding, precision agriculture and trait-use efficiency.

These reviews are designed to address key issues, review past research and adoption of this research, and make recommendations that can be considered for directing the short-to-medium term research investments in these areas.



Expressions of interest are currently being sought from suitably qualified and experienced individuals or groups, to undertake a review of our investment in molecular breeding and marker discovery for implementation in the sugarcane breeding program.

Expressions of interest will be sought for the precision agriculture and trait-use efficiency reviews in the near future.

### Senate inquiry into levies

As you will be aware the Senate has announced the Inquiry into Agricultural Marketing and Research and Development Levies.

The inquiry stems from initial concerns raised by Liberal Democratic Senator David Leyonhjelm about proposed increases in levies in the mushroom, mango and onion industries.

In response to Senator Leyonhjelm's

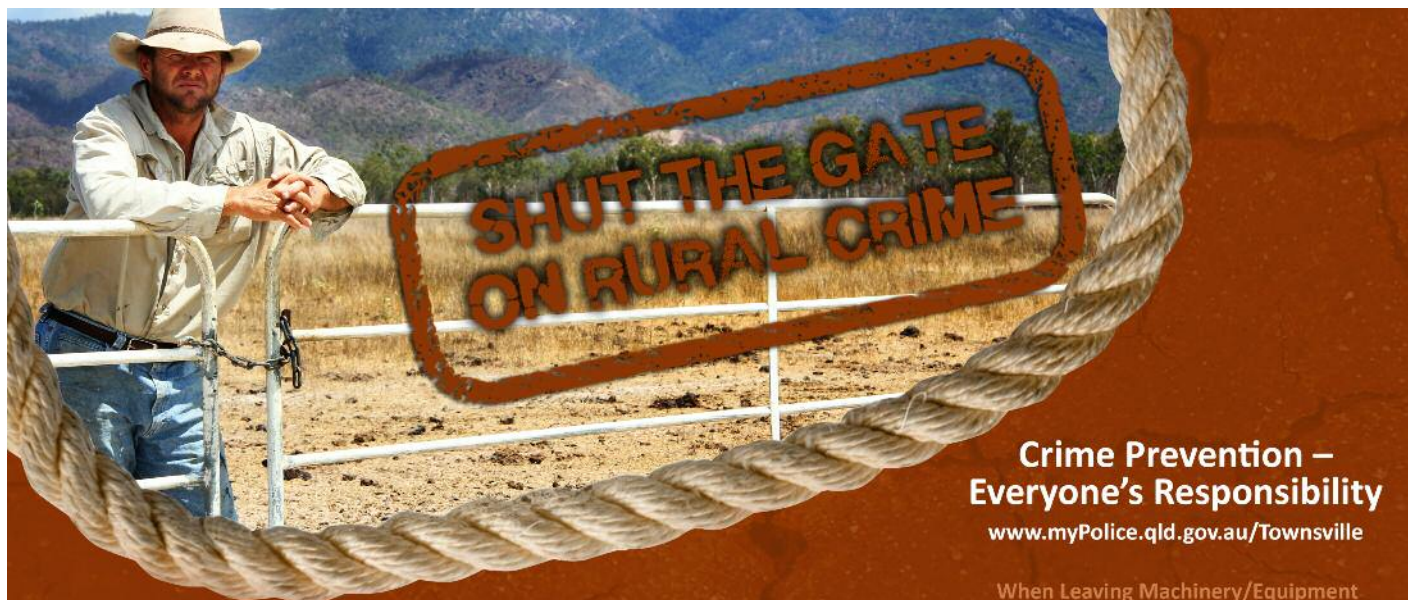
concerns, the Senate has instigated a broader inquiry into the rural levy funding framework to review all agricultural marketing and R&D levy contribution systems. This review will have a particular focus on the level of engagement Rural Development Corporations and other industry-owned companies have with their levy payers, and levy payer voting entitlements.

SRA welcomes the announcement of the inquiry and views it as a positive step towards ensuring agricultural R&D levy frameworks are contemporary, democratically determined, focused on meeting member and levy payer priorities and delivering benefits to our respective industries and the broader Australian community.

I believe that with the significant reform of the sugar RD&E framework that took place last year, our industry has one of the most current and contemporary structures in place.

SRA will be making a submission to the inquiry from its standpoint as the Industry Services Body for the Australian sugar industry, but we will only address the specific terms of reference with direct relevance to SRA.

I will also be encouraging our industry representative bodies to take this opportunity to respond to the inquiry with submissions advocating for the retention of the current Sugarcane Levy framework.



**Crime Prevention –  
Everyone's Responsibility**  
[www.myPolice.qld.gov.au/Townsville](http://www.myPolice.qld.gov.au/Townsville)

**Rural Crime Affects You**  
Rural crime affects the lifestyle and financial well-being of those who work and live in our rural communities. Theft and malicious damage to livestock and equipment costs farmers millions of dollars annually in revenue and loss of productivity.

**Prevent Rural Crime**  
As a landholder, you can prevent rural crime by following these simple steps to protect your property, machinery and livestock:

- Improve farm, household and personal security.
- Ensure all property is clearly marked for easy identification.


**Farm Machinery, Tools and Equipment**

- Always know where your machinery and equipment is located.
- Make a detailed inventory of all your personal, household and farm valuables. Record details including serial numbers, inscriptions, brands, age, replacement value and other identifying features.
- Engrave or mark your property using a number or piece of information unique to you.
- Ensure all farming and livestock handling equipment, machinery and tools are kept in a secure area.
- Photograph or video your property, particularly stud stock, machinery and those items that are not easily engraved or marked. Keep these in a safe place.

**When Leaving Machinery/Equipment Unattended**

- Make sure it can be seen from the residence. Avoid leaving it where it can be seen from an access road.
- Keep external fuel tanks, pumps and electronic fence units secured and located at their point of use. If the fuel supply is operated electronically, consider isolating the power supply.
- Keep the surfaces of your equipment and the surrounds clean. This will enable police to assess the area for fingerprints, should this be necessary.

Photography: Senior Constable Ellen Belcastro  
Artwork: Jorjcreative Photography



# Researchers encouraged to bring their best ideas to the Australian sugarcane industry

5 September 2014

Sugar Research Australia Ltd (SRA) is calling for applications for research projects that will help build the productivity, profitability and sustainability of the Australian sugarcane industry.

Applications must address one or more of the eight Key Focus Areas in SRA's five-year Strategic Plan said Professor Alan Johnson AM, Chair, Research Funding Panel, SRA.

"It is important that the research SRA funds delivers a significant return on the project investment to industry, and practical outcomes that can be easily taken up on the farm and at the mill," said Professor Johnson.

"I would like to encourage participants from within our industry, and researchers and research organisations from the sugar and other agricultural sectors, to put their best ideas forward."

The eight Key Focus Areas for strategic investment are:

1. Optimally-adapted varieties, plant breeding and release
2. Soil health and nutrient management
3. Pest, disease and weed management
4. Farming systems and production management
5. Milling efficiency and technology
6. Product diversification and value addition
7. Knowledge and technology transfer and adoption
8. Capability development, attraction and retention

Successful applications must clearly outline how their project aligns with the Key Focus Areas and the industry need that it addresses.

The outcomes the research will deliver and how adoption will be maximised must also be clearly explained.

"This is a new era of investing in industry's knowledge where every dollar counts."

"We are fully committed to only funding research projects that deliver real value to SRA's members, levy payers and the broader industry, and contribute to triple bottom line results," concluded Professor Johnson.



**Media contact:** Vanessa Sandhu, Communications Manager, Sugar Research Australia, 0419 175 815 for interviews and images.

**More information** about the funding call and application forms are available on the SRA website [www.sugarresearch.com.au](http://www.sugarresearch.com.au)







## Bonsucro Update

**Delegates at the Bonsucro Meeting held in Brisbane recently**

**On 11 August 2014, Natasha Schwarzbach Interim General Manager/Head of Engagement hosted a high level meeting with representatives from mills, traders, farmers, researchers, banks, lawyers and auditors and provided the industry with an update on the latest developments at Bonsucro.**

Natasha reconfirmed why Bonsucro exists and how, through its engagement process, the organisation supports mills to optimise the link between mills and end users (brands). There is a growing interest in moving sustainability into the mainstream, and pressure from NGOs has increased the understanding of the need for transparent and sustainable supply chains.

There are, of course, complexities involved in the global mapping of sugarcane-derived products, and discussions took place on how to scale up the efforts to help transform the sugarcane industry on a global scale.

Australia is one of Bonsucro's top 10 priority markets and members talked over ideas on how to create alignment amongst Australian members to support these activities. One clear outcome was to further deliberate this, and Reef Catchments volunteered to help organise quarterly meetings with Bonsucro members.

The next opportunity for members to meet local actors as well as the global sugarcane industry is at Bonsucro Week 2014. This year, it will be held in the Philippines and there are 14 good reasons why members should participate and attend all 14 activities. In particular, one of the activities planned will be held over two days - the farmer working group meeting.

Bonsucro farmers in membership have expressed a very clear desire and want to be recognised as sustainable.

This topic will be discussed at the meeting, and a discussion paper is being prepared, and is set to be one of the most talked about papers and discussion points of Bonsucro Week 2014.

Register today for Bonsucro Week to make sure your voice is heard:  
<http://bonsucro.com/site/bonsucro-week-2014-destination-manila/>

### **Bonsucro Production Standard**

After a two-year process, in which ACFA Director Gerard Puglisi was heavily involved in, the revised Bonsucro Production Standard was unanimously approved by its members earlier this year. The Standard was published on 26th September and can be viewed at <http://bonsucro.com/>.

### **New Chief Executive**

Bonsucro also recently announced that Simon Usher has joined the secretariat as the organisation's new Chief Executive. Simon brings a wealth of experience as a strategist and change agent, having worked for organisations all three sectors (public, private and not-for-profit).

# BONSUCRO®

**For more information on any of the above, or to find out more about Bonsucro, please visit [Bonsucro.com](http://Bonsucro.com).**



**Michael Pisano, the Herbert River grower who has been accredited in the three key Smartcane BMP modules.**

## Herbert River grower reaches Smartcane BMP milestone

**Smartcane BMP has accredited its first farmer in the three 'key' modules of the seven that make up the industry program.**

Michael Pisano, who farms east of Ingham, has been accredited in the Soil Health and Plant Nutrition Management, Pest, Disease and Weed Management and Drainage and Irrigation Management modules.

BMP project co-ordinator Malcolm Petrie has congratulated Michael saying that, by becoming accredited, he has provided strong leadership to the industry.

"I appreciate his commitment and perseverance in demonstrating that accreditation can be achieved and for providing positive and proactive feedback.

"As the first grower he has provided valuable insight on further refining the Smartcane accreditation process and into the value of the support role the facilitators can play in gathering the information needed to support his application."

Michael didn't have to change a thing about the way he farms to gain accreditation; he just had to prove what he was doing.

"We were already using the Best Management Practices on our farm. The biggest thing was coming to terms with all the recording that's required and the evidence to show what we were doing," Michael says. He admits he found the process a bit tough but is glad he's worked through it.

"I had an ERMP already in place and I was keeping records of nutrients and spray records that were good for me but it wasn't what the program wanted so it took a bit of working through to pull it together. I had to formalise, for example, my nutrient and weed management plans but now that it's done I only have to update it each year."

Malcolm is encouraging other growers to follow Michael's lead and move the industry towards the removal of government regulations.

"This first, important accreditation in the three key modules demonstrates both the program's rigour and achievability," he says.

"Growers should be recognised for what they do and this program proves to government and their communities that the industry is doing what it says it is doing – looking after the environment while being productive and profitable."

While Michael didn't have to change any of his farming practices to achieve accreditation, Malcolm says many growers working through the modules will identify areas for which they can seek support and access industry training.

"For industry, Smartcane BMP strengthens the opportunities to access additional funding through avenues such as the Federal Government's Reef Programme and it will play a big part in helping Australian sugar meet the future market requirements of its key customers," he says.





**Michael Pisano utilises trash blanketing to help control weeds and nourish the soil. His machinery is on GPS and matched to row spacings to reduce soil compaction.**

#### Smartcane BMP Farms and Areas

591

Farms in the system

36317

Area Under Dryland (ha)

37377

Area Under Irrigated Cane (ha)

90218

Farm Area Total (ha)

## New paddock journal and phone app for Smartcane BMP records

Keeping track of things such as fertiliser and herbicide applications on farm is essential to analysing and improving productivity and profitability. A new paddock journal is now available and later this year it'll become a smartphone application.

By recording all of the activities that happen in a single farm block or zone together, analysis of practices can occur simply, without needing to source and interpret multiple record-keeping formats. Changes to improve farm management and profitability can also be targeted to where they'll have the greatest effect.

A Paddock Journal first produced in 2005 has been reviewed and updated by a team of hardworking BMP Facilitators to help growers meet the Smartcane BMP evidence criteria.

This updated paddock journal will be available in hard copy from your Smartcane BMP Facilitators as well as electronically on the Smartcane BMP web site under Further Resources. The paddock journal will also evolve into a smartphone application later this year.



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## ACFA SERVICES

**Publications:** The Australian CaneFarmer. Australian Sugarcane - the leading R&D publication - Bimonthly.

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

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

- Crop insurance
- Life insurance and personal accident insurance - ACFA insurance provides life and personal accident insurance via AON and Australian Casualty and Life.
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*Articles in The Australian Cane Farmer do not necessarily represent the policies or views of the ACFA.*

**Editor-in-chief:** Stephen Ryan

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