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Sugar Poll: If you vote yes you'll be forced to pay without having a say

The Australian Sugar Industry Alliance (ASA) made up of the Australian Sugar Milling Council and Canegrowers have hired the Australian Electoral Commission, to conduct a vote for the formation of a new sugar Industry Owned Company, a dedicated, not-for-profit, research company called Sugar Research Australia (SRA).

The vote has not been directed by the Australian Government; however Minister Ludwig is allowing the industry to conduct a poll to test the response.

In early August, all cane farmers in Queensland and New South Wales and all milling companies will receive papers from the Australian Electoral Commission to vote in the Sugar Poll 2012.

If cane farmers vote yes, our iconic BSES which has been the world-leader in sugar cane RD&E for 112 year will soon cease to exist. Our government-backed research funder, the Sugar Research and Development Corporation (SRDC) would also be wound up. The assets of both companies would be transferred to a new company called Sugar Research Australia (SRA).

Levy Payers will not have a vote

ASA is claiming that levy payers will vote but that is only for setting the levy which is already required by law. This is crystal clear in ASA's submission to Minister Ludwig.

"For Sugar Research Australia company proceedings, alongside all Members being advised of and able to attend and speak at a general meeting, a delegate based system is envisaged, similar to that operated by Australian Pork Limited, and also as understood by growers through arrangements for Queensland Sugar Limited."

Members will be invited but only one delegate per region will vote.

This gives the impression that SRA would be a democratic organisation; however ASA's proposal voting by members is a DELEGATE system, ONE PER MILL AREA, which would mean that large players would totally dominate the Board of SRA, its R&D plan, and the compulsory levy; and defend it against changes.

Money Wasted on consultants

ASA claims that they will make our RD&E more efficient but are they really qualified to say that? To date they've spent a truck-load and increased service costs to industry.

ASA has already spent over AUD one million on its proposal – mostly on consultants – that could have been spent on actual RD&E, rather than talking about it. If ASA gets its way, up to millions more could be spent which could have been spent on RD&E. How is this efficient?

continued on page 4

CHAIRMAN'S COMMENT



RD&E

In August, farmers will be asked to vote on ASA's proposed reforms to RD&E. To date, the process could only be described as a rail-roading of levy payers by people who have been determined to remove support from BSES and SRDC in order to point the finger in support of their plan to control our RD&E.

Make no mistake, their plan calls for the end of BSES after 112 proud years and the end of SRDC.

Under ASA's plan, BSES will cease to exist. Claims that the best bits of BSES will be transferred to SRA are absurd.

ASA is claiming that levy payers will vote but that is only for setting the levy which is already required by law. Voting on company matters will be by regional delegates – one per mill area, so the levy paying farmer will be forced to pay and have no say, in the vote. This is undemocratic and unacceptable for a compulsory levy.

Industry money used on consultants

ASA has used industry money to pay for almost \$1M on consultants.

This money could have been spent on actual RD&E, rather than talking about it and enriching consultants. If ASA gets its way, millions more could be spent which could have been spent on RD&E. How is this efficient?

Where is the BSES Board in this?

BSES members should have been asked which services they require and how much they wish to pay. To date, the Board of BSES has been listening to ASA to the exclusion of BSES members.

At Eoin Wallis's farewell, he admonished the industry to view R&D as an investment and not a cost. Quinton Hildebrand, Chairman of ASMC and major proponent of ASA's plan, said that BSES is internationally recognised as the world leader in sugar cane R&D.

But he is one of those about to wind up BSES!

I urge all farmers to vote 'no' to the sugar poll and ask you to please read carefully, the related stories in this edition. We may only get one chance on this important issue.

BSES staff

During the first half of 2012, 418 combined years of expertise has been made redundant from BSES. These people can never be replaced!

On behalf of the Board and members of Australian Canefarmers, I'd like to commend the outgoing BSES staff for their service and dedication to the industry.

Their loss is truly a colossal mistake, which has reduced the capacity of our RD&E.

Next-Gen Program

I'd like to introduce our Next-Generation program and our Next Generation Officer Annlouise O'Brien.

ACFA is pleased to launch this important initiative and I invite all young cane farmers to get involved.

The future of our industry is with the successful induction of younger farmers into our farming businesses, preparing them to eventually take over the reins.

Over the next few months AFCA will be introducing the Next Generation program to all the young cane farmers across the Australian Sugar Industry.

Carbon tax

The carbon tax is yet another divisive issue which could have long-term knock-on effects on farmers.

In its special report, 'The Clean Energy Plan and Australia's industries' (June 2012), the IBIS group calculates that Australian Agriculture will decline in revenue by 6.4% in 2012-13; 0.9% in 2013-2014; and 0.8% in 2014-15. The NFF has quoted this and stated that independent consultants and ABARE have confirmed that 'higher electricity costs and the likely pass-through of costs from the processing sector fertiliser' will be a factor. Of course transport, fertiliser and other embedded costs will cause major impacts.

LNP Government

The ACFA Board and management have been working to establish a close working relationship with the Newman LNP Government. I look forward to a productive relationship to achieve better outcomes for cane farmers and I look forward to reporting on our progress in my future comments.

I wish you all a safe and profitable cane season in 2012.

Don Murday
Chairman

**Make no mistake, their plan calls for the end of BSES after
112 proud year and the end of SRDC.
Under ASA's plan, BSES will cease to exist.**

Growers Get Greater Choice

Maximising profits and minimising inputs is what fertiliser solutions supplier Advanced Nutrients strives to achieve for their customers.

The company supplies granulated and liquid fertiliser solutions across all crops including products specifically suited to sugar cane. This range includes their patented carbon coated fertilisers headed by Black Urea®, a range of granulated blend and the popular liquid solution, Bang P™.

Bundaberg district cane grower, Brad Penny said he had nothing to lose by moving to liquids but everything to gain – applying Bang P.

“We had never tried it before so I guess I was skeptical to start off with,” he said.

“I liked the idea that liquids wouldn’t burn the plants and the fact it worked out cheaper was an added bonus.

“The whole process was easy because

we applied it at the same time we were spraying for grubs so we were able to do two jobs in one application so it cuts down on work you have to do on a farm.

“The results spoke for themselves – our figures showed a return of \$23 for every dollar spent on Bang P – adding to that we got an extra 12.3 tonnes per hectare from the sugar cane crop.

“We picked up tonnage, the units of sugar were higher so we got more money – it doesn’t get any better than that.”

Mr Salmon said he was encouraged by growers who were willing to change their farming practices to improve the quality and quantity of their crops.

The company, who are in their 12th year of operation, have invested years of research both in Australia and overseas in Black Urea® and Black DAP™ which has culminated

in superior products to boost plant growth by improving nitrogen and phosphorus efficiently, saving growers thousands on fertiliser costs by reducing leaching and volatilisation.

BLACK UREA®

“Our research and development in the Black Range has always been on the dollar return for the grower. And our range of sugar blends has been specifically formulated with grower input. Our staff has been in the field asking growers what they need.”

The sugar blends incorporate the company’s own biostimulant, carbon based coated Black Urea® and Black DAP™ in place of standard urea and DAP.

For more information call Advanced Nutrients on free call 1800 244 009.

Kick Start Your Cane with a Bang this Season

Bang P™ is 4-5 time more efficient than granular phosphorus. Available in bulk, 1040L, 208 L and 20L.

Bang P™ is high analysis and has added organics for greater nutrient uptake and a soil penetrant for greater dispersion around the root zone.

Bang P™ is easy to use and does not require special application equipment, simply add in planter bath or dribbled into soil. Can also be applied via boom spray, aerial, fertigation or overhead irrigation.

Bang P™ can be tank mixed with most common insecticides and fungicides but always refer to manufacturer’s instructions.

Bang P™ is an ideal product for all nutrition programs to give an excellent boost to growth, root development, colour and overall plant health.

BANG P™



Treated and untreated cane at 14 day growth stage. Bang P™ at 15 L/ha in planter mix.

For your nearest distributor call:

NSW: Ian Hendry 0418 727 959

QLD: Steve Capeness 0431 317 634

Info Line: 1800 244 009


Powered by: **ADVANCED NUTRIENTS®**

Continued from page 1 ...

Why would ASA want to do such a dramatic thing?

Some in the milling sector appear to see R&D as a cost rather than an investment. They believe that ASA does not have enough control over RD&E direction and funding. For them, the current system is too democratic and has the Federal Government's involvement which requires wide consultation with industry stakeholders, including payers of the compulsory levy.

Why is Canegrowers backing the ASA proposal?

During the last decade, some mills have not paid their share of BSES funding, while BSES was committed to using its reserves to fund the BSES DuPont Joint Venture on genetic and other advanced technology. This commitment was agreed to by all stakeholders.

Some mills are using this situation to claim that BSES is not viable, yet it is these same entities who are failing to fund the BSES.

The Canegrowers Organisation has expressed that they are backing the ASA plan because the millers have agreed to equally fund R&D for three years.

Apart from serious flaws in the ASA plan, a miller commitment to fund R&D for three years is grossly inadequate, as the plan would take almost that long to fully implement; while a sugar cane variety takes eight to twelve years to deliver and variety improvement is the keystone of the Australian R&D program.

A short-term funding commitment is not sufficient to justify changes that effectively grant control over R&D to powerful milling companies for no clear advantage.

If ASA is so sure of its plan and its good intentions, why doesn't it make a ten year commitment?

Cane farmers are concerned that if SRA is formed and there is no turning back, mills may ask for another concession from farmers.

Has anyone asked the researchers?

During the process so far, sugar industry researchers have been largely left out of the consultation process and when consulted they have expressed a view that they were not listened to.

Wrecking ball to R&D

ASA's plan means an end to;

Real regional input.

Local R&D needs being taken seriously.

Value adding – such as ethanol and biomass projects.

What can be done?

The simple answer is vote 'no'. The current model would then continue and ASA would need to approve its funding.

ACFA and Associated Cane Farmers Groups Oppose ASA's R&D Plan with a United Alternative

Some of the regions have tired of being pushed around by a 'top-down' power structure. They have voiced a need for system where the regions have a greater say in the varieties and other RD&E that they require locally.

A united group comprising the ACFA and other regional groups that share great concern about the ASA proposal, have proposed an alternative.

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The elements of the alternative proposal are;

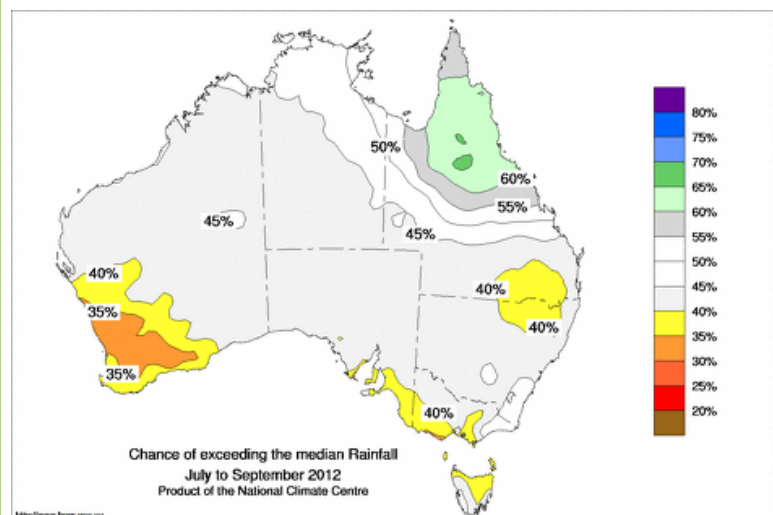
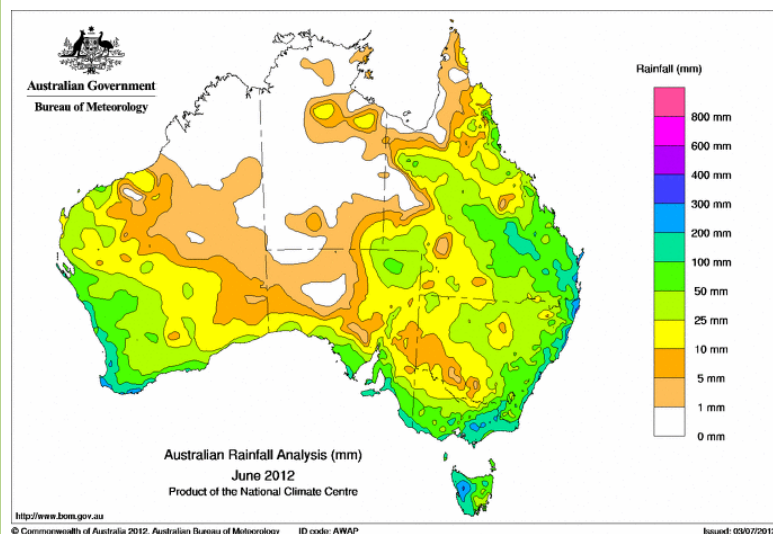
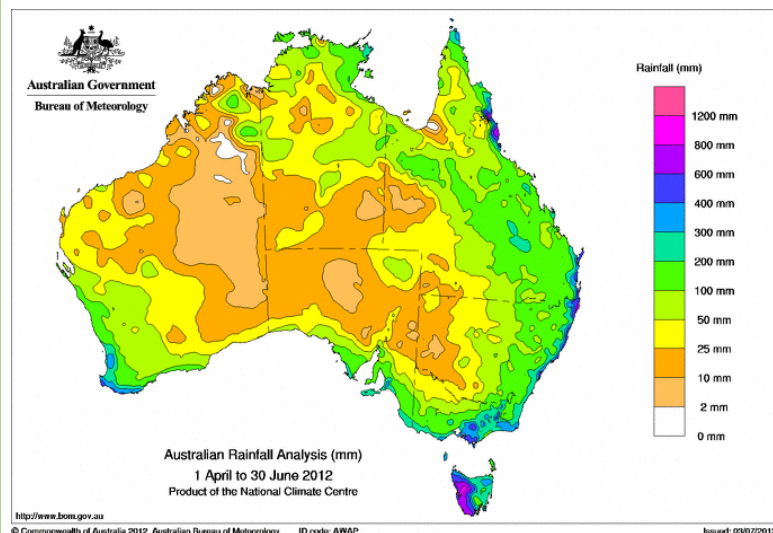
- Keep BSES and SRDC intact and separate as now. This removes the conflict of interest by keeping the major R&D funder separate from the major R&D provider.
- SRDC would have a long-term agreement to collect the BSES levy, guaranteeing the funding of BSES.
- Optionally, SRDC would have a long-term agreement to collect the Productivity Services levy, guaranteeing the funding of Productivity Services.
- This model would ensure that millers and farmers paid their equal share.
- SRDC would administer the remainder of the funds as it currently does for competitive research grants to ensure that the best researchers receive project funding.
- SRDC would consult with stakeholders as it currently does to form the most representative R&D plan.
- In addition local productivity services would advise which R&D the local regions require and whether the R&D programs are delivering locally, where they are needed.

Get on with the job

The outlook for our industry is promising. This is a time to concentrate on building the outcomes and efficiency of our existing structures. This not a time to gamble on a 'high-risk' idea.

Our united plan places the guiding hand of R&D in the local regions.

Say no to the Brisbane takeover of R&D or say goodbye to regional input forever.





Australian Government

Sugar Research and Development Corporation

APPLICATIONS OPEN FOR RESEARCH FUNDING

Sugar Research and Development Corporation (SRDC) has announced its call for researchers to submit new research, development and extension (RD&E) proposals for activities commencing from **1 July 2013**.

Priority will be given to projects which contribute to changes in sustainable productivity in sugarcane growing, harvesting and/or milling as outlined in the **SRDC Research, Development and Extension Plan 2012-2017**.

The SRDC Research, Development and Extension Plan 2012-2017 identifies 4 Programs:

- Growing the crop
- Milling the crop
- Sustaining the environment
- Skills and capabilities

Program Research areas:

In this funding round, higher weighting will be given to applications in the areas highlighted (not in priority order), however applications addressing any of the areas will be considered.

- Plant Genetics
- Pest control
- **Soil-Plant interactions**
- **Harvesting**
- **Mill capital use and operating efficiency**
- Enhancing the value of existing products
- Transport efficiency
- **Raw Sugar Quality**
- Positioning industry as a leader in environmental responsibility
- Waste minimisation and utilisation
- Preparing for a global environment with different resource availability and values
- Innovation skills
- Leadership and decision making skilling
- Business practices and value chain improvements
- Extension and adoption of research

Successful projects are expected to deliver a positive change to profitability and a high return to industry on research, development and extension investment.

Expressions of Interest for funding of research projects must be submitted by email to apply@srcd.gov.au by **17 August 2012**.

SRDC is also calling for project proposals for Grower Group Innovation Projects, Scholarships and Capacity Building Projects, to be submitted by **31 August 2012**.

For details on how to submit an Expression of Interest application or project proposal visit www.srcd.gov.au or ph: (07) 3210 0495.

8 Myths of ASA's R&D Proposal – Busted

ASA claim 1. More: research and varieties

ASA claims that growers would have to pay significantly more than the current BSES fees and SRDC levies – for no additional benefit.

ACFA Response

ASA has forced BSES to remove its extension service, shifting the cost onto Productivity Services and mills who are hiring ex-BSES extension staff and raising their levies.

In its first action; ASA has increased costs, disconnected extension services from R&D, and created inefficiencies. The ACFA united plan would not raise costs because it would be funding what's left of BSES via guaranteed funding from SRDC.

ASA claim 2. Funding: mills to pay equally with growers

A compulsory statutory levy would be paid equally by growers and millers (35 cents/tonne each in place of the current fees for BSES and levy for SRDC). Growers would have to vote again to remove the levy.

ACFA Response

The ACFA united plan, would require 50/50 farmer/miller funding under a similar budget to ASA's.

The law already require farmers to vote to change the SRDC levy.

The Canegrowers Organisation is backing the ASA plan because the millers have agreed to equally fund R&D for three years.

A miller commitment to fund R&D for three years is grossly inadequate, as the plan would take almost that long to fully implement, while a sugar cane variety takes eight to twelve years to deliver and variety improvement is the keystone of the Australian R&D program.

A short-term funding commitment is not sufficient to justify changes that effectively grant control over R&D for no clear advantage.

ASA claim 3. Ensuring: financially stable research body

ASA claims that BSES's reserves will continue to rapidly dwindle and it will not be financially viable.

ACFA Response

BSES reserves are being used because

a. The entire industry, including ASMC, Canegrowers & ACFA agreed that the BSES Du Pont joint venture would be funded from industry reserves, until commercial revenues were a reality.

b. BSES has been held to ransom by some millers who have been strangling it in order to achieve THEIR reforms.

The ACFA united plan, would require 50/50 farmer/miller funding. BSES would be properly funded.

ASA Claim 4. Influence: a direct say

- Growers will have a direct vote on how much they pay for research, development and extension.

ACFA Response

Farmers already have a direct vote in setting the SRDC levy. The law requires this.

Farmers are already entitled to membership of BSES and so already have a direct say.

In ASA's plan, there is only a direct say in setting the levy.

In company votes and meetings, members will be invited but only one delegate per region will vote.

This gives the impression that SRA would be a democratic organisation; however ASA's proposal voting by members is a DELEGATE system, ONE PER MILL AREA, which would mean that large players would totally dominate the Board of SRA, its R&D plan, and the compulsory levy; and defend it against changes.

ASA Claim 5. Extension: locally driven and more effective

- The creation of a well-resourced and professional extension information group, which will make research outcomes available to all researchers, advisers and growers.

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ACFA Response

ASA has forced BSES to remove its extension service, shifting the cost onto Productivity Services and mills who are hiring ex-BSES extension staff and raising their levies.

In its first action; ASA has increased costs, disconnected extension services from R&D, and created inefficiencies. ASA's plan relies on Agribusiness and private consultancies to provide one on one extension to farmers, yet there are simply not enough of these people available.

Agribusiness has a conflict of interest over the recommendation of products and many of their people are either under-experienced in or underqualified for extension work.

Further, agribusiness has greatly reduced its staff of degree qualified agronomists in recent years.

ASA expects farmers to pay consultants for extension but the reality is that Productivity Services are hiring extension staff and raising their levies.

ASA Claim 6. Better: for research and researchers

- Information on research and extension will be freely available to everyone in the industry.
- Selection of research projects will be determined by a highly skilled, independent funding panel, guided by an industry-driven single, focused strategic plan.
- Sugar Research Australia will retain and attract high quality research staff in a rock-solid organisation providing career certainty.
- Continued funding uncertainty would lead to lack of career security and hinder our ability to attract and keep the best and brightest scientific minds.

ACFA Response

Information on research and extension is already freely available to everyone in the industry.

The selection of research projects is already determined by a highly skilled, independent funding panel, guided by an industry-driven single, focused strategic plan.

BSES has always been the internationally recognised trainer for graduates, providing post-graduate training and career pathways for extension agronomists and research scientists. This career pathway has now been seriously eroded.

Employed by cane productivity service organisations, extension agronomists are limited in their career path and are more isolated from their colleagues. As opposed to the former scale of BSES, this model will not attract sufficient graduates and those employed could be offered little opportunity for personal development and career path.

Agriculture has great difficulty attracting graduates. ASA has made it even worse for the sugar industry.

During the first half of 2012, 418 combined years of expertise has been made redundant from BSES. These people can never be replaced!

ASA Claim 7. Every dollar: fully targeted, accountable, measurable

Every dollar directed to research will be spent on research - keeping Australia at the cutting edge of technology.

ACFA Response

This is code for some millers demanding that money spent where they want it spent.

Funding under the current system is fully targeted, accountable and measurable.

ASA Claim 8. Proven: A system that works in other agricultural industries

- There are already nine similar industry-owned research and development organisations that operate successfully, including meat and dairy among others.

ACFA Response

Most of those organisations are set up to do marketing work, not dedicated R&D as in the sugar industry. Transposing one system into another industry is no guarantee that it will work better.

RESEARCH & DEVELOPMENT

There is nothing wrong with the current system. The millers should get behind BSES & SRDC and be constructive in order to make our system work better, rather than using it as a political football in order to control R&E.

Further Important Points of Response

- A NO vote will force all parties to hold proper talks for the first time.
- A NO vote will allow farmers time to be properly informed about this issue.
- A NO vote will end the RAILROADING process which has been sprung on farmers as a 'done deal', when it is anything but.
- Some millers are pushing their own agenda. They appear to view RD&E as a cost, rather than an investment. This is evidenced by the removal of extension from BSES. BSES has been prohibited from conducting one on one extension from 1 July 2012. They are not allowed do one on one extension, even for a fee. This should be proof enough!
- Where is the BSES Board in this? BSES members should have been asked which services they require and how much they wish to pay. To date, the Board of BSES is listening to ASA to the exclusion of BSES members, who are reduced to the role of 'paying spectators'.
- ASA wants farmers to approve its plan quickly so that there can be no unscrambling the egg that they wish to create!

Vote NO to ASA's plan!

ISSCT Townsville: a sell-out success

The Agronomy and Agricultural Engineering sections of the International Society of Sugar Cane Technologists (ISSCT) will meet for workshop sessions on Sustainable Sugarcane Production in Townsville from 9-14 September 2012.

These workshops are held every 3 years to allow more informal and in depth discussion between technologists than is possible at the major ISSCT Congress. This will be the 9th Agronomy Workshop.

A previous workshop held in Australia in 1997 featured irrigation as the main topic. A combination of agronomy and agricultural engineering topics was proposed because of the interdependence of these skills in a sustainable production system.

The 2012 workshop will be hosted by BSES Limited. We expect that 60-70 agronomists and agricultural engineers from international sugar industries will attend the workshop. Sessions will also be open to the Australian industry's technologists, farmers, students and Agri-business representatives. The draft program includes two and a half days of oral and poster presentations and discussions which will feature sessions on:

- Techniques for increasing profitability
- Techniques for sustaining production resources
- Minimising environmental impacts

Full day field trips will be organised to the Burdekin and Herbert River districts to feature Australian sugarcane production technology, farm management and approaches to environmental issues. Australian sugarcane production technology leads the world in the areas of field mechanisation, adaptation of production systems for mechanisation, options for and management of nutrients and chemicals and minimising any environmental foot-print.

3 July 2012

Seasonal conditions have been ideal for Red Rot in the Central region

Environmental conditions seem to have been favourable for the fungal disease Red Rot this season, with the disease being observed in some blocks, particularly in the more susceptible varieties.

'Red rot is caused by a fungus (*Colletotrichum falcatum*) that is always present in soil and trash in cane fields. It attacks cane that is stressed or damaged by waterlogging, drought or attack by borers and can enter stalks through above ground roots, growth cracks and insect damage,' said Barry Croft, Program Leader – Biosecurity, based at BSES Woodford.



Symptoms are a red discoloration of the stalk tissue (see image on right and below) seen when cane stalks are sliced. The reddening in the stalk is often interrupted by bands of white tissue. A grey fungus is sometimes seen and a slightly acidic or starchy odour is emitted. Yellowing and drying of the tops of the cane occurs when the infection is advanced. Sugar content can drop rapidly as the diseased stalks start to die.

'Red rot has mainly been observed in blocks of Q209^(b) and in Q246^(b), one of the new varieties for release this year. Both varieties are rated intermediate-susceptible and, under certain environmental conditions, can show symptoms of this disease. Some growers have been cutting Q209^(b) early due to dead stalks,' said BSES Mackay based Researcher George Piperidis.

'Q246^(b) will be released this year and growers would be advised to proceed cautiously with this variety until its reaction to red rot can be assessed over a number of seasons in the Central region.'

BSES Pathologists advise that:

- If red rot is noted in a field it should be harvested as soon as possible to reduce the losses from deteriorating cane and a drop in CCS.
- Avoiding stresses such as waterlogging and drought can reduce the risk of losses due to red rot.
- Red rot can be effectively controlled through the use of resistant varieties.
- Do not plant cane that is showing symptoms of red rot because it can seriously affect germination.
- BSES will monitor the situation this season and provide more information as it comes to hand.



Photos: Red rot internal stalk reddening with bands of white tissue.

RESEARCH & DEVELOPMENT

BSES Board of Directors appointed new Chief Executive Officer

Neil Fisher is currently the Executive Director and a Board Member of the Grape and Wine Research and Development Corporation, a Commonwealth Corporation whose mission is to support the Australian wine industry by investing in research, development and extension.

Mr Fisher was appointed Executive Director in November 2010. Neil previously held the position of CEO of the Real Estate Institute of Australia. He is a former CEO of the Australian Plantation Products and Paper Industry Council, former Board member and inaugural CEO of Plant Health Australia and former Executive Director of the Grains Council of Australia. As a Fellow of the Australian Institute of Company Directors he has extensive experience in change management, corporate governance, financial management, administration and corporate communications.

Neil Fisher to the role and it is expected he will take up duties mid-September.



CEO retires after 23-year career in the sugar industry

BSES Chief Executive Officer Eoin Wallis retires today after dedicating 23 years to the sugar industry.

Eoin commenced his career in the sugar industry in 1989 when he was appointed Group Manager Extension Services at BSES. Prior to this appointment, Eoin was employed by the University of Queensland in the Department of Agriculture where he was involved in coordinating a research program for the Australian Centre for International Agricultural Research.

In March 2001, Eoin accepted the position of Chief Executive Officer and Managing Director with BSES. Since then, Eoin has led BSES through numerous challenges including its corporatisation in 2003, and more recently the ASA's industry reform program.

Prior to this appointment Eoin led the Sugar Research and Development Corporation as its Executive Director. He was a director of both the CRC for Sustainable Sugar Production and the CRC for Sugar Industry Innovation through Biotechnology.

Eoin's extensive industry knowledge and leadership skills have served BSES well in meeting the challenges set out in the reform. His service to the industry was recognised in the Sugar Industry Research and Development Service Award in 2006.

'My experiences within the industry have covered a wide range of emotions: some stimulating, some happy, some frustrating, some defining, but mostly enjoyable. I have met and interacted with a wide range of industry members and will have great memories of those interactions and discussions, but it is the dedicated and professional staff of BSES that I will miss the most,' said Eoin.

'While Eoin's presence at BSES will be sadly missed, the BSES Board, management and staff wish Eoin all the very best for his retirement,' said BSES Chair Paul Wright.

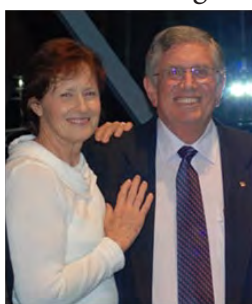


Photo: Eoin and wife Betty at Eoin's industry retirement dinner.

ACFA Director Robert Quirk Sustainable Sugar Ambassador



(Director Robert Quirk and Karuna Raya both proudly wearing their new ACFA shirts)

Karuna Raya from the Sugar Research Institute of Fiji (SRIF) visited the weed control demonstration site during the GIVE conference at Yamba NSW.

Robert Quirk has made several visits to Fiji over the last few years. Last December he delivered a seminar to the staff at the SRIF on weed control and Australian farming practices that may be applicable to Fiji.

Robert had the opportunity to visit the SRIF farms to view first hand some of the problems they face and how our farming practices might be able to assist Fiji farmers.

Karuna Raya as one of the farm managers for the institute was invited to visit with Robert at his farm for a few days in the lead up to the GIVE conference.

He attended the GIVE conference along with 250 Australian growers and researchers. He was able to talk with many of those at the conference and to see NSW sugar cane innovation at its best.

Of particular interest to Karuna was the weed control trial, these showed the graphic differences when weeds are left uncontrolled as to full weed control.

Karuna was introduced to Karmen from Bayer Crop Sciences who have offered to help Fiji establish a weed control program for the Fiji industry.

It was my first attendance at a GIVE conference, and to say I was impressed would be an understatement with 250 growers and 50 of them under 30 years of age.

Let us hope that in the proposed R&D restructure that GIVE will not be a casualty.

Robert Quirk reports on the carbon audit, conducted on his farm 28 -29 April 2012.

We have thought for some time that the growing and harvesting of sugar cane could be carbon negative. Last week we tested the theory and I must say the results were far and away much better than we could have dreamed.

The figures are based on inputs that produce carbon emissions in the growing and harvesting of sugar cane.

These included Diesel, Nitrogen, Phosphorous, Potassium and electricity usage. These emissions totalled 167.22 tons of carbon.

Through an avoided emission from the application of nitrogen; 50kgs of N less than the recommended rates gave me a credit of 98.17tons in CO₂e.

The capture of carbon through plant stones (phytoliths) based on an average from our research across 15 varieties on my farm was 400kgs per hectare. This gave a further 74.304 tons reduction in CO₂e.

So Carbon emitted was 167 tons and Carbon sequestered or avoided was 172tons, giving me a figure of -5 tons of carbon over the 100hectare farm.

Over the last 20 years I have been harvesting without burning the crop and this has allowed me to accumulate a lot of organic carbon on my property. Many of the fields have increased from less than 1% organic carbon to 5-6% organic carbon, so if we take a low to mid-range figure, I have been able to capture 20,000 tons + of carbon over that period, with all the associated benefits to soil health and reduction in chemical fertilizers.

This is not taking into account the milling process. With a co-generation plant, this figure is for every 1 ton of sugar produced we are negative 1028kgs of CO₂.

I do many things on my farm that very few if any other farmers do, so these figure need to be tested on other properties, regions and countries before we make any broad claims.

In saying that, I have run the figures past some eminent scientists: no one at this stage has been able to find a problem with the figures.

ACFA Senior VP Robert Quirk was recently invited as one of the key note speakers at Sugar Asia in Thailand .

Robert spoke on some of the environmental problems that the NSW Sugar Cane Industry had had to face over the last 20 years and what they have done to overcome these. He addressed the acid sulphate soil (ASS) problem, the fish kills of the 1980-90's and how the NSW industry had achieved self-regulation for work in ASS. Other topics he addressed were green cane harvesting and the value of the residue to soil health.

Following the conference Robert was a guest of Mitr Phol's research center in Khon Kaen where he ran a seminar for staff on management practices to improve production. This was followed by two days in the field looking at erosion and drainage problems.

Robert will reciprocate the hospitality when four of the senior staff from Mitr Phol plan a visit to NSW following the ISSCT workshop in Townsville in September this year.



Robert Quirk at Sugar Asia

ACFA launches Next Generation (Next-Gen) Program

ACFA has launched its Next Generation (Next-Gen) program in Mossman North Qld.

ACFA Chair Don Murday has commended the program to the industry, emphasising that with a positive price outlook ahead and major restructuring behind, it is time to encourage the next generation to build capacity and take a greater role in the industry.

'Australian Canefarmers is pleased to launch this important initiative and I invite all young cane farmers to get involved.

‘The future of our industry is with the successful induction of younger farmers into our farming businesses, preparing them to eventually take over the reins.’



I'm Annlouise O'Brien and I joined the ACFA team as Next Generation Officer as of last week. Part of my role is to work closely with all the young farmer groups throughout the industry. Over the next few months AFCA will be introducing the Next Generation program to all the young cane farmers across the Australian Sugar Industry.

I graduated with a Bachelor of Applied Science in 2011 from the University of Queensland. During my time at the University of Queensland I worked as a research assistant at the Centre for Advance Animal Science as well as being involved in university life and upon graduating I was employed as the supervisor stock and quality control for one of Australia's leading nurseries.

The main aim of the Next Gen program is to address the challenge of the current decline in production and productivity by working with the young famers. A further objective of the program is to assist with intergenerational transfer by helping the younger farmers' transition into the cane farming business.

The Next Generation program is designed to lead younger cane farmers into a better prepared future.



There are many challenges facing young farmers today: The ACFA Next-Gen program is designed to educate the next generation about current and future issues as well as focusing on increasing production and productivity, and understanding the business side of the farm.

This program will allow the opportunity for the young farmers to get together and discuss the farm business as a whole as well as the opportunity to attend different forums, field days and events. The development of farming community relationships is vital to the sugar cane industry and the Next-Gen network will facilitate the sharing of knowledge.

The ACFA will be inviting different industry organisations and industry leaders to inform these young farming groups, building the capacity to make the best possible choices for future farming.

My role in this program is to assist Next-Gen participants to develop a bankable plan for the future, monitor their progress, and bring people together to gain and share knowledge through a variety of media and forums.

Contact me, follow my blog and the ACFA Facebook Page or look for the 'Cane Captiva' (pictured) in your area.

Looking forward to meeting you all soon!

Annlouise

Growers GIVE research presentations a fresh approach

Over 250 cane growers, stretching from Mossman in far north Queensland to Harwood in New South Wales, travelled to Yamba to attend the two day Grower Innovation Virtual Expo (GIVE) on Monday 12th March.

Joe Muscat from Grower Group Services said GIVE provides an opportunity for growers to present results about their own on-farm research funded through SRDC's Grower Group Innovation Project program.

“This is the fourth time a GIVE event has drawn cane growers of all ages together to discuss how new farming techniques and machinery innovations are working on-farm,” Mr Muscat said.

The agenda included field trips to the Broadwater Mill Co-generation Plant, visits to Alan Munro and Shane Causley's farms to see crop trials and machinery innovations, and the chance to hear results from 12 grower group projects.

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BSES Limited shines at industry awards

During the 34th Australian Society of Sugar Cane Technologists (ASSCT) Conference held in Cairns winners of the 2012 **Sugar Research and Development Corporation's** (SRDC) Innovation Awards and the **ASSCT Presidents Medal** and **Best Posters** were announced. BSES Limited received six awards.

SRDC Innovation award categories and winners:

The **Individual Research Scientist Award** which recognises an outstanding achievement by an individual in research or development over the past five years was won by BSES Research Officer Dr Nader Sallam. Nader won this award for his involvement in developing a number of Incursion Management Plans including but not limited to sugarcane borers.

The **Individual Research Technician Award** which acknowledges the contribution by an individual research technician was won by BSES Limited Principal Technician Glen Park. Glen won this award for providing technical expertise to a number of SRDC projects, in particular Six Easy Steps.

The **Long Service Award** long-term service by an individual who has advanced innovative research, development and capacity within the industry. This year two deserving recipients received the award.

BSES Principal Extension Officer Trevor Willcox for his sustained contribution to the industry through varied roles. This is the second award Trevor has received in recognition of his contribution to industry this year. In February, Trevor received the Contribution to Productivity Award from the annual Bundaberg Sugar Industry Productivity Achievement Awards.

Ex-BSES staff member Dr Mac Hogarth was recognised for his outstanding leadership and contribution to the industry for his 50 plus years in sugarcane research and development.

ASSCT President's Medal and Best Posters:

The **ASSCT President's Medal** (best paper) was awarded for the **best research paper** 'Towards a reliable method to select potentially high value Erianthus hybrids'. Dr Natalie Piperidis, was the senior author and presenter of this paper. A second paper, 'A new method of statistical analysis for sugarcane screening trials' also received the **best industry paper** award. Dr Joanne Stringer was the senior author and presenter of this paper.

Danielle Skocaj was awarded the **H William Kerr Award** for agriculture for the paper 'Validating the 'six easy steps' nitrogen guidelines in the wet tropics'.

'BSES was extremely successful at the awards night and I congratulate BSES staff for taking out Awards that not only recognise their contribution to the industry but also highlight the contribution made by the whole of BSES to the Australian sugar industry' said BSES CEO Mr Eoin Wallis.

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The presentations covered a diverse range of topics including soybean Nitrogen contributions to cane crops, how to maximise centre pivot efficiencies, build sediment traps, apply mill mud, new harvesting techniques and the best ways to source nitrogen and fibre on a cane farm.

SRDC Executive Director Annette Sugden was the first person to present at the GIVE conference about the role of SRDC, upcoming funding opportunities and future directions for research.

"For generations cane growers have successfully designed their own innovative technology, performed research trials and created new farming techniques to suit their own environment and farming system," Ms Sugden said.

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“By funding Grower Group Innovation Projects, SRDC is able to support an effective method of project delivery to localise research and encourage group adoption of best farm management techniques.

“It’s important for cane growers to hear about the kind of applied research we are funding, so that they are fully aware of the return they are getting on their investment levy,” Ms Sugden said.

GIVE Committee Chairman Nathan Ensbey said the expo was a phenomenal success, with positive feedback received about the integrity of research and dissemination of results.

“The research being done by these growers is highly innovative, and from feedback I have received, it is evident this kind of grower interaction is of benefit to the whole sugarcane industry,” Mr Ensbey said.

“As a member of a grower group, I have noticed our group now has a renewed energy for research following GIVE and we look forward to trialling some of the research outcomes here in NSW,” Mr Ensbey said.

At the conclusion of the GIVE conference, John Agnew received first prize for his presentation about effective use of lower mill mud rates. The runner up prize went to Lawrence Di Bella who spoke about his recent trip to the US and how their sugarcane production is changing.

ACFA Next-Gen Farmers



Mackay Sugar – new owner of Mossman Mill

Mackay Sugar announced that it had successfully acquired the milling and related assets of Mossman Central Mill for \$25.3 million, with the transaction completed on 4 June.

The transaction involved Mackay Sugar issuing approximately \$12 million in Mackay Sugar shares to Mossman Central Mill, and assuming their \$13 million debt. The shares, which amount to approximately 3.3 per cent of the issued capital of Mackay Sugar, will be held by Mossman Central Mill.

Mackay Sugar Chairman Andrew Cappello said the acquisition would enhance Mackay Sugar's operations and contribute to the growth of its core business.



“This is an exciting milestone for our company, as it presents additional cane expansion opportunities, which will increase our capacity to produce more sugar.

“We have extended our various cane production incentive schemes to our Mossman growers, which will assist us to realise a 25 per cent increase in cane supply in the first four years.

“In the last few weeks, members of Mackay Sugar management have been meeting with Mossman growers and employees to facilitate a successful transition and prepare for Mossman's 13 June season start.

“We estimate Mossman Mill will process approximately 550,000 tonnes of cane in the 2012 season, with more than 6 million tonnes expected to be processed across all four mills,” Mr Cappello said.

The export sugar produced by Mossman Mill will continue to be marketed through Queensland Sugar Limited, with a portion provided to the local Daintree Gold food grade bagged sugar operation under a commercial agreement.

Mr Cappello also said Mackay Sugar's Board and management were looking forward to working with Mossman Mill growers and employees to get the mill back up and running to its former production capacity.

The sale was announced to Mossman shareholders on 30 April 2012.

History

Mossman Central Mill Company Limited started life as a grower owned Co-operative sugar mill back in 1894. In 1897, Mrs Annie Rose fed the first sugar cane into the mill and the Company went on to produce its first sugar after crushing 27,905 tons of cane for the initial season. In 1906, Mossman Mill became the first Queensland mill to crush over 100,000 tons of cane. That season lasted just under 8 months extending from June, 1906 to late January, 1907.

Initially, sugar was shipped from Port Douglas however, in latter years road transport came to the forefront and sugar was road transported to the bulk sugar terminal in Cairns. L.J.F. Prince (General Manager) pioneered the use of computers for cane payment accounting and in 1971 Mossman purchased the first process control computer used in the world sugar industry.



Industry Leader Vince Castle Calls It A Day

Vince Castle is a fourth generation cane farmer farming sugar cane in the Palmers Channel area of the Harwood Mill (Clarence River). Farming from a very early age Vince has over 60 years' experience.

He has always been a progressive farmer employing the latest growing technologies and playing an active role in the propagation and growing of new varieties. He is actively involved with local R & D committees and has hosted many trial plots on his farm over the years. He supplies, on a regular basis, new variety clean seed to growers. Vince has always taken an active interest in any research projects which are carried out in the NSW industry.

Leadership Role

With over 60 years farming experience Vince has a great deal of knowledge – his cane farm and the industry are his life. Apart from his extensive farming knowledge he has also played a key role in the industry from the administration side.

Vince first began his career in leadership within the industry in 1981 when he was elected to the management committee of the Clarence Sugar Executive (now Clarence Cane Grower's Association Inc). He has continued on this important committee, which represents grower interests in the Harwood Mill area, continuously up to the present day – some 31 years. He was elected to the position of Vice President in 1990 and took on the role of President in 1998, a position he held to his retirement.

Continued page 19 ...

Former ACFA NSW Director Becomes Chairman of NSW Growers



28 June, the AGM of NSW Cane Growers Association elected former ACFA Director Wayne Rodgers as chairman. Wayne was ACFA NSW Director from 2001 to 2009. He is currently Chairman of ACFA Richmond River Branch and Chairman of Richmond River Cane Growers. Wayne and his brother Craig are leading-edge farmers in the Broadwater mill area.

Dr Andrew Ward Joins BSES

Dr Andrew Ward has Joined BSES as the Professional Extension and Communications (PEC) Unit manager

Andrew has had a lifelong affiliation with broad acre cropping being born and raised on the land. His family owns primary production interests in the Border Rivers region of Queensland near Goondiwindi.

The farm business includes irrigated and dry land farming as well as a stud (Angus) and commercial cattle operation. Andrew's links to the family farming business remain strong, playing an active role in the strategic direction of the business as well as its management and operation.

Continued page 19 ...



Industry Leader Vince Castle continued...

As President of this committee there are many roles and sub committees which need to be fulfilled. Vince has been a part of the Cane Assignment and Farm Rating Committee, the Harvesting Tribunal (Chairman) and many committees set up within the local government area representing the interests of the Industry.

Vince has also played a large role in the administration of the New South Wales industry being elected to the NSW Cane Grower's Council (now NSW Cane Growers Association) in 1991. He has served continuously to this date on this committee and was elected Vice President in 1998 and President in 2007. He has also been Vice President of the Australian Cane Grower's Council since 2007. Vince was the NSW Director on the ACFA board from 1991 to 1994. As previously stated there have been many committees outside of the canegrower organisation. Many of these are environmentally based and it is important for the cane industry to be represented and have its say to ensure that there are balanced outcomes on these issues. He has been Chairman of the Clarence Floodplain Partnership for many years. This committee brings together stakeholders and makes decisions on how best to handle issues that involve the management of our large floodplain. Other committees include the North Coast Rural Producers Committee, Environment committee of the NSW Cane Industry, Clarence Valley Floodplain Risk Management Committee and various Acid Sulphate Soil Management Committees. Vince is also involved with the NSW Farmers organisation.

Vince has been very much involved in the cane harvesting sector. He was elected to the Board of the Palmers Island Cane Grower's Co-operative in 1978. This co-operative was very progressive and expanded quite rapidly over the next 10 years. His election in 1978 also saw him elected to the position of Chairman that same year, a position he held until his retirement from that Board in 2003.

Vince is known for his negotiation skills and having the ability to look both sides of the fence and come up with a balanced solution to most problems in the interest of all parties. There have been many challengers especially in later years when dealing with the Roads Authority and the upgrade of the Pacific Highway through NSW cane lands.

After all these years Vince plans to retire from his administrative roles this year however will continue his active life on the farm and will keep a close eye on how things are handled in the future.

Dr Andrew Ward continued...

Andrew has held a number of senior positions including;

2008 – 2012: Science Leader - Sustainable Farming Systems, DEEDI Queensland.

2007-2008: Business Manager, Plant Science, Department of Primary industries and Fisheries (Qld)

2004 – 2007: Technical Manager Asia Pacific, Becker Underwood Australia PTY LTD

2003- 2004: Research Entomologist, Stahmann Farms Inc, Pallamallawa, NSW

2001 – 2003: Cotton Entomologist, Department of Business, Industry and Resource Development, Katherine, NT.

1998 - 2000: Senior Entomologist, Queensland Department of Primary Industries, Kingaroy and ICRISAT, Hyderabad, India.

ACFA wishes Andrew well in his new role with BSES.

Researchers Speak Against ASA's Plan to Reform Sugar Industry RD&E

In his opening address, President of the ASSCT, former BSES scientist, Dr Nils Berding had the following to say. On the level of investment in R&D

'A comparison of the contributions of six IOCs to R&D with that made by our industry at the same time (Table 3, Welsman), on a per cent gross product basis, reveals that the pork IOC was at the bottom of the list at 0.107% and the grains IOC at the top at 0.850%.

'Sugar at that stage was contributing 0.895% of gross product. The accepted investment level in R&D in low-risk general industry has long been regarded as 2% of general product, but literature now indicated this has increased to 4%. So none of the Australian agricultural industries approaches either of these thresholds.'

The ASA plan is budgeted on about 1% of the Gross Value of Product (GVP).

On Extension

‘Where does that leave our industry? A lag in the fulfilment of a full extension service seems inevitable.

‘My interpretation of the submitted budget suggests that only a skeleton of a core R&D Institute committed to sugar-cane research will remain, with the bulk of the funding possibly being granted to a distributed R&D community not necessarily committed to the crop or fully knowledgeable of it.

‘I deliberately referred to the impending change as an avalanche, and they go but in one direction. Need that be our future?’

On ‘Good agricultural R&D’

‘The industry appears rather prescriptive of the how and what of R&D, as though one can go to a doctor for a diagnosis and then a pharmacist for a cure.

‘Good agricultural R&D is best conducted by adequately-resourced, skilled, competent scientists, knowledgeable of their crop, and working in close contact with it (ASSCT 2012).’

‘Where does that leave our industry? A lag in the fulfilment of a full extension service seems inevitable.

‘The industry appears rather prescriptive of the how and what of R&D, as though one can go to a doctor for a diagnosis and then a pharmacist for a cure.

Professor Paul Gadek, James Cook University wrote in his paper to ASSCT;

‘Aligning R&D with industry priorities and objectives does not guarantee successful outcomes and/or uptake by researchers. There is a misconception that directed research—focusing sugar industry research to address industry priorities—will have a direct relationship to research outcomes.

‘Research by itself has little value unless it can be delivered and implemented. Extension services are intrinsically linked to research as they are mutually informing and only function properly within the organisation that is doing most of the sugar cane research.

‘There is a perception that the current research activity is not performing well and that the direction of the R&D agenda has moved away from the control of the industry. This is particularly apparent in comments from growers and millers about any increase in levy payments and about getting ‘value for money’.

‘What is not discussed is the value of R&D to the industry that has accumulated over time and that has driven the productivity increases, yield increases, genetic improvements, and the capacity of BSES to prepare, identify and respond to biosecurity threats that could cripple the industry (and have a perverse impact on the economic sustainability of regional communities).

‘Millers have commented that they have become ‘increasingly frustrated in dealing with an RD&E ‘black box’ which seemed unable to demonstrate the value proposition of continued investment’.

‘What is apparent is that the industry is focused on immediate to short term gains in productivity rather than supporting a strategic research resource base in the longer term’ (ASSCT 2012).

Dr Nils Berding



‘What is apparent is that the industry is focused on immediate to short term gains in productivity rather than supporting a strategic research resource base in the longer term.’



Prof. Paul Gadek



Market Update: July'12 contract expires and poor weather in Brazil

Simon Burgess
Executive Manager Sugar Marketing

July'12 contract expires

Over the month of June and in to July, world sugar prices improved after experiencing volatile trading. As analysts have noted, sugar is strongly correlated with macroeconomic factors and commodity prices in general, and this period was no exception.

The July'12 contract climbed on the back of encouraging developments in Europe with regard to sovereign debt and a rise in commodity prices across the board (particularly corn), before expiring on Friday 29 June at US21.81c/lb.

Analysts have estimated that 1.1 million tonnes of sugar were tendered for delivery as the contract expired, the vast majority of which was from Centre South (CS) Brazil.

Poor weather in CS Brazil

In June, analysts noted that in addition to the macro-economic environment, a key fundamental factor driving market behaviour and price volatility was seasonal conditions in CS Brazil. Heavy rain in the region throughout June disrupted both the harvest and the shipping program. The bad conditions also caused mills to lose ten days of crush and affected the cane's quality.

UNICA recently released a report that confirmed the market's expectation that such poor weather has hampered Brazilian production so far this season. In addition to low production, poor cane quality, and crushing delays in June the logistics process has also been congested. Long wait times at shipping terminals in Brazil, congested roads and a truck shortage have all helped create a worsening supply chain bottleneck in CS Brazil.

Exports in April, May and June have been lower than the last two years. However some of this tight supply in CS Brazil has recently eased and it is expected that exports in July will exceed last year.

Analysts recently revised their CS Brazil cane estimates for the season downward from 510 to 500 million tonnes and their sugar estimates down from 32.8 to 31.8 million tonnes.

QSL close to finalising 2011 Season Pools

Despite these factors affecting the world's largest producing country, the global sugar market is still set to enter a surplus in the near term.

In Asia however, where QSL exports the majority of its sugar, there is a structural supply deficit and continued strong demand, which helps QSL maximise returns.

QSL is close to finalising the 2011 season pools. Expected gross prices on an IPS per tonne basis are:

- Seasonal Pool - \$515
- Actively Managed - \$693
- Guaranteed Floor Pool - \$480

QSL is a global leader in raw sugar marketing and supports the development of the Australian sugar industry by providing high quality marketing, information and logistics services to Queensland growers and millers. To receive market updates and other news via email, visit www.qsl.com.au.

The NFF says 'farmers forced to wear carbon costs'

28 June 2012

The carbon tax came into effect on 1 July. The National Farmers' Federation (NFF) is continuing its call for the Government to do more to stop the costs of the tax being passed on to the nation's farmers.

"There is absolutely no doubt that the cost of the carbon tax will be felt by Australian farmers, and the NFF remains ardently opposed to the tax for this reason. In fact, we remain opposed to any tax that makes our farmers less competitive on domestic and international markets," NFF President Jock Laurie said.

"As the result of extensive lobbying by the NFF over many years, we have been able to secure the exclusion of agricultural emissions from the carbon tax.

"But this certainly does not mean that farmers will be exempt from the costs. High input costs such as electricity and fertiliser are already putting considerable pressure on the farm bottom line, and these costs are set to rise under the carbon tax. From 1 July, farmers will face an increase in costs and a reduction in prices as the carbon tax takes effect; costs and cuts that are totally outside of our control.

"Independent research by the Australian Farm Institute found that farmers will be slugged with additional costs under the tax due to higher electricity costs and the likely pass-through of costs from the processing sector.

"These findings were verified by research from the Government's own Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) which found that farmers, particularly dairy farmers, will face additional costs under the tax.

"And just yesterday we saw research from business analysts IBIS World that the carbon tax will increase farm costs by \$3.2 billion in the first year, with a greater increase the following year due to the introduction of heavy vehicle fuel. The forecast also shows that revenue for the agricultural sector will decrease by 6.4 percent in the first year alone.

"Those who say that farmers will not be impacted by the carbon tax need only look at these three pieces of research: all of which show very clearly that agricultural costs are going up. The bottom line is this: Australian farmers simply cannot afford to absorb these costs into their farm businesses.

"Just last week the Prime Minister noted that Australia is a very efficient agricultural producer. We are because we have to be in order to compete in the global marketplace. But the additional costs that farmers will wear from the carbon tax will make us less efficient and, as a result, less competitive.

"We urge the Prime Minister to do more to stop this carbon tax impacting on our farm businesses," Mr Laurie said.

(Source: NFF)

Burdekin

The 2012 season saw all mills off to a slow start over the past week due to mixed ground conditions and some mill breakdowns. Kalamia Mill commenced crushing on 12th June, Pioneer on 13th, Inkerman on 15th and Invicta on the 16th June. The district suffered further rainfall late in the following week and all harvesting again ceased. All mills crushed out and shut down over the weekend after reports of 15-30mm of rain across the Burdekin district, late last week. Burnt cane left in the paddock has yet to be evaluated.

All district mills took the opportunity to undertake chemical cleans and maintenance over the shutdown period and last advices were that Inkerman and Kalamia will attempt a start on Monday morning, if ground conditions allow.

Harvest results for the past week were as follows:

	CCS	Tonnes	CCS	this week	Season to date
KQ228	12.81	40,738.38	Invicta	12.26	12.26
Q171	12.29	2,755.81	Pioneer	12.47	12.47
Q177	12.25	22,317.19	Kalamia	12.34	12.34
Q183	12.14	1,450.69	Inkerman	11.62	11.62
Q200	11.77	5,219.67	Burdekin	12.32	12.32
Q208	11.67	19,062.30			
Tellus	9.9	126.68			
		91,670.72			

Meetings with other grower representatives and Sucrogen to discuss wet weather guidelines have currently stalled, while discussions have also taken place on the 2012 Cane Supply Agreement and are also at an impasse. Grower representations on grouping and other issues continue and are made significantly more difficult without the opportunity for an independent arbitration process.

The cultivated area under cane for 2012 has risen by 1% or 795 hectares to 90,419 hectares, with an estimated crop of 8.2 million tonnes to harvest.

After the success of an earlier delegation to the area, I was asked to organise a more extensive delegation which included the following delegates to the Burdekin area:

1. Mr Richard Perry, Assistant Director, Japan and Republic of Korea Section, Trade and Market Access Division, DAFF.
2. Mr Kenji YAMAMURA, Deputy Director, Grain Trade and Operation Division, Crop Production Department, Agricultural Production Bureau, MAFF (Japan).
3. Mr Peter Collins, Director, Agricultural Commodities Section, Agricultural Commodities and Trade Branch, DAFF-ABARES.
4. Mr Eiji TANIMURA, Counsellor (Agriculture), Embassy of Japan, Canberra.

The delegates enjoyed local accommodation and facilities and on Thursday, were hosted to visits with two average sized farming enterprises in the Burdekin delta owned and managed by local cane farmers, Ian Sheppardson, Chris and Murray Cannavan. The visit included an overview of harvesting and irrigation practices, fallow, plant cane and ratoon cane paddocks as well as innovative management and harvesting methods. I was able to provide lunch for the group, on behalf of the Australian Cane Farmers Association, before moving on to tour local beef producing properties in the afternoon and joining the local participants for dinner with the delegates, hosted by Richard Perry, on behalf of DAFF. Friday's itinerary included an extensive tour of the Burdekin rice trials, with Mr Shirado, Director of the Iwaki Rice Project and Gareth Evans, Regional Manager with the Department of Agriculture, Fisheries and Forestry in Townsville. This visit was followed by a tour and presentation of the KFSU factory, by Gordon and Janine Edwards. <http://www.kfbire.com/news.html> Gordon and Jeanine supplied refreshments made with locally produced cane fibre products, that showed the versatility of their product.

Burdekin continued ...

Before their departure to Canberra, I was able to express appreciation to all delegates and hosts of the various visits, with presentations on behalf of the Australian Cane Farmers Association.

ACFA will again assist with sponsorship of the Hand Cane Cutting Championships to be held later this year, in Home Hill. Details are as follows and the event promises to be an entertaining trip down memory lane for many as well as a history lesson for those whose earliest recollections do not stretch back past mechanical harvesting of sugar cane crops.

Growers are reminded that QSL are providing assistance for farmers wishing to make enquiries about pricing and contact details are as follows: Carla Keith (0409 372 305 Carla.Keith@qsl.com.au) and Cathy Kelly (Mob: 0409 285 074 cathy.kelly@qsl.com.au).

As the 2012 cane harvesting season begins again, all are reminded that cane trains will operate across the region at all hours. Please take all precautions and stay safe at crossings and sidings. Ensure that all siding inductions and instructions are updated and provide current certification, where necessary. We look forward to a safe and successful harvest for all.

The Home Hill Lions Harvest Festival

Landmark Australian Hand Cane-Cutting Championships

PROGRAMME: SATURDAY, 25th August 2012

VENUE: VASS'S FARM, 1ST STREET, HOME HILL

Events Include:

- | | |
|---------|--|
| 10:00am | 35 YRS & UNDER 55 YRS
CANE CUTTING CHAMPIONSHIPS
(NOMINATION FEE \$20) |
| 10.45am | UNDER 35 YRS
CANE CUTTING CHAMPIONSHIPS
(NOMINATION FEE \$20) |
| 11.30am | 55 YRS & OVER
CANE CUTTING CHAMPIONSHIPS
(NOMINATION FEE \$20) |

- | | |
|---------|--|
| 12.00pm | BREAK FOR LUNCH
NOVELTY EVENTS |
| 2.00pm | KEVIN SWINDLEY MEMORIAL CUP
LOCAL CUTTERS ONLY
(NOMINATION FEE \$10) |
| 3.00pm | AUSTRALIAN HAND CANE-CUTTING
CHAMPIONSHIPS FINAL
(The best eight cutter's judged on the day) |
| 4.00pm | CUT, TOP AND LOAD RELAY
FOUR MAN TEAM EVENT
(NOMINATION FEE \$10) |
| 5.00pm | WINNERS PRESENTATION
BBQ and Entertainment up until 10pm |

NOMINATIONS for Cane-Cutting Events CLOSE:
Friday 17th August 2012

CONTACT: Tonia Rossato
PH: (07)47821050 or 0417678847
PO Box 220, Home Hill QLD 4806

The event will form part of the Home Hill Lions Harvest Festival with: a live band all day; food, drinks and a bar; as well as entertainment for the whole family.

Growers are reminded that QSL are providing assistance for farmers wishing to make enquiries about pricing and contact details are as follows: Carla Keith (0409 372 305 Carla.Keith@qsl.com.au) and Cathy Kelly (Mob: 0409 285 074 cathy.kelly@qsl.com.au).

As the 2012 cane harvesting season begins again, all are reminded that cane trains will operate across the region at all hours. Please take all precautions and stay safe at crossings and sidings. Ensure that all siding inductions and instructions are updated and provide current certification, where necessary. We look forward to a safe and successful harvest for all.

Margaret Menzel
Burdekin Director



Tableland, Babinda, Innisfail, Tully

After a week's delay, the South Johnstone mill at Innisfail has commenced its 2012 crush. The delay was caused by a wetter than average May which left paddocks waterlogged, preventing a June 5 start. All mills in the wet tropics are now crushing and are looking forward to average CCS and yield figures.

Early estimates for the South Johnstone area are 1.43 million tonnes, with 1.23 million tonnes to be crushed at South Johnson mill and the balance to be sent to Mulgrave mill.

Mulgrave's estimate is 1.2 million tonnes and with the adoption of extra cane from the closure of Babinda mill, it will go to continuous crushing mode for the first time in many years. The Tableland mill is progressing well after rain which stopped production at the start, and figures to date are 38,000 tonnes crushed for a CCS of 12.3. With mild days and cool nights, CCS can only rise.

With the excellent weather, farmers are taking the opportunity to plant remaining fallow paddocks and new areas following the unseasonable May weather.

Failed MIS tree farms have been sold off, with many properties being purchased by cane farmers. These properties are now being cleared of the damaged trees and regrowth in readiness for the planting of sugar cane.

Maryborough Sugar Factory Limited, the owners of South Johnstone, Mulgrave and tableland mills have purchased approximately 1,500 Ha of the failed MIS tree plantations and those properties will also be cleared and planted for harvest next season.

With this positive attitude being displayed by all sectors of the sugar industry, the way forward in the wet tropics appears very healthy.

John Blanckensee
Independent Director



Southern Qld

Rain and water cost. For the first time in years we would like a bit less rainwater. All storages are full and the ground is all about a vast pudding. Maryborough area even more so. It just takes a bit of adjusting the mindset to start off a harvest with tracked harvesting gear, when only a couple of years ago everyone was wearing out tracks in bulldust. Kelvin Reibel, one of our Maryborough farmers is buying umbrellas as fast as the local stores get them in. Does he know something we don't?

More seriously irrigation farmers are coming to realise that when dry weather reappears, paying for water (and electricity) will be a serious issue. Our region is paying for infrastructure when it is not being used as the Part A water charge. The Part B, well it's not much more, percentage wise, but it is still more. As usual, we as customers want to be able to clearly identify if we are contributing to Sunwater's overall take or meeting costs associated with the schemes in our local areas. Is the system run as a state-wide operation or are we locally managed? If this seems a recurring theme in Southern Region reports it is because it is one of our major costs and it is not discretionary. What about fuel you might say? Well we all would like to know about fuel company policy and margins but unfortunately we cannot open that can or barrel. Water and electricity we can fight for so we must.

ISIS Central Mill has taken a big step into sustainability by taking over former SP EXPORTS tomato growing land. This land is now available for lease and ISIS has a panel which will review contenders for leasing these areas. Some very productive parcels are available. ISIS Central will insist upon keeping sugar cane in the rotation on this land, but with the industry outlook that is an asset.

The Tegege Sugar Expo was well attended as usual. Tegege is just a bit north of Bundaberg on the Agnes Waters road and is a great venue. While not being a huge show, Bundaberg farmers have the day for a bit of a chat and swap a lot of good information without lots of snake oil salesman. Very easy going!

Regarding R,D and E, I get the impression the Maryborough area will find that Mitropol will direct their science from home. Flight times to Thailand are comparable to flight times across the USA and many corporations there just accept commuting between west and east coasts as routine. The ISIS area model of an enlarged ISIS Productivity Services will have to commence full time operation now that long serving BSES Extension Officer Jim Sullivan's position has been closed out. As we see the departure of the Bundaberg based BSES operations, Bundaberg Sugar's long time partnership with farmers in the Bundaberg area will now become an even more formal arrangement over time.

Cosmas is a science 'industry' magazine popular in our house and the recent issue had a focus on rethinking energy. Five forms of energy were discussed, all well known to us. Nuclear, geothermal, solar and wind and two systems of storing energy. No mention of sugar cane, which by nature is the greatest energy storer we grow, but it is not mentioned. Could biomass canes solve some of the problems of long distance transmission lines by producing electricity in areas distant from the coalfields? How would the Southern region do more than we already do? Target 100 was an attempt to bring our area up to 100 tonnes of cane per hectare. Will gene technology create 200 tonnes per hectare in the Southern Region? Would this be used for fuel? Is this just science magazine dreaming?

Recently I visited Cow Candy, the never say die stockfeed manufacturers. I just slip off the northbound freeway about an hour and a half out of Brisbane and here they are. The factory looks a little brighter this time. Two years of very wet weather has made it so difficult. Why does the place seem brighter? The crew there have created a new product line. And it sells! Back out on the freeway I ask myself, what makes these people keep on battling on. Wouldn't it be easier to take a day job? I am sure that this is the sort of place all our modern accepted industrial practices were born. I am also sure my grandchildren will be using technology developed in such a place. I take my hat off to them.

Mill start dates are as follows: Maryborough 25th June; ISIS 17th warm-up, 18th full on; Bundaberg 25th June. Big crops and clear skies. A great way to start!

Michael Hetherington
Southern Region Director



Central Region

The harvest started last Thursday 7 June at Farleigh mill. Racecourse commenced on Tuesday and Marian on Wednesday the following week. There have been two rain events which have brought considerably more rain than usual for this time of the year. Harvesting conditions are generally not favourable. A period of dry weather with maximum sunlight will be needed to improve conditions.

The two day BSES field day attracted a fair crowd on the first day. However rain severely affected numbers on the Friday. Due to the promising crop out there exhibitors had considerable interest and enquiries.

The field day also signalled the end of the planting. Due to the good conditions in early May a lot of farmers took the opportunity to get planting in. Since the field day there have been falls of rain in some areas over 200mm. This has a lot of anxious farmers looking for germination.

The announcement of irrigation water and electricity pricing has caused great concern. This area generally relies on supplementary irrigation and the greater percentage power for electric driven pumps. The price increases are the beginning of more to follow. On writing my last report Mackay Sugar was on the eve of announcing the purchase of Mossman. In general the decision has been well received, acknowledging there is opportunity to increase throughput and achieve management synergies.

Steve Fordyce
Central Region



Herbert

Crushing started, Monday 18th June for the Herbert region. At last it is great to see some sunshine and cooler weather to put some sugar into the cane. We are all looking forward to a better year this year. Although production has picked up we still need another year or two to get ourselves back to somewhere near normal.

The failed MIS schemes are fast disappearing around the district and the land will be going back into cane land with some planting already underway. The landscape is looking better with neat ordered drills and in the future unkempt trees buried under weeds and grass will be in the past but never to be forgotten.

The farmers at the southern end of the district have completed their planting while others are just starting in the drier areas, with the wetter areas still waiting to be planted.

There are a lot of paddocks that are showing grub damage as well as feral pig damage. Farming is a never ending challenge.

Here's to a good season and better times ahead.

Carol Mackee
Herbert Region Director



Mossman

The 2012 crush is here and haven't the last couple of months been eventful.

It started in early May when Mossman growers found out that we had been bought out by Mackay Sugar, albeit with a few conditions. Mackay Sugar has successfully acquired the milling and related assets of Mossman Central Mill for \$25.3 million, with the transaction completed on the 4th June.

The transaction involved Mackay Sugar issuing approximately \$12 million in Mackay Sugar shares to Mossman Central Mill, and assuming their \$13 million debt. The shares, which amount to approximately 3.3 per cent of the issued capital of Mackay Sugar, will be held by Mossman Central Mill.

The news was welcomed by most growers and it now takes away the uncertainty of the future of Mossman Mill. There is a buzz around town as growers move forward to take the appropriate steps to improve their farms to make the most of a decent price and a secure future.

The other issue that growers in the north have had to deal with in recent times is an unseasonal rain event that has postponed any chance of Mossman growers getting any planting done before the season.

Mareeba's start has also been affected by the rain with the 2012 crush starting on Tuesday the 29th of May to a wet start. Mareeba's estimate has come in around 630 000t

In late May the northern region has received more than 400mm in some areas and this rain is sure to have some effect on the start of the 2012 crush on the coast.

Most Coastal mills were due to start in early June, but this will now more likely be late June. The Mossman Mill was due to start on the 13th of June but has now been postponed till the 18th of June.

The Mossman Mill's final grower estimate has come in around 540 000t and I am confident that this is close to the mark. The total area to be harvested is 7,106ha with 1,551ha of this as plant cane. I do however have my doubts on CCS with this late rain sure to bring the CCS down.

When this year's planting programs get underway, Q208 is shaping to be the dominate variety that will be planted by most growers. Growers are also encouraged to have their planting material checked for RSD. Please ask your local Productivity Board for an appointment so they can come and check your plants with your assistance. Please remember that results take at least two weeks to come back.

It has also been a busy time for our contractors with all harvesters and haul out equipment close to readiness for the 2012 season.

I would like to remind and encourage growers to participate in this year's Mossman Next Generation Cane display to be held at the Mossman Show. Growers are invited to deliver cane to be judged on the Saturday morning of the show. With significant money on offer, it is well worth the effort. For more information please give me a call on 0428 988 136.

Hopefully the weather will be kind to us this year, with forecasters now leaning towards a more average weather pattern for the remainder of the 2012 season.

Let's hope that the worst of the weather is behind us and we all have a safe crush.

Gerard Puglisi
Northern Director



NSW

The season continues to be unkind to us in NSW with rain and now fairly cold weather and although there has been little to no frost yet, this could come at any time.

The crop at all mills is below a sustainable level, although growers still continue to be optimistic about the recovery to full production in the next two to three years.

Due to the wetter than average season to date (my rainfall records from January to June are just 100mm short of our average annual rainfall for a year) the soy bean crop which many growers rely on to help the budget, has been less than productive with some not worth putting a harvester into.

The NSW harvest is to start at Condong on the 19th of June, although this will be in doubt with heavy rain falling as I write this report. The other two mills will start over the next month.

All mills will be reduced to a five day crushing week this year, with our total crop in NSW estimated at around 1.2 million tonnes.

All farmers in NSW realize how critical it is now to raise production back up to the 2million + of past seasons, if we are to return to sustainable levels.

The QSL weather forecast while not great for the start of the crush shows a return to more normal conditions as the year progresses. This should go well for the plant cane, as we work our way back to full plantings in this state.

NSW growers just need one normal season – we hope 2012 is it.

Robert Quirk
NSW Director



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