



CANEGROWERS

# ANNUAL REPORT 2020/21

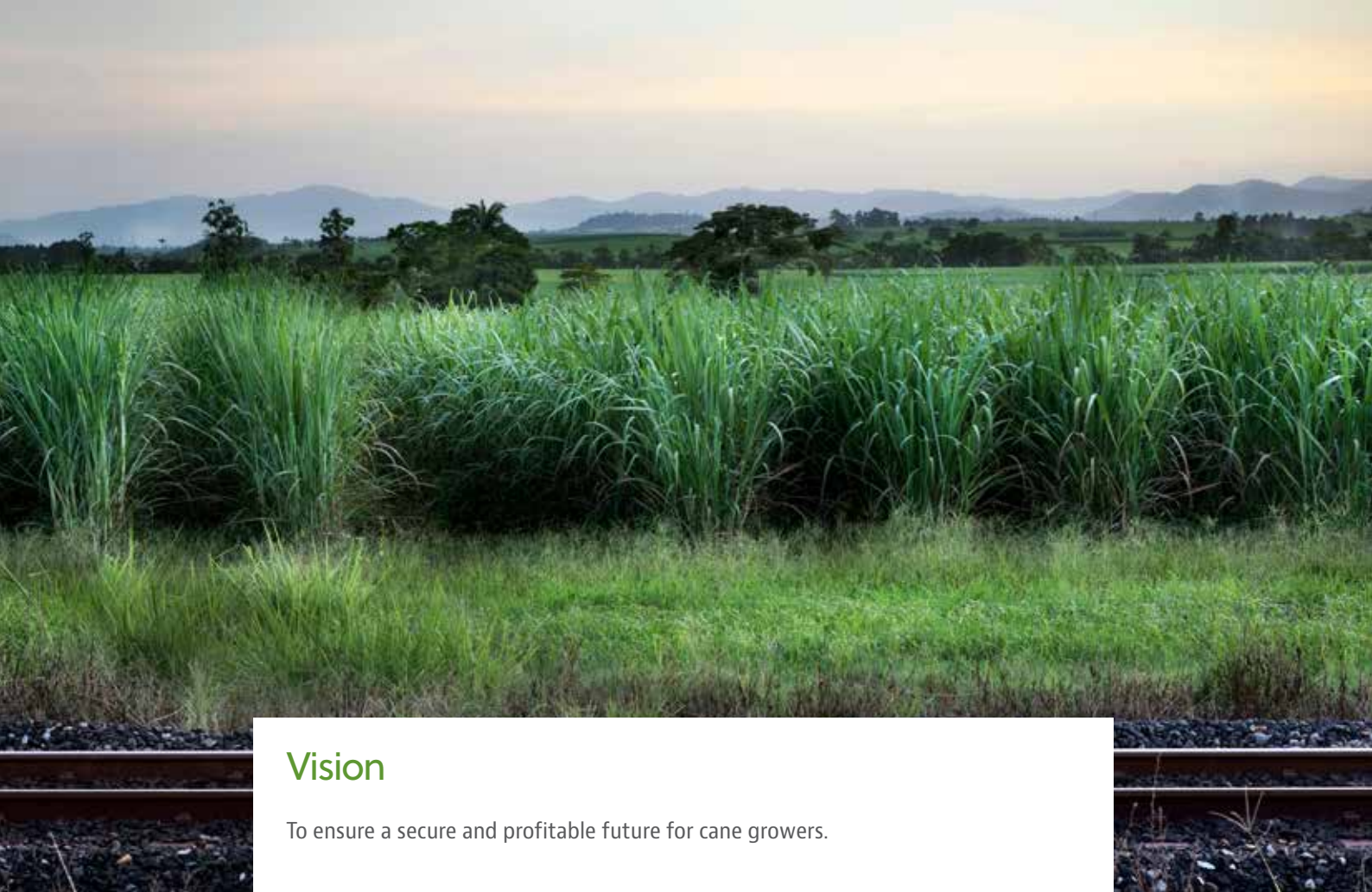


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*Ray and Rosemary Vicarioli filter water on their sugarcane farm in Queensland's Wet Tropics, playing their part to protect the Great Barrier Reef and committing to farming sustainably*



## Vision

To ensure a secure and profitable future for cane growers.

## Mission

CANEGROWERS provides representation, leadership and services, and promotes unity in the interests of its members.

## Values

- Accountability to our members
- A focus on issues relevant to our members
- Credibility, integrity and professionalism
- Open and effective communication between growers, organisation units and external publics
- Community consciousness

## Goals

- Assist in maximising grower efficiency and profitability
- Contribute to long-term industry efficiency
- Enhance organisation effectiveness
- Develop a positive external environment for cane growers
- Recognise and manage diverse grower needs while maintaining organisation unity
- Provide a foundation and structure for future industry development and planning

# Chairman's Report

In changing and challenging times, we look for leadership. As Chairman, I am proud to say that CANEGROWERS has continued to step up, stand up and make a difference for its members and the wider sugarcane industry through targeted services and robust advocacy.



**Paul Schembri**  
CANEGROWERS Chairman

After a period of low sugar prices and hits from unfavourable weather and increasing regulations, this year saw some important steps towards stabilising the operating environment for Queensland sugarcane growers.

While I accept that at times CANEGROWERS may not always achieve outcomes that satisfy all members' expectations, CANEGROWERS is nevertheless there at all times and in all forums advancing the interests of growers. This effort has seen positive outcomes on a number of fronts.

An emerging revival in the world price of sugar is sparking greater confidence for the future in our industry after a period of prices at or below the cost of production.

With growers' incomes exposed to these global market fluctuations, CANEGROWERS works to ensure members are equipped with the skills and information to get the best outcome possible.

Following the success of securing the right to choose a marketing pathway for their Grower Economic Interest sugar, CANEGROWERS has developed and delivered tailored education and information services. Most recently this has included a partnership with TAFE Queensland for a Pricing Essentials for Cane Growers course. This effort is paying dividends for participating growers

in greater market understanding, more informed pricing decisions and a better end result for their business.

A major cause of the low prices in recent years has been the subsidies provided by the Indian Government to sugar companies to export excess production. CANEGROWERS and the Australian Sugar Milling Council worked closely together to support the Australian Government in its application to challenge this practice in the World Trade Organisation. I am pleased to report that the case is progressing.

CANEGROWERS has also seen progress in our campaign to prove that the Queensland Government reef regulations, on farm practices, are onerous, bureaucratic, complex and largely unnecessary given the industry's commitment to the best practice program Smartcane BMP.

Central to the issue of increasing levels of regulation is the release of Report cards, under the Reef 2050 Water Quality Improvement Plan, which misrepresent the overall performance of the industry and the commitment of growers to environmental sustainability.

This year, CANEGROWERS secured a commitment from both the Queensland and Federal governments to undertake a review of the Paddock to Reef Reporting system on which the Report cards

are based. This process has begun and we continue to work towards an outcome that reveals the truth about land stewardship and farming practices in the sugarcane industry to governments and the community.

The need to promote our record of environmental stewardship, along with the economic benefits the sugarcane industry provides to regional, state and national economies and future potential, have led CANEGROWERS to take the opportunity during the 2020 Queensland State Election campaign to launch a series of radio and television advertisements. We have recognised that ongoing community support is needed so that we can invest with confidence in our future and the first step to gaining that support is ensuring awareness and understanding.

The COVID-19 pandemic has brought many changes to the way we operate, particularly in our use of online platforms to enhance communication and collaboration. The CANEGROWERS Board and Policy Council have found video conferencing to be an excellent means to staying connected. In fact, through this technology we have been able to engage with many parliamentarians, government officials and industry stakeholders that normally would have been restricted by financial considerations for travel. Face to face meetings will never be replaced, however this



*CANEGROWERS CEO Dan Galligan, Chairman Paul Schembri and Vice Chairman Owen Menkens prepare to host the virtual 2021 WABCG Conference in June 2021*

technology enhanced our ability to connect with a wider group of people.

At the end of the 2020 season, two companies announced the closure of sugar mills. The Maryborough Mill and Bingera Mill in Bundaberg had a combined service of 287 years to the industry.

A clear example of the dedication of the CANEGROWERS district companies is the tireless work of the elected growers and staff in the affected regions to secure a milling pathway for the regions' cane and meaningful discussions on the longer-term future.

The loss of cane land to strong competition from other agricultural products in that region was one of the reasons cited for the mill closures and it has been acknowledged as one of the major challenges our industry faces. This has been a topic of discussion during dialogue towards a new industry vision, another area in which CANEGROWERS leaders are ensuring the grower perspective is being heard.

The most crucial factor for the future of CANEGROWERS is to retain and grow our membership. We take our strong membership numbers as a significant responsibility that needs to be respected.

CANEGROWERS has therefore dedicated resources to a membership strategy and an important element of putting that strategy into action has been a series of meetings across the regions between the leadership team and members. I have travelled to almost all of the CANEGROWERS districts and enjoyed the opportunity to exchange information and build networks.

In conjunction with grower meetings, CANEGROWERS has commissioned a survey to gauge the views of members about our performance, effectiveness, and to further ensure our policy reflects and meets the needs of cane farmers.

A CANEGROWERS Leadership Forum has been another valuable opportunity to meet and exchange ideas within the organisation, this time with growers who have taken

on the responsibility of an elected position on a district board or are interested in doing so in the future. I thank all of the members of CANEGROWERS district boards for their dedication to the growers and the organisation.

I would like to extend my thanks to everyone who has contributed to the operation of CANEGROWERS during the 2020-21 year.

I would particularly like to acknowledge the work of CEO Dan Galligan who makes a very strategic and team focused contribution. I thank the Brisbane office, the Board of CANEGROWERS, the Policy Council and staff of the district offices for their valuable contributions during the year.

More than anything else, in changing and challenging times there is always the need for growers to stand shoulder to shoulder through an organisation and provide the voice of cane farmers. So I thank also the dedicated members of CANEGROWERS for their confidence and continued support.

# CEO's Report

As we emerge on what we all hope to be the other side of a global health crisis and acquaint ourselves with the post-COVID era, it is important to reflect on the many favourable outcomes CANEGROWERS has achieved over the past 12 months.



**Dan Galligan**  
CANEGROWERS CEO

The 2020-21 year is the first reporting period entirely within this time of global change, and CANEGROWERS has seen an unwavering commitment from stakeholders on a variety of levels to continue to further advance the Australian agricultural industry. We have also seen a greater need to work together as a sugar supply chain. It has been astounding to see the continued resilience embodied by Australian farmers, and especially those within the CANEGROWERS family who have pulled together to find a way through these difficult times.

There has been much said about the role of agriculture in the economy and it was self-evident when so much of the economy was shut down. It is both a privilege and responsibility that we hold carefully to operate safely and profitably to protect the interests of the communities and the families that rely on our work.

As always, we have prioritised our activities and resources to deliver on our vision of a secure and profitable future for cane growers. The actions, activities and outcomes covered in this report should reflect on our commitment.

Though some of the challenges themselves were new, I could not be more proud of the way our

grower representatives and staff have been flexible and creative in finding ways to respond to the changing needs of growers under the changing circumstances of the health and economic responses to the pandemic.

We are proud that CANEGROWERS has continued to evolve and adapt while staying true to our goals as an organisation:

- Assist in maximising grower efficiency and profitability
- Contribute to long-term industry efficiency
- Enhance organisation effectiveness
- Develop a positive external environment for cane growers
- Recognise and manage diverse grower needs while maintaining organisation unity
- Provide a foundation and structure for future industry development and planning

Throughout Queensland the sense of community has been profound, and this same sentiment is felt within the CANEGROWERS offices. Our now regular grower engagement meetings are a crucial way for us to stay connected and grounded and it has informed our services.

We have focused new resources this year on practical tools. Our pricing essentials training, market

information service, electricity tariff selection tool, cost of production tool and analysis of local government rating practices have all been underpinned by longer term strategic initiatives. These include our industry-leading work to build a sustainable sugar supply chain underpinned by blockchain technology, a platform we plan to use to drive for value direct to the grower as recognition for their environmental performance. It is this performance that has also allowed us to see success on reef policy. Strong continued adoption of Smartcane BMP has helped to lock in a review of the unfair management practice targets and associated modeling and we are starting to see that, by getting ahead of the debate on reef policy, we can position growers where we know they deserve to be - ahead of the pack on environmental recognition not behind and at the whim of policy makers.

Changes in how we communicate have not been the only innovative adjustments we have incorporated these past 12 months. In early 2021 we brought the entire industry leadership together and many new voices as well, all combining to inform and discuss our strategic direction. The CANEGROWERS Leadership Forum worked in parallel with similar initiatives we have lead with the boards of SRA,

ASMC and ACFA to form a state-wide Industry Leaders Forum. The first of its kind in the history of our industry, it provided an invaluable opportunity for industry leaders from growing, milling and research to come together and set goals and priorities for the industry.

Leadership development will continue to be an important investment by CANEGROWERS. Respecting and learning from our experienced leaders while making space for new and innovative voices means we position ourselves uniquely to continue traditions, incorporate innovation, and inaugurate the next generation of cane growers to carry on our great industry.

2022 will see 87 grower representative and leadership positions come up for nomination, paving the way for a future generation in which many have the desire to influence the future of their industry.

We have a wealth of talented people who are new to the industry or are striving to find a pathway into a long-term future in cane growing, and as every CANEGROWERS member can nominate and every member

can vote, we are excited to see who you choose to have a voice. CANEGROWERS' objective is to improve the opportunities for anyone to enter leadership in a position and place where they are most interested. Along with district-level mentoring, several pathways are also available to help members towards active participation in leadership. We are committed to increasing the representation of women within our industry leadership. Our involvement in the National Farmers' Federation Diversity in Agricultural Leadership Program provides resources to emergent leaders in our industry and access to those across all sectors who have travelled this path.

The 2020 Queensland Election reiterated the impact regional votes can have on forming a government in this state. With regional economic powerhouses centered around Bundaberg, Mackay, Townsville and Cairns, our regional voices have not only driven our economy forward but they remain very relevant in the political power base of the state.

We have continued our work with the State Government and indeed the opposition parties to influence how they can play a positive part in supporting growth

in our industry. There has been no greater example of this than the work with the Australian Sugar Milling Council to present a suite of industry revitalisation priorities to the incoming State Government. We are very clear that Government needs to move from being a policy inhibitor to an investment enabler if we are to reach our potential.

Our potential is real. CANEGROWERS worked with our national peak body, the National Farmers' Federation, to launch a new agricultural plan to reach \$100bn by 2030. This growth is within the sector's reach and the Australian sugar supply chain is poised to contribute if we believe that we can adapt and grow our existing supply chain and look for complementary opportunities for participants. It will be a big task but 2021-22 will be the year in which we invite more growers to participate in a process to build out this pathway for stabilisation and growth. We need to work together to stabilise our existing supply chain and drive for growth for new opportunities. We are not naïve about the challenges, we have growers at the coal face every day facing these issues. Equally, we must be confident in our ability to adapt and grow – as we have done in the past.

I hope you see in the pages of this important report many examples of where CANEGROWERS is investing in resources - our people, our effort and our intellect. We are delivering on our core values to be accountable to members and to be focused on the issues that mean the most to you.

I would like to thank all growers for their support and for those that give up their time to lead the organisation at many different levels, especially the considered and committed QCGO Board led by Paul Schembri. I would like to extend my appreciation and gratitude to the staff at CANEGROWERS, district and state levels, from many different backgrounds and skills, and all as one believe and give passion and commitment to this tremendous organisation on a daily basis.



# About the Industry

A total of 31,074,405 tonnes of sugarcane were harvested and transported by road and rail to be crushed at 24 mills in Australia's sugar regions during the 2020 season which ran from May to November.

The cane was harvested on 354,101 hectares of farmland from Mossman in far north Queensland to Grafton in northern New South Wales.

The average commercial cane sugar achieved for the season was 13.77 units.

In Queensland, 29,330,370 tonnes of sugarcane was harvested from 339,427 hectares. This was an increase of around 885,000 tonnes on the 2019 season's result, despite a 10,000 ha reduction in cane area, due to more favourable growing conditions in northern regions. In southern growing regions, drought conditions persisted.

CANEGROWERS convened a supply chain working group ahead of the season to assess, plan for and monitor the impacts of the COVID-19 pandemic.

In Australia, the 2020 harvest and crush proceeded unhindered with strategies in place in case of an outbreak. The impact of the pandemic was felt through lower prices as a result of lockdown measures around the world reducing demand for sugar.

Export destinations for 85% of Australia's raw sugar production included South Korea, Japan and Indonesia. The remainder was refined for domestic consumption.

A recovery in sugar prices from December 2020 was welcomed by Australian growers who are fully exposed to the volatility of the market.

Growers are able to manage their price risk and moderate some of the impact with providers such as the CANEGROWERS Marketing Information Service assisting many to make pricing decisions in a competitive environment.

At the conclusion of the 2020 season, two sugar mills ceased operations permanently.

Bundaberg Sugar closed Bingera Mill with cane supply to be consolidated at its Millaquin Mill. MSF Sugar closed the Maryborough Mill and entered into a toll crushing arrangement for its suppliers' cane to be processed at the Isis Central Mill in Childers.

Land use changes in the southern growing region, leading to reduced cane supply, were cited by both companies as a reason for the closures.

TABLE 1

Australian production of cane and sugar in the 2019 and 2020 seasons

Mill area	Tonnes of cane crushed		Tonnes of sugar IPS (est)		CCS		Hectares harvested	
	2019	2020	2019	2020	2019	2020	2019	2020
Mossman	867,320	757,788	110,443	81,448	12.95	12.98	10,860	9,610
Tableland	429,274	486,217	60,388	85,765	14.14	14.35	4,717	5,346
Mulgrave	888,878	1,002,143	158,187	169,173	12.94	12.41	11,738	11,403
Innisfail	1,517,376	1,771,356	161,873	182,465	12.95	12.23	21,528	21,708
Tully	2,179,083	2,463,558	290,555	326,604	13.56	12.95	29,258	28,210
Herbert River	4,055,702	4,250,399	564,772	581,287	13.89	13.19	56,366	55,225
<b>North Qld</b>	<b>9,937,633</b>	<b>10,731,461</b>	<b>1,346,218</b>	<b>1,426,743</b>	<b>13.52</b>	<b>12.94</b>	<b>134,467</b>	<b>131,500</b>
Burdekin	7,909,070	7,905,092	1,222,301	1,198,377	14.97	14.62	67,824	66,201
Proserpine	1,546,803	1,535,660	221,922	224,466	14.14	14.36	21,036	20,240
Mackay	4,927,815	5,152,241	697,300	737,078	14.02	14.12	67,587	65,326
Plane Creek	1,271,837	1,234,483	184,507	182,312	14.63	14.25	17,842	18,374
<b>Central Qld</b>	<b>7,746,455</b>	<b>7,922,384</b>	<b>1,103,730</b>	<b>1,143,856</b>	<b>14.14</b>	<b>14.19</b>	<b>106,465</b>	<b>103,940</b>
Bundaberg	1,095,130	1,047,595	159,852	153,032	14.62	14.67	15,461	13,744
Isis	972,058	808,815	150,576	123,851	14.76	14.81	12,955	10,127
Maryborough	592,216	633,914	86,284	90,595	14.32	14.49	9,668	10,066
Rocky Point	192,121	281,109	25,411	38,614	13.58	13.80	3,018	3,848
<b>South Qld</b>	<b>2,851,525</b>	<b>2,771,433</b>	<b>422,123</b>	<b>406,093</b>	<b>14.54</b>	<b>14.58</b>	<b>41,102</b>	<b>37,785</b>
<b>Queensland</b>	<b>28,444,684</b>	<b>29,330,370</b>	<b>4,094,371</b>	<b>4,175,068</b>	<b>14.19</b>	<b>13.89</b>	<b>349,858</b>	<b>339,427</b>
Condong	520,322	519,107	63,946	61,043	12.21	11.61	4,455	4,428
Broadwater	539,637	657,065	67,248	81,192	12.35	12.20	5,269	5,561
Harwood	540,916	567,863	67,887	67,869	12.35	11.80	4,846	4,685
<b>New South Wales</b>	<b>1,600,875</b>	<b>1,744,035</b>	<b>199,081</b>	<b>210,103</b>	<b>12.30</b>	<b>11.89</b>	<b>14,570</b>	<b>14,675</b>
<b>Australia</b>	<b>30,045,559</b>	<b>31,074,405</b>	<b>4,293,452</b>	<b>4,385,171</b>	<b>14.09</b>	<b>13.77</b>	<b>364,428</b>	<b>354,101</b>



*Recognising a need to work together to stabilise the industry and achieve improved productivity and profitability, leaders from the Australian sugar supply chain met during the year to develop a vision for the future*



Recognising a need to work together to stabilise the industry and achieve improved productivity and profitability, leaders from the Australian sugar supply chain met during the year to develop a vision for the future.

Directors of CANEGROWERS, the Australian Sugar Milling Council, Australian Cane Farmers' Association and Sugar Research Australia jointly announced an agreed working vision in late 2020.

The working vision is:

*Sugar Plus: a vibrant, transforming industry, sustainably producing sugar and bioproducts at the heart of regional communities.*

The aim is to jointly seek an operating and policy environment which can enhance sugarcane and sugar production efficiencies and supply chain infrastructure to secure a prosperous long-term future, and sustainably meet the needs of Australian and global sugar customers

and the regional communities which rely on the industry.

Leaders also recognised an opportunity to position the industry at the centre of the renewable economy through research and policies to create commercial opportunities.

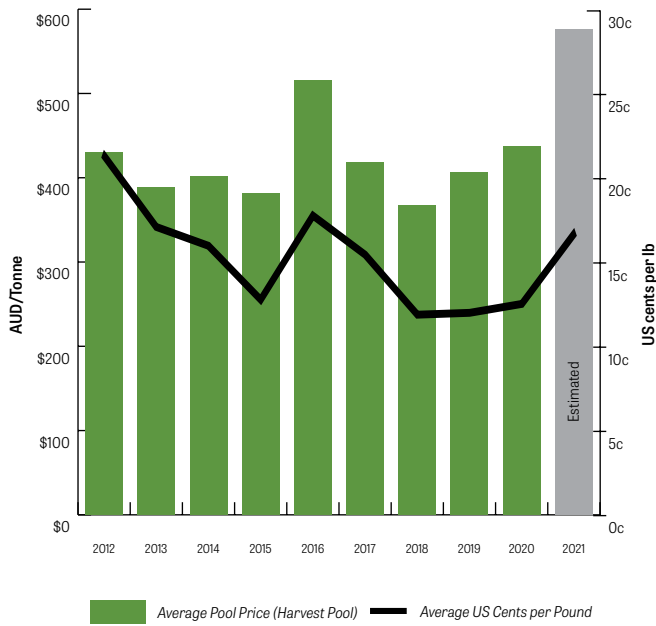
The organisations continue to work on identifying priorities to bring this vision to life, by identifying industry priorities, and communicating with industry and government stakeholders, via a new Roadmap project.



The 2020 harvest in action at the Muscat's farm in Mackay - photo credit John Flynn

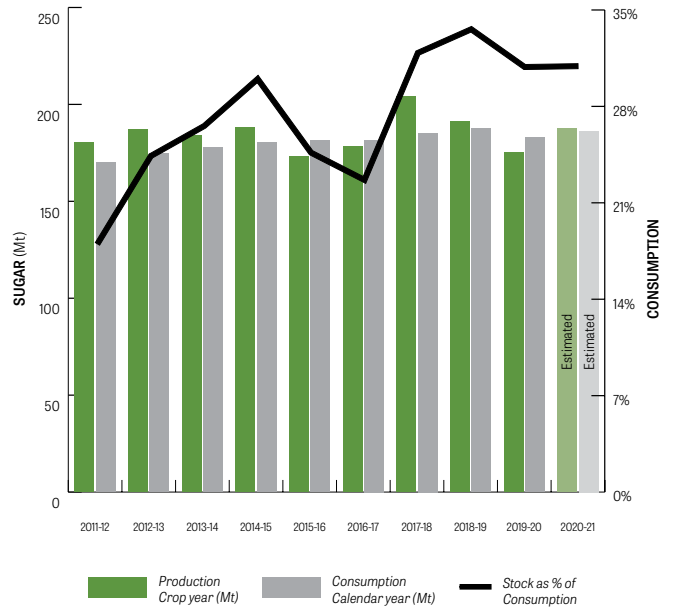
GRAPH 1

World sugar price



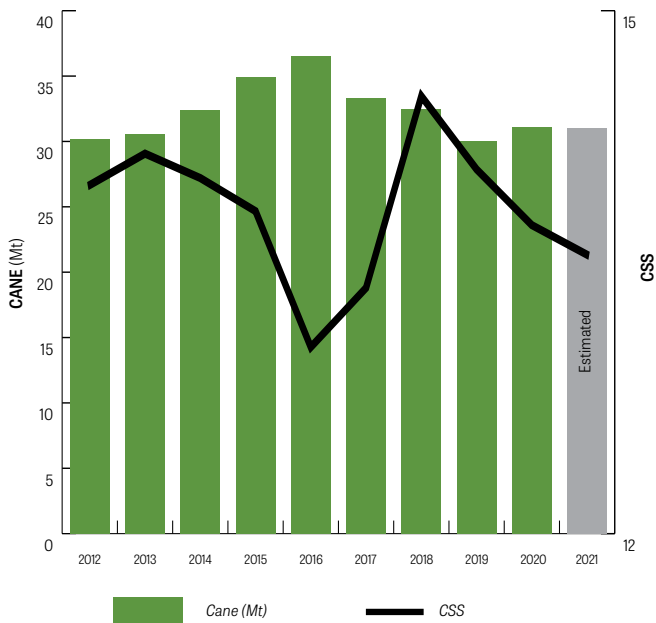
GRAPH 2

World sugar production and consumption



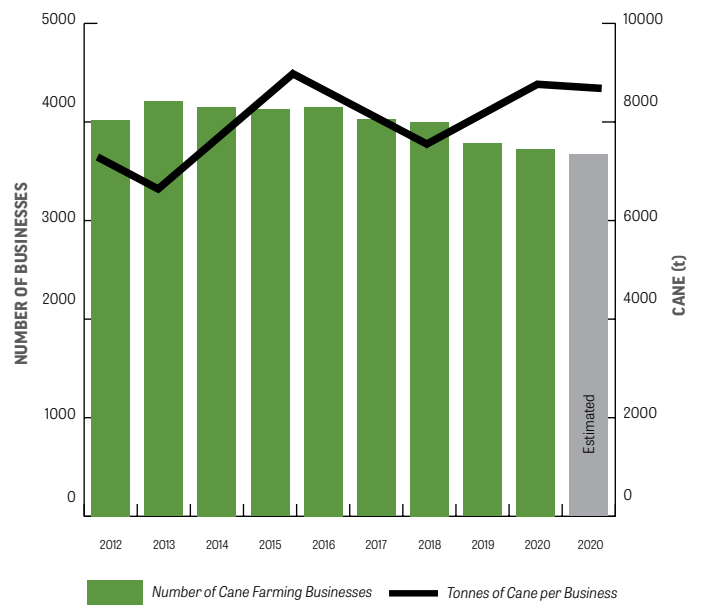
GRAPH 3

Australian production



GRAPH 4

Australian industry trends



Statistics compiled sourcing data from Czarnikow, United States Department of Agriculture, CANEGROWERS Australia and the Australian Sugar Milling Council.

# About CANEGROWERS

CANEGROWERS Queensland is a not-for-profit public company with the sole purpose of promoting the interests of sugarcane growers. It comprises the state company (Queensland Cane Growers Organisation Ltd) and 13 regional, or district, companies.

CANEGROWERS members are represented by 79 elected directors and almost 100 dedicated professional staff providing grower services, industry advocacy and communications.

**Board:** The Queensland CANEGROWERS Board is comprised of eight Directors elected from the Policy Council with at least one director from each of the four (Far North, North, Central and Southern) cane growing regions.

The Board performs the core functions of corporate governance, financial and risk management, audit and compliance. The Board sets the company's strategic direction and corporate policy and delegates responsibility for management to the Chief Executive Officer.

The Board is required to meet at least quarterly or at such other times as required to fulfil its obligations to the company and its grower members. Throughout the ongoing COVID-19

pandemic, video conferencing has been used extensively to ensure the Board continued to meet as and when required to perform its role.

**Policy Council:** The CANEGROWERS Policy Council is made up of 20 growers nominated by the district companies. As the preeminent grower representative forum, the Policy Council sets strategic direction for the CANEGROWERS group and industry policy as it relates to the grower community. The strong regional representation ensures industry-wide views and issues are brought forward for consideration and solutions can be collaboratively discussed.

The Policy Council formally meets three times a year with frequent and ongoing communication on key issues at other times. CANEGROWERS district managers meet alongside the Policy Council.

**Policy Committees:** CANEGROWERS convenes three Policy Committees made up of members of the Policy Council; Economics and Trade, Environment and Sustainability and Farm Input and Research.

The role of the committees is to investigate emerging issues and take recommendations to the Policy Council with a view to establishing industry policy positions as they relate to

growers' needs and to guide strategic decisions.

## Membership

CANEGROWERS represents the producers of more than 70% of the available sugarcane tonnes grown in Queensland. The strength of this voluntary membership reflects the relevance and need for a cane industry specific organisation led by growers.

The membership fee schedule, based on a levy placed upon each tonne of cane produced, is published in the *Australian Canegrower* magazine each year in May. Queensland CANEGROWERS has implemented a maximum cap on membership fees so that no grower pays more than the equivalent of 50,000 tonnes regardless of their production.

Membership policy has developed around a number of principles:

- Membership is voluntary
- Membership is conditional on the applicant meeting eligibility criteria
- Membership relates to financial contributions being made in each season on all tonnes of cane supplied by the member's farm or farms irrespective of mill area
- The membership fee is struck at a rate per tonne of cane supplied

## FINANCIAL PERFORMANCE SUMMARY

### NET ASSET POSITION

**\$34.0** million

### TOTAL ASSETS

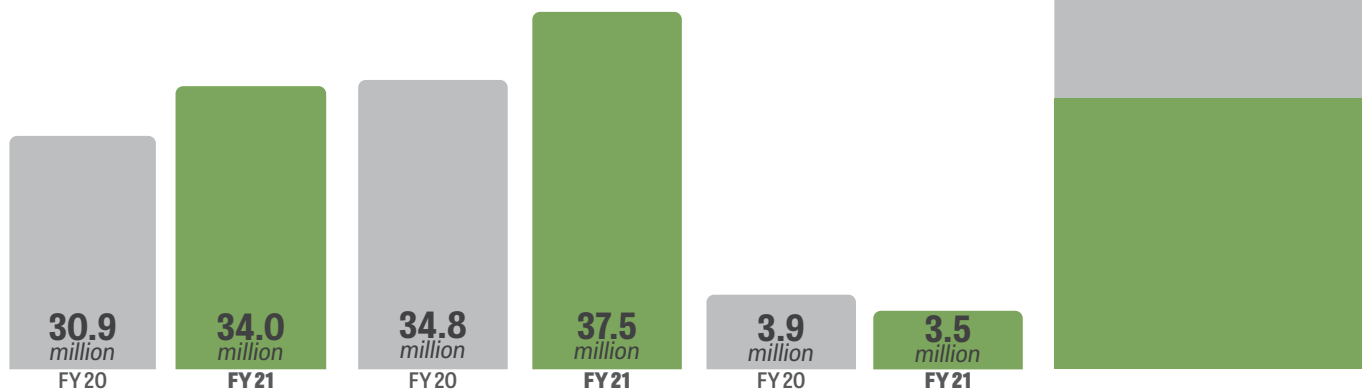
**\$37.5** million

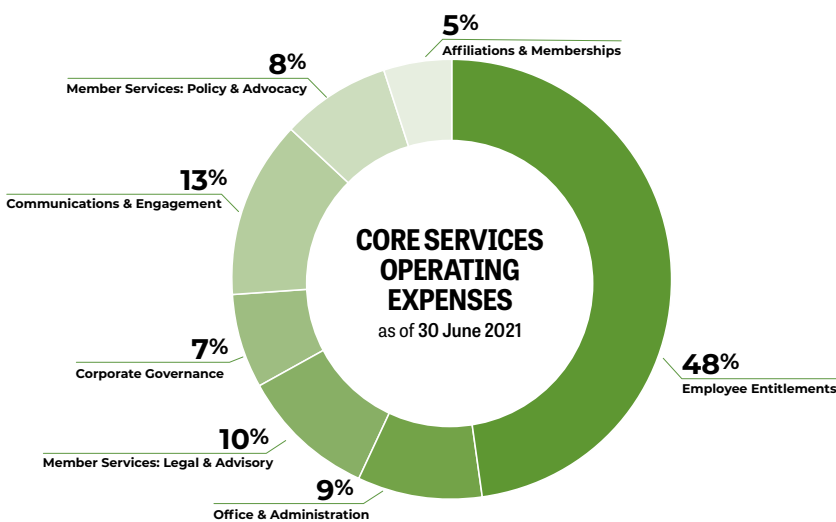
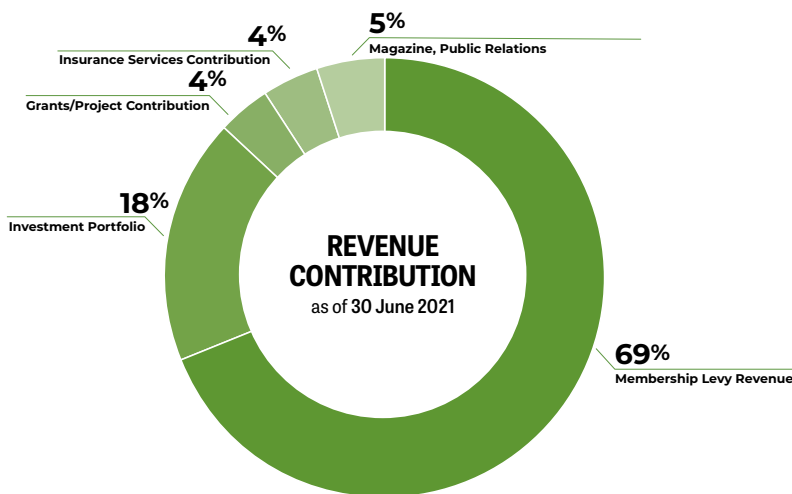
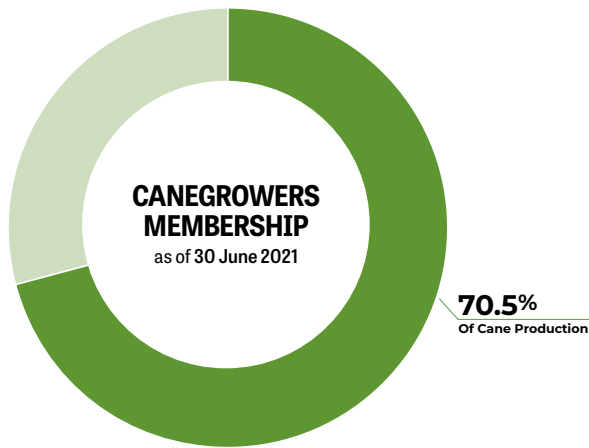
### TOTAL LIABILITIES

**\$3.5** million

### MEMBERSHIP

**70.5%** of cane production





Wales. ACGC presents a common voice in national and international forums on behalf of cane growers. ACGC is a controlled subsidiary of CANEGROWERS. CANEGROWERS Chairman Paul Schembri is Chairman of ACGC while the Directors include growers, Kevin Borg, Owen Menkens and Ross Farlow (NSW).

Due to limitations on interstate travel during the COVID-19 pandemic, representation and participation at both national and international forums has been undertaken via video conferencing.

**Australian Sugar Industry Alliance:**

CANEGROWERS plays a lead role in the Australian Sugar Industry Alliance (ASA).

ASA aims to bring the industry together on matters of common industry interest. These have been identified as trade and market access issues, protection and support for the industry social license to operate (particularly as it relates to the role of sugar in a balanced diet) and actions to secure environmental sustainability.

Paul Schembri and Owen Menkens represent CANEGROWERS, and Kevin Borg and Michael Pisano are representatives of their regions (North and Central).

CANEGROWERS has continued to provide financial support to ASA for both operational and project-based issues. Extensive in-kind support is also provided by CANEGROWERS staff through participation in, for example, key international trade and market access meetings.

**Affiliations**

**Queensland Farmers' Federation:**

Queensland Farmers' Federation (QFF) is a united voice for the 13,000 producer members of 21 organisations in intensive, semi-intensive and irrigated agriculture. As a member, CANEGROWERS works with QFF on issues such as water and energy pricing and efficiency, affordability of insurance products, land use planning, rural employment and skills and workplace health and safety.

to the relevant mill and is for the aggregate of the state and local companies. The levy can be made up of the company component, crop insurance and cane testing

A focus in 2020-21 was to implement priority activities from the membership engagement strategy developed the previous year.

This included a series of regional member meetings and the development of a member survey.

**Partnerships**

**Australian Cane Growers' Council:**

The Australian Cane Growers' Council (ACGC) is the forum for the nation's sugarcane producing states of Queensland and New South

CANEGROWERS Director Allan Dingle is President of QFF and the CANEGROWERS' representative on the Board of QFF is Kevin Borg who also attends meetings of the QFF members' council along with CANEGROWERS CEO Dan Galligan.

#### National Farmers' Federation:

CANEGROWERS, through ACGC, is a founding member of the National Farmers' Federation (NFF), the peak national representative and lobby group for 130,000 Australian farmers. NFF provides a vital forum for cane growers to influence national policy. CANEGROWERS Chairman Paul Schembri is a Members' Council representative of the NFF.

During 2020-21 the NFF led national discussions on the manner in which agriculture can continue to operate under evolving policies to deal with the COVID-19 pandemic. The NFF has policies across a range of areas including climate change, biosecurity, trade, industrial relations and workplace health and safety.

The NFF and its members have a vision for Australian agriculture to exceed \$100 billion in farm gate output by 2030. A Roadmap identifies the opportunities and challenges, along with policy and actions to achieve it. A Roadmap Report Card is prepared each year.

CANEGROWERS works in partnership with the NFF on its Diversity in Agricultural Leadership Program which seeks to support the development of female leaders in the sector.

#### World Association of Beet and Cane Growers:

CANEGROWERS is a member of the World Association of Beet and Cane Growers (WABCG) which unites 30 national and regional sugarcane and sugar beet producer associations on five continents. CANEGROWERS Chairman Paul Schembri is a Vice-President of WABCG.

CANEGROWERS hosted the 2021 WABCG conference in June. This provided an opportunity to showcase our industry to the rest of the world.

Due to the ongoing COVID-19 pandemic it was hosted as three

online sessions in which 27 countries were represented by 150 participants.

#### Australian Farm Institute:

CANEGROWERS is a corporate member of Australian Farm Institute (AFI), created to carry out a strategic role on behalf of Australian farmers. It utilises funding provided via membership fees to carry out or commission research projects on strategic policy issues of importance to Australian agriculture. The AFI holds annual policy forums to discuss research findings and to allow opportunities for industries (growers and staff) to collaborate on complex issues that affect the entire sector.

#### Primary Industries Education Foundation Australia:

CANEGROWERS is a member of the Primary Industries Education Foundation Australia (PIEFA), a not-for-profit company formed to promote educational information and resources within schools through the provision of credible and relevant material to teachers.

CANEGROWERS is working closely with PIEFA to produce a primary school resource on the sugarcane industry for use by educators and education agencies. The resource will be launched in late 2021.

#### Services

##### Insurance:

CANEGROWERS, in partnership with local district offices, has qualified insurance brokers in cane growing regions to provide independent insurance advice, a wide range of insurance options (covering farm, commercial, business, liability, vehicle, home, landlord and contents products) and service for members and local communities at competitive prices.

Members automatically have access to the Crop Insurance cover as part of their membership.

##### Legal Services:

Legal services are provided to CANEGROWERS including district offices and grower members through a retainer arrangement with Chris Cooper of CJ Cooper & Associates.

Chris Cooper assists individual growers through a phone-in legal service that is provided free of charge to members on 1800 177 159. Queries often relate to trespass, aerial spraying, tramline easements, machinery performance disputes, safety issues and disputes with mills.

Chris Cooper provides advice and legal assistance to CANEGROWERS district companies with issues including the renewal of cane supply agreements.

Mr Cooper informs incoming and existing Board members throughout the CANEGROWERS organisation about corporate governance obligations and their legal duties and the expectations of their roles as grower-elected representatives.

#### CANEGROWERS Marketing Information Service:

Since the 2015 amendments to the *Sugar Industry Act*, supported by the federal Sugar Code of Conduct, sugarcane growers have had the opportunity to manage their sugar price risk exposure independently of sugar mills.

CANEGROWERS developed the Marketing Information Service (MIS) to assist members navigate the competitive landscape of marketing services and products. It provides weekly and monthly market information and education opportunities.

Teaming with TAFE Queensland and the Rural Jobs Skills Alliance in 2020, a two-day professional development course called Pricing Essentials for Cane Growers was offered.

More than 130 growers participated across ten locations between February and May 2021 and reported an improved understanding of the market cycle and their cost of production resulting in enhanced pricing decisions and farm profitability.

CANEGROWERS is working to expand the reach of the course in the future.



At the Australian Institute of Marine Science, members of the CANEGROWERS Board, the Chairman, CEO and CFO met with Dr Neal Cantin, coral ecologist, Dr Britta Schaffelke, of AIMS' Healthy and Resilient Great Barrier Reef program and Dr Richard Brinkman of AIMS' Marine and Coastal Industries program to share perspectives and understand each others' work

# Year in Review

## CANEGROWERS activities, programs and projects How your organisation has served you

Through a wide range of tailored and targeted programs and services, CANEGROWERS works for members, and their improved productivity and profitability.

### Agricultural chemicals

CANEGROWERS promotes the safe and effective use of agricultural chemicals, based on science and the advice of the national regulator - the Australian Pesticides and Veterinary Medicine Authority (APVMA).

An independent review of Australia's regulatory system for agricultural chemicals and veterinary medicines was completed during the year, making a large number of recommendations to improve efficiency and give quicker access to new products.

CANEGROWERS contributed to several submissions, supporting many of the

recommendations but also sought assurance that the system would retain its rigorous assessment of the efficacy and safety of products.

Following submissions from CANEGROWERS and other industry stakeholders on proposals to further restrict the use of 2,4-D in cane farming, the APVMA agreed to the use of existing labels for the chemical until September 2021. Prior to that date, they will re-consider their risk modelling which led to the proposed restrictions.

CANEGROWERS continues to be part of the Executive Committee of the National Working Party for Pesticide Application (NWPPA) which deals primarily with issues around spray drift. It includes representatives from spray manufacturers, grower groups, spray applicators and research and development corporations across

viticulture, horticulture and broadacre agriculture.

### Biosecurity

Biosecurity awareness and preparedness is critical for the ongoing profitability of the Australian sugar industry. CANEGROWERS is the industry member of Plant Health Australia (PHA) and the signatory to the Emergency Pest Plant Response Deed (EPPRD). This deed is administered by PHA and determines the cost-sharing and management of responses to any pest or disease incursion. CANEGROWERS works closely with Sugar Research Australia (SRA) on these matters.

A Red Witchweed (RWW) eradication program is ongoing, now into its second phase due to finish in 2025. The first phase at Habana, Mackay was completed in 2019, with a huge reduction in the annual emergence

of the parasitic pest plant and good progress in reducing the amount of seed in the soil. Success of the program has only been possible due to the excellent cooperation and assistance of the growers in the area. The cost-sharing arrangements with government and industry partners for this additional phase has CANEGROWERS in partnership with SRA contributing 10% towards the total costs. CANEGROWERS and SRA share these costs 50/50 on behalf of the industry.

## Cane Analysis Auditors

Accurate cane analysis and regular scrutiny of this activity undertaken in sugar mills is critical to ensure growers are accurately paid.

**CANEGROWERS supports the important auditing function and has engaged CANEGROWERS Cairns Region to provide assistance to all districts in ensuring the quality of this service to members.** This includes on-call trouble shooting and proactive activities to encourage and promote good analysis programs and auditing into the future. A pre-season workshop was attended by 12 auditors along with eight district managers with grower and mill representatives.

Near Infrared (NIR) technology is used in several Australian sugar mills for the analysis of cane. In those mills it provides some input

to cane payments. Pattern approval, which confirms that a measuring instrument's design meets relevant standards and performs as intended in a range of conditions, has been sought from the National Measurement Institute (NMI) for a number of years. After consultation with industry, the NMI published a paper, *Consultation Outcome - Use of Near Infrared (NIR) instruments in the sugar industry for trade purposes*. Unfortunately, the NMI did not provide a path to pattern approval for the use of NIR for cane payment purposes. This means that the utilisation of NIR in mills for cane payment remains limited.

## Cane Burning

Cane burning remains an important management tool for many growers in Australia and is undertaken for a range of reasons including crop size and to ensure effective irrigation. It is carried out under a Notification for Burning of Sugar Cane in Queensland or, if the conditions of the Notification cannot be met, under a permit.

CANEGROWERS has held discussions with Queensland Fire and Emergency Services (QFES) and Department of Transport and Main Roads to widen the scope of the current Notification to reduce the number of permits which are required to light a fire unless all the conditions of the Notification can be met. No changes were agreed

to and the current Notification was maintained.

## Disaster management, recovery and resilience

The ability to manage risk and respond to disasters is critical to cane growers in a region with extreme weather events like drought, flood and cyclone.

CANEGROWERS assisted with assessing the damage from Severe Tropical Cyclone Niran which impacted the north Queensland coast in early March 2021. Natural Disaster Relief and Recovery Arrangements (NDRRA) Category B assistance was provided to the Cairns, Cassowary Coast, Mareeba, Hinchinbrook and Tablelands local government areas.

CANEGROWERS continued to be involved in efforts towards workable parametric insurance for cyclones for sugarcane growers and the feasibility of establishing a discretionary mutual fund. This project includes QFF, University of Southern Queensland and Willis Towers Watson with funding from the Queensland Government's Drought and Climate Adaptation Program.

CANEGROWERS has agreed to become a partner in two Drought Resilience Adoption and Innovation Hubs, Southern Queensland and Northern New South Wales and Tropical North Queensland. The Hubs will support stakeholders (including producers, grower and community groups, industry, researchers, entrepreneurs, education institutions and governments) to provide a range of research and adoption functions. This is funded by the Australian Government's Future Drought Fund.

CANEGROWERS is also a participant in the Farm Business Resilience Program funded by the Future Drought Fund and the Queensland Department of Agriculture and Fisheries. It provides projects to increase a growers' business resilience and will be developed in the 2021-22 year.



Grower Ray Marbelli with CANEGROWERS Industry Recovery Officer Ray Cervellin who assisted growers to access Special Disaster Assistance Recovery Grants to repair and improve waterways in the Herbert River district following a 2019 monsoon trough





*Following years of lobbying from CANEGROWERS and other farm groups, the Queensland Competition Authority confirmed a new electricity tariff which promises to save irrigators money*

tariffs (62, 65 and 66) are obsolete and no longer available, many of the replacement small business tariffs available to irrigators, while complex to navigate, offer savings.

**CANEGROWERS has developed an electricity pricing tool to assist growers to make informed decisions about their tariff selection.**

CANEGROWERS has made submissions to the Queensland Competition Authority on retail electricity prices and to its Rate of Return review 2021. Meetings have been held with the Australian Energy Regulator in relation to network tariffs and with the AER's Customer Reference Group reviewing the Rate of Return guideline. CANEGROWERS is a member of the Australian Energy Market Operators National Electricity Market consultative forum.

CANEGROWERS has participated in the Energy Savers Plus Program Extension which provides growers with an energy audit and the opportunity to apply for a grant to make improvements to electricity infrastructure. This project is drawing to a close.

## Environment and sustainability

Queensland sugarcane growers face a challenging policy and regulatory environment that often involves its regional communities, various levels of government, research organisations, and the many stakeholders in waterway catchment management and the Great Barrier Reef.

The work of CANEGROWERS aims to build and secure the industry's reputation for environmental stewardship - to maintain and build community confidence, minimise government regulations and demonstrate the sustainability of Queensland sugar to domestic and export supply chains.

CANEGROWERS works collaboratively with members, grower leaders, millers, researchers, advisory services and the sugarcane value chain to improve the sustainability of

## Diversification

It is considered strategically important to reduce the sole reliance of the Australian industry on exporting raw sugar into a distorted world market through diversified products and income. CANEGROWERS monitors developments in markets and technology and influences government policy to allow growers to benefit from diversification.

The CANEGROWERS policy objective is to supplement growers' income from raw sugar sales with significant alternate income from farmland and sugarcane without risking mill closure through lack of supply. CANEGROWERS supports diversification of break crops on spare, marginal and fallow land.

The Queensland sugarcane industry has an advantage in the production of significant quantities of a high-quality feedstock with a wide range of potential uses. CANEGROWERS supports research and technology development for increased biomass, the establishment of markets for products made from sugarcane, government action through appropriate incentives to encourage investment, grower ownership or income sharing from bio products and support for growers to obtain the full value of the sugarcane when used as a feedstock.

## Electricity

CANEGROWERS, as a member of Queensland Farmers' Federation, National Farmers' Federation and the Australian Agricultural Industries Electricity Taskforce, argues that electricity prices are too high and calls for lower and efficient electricity prices for food and fibre production.

Tackling electricity sector reform is complicated. There are many different decision makers at the state and federal level with differing motivations and objectives. At every opportunity, CANEGROWERS makes submissions, appears at hearings and puts forward the case for change.

A central call in this advocacy is for electricity prices to be reduced by 33% and prices for irrigation to be capped at 16c/kWh (8c/kWh for the network and 8c/kWh for the electrons) plus associated retail charges.

**A mark of CANEGROWERS success is that a small business-controlled load Tariff 34, now available as a primary tariff from Ergon, is close to the 16c/kWh target and was introduced following work with CANEGROWERS and trials by growers.** It is 16.682c/kWh (ex-GST) and, as with other tariffs, daily charges apply.

CANEGROWERS' fight for sustainably lower electricity prices has delivered further results. While traditional farm

Australia's cane growing industry. It promotes voluntary approaches for supporting practical and cost-effective management changes that will have lasting benefits for both farms and the broader environment rather than poorly targeted government regulation that can restrict farming practices.

Over the past 12 months CANEGROWERS' effort has focused on:

- increasing grower participation in the Smartcane BMP program
- meeting the emerging, world-wide demand for sustainably sourced sugar
- supporting well-designed, voluntary programs for improving water quality
- reducing regulatory interventions in farm management
- ensuring policies and programs for reef water quality are voluntary, evidence-based, realistic and fair
- evaluating fertiliser products with modified patterns of nitrogen release
- managing biosecurity risks
- ensuring grower access to safe and effective pesticides.

## Membership engagement

**A focus for CANEGROWERS in 2020-21 was to implement priority activities from its Membership Engagement Strategy** including holding a series of regional member meetings with the senior leadership and developing a member survey for the coming year.

Despite the intermittent disruptions of COVID-19 restrictions, face-to-face meetings with growers were held in the majority of districts in the 2020 calendar year with the CANEGROWERS Chairman and CEO. These meetings were well supported by growers. The format involved presentations outlining CANEGROWERS advocacy work and activities across the industry and an open forum for questions and discussion. **In 2021 CANEGROWERS held a Leadership Forum in Cairns which involved a majority of the elected grower representatives,**

**along with prospective leaders, discussing the future of the industry and future direction of CANEGROWERS.**

The Membership Reference Group met regularly through the year and provided valuable insight, ideas and advice to guide activities and initiatives under the strategy. CANEGROWERS monitors competition and works closely with and through the district company structure to attract new members.

The provision of member benefits has been expanded to include BOC and Queensland Country Health Fund and CANEGROWERS continues to look for new partnerships to offer members.

## Research, Development and Extension

CANEGROWERS objective is to ensure that members' funding for RD&E, in the form of a levy paid to Sugar Research Australia (SRA), is invested strategically and that grower priorities are being adequately addressed. In order to remain world competitive, the industry must achieve continuous improvement in farm level productivity and at least maintain profit margins in real terms.

CANEGROWERS engaged with the SRA Strategic and Operational Review process through regular updates and presentations to the CANEGROWERS Policy Council and Farm Input and Research Committee. CANEGROWERS' priority was to ensure that SRA retained its strengths with dedicated researchers and plant breeding, engaged effectively with growers and maintained a sound financial base. The SRA Strategic Plan 2021-2026 was supported by CANEGROWERS. Implementation is in progress and it is bringing some significant changes to the organisation.

CANEGROWERS is a member of the SIX EASY STEPS Advisory Committee (SESAC) which reviews relevant Australian Society of Sugar Cane Technologists' papers and other publications for possible recommendations to enhance the guidelines. There were no

recommendations for a change in 2020-21.

CANEGROWERS provides input into the Queensland Department of Agriculture and Fisheries Sugarcane RD&E Project Assessment Panel which assists to prioritise government investments through SRA.

CANEGROWERS continues to manage the Support of Cane Farmer Trials of Enhanced Efficiency Fertiliser in the Catchments of the Great Barrier Reef (EEF60) project. SRA is conducting the research. The field work has been completed successfully and the results are being analysed.

## Smartcane BMP

Managed by CANEGROWERS, the Smartcane BMP program is now in its seventh year. With more than 80% of all sugarcane land self-assessed against the industry's best practice standards through the benchmarking process, the program has cemented itself as the preeminent certification system in Queensland for demonstrating sustainable practices while maintaining productivity and profitability. The industry-owned certification program has integrity and longevity, something in which the Queensland sugarcane industry should be very proud.

**There are now more than 640 Smartcane BMP accredited enterprises growing sugarcane in Queensland. That represents just over 35% of the total cane land area being managed** at or above the industry standard for each of the components of the core modules - Soil Health and Nutrient Management, Weeds Pests and Disease, and Irrigation and Drainage Management.

Accreditation is conducted by a third party and Smartcane BMP accreditation meets ISO 19011 standards. The modules are underpinned by best science and evaluated by a team of industry experts every two years to ensure they are accurate and current, reflecting any changes to best science over time.

The maturity of the program is reflected in the fact that 20 per cent



Celebrating a Smartcane BMP accreditation in the Mossman region are Chris and Jill Wilson, Mossman Agricultural Services and newly accredited growers Joe and Carmel Raldini

of all accredited growers have been accredited for five years or more and are going through a reaccreditation process.

The Smartcane BMP program is supported by funding from the Queensland State Government.

## Sustainable sugar

Proof of the provenance of ingredients in food and beverages and transparency around how they are produced is becoming increasingly important to consumers. Food companies are responding, creating an opportunity for CANEGROWERS to explore avenues through which the sustainable farming practices of growers in Queensland can be recognised.

The desire for knowledge about the provenance of food extends to consumers and investors seeking assurances from businesses around their environmental, social and governance (ESG) performance before they invest or purchase products. ESG factors have a wide scope and can include how a business responds to climate change, manages supply chains, reduces environmental impact and treats employees.

CANEGROWERS positions Smartcane BMP to meet that need for information and confirmation through engagement with product sustainability standards, commodity marketers, traders, retailers and food and beverage manufacturers. **Smartcane BMP has achieved full alignment with Bonsucro sustainability indicators** and work is ongoing to closely align

Smartcane BMP with the ProTerra and Vive sustainability platforms and production standards.

**Coca Cola Amatil (CCA) continues to recognise Smartcane BMP as meeting its sustainable sugar sourcing needs** and CANEGROWERS provides CCA and the Coca Cola Company (US) with regular updates on the program. CANEGROWERS is exploring sustainable sugar traceability and sourcing methodologies with Queensland Sugar Limited (QSL), Sugar Australia and American Sugar Refiners.

Blockchain technology offers improved traceability and a platform to show the validated provenance of food products. **CANEGROWERS is working with KPMG Australia to prototype the application of a blockchain platform** to prove the amount (on mass balance) of sustainable raw sugar entering the supply chain from Australia. This work is designed to increase market access and provide greater value to growers.

Phases 1 and 2 of the CANEGROWERS blockchain project have delivered:

- options for economic value streams other than sustainable sugar created through leveraging market access, supply chain efficiencies, carbon trading, natural capital, ecosystem services and improved risk management
- a data taxonomy which selects specific and suitable data fields from across the value chain to create the blockchain platform
- a blockchain prototype built on KPMG's Origins platform to trace the mass balance of Smartcane

BMP sugar through the supply chain.

Phase 3 of the project has now commenced. It has the objectives of testing and validating if and how value for growers and marketers can be generated, by the incorporation of data driven sustainable finance incentives with a bank through the Queensland sugar supply chain. It is also exploring how to develop and monetise sustainability credentials as a mechanism for delivering ongoing benefit to growers.

The project started in 2019 and is funded by the Australian Government through Landcare Australia's Smart Farming Partnership.

A scientific paper on the project was published by the Australian Society of Sugarcane Technologists (ASSCT). CANEGROWERS presented the paper at the ASSCT conference in Bundaberg in April 2021 and it was recognised with the President's Medal for best industry paper of the conference.

## Sugar Code of Conduct

CANEGROWERS provided input to the Post-Implementation Review of the Federal Sugar Code of Conduct conducted by the Department of Agriculture, Water and the Environment. The Code has been in place since 2017 to guide the conduct of growers, mill owners and marketers in relation to contracts and agreements. During the review, CANEGROWERS argued that the benefits of the Code exceeded any costs and that it should continue in its present form.

## Trade policy & market access

Improving the access for Australian sugar to the world's best markets is an important strategic priority. CANEGROWERS efforts are directed at both securing new export opportunities and removing impediments and market distortions that adversely impact world sugar prices.

Sugar is produced in more than 120 countries and in many of them it is an industry viewed as politically sensitive resulting in a range of tariffs, import quotas, production quotas, price supports, subsidies and other support measures. These combine to make sugar one of the world's most distorted commodity markets.

CANEGROWERS meets regularly with Australia's Minister for Trade and senior government officials to ensure trade issues affecting sugar are fully understood and to support Australian government efforts to secure a more favourable and profitable export market environment for Australian sugar.

CANEGROWERS works closely with QSL and the Australian Sugar Milling Council to improve the terms of trade for Australian sugar and coordinates and manages the activities of the Global Sugar Alliance of exporting countries with a like-minded approach to trade policy. Due to COVID-19 pandemic restrictions, Alliance members have met by video conference during the year.

**The efforts of CANEGROWERS to support work to broaden the range of export markets and build alliances domestically and internationally was rewarded in the 2020-21 year with the inclusion of sugar in an in principle free trade agreement (FTA) announced in June between Australia and the United Kingdom (UK).**

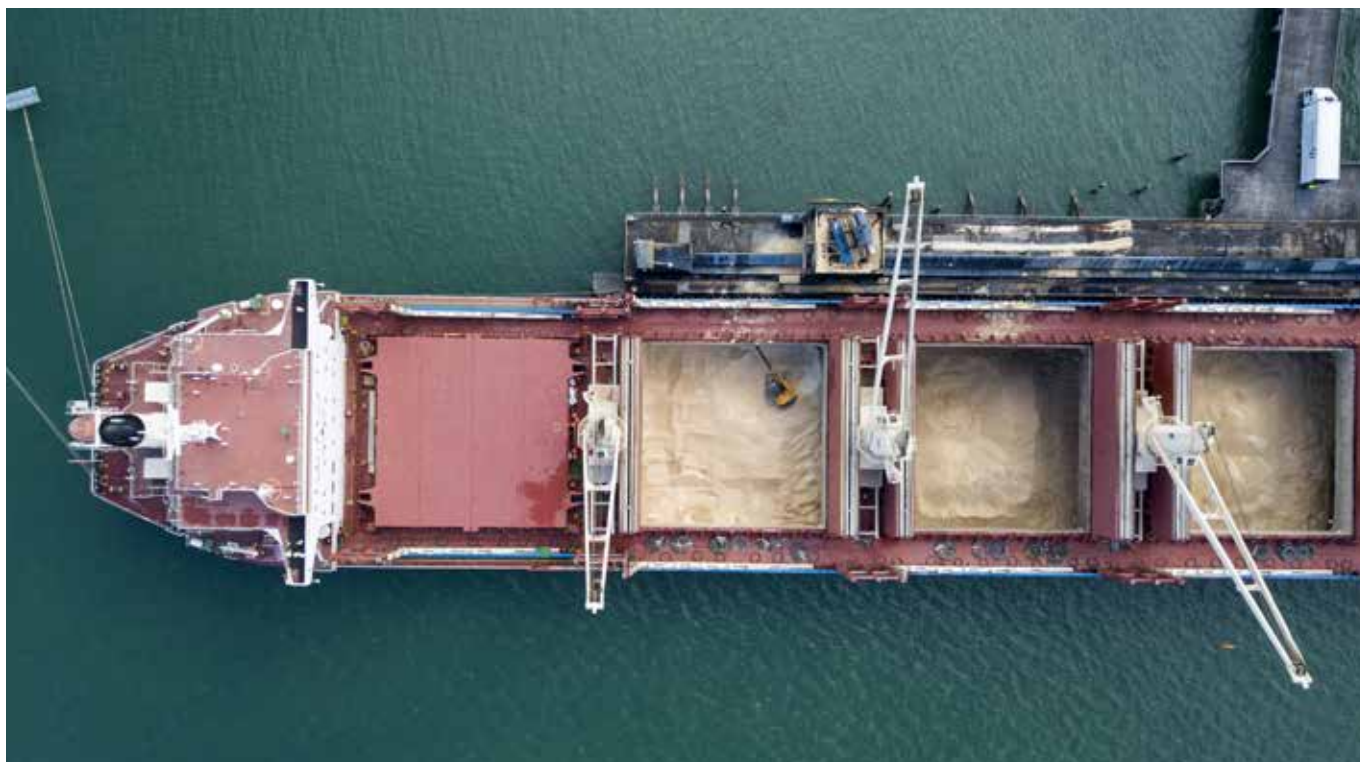
Once it enters into force, the Australia-UK FTA will provide for initial duty-free access of 80,000 tonnes and annual increases of a further 20,000 tonnes for eight years after which all restrictions on the sugar trade will be removed and Australia's access will be duty free and quota free. There is significant value in market diversity which this agreement provides. It also increases the competition amongst

customers for high quality cane sugar which is produced to the highest environmental and ethical standards, enabling Australia to extract its full premium value in all markets.

The terms of the Australia-UK FTA for sugar set an important precedent for a future FTA with the European Union (EU) and CANEGROWERS is making the case for the full inclusion of sugar. To this end briefings and material has been provided to the Australian Government negotiators to support the industry's sustainable sugarcane production credentials.

**The challenge launched by Australia, Brazil and Guatemala in the World Trade organisation (WTO) against India's domestic sugar price supports and export subsidies in 2018 is moving closer to resolution.**

CANEGROWERS stood up strongly for growers in pressing the Australian Government to initiate this action and is devoting significant resources in support of the case, working closely with industry colleagues in Brazil and Guatemala to ensure coordinated action.



*The challenge to India's domestic sugar price supports and export subsidies launched by Australia, Brazil and Guatemala in the World Trade organisation (WTO) in 2018 has moved closer to an outcome*

The three countries have argued that India's industry supports are inconsistent with India's WTO commitments and have led to over-production. This is an important case for the world sugar industry and a landmark case for agriculture. The Panel is now finalising its decision following delays caused by the COVID-19 pandemic.

**In light of the importance of exports to Australia, CANEGROWERS is actively participating in the Australian sugar industry's multi-stage review of the industry's trade policy and market access function.**

Working closely with government, the essence of the strategy is two-fold; to ensure new market access opportunities for sugar are included in all new trade agreements (multilateral, regional and bilateral) and to ensure trade rules are enforced.

## Transport

CANEGROWERS sits on the National Heavy Vehicle Regulator (NHVR) Northern Region Working Group and the Queensland Ministerial Freight Council. This participation allows CANEGROWERS to be at the forefront of understanding and often circumventing issues and decisions which could affect the sugarcane industry.

As members of the National Farmers' Federation NHVR transport working group, CANEGROWERS has participated in submissions to the Heavy Vehicle National Law Review.

The transition to the *National Class 1 Agricultural Vehicle and Combination Mass and Dimension Exemption Notice (National Notice)* is now complete with improved piloting conditions now in place for growers. A range of Notices which directly affect the sugarcane industry are now redundant and have been revoked.

**CANEGROWERS has developed and provided to members a suite of guides to assist growers with the changes.**

However, as the National Notice and process of permit application



*Mackay growers filled the classroom for the two-day CANEGROWERS-TAFE Pricing Essentials for Cane Growers course. Burnn Ashburner, CANEGROWERS Senior Manager Industry explains the CANEGROWERS Cost of Production Tool*

are complex, CANEGROWERS is working with NHVR, the Queensland Department of Transport and Main Roads (TMR) and Local Government Areas towards improvements which maintain practical and safe road access for farm vehicles and machinery.

After a number of years of CANEGROWERS representations, TMR has revised the methodology used to classify roads. The result is that road classifications in some sugarcane areas have changed from critical to major. The process will work through all regions.

CANEGROWERS continues as a member of the Fuel Tax Credit (FTC) Coalition which includes mining, tourism, fisheries, forestry and agriculture. A letter was sent to Federal politicians to counter claims that the FTC is a subsidy.

## Water

In many cane growing districts, water is the lifeblood, sustaining agricultural and economic activity and local communities. CANEGROWERS seeks that regulated prices for water are efficient and do not impose an unnecessary burden on irrigators.

Consistent with the National Water Initiative (NWI), water prices should signal the prudent and efficient cost of delivering water, leaving irrigators

to choose how to best use it. Prices should not be set on the basis of the crop to which the water is applied.

**CANEGROWERS advocacy during the 2020 Queensland State Election campaign resulted in commitments from the major parties to reduce water charges.** However, CANEGROWERS expressed concern at the discriminatory, two-tier policy proposed by the Australian Labor Party.

The policy is being implemented offering a 15% price reduction for some water users and 50% reduction for others depending on the crop being watered. This is problematic for farmers who grow both sugarcane and fruit and/or vegetables pumping irrigation water from a single source and through the same infrastructure for all crops.

CANEGROWERS is calling on the Queensland Government to reaffirm its commitment to the NWI and implement water pricing policies that promote the economically efficient and sustainable use of water, by reducing all irrigation water prices by 50%.

The Farm Water Futures project has continued to be managed by CANEGROWERS. The project delivers assistance and provides advice towards water use efficiency on farms

## Water quality

CANEGROWERS has identified the major issues that severely reduce growers confidence in Federal and Queensland government policies and programs aimed at improving water quality in the Great Barrier Reef. These issues include:

- unfounded reliance on increasing levels of regulation
- unrealistic targets for water quality and 'best' practice
- flawed methods for assessing industry progress towards water quality targets
- lack of independence and transparency in the system that manages and scrutinises the research used to inform government policy on reef water quality.

Nine CANEGROWERS district companies presented to a Senate Rural and Regional Affairs and Transport Committee inquiry in July 2020 about the evidence behind the imposition of reef regulations on the industry. The CANEGROWERS submissions and presentations particularly focused serious flaws with the Reef Report Cards prepared under the Reef 2050 Water Quality Improvement Plan.

### As a result of CANEGROWERS advocacy and representations

### to the Federal and Queensland governments, a joint review of the Reef practice targets was initiated.

This will consider the profitability and adoptability of practices being advocated as 'best practice' for water quality. CANEGROWERS anticipates this should result in realistic farm practice targets for growers, a much fairer assessment of industry's efforts towards meeting those targets and a reduced risk of regulation that threatens grower and industry viability.

CANEGROWERS submitted significant concerns about the Reef 2050 Plan to a review of a new draft plan, but the revised version still fails to acknowledge or address its failings. CANEGROWERS also demanded an urgent review of the Water Quality Improvement Plan, which has now been brought forward.

CANEGROWERS has continued to lobby for changes to the additional Reef regulations imposed on growers by the Queensland Government's 2019 amendments to the *Environmental Protection Act*. Of particular note was CANEGROWERS submission on the requirement for growers to obtain a permit if they wish to expand their area of cropping, based on a fee and the grower needing to meet certain practices. After pointing out that the proposed regulation duplicates existing practice requirements

for growers, CANEGROWERS was successful in having the process simplified and waits for responses regarding exemption for Smartcane BMP accredited growers and a change in the threshold which triggers a requirement to engage consultants.

CANEGROWERS appeared before a Queensland Parliament committee hearing on a Katter Party bill seeking to reverse the problematic 2019 Reef regulations and provided a written submission in consultation with district companies. While expressing support for the intent of the bill to seek a more practical regulatory environment, CANEGROWERS noted that significant changes were required to avoid unnecessary complexity.

CANEGROWERS was successful in achieving some modification to a compliance program under changes made during 2020 to the Chemical Usage (Agricultural and Veterinary) Control Regulation. These changes were made without industry consultation and mean that each application record must contain 23 pieces of information.

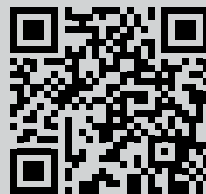
Unfortunately, there was no move by government to simplify the regulation.

### Cane industry plan for managing water quality

In response to serious flaws in the Reef 2050 Water Quality Improvement

“The Queensland Government's reef regulations are an unnecessary burden on sugarcane growers”

Use the QR code and watch the video to better understand the sugarcane industry's anger about farm regulations and the CANEGROWERS commitment to a sustainable future.





Australian Canegrower has built a reputation as a reliable source of news and information

The monthly magazine profiles members' stories and industry news

Plan, **CANEGROWERS is leading the sugarcane industry in developing its own plan for managing the quality of water leaving farms.** This plan will outline:

- farming's impacts on water quality and implications for environmental risk
- key management practices
- potential for improved water quality
- pathways for increased adoption of key practices
- tracking and reporting progress.

A full review of the Reef Report Cards has been undertaken to understand the basis for reported trends in industry progress and to document flaws in the assumptions, data and methods used to inform these reports. A review of scientific literature is underway to understand the environmental risks of water quality, especially dissolved inorganic nitrogen, and to scope improvements in water quality from cane farms that are realistic and achievable. A first draft of the plan will be completed by late 2021.

### Voluntary programs for improved water quality

**CANEGROWERS continues to encourage, initiate and collaborate on programs and projects that support growers to make cost-effective practice changes that reduce the risk to downstream environments** and has participated in a number of relevant forums including:

- the Reef 2050 Advisory committee, which advises governments on planning, implementation and evaluation of reef programs including those related to water quality

- the Steering Committee for research conducted by the Tropical Water Quality Hub, funded by the Australian Government. This research included several projects that worked with growers to assess and improve water quality from their farms.

The Australian Government's Reef Trust program is delivering the water quality objectives of the Reef 2050 Plan via the Great Barrier Reef Foundation through the Reef Trust Partnership (RTP). Several CANEGROWERS district companies are coordinating or contributing to RTP projects to further reduce losses of nitrogen and pesticides from cane farms in the following catchments: Pioneer, Plane Creek, Burdekin catchment, Herbert, Johnston, Tully, and Mulgrave-Russell. Most of these projects commenced during 2020-21.

### Workforce Development

CANEGROWERS is a member of the Rural Jobs and Skills Alliance (RJSA) which provides leadership and advice to government, service providers and other organisations on employment, skills, industry training and workforce planning issues on behalf of Queensland's agriculture industries.

Through RJSA, CANEGROWERS has an association with the Queensland Government led Gateways Schools program, Queensland Agricultural Workforce Network, Agricultural Extension work Placement program and Kids to Farms project. These all aim to improve workforce size and skills for agriculture in general.

Through RJSA, **CANEGROWERS was successful in obtaining funding for the Pricing Essentials course offered as a grower professional development opportunity with**

### TAFE through the CANEGROWERS Marketing Information Service.

CANEGROWERS is a member of the Primary Industry Education Foundation Australia (PIEFA) which develops agriculturally based information to fit the national schools' curriculum. Working together, **PIEFA and CANEGROWERS have developed a sugarcane industry resource for primary school teachers** which will be available later in 2021.

### Workplace health and safety

Acknowledging the importance of safety and recognising the relatively high level of workplace injuries and fatalities in agriculture in general compared to other industries, CANEGROWERS is increasing its activity in this area.

### CANEGROWERS has commissioned James Cook University to develop a Workplace Health and Safety resource for sugarcane growers.

It is designed to consolidate the information required by growers to meet legislative requirements and keep themselves and their workers safe. It is planned to have this finalised late in 2021.

CANEGROWERS is a member of the Office of Industrial Relations (OIR) Rural Industry Sector Standing Committee and the Agricultural Electrical Safety Strategy group. The priorities of these have been around electrical installations and infrastructure and quad bikes.



CANEGROWERS Cairns Region Young Grower Group at the Sugar Research Australia Meringa station

# District Reports

## Mossman

2020 will be defined as the year of COVID-19 pandemic lockdown but through this difficult period, CANEGROWERS Mossman remained open and provided members with assistance, information and representation on many local and state matters.

It was the second year of Far Northern Milling (FNM) operating the Mossman Mill and crushing began on 16 June. Workers were in short supply due to pandemic travel restrictions but both the mill and harvesting contractors managed.

The crop estimate was over 800,000 tonnes of cane, slightly lower than the final 2019 tonnage. The 2020 final tonnage came in at 93% of estimate at 758,576 tonnes of cane with Mossman Mill processing 647,993 tonnes of cane and MSF Sugar toll-crushing 110,583 tonnes of cane at the Tableland Mill.

Mossman Mill crushing was complete by 30 October 2020; 19 weeks and 3 days after starting. At 74.9% the average factory availability, once again, fell below target. A bagasse loft fire in early September also caused problems. Only 32 hours were lost to weather. Mossman Mill averaged 281 tonnes of cane per hour, about 20 tonnes an hour less than 2019. One excellent result was the stack emissions test which resulted in the lowest levels in the history of testing.

Average CCS was 12.72, slightly below the 2019 average. Coastal growers averaged 12.44CCS and Tableland growers a 13.88CCS average. This slightly lower result meant a drop in the sugar make in Mossman which was

81,448 tonnes IPS and 16,217 tonnes IPS for the toll-crushed cane.

A total of 9,590 ha of FNM contracted cane was harvested with the coast recording 69 tonnes per hectare and Tableland recording 104 tonnes per hectare.

The coastal final mill average sugar price of \$444 was better than 2019 so the final mill average cane price was \$34.40 per tonne. However, as the FNM Collective Cane Supply Agreement is in place most growers contributed \$2 per tonne of cane towards the mill Sustainability Levy.

CANEGROWERS Mossman continued involvement with the Local Douglas Marine Advisory Committee, the Wet Tropics Sugar Industry Partnership, and the Wet Tropics Healthy Waterways Partnership. The company also joined the Douglas Chamber of Commerce and company staff and directors attended various Bargaining Agent meetings and CANEGROWERS Policy Council meetings.

CANEGROWERS Mossman promoted CANEGROWERS Insurance and SmartCane BMP accreditation. With the 2020 local show being cancelled, CANEGROWERS Mossman provided some sponsorship for the Mossman Productivity presentations and the Mossman Christmas Street party.

## Tableland

Tableland Mill commenced crushing on 1 June 2020 and finished crushing on 13 November 2020. Total crush through Tableland Mill was 597,031 tonnes in 25 weeks which included 110,583 tonnes of toll crush cane.

The 2020 crushing season commenced on 16 June and concluded on 30

October. Total Far Northern Milling (FNM) crush between Mossman and Tableland mills was 758,567 tonnes.

The Tableland cane crop averaged 98 tonnes of cane per hectare (tc/ha) with 64% of cane farming businesses achieving yields above 98tc/ha. The seasonal average relative CCS was above average at 14.11.

CANEGROWERS Tableland moved its office premises during the year and that, along with some other cost cutting measures, kept it financially viable.

CANEGROWERS Tableland sent three local representatives to the Leadership Forum which aimed to generate interest among younger growers in the role that CANEGROWERS plays in the sugar industry and all demonstrated their knowledge of the industry.

The Production Awards night was held in May and for both mills' (Tableland and Mossman) suppliers with prizes supplied by the business community of Mareeba and the Tablelands.

John Barbetti worked with growers as they continued their progress towards Smartcane BMP accreditation. There are 20 accredited businesses in the region totaling 3,540 ha of cane. Smartcane BMP is proving to be a useful tool for growers to meet the requirements of record keeping under the Reef regulations.

Drewe Burgess, CANEGROWERS Extension Officer, ran trials for new varieties of cane and requested approval from Sugar Research Australia for the release of a new variety SRA32 that has performed as well as the industry standard KQ228.



There should be 35 to 40 tonnes of seed available to growers next year.

During the year, CANEGROWERS Tableland members were represented on various committees and working groups including the Tinaroo Water Committee (previously Mareeba Dimbulah Irrigation Area Council), CANEGROWERS Policy meeting and Electricity Committee, Ergon Energy Irrigation Tariff Forum, Harvest and Transport Council for FNM.

## Cairns Region

In addition to ongoing member representation across a broad front including Cane Supply Agreement negotiations, CANEGROWERS Cairns Region has maintained a strong presence in activities around reef water quality including taking on the role of Project Coordinator for the Russell Mulgrave Great Barrier Reef Foundation Project. This project will focus on grower engagement within the catchments, whilst achieving water quality targets.

The Young Grower Group now has 27 participants. A major activity was a visit to the Meringa Sugar Research Australia plant breeding facility which was informative and well received by those in attendance.

Over the past 12 months the Unlocking GPS potential project has continued with 10 members taking the opportunity to learn and further develop skills in one-on-one and group sessions. Skills gained included transferring, management and storage of data allowing them to streamline farming operations and reduce the burden of manual record keeping. The project was financially supported by CANEGROWERS Cairns Region, Honeycombes and the participants.

Building on last year's acquisition, CANEGROWERS Cairns Region purchased two additional direct drill boxes for the Norsman legume planter ahead of the 2021 season. This increased the implement's speed and efficiency, giving more growers the opportunity to hire it. Smaller seed plates have also been purchased, widening the species of fallow crops that can be planted.

The region has continued to gain traction with Smartcane BMP. As well as an increase in the cane hectares

accredited, pleasingly, all growers who had reaccreditations due have maintained their Smartcane BMP accredited status.

CANEGROWERS Cairns Region purchased and fitted a Schlott Loss Monitor to a harvester within the region. Trials are being run with Sugar Research Australia, with a focus on maximising productivity within the region where possible and practical on a commercial scale.

In addition to the loss monitor, and as a part of a pilot project, eight digital refractometers were distributed to members. Aiming to give growers another tool to assist with decisions about which block to harvest. Older-style handheld refractometers have been used within the industry for decades and the digital refractometers simplify the process.

CANEGROWERS Cairns Region continue to reach more than 300 primary school students in the region with its activities through the year. The aim is to promote the proactive practices farmers are using while farming in Reef catchments.

It has been a trying year in many aspects as the region faced challenges including the COVID-19 pandemic and extreme weather events but, as always, the industry has remained resilient throughout.

## Innisfail

The South Johnstone Mill was supplied with 1,771,355.92 tonnes by growers from the CANEGROWERS Innisfail and CANEGROWERS Cairns Region (Babinda zone) membership areas. Of this total, 288,170.87 tonnes were crushed by Mulgrave Mill.

CANEGROWERS Innisfail members accounted for 84% of the cane supply from the Innisfail membership area. Early in the season 650 hours were lost to wet weather.

The area under cane has continued to decline in the South Johnstone Mill region, with many high value agricultural properties being converted to alternate land uses such as banana farms.

The South Johnstone Collective Cane Supply Agreement was finalised in March ahead of the 2021 season with CANEGROWERS Innisfail and CANEGROWERS Cairns Region acting as bargaining agents on behalf of grower members.

In December 2020, CANEGROWERS Innisfail farewelled long-standing District Manager, Wayne Thomas after 19 years in the role and a total of 42 years in the sugar industry. Mary Thomas also retired after many years with the CANEGROWERS Innisfail. Wayne and Mary's contributions were acknowledged and celebrated by many industry personalities.

With the retirement, the CANEGROWERS Innisfail Board took the opportunity to restructure. Sandra Henrich was appointed to the role of District Manager and Deb Telford to the newly created position of Grower Services Manager. Both bring a wealth of knowledge to the roles and are well-supported by the experienced Innisfail team. The restructure will ensure the highest level of service for our grower members.

CANEGROWERS Innisfail continued to deliver water quality projects including Smartcane BMP, Wet Tropics Sugar Industry Partnership (WTSIP),



Owen Menkens, CANEGROWERS Vice Chairman, shakes the hand of Wayne Thomas as he and Mary Thomas retire from CANEGROWERS Innisfail, farewelled also by CANEGROWERS Innisfail Chairman Joe Marano

Wet Tropics Major Integrated Project (MIP) and Project Catalyst.

In addition, CANEGROWERS Innisfail worked with the local productivity services to deliver the Feral Pig Program and was funded to support the development of a Young Farmers Group. Unfortunately funding for WTSIP was discontinued during the reporting period and the partnership wound up after seven successful years.

Payroll is a growing part of CANEGROWERS Innisfail operations, providing payroll support and small business advice to more than 80 clients under approximately 30 different awards. The impacts of the COVID-19 pandemic on local businesses has seen a sharp increase in enquiries.

## Tully

Restrictions imposed to curb the COVID-19 pandemic had a minimal impact on operations in Tully with the 2020 crop of 2.4 million tonnes of cane successfully harvested and crushed by 3 December. Yield and CCS were just above the Tully long term average.

The 2021 crop may be lower-yielding because of dry conditions followed by an early wet and Cyclone Niram impacting northern areas.

Production was a particular focus through the year with an active Variety Management Group coordinated by Tully Sugar's Greg Shannon, a focus on minimising RSD through the Tully Cane Productivity Services Approved Seed Plots and testing services, and the introduction of harvester monitoring technology.

A successful Harvest Forum provided the latest results of trials and monitoring technology from Sugar Research Australia and commercial operators. For 2021, at least eight of the 26 harvest groups are using some form of monitoring on harvesters and growers are assessing the results.

Sugar marketing updates and the opportunities that are currently available for growers continued. The CANEGROWERS-TAFE Pricing Essentials course was well attended. Linking the cost of production to pricing options is now seen as essential by members. CANEGROWERS Tully has worked with the marketers, Tully Sugar and QSL to assist growers to maximise the

benefits available through their ability to choose a marketer.

Changes to Reef regulations created uncertainty for growers in the Wet Tropics and the further development of new cane land in the Tully district is not only constrained by milling capacity but also now has additional rules to be met.

The adoption of Smartcane BMP has continued to rise with more than 80% of the Tully district now managed by accredited growers. Reaccreditation is now a focus for Smartcane BMP facilitator Nick Stipis.

CANEGROWERS Tully has been an active participant in the Wet Tropics Sugar Industry Partnership (WTSIP) and the Major Integrated Project (MIP) and is supporting CANEGROWERS staff in the review of the targets that are driving Reef and water quality policy.

The Board of CANEGROWERS Tully remained focused on grower services, with Board members and staff participating in negotiation training and professional development associated with their duties as directors.

Jamie Dore stepped down from the role of Chairman in November but remains on the Board as Deputy Chairman. Bryce Macdonald was elected to the Chairman's position.

## Herbert River

The 2020 season was the fourth under the Cane Supply Agreement negotiated after the grower choice in marketing legislation. Growers are becoming more familiar with grower managed pricing through engaging with marketers and utilising the

CANEGROWERS Marketing Information Service.

CANEGROWERS provided representation to key stakeholders around the need for the sugar industry to be recognised as essential during the COVID-19 pandemic which allowed growers to continue with minimal disruption to the 2020 season.

Dry conditions early in the growing season affected some plant cane and ratoons, but good rainfall as late as July in some parts allowed it to catch up.

Forecasts of a wet harvesting season due to a La Nina event, caused concern but it did not appear to be as severe or prominent as first predicted and, in fact, resulted in an increase in the size of the crop for the 2020 season. After a crop of 4.055 million tonnes in 2019, the 2020 season result was 4.25 million tonnes.

Changes to Reef regulations which began in December 2019 caused distress among growers. In July 2020 CANEGROWERS Herbert River Chairman Michael Pisano, Vice Chairman Chris Bosworth and manager Frank Scardamaglia attended a Senate committee hearing in Brisbane into the evidence-base behind the regulations. They provided a first-hand perspective as growers from the Herbert River region on why further regulations were not necessary and the need for policy-makers to take into consideration Smartcane BMP accreditations and the industry SIX EASY STEPS best practice fertiliser program.

During the year, CANEGROWERS Herbert River submitted a tender to Great Barrier Reef Foundation (GBRF) for the Lower Herbert



The Bruce Highway crossing the Herbert River near Ingham during the harvest

Partnership Coordinator role which was successful. A Program Coordinator and Communications Officer have been appointed. The Board and management believe it is vital for CANEGROWERS Herbert River to be involved to ensure the district and sugar industry are prominent, and that productivity and profitability are not jeopardised.

The Wet Tropics Sugar Industry Partnership (WTSIP) extension effort for the Herbert River region provided growers with support through the work of three extension officers who were hosted by Herbert Cane Productivity Services Ltd (HCPSSL). The work focused on assisting with nutrient management planning based on SIX EASY STEPS until the WTSIP program concluded in November 2020.

Record keeping workshops delivered by CANEGROWERS Herbert River have assisted growers to meet the requirements of Reef regulations and move towards accreditation in Smartcane BMP. Templates for farm records have also been provided.

The Herbert River region now has 102 accredited growers covering 27,220.9 hectares of cane area or 41% of the region. There is also around 89% of cane area in the region benchmarked.

CANEGROWERS Herbert River participated in a series of workshops held by Sugar Research Australia with industry as it worked towards a new strategy and operating model.

## Burdekin

The Burdekin put in another consistent year and crushed 7.9 million tonnes with a CCS of 14.6 units.

The season commenced on 10 June and finished later than expected on 28 November due to wet weather delays and mill performance challenges. In particular the Inkerman Mill's main generator was out of action for 10 days in October. Fortunately, cane can be transferred between the four Wilmar Sugar mills. Of the mills, Invicta drew praise with long-timers saying they had never seen it run so well.

It was a busy year for CANEGROWERS Burdekin. Reef regulations were front and centre throughout the year and Chairman Phil Marano represented



*Burdekin district cane farm flood irrigation*

members at a Senate committee public hearing in Brisbane. CANEGROWERS Burdekin also attended a regional public consultation meeting on the draft standard conditions for new or expanded cropping areas in Great Barrier Reef catchments and participated in an online workshop to understand Paddock to Reef program modelling.

CANEGROWERS Burdekin was engaged in the process of identifying 20 sites for water quality monitors and successful in lobbying government to ensure that locations were approved to install monitoring equipment at the start and end of cane land along the Burdekin River in addition to other sites in the district.

Dam infrastructure and safety is a focal point of government investment and CANEGROWERS Burdekin provided input into several projects with the key feedback being that if the government wants to sell new water to users, it needs to make it affordable to encourage people to invest. CANEGROWERS Burdekin expressed concerns that feasibility studies must consider the aggregate impact of all proposed new water storages on downstream systems as reduced flows were a concern for industry and the environment.

There are now 335 Burdekin growers registered in the Smartcane BMP program and 328 growers benchmarked. This equates to 74,407 ha of sugarcane land where the managers have completed self-assessments of their farming practices. The Burdekin now has 67 growers accredited in the three core modules which accounts for just over 25,190 ha. The target for the end of 2021 is 24,000 ha.

As part of electricity tariff reform in Queensland, a number of irrigation tariffs were classified as obsolete and were set up to expire on 30 June 2021. CANEGROWERS Burdekin arranged with Ergon to conduct several grower

workshops to explain the tariffs changes that come into effect from 1 July 2021.

A two-day CANEGROWERS-TAFE Pricing Essentials Course was run for growers in the Burdekin and was well received by industry participants.

CANEGROWERS Burdekin worked with the Burdekin Shire Council and other Burdekin grower collectives to request that Council cap rates on sugarcane land. This was more or less achieved in the 2021/22 budget with a modest 0.46% rate increase announced increasing rates on cane farms from 3.70 cents to 3.717 cents. That said, the Burdekin still has the highest level of rates on sugarcane land in Queensland and CANEGROWERS Burdekin would like to see this gradually adjusted over time.

Ratoon Stunting Disease (RSD) was detected on three of the approved seed cane plots during the year which disrupted distribution. Burdekin Productivity Services worked to manage the issue and to ensure that growers had access to approved seed cane from other plots where needed. Approved seed cane plot protocols have been updated with additional procedures to minimise the risk of this happening again.

Confidence to invest in agriculture in the Burdekin district is evident with increasing levels of activity in farm sales. CANEGROWERS Burdekin is seeing southern-based farmers buying land in the Burdekin, attracted by water security and abundant sunshine. The activity in farm sales is also a reflection of the aging demographic, as farmers are selling to retire.

CANEGROWERS Burdekin would like to thank members for their ongoing support and loyalty and the staff and Directors for all their hard work and dedication during the 2020-21 financial year.



Paul Schembri, CANEGROWERS Chairman, presenting the Proserpine Producer of the Year trophy to Gary and Ian Considine

## Proserpine

For the fourth consecutive year, the Proserpine crop failed to reach anywhere near the long-term average, proving that weather plays a significant factor in sugarcane production in the Central Region. As the run of dry spring weather and poor wet seasons persisted, growers relied on limited supplementary irrigation to produce a respectable crop. In the end, just over 1.53 million tonne of cane was crushed in 2020 at an average CCS of 14.35 units, consistent with the previous year. The district's average yield increased slightly to 75.8 tonnes per hectare but remains below potential.

Mill performance was on par with the previous year, the smaller crop ensuring the crush was completed within 20 weeks allowing growers to concentrate on their 2021 crop.

As part of its Cane Supply Agreement obligations, CANEGROWERS Proserpine undertook weekly visits to the mill to administer the Cane Analysis Program. No major concerns were identified, and the new Near Infrared (NIR) spectrology, which underpins the program, provided additional confidence in its integrity.

During the year, several more growers achieved accreditation in the Smartcane BMP Program. While the program is delivered by the local productivity company, CANEGROWERS Proserpine maintains an active role in administering and promoting it on behalf of the local industry.

The CANEGROWERS Insurance business continued to function in an extremely

competitive and challenging environment. CANEGROWERS Proserpine gratefully acknowledges the support of Cairns Regional Insurance Manager and the wider network.

CANEGROWERS Proserpine has provided administrative and secretarial support to the district's productivity company, Sugar Services Proserpine and to the Kelsey Creek and Six Mile Creek water supply schemes.

Given the district's increased reliance on irrigation, CANEGROWERS Proserpine has assisted members with water trading and permit requirements. There was also an increase in leasing enquiries and CANEGROWERS has helped facilitate these arrangements.

CANEGROWERS Proserpine maintained an active role representing growers on a range of regional, community and industry-related boards and committees.

## Mackay

While it was touch and go with the weather, the 2020 harvest in the Mackay Sugar area was completed on 10 December, recording a total of 5,152,207.27 tonnes/cane at a season CCS of 14.14 units.

Despite heavy rain in the last week and the threat of standover cane, all the crop was taken off. The finish date was later than ideal but the increased crop size on initial estimates was positive, together with a smooth operation despite the threat of delays due to COVID-19.

The Plane Creek Mill crushed just over 1.23 million tonnes of cane, slightly down on the original forecast due to dry conditions during key periods of the growing season. Crushing operations were completed on 20 November, with final season CCS slightly higher than Mackay's at 14.23 units.

Growers were heartened to see good conditions for the development of the 2021 crop. Good soil moisture helped ratoons and plant cane establish well before the wet season set in at Christmas. Additionally, both the Mackay and Plane Creek regions had about 50 mm of rain over Easter to give the crop a boost.

CANEGROWERS Mackay directors and staff had a busy year of providing services along with advocacy and representation on behalf of members across a wide range of issues affecting their business environment.

CANEGROWERS Mackay supported CANEGROWERS advocacy against the further expansion of Reef regulations and vigorously campaigned for push-back to increases to electricity and water prices.

CANEGROWERS Mackay saw its role as a regional training hub expand, facilitating:

- Pilot/Escort Level I & II Driving Training,
- Chemical Accreditation, and
- Haulout training.

As a result of work undertaken by CANEGROWERS Mackay, Mackay Sugar, Wilmar and Queensland Agriculture Workforce Network (QAWN),



Certificate III qualification (MSL30118) covering all the requirements for modern sugar testing is now on offer at the Central Queensland University in Mackay.

With QAWN's collaboration, a free online safety course was launched through TAFE Queensland, Rural Electrical Safety Awareness (MCC00024), to provide safety training around powerlines.

Online Siding Inductions for training in safe practices continued to be provided at a shared siding workplace.

Growers Services provided by CANEGROWERS Mackay included assistance with farm leases, crop insurance claims and issues relating to transport, cane supply agreements, allotments, missed samples and grouping, to name a few.

Assistance was provided to members with diverse pre-, during- and post-harvest issues, including changes to practices impacting on members following the Nordzucker acquisition of Mackay Sugar.

CANEGROWERS Mackay staff, in conjunction with the Cane Audit Committee organised recruitment, training, inductions and rosters for Cane Auditors at the Mackay Sugar and Wilmar Plane Creek mills.

Payroll staff supported members through the changes that occurred as a result of the introduction of Single Touch Payroll.

CANEGROWERS Insurance team in Mackay continued to not only maintain but to grow the business, while providing personalised service to clients.

Communications output included a monthly publication, *The Billet*, news releases and liaison with media on key issues. The electronic CEO Weekly Update kept members fully informed in between the publication of *The Billet*.

## Bundaberg

Bundaberg CANEGROWERS staff and directors continued their focus of being proudly member-focused and farmer biased. Representation, leadership and services were provided, while promoting unity in the interest of growers.

Strong advocacy campaigns were resourced targeting farm sustainability including electricity and water pricing, transport, Reef regulations and water availability.

The *#farmersfeedus* campaign and an accompanying Queensland Parliament petition finished on Friday 4 September 2020 with a tally of 3,451 signatures and the iPetition had 1,975 signatures including comments such as, "We need real science, not science paid for by the government" and "Protecting our farmers and our food supply should be a government priority."

Bundaberg CANEGROWERS hosted a visit to the region in February of staff of the Great Barrier Reef Marine Park Authority (GBRMPA) with the purpose of demonstrating that applying Reef regulations in the region's catchment was neither necessary nor justifiable.

Bundaberg CANEGROWERS led a campaign targeting Bundaberg Regional Council's rates increases of

up to 235% on Category 9 ratepayers. The Bundaberg Regional Council used the Valuer General's increase in rural valuations as the basis for its decision but the campaign has shown the increase in valuation does not improve or assist farms profitability or put any cash in the bank. In fact for many, it has caused severe financial hardship and stress.

Bundaberg CANEGROWERS has a contingent of auditors at the sugar mill to ensure growers are receiving a fair deal.

Growers received \$36.20 plus GST per tonne of trash supplied to Oreco in 2020 and assistance continued to be provided on behalf of Bundaberg growers to ensure payments and administration of the Oreco contract continued as arranged.

Bundaberg CANEGROWERS continued to build relationships with Bundaberg Sugar Services Limited, Bundaberg Regional Irrigators Group and the Grain in Cane Co-operative to create synergy and minimise duplication.

After 14 years, Allan Dingle stepped down as Chairman of Bundaberg CANEGROWERS and Mark Pressler took on the role.

Veronica Timm was farewelled after 15 years service as the Administration and Finance Manager. She had been instrumental in the establishment of Bundaberg Regional Irrigators Group and the Grain in Cane Co-operative plus many day-to-day tasks crucial to the on-going successes of Bundaberg CANEGROWERS. Her professionalism, knowledge and experience will be missed.



CANEGROWERS members visit the site of a transloader, being built to transfer Maryborough district cane to rail transport to access the Isis Central Mill after the closure of the Maryborough Mill

The season crop estimate at the start of the 2020 crush was 1.037 million tonnes with the final tonnage being 1.048 million tonnes. The mills performed reasonably well and the reduced tonnage resulted in a crushing season length of only 13.7 weeks. Average CCS was 14.67 for 2020 season with a total area harvested of 13,752 hectares.

Following the 2020 crushing season Bundaberg Sugar announced the closure of Bingera Mill. Bundaberg Sugar provided assurances that all existing CPAs would be honoured with all cane to be transported and crushed at Millaquin Mill.

## Isis

The 2020 season commenced on Monday 13 July with a pre-season crop estimate of 832,000 tonnes. Unfortunately the very dry conditions resulted in that not being realised.

The final bin for the 2020 season was tipped on Wednesday 15 November with Isis Central Sugar Mill processing 808,814.61 tonnes of cane over 20 weeks. The 2020 season CCS reached 14.81 units which was the highest seasonal CCS across the entire Australian sugar industry.

The drought declaration announced in May 2019 remained in place as the season started. Growers struggled to maintain the crop and once again the district witnessed first-hand the need for a reliable cost-effective irrigation scheme. In extreme drought conditions, non-irrigated farms produce no harvestable crops.

The future of the lowered Paradise Dam remained a major issue with the irrigation area awaiting the outcome of the Building Queensland report and a decision from government. Irrigators were worried about future water supply for their diversified crops.

With that stressor a factor in the mental health of the region, CANEGROWERS Isis worked closely with other local agricultural representative groups on developing a local mental health referral directory.

The united rates advocacy campaign continued with a strong petition and lobbying the Bundaberg Regional Council to change its position via a variety of media platforms and engagement with the general community on the inequitable rating of agriculture. In 2019 Council collected \$4,960,000 in general rates from Category 9 - Agricultural Land representing around 5.88% of the total budget. The 2020 budget saw agricultural land ratepayers provide \$9,999,219 or 12.41% of the budget.

Irrigation and energy assessments and nutrient management planning for individual members was a major focus of work to CANEGROWERS Isis to help to reduce water, electricity and fertiliser bills during a challenging year. The priority for the district was, 'Your business is our business' supporting farm agri-businesses with priority issues for their levies.

The annual Australian Society of Sugar Cane Technologists' conference was held in Bundaberg with the theme of Smart Science and Innovation.

CANEGROWERS Isis used the opportunity to present two pieces of

innovative work including the cross-industry *Extension Model of Practice* and the use of on farm digital maps, *Farm in your pocket*, and the JotForms online application to assist in record-keeping for nutrient management, chemicals and irrigation.

During 2020 the opportunity to join CANEGROWERS Maryborough was welcomed to support the Isis Central Sugar Mill and MSF Sugar's toll crushing arrangement for the 2021 and subsequent seasons, with the closure of the Maryborough Mill.

We look forward to a successful future partnership towards mutual viability with the construction of a transloader facility south of Childers to move cane from road to rail transport. A historic bustrip event saw Maryborough and Isis growers view the transloader site together.

The chairmen of CANEGROWERS Maryborough and CANEGROWERS Isis provided growers with an important overview of progress made in uniting the districts as Maryborough's cane supply contributed toward current and future industry viability.

An internal financial sustainability review was undertaken to help guide CANEGROWERS Isis in addressing current and future challenges to ensure levies are managed prudently whilst maintaining services to members.

This valuable review was in response to a couple of years of deficit cashflow, largely due to drought and a reduction in crop size. The district will implement the recommendations of the report to lower costs and increase

revenue where possible and review all options moving forward.

## Maryborough

This year has certainly been a trying one. The area remained under drought declaration, although the crop managed to hold and in fact slightly improved on 2019. Total tonnes achieved for the 2020 season was 633,914 with CCS average 14.49 units.

The spread of the COVID-19 pandemic saw many events cancelled and contingency planning was put in place to ensure farm and crush operations could proceed.

The biggest news for the region was the official notification from MSF Sugar that the Maryborough Mill would close permanently on completion of the 2020 season.

The decision means Maryborough Cane Productivity Services was transferred to being run through the CANEGROWERS Maryborough office. All equipment and cash reserves were obtained from MSF Sugar to allow the service to remain operational throughout the off season. Tony McDermott moved into the Extension Officer role in October 2020 and continued a high level of service to all growers. He has assisted with the development of new staff in Childers.

The CANEGROWERS Maryborough Board negotiated with MSF Sugar for security for growers in the two remaining years of the Cane Supply Agreement and to facilitate this the development of a transloader was undertaken. Isis Central Sugar Mill supplied the site and both the Federal and Queensland governments provided portions of funding to increase the size of the trailer fleet and assist with construction.

In conjunction with the Maryborough Productivity Services, CANEGROWERS Maryborough continued to implement the Smartcane BMP program as it is the benchmark accepted by government and the broader community of best practice as the industry faces increased environmental scrutiny.

The extension of Reef regulations to southern districts remained a hot topic through the reporting period and advocacy efforts secured the delay

of the intended start time to some regulations to December 2021.

CANEGROWERS Insurance in the region had another successful year and continued to gain a greater share of the insurance business in the area.

## Rocky Point

The 2020 cane harvest was very pleasing, as a result of better than expected performance by the mill and the adjoining cogeneration plant. A total of 281,109 tonnes were crushed at an average CCS of 13.80 units over 17 weeks.

The Rocky Point Regional Sugar Pool price for the 2020 season was \$414.19. This came off the back of the miller restricting growers from pricing in the first few months of 2020, due to concerns over the performance of the cogeneration plant, and delays in signing the Cane Supply and Processing Agreement until 25 February 2020.

By this time, sugar prices had peaked at \$491 and then declined to \$442 by 5 March. In the days that followed, the impact of the COVID-19 pandemic saw sugar prices plummet until a July close of \$381. The final price achieved by the Rocky Point Regional Sugar Pool was saved by some later upticks in pricing.

Good rainfall in December 2020 and through the first half of 2021 have set the district up for a much better 2021 harvest estimate of approximately 335,000 tonnes.

The soybean harvest in early 2021 was the largest ever seen in Rocky Point with over 450 ha planted. Weather conditions were great for growing beans but caused some delays when the time came to harvest. Most beans made the food grade market.

Over the last two years, CANEGROWERS Rocky Point has actively lobbied for the ability of growers to self-treat fire ants in and around their cane farms because of the very important role the mulching industry plays in the district. Despite participation in a pilot fire ant self-management program, fire ants are by no means under control. CANEGROWERS Rocky Point continually requests more be done by Biosecurity Queensland but Rocky Point growers report a large increase in fire ant activity.

The CANEGROWERS Rocky Point Directors are in regular communication with the Gold Coast City Council about the inadequacy of the current drainage scheme (Woongoolba Flood Mitigation Scheme) including the floodgate outlet size. In substantial rainfall events, the water runoff from the upstream developments to the west of the cane growing district causes significant flooding. CANEGROWERS Rocky Point continues to fight to have the Scheme upgraded to accommodate the additional water that it was never designed to handle.

Last year saw an unprecedented increase in Unimproved Land Valuations, on average by 55%. CANEGROWERS Rocky Point lodged Valuation Objections on behalf of 17 local property owners and engaged a Valuer to assist. This process is still ongoing and CANEGROWERS Rocky Point is hopeful of a satisfactory outcome.

CANEGROWERS Rocky Point worked with Sugar Research Australia to develop the SIX EASY STEPS recommendations for Rocky Point and *The Soil-Specific Nutrient Management Guidelines for Sugarcane Production in the Rocky Point District* was published in 2021.



Matt Kealley of CANEGROWERS videos Rocky Point grower Lindsay Mischke sharing his passion for sugarcane growing for the CANEGROWERS project with the Primary Industries Education Foundation creating a resource for schools

# CANEGROWERS Board



Chairman, Paul Schembri



Senior Vice Chairman, Kevin Borg



Vice Chairman, Owen Menkens



Allan Dingle



Joseph Marano



Mark Mammino



Michael Pisano



Stephen Calcagno



# CANEGROWERS Policy Council



Mossman - Glen Fasano

Tableland - Claude Santucci

Cairns Region - Stephen Calcagno

Innisfail - Joseph Marano

Tully - Bryce Macdonald

Herbert River - Michael Pisano and Chris Bosworth

Burdekin - Roger Piva, Steve Pilla, Phil Marano and Owen Menkens

Proserpine - Glenn Clarke

Mackay - Paul Schembri, Kevin Borg, Greg Plath and Tony Ross

Bundaberg - Allan Dingle and Mark Pressler

Isis - Mark Mammino

Maryborough - Jeff Atkinson

Rocky Point - Michelle Fischer

Brisbane - Dan Galligan, CEO and Jodie Mittelheuser, CFO.



# CANEGROWERS District Offices

## CANEGROWERS Mossman

Mossman Canegrowers Ltd.  
ABN: 55 111 943 616  
Centenary Building, Shop 1, 1 Front Street  
PO Box 789, MOSSMAN Q 4873  
Manager: **Evelyn Matthews**  
T: 07 4098 2377 | F: 07 4098 3567

## CANEGROWERS Tableland

Tableland Canegrowers Ltd.  
ABN: 84 114 759 376  
Shop 8, 166 Byrnes St  
PO Box 1359, MAREEBA Q 4880  
Administration Officer: **Angela Sturgess**  
T: 07 4092 6065 | F: 07 4092 5857

## CANEGROWERS Cairns Region

CANEGROWERS Cairns Region Ltd.  
ABN: 62 111 567 429  
Mulgrave: 29 Norman St  
PO Box 514, GORDONVALE Q 4865  
Manager: **Sarah Standen**  
T: 07 4056 1251 | F: 07 4056 3669

## CANEGROWERS Innisfail

Innisfail District Cane Growers Organisation Ltd.  
ABN: 11 111 471 124  
Aust Sugar Industry Museum, 18-24 Bruce Hwy  
PO Box 67, MOURILYAN Q 4858  
Manager: **Sandra Henrich**  
T: 07 4063 2477 | F: 07 4063 2488

## CANEGROWERS Tully

Tully Cane Growers Ltd.  
ABN: 13 112 000 414  
59 Butler St  
PO Box 514, TULLY Q 4854  
Manager: **Peter Lucy**  
T: 07 4068 1077 | F: 07 4068 2351

## CANEGROWERS Herbert River

Herbert River District Cane Growers Organisation  
Ltd. ABN: 55 106 007 925  
11-13 Lannercost St  
PO Box 410, INGHAM Q 4850  
Manager: **Frank Scardamaglia**  
T: 07 4776 5350 | F: 07 4776 5380

## CANEGROWERS Burdekin

CANEGROWERS Burdekin Ltd.  
ABN: 43 114 632 325  
141 Young St,  
PO Box 933, AYR Q 4807  
Manager: **Greg Watson**  
T: 07 4790 3600 | F: 07 4783 4914

## CANEGROWERS Proserpine

Proserpine District Canegrowers Cooperative Ltd.  
ABN: 41 948 426 763  
88 Main St  
PO Box 374, PROSERPINE Q 4800  
Manager: **Michael Porter**  
T: 07 4945 1844 | F: 07 4945 2721

## CANEGROWERS Mackay

Mackay Canegrowers Ltd.  
ABN: 24 111 817 559  
120 Wood St  
PO Box 117, MACKAY Q 4740  
Manager: **Kerry Latter**  
T: 07 4944 2600 | F: 07 4944 2611



### CANEGROWERS Bundaberg

Bundaberg CANEGROWERS Ltd.  
ABN: 66 110 868 801  
32 Bourbong St  
PO Box 953, BUNDABERG Q 4670  
Manager: **Dale Holliss**  
T: 07 4151 2555 | F: 07 4153 1986

### CANEGROWERS Isis

CANEGROWERS Isis Ltd.  
ABN: 69 110 648 041  
48 Churchill St  
PO Box 95, CHILDERS Q 4660  
Manager: **Angela Williams**  
T: 07 4126 1444 | F: 07 4126 1902

### CANEGROWERS Maryborough

Maryborough Canegrowers Ltd.  
ABN: 56 111 775 583  
106 Bazaar St  
PO Box 172, MARYBOROUGH Q 4650  
Manager: **Cameron Waterson**  
T: 07 4121 4441 | F: 07 4121 6115

### CANEGROWERS Rocky Point

Rocky Point District Cane Growers Organisation Ltd.  
ABN: 32 111 827 251  
1214 Stapylton - Jacobs Well Rd  
WOONGOOLBA Q 4207  
Manager: **Kate Armitage**  
T: 07 5546 1481 | F: 07 5546 1481

### CANEGROWERS Queensland

Queensland Cane Growers Organisation Ltd.  
ABN: 94 089 992 969  
L6, 100 Edward St  
PO Box 1032, BRISBANE Q 4001  
CEO: **Dan Galligan**  
T: 07 3864 6444 | F: 07 3864 6429

