Australian sugar industry and RET

Australian sugar milling is an innovative and diversified agricultural and regional manufacturing industry. Sugar mills are highly resourceful, fully utilising their waste streams. Tonnes of bagasse (waste cane fibre) are produced annually as a by-product, which is combusted to generate electricity and steam – renewable energy. Around 80% of raw sugar is exported while most refined sugar is sold domestically. Primary products from sugarcane are sugar and molasses – but the industry is continually looking to diversification opportunities such as cogeneration of electricity.

The RET has played a critical role in significant industry investment over the last 5–7 years.

The Australian sugar industry is one of Australia’s largest and most important rural industries.

The SUGAR INDUSTRY NEEDS THE RET – FACT.

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### Risks for the Australian sugar industry

The RET provides an incentive for increasing energy efficiency at mills. By storing and managing bagasse out of season, and increasing boiler efficiencies, mills have increased electricity generation, supplying their neighbouring communities.

Removing the RET will:
- Cause most mills to halt out of season generation
- Lose more than $35 million from industry revenue, annually
- Cost at least $13.2 million to undo efficiency investment at several mills
- Cost a further $3.6 million annually in managing additional bagasse disposal and loss in crush rate

**Places at risk**
- $300 million investment over past 5 years in energy efficiency and generation projects
- Potential $1 billion investment at existing mill sites
- Approximately $2 billion in potential new sugarcane areas
- Australia’s ability to perform competitively in the global sugar market

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### The Australian sugar industry

- **24** sugar mills in Australia owned by **8** companies
- **4,300** growers harvest **371,000** hectares
- **30.5 million** tonnes cane crushed **2013**
- **492 MW** installed capacity
- **1,000 Gwh/year** electricity produced
- **4** Australian refineries
- **16,000** people directly employed
- **$1.5–$2 billion** in annual exports

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### Sugar Production Process

- Sugarcane → Raw sugar juice → Clarified sugar juice → Sugar crystals → Raw sugar for export and domestic refining
  - Bagasse, Mill mud, Molasses → Stock feed
  - Electricity, Farm nutrient, Ethanol

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**Australian Sugar Milling Council**