



Time to put the sugar industry ahead of politics

The Australian Sugar Milling Council (ASMC) says any calls for even more political intervention in the Queensland sugar industry are both disturbing and unhelpful.

“The period since the Queensland Parliament passed flawed legislation to re-regulate the Queensland sugar industry has demonstrated the cost of such regulatory intervention,” said ASMC CEO Dominic Nolan.

“All ASMC member milling companies did everything commercially possible to negotiate fair and transparent business arrangements rather than see regulatory intervention.”

All mills remain opposed to the legislation. Mills were not consulted in the drafting of the legislation, and identified at the time that it would lead to ambiguity and cost, without delivering any additional value to the Queensland sugar industry.

“The Queensland legislation is bad for the industry and has severely interrupted the positive progress that had been made by the industry since deregulation was agreed to by mills and growers in 2006,” said Mr Nolan.

ASMC understands the problems this legislation has caused, and acknowledges the uncertainty that has flowed from it for growers and their families - along with mill employees and their families and the regional communities that rely on the sugar industry as a key economic driver. A strong and positive relationship at a regional level between mills and growers is an essential platform for our industry to prosper.

“Each mill company has had to respond to the legislation according to their commercial risk and business models. It is no surprise that the response from all Queensland mills has been different.

“There has been millions of dollars spent in implementing new commercial arrangements as a result of the legislation already.

“There is one milling company still in negotiations with Queensland Sugar Limited over an On Supply Agreement and positive progress is being made towards finalising arrangements,” Mr Nolan said.

“Mills are committed to continuing to work within the regulatory framework of the day to maximise commercial benefit for themselves and their growers.”

“Further Government intervention won’t help anyone.”

“A heavy cloak of regulation is an impediment to the key relationship between millers and growers and will limit potential growth and development opportunities,” Mr Nolan concluded.

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