



## MEDIA RELEASE

### More Changes 15 Months after the last Failed LNP Regulation

The Australian Sugar Milling Council today expressed great disappointment that the LNP decided to put politics ahead of the Queensland sugar industry and compromise the 8,500 growers, mill workers, their families, and the regional communities that rely on the jobs and commerce of the sugarcane growing and milling businesses.

The introduction of proposed new laws just 15 months after the last set of changes, is based on the false premise firstly that there is an impasse, and secondly that this will actually help progress contractual discussions. We know both of these things are simply not true.

ASMC CEO Dominic Nolan today said "We have been at great pains to say to the LNP since their announcement by media release two weeks ago that they intended to change the law yet again that it will frustrate negotiations, and potentially deliver great delays to getting arrangements finalised ahead of the crush.

"The two parties negotiating a sugar sales agreement are multi-billion dollar companies. They have now met 8 times in six weeks. There has been steady but substantial progress with only one issue not yet agreed in principle as we understand it.

"Of course, introducing a new driver into negotiations - pre-contract arbitration - could set back an outcome by months at the very least."

"All of the agreement that has been achieved to date could be for nothing if the LNP suddenly introduces a third party arbitrator to hear arguments and decide the commercial terms for a mill and marketer."

"The LNP sponsored the KAP private members bill in 2015 to introduce these arrangements between growers and mills. One grower group initiated pre-contract arbitration some 4 months ago. These discussions are confidential, however by all accounts there is still a long way to go before that process reaches anything like a resolution."

"So the LNP has introduced proposed new laws to fix an impasse that doesn't exist, through a process that will do nothing to help finalise the current negotiations, will in all likelihood frustrate those negotiations, and will serve to potentially delay an outcome by months at the very least."

Mr Nolan concluded by saying "this is irresponsible intervention for political purposes. Our industry cannot afford this sort of politics. It is time for politicians to put the sugar industry first."

Further information: **Dominic Nolan (ASMC CEO) 07 3231 5000 / 0419 287 734**

Tuesday, 28 February, 2017