

Media Statement

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Sugar industry seeks Federal election support for regional Queensland jobs and growth

The Australian Sugar Milling Council has released details of a \$38 million three-year package, it is seeking support from all parties for ahead of the 21st May 2022 Federal election, to boost regional Queensland jobs and economic growth.

ASMC Chief Executive Officer Rachele Sheard said the sugar industry already contributed \$3.8 billion to the Queensland economy and supported almost 20,000 full-time equivalent jobs across the State, but there were opportunities for growth and more jobs.

“Sugar is Queensland’s original manufacturing industry. It remains the economic foundation for communities and businesses across regional Queensland. It is one of Queensland’s most important agricultural export industries, second to only beef,” Ms Sheard said.

“The package the ASMC is seeking bipartisan for will strengthen the sugar industry and its contribution to growth and jobs across regional Queensland.”

Ms Sheard said ASMC analysis has projected the \$38 million, three-year package would deliver enormous dividends for Queensland, including

- another \$125 million injection to the Queensland economy
- boost increase industry revenues by \$827 million
- encourage up to \$3.7 billion in potential new investment in regional Queensland from new cogeneration (electricity) and bio-ethanol projects
- remove thousands of annual truck movements from public roads and dozens of cane railway level crossings in regional Queensland; and
- deliver an additional 2.9 million tonnes of carbon abatement each year, contributing to the major parties’ commitments of net zero emission targets by 2050.

“To put the \$38 million three-year package into context, the sugar industry contributes on average more than \$10 million per day to the Queensland economy. The commitment we seek is a strategic investment in the future growth and prosperity of the sugar industry, our 3000 local business suppliers and our local communities,” Ms Sheard said.

“To date, the ASMC has had constructive discussions with major parties and candidates. We will continue to work with all parties and candidates until 6pm on 21st May 2022 to secure the package and the best possible deal for the sugar industry and for the thousands of Queenslanders who work in the industry or because of it.”



ASMC, as the peak representative body for the sugar manufacturing sector working to transform Australian sugarcane, is seeking support for:

- \$25 million in funding to establish an Infrastructure partnership program for improved access for growers to sugar mills: Sugar milling companies are invested heavily in cane railway infrastructure and reduce up to 29,000 truck movements on the public road network per day during the annual crushing season. Proposed projects include:
- increasing road safety on the Bruce Highway north of Mackay by eliminating a highway level crossing and replacing it with an underpass at Church Hill;
- eight-kilometre extension of the Tully Sugar Mill cane railway including a bridge across the Murray River that will remove approximately 5,000 truck movements from the Bruce Highway
- relocation of cane railway infrastructure from the township of Ingham, eliminating 12 road/rail level crossings through the township by re-routing the delivery of 2.2 million tonnes of cane to the Victoria Sugar mill annually
- extend the Plane Creek Mill southern cane railway including the construction of a new bridge at Carmila that will remove more than 15,000 truck movements from the Bruce Highway
- connect the existing Isis Central Sugar Mill narrow gauge cane railway network to the currently redundant Mungar to Gayndah rail line eliminating more than 30,000 truck movements over 50 kilometres of the Bruce Highway
- enable the construction of a dedicated cane railway bridge across the Burnett River to provide direct access for the cane supply located on the Northern side of the River to the Millaquin Sugar Mill
- capacity upgrade of the rail link between South Johnstone and Mulgrave Mill. The proposed upgrade will optimise cane transfer efficiencies and unlock cane-land expansion opportunities for growers south of Innisfail.
- \$7 million to undertake a further, detailed assessment of potential technical, policy and commercial options to increase the co-generation of steam and electricity made from bagasse. The benefits of this study would be to progress development of an additional 1,000 MWs of cogenerated electricity from sugar mills. This could result in \$3.5 billion in potential new investment in regional Queensland as mills electrify and modernise their factories to make more bagasse available and for the installation of and commissioning of additional co-gen capacity
- \$3 million to undertake further, more detailed assessments of the potential technical, policy and commercial options to respond to burgeoning sustainable aviation fuel market opportunities. The benefits of this study would be to progress development of at least one additional SAF/bio-ethanol facility in Queensland (value \$200 million) and in time a significant de-carbonisation of the Australian aviation industry as it transitions to renewable fuel sources.



- \$2 million to study the requirements to achieve carbon neutrality in milling operations and the sugar supply chain. Given increasing supply chain requirements around sustainability, a clear pathway and plan to achieve carbon neutrality will benefit the long term export and market access programs of the industry.
- \$1 million to fund all of the trade policy and market access priority initiatives outlined in the sugar industry's five-year Trade Strategy, which has nine key trade policy and market access objectives including removal of Indian export subsidies for sugar and price subsidies for cane, improved raw sugar access to USA, China, European Union, and improved testing arrangements of hi-pol sugar at Japanese ports and improved import licensing arrangements in Indonesia. These initiatives would boost sugar industry revenues by \$827 million over the period to 2040
- commit to a return to regulatory and policy settings that encourage investment and capital spending in the Australian sugar manufacturing sector for the good of the industry, the economy and the community
- commit to streamlining current Foreign Investment Review Board obligations to facilitate additional investment by Australian sugar mills to assist growers maintain and expand their cane-growing operations
- ensure the Research Development Corporation model continues to reflect the importance of research extension and adoption programs to the future of the sugar industry.

-ENDS-

Link to video clips

- [Rachele Sheard](#) ASMC CEO
- [Mayor Greg Williamson](#) Mackay Regional Council
- [Kylie Porter](#) GW3 CEO

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Background

ASMC is the peak body representing the interests of raw sugar manufacturers and marketers. ASMC represents five sugar manufacturing companies which collectively produce 90 percent of Australia's raw sugar at their 16 sugar mills in Queensland.