

#### **Media Statement**

27 May 2022

# Queensland sugar industry marks Small Business Month thanking local suppliers for sweet success

Celebrating Queensland's Small Business Month, the milling sector wishes to acknowledge the contribution of the 6,500 Queensland based organisations and staff currently supplying cane, goods and services.

"With 94% (\$1.7 billion) of input purchases coming from Queensland based organisations, the Queensland milling sector remains focussed on developing local relationships and giving back to the state," Australian Sugar Milling Council, Chief Executive Officer Rachele Sheard said.

"When you add the supply-chain multiplier benefits, and the injection of proprietor and staff wages back into the economy, these suppliers helped the industry inject \$3.8 billion into the Queensland economy in 2020/21" Ms Sheard added.

Employment and Small Business Minister Di Farmer said small business suppliers to Queensland's sugar mills represented a vital component of the sugar industry and were essential to the industry's operation and viability.

"Likewise, the sugar industry is vitally important to literally thousands of small businesses and sole traders in Queensland as a reliable and valued customer for their supplies, goods and services.

"The jobs and spending and economic activity generally that flow from this relationship between the sugar industry and small businesses make a huge contribution to our State's economic performance as well as at a local community level.

"I commend the Australian Sugar Milling Council for its acknowledgement of the crucial role of small business as well as for the very tangible support that the industry provides to the small business sector."

Ms Sheard said while most suppliers were in the major sugar regions like Mackay, Burdekin, the Far North and Wide Bay-Burnett, businesses across the State – especially from Brisbane – provided inputs to the milling sector.

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The regional breakdown of local suppliers and sugarcane supplying enterprises for 2020-21 was:

| Region           | Number of mill suppliers | Number of cane enterprises | Total business supported |
|------------------|--------------------------|----------------------------|--------------------------|
| Brisbane         | 761                      | 6                          | 767                      |
| Central West     | <5                       | <5                         | <5                       |
| Darling Downs    | 68                       | <5                         | 70                       |
| Far North        | 730                      | 657                        | 1,388                    |
| Fitzroy          | 33                       | <5                         | 36                       |
| Gold Coast       | 28                       | <5                         | 29                       |
| Mackay           | 664                      | 1,083                      | 1,747                    |
| North West       | <5                       | <5                         | <5                       |
| Northern         | 559                      | 994                        | 1,554                    |
| South West       | <5                       | <5                         | <5                       |
| Sunshine Coast   | 38                       | 17                         | 55                       |
| West Moreton     | <5                       | <5                         | 5                        |
| Wide Bay-Burnett | 512                      | 384                        | 896                      |
| Total Queensland | 3,399                    | 3,150                      | 6,549                    |

ASMC Director, Economics, Policy and Trade David Rynne said the commitment and innovation of local suppliers was essential to the ongoing competitiveness of the Queensland sugar industry, which exports almost 85% of its raw sugar production into fiercely competitive global markets.

<sup>&</sup>quot;Maintaining a sugar mill requires a considerable amount of renewal and investment in the factories before each crushing season. These inputs include an array of trade, engineering and professional services that are required to manufacture raw sugar and generate renewable electricity."



Link ASMC Chief Executive Officer Rachele Sheard on regional contribution of sugar industry including to local businesses

- Far north (including Tablelands)
- North (including Burdekin and Hinchinbrook)
- Mackay
- Wide Bay
- Brisbane

Link ASMC Director, Economics, Policy and Trade David Rynne on local suppliers.

Link to a full breakdown of the economic contribution of suppliers.

**WDT Engineers Mackay Branch Manager Steven Armstrong** said the company had worked with the sugar industry across Queensland as well as in northern New South Wales and the Ord in Western Australia.

The company employs 60 staff including 20 staff in Mackay.

"WDT is very reliant on sugar. We have built our organisation around sugar and it is a very important for us to continue to supply the sugar industry and the industry to be us to support us and continue to grow. It's hoped the sugar industry will continue to be a strong force in the region and for Australia. We are confident the industry will be there to support us and we will be there to support them," Mr Armstrong said.

# Link to video comments by Mr Armstrong

**Mackay-based Consolidated Plastic Managing Director Brendan Refalo** said the company was born out of the sugar industry three decades ago it has expanded into mining and minerals processing and it has opened up export markets in Indonesia and the United Kingdom.

"In 2000, the company had seven employees and now we employ 42 people. We help the sugar mills better reliability of their plant. The sugar industry has maintained a strong foundation and has provided a steady quantity of work. We are fortunate to have the sugar industry," Mr Refalo said.

# Link to video comments by Mr Refalo

**Ayr-based Don West Dealer Principal Darren West** said the sugar industry was critical to the local economy and it spent locally.



"We are family business that established in 1978. We ourselves employ 22 people. We service the sugar industry for its needs for vehicles. The last couple of years have been good with the sugar prices and we are expecting it to be strong for the next 12 months or so," Mr West said.

Link to video comments by Mr West

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## **Background**

Sugar is Queensland's second largest export crop, processed meat, with a total annual revenue of almost \$2 billion. Around 95% of sugar produced in Australia is grown in Queensland with the remainder in northern New South Wales. Australia exports more than 80% of its raw sugar to buyers overseas, placing it among the top five raw sugar exporters in the world.

ASMC is the peak organisation for the sugar manufacturing sector, working to transform Australian sugarcane by diversifying the industry, expanding trade opportunities and creating new markets. ASMC represents five sugar manufacturing companies which collectively produce 90 percent of Australia's raw sugar at their 16 sugar mills in Queensland.

### For more information, please contact:

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