

The Australian Sugar Milling Council's Queensland Election Priorities



Foreword

The sugar industry and Queensland go back a long way. Since European settlement in the 19th century, sugarcane has been grown in Queensland.

Sugar mills have been a cornerstone of the economic life of the State's coastal towns like Bundaberg, Ayr, Tully, and Mackay which were built on the economic dividends that sugar provided. The investments in sugar throughout history have seen the Queensland industry positioned as one of the leading raw sugar exporters in the world.

The sugar industry and the milling sector are not just a historical footnote in the story of Queensland's economy – it currently supports over 20,000 jobs and contributes \$4.4 billion to the economy. Despite the cyclical nature of global raw sugar prices and a global market defined by subsidisation and protectionism, sugar is Queensland's second largest agricultural export.

Our sector has a bright future, and advances in sugar manufacturing and new bioproducts can underpin Queensland's economic growth in the coming decades. Biofuels and the bio-

economy can provide close to 10,000 new jobs in Queensland, with the bulk of those opportunities in sugar. This includes using sugar and sugar by-products for the production of low-carbon liquid fuels, bioplastics and proteins. Importantly, these new diversification opportunities will maintain and secure the 20,000 jobs the industry already supports for the future.

However, these opportunities are not guaranteed and require a collective effort between our industry and the Queensland Government. That is why the Australian Sugar Milling Council is asking the next Queensland State Government to partner with the sugar industry and secure the next 50 years of prosperity for the sugar industry, the regional Queensland communities that our industry underpins, and the Queensland economy more broadly.

ASMC election priorities

- **Target 34 Taskforce** - The establishment of a government-industry taskforce to create a roadmap to increase the supply of cane to a regular 34 million tonnes (from 30 million tonnes) to ensure ongoing mill viability and the ability to capture all the opportunities in the bio-economy.
- **The Cane Rail Fund** - \$1.2 million pre-feasibility work to investigate and identify cane rail projects with highest productivity and community safety benefits.
- **Establishing the Centre for Advanced Sugar Manufacturing** - Ensure that the Sugar Industry and Queensland has the R&D capabilities (and personnel) to ensure sugar manufacturing is a cutting edge 21st century sector.
- **Establishing the Sugar Career Start Program** - A program that will secure the skills and workforce our industry needs to meet existing challenges and new opportunities just across the horizon.



Jannik Olejas, Chair



Ash Salardini, CEO

Sugar – Securing Queensland’s Economic Future

The sugar industry supports 20,000 jobs and contributes \$4.4 billion to the economy.

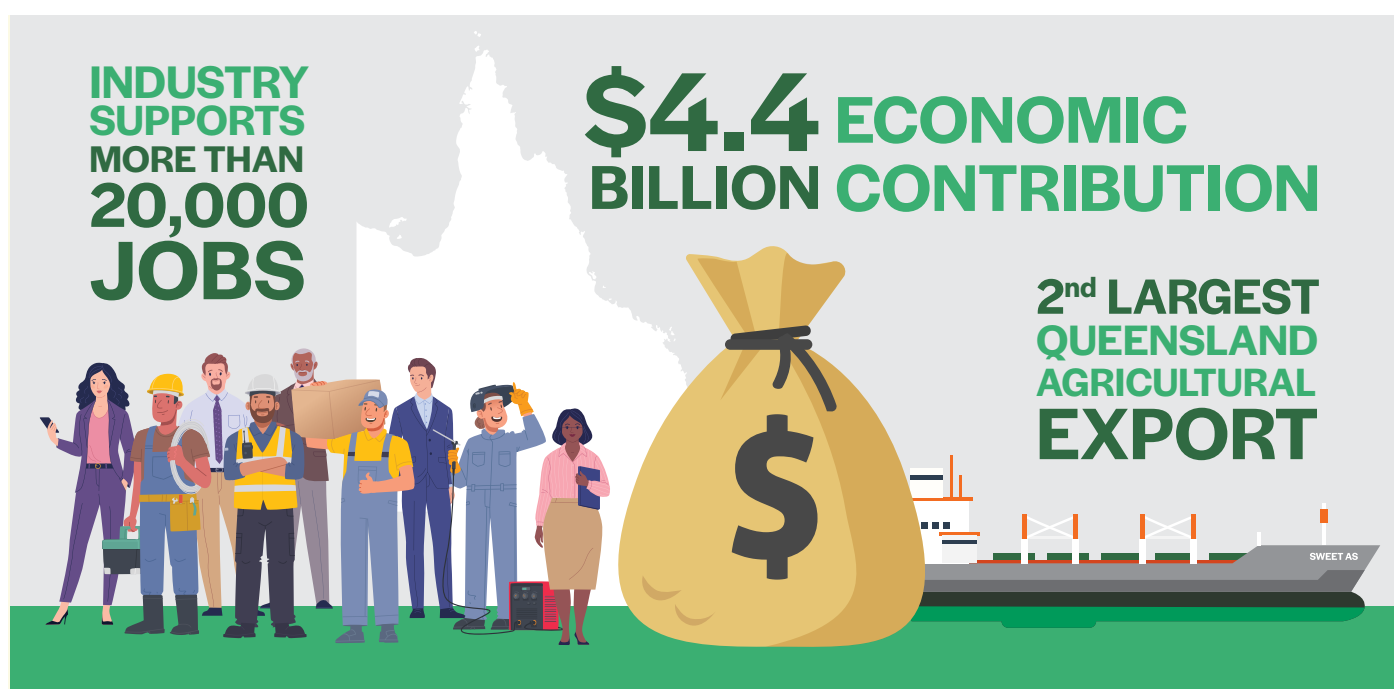
Sugar manufacturers are best placed to capture the economic opportunities in renewable energy and biofuels, with the Government noting that biofuels and the bio-economy more generally, can create nearly 10,000 jobs for Queensland.

The jobs created in sugar will be in the same regional Queensland communities that will slowly lose jobs within the resources sector. We are the solution to an energy transition that will be an economically just one for regional and rural communities.

If you live in and around Townsville, Bundaberg, the Whitsundays, Mackay, Cairns, or anywhere near the Queensland coast, an investment in sugar manufacturing is an investment in your community.

We have the opportunity to provide over 1GW of renewable electricity capacity, enough to power up to 900,000 homes. Alternatively, we can provide close to 10% of the domestic aviation fuel needs via sustainable aviation fuel made from sugar by-products alone.

This is not just about new economic activities; these diversification opportunities will help maintain and grow the 20,000 jobs we already support for the decades to come.



Target 34 – 34 Million Tonnes Of Cane By 2034

Increase cane supply from the average of 30 million tonnes per annum to 34 million tonnes

The supply of cane, and the associated transport and logistics infrastructure to get that cane through the sugar manufacturing process is the main determinant of success for the sugar industry and the thousands of Queensland jobs that the industry supports.

We have an ambitious target to grow the cane supply to a reliable 34 million tonnes (from the current average of 30 million tonnes) that would not only secure the viability of the sugar industry, but ensure that sugar remains a powerhouse of the Queensland economy, and the economic pillar of many regional communities.

Our land-use planning frameworks have failed to account for the high economic value that good land under cane provides,

and as such, we have seen land converted to other uses including urban expansions and housing renewable energy infrastructure.

Good land under cane is not just about the quality of the soil but the availability of rail and water infrastructure, and proximity to sugar mills.

Priority: Target 34 Taskforce – Industry - Government taskforce on growing the cane supply

The ASMC seeks the establishment of a cross-portfolio government-industry taskforce to create a roadmap to increase the annual supply of cane to 34 million tonnes. The Taskforce would progress the development of the roadmap with a focus on:

- Better land use planning to maintain and increase land under cane.
- Increased targeted investment in R&D to shorten timeframes for yield improvements through variety development programs, and innovations in increasing productivity of sugar processing.
- Ensuring environmental regulations co-optimize environmental outcomes as well as production outcomes.
- Developing a Queensland cane rail freight strategy to optimise the delivery of cane and open new land for the cultivation of cane.

Priority: The Cane Rail Fund – Optimisation & maintenance of Queensland’s cane railways

The Australian sugar industry is reliant on a transport and logistics network. It facilitates the movement of cane from farms through to the sugar manufacturing process before shipping the sugar and associated products around the globe. The most challenging aspect of this task is landside movements within Australia

This is a particular pinch point for the sugar industry, where cane must be transported to a mill for processing within 10-20 hours of being harvested.

Our cane railways, with a replacement value of over \$2 billion, provide the crucial link between growers and the mills - without it the sugar industry would not survive. The value of cane rail is underestimated, as it reduces the strain on the regional and rural road networks by utilising rail for the second-largest freight task in Queensland. The cost of maintaining this essential infrastructure is becoming too great for industry alone,

particularly with increased incidence of extreme weather events that damage bridges and rail infrastructure.

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To address this, the ASMC seeks \$29 million from the Queensland Government (and \$29 million from Federal Government) to go towards the upgrade of cane rail infrastructure with an initial focus on improving safety by improving level crossings and bypassing highly trafficked towns. This will also reduce 25,000 truck movements off the roads, reducing road wear and maintenance, providing more road capacity, and reducing transport emissions.

As a first step, we seek \$1.2m to fund pre-feasibility work to investigate and identify projects with highest cost-benefit ratio and lowest risks.

Workforce, Skills & Innovation

Priority: Sugar Career Start - Creating the jobs of the future

Our sector already faces critical shortages in the trades, engineers, locomotive drivers, general mill workers and process operators. As the industry adopts new technologies and processes, and looks to diversify into new opportunities, we also need to map out our future skills needs and understand how these skills are best combined with our current requirements. This will ensure we have the pipeline of talent to fill the jobs of the future.

The ASMC is seeking \$1.7 million over three years to establish the Sugar Career Start project. The program will map out current workforce and skills shortages within the sector, identify future skills needs, and identify factors behind the shortages. A set of campaigns and programs will be developed from this work to improve vocational training, provide

a platform to link job opportunities to those underrepresented in our workforce, and promote the opportunities and career pathways in the sector to young workers, women and Indigenous Australians.

Priority: Establish the Centre of Excellence for Advanced Sugar Manufacturing

Sugar manufacturing is transforming into a high-tech 21st century sector that needs to optimise the use of limited feedstock to not only create sugar, but products as diverse as fertilisers, molasses, bioplastics, biofuels and electricity. Our sector needs an R&D agenda to match this ambition.

We are seeking \$2.5 million over four years from the Queensland Government to establish the \$12 million Centre of Excellence for Advanced Sugar Manufacturing and AI, with the remaining funds coming from industry levies and co-contributions.

The Centre, would focus on cutting edge R&D and commercialisation opportunities to optimise manufacturing, transport and logistics planning processes using AI, explore adoption of advanced technologies to optimise the manufacturing process for sugar, other by-products and the production of renewable energy, and identify the jobs of the future within the sector.

**For more information see:
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