Disappointing crush reviewed at MAC meeting

The major industry developments confronting sugarcane growers in the Mackay district in 2019 were reviewed at the Mackay Area Committee (MAC) annual information meeting today.

“2019 was not an easy year for growers supplying Mackay Sugar’s Marian, Racecourse and Farleigh mills,” said MAC Chairman Joseph Borg. “Whether it was Mackay Sugar’s change of ownership, conversion back to the old CCS sugar formula, implementation of Marketing Choice, the introduction of mandatory Reef regulations, a low world sugar price, or ongoing high water and electricity prices, 2019 was not a year for the fainthearted,” Joseph said.

“However, we now have several positives in place for 2020 including a higher world sugar price, a milling company with greater financial stability and a significant milling investment program now under way,” he said.

Mr Borg said that while there was no doubt that the 2019 crushing season was disappointing on several fronts, it was to be hoped that the situation would now be turned around.

“While the seasonal CCS of 14.05 was slightly above average, we had a below par crop of just over 4.9 million tonnes of cane. The crop was challenged by a late wet season with just under 70 per cent of the Mackay District’s usual annual rainfall. The result of 72.9 tonnes cane per hectare yield average across the district was not surprising considering these adverse climatic conditions. However, this was compounded by the fact that it took Mackay Sugar over 26 weeks to crush this mediocre crop. With very few crushing days lost due to wet weather, the blame was entirely the poor performance of the mills. We all hope this situation will now be turned around, thanks to Nordzucker’s capital investment program. Our greatest hope is to see season length return to normal through improved crushing performance within the next year or so.”

Mr Borg said the 2019 season had been the first opportunity for Mackay growers to decide which marketer – Queensland Sugar Limited or Queensland Commodity Services - they wished to sell their sugar through: “Future pricing is a great step forward. I urge all growers to take advantage of Marketing Choice and explore the different products which the organisations offer that fit the requirements of their individual businesses. The clearest message is ... do something, as doing nothing is no longer an option and will actually harm your business’s returns,” Mr Borg said.

“In the face of the State Government’s new mandatory Reef regulations I also urge growers to sign up to the Smartcane Best Management Practice program. Smartcane BMP has been recognised throughout the world as the cutting edge accreditation scheme. Becoming accredited will confirm you are doing the right thing on your farm, and reduce the possibility of more regulation further down the track.”

Mr Borg said while it was gratifying that the state government had extended the lifespan of the current rural irrigation tariffs for a further 12 months, CANEGROWERS would continue to lobby for lower prices for this vital agricultural input. “It is very hard for growers to forward plan when the future of our electricity and water price paths are so unknown. Growers’ inability to pay for irrigation water and pumping costs is a major factor holding back industry development in this region.”

Mr Borg paid tribute to Paul Schembri who resigned as Chairman of the Mackay Area Committee last September after more than 14 years’ service to growers in the role. Mr Schembri remains CANEGROWERS Queensland Chairman.

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