



10 October 2017

Circular to Mackay Area Growers

Growers will be aware that a decision was taken in June this year to amend Clause A4.7(d) of Annexure A of the Cane Supply & Processing Agreement to allow for payment for cane with a PRS of less than 7 and purity of less than 75%. It was agreed at that stage that a review of this decision would take place once 50% of the crop had been crushed.

This matter was raised by CANEGROWERS Mackay and ACFA and addressed at a recent meeting with Mackay Sugar and has also been raised by and the subject of various email exchanges with a number of the individual bargaining representatives.

In discussions and correspondence with all Bargaining Representatives it was noted that there has been no cane analysed with a PRS under 7 or purity less than 75% since 16 August 2017. However, it was noted that there remains a substantial amount of standover cane in the field and only approximately 1800 tonnes per week has been consigned for the past 3 weeks.

Based on the feedback received there is support for the continuation of the payment for cane under 7 PRS and less than 75% purity, which will remain in place until the mill reaches 80% of the crop being crushed.

Please note, growers are encouraged to consider the order of supply for the remainder of their crop, particularly where standover and late-cut cane is still to be supplied, in order that they can take advantage of the period when potential low analysis results will still attract payment.

This extension of the amendment to the Cane Supply and Processing Agreement will continue to assist those growers who still have standover cane to be harvested and provides the certainty that payment will be received for each delivery of cane until the mill reaches 80% of the crop crushed. However, there is no guarantee that this variation will be extended beyond the 80% mark, so please work to get any suspect cane into the mills prior to this point.

A.S. Cappello
CHAIRMAN