



CANEGROWERS



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Mill pay dispute costing farming families millions

CANEGROWERS has welcomed news that Wilmar and unions representing workers at the company's nine Queensland sugar mills have accepted a mediation offer from the Fair Work Commission.

CANEGROWERS Chairman Owen Menkens said he hoped the move signalled the beginning of the end for the long-running pay dispute that is affecting half of the industry and threatens to completely derail the season.

"Sugarcane farming families have been losing \$4 million a day due to strike action at Wilmar mills, and we've seen the crush fall up to 20% behind schedule in some districts," Mr Menkens said.

"It's been clear for weeks that the parties had reached a stalemate in negotiations, so it's well past time that we got this issue resolved.

"To make matters worse, communication between the mills and their grower suppliers has been almost non-existent, with growers left in the dark about what may happen from one day to the next.

"Cane harvesters, contractors, farmers and farm workers have been operating in an atmosphere of complete uncertainty, and they have had enough.

"There are no winners in this situation, but there are very clear losers, that's the cane growing families whose livelihoods are being devastated.

"I personally know growers who are losing tens of thousands a day during stoppages. These farmers have spent millions of dollars growing this crop and getting it ready to harvest. They face huge bills for fertiliser, chemicals, staffing, machinery, maintenance, and all the other costs associated with farming. So, they are not just losing their income, they are unable to continue servicing those huge debts that farmers must run up just to grow a crop."

The ongoing industrial action is just the latest problem for a milling sector plagued by performance issues that are rapidly dragging down the productivity and profitability of the entire industry, impacting the financial and mental wellbeing of farming families and communities.

"Certain parts of the milling sector have been under-performing for years, which has flow-on effects on season length, cane quality, harvesting costs. Every year we are seeing cane left unharvested in the paddock. The inability of some mills to crush the crop in that June to November window is hurting growers, the industry, and the communities that rely on sugarcane for survival," Mr Menkens said.

"CANEGROWERS has been working on this problem with many milling companies and other industry organisations. We know how much it is costing the industry. We also know the solution.

In fact, it's pretty simple! Milling companies need to invest for the long term in their factories and infrastructure.

"Simply keeping mills ticking over year after year is not enough, because each year they are getting a little bit worse. They need to make significant investments to upgrade and modernise their assets. They must also train and maintain qualified staff."

Mr Menkens pointed out that some milling companies have successfully invested and collaborated with the growing sector and are thriving as a result.

"We realise mills, especially older mills, are difficult to run and maintain. And the logistics of moving and crushing 35 million tonnes of cane per year are complex. But it can be done successfully and we need to work together to see this happen.

"MSF's Tableland mill is currently crushing at around 97% capacity. It should be a shining example to those mills struggling to maintain 70-80% availability.

"MSF's Mulgrave mill has even joined forces with Mossman cane growers to ensure they get their cane crushed this year following the closure of Mossman Mill in 2023.

"This proves that mills can perform well and work with growers collaboratively if they invest properly in their own business and the industry more widely."