

POSITION STATEMENT

February 2018



CANEGROWERS



Marketing Choice

OBJECTIVE

To facilitate an internationally competitive, export oriented sugar industry based on sustainable production that benefits those involved in the industry and the wider community by providing a regulatory framework:

- Where there is an appropriate balance of risk and reward between growers and millers
- That has appropriate protections for growers and millers to prevent against the abuse of market power and provides a mechanism to resolve deadlocks in negotiations between growers, millers and marketers
- Supports investment and innovation in the sugar industry
- Supports the long-term economic sustainability of the sugar industry by enabling growers and millers to choose the pathway to market for the sugar in which they have an economic interest.

FOR MORE INFORMATION

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POSITION

The Sugar Industry Act 1999 (SIA) provides for growers and millers to choose the pathway to market for their respective economic interest sugar and an arbitration mechanism to break deadlocks in the negotiation of cane supply agreements.

The Constitutional validity of the arbitration provisions contained in the SIA have been called into question.

The federal government has introduced a Code of Conduct to provide for choice in marketing in the absence of Queensland legislation and to ensure the validity of arbitration as a mechanism to resolve deadlocks in the negotiation of cane supply and on-supply agreements.

ACTIONS

- Commit to retain provisions for marketing choice in the SIA.
- Amend the SIA to:
 - Ensure the arbitration decisions provided for in the SIA can be referred to judicial review.
 - Reflect the breadth of the ACCC collective bargaining authorisations. ■

A BIG INDUSTRY DRIVEN BY GROWER CONFIDENCE



Australia is the world's second largest exporter of raw sugar



80% of Australia's raw sugar production is exported



\$2.5 billion value to the Australian economy



17,400 direct jobs, and 80,800 indirect jobs supported by the sugar industry



CANEGROWERS is the peak representative body for Australian sugarcane growers. Representing some 80% of growers, **CANEGROWERS** ensures growers needs are represented at the highest possible level of industry and government decision making. For more information visit www.canegrowers.com.au