

30th October 2014

Current and Future Arrangements for the Marketing of Australian Sugar

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
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I am a grower of sugar cane in the Burdekin region and the cane that I grow is sold to Wilmar Sugar Australia, Wilmar is the only buyer of cane in the region.

Payment for the cane I supply to Wilmar is calculated using a formula documented in a cane supply agreement. The formula determines my share of the proceeds (thus my income) from the manufacture and sale of raw sugar from the cane that I supplied.

A component in the formula is the raw sugar price as currently determined by QSL who market the raw sugar made from the cane I have supplied.

I am satisfied with the current arrangements and support the retention of QSL as a marketer of my share of the raw sugar manufactured from the cane I sell to Wilmar.

I do believe though that in any commercial activity there should be competition in the market place and would welcome Wilmar competing with QSL in the marketing of Qld raw sugar.

I do not support Wilmar as the monopoly marketer of Qld raw sugar though as their proposals and statements thus far concern me and I have no trust in Wilmar.

I see the potential for a lack of transparency and a higher risk in the marketing as Wilmar have not produced any evidence of a proven track record.

Yours sincerely,

Sib Torrisi