

KALAMIA CANE GROWERS ORGANISATION LTD

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2 April 2008

Committee Secretary
Senate Select Committee on Agricultural and Related Industries
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

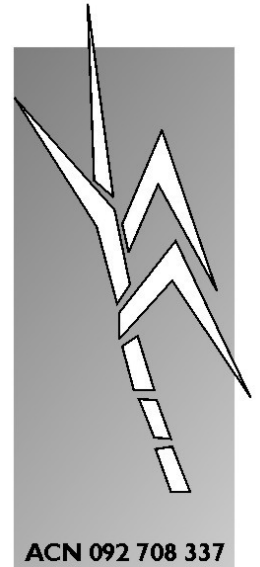
RE: SENATE INQUIRY INTO FERTILISERS

Dear Sir/Madam,

We are very pleased to see via a media statement dated 17 March 2008 from the office of the Senator for New South Wales, The Hon. Bill Heffernan regarding the establishment of a Senate Select Committee on Agricultural and Related Industries.

As direct representatives for 190 cane farmers in the Burdekin region, North Queensland, our concerns are specifically focussed on the current exorbitant fertiliser prices currently being endured by our members along with issues with chemical pricing and supply. The significant price rises for fertiliser during 2007 has led to increased concern in the farming sector as to the future viability and long-term sustainability of their businesses if this sector is to continually absorb these kind of price increases. Growers are tending to use the words 'unjustifiable price increases' purely because they are reading of astronomical profit earnings by the supplying companies, which seem to be skyrocketing at incredible rates each year.

Certainly our growers have recognised the explosive expansion in grain areas around the world (particularly in the United States of America); the economic need for increased yields on farm; and also the need to feed a growing population from limited arable land all have driven up fertiliser consumption globally. However this has ultimately contributed to significant increases in input prices for farmers.



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Therefore we wish to congratulate Senator Heffernan for instigating this inquiry and look forward in anticipation as for any findings via the committee's report to Senate in June that may reveal any monopolistic and cartel behaviour which may be artificially inflating fertiliser and chemical prices for our farmers.

Yours faithfully

KALAMIA CANE GROWERS ORGANISATION LTD

PANIKOS SPYROU
Manager