

CLARENCE CANE GROWERS ASSOCIATION INC

ABN 65 743 508 826



99TH ANNUAL REPORT **FOR THE YEAR ENDED 29TH** **FEBRUARY 2024**

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CLARENCE CANE GROWERS ASSOCIATION INC.

Annual General Meeting
Maclean Bowls Club, McLaughlan Street Maclean.

*Tuesday the 7th of May 2024
Commencing at 9.15 am*

Chairman: Mr. Ross Farlow

Various guests and guest speakers have been invited to the meeting and will address members on issues of interest relating to our industry.

AGENDA PAPER

1. Chairman's opening remarks.
2. Apologies.
3. Confirmation of Minutes of 2023 Annual meeting.
4. Business arising from minutes.
5. Annual Report.
6. Auditors Report, Income and Expenditure Statement for 12 months ended 29th February 2024 and balance sheet as of that date.
7. Announcement of Group appointees to Clarence Cane Growers' Association Inc.
8. To determine Presidential and Boards remuneration.
9. To elect an auditor.
10. Recommendations/Resolutions to the incoming committee.
12. General Business.

Enclosed is your copy of the 99th Annual Report of the Association along with 2023 AGM meeting minutes. Please bring this with you to the meeting. Tea and Coffee will be provided.

A luncheon will be served on completion.

We are looking forward to as many members being present at the meeting as possible.

Yours faithfully,



Victoria Honey
Executive Officer (for and on behalf of the Executive Members).

CLARENCE CANE GROWERS' ASSOCIATION INC.
2023 – 2024

EXECUTIVE COMMITTEE

PRESIDENT - RA Farlow

VICE PRESIDENT - HD Green

OTHER MEMBERS – RD Carr, RP Ensbey, AM Fischer, JT Gallagher, DK Moss, AF McFarlane, and TG McMahon.

EXECUTIVE OFFICER – Victoria Honey

ADMINISTRATION OFFICER – Danelle McLean.

HARWOOD CANE SUPPLY MANAGEMENT COMMITTEE

Growers Representatives: RA Farlow, AM Fischer, RD Carr & VJ Honey (Secretary)

Millers Representatives: S Thompson, S Hollis, and M Clark.

NSW CANE GROWERS COUNCIL DELEGATES

RA Farlow (President), HD Green, DK Moss and JT Gallagher

NSW AGRICULTURE SERVICES COMMITTEE

Clarence Delegates – PJ Castle & MT Lewis

SUGAR RESEARCH AUSTRALIA

Group G Delegate – RA Farlow

99th ANNUAL REPORT

Dear Members,

I have the pleasure of presenting, on behalf of the Management Committee, this 99th Annual Report of your Association for the twelve months ended 29th February 2024.

2023 again saw high workloads for NSW Canegrowers Association and our dedicated staff. The relentless pressure of legislative requirements to farming continue to mount, unelected bureaucrats imposing their ideologist whims march on unabated with seemingly little ministerial oversight. One could argue that ministers are compliant and are not acting to serve for all sectors of their relevant portfolio.

During the past twelve months we have received the Northern Rivers Agricultural Drainage Review, John Culleton's Report that we and others support and endorse. It is a balanced, unbiased, practical report that offers solutions to a broken drainage maintenance program across our region.

It sits well with, and could facilitate a smooth, efficient roll out of the \$5 million promised in 2022 for drainage works.

We have also received the Coastal Floodplain Drainage Project – Options Report, MEMS report. This report drafted by DCCEEW completely misses the target. It offers no positive economic or environmental outcomes, as its scope of works does not embrace the big three. That is; lack of funding, overbearing cross agency legislation and conflicting ownership of the land on which the outlets sit. This document so misses the mark that a joint letter of councils was compiled and sent to government opposing the report. Similar letters were submitted by NSWCGA, Tweed Drainage Unions and a powerful joint letter from Richmond Canegrowers, Ballina Fishermen's Co-Op, OzFish and Oyster growers.

The underlying concern of NSWCGA for MEMS is their hidden agenda. We fear that our Acid Sulphate self-regulation is their target and could be threatened by minor changes to the Water Management Act.

We are in for a lengthy battle here as they have been funded to the tune of \$70 million in the first instance with a further \$30 million each year for the next six years

Fire Ants were found on the Richmond for the first time on the 19th of January 2024. Richmond canegrowers have been active in liaising with DPI staff to glean as much knowledge as possible and the ramification to the 2024 harvest. NSWCGA will continue to support the Richmond executive in this space and is ready to help lobby government reps as required.

The three river chairmen along with Florence met with the canegrower reps of Ag Services at Wardell office. We expressed our concerns regarding Ag services roll and activities. Issues such as field days, bus trips and information sharing were discussed. At times, the discussion was strong and frank, however we are all farmers working together trying to ensure the betterment of our industry.

A dry 2023 harvest season saw record CCS levels, these combined with a high world price saw our cane price around \$60 per tonne of cane. Many growers particularly on the Richmond are still heavily impacted by the 2022 flood event and are nowhere near back to full production. At least these high prices go some way to soften the impact.

Since the flood NSWCGA has worked closely with Rural Assistance Authority to help facilitate the recovery. Grants of up to \$150,000 have been available for those eligible. We have had no success breaking through the 50% off farm income rule that prevents those growers with off farm income greater than on farm.

The NSW crop continues to rebuild after the floods of 2022. The 2024 NSW total crop at this stage is around 1.4 million tonnes. Some land is slowly coming back into production as Macadamia prices continue to stay well south of cost of production. Tea Trees did not cope at all well with the floods and some of that land is returning to cane production, albeit slowly.

2023 Season.

The 2023 season at Harwood started on the 25th of June and finished on the 4th of November, a season length of 19 weeks.

Harwood crushed 405,754 tonnes @ 13.13ccs.

2023 was a year of complete contrast to the year before, recording only 767 mm of rain compared to 2302 mm for 2022. The seventh driest year recorded. This explains the very high CCS at 13.13, the highest since 1958 and certainly the highest during mechanical harvesting. In fact, one week averaged a CCS of 14.79 during mid-October.

Mill reliability improved significantly. Although not to where we all would like it to be, we saw 10 weeks crush over 25,000 tonnes. With a November 4 finish the ratoon crops have thrived and have been able to take full advantage of the summer heat and humidity. After some difficult seasons just passed the Clarence has enjoyed perfect growing conditions, allowing crops to maximise growth.

Soybean crops too are flourishing and with good prices predicted should inject a very welcome cash injection to assist with flood recovery still ongoing from 2022.

The one-year-old component of the 2023 crop was up 14% by tonnes and 18% by area harvested. I would expect this figure to rise given sustained good prices and advanced crops.

Q208 remains the dominant variety at Harwood at around 30% followed by Q240 and Q232.

SRA11 had some very strong results and continues to impress along with Q252. Sales of the new varieties SRA29 and SRAW30 were strong with demand outstripping availability.

A total of 990 tonnes of seed cane was sold from the Ag Services Plot across sixty-three growers. This is a great result and will further enhance the crop rebuild. Our thanks go to Alister Smith, Mark Ensbey and Matty Jacques to facilitate the operation.

The 2024 season is expected to start on the 18th of June. A crop forecast at this early stage of 530,000 is welcomed. Grower's estimates have been returning and are aligning with this figure.

Season Overview	2023	2022
Season Start Date	25th June 2023	15th June 2022
Season Finish Date	4 th November 2023	2nd January 2023
Season Length (Weeks)	18.9	28.8
Total Cane Crushed/Harvested	404798.61/405,754.35	524,148 / 516,672
Tonnes 94 NT Sugar	54678.31	62,208
Average CCS	13.13	11.65
Hectares Harvested	4093	4663.2
Average Crushing rate	177 t/hour	177 t/hour
Stoppage Time (Hours)	458	1,871 (Out: 937 In: 934)
Average yield	99.1 t/ha	120.6 t/ha
1 Year-old yield	73.4 t/ha	87.3 t/ha
2-Year-old yield	105.0 t/ha	130.8 t/ha

Harvesting Group Tonnages

GROUP	1 Year	2 Year	Total Tonnes
North Clarence Co-operative			
Machine 32 – Mark Johnson	6,586.95	68,441.79	75,028.74
Machine 33 – Daniel Boothby	6,797.56	66,827.14	73,624.70
Machine 34 – Spare	3,088.66	3,652.68	6,741.34
Total	16,484.17	139,108.73	155,394.78
Clarence Harvesting Co-operative			
Machine 35 – Peter Harvey	9,258.72	53,674.63	62,933.35
Machine 36 – Lachlan Daniels	5,035.13	56,210.31	61,245.44
Machine 38 – Stuart Ensbey	15,834.35	47,047.75	62,882.10
Machine 39 – Dean McPherson	8,349.52	54,527.20	62,876.72
Total	38,498.92	211,662.53	249,937.61
Miscellaneous	32.20	378.76	410.96
Total Harwood Cane	54,938.09	350,771.26	405,754.35

Seven harvesters and associated equipment commenced operations, being three harvesters for North Clarence, and four for Clarence Harvesting. North Clarence used the third harvester periodically during the season. There were no supply issues with harvesters being able to achieve daily bin quotas.

Bin Weights

The 2023 harvest season saw Harwood run a mixed bin fleet. PBS transport system allows for total weight of 50.5 tonnes, with a maximum bin weight of 27.3 tonnes. CSMC agreed on an average bin target of twenty-six tonnes for the aluminium bins. The harvest incentive scheme remained in place at \$0.30 per tonne for bins that weighed above 22 tonnes and bins that weighed below 20.5 tonnes attracting a penalty of \$0.30 per tonne. This was determined by the CSMC and passed on to the respective harvesting groups.

GROUP	Total Bins	Total Tonnes	Average Bin Weight
North Clarence Co-operative			
Machine 32 – Mark Johnson	2,929	75,028.74	25.62
Machine 33 – Daniel Boothby	2,920	73,624.70	25.21
Machine 34 – Spare	272	6,741.34	24.78
<i>Total</i>	<i>6,121</i>	<i>155,394.78</i>	<i>25.39</i>
Clarence Harvesting Co-operative			
Machine 35 – Peter Harvey	2,442	62,933.35	25.77
Machine 36 – Lachlan Daniels	2,420	61,245.44	25.31
Machine 38 – Stuart Ensby	2,563	62,882.10	24.53
Machine 39 – Dean McPherson	2,537	62,783.72	24.78
<i>Total</i>	<i>9,962</i>	<i>24,937.61</i>	<i>25.09</i>
Miscellaneous	18.00	410.96	
Total Harwood Cane	16,102	405,754.35	25.20

Terms and Conditions for the Supply, Processing, and Payment of Sugarcane Review

The Review Committee met on 7th February 2024 to consider any proposed changes to the Standard Terms and Conditions. The Clarence Cane Growers Association put forward a proposal that a set season length be included in the Standard Terms and Conditions. The justification being that with reduced cane area in all mill areas, maximising tonnes off the remaining area would be paramount and that a 22-week season would be more beneficial for the sustainability and long-term viability of the industry.

Overall, there was support for the stated aim of finishing the crop by the end of November each year and it was agreed that the following clause would be included in the preamble.

"That the industry use its best endeavours to finish harvesting and crushing cane by the end of November each season."

Cane Analysis System and Payment Audit

In terms of the *Terms and Conditions for the Supply, Processing and Payment* document, grower representative audits should be conducted regularly. The audits are designed to discover any discrepancies or failures in the system and satisfy the growing sector that they are receiving their full entitlements.

In conjunction with these grower audits, an independent auditor appointment jointly by MHS and the NSWCGA conducts an annual audit in each mill area. Geoff Bentley has conducted the independent audit each year. He rarely finds too many discrepancies but has the philosophy that there is always room for improvement. The agreement specifies a minimum number of audits each cane season, however, each individual mill area has decided to conduct audits as they see fit and at a level which they are satisfied with.

NSW Agricultural Advisory Committee

The Ag Advisory Committee has now been operating for several years. The six grower delegates (two from each river) are elected to represent the growers and disseminate information which is relevant to their mill areas or the NSW industry overall. Milton Lewis and Peter Castle are Harwood's reps on the committee. The decisions made by the Ag Committee are extremely important to the continued viability of the industry. Growers should be encouraged to consult with their reps to ensure that issues are brought before the committees. Peter Castle has elected not to seek re-election and a ballot has been convened.

Fire Ants

Fire Ants were found at Wardell on the 19th of January 2024. We have released media statements and engaged with the DPI team at Wardell to garner more information. The NSW Canegrowers Council will support the Richmond Canegrowers all the way to eradicate this pest. Geoff, Florence and others have worked hard on this issue and have tried to arrange meetings. Concerns around exclusion zones and harvester rotation need to be addressed.

North Coast Rural Producers Consultative Committee and Natural Disaster Advisory Group

The committees meet at DPI Wollongbar and are a worthwhile forum for the many North Coast Agriculture industries to network and discuss issues which are of interest to them. Representatives from different government agencies also attend and hopefully take on board and respond to these issues.

Rural Fire Service – Burning Permits

For many years now, the firing of cane during the bush fire danger period has been governed by the issue of permits and the conditions which those permits operate under. Please be aware that under the legislation certain conditions apply during periods when burning permits are not required.

It is a legislated requirement to provide twenty-four hours' notice to both the Rural Fire Service and your neighbours prior to burning.

New South Wales Cane Growers Management Services.

The Clarence Cane Growers Association continues to provide management services for the NSW Association. We provide an important level of service and assistance with issues that are relevant to the three river association areas.

Insurance.

Crop insurance was once again taken out through the Canegrowers organisation. The current policy expires 1st June 2024. Limit of indemnity of \$60 per tonne of cane with a 100-tonne excess. The indemnity level of \$60 per tonne was adopted following notification of a projected cane price for the 2023 crop. An indemnity for the upcoming 2024 season has not been set as of yet.

The NSW Cane Growers Association has an arrangement with WFI which sees that company as the industries preferred insurer. WFI has formulated a sugar policy specifically for our local industry at competitive rates. Growers should contact WFI on 1300 934 934, email clientservices@wfi.com.au or local WFI representative David Rawlinson on 0438 995 327. David is based in Coffs Harbour.

The commissions received from your participation in the scheme greatly assists with the operational costs of the organisation.

Association Meetings.

The Management Committee of the Clarence Cane Growers Association met on seven occasions during the year. Delegates also attended meetings of the New South Wales Cane Growers Association, and other meetings associated with the general welfare of the industry.

The Cane Supply Management Committee held four meetings during the harvest season.

Your representatives have also had other meetings to attend being the Cane Supply and Processing Audit, Clarence Valley Council – The Mayor, Councillors, and Staff representatives.

Primex 2023 was successfully held. The 2024 exhibition is shaping up to be well represented. Primex is celebrating its 40th anniversary. Thank you to those growers who have volunteered their time to talk to the public about our industry in the Sunshine Sugar marquee at Primex

Website and Technology

The Clarence Cane Growers website provides general information for the public and a password protected platform for Growers to access documents relating to their Co-op. Future Ballots will be conducted via an emailed link.

The NSW Canegrowers website is also complete with a delegates section for communication and storage of documents.

Office renovations

The renovations to the rear of the building should be underway early in the 2024 season.

Façade/Awning

The façade repairs have been finalised. It is anticipated the replacement of the awning will begin before the harvest starts.

Auditors

GM Accounting have conducted the audit for the association. The team at GM Accounting have been meticulous in their work and very encouraging of the office staff.

Association Levies

The District Association levy for the 2023 season was twenty-two cents per tonne of cane purchased by Manildra Harwood Sugars. The levy for harvest co-operatives who are managed out of the Cane Grower's office was thirteen cents per tonne of cane. North Clarence Co-operative also pay an additional \$5.50 per acre for area planted by their planting operation.

The Executive is yet to determine the levies for the 2024 season, a decision will be made prior to the commencement of season when estimates are in.

2024 Season Outlook

Harwood's estimate is yet to be finalised but based on the information to hand estimate for the upcoming season is approximately 530,000 tonnes. 2024 season is to commence on the 18th of June with an aim to crush 24,000 tonnes per week at the start of the season and speed up as the cane dries out. This should allow for the season to be completed by mid-November.

Obituary

We record with sorrow the deaths of those who have contributed valuable service to our industry, and to the families and friends of our members who have passed on during the year, we extend our deepest sympathy for their loss.

Acknowledgements

I wish to record my sincere thanks to the Executive member's efforts during the year in representing growers and their loyal support for me as Chairman.

My thanks to the management and staff of the Harwood Mill, and in particular Simon Hollis, for their ongoing assistance and cooperation. I thank Chris Connors and Dan Rojo for their willingness to communicate and assist the growing sector wherever possible. We all welcome Scott Thompson as our new Harwood Mill Manager replacing Dan.

I would also like to acknowledge the valued support provided by Kerryanne Mackay from Pickering Law.

I thank the office staff for the continued dedication and diligence in providing services to growers and the harvesting sector.

In conclusion, I extend the Association's appreciation to members for their loyal support and cooperation throughout the year and respectfully request a continuance of the same to the incoming Executive.



RA Farlow
President.

COMPARISON OF STATISTICS						
YEAR	AREA (HA/S)	TONNES CANE	\$/TONNE CANE	TONNES/HA	CCS	RAINFALL
1998	6343	799,238	25.12	126.01	10.73	1045.8
1999	6398	912,732	20.07	142.7	10.83	2066
2000	6043	689,611	25.83	114.1	11.77	802
2001	6580	666,057	27.29	101.22	11.63	1199.6
2002	7395	724,328	25.01	97.9	12.04	799.6
2003	6619	702,031	19.01	106	11.71	1103.6
2004	6638	725,540	21.99	109.3	11.7	1048.4
2005	5780	721,371	25.66	125.6	11.84	1140.2
2006	5642	832,535	27.22	147.6	11.23	1365.9
			Pol Price			
2007	5677	728,788	\$196.19	128	12.19	1168.1
2008	4804	611,710	\$209.21	127	12.89	1226
2009	5052	576,926	\$310.23	114	13.13	1820
2010	4524	598,462	\$267.17	132.3	12.31	1712
2011	4537	585,659	\$265.13	131.9	12.1	1757.2
			\$/TONNE CANE		CCS	
2012	2868	236,122	\$30.96	82.3	11.64	1408.9
2013	4568	421,975	\$36.57	92.4	12.08	1390.2
2014	3860	421,589	\$32.66	109.2	11.81	952.3
2015	5136	772,773	\$28.50	150.5	11.43	1213.1
2016	4760	669,006	\$38.41	146.2	12.16	980.9
2017	5040	665,340	\$35.10	132.1	11.88	1980.9
2018	5143	705,977	\$32.63	137.3	12.21	1107
2019	4,630	540,916	\$32.75	116.8	12.31	531
2020	4,685	567,857	\$32.00	121.2	11.91	1,592
2021	4,568	574,105	\$42.00	125.7	12.22	1,675
2022	4,275	516,672	\$44.00	120.9	11.67	2,302
2023	4,093	405,754	\$60.00	99.1	13.13	767