

The Hon. Barnaby Joyce MP

MEDIA STATEMENT

Deputy Prime Minister

Minister for Agriculture and Water Resources

16 December 2016

Joyce calls for ongoing progress in sugar industry

Minister for Agriculture and Water Resources and Deputy Prime Minister, Barnaby Joyce, has welcomed the Australian Competition and Consumer Commission's (ACCC) draft determination to allow cane farmers to collective bargain cane supply and related contracts with sugar millers and sugar marketers.

The Nationals in Government have always been strong advocates for cane farmers and today's draft determination provides a way for cane farmers, millers and sugar marketers to negotiate mutually beneficial contracts.

"I also welcome news that Queensland Sugar Ltd (QSL) and Tully Sugar Ltd have signed an onsupply agreement relating to sugar marketing. This opens the way for farmers to sign individual cane agreements with Tully Sugar Ltd," Minister Joyce said.

As it stands six out of seven sugar millers across Queensland have finalised their marketing arrangements. Wilmar Sugar Australia Limited (Wilmar) is the only miller yet to finalise its arrangements.

"I have met separately with QSL, Wilmar and cane farmer representatives to hear their concerns about the negotiation process taking place in the Herbert, Burdekin and Central Queensland regions. I am disappointed the vast majority of cane farmers in these areas have not yet been able to finalise their agreement with Wilmar," Minister Joyce said.

"I would like the agreement to be finalised as quickly as possible."

The ACCC is also investigating issues arising from negotiations between Wilmar and sugar cane farmers, to determine whether there has been any contravention of the Competition and Consumer Act, and if so what action should be taken.

The ACCC is now seeking submissions from interested parties on its draft determination, including on the proposed 10-year duration of authorisation. Submissions to the ACCC are due by 30 January 2016.

Information on the determination can be found via the ACCC public register at <u>http://accc.gov.au</u>