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MEMBERS INFORMATION

NOTICE BOARD

Kalamia Cane Grower's Christmas Break - Office Closure

Kalamia Cane Grower's office will close at 4.30pm - Friday, 23rd December 2016 and re-open at 8.30am - Monday, 9th January 2016

Kalagro Fuel Customers

A reminder to all Kalagro Fuel Customers - Fuel orders are required before the end of business on Friday, 23rd December 2016 to ensure your fuel needs are covered throughout the Kalamia office Christmas break.

Please Note: To ensure you receive Kalagro's discounted fuel prices, your fuel order must be placed with the Kalamia Cane Grower's office for the following dates below.

PUMA DELIVERY DAYS OVER CHRISTMAS / NEW YEAR

Delivery Dates Available while Kalamia Office is closed Wednesday, 28th December 2016 Friday, 30th December 2016 Wednesday, 4th January 2016 Friday, 6th January 2016

Tentative End of Crush Dates

Constant date changes for the finish of crush for each mill prevents us from confirming each mill end of season dates. Kalamia, Pioneer and Invicta mills have tentative finish dates in the week before Christmas, while Inkerman mill tentatively finishing after Christmas.

All Kalamia Members will be kept informed with up to date closure times when confirmed. KCGO members who will be affected after Christmas with these notices will be the Inkerman Mill growers.

The Wilmar Website will keep growers informed with up to date notices of end of Crushing Dates.

Kalamia Sweet Notes

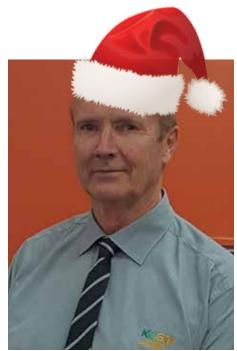
"So this is Christmas, And what have we done, Another year over, A new one just begun....." the haunting lyrics of John Lennon's classic "Merry Xmas, War is Over" sona.

And so it is for you, the members of Kalamia, the work of a year that has produced a big harvest and crush despite the trials of a wet period early on and some mill issues along the way, and a 50% rise in prices. Perhaps some might be thinking that the war is not over as the 2017 Collective CSA hasn't been concluded, but the clouds are parting on the horizon as the Arbitration processes progress and hopefully market fundamentals override speculators trading and the prices are sustained until that is resolved. Even so for those

who are hoping to wait this out but find themselves unable or unprepared to do so there is an avenue forward.

So on behalf of the Directors, Robert, Joe, Denis, Paula and Robert and the staff, Annmaree, Jacki, Narelle and I, I wish you all a very Merry Christmas and hope we will approach 2017 with optimism for a prosperous year.

PS - For those of you who are John Lennon fans or just interested to hear his Christmas song it can be found at, amongst other places, https://www.youtube.com/watch?v=sbKQ7nXx0o8 (link found on the KCGO Magazine Website





Annmaree Administration Officer



Narelle Administration Officer



Jacki Pavroll Officer

Kalamia Cane Growers Organisation Limited (KCGOL)

Located at: 140 Young Street, Ayr Office Hours: Mon - Fri 8.30am - 4.30pm Postal Address: PO Box 597, Ayr, Q 4807 Fax: 07 4783 3885 Phone: 07 4783 1312

Email: admin@kalagro.com.au Web: www.kalagro.com.au

KalamiaCaneGrowersOrgLtd

Merry Christmas From the Staff and Board

of Kalamia Cane Grower's



Robert Malaponte Chairman 0419 640 523



Joseph Quagliata Deputy Chairman 0417 622 956



Robert Zandonadi Director 0428 826 894



Denis Pozzebon Director 0427 961 794



Paula Langdon Director 0417 077 608

Advances and payments by pricing category



2016 SEASON: HERBERT, BURDEKIN & PLANE CREEK

5 December 201	.6										
				US Quota	Wilmar Managed Pool	FSP 2 - 2 Season Forward Pool	FSP 3 - 3 Season Forward Pool	Actively Managed Pool	Guaranteed Floor Price Pool	Harvest Pool	Totals & Averages
POOL PRICES											
Previous Net Pool I	Price Estimate	s	A/t IPS								
25 Mar 2016				\$683.12	\$461.45	\$467.72	\$482.58	\$466.35	\$430.06	\$450.12	
29 Apr 2016				\$690.61	\$440.38	\$469.34	\$485.51	\$477.02	\$434.61	\$456.50	
27 May 2016				\$678.06	\$472.58	\$478.59	\$494.70	\$523.84	\$455.59	\$501.29	
30 Jun 2016				\$668.04	\$470.14	\$477.97	\$497.80	\$556.89	\$466.45	\$525.41	
29 Jul 2016				\$669.99	\$470.40	\$475.44	\$493.92	\$541.85	\$456.79	\$508.86	
26 Aug 2016				\$664.97	\$471.00	\$476.47	\$498.09	\$558.88	\$464.76	\$527.68	
30 Sep 2016				\$662.94	\$475.33	\$477.92	\$502.37	\$579.97	\$470.25	\$551.07	
28 Oct 2016			-	\$663.86	\$478.16	\$478.20	\$501.03	\$575.51	\$469.46	\$545.03	
Current Gross Pool	Estimate		A/t IPS	\$773.74	\$479.27	\$479.74	\$497.38	\$561.78	\$465.66	\$522.18	
Shared Pool Premi	ums		A/t IPS	-\$68.41	\$34.61	\$34.61	\$34.61	\$34.61	\$34.61	\$34.61	
Shared Pool Charge	es		A/t IPS	-\$34.58	-\$34.69	-\$34.69	-\$34.69	-\$34.69	-\$34.69	-\$34.69	
Net Pool Price Esti 25 November 2016			A/t IPS	\$670.75	\$479.19	\$479.66	\$497.30	\$561.70	\$465.58	\$522.10	
ADVANCE RATES	A\$/t IPS	% Advance	Status								
In-Season \$ Rates											
Initial	\$267.00		Paid	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	\$267.00	
18 Aug 2016	\$326.00		Paid	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	\$326.00	
20 Oct 2016	\$368.00		Paid	\$368.00	\$368.00	\$368.00	\$368.00	\$368.00	\$368.00	\$368.00	
15 Dec 2016	\$394.00		Scheduled	\$383.00	\$383.00	\$383.00	\$383.00	\$383.00	\$419.02	\$383.00	
Post-Season Differ	ential Rates										
26 Jan 2017		80.00%	Scheduled	\$536.60	\$383.35	\$383.73	\$397.84	\$449.36	\$419.02	\$417.68	
23 Feb 2017		82.50%	Scheduled	\$553.37	\$395.33	\$395.72	\$410.27	\$463.40	\$419.02	\$430.73	
23 Mar 2017		87.50%	Scheduled	\$586.91	\$419.29	\$419.70	\$435.14	\$491.49	\$419.02	\$456.84	
20 Apr 2017		90.00%	Scheduled	\$603.68	\$431.27	\$431.69	\$447.57	\$505.53	\$419.02	\$469.89	
18 May 2017		92.50%	Scheduled	\$620.44	\$443.25	\$443.68	\$460.00	\$519.57	\$430.66	\$482.94	
22 Jun 2017		95.00%	Scheduled	\$637.21	\$455.23	\$455.68	\$472.43	\$533.61	\$442.30	\$495.99	
Final		100.00%	Scheduled	\$670.75	\$479.19	\$479.66	\$497.30		\$465.58	\$522.10	
FORECAST RETUR			ER' (i.e. A gro		Forward P	ricing or QS	SL Fixed T	onnage Poo	ls)		
% Allocation to US	Quota and Ha	rvest Pools		2.61%						97.39%	100.00%
Initial Advances to	be Paid		A/t IPS	\$383.00						\$383.00	\$383.00
Final Forecast Advances to be Paid A/t IPS		A/t IPS	\$670.75						\$522.10	\$525.97	
% Paid Season-to-Date			57.10%						73.36%	72.82%	

Notes to Advances Program

Forward Pricing pools

In addition to the above pools, many growers have undertaken pricing via Wilmar's Forward Pricing program, namely under the Target Price and Call Pool pricing mechanisms. The final returns from these pools are subject to the same Shared Pool adjustment as for the ICE No.11 pools referred to above.

Shared Pool Element

The 'Shared Pool Premiums' and the 'Shared Pool Charges', as shown above, together comprise the 'Shared Pool Element' as defined in the Forward Pool and Pricing Agreement (FPPA).

General information

Advances are quoted EXCLUSIVE of GST. All advances are subject to QSL Board approvals, final returns for each price category, Wilmar's final sugar production for the season and tonnage allocations to various pricing methods. All growers who have used any form of Forward Pricing will have different advances depending on their price outcomes and tonnages fixed.

Wilmar Sugar Update



FRIDAY 9 DECEMBER 2016

DEAR GROWER

We announced the expected end-of-crushing dates for our eight sugar mills this week.

Invicta Mill in the Burdekin is likely to crush out next Saturday (17 December), making it the first of our mills to finish a long and challenging season.

We have now crushed a total of 15.44 million tonnes of cane across the four milling regions, representing 92 per cent of the total estimate. CCS levels are holding steady across all areas. The Burdekin mills passed the eight million tonnes crushed milestone last night and are now at the 92 per cent mark. Invicta's B side, Kalamia and Pioneer mills all stopped for scheduled cleans on Tuesday. Inkerman Mill had some reliability issues early in the week but these have been resolved and the factory is now crushing at more consistent rates.

The Burdekin region's weekly throughput is likely to be around 345,000 tonnes of cane. Average CCS levels are tracking at around 14.75, which is similar to last week's average. CCS levels are holding at season highs in the Herbert, at around 13.3 units. However cane purity is starting to fall, which is impacting crushing rates as we finalise the 2016 crop. Rat damaged cane on certain rakes is also causing processing difficulties due to high fibre and low-purity juice.

As at 8am, the Herbert mills had crushed a total of 4.36 million tonnes of cane which is close to 93 per cent of the total estimate. Both factories held their last major maintenance days this week with only short stops to change shredder tips scheduled next week

Proserpine Mill is now at the 94 per cent mark, having crushed a total of 1.79 million tonnes of cane. Average CCS levels are remaining steady at around 13 units.

Bin weights have increased substantially to average 9.5 tonnes this week. This has helped boost throughput and we are expecting to achieve another above-budget total of around 100,000 tonnes.

Plane Creek Mill has had a solid week of crushing and is on target to exceed 70,000 tonnes of cane for only the second time this season.

The mill has now crushed a total of 1.25 million tonnes of cane, which represents 89 per cent of the total crop. Average CCS levels are holding steady at around 13.5 units and cane purity is also holding firm at 84 per cent.

As we near the end of the season, I'd like to thank all sectors of the industry for their continued efforts to get the crop off. I'd like to remind harvesting contractors to let their local logistics staff know promptly if they don't require their full bin allotment so we can redistribute those bins to other crews. This will help us to maintain cane supply to our mills.

We will update you on expected finish dates for all mills early next week, based on the best available information.

Best regards, John Pratt

Executive General Manager – North Queensland

INDUSTRY NEWS

LAST FACTORY TOUR OF INKERMAN MILL

The fifth and final tour of Inkerman Mill took place on Wednesday night, giving a total of 64 growers, their family members and local contractors the opportunity to see the sugar milling process close up.

Logistics Officer Peter Pattinson, who coordinated the tours, said: "It helped people better understand how we crush as each process in the factory was visited and explained in detail.

"Growers were also able to see first-hand how the juice sampling process and CCS testing occurs in our labs, and discuss this with laboratory staff."

To register your interest in touring Inkerman Mill during the 2017 season, please contact Peter on 0418144911.

CHRISTMAS CANE PAYMENTS

Please note, the cane payment release date for cane harvested and delivered in the week ending Saturday 24 December will be Friday 30 December.

This follows our receipt of the monies from QSL on Thursday 29 December and is in accordance with the Cane Payment provisions under each region's respective Cane Supply Agreements.

COMMUNITY NEWS

EVENTS WE'RE SUPPORTING

Wilmar Sugar is a proud supporter of many community events in our milling regions. This week, we are supporting the:

- » Movie Day for special needs children in Mackay, and
- » Ingham Fun Charity Golf Day.

CANE TRAIN SAFETY

With State schools finishing up today for the Christmas holidays, we urge parents and carers to remind children to stay clear of cane bins and cane rail tracks.

This year's extended crush means cane trains will still be active for the next two or three weeks.



QSL Update



UNDERSTANDING THE SHARED POOL



By Greg Beashel, QSL Managing Director and CEO

With the harvest finished or now on the home straight throughout Queensland, increased attention is turning to the results of QSL's 2016-Season pools. A key component of this return is the Shared Pool element.

The Shared Pool is a mechanism by which all QSL pool participants share in the marketing premiums and costs of running the QSL pooling system. While revenue in the Shared Pool will continue to fluctuate until all of the sugar produced in the current season is sold and shipped to customers, it is currently estimated that the 2016 Shared Pool allocation for QSL's ICE 11 pools and individual forward pricing will be 14 cents per tonne IPS (\$0.14 per mt). Growers monitoring the 2016 Shared Pool results may have noticed an increase in some elements of the pool. To understand these changes, it is important understand that the QSL Shared Pool contains two types of costs:

- 1. Direct marketing costs: These are the costs directly associated with selling sugar and getting that sugar to the customer, such as freight. These costs move as the markets for freight and sugar move throughout the year. They also move with changes in the crop estimate.
- 2. Raw Sugar Supply Agreement (RSSA) costs: These are the costs incurred with running the pooling system, such as the cost of storage and handling at the bulk

sugar terminals and interest costs associated with funding the Advances program. The major influence on some of these costs is the volume of sugar that will be marketed by QSL.

The results so far

The 2016 Season has seen finance costs rise since the start of the year, due primarily to delays in the expected shipping program to customers and the increased cost of futures margins associated with the higher sugar prices that have prevailed since the beginning of the year.

Some of the RSSA costs are fixed in nature (such as the cost of leasing the Bulk Sugar terminals from STL). And so with a slightly lower crop now forecast compared to the beginning of year, these have increased slightly on a dollar per metric ton basis, but the overall level of expenditure has not changed.

Going forward, the amount that QSL charges for marketing services will change as we implement Marketing Choice and offer an increased range of services.

There will be also be some one-off costs incurred this season, as some current QSL Members leave the pooling systems at the conclusion of 2016 Season. Most of these will be restructuring costs associated with preparation for the 2017 Season.

You can find more information about how the QSL Shared Pool works at our website: www.qsl.com.au.

NOTE: This report contains information of a general or summary nature. While all care is taken in the preparation of this report, the reliability, accuracy or completeness of the information provided in the document is not guaranteed. Any update on marketing and pricing activity does not constitute financial product or investment advice. Past performance is not an indication of future performance, and this report should not be taken to include representations as to future matters. QSL does not accept any responsibility to any person for the decisions and actions taken by that person with respect to any of the information contained in this report.



NEW QSL REP TO SERVE BURDEKIN GROWERS

Queensland Sugar Limited (QSL) has appointed a new Grower Relationship Officer to serve growers in the Burdekin region.

Rebecca Love recently started in the newly created role and will focus on keeping Burdekin Growers informed regarding their QSL Marketing Choice options and other QSL services and information.

Rebecca is already a familiar face in the Burdekin community having lived in Dalbeg since moving to North Queensland seven years ago. She has extensive stakeholder and community engagement skills, which she hopes to draw on for her new role.

"During my time as the Burdekin Shire Council's Economic Development Officer, I worked closely with local farmers and landholders on a number of key projects for the region and I hope to leverage these skills and relationships as QSL's Grower Relationship Officer, working to support local cane growers," she said.

Rebecca will be supported in her new role by QSL Industry Relationship Manager Carla Keith and will be based in QSL's new Ayr Office at 3/156 Queen Street, Ayr.

The office is open from 8.30am to 1pm Monday to Friday, with both Rebecca and Carla available to see Growers by appointment.

"Growers with questions about their QSL options can come by the Ayr office, or if it's not convenient for them to travel into town, Carla and I can meet them at a time and place better suited to their needs," Rebecca said.

To contact Rebecca or to make an appointment call 0429 054 330 or email her at Rebecca.Love@qsl.com.au.

For more information:

QSL Communications Manager Cathy Kelly Email: Cathy.Kelly@qsl.com.au Phone: 0409 285 074

Sweet News



INNOVATIVE FARMER, KCGO DIRECTOR, DENIS POZZEBON LEADS THE WAY WITH CLEANER FARM PRACTICES

Story from the Advocate, December 2, 2016 REEF PROJECT: Regina Lovic

BURDEKIN cane farmer Denis Pozzebon has given some insight into how Project Catalyst has changed his farming practices, in a bid to improve water quality from agricultural catchments which flow into the Great Barrier Reef.

Project Catalyst was established in 2008, in a bid to minimise the farming industry's impact on the Great Barrier Reef.

Mr Pozzebon is one of 70 innovative Queensland cane growers implementing farm management practices to increase water use efficiency, prevent run-off, and reduce application of nutrients and pesticides, as well as better soil management

The project in the Burdekin has meant groundwater has been monitored for nitrates, while also attempting to reduce fertiliser rates on nitrogen-efficient sugar cane varieties, and using remote soil moisture sensing and telemetry.

The program is also using crop sensors to determine nitrogen content of young sugarcane crops, looking at alternative row irrigation and motorising of soil nitrate availabilities over time after legume cover crops have been used.

But for Mr Pozzebon, who joined the project in 2012, it was more about changing the way he approached farming and changed the way he thinks.

The Burdekin sugar cane farmer operates a 126 hectare property in Airville. "I wanted to implement new ideas onto my farm," he said.

"It's a good group of farmers that learn from each other and their mistakes and we learn from each other's ideas -they're also teaching you to think outside the square.

"I thought there was a need to change.

"I've seen a yield increase in my sugar cane production, I've think its bettered my lifestyle because its more relaxed, using GPS I'm spending less time in the paddock trying to become more efficient.

"It's also about becoming more environmentally friendly as well."

He has estimated a 10 per cent increase to his yield since implementing the program, on top of good weather conditions and the



use of legume crops.

"I changed a lot of my farming practices beforehand and they were looking for farmers with new ideas," he said.

"I changed prior to that my farming system to go to bed forming, cropping and legume cropping but the whole way of thinking changed as well.

"I implemented these things because I saw there was a need to change and I took advantage during that time in the industry.

"Its always something I've believed in, you need to keep with the times or you'll be left behind. You need to keep up with the new ideas."

Classifieds

FOR SALE

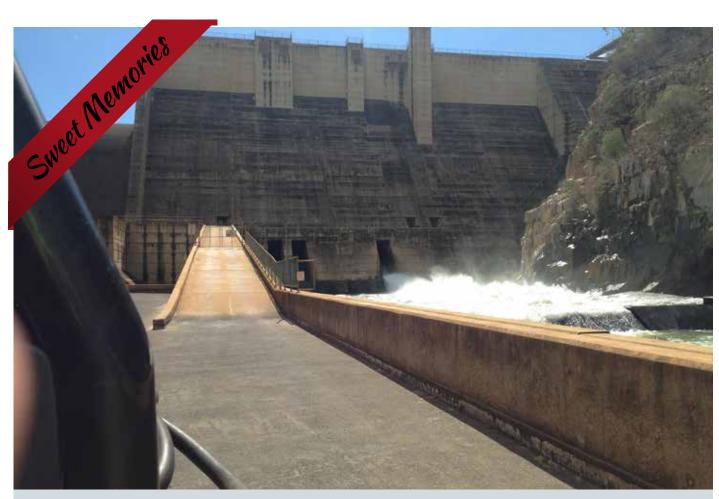
- » CW45 UD, 3 bin tipper for seed cane. » 8600 Ford tricycle tractor. 6 Row Irving boom - 900L tank. 7 Row Broad acre boom. VGC - Ph 0417622956
- » 24 Plate, blue line discs. Ph. 0418 987 099
- » Nissan UD tip truck. Ph 0418987099
- » 6 sets of double disc cuttaway assembly. Ph 0428 821 233
- » Double row stubble shaver, 4 furrow blade plough Ph: 0419 733 185
- » Loader Back Hoe Combo Massey Ferguson 65 \$3,000 + GST. Ph: 0418 187 565

- Tricycle implements optional. Ph: 0409635434 or 0407826270
- » International 2650 Haulout trucks x2. Variety of farm equipment. Dual go-cart carrier. All in good working order. Ph: 0438 720 178
- » Kleverland 3 Blade reversible plough. Ph: 0429 077 608
- » 28 Plate heavy duty wheel offset. Ph after hours: 4782 5291
- » Leader 8 wheeler truck with Inkerman rails. Ph after hours: 4782 5291

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- » Wanting to Buy 12 to 14 foot roller Ph: 0431 351 073
- » 1.000L trailer fuel tank. Ph: 0407156956
- » Break pusher trailer 24 or 28 plate international offset discs Ph A/H: 4782 5556
- » Concrete Cyclinder 6ft long, 3ft diameter. Ph 0409 871 587
- » WANTED TO BUY Single Row PTO Stubble Shaver Ph 47 824151



Burdekin Dam



Queen St Ayr



Burdekin Dam



Ayr Post Office end of Queen St, AYR



Main Street , Queen Street AYR



Giru Mill 1946

WINNERS AND LOSERS FROM FIRST YEARS OF FREE TRADE AGREEMENTS WITH CHINA, JAPAN AND KOREA

By Brett Worthington, ABC Rural - www.abc.net.au/rural

Australian agricultural exports to China, Japan and Korea grew just \$515 million during the last financial year, representing a 3 per cent jump.

That rise came despite political rhetoric that free trade agreements (FTAs) would allow farmers to immediately tap into lucrative markets and reshape Australia's economy as the mining boom wound down.

In the coming weeks, Australia will mark the second anniversary of its FTAs with Korea and Japan, and the first anniversary of the much-lauded Chinese deal on December 20. ABC Rural has reviewed all agricultural exports, as listed by the Department of Foreign Affairs and Trade (DFAT), during the 2015 and 2016 financial years.

TWO-WAY TRADE INCREASES WITH CHINA, FALLS WITH KOREA AND JAPAN

AUSTRALIAN AGRICULTURAL EXPORTS

	2014-15 (\$b)	2015-16 (\$b)	Change
China	9.83	9.88	+0.5%
Japan	4.66	4.79	+3%
Korea	2.87	3.21	+12%

Source: Department of Foreign Affairs and Trade

OVERALL TWO-WAY TRADE WITH AUSTRALIA

	2014-15 (\$b)	2015-16 (\$b)	Change
China	138.59	141.89	+2.38%
Japan	62.76	55.02	-12.33%
Korea	32.41	30.97	-4.44%

Source: Department of Foreign Affairs and Trade

Trade experts warn the gains made in these countries are most likely the result of commodities already having market access, rather than the newly adopted FTAs.

They said it was too early to rate the effectiveness of the FTAs because some commodities would have their tariffs cut over 10 years.

It comes as recent KPMG modelling found a lack of market access had cost Australian businesses \$14 billion in unrealised revenue from the three FTAs.

Industries also point to a weaker Australian dollar during the past year for having made exports cheaper and more appealing in foreign markets.

The gains agriculture made come as overall two-way trade with the three countries fell

2.5 per cent in the 2016 financial year. Agricultural trade with China rose \$48 million, up 0.5 per cent on the previous year. Overall, two-way trade with China rose \$3.3 billion, up 2.38 per cent.

Bigger agricultural gains were made in Japan and Korea at a time when the value of two-way trade with both countries fell. Agricultural exports to Korea rose \$339 million, while in Japan it rose \$128 million.

Two-way trade with Japan fell \$7.74 billion and \$1.44 billion with Korea.

CHINA: WINNERS AND LOSERS

EXPORTS TO CHINA IN 2015-16

Winners Losers Edibles Meat Fruit and nuts Oilseeds Wood Cotton

Wood Cotton

Alcohol

Beef

Dairy

Wool

China is Australia's biggest market for agricultural exports, with the trade accounting for about a fifth of all products heading overseas.

Farmers are regularly told China's growing middle class has an insatiable appetite from Australia's "clean and green" products like dairy, meats, fruits and vegetables.

The FTA, when fully implemented, will see China eliminate import tariffs on about 95 per cent of Australian products.

Dairy, beef, wine, seafood and horticultural products were all listed as the big winners when the deal was inked.

Based on DFAT's figures, the value of two-way trade increased 2.38 per cent to \$141.89 billion.

The gains for agriculture were less, up 0.5 per cent, taking the overall value of agriculture trade to \$9.88 billion.

This figure only includes six months of barley trade, which was the second-mostvaluable agricultural commodity in 2015, because figures for this commodity are released after a six-month lag.

While rhetoric regarding China is focused

on beef and dairy, wool continues to be the backbone of agricultural trade.

China takes more than 75 per cent of Australia's total clip, with the commodity accounting for a fifth of agricultural exports to the country.

Wool exports only grew about 1 per cent. But the continued dominance highlights the argument from experts and industries that market access is just as important as having tariffs removed.

FOOD PRODUCTS THE BIG WINNERS

The biggest winner during the year was socalled edible products and preparations, which include yeasts, baking powders, soups, sauces, condiments, mustards, icecream, and prepared food not included in other trade categories.

BENEFITS OF CHINA FTA LOST ON FARMERS STILL WAITING FOR MARKET ACCESS

Market access issues continue to plague Australian farmers looking to unlock new export opportunities in China, potentially worth millions of dollars.

These exports jumped from Australia's 10th-largest commodity in 2015 to the second-largest in 2016, rising 225 per cent to \$966 million.

Wood exports were another winner, with woodchips and rough exports rising in the rankings.

Fruit and nut exports, the latter of which have enjoyed major increases in plantings in recent years, rose 154 per cent to almost \$239 million.

Most fruits and nuts will be tariff-free by 2019, down from as high as 30 per cent in some cases.

These exports have historically entered China through so-called grey channels, where produce is initially exported to Hong Kong and then taken into the mainland.

The citrus industry has been a leader in opening up "front door" access to reduce the risk of trade suddenly being shut down. China has become the biggest market for citrus, with exports up 50 per cent.

But other fruits, including avocado, have not had the same success, with market access holding the trade back.

This was the fear that James Campbell, a

former China-based ANZ executive turned Australian beef exporter, had when he described the FTA as "a ticket to [the] dance, but it's not an automatic money machine".

When the FTA was signed, China was Australia's third-largest wine market.

At the time, the industry warned the FTA would not be worth anything unless it came with enhanced trade relationships with China.

A 54 per cent jump in alcoholic beverages, worth more than \$417 million in 2016, helped drive China to the top of Australia's wine exports, surpassing the UK and the US. Milk, cream, whey and yoghurt exports increased \$100 million, up almost 60 per cent to represent Australia's 13th largest export to China in 2016.

MIXED EXPERIENCE FOR MEAT PRODUCERS

While beef made gains, up 14 per cent to \$886 million, it was more than offset by losses from other meats.

EXPERTS WARN FARMERS NEED PATIENCE WHEN TAPPING INTO CHINESE TRADE

Australians living in China say they are amazed at how slow businesses back home have been at embracing the Asian superpower.

There was a \$155 million drop in non-beef meat exports, falling 35 per cent to \$285 million.

The biggest loser of the year appears to be soft oilseeds and oleaginous fruits, which include canola exports.

The value of exports fell 96 per cent, with the \$303 million fall taking it from ninth-largest export to 27th.

That came as farmers battled dry conditions that prompted reduced plantings and a canola crop virus that reduced yields.

Cotton was another loser. It is a crop China has heavily invested in in Australia, buying Australia's largest cotton farm Cubbie Station in 2012.

But exports fell from the fourth to fifth-largest thanks to a 26 per cent drop in value.

This came as the grains industry warned the FTA would do little to boost exports from cotton, wheat, sugar, rice and oilseed producers.

It is too early to assess barley exports because of a six-month lag before figures are released.

Barley was Australia's second-largest

export in 2015, worth \$1.46 billion.

In the first six months of 2015-16, only \$448 million worth of barley had been exported to China.

JAPAN: WINNERS AND LOSERS

EXPORTS TO JAPAN IN 2015-16

Winners	Losers
Sugar	Dairy
Fruits and Nuts	Oilseeds
Wood	

The Australia-Japan FTA, when fully implemented, will remove tariffs off 97 per cent of Australian exports.

In 2014, Japan was Australia's third-largest market for agricultural exports, behind China and the United States, taking about 9.5 per cent of exports.

Beef is by far Australia's major agricultural export to Japan.

The value of beef and most of the top five commodities exported to Japan remained steady between 2015 and 2016.

The exception was woodchips, the value of which jumped 37 per cent to almost \$404 million, making it the third-largest export.

Fruit and nuts rose from the 13th-largest to ninth-largest export thanks to a 66 per cent jump in value, to be worth \$107 million in 2016

The sugar industry has been a vocal critic of Australia's recent FTAs.

SUGARS, MOLASSES AND HONEY JUMP 58PC

Sugar is a commodity that already had market access, with Australia accounting for a third of Japanese sugar imports.

At the time of ratification, the Australian Sugar Industry Alliance described the Japanese FTA as "disappointing" and likely to lead to "very little change in Australia's access to the Japanese market".

In 2016, exports of sugars, molasses and honey jumped 58 per cent to almost \$262 million, to become the seventh-largest export

While the Government trumpeted the benefits the deal would have for dairy, the concerns the industry voiced have so far proven true.

While cheese exports remain flat, up 1 per cent, milk cream, whey and yoghurt exports fell 47 per cent, losing \$24 million in value. Butter exports, albeit a small industry to



Japan, fell 15 per cent.

As with China, oilseed exports to Japan tanked. There was a 54 per cent decline, down \$107 million to \$90.9 million.

That meant the commodity fell from the seventh-largest export to the 10th-largest.

KOREA: WINNERS AND LOSERS

EXPORTS TO KOREA IN 2015-16

Winners	Losers
Beef	Cotton
Wool	
Wheat	

Korea is the smallest, and oldest, of the three Asian FTA markets for Australian farmers.

This market represented the largest gains for agricultural exports during 2015-16, rising 12 per cent.

Like Japan, beef is the major export to Korea. The market added another 24 per cent.

As the top export, it was worth \$1.32 billion, more than double the next-largest export, sugar.

The top four commodities kept their rankings in 2016, with sugar up 17 per cent to \$617 million and wheat up 15 per cent to more than \$406 million.

Wool was another commodity that benefitted from enhanced trade with Korea during the year, rising 57 per cent to \$127 million.

Those gains came as competitor fibre cotton fell 70 per cent.

A \$24 million slump in cotton exports meant the commodity fell from Australia's seventh-largest export to Korea to 13th.

FARMERS 'GUTTED' AS FIRE AT GOLD COAST SUGAR MILL THREATENS EARLY ENDING TO HARVEST SEASON

By Marty McCarthy and Nicole Dyer, ABC Rural - www.abc.net.au/rural

A fire at a Gold Coast sugar mill has threatened to bring an abrupt end to the local cane harvest season, frustrating growers who are already three months behind their harvest schedule.

Key points:

- » Cane farmer Peter Kaddatz said the mill does not spend enough money on maintenance
- » Rocky Points growers have only harvested about 25 per cent of their cane
- » Mr Kaddatz said growers should prepare for an abrupt end to the harvest season

Police believe the fire started in a control room but are still investigating the cause of the blaze, which is not believed to be suspicious at this stage.

The mill is located at Woongoolba, north of the Gold Coast.

Rocky Point Canegrowers director Greg Zipf said the fire last night affected an area of the factory where the mill is operated from and will take months to repair.

"They have had a fire actually on the main console for the mill, which is basically the main control panel that operates the whole mill," he said.

"It has done quite a lot of damage and the word is it could take up to about three months to repair the damage of the fire, although it is still early days."

Although police are still investigating if the fire was deliberately lit, cane farmer Peter Kaddatz said Rocky Point Sugar Mill does not spend enough money on maintenance.

"There is money that should have been spent on maintenance that is not getting spent, and then you get these serious outcomes," he said.

Rocky Point Sugar Mill has been contacted for comment.

Last week the ABC reported Rocky Point Sugar Mill was three months behind its crushing schedule due to breakdowns, with growers claiming the delays had costed the region up to \$5 million.

Rocky Point growers are meant to be finishing the harvest at this time of year, however the earlier delays to the season mean growers have only harvested about 25 per cent of their cane.

"I think everybody is gutted and it is

devastating news, as if we haven't had a bad enough run and now this on top of it," Mr Zipf said.

"In my harvest group I only have one grower who has cut 50 per cent of his crop, the other five of us have only cut between 25 and 30 per cent.

"This is not our year."

Mr Kaddatz said growers should prepare for an abrupt end to the harvest season.

"We have been told that Rocky Point Mill will not be able to crush anymore cane this year, and that is a grave concern for everybody," he said.

FLAMES FUEL CALLS FOR URBAN DEVELOPMENT

Rocky Point growers have been involved in a long running fight with the Queensland Government and Gold Coast City Council to rezone the area for urban development.

A majority of growers in the region believe it is too small to be a viable cane growing area, and believe that rezoning the region needs to be fast tracked.

"It should give them food for though and given serious consideration now," Mr Kaddatz said.

"We have been trying to get alternative land uses in place for a long time because of circumstances like we have experienced this year.

"We are unable to grow enough cane or expand, because we are landlocked, and the amount of cane in the region harvested is not viable.

"We do need an alternative land use down here to really give us a fall-back position when something like this happens — we don't know if we've got a sugar mill anymore."

But the Gold Coast City Council and the Queensland Government are at loggerheads as to how, or if, the region should even be opened to developers.

A spokesperson for Queensland's Department of Infrastructure told the ABC any development plans need to be initiated by Gold Coast City Council.

"Investigations into what the appropriate future uses are for this area will need to be initiated by the council and undertaken jointly with the state government, and



Photo: Police believe the fire started in a control room but are still investigating the cause of the blaze. (ABC News)

in consultation with the community," the spokesperson said.

"It would be premature to move this land inside the Urban Footprint [for urban development] unless or until these investigations have been undertaken."

GROWERS TO TRUCK CANE TO NSW IN LAST DITCH EFFORT TO MAKE MONEY

Gold Coast cane farmers are now making a last ditch attempt to truck their cane to Sunshine Sugar's Condong Mill in northern New South Wales.

Last week Sunshine Sugar rejected a request by Gold Coast cane farmers to harvest their cane, following concern from the growers that the Rocky Point mill was not up to the job.

Mr Zipf said he was now reworking the proposal, despite the high cost involved in trucking cane interstate.

"We have contacted New South Wales already this morning and we are going to try and get the wheels back in motion because it is our only option now," he said.

"There was a cost issue there initially but we might have to overlook that.

"This should be an insurance claim on the milling side because this is unforeseen, so if there are additional costs to get it to New South Wales then the insurance should cover it."

Mr Kaddatz said farmers would struggle to foot the bill for trucking cane almost 100 kilometres across the border.

"It is possible to truck cane but it is a matter of if we can absorb the costs and whether the mill is prepared to carry substantial amounts of those costs," he said.

"Farmers will contribute something, but we can't contribute that much."

By business reporter Elysse Morgan – www.abc.net.au/rural

Sugar giant Wilmar International continues to come under pressure in Canberra to strike a fair deal with the Queensland sugar industry, as Amnesty International raises concerns about the company's human rights record abroad.

KEY POINTS:

- » Amnesty alleges worker underpayment, child labour and safety violations
- » Wilmar welcomes report, says issues affect entire palm oil sector in Indonesia
- » Barnaby Joyce meets with Wilmar over Queensland cane grower dispute

An Amnesty International report titled, "The great palm oil scandal: Labour abuses behind big brand names", investigated plantations owned by and contracted to supply Wilmar, which is the world's largest sugar and palm oil producer.

Investigators from the human rights group travelled to plantations on the Indonesian islands of Sumatra and Kalimantan and spoke with 120 workers on plantations owned by Wilmar subsidiaries or contracted to supply Wilmar.

Amnesty senior investigator Meghna Abraham said her team uncovered evidence of child labour, women being paid below the minimum wage and exploited, and workers suffering "severe injuries" because of poor working conditions.

Wilmar has publicly committed to no deforestation and no exploitation in its operations, which Ms Abraham said is an excellent policy on paper.

"We have heard from the palm oil industry that it has cleaned up its act that it has adopted policies that ensure that palm oil is sustainable and free of exploitation but this investigation shows the reality is something very different," she said.

The report raised questions about the veracity of the "Sustainable Palm Oil" badge that many of Wilmar's customers put on their products.

Palm oil is estimated to be used in half of all consumer goods from toothpaste to noodles.

Following an outcry over environmental and human rights abuses in the palm oil industry, multinational brands including Colgate-Palmolive, Kellogg's and Nestle committed to end exploitation in the industry, and a use a label to indicate to consumers that palm oil has been ethically produced.

"Our investigation shows very clearly that the fact that you have a sustainable palm oil label on any product is absolutely no guarantee that the product is free of exploitation," said Ms Abraham.

"The abuses discovered within Wilmar's palm oil operations are not isolated incidents but are systemic and a predictable result of the way Wilmar does business."

Wilmar responded with a statement in which it said it welcomed Amnesty's report. "Wilmar has put a lot of effort and systems in place to deal with labour and social issues in our operations and supply chain," the company wrote.

"We acknowledge that there are ongoing labour issues in the palm oil industry, and these issues could affect any palm company operating in Indonesia.

"The focus on Wilmar, as the largest processor and merchandiser of palm and lauric oils worldwide, is often used to draw attention to problems in the wider palm oil industry."

WILMAR MEETS JOYCE OVER QUEENSLAND SUGAR GROWER CONCERNS

The report comes as Wilmar's Australian operations come under scrutiny by the Federal Agriculture Minister, and Queensland MP's telling the company to "play nice" with cane growers.

Wilmar, which bought CSR Sugar six years ago, is in dispute with large sections of the Queensland sugar industry over supply contracts, with many growers claiming the company is attempting to squeeze their livelihood from them.

The dispute centres around an inability to strike a supply agreement with the traditional single-desk for sugar Queensland Sugar Limited (QSL), and cane farmers claiming mill supply agreements are "unfair".

The individual cane contracts that Wilmar has put to growers and its negotiations with QSL are currently under investigation by the Australian Competition and Consumer Commission (ACCC).



Photo: Many North Queensland sugar cane growers believe Wilmar is trying to drive them out of business. (ABC News: Allyson Horn - file photo)

Wilmar met yesterday with National Party Leader and Agriculture Minister Barnaby Joyce who has in the past threatened the Singapore-based conglomerate with Government intervention unless it can reach an amicable agreement with growers. Federal Nationals MPs Michelle Landry and George Christensen said the meeting was constructive but there is more work to be

"Now is the time for Wilmar to stop holding local cane farmers to ransom and end the sugar contract crisis," said Ms Landry.

"We need them to address the 'terms sheet' and commit to a fair on-supply agreement with local cane growers."

"Wilmar, did assure us that they were moving rapidly toward an on-supply agreement with QSL, as evidenced by the recent breakthroughs in the negotiation process," added Mr Christensen.

Wilmar said the meeting was "constructive and amicable" and that Deputy PM Joyce was "updated on progress of negotiations with QSL."

Sweet Christmas









HONEYCOMB ICE-CREAM CAKE WITH SHORTBREAD STARS

INGREDIENTS

- » 125g Western Star butter, softened
- » 1 teaspoon vanilla extract
- » 1/2 cup icing sugar mixture
- » 1 cup plain flour, sifted
- » 2 tablespoons rice flour, sifted
- » 1 1/2 tablespoons dutch processed cocoa powder, sifted
- » 2 teaspoons milk
- » 4 1/2 litres vanilla ice-cream
- » 400g packet chocolate honeycomb pieces, roughly chopped
- » 220g bottle chocolate Ice Magic
- » Fresh raspberries and icing sugar mixture, to serve

STEP 1

Preheat oven to 150C/130C fan-forced. Grease a 22cm-round (base) springform pan. Line base and side with baking paper, extending paper 2cm above edge of pan.

STEP 2

Using an electric mixer, beat butter, vanilla and icing sugar together for 5 minutes until light and fluffy. Add plain flour, rice flour, cocoa and milk. Beat on low speed until just combined. Turn onto lightly floured surface. Knead gently until mixture comes together and forms a dough. Wrap 1/2 in plastic wrap. Refrigerate 45 minutes or until firm.

STEP 3

Meanwhile, roll remaining dough between 2 sheets of baking paper to form a 22cm round. Carefully lift round into prepared pan to cover the base, pressing to flatten and remove any air bubbles. Place pan on a baking tray. Bake for 25 to 30 minutes or until shortbread is firm to touch. Cool completely in pan.

STEP 4

Line 2 large baking trays with baking paper. Roll chilled dough between 2 sheets of baking paper until 3mm thick. Using a 5.5cm x 7cm star-shaped cutter, cut shapes from dough, re-rolling and cutting dough scraps (you'll need 20 stars). Place stars on prepared trays, 1cm apart. Bake for 10 to 12 minutes, swapping position of trays halfway through cooking, until firm to touch. Stand on trays 2 minutes. Transfer to wire rack to cool. Store in an airtight container. STEP 5

Place 3 litres of ice-cream in a bowl. Set aside for 10 minutes to soften (ice-cream shouldn't be melted). Add 3/4 of honeycomb. Fold to combine. Spoon mixture over prepared base in pan. Level with a spatula. Freeze overnight.

STEP 6

Grease a 20cm x 30cm lamington pan. Line base and sides with baking paper, extending paper 2cm above edges. Place remaining ice-cream in a bowl. Set aside for 10 minutes to soften. Add remaining honeycomb. Fold to combine. Spoon mixture into prepared pan. Level with a spatula. Freeze overnight.

STEP 7

Remove ice-cream slab from freezer. Stand for 2 minutes. Using star cutter, cut stars from ice-cream (you'll need 10 stars). Sandwich ice-cream with shortbread stars. Place on a tray and return to freezer.

STEP 8

Just before serving, remove icecream cake from pan. Drizzle with Ice Magic. Top with sandwiches and raspberries. Dust with icing sugar. Serve immediately.



RUM BALLS

INGREDIENTS

- » 1/2 x 800g dark fruit cake, chopped
- » 1/4 cup dark rum
- » 1/4 cup dried cranberries, chopped
- » 2 x 180g blocks dark chocolate, melted
- » 1 1/2 cups desiccated coconut
- » 1/2 cup chocolate sprinkles

CTED 1

Crumble fruit cake into a bowl. Add rum and mix well to combine. Add cranberries, chocolate and 1/2 cup coconut. Mix well to combine.

STEP 2

Roll 1 level tablespoon fruit cake mixture into a ball. Toss in remaining coconut. Place onto a baking paper-lined tray. Repeat with remaining fruit cake mixture, tossing half the rum balls in coconut and the remaining rum balls in chocolate sprinkles. Refrigerate the balls for 2 hours or until firm. Serve.

Sweet Christmas



WINSTON CHURCHILL



JOKE OF THE MONTH

- Q: What do you call people who are afraid of Santa Claus?
- A: Claustrophobic
- Q: How do you know when Santa's in the room?
- A: You can sense his presents.
- Q: What do elves learn in school?
- A: The Elf-abet!

word of the month

noun [boon]

something to be thankful for; blessing; benefit..

DID YOU KNOW...?

- » Did you know reindeer hair is hollow inside like a tube
- » Did you know the side of a hammer is called a cheek
- » Did you know reindeer like bananas
- » Did you know the Moons diameter is 3,476km



- » 510g (3 cups) sultanas
- » 265g (1 1/2 cups) Sunbeam flame raisins
- » 155g (1 cup) currants
- » 150g (1 cup) pitted dates, finely chopped
- » 1 x 100g pkt red glace cherries, quartered
- » 75g (1/2 cup) Ocean Spray craisins
- » 75g (1/2 cup) dried pineapple, finely chopped
- » 50g (1/4 cup) mixed peel
- » 185ml (3/4 cup) brandy
- » 2 teaspoons finely grated orange rind
- » Melted butter, to grease
- » 250g butter, at room temperature
- » 200g (1 cup, firmly packed) brown sugar
- » 4 egg:
- » 300g (2 cups) plain flour
- » 2 teaspoons mixed spice
- » Blanched almonds, to decorate
- » Red glace cherries, extra, halved, to decorate
- » 2 tablespoons brandy, extra

STED 1

Combine sultanas, raisins, currants, dates, cherries, craisins, pineapple, mixed peel, brandy and orange rind in a large bowl. Cover with plastic wrap and set aside, stirring occasionally, for 2 days to macerate.

STEP 2

Preheat oven to 150°C. Brush a round 22cm (base measurement) cake pan with melted butter to lightly grease. Line the base and side with 3 layers of non-stick baking paper.

STEP 3

Use an electric beater to beat butter and sugar in a bowl until pale and creamy. Add eggs, 1 at a time, beating well between each addition until just combined. Add butter mixture to fruit mixture and stir to combine. Add flour and mixed spice and stir until well combined. Spoon into prepared pan and smooth the surface. Lightly tap pan on benchtop to release any air bubbles. Arrange almonds and cherries on top of the cake.

STFP 4

Bake in oven, covered with foil, for 2 hours 40 minutes to 3 hours or until a skewer inserted into centre comes out clean. Drizzle hot cake with extra brandy. Set aside to cool before turning out.

Sweet Christmas Activities

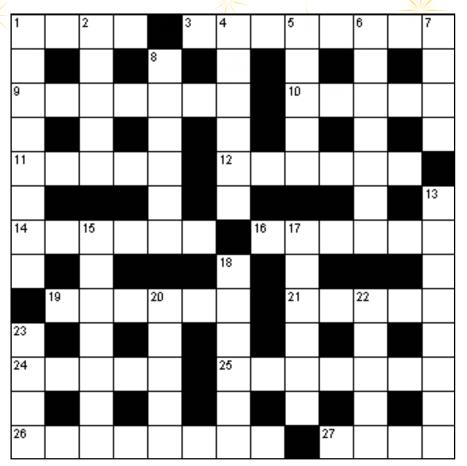


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Word List

Presents • Candy Cane • Ornament
Elf • Snowman • Tree • Sleigh
Lights • Star • North Pole • Stocking
Bag of Toys • Holly • Santa Claus
Snow • Wreath • Reindeer

Crossword



ACROSS

- 1 Plant from which linen is made (4)
- 3 Matrimony (8)
- 9 Non-professional (7)
- 10 Ski slope (5)
- 11 In that place (5)
- 12 Slumbering (6)
- 14 Maxim (6)
- 16 Gentle wind (6)
- 19 Fully developed (6)
- 21 Venomous snake (5)
- 24 Preliminary period (3-2)
- 25 Alleviate (7)
- 26 Stubbornly persistent (8)
- 27 Small island (4)

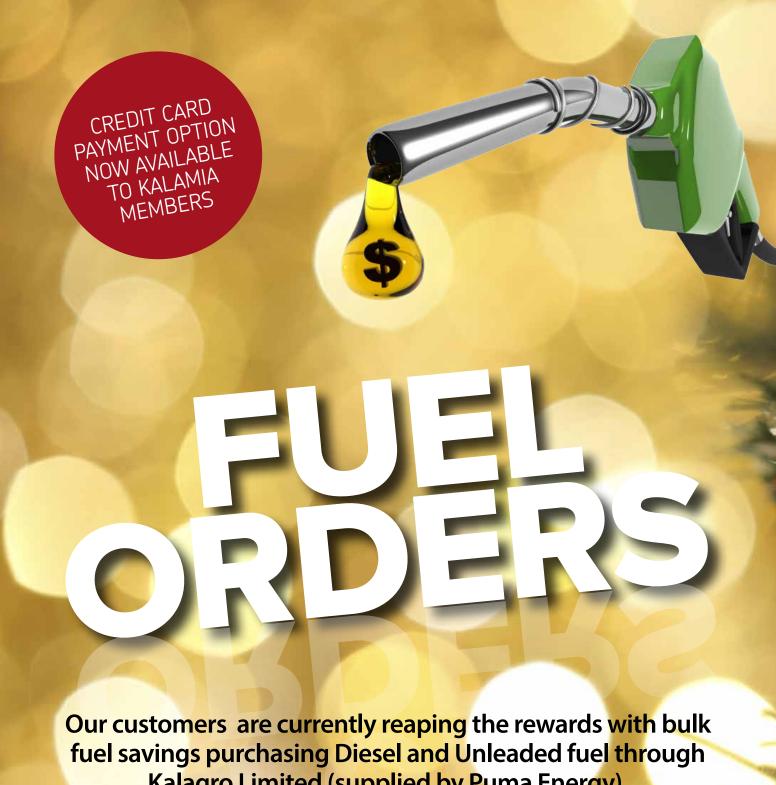
DOWN

- 1 Flute player (8)
- 2 Stop sleeping (5)
- 4 Aviator (6)
- 5 Drive back (5)
- 6 Severely simple (7)
- 7 Always (4)
- 8 Sea between Greece and Turkey (6)
- 13 Bring back (8)
- 15 Pined (7)
- 17 Actually (6)
- 18 Rue (6)
- 20 Higher (5)
- 22 Sediment (5)
- 23 Jason's ship (4)





Across: 1 – Flax, 3 – Martiage, 9 – Amake, 4 – Airman, 5 – Repel, 6 – Austere, 7 – Ever, 8 – Aegean, 13 – Retrieve, 15 – Yearned, 17 – Really, 18 – Regret, 20 – Upper, 22 – Dregs, 23 - Argo



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DELIVERY DATES THROUGHOUT CHRISTMAS BREAK

Wednesday, 28th December 2016, Friday, 30th December 2016, Wednesday, 4th January 2016, Friday, 6th January 2016

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