

PIONEER MILL INCIDENT

With recent major breakdown of Pioneer Mill resulting in approx. 13,500 tonnes of burnt cane standing in paddocks, some of which would now be in excess of 2 days old, it is timely to remind members of relevant section of Schedule 4 in Cane Supply Agreement (CSA), refer below.

Any effected members that require a review of CCS outcomes of burnt cane of more than 2 days, once harvested and crushed at the mill, please contact this office with the required information to enable the matter to be taken up with Mill Owner.

Have also included the relevant section of Cane Analysis Program (CAP) on which cane delayed greater than 24 hours is assessed as per 10 (b) (v).

"10 Undue Delay in Harvesting Burnt Cane

(a) Where Cane that has been burnt cannot be harvested for more than 2 days as a result only of factors within the reasonable control of the Mill Owner, the Grower or Grower's Bargaining Representative may request the Mill Owner to review the CCS outcomes of any Delivery harvested on the third day or later after burning.

(b) The operation of this **paragraph 10** of this **schedule 4** will be in accordance with the following provisions:

(i) the Grower or the Grower's Bargaining Representative must notify the Mill Owner of such a request within 15 Business Days of the affected Cane being crushed;

(ii) notification from the Grower or the Grower's Bargaining Representative is to include all necessary information to identify the affected Cane, including the date of burning, the Block and estimated tonnage burnt and the Deliveries harvested therefrom;

(iii) where Cane has been burnt in the morning prior to advice from the Mill Owner not to burn, the Cane will be assessed as though it was burnt the previous evening;

(iv) the Deliveries that the Mill Owner will accept for assessment under this **paragraph 10** of this **schedule 4** will be limited to the tonnes represented by 120% of the advised daily Bin allotment for the day relating to the affected burn. The Harvesting Group will make reasonable endeavours to ensure the affected tonnes of Cane (**Affected Cane Tonnes**) is harvested as soon as possible;

(v) to determine any payment following undue delay in harvesting burnt Cane, the Mill Owner will treat such Affected Cane Tonnes as though the Cane was delayed greater than 24 hours from cut to crush in accordance with the Missed Sample & No Sample CCS Allocation Provision of the Cane Analysis Program;

(vi) any payment due under this **paragraph 10** of this **schedule 4** will not result in an adjustment in the Cane Payment Formula, and will instead be by way of a separate (additional) allowance payment made to the affected Grower as per **paragraph 10(b)(vii)** of this **schedule 4**; and

(vii) the payment to the Grower arising from the application of this **paragraph 10** of this **schedule 4** to the Affected Cane Tonnes will be made with the Final Adjustment Payment for the Relevant Season using the formula:

Payment = Affected Cane Tonnes x CCS adjustment determined in paragraph 10(b)(v) of this schedule 4 x 0.009 x Reference Sugar Value."

Cane Analysis Program (CAP)

District Schedule – Burdekin

5 (b) Missed Sample & No Sample CCS Allocation Provision

For Cane Samples assessed to have more than 24 hours delay from cut to crush as a result of factors within the control of the relevant Mill Owner, then the higher of the outcome of the Missed Sample & No Sample CCS Allocation Provision (below) and the actual analysed CCS will be applied to that Sample.

A CCS will be allocated to Missed Samples & No Samples whichever first applies to produce an outcome using the following ordered process:

- (a) the CCS of the next previous or next subsequent Sample analysed from that Farm which is of the same Variety and Class from the same Block and paddock delivered on the same Harvest Day, or the weighted average if both results are available;
- (b) the CCS of the next previous or the next subsequent Sample analysed from that Farm which is of the same Variety and Class from the same Block and paddock delivered during the current week, or the weighted average of the two if both are available;
- (c) the CCS of the previous Sample analysed from that Farm which is of the same Variety and Class from the same Block and paddock delivered during the previous week;
- (d) the CCS of the next previous or the next subsequent Sample analysed from that Farm which is of the same Variety and Class delivered on the same Harvest Day, or the weighted average of the two if both are available;
- (e) the CCS of the next previous or the next subsequent Sample analysed from that Farm, which is of the same variety and class delivered during the current week, or the weighted average of the two if both are available;
- (f) the relevant average analysed CCS for the Variety in question delivered on the same Harvest Day;
- (g) the relevant average analysed CCS for all cane delivered on the same Harvest Day;
- (h) the relevant average analysed CCS for all cane delivered in the current week; or
- (i) in the absence of data in terms of (a) to (h) above, then a CCS outcome agreed upon by the relevant Mill Owner, the Grower's Bargaining Representative and the Cane Auditor.

In **sub-clauses (f) to (h)**, the relevant analysed CCS is the weighted average CCS of analysed Samples supplied in accordance with the Collective Cane in the same CCS relativity scheme for payment.

Should members require further clarification on this matter or wish for a CCS review to be undertaken please do not hesitate to contact this office.

Les Elphinstone
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