



## **WELCOME TO 2023 ISSUE # 6 OF 'CANE NEWS'**



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FACEBOOK?***

Be sure to 'like' our page to keep up to date with Proserpine cane industry news, events

### **2023/24 PAYROLL INFORMATION**

As we enter the 2023/24 FY, changes regarding paying employees have come into effect, as follows:

As of 1st July 2023, minimum wage rates have increased. Printed copies of our wages information sheet can be collected from the Proserpine office, or can be emailed at your request. If you employ or are considering employing someone aged 19 years or younger and need help calculating the relevant pay rate, please contact our office.

The ATO's preference for receiving Tax File Number Declaration forms is now by employees completing the process through their online (myGov) portal. Forms can still be submitted in the previous paper format and the Proserpine office has a small quantity of forms on hand, for any member that requires them.

Superannuation Guarantee for all payments made from 1st July onwards increases from 10.5% to 11%. Superannuation is paid to all employees, regardless of their employment status (i.e. permanent, casual, SCHR) and is calculated on their OTE (Ordinary Time Earnings). There is no longer a threshold for employees to earn before superannuation is paid.

Lastly, a reminder of the importance of using the CANEGROWERS employment template. Implementing contracts for all employees is the best way to ensure all parties have the same understanding of an individual's employment. Contracts clearly state the agreed pay rate, classification of employment and other agreed upon areas, potentially eliminating any 'grey areas' that may cause disruption during the season or at termination. CANEGROWERS provides an updated employment contract each year, and the file can be accessed by contacting the Proserpine office. ***Please note: no responsibility is taken for an employer who varies/amends the standard wording provided in the template. The only wording that can be removed is that which has a note to insert the required information or strikeout unnecessary information.***



# CANEGROWERS

MARKETING INFORMATION SERVICE

## **Info, new video & new PDFs to download & read**

Members can access current and previous updates by logging into the member services section at [www.canegrowers.com.au](http://www.canegrowers.com.au), using your CANEGROWERS membership number.

If you do not have your member number, please contact the CANEGROWERS Proserpine office on 4945 1844.

## **SRA: AUTOMATIC SPOT SPRAYING OF GUINEA GRASS**



**SRA and AutoWeed are looking for recently harvested paddocks that have stools of guinea grass present.**

Video footage will be collected from the paddock to assist in calibrating the automatic spot sprayer to target guinea grass.

Please call Dylan on 0490029387 or Frank 0419679427 before you spray the paddocks.

## **YOUNG FARMER TROPHY PRESENTED FOR THE FIRST TIME**

Wilmar's Grower Marketing team was proud to sponsor the new Young Farmers Trophy at the recent Proserpine Show.

Wilmar's Proserpine Grower Marketing Consultant Shirley Norris presents the first place award to Jack Valmadre.



## **HAVE YOU RECEIVED YOUR 2023/24 SRA VARIETY GUIDE?**

SRA's Central Variety Guides should have arrived in your mailbox over the past week.

If you have not received a printed copy in the mail please contact Dylan Wedel on 0490 029 387 or [DWedel@sugarresearch.com.au](mailto:DWedel@sugarresearch.com.au)

Electronic copies are also available on the website at: <https://sugarresearch.com.au/growers-and-millers/varieties/>



VARIETY GUIDE  
2023/2024  
Central Region



SRA also distributes a quarterly CaneMatters magazine and a fortnightly eNewsletter, if you aren't receiving them please contact Dylan.

*Closing date for classified advertisements is the close of business of the second week of each month.*

*Classifieds are free to CANEGROWERS members. CANEGROWERS Proserpine does not necessarily endorse products or services advertised in, or associated with the newsletter.*

*Articles appearing in 'Cane News' do not necessarily represent the policies or views of CANEGROWERS.*



# Follow the harvester

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Get in touch:  
**JACOB SNYMAN**  
Agribusiness Agronomist  
0419 174 616



# PROSERPINE QSL UPDATE



## **PIN access for the QSL App**

In order to enhance account security and improve ease of access, the QSL App now requires all QSL Direct users to use a PIN (*four digit pin*) or face/thumbprint recognition to access their accounts via the QSL app.

Users who do not already have this feature enabled will be prompted to do so when opening the latest version of the app. A PIN re-set function has also been added to the menu section of the app.

To access these new features, please update your QSL App, available free in the Apple and Google Play stores. For assistance with setting up your PIN or installing/updating the QSL App, please see your local QSL team.

## **QSL Daily Price updates - reminder**

The QSL daily price SMS was switched off on 30 June 2023. To continue to receive daily price updates direct to your mobile phone, simply subscribe to the Daily Prices Tracker in the QSL App.

Don't have the QSL App? Simply download the QSL App and head to the 'Tools' section of the App, select 'Daily Prices Tracker' and hit the 'Subscribe' button at the bottom of the screen. Then make sure you have notifications switched on in your phone's settings.

Contact your local Proserpine Grower Relationship Officer for assistance.

## **Payment update**

QSL Growers are advised that 2023-Season Advance payments that were made this week were adjusted to reflect the latest pool evaluation to better represent recent raw sugar market movements.

While the 2023 Season Standard Advance rate remains at 65%, each grower's weighted average pool price was updated to reflect indicative pool values as at 30 June 2023.

Growers can also expect their final 2022 Season payment to be paid on 20 July 2023 (*subject to their miller providing their final data*).

## **Quarterly ledgers now available**

QSL Direct growers can find a summary of all their QSL transactions for April 2023 through to June 2023 in the latest Quarterly Ledger.

## **Changes to your farm structure?**

It's important for QSL Direct growers who are planning any changes to their farm's operating structure to inform their local QSL team as soon as possible. This includes changes to ABNs, lease or share farming arrangements and farm ownership.

For further information or to advise QSL of a change, please contact your local QSL office or the QSL Direct team on 1800 870 756.

## **2023-Season indicative Advances schedule**

- QSL's 2023 Indicative Advances Program is now available on the QSL website: <https://www.qsl.com.au/content/indicative-advances-2023>



## 2023 Harvest Pool Opt Out

The 2023-Season Harvest Pool Opt Out is available to QSL Direct growers. No minimum tonnage is required – simply choose to Opt Out and any of your Harvest Pool tonnage, which has not already been priced by QSL, will be transferred to the Self-Managed Harvest Contract so you can price it yourself.

Just click the Harvest Pool Opt Out button available within your QSL Direct account to view the current value of your priced Harvest Pool tonnage, how much remains unpriced, and the ICE 11 contracts you'll need to price it against if you decide to opt out and start pricing it yourself.

## Key Dates 2023

20 September 2023:

- Last day to price 2023-Season Target Price Contract tonnage before the pricing window is automatically extended and roll adjustments apply.
- Last day to achieve or roll pricing allocated to the October 2023 ICE 11 contract through the Individual Futures Contract or Self-Managed Harvest Contract.

**For more information, please contact your local representative:**

Disclaimer: The information in this document does not constitute financial advice. Growers should seek their own financial advice and read the QSL Pricing Pool Terms in full (available at [www.qsl.com.au](http://www.qsl.com.au)) before making any pricing and pool selection decisions. 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 document.

### Central Region



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## HIGH SPEED, HIGH VOLUME CONNECTIVITY

### SPECIFICATIONS

Connected Farms' Starlink on the Move and system integration is a unique, portable connectivity solution using the Starlink LEO Satellite Network. It allows farmers to connect anywhere, anytime, across their entire farm by mounting the Starlink on the Move equipment on their vehicle, tractor, or machinery. This solution enables voice, mobile, and data connectivity, dataintensive robotics, automation, and intensive precision farming functions, while the machine is operational and moving.

### HOW IT WORKS

The Starlink Satellite Antenna is fixed to the top of your vehicle, either permanently mounted or by mag mounts. The baseband modem unit sits in the cab and is integrated into the machine's internal systems to ensure high-speed internet access. Your local agricultural machinery dealer performs the integration of the service. Once connected, the device also enables Wi-Fi in and around the machine, ensuring you are always connected.

**For more information, visit: [www.connectedfarms.com.au/starlink/](http://www.connectedfarms.com.au/starlink/)**

**CONTACT  
OUR TEAM**



1800 497 148



[info@connectedfarms.com.au](mailto:info@connectedfarms.com.au)

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WITH US**





## CANE BURNING NOTIFICATION : A REMINDER OF WHAT YOU NEED TO KNOW

Burning cane, tops and trash comes with very serious obligations for growers. In general, growers must apply for a permit from their local fire warden and follow all requirements and conditions of the permit. This includes notifying your neighbour and Firecom before lighting a fire. However, cane farmers do have a special dispensation when it comes to burning cane. Under the Fire and Emergency Services Act 1990, the 'Cane Burning Notification' gives cane growers the authority to burn their cane without a permit - provided that minimum conditions are met.

**BUT** remember, if you can't or don't think you can meet the conditions, **YOU MUST APPLY FOR A PERMIT** from your local Fire Warden!

Some of the conditions that would fall outside of the 'Notification' include burning adjacent to urban areas or a main road. There are also other laws or by-laws that growers need to consider. These are local government provisions of the EPA or Powerlink Queensland guidelines when burning near powerlines.

If you are considering burning under the 'Cane Burning Notification' further conditions can be found on the QFES website, please follow them carefully!

Remember to consider your impact on residential areas. Our local population is growing and in order to maintain our 'Cane Burning Notification', we need to ensure our activities have as low an impact as possible! Lastly, ensure you are covered by comprehensive liability insurance for your own protection and always notify your neighbours and Firecom before lighting that fire!



CaneRise is linking cane farmers in the Mackay Whitsunday region to opportunities to grow productivity and profits through sustainable practices. It is part of a project funded by the partnership between the Australian Government's Reef Trust and the Great Barrier Reef

Foundation to help cane growers implement practices that improve their cane, soil and water quality in Reef catchment areas.

The website provides a central location for growers to find:

- opportunities to get involved with water quality improvement projects in the Mackay Whitsunday region
- useful tools and resources
- local support to implement sustainability practices
- funding that's available in the region.

The site responds to feedback from growers and other stakeholders that it's difficult to find relevant tools, advice and practice change support for the Mackay Whitsunday area in one central place.

If you'd like to submit a story, ask a question, or sign up to be kept up to date about opportunities and events, get in touch.

**Visit: [www.canerise.com.au/join](http://www.canerise.com.au/join)**

### Supporting Organisations



## HIGH ELECTRICITY TARIFFS - SHOULD PROSERPINE GROWERS STILL IRRIGATE?

The decision to irrigate is primarily an investment decision, i.e., will a grower get back more than what they put in? The answer to this question will vary between districts, farms and even seasons, depending on rainfall conditions.

### Tariff Increases

With the latest increases in electricity tariffs, growers are encouraged to review their system efficiencies, tariffs and overall irrigation costs. Some of the latest tariff increases are listed below in Table 1. These highlight the need to not only explore alternative irrigation tariff options, but also to make sure there are still adequate returns for irrigation.

Table 1: Examples of Ergon electricity tariff changes for July 2023 (excl GST).

Tariff	Fixed supply charge		Increase	Off-peak / Flat Rate		Increase	Peak Usage / Block 1 / Capacity 1		Increase	Shoulder Usage / Block 2 / Capacity 2		Increase
	c/day			c/kWh			c/kWh			c/kWh		
	22/23	23/24		22/23	23/24		22/23	23/24		22/23	23/24	
T20	123.1	142.2	15.5%	25.408	34.319	35.1%						
T34	113.6	130.9	15.2%	19.132	23.528	23.0%						
T22B	Band		7-14%	19.117	27.331	43.0%	34.939	45.590	30.5%	24.617	33.373	35.6%

### Irrigation Cost Example

Table 2 presents irrigation costs on a typical 150ha cane farm (**please note, different systems will have different costs, so these may not reflect your operation**).

The costs assume a 3.5ML/ha allocation (525ML total across 150ha) with 2.2ML/ha applied. The green section highlights the recent change in electricity costs for a furrow/winch mixed system based on Tariff 20. The orange highlighted section shows that total costs have increased by \$23/ML or \$51/ha when applying 2.2ML/ha due to the electricity tariff increases, assuming other costs are unchanged.

Table 2: Water Costs (\$/ML) based on changes to electricity tariffs (excluding labour, capital replacement and GST).

Period	Water (Fixed)	Water (Variable)	Electricity (Fixed)	Electricity (Variable)	R&M	Total \$/ML	\$/ha (2.2ML/ha)
Current	\$29.92	\$3.09	\$4.75	\$86.63	\$5.79	\$148.15	\$325.93
Previous	\$29.92	\$3.09	\$4.11	\$64.15	\$5.79	\$125.02	\$275.05

### Break-even Yield Example

Based on the above costs per ML, the below table presents what minimum or break-even tonnage increase this grower would need to offset the added cost per ML applied that includes fixed water and electricity costs. All calculations account for harvesting costs and levies at \$10.50/t.

From Table 3, a sugar price of \$600/t and 14 CCS would need a minimum of 3.4 tonnes added per ML applied to get a return on irrigation. Before the recent tariff increase this was 2.8 tonnes

(Table 4). **Note how at higher or lower prices and CCS, the required break-even tonnage decreases or increases as each tonne of cane changes in value.** At higher prices, there is more incentive to irrigate.

CCS	Sugar Price (\$/t)								
	\$400	\$450	\$500	\$550	\$600	\$650	\$700	\$750	\$800
12	7.8	6.6	5.7	5.0	4.4	4.0	3.7	3.4	3.1
13	6.6	5.6	4.8	4.3	3.8	3.5	3.2	2.9	2.7
14	5.7	4.8	4.2	3.7	3.4	3.0	2.8	2.6	2.4
15	5.0	4.3	3.7	3.3	3.0	2.7	2.5	2.3	2.1
16	4.4	3.8	3.4	3.0	2.7	2.5	2.3	2.1	1.9

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Table 4: Additional tonnes/ha required to break-even at previous cost of \$125/ML).


CCS	Sugar Price (\$/t)								
	\$400	\$450	\$500	\$550	\$600	\$650	\$700	\$750	\$800
12	6.6	5.5	4.8	4.2	3.7	3.4	3.1	2.8	2.6
13	5.5	4.7	4.1	3.6	3.2	2.9	2.7	2.5	2.3
14	4.8	4.1	3.6	3.2	2.8	2.6	2.4	2.2	2.0
15	4.2	3.6	3.2	2.8	2.5	2.3	2.1	1.9	1.8
16	3.7	3.2	2.8	2.5	2.3	2.1	1.9	1.8	1.6

In conclusion, it is likely that irrigation will still make sense for most growers despite the recent increase in electricity prices. This will remain the case where growers continue to add more than their own specific break-even tonnage requirements. Irrigating at the correct time and improving irrigation efficiencies will be key in keeping irrigation a viable option into the future.

*Note: Removing the fixed water and electricity costs drop the break-even tonnes from 3.4 to 2.2 at a cost of \$148/ML. This is an important consideration for growers aiming to cover their operational costs. On the other hand, adding in labour costs and capital would increase the requirement which would be an important consideration when looking at future capital investments.*

For more information on this economic analysis please contact **Brendon Nothard (CANEGROWERS)** or **Frank Millar (Sugar Services Proserpine)** for an agronomic perspective.


For assessing alternative tariff options, CANEGROWERS have provided a tool for members accessible here [Member Resources - Canegrowers](#). Ergon have other tools available on their website here [Compare business tariffs - Ergon Energy](#). There is also a more detailed irrigation calculator held within the DAF FEAT Online tool here if you are familiar with [FEAT Online](#).



# What price loyalty?

*There's still time to change*

Nominations for the 2024 season close **31 October 2023**.

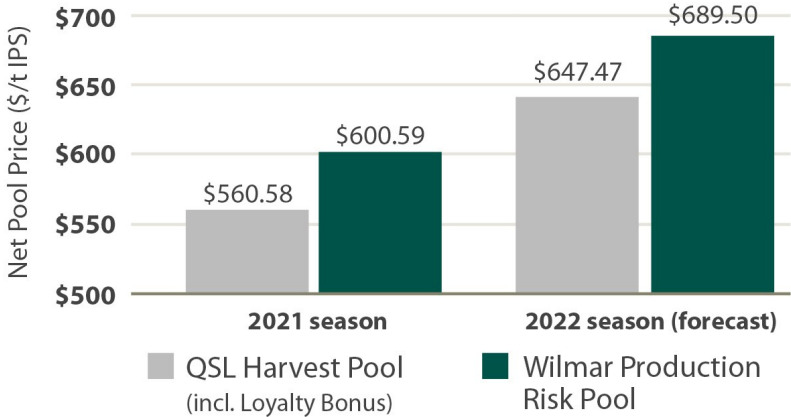


*Get in touch*


**SHIRLEY NORRIS**  
OFFICE Proserpine Mill  
PHONE 0437 803 019

### Wilmar Production Risk Pool and QSL Harvest Pool

(Forecast as at 26 May 2023)



Season	QSL Harvest Pool (incl. Loyalty Bonus)	Wilmar Production Risk Pool
2021 season	\$560.58	\$600.59
2022 season (forecast)	\$647.47	\$689.50







## **STRONG RESULTS EXPECTED FOR 2022 AND 2023 SEASONS**

### ***Simon Hood, Wilmar Manager Grower Marketing***

Our end of June pool reports for 2022 season indicate the Production Risk Pool will finalise around the \$720/t Actual which is a great result for growers. Likewise, our Allocation Account for Call and Target price users adds approximately \$40/t Actual to the average AUD sugar swap price locked in by growers.

With an advanced export sales program for 2023 season, we are optimistic of achieving a similar result in the Allocation Account for forward price users in the 2023 season.

Keep an eye out for some new market insights: Firstly, our quarterly analysis of 2022 Pool Price relative performance, as well as a more in-depth analysis of Call and Target price achievements for growers over the last 10 years. There are some interesting insights and learnings for forward price management.

Meanwhile, the 2026 Season has opened and already we have had some growers lock in prices around the \$600/t mark. Trading is thin that far out so you may have to be patient to get levels set in the short term.

Over the last few weeks, the sugar market has shown what a fickle beast it can be as the expiry of the July 23 contract led to a four-cent collapse in the #11 sugar futures. This transpired over a consecutive seven session bloodbath before support was found, with the October contract since recovering half the losses. At the same time the AUD took a three-cent dive which masked the extent of the sugar price declines in the AUD sugar swap market.

So, what happened? Simply the risk premium which had been built into the nearby contracts around potential delays of Brazilian sugar supply where unwound. Consequently, the steeply inverted market structure flattened out as nearby inter-month spreads disappeared. Furthermore, weak technical signals triggered a mass exodus of the speculative long (bought) positions that saw their net position halve from a peak of over 200k net long to just above 100k net long contracts.

A clear weather harvest and no unexpected delays in port logistics allowed Brazilian exports to be made in a timely manner. Brazil is having a dream harvest with the mills maximising sugar make due to ethanol parity being well below #11 pricing. While it appears that Brazil is on track to harvest a near record tonnage there are some signs that ATR is coming off, which could impact sugar volumes.

In other parts of the world, the news for the Thai crop remains unfavourable with late and below average rainfall. Wilmar research indicates that a late start in Thailand rarely results in a catch-up. Therefore we are downgrading our expectations for Thai production. Similarly, the Indian monsoon is late but catching up in areas. Peter Bingham summarises our latest market intelligence in his recent podcast: (<https://www.wilmarsugar-anz.com/what-we-do/education-centre>)

**For any queries, please contact Proserpine Grower Marketing Consultant Shirley Norris on 0437 803 019.**

For more information



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