

Growers glad to see CSR go

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THE name will stay, but after more than 150 years, the old sugar refining company known as CSR will no longer play a role in Australia's sugar industry.

The sugar business of the company previously known as the Colonial Sugar Refinery will, subject to government approval, be sold for \$1.75 billion to Singapore-based Wilmar, a "world-leading agribusiness group", with the transaction taking place at the end of this year.

What Wilmar will get for its \$1.75bn is seven sugar refineries in north Queensland, an ethanol distillery near Mackay and some minor sugar-related assets.

But most importantly, it will also get contracts with a couple of thousand Queensland cane-growers to supply it with cane, which will then be crushed into raw sugar for export.

While CSR is selling its sugar assets to an Asian firm, it is quitting Asia in what it now sees as its core product of building materials, yesterday announcing the sale of its insulation, panels and trading businesses across the Asian region to the Rockwool Group for \$128 million.

But while the net effect of these two sales is to allow CSR to concentrate on its core product of building materials for the Australian and New Zealand markets, the name will remain on the shelves of Australia's shops and supermarkets, with Wilmar retaining the licence to the CSR name as part of the deal.

"It's a bit disappointing that CSR is only going to survive as a brand name in sugar while the company produces building products," said Ian Ballantyne, the general manager of Cane-growers, the peak sugar-cane farmers lobby group.

"It is the passing of an era. But I wouldn't have said that relations between farmers and the millers have always been excellent. Actually, that's being kind. The fact is they've been pretty difficult most of the time."

At one stage in the 1960s, vir-

tually every refinery in Australia's sugar areas of northern NSW and the Queensland coast was owned by either CSR or a co-operative of local farmers, and most cane farmers regarded the miller as the big business that never gave them enough money.

But in those sugar belts, the lives of cane farmers and, for that matter, most of the community revolved around the mill.

The start of the crushing (of the cane) was the occasion for a community party, and as recently as the 1990s the mill management was the centre of a strict social hierarchy more suited to feudal England than contemporary Australia.

Gary Stockham, a third-generation cane farmer at Giru near Townsville, who is also a cane harvester, has all his life been cutting his own cane and that of his neighbours and carting it to Invicta Mill at Giru, which has always been in CSR's hands.

"The blokes I deal with at the mill are the same, and they're good blokes, but the management's always changing, and you never know who the blokes at the top are," he said.

"It'll be a change having to deal with someone other than CSR, but look, at least we know what's

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Ian Ballantyne

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happening now, so we'll talk to these Singapore blokes and see how they treat us.

"In some ways it'll be a shame to no longer have CSR there, because they've been there all the time my family's been in the business. But you're not going to

find too many people upset at not having CSR to deal with."

CSR was established as a company in 1855 in Sydney to refine imported raw sugar for the domestic market. In 1870, it started raw sugar milling in northern NSW.

From there the company moved up the Queensland coast.