

# Mill fights for life

N/MAIL 6/9/08

*NewsMail (Bundaberg), 6 Sep 2008*

By **CLEMENTINE NORTON**

## No guarantees of Bingera production after next year

AFTER years of speculation, Bundaberg Sugar has confirmed Bingera Mill will struggle to remain open, with no guarantees it will be in operation after next year.

General manager Ray Hatt said it was "99% likely" the mill would con-

tinue production next year

"We cannot guarantee it will operate after that (2009 season)," Mr Hatt said.

While he said the company had "no intention" of shutting Bingera,

there had been a trend of growers moving out of cane.

"We shut Fairymead because we couldn't get enough cane," he said.

"Next season, we know we will have sufficient cane so we are hop-

ing the trend will turn around in the meantime."

About 100 jobs would be lost if the mill closed.

Canegrowers Bundaberg senior deputy chairman Tony Castro said

some growers were concerned the Bingera Mill would close as more cane supply was lost to the Isis Central Sugar Mill.

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# Growers want price security

By CLEMENTINE NORTON

RUMOURS circulating within the cane-growing community that Bingera Mill will close have been given added weight by Bundaberg Sugar's commitment to upgrading Millaquin Mill.

"With the distillery and so much else around Millaquin, we know (Millaquin) is the most likely mill to stay open," Mr Castro said.

"If the crop is any less next year, I'm sure Bundaberg Sugar have a cut-off point where it (Bingera mill) is no longer viable."

Australian Workers Union representative Keith Ballin said he was aware of rumours this year would be the last season for Bingera.

"I have been told by outside sources there is definitely a risk," Mr Ballin said.

Bingera has crushed 321,000 tonnes of cane this season, with some delays due to poor weather.

Mr Hatt said Bingera and Millaquin would process about 1.6 million tonnes this year, which was down from January's estimated figure of 1.8 million tonnes.

"We are not overly concerned, because it is a yield problem partly caused by weather conditions, not a supply problem," he said.

The company hopes to bolster its future supply with a new sugar pricing system, which allows growers to participate in a long-term target price option.

"Growers can now nominate target sugar prices and if the sugar market reaches those targets, the grower will be able to lock in the target price," Mr Hatt said.

Mr Hatt said growers using the system would benefit because they could plan ahead, knowing what a component of their future income would be.

"If growers are able to lock in a better price, hopefully

they will stay in cane," he said.

Grower Francis Attard has taken up the new pricing agreement and said it offered a level of security.

"The only risk I can see is if the pool pricing goes above what we've set, but historically, if the seasonal pool price goes up, it doesn't stay that way for long," Mr Attard said.

Mr Hatt said sugar prices had risen as high as \$400 per tonne recently, which he hoped would encourage growers to stay with cane.

"There are some positive indicators at the moment, so we hope to head into a better period," he said.

Isis Central Mill has processed 496,475 tonnes so far this season, with the total for the year projected to be 1.140 million tonnes.

Wet weather halted production on Thursday, but it is expected to be running again tomorrow.



**SWEET DEAL:** Cane grower Francis Attard hopes a new pricing agreement with Bundaberg Sugar will bring him more financial security.

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