

Our Election Priorities

The Future of Sugar Manufacturing

Feeding and fuelling the world and building stronger regional Australian economies



AUSTRALIAN
SUGAR
MANUFACTURERS

The Australian sugar manufacturing sector is a cornerstone of our economy, contributing \$4.4 billion annually and supporting over 20,000 jobs.

From fuelling our economy, powering our homes with renewable power, and providing low carbon liquid fuels, sugar manufacturing is uniquely positioned to shape Australia's and Queensland's economic future. With the right support, sugar can unlock its full potential to drive innovation, strengthen regional communities, and deliver solutions that ensure a brighter tomorrow for all Australians.



1

Sugar - A solution to an affordable and reliable energy transition.



The Opportunity:

Sugar manufacturers can expand renewable electricity generation using sugar byproducts, like bagasse to reduce projected generation prices in Queensland by 10-15% (and in turn prices across the entire market).



Why it Matters:

Unlike solar and wind, bagasse-generated electricity is synchronous baseload and renewable. This dependable power source can form the backbone of our renewable energy future, reducing reliance on fossil fuels and ensuring that Australian households and businesses enjoy uninterrupted electricity.

Bagasse powered cogeneration is already powering 135,000 households and could achieve much more. Sugar manufacturing can further lower energy prices through 2.1 TWh of additional dispatchable renewable generation.

The current energy market settings do not recognise the financial benefits cogeneration provides to Australian consumers. This needs to change so Australians can benefit from cheaper, cleaner energy through the energy transition and beyond.



Election commitment sought:

We are calling on the Government to lower the risk of investment in new cogeneration capacity through establishing bilateral contracts for difference with sugar manufacturers and targeted capital support.

With up to \$7.5 billion in savings for electricity users over the next decade, this is a nation-building opportunity we can't afford to miss.

This opportunity will not only secure cheaper and more affordable electricity for Australian consumers, but underpin the future viability of the sugar, an industry that contributes \$4.4 billion to the Australian economy.

2

Enhancing National Liquid Fuel Security



The Opportunity:

Develop a National Bioenergy Feedstock Strategy to kick-start an indigenous low-carbon liquid fuels capability for Australia's fuel and national security.



Why it Matters:

Australia's reliance on imported fuels poses risks to our fuel and national security. Locally produced biofuels from sugar byproducts offer a sustainable, secure, and sovereign solution.

Of particular interest is the colocation of sugar assets with Australia's defence capabilities in North Queensland, providing an opportunity to develop a biofuels supply chain that can not only promote liquid fuel security, but broader national security.



Election commitment sought:

\$300,000 for assessment of sugar-based fuel and energy production to supply Defence capabilities in North Australia, and opportunities to improve landside and maritime infrastructure for the benefit of the sugar and defence sectors.



3

Improved regional infrastructure to underpin regional manufacturing and regional development.



The Opportunity:

Strengthen the sugar industry's freight and logistics supply chains to underpin a globally competitive and increasingly diversified industry. Central to this is a strong cane rail and harvesting network.



Why it Matters:

Sugar manufacturing operates in a global market; supporting regional economies and jobs by providing food and fuel to domestic and international markets. One of the largest costs and pinch points in the sugar supply chain is landside freight and logistics, jeopardising our global competitiveness.

Without an effective cane rail network, the sugar industry will have no alternative but to shift Queensland's second largest landside freight task onto already overused regional roads.

Without harvesters we cannot get the cane to the mills for processing. The harvesting sector has been in decline due to an aging ownership and workforce profile, and the exponential growth in the cost of harvesting equipment.



Election commitment sought:

Establishment of the Cane Rail Fund, with government funding of \$60 million to upgrade pinch points in the cane rail network that will unlock increased productivity and efficiency across the entire value chain.

Eliminate the Bruce Highway level crossings north of Mackay that poses significant safety concerns for road users and locomotive operators, and the crossing near Ingham, which would allow the relocation of cane railway infrastructure to eliminate 12 level crossings through the township.

Instant asset write-off benefits and demand-side incentives for the purchase of harvesting equipment, to stimulate the growth and retention of harvesting sector businesses in the sugar supply chain. These upgrades will reduce heavy vehicle traffic, improve road safety, and unlock new productivity gains for regional industries.

4

Leading the way in sustainability



The Opportunity:

Promoting Australia's leadership in sustainable sugar production through the Australian Sugar Sustainability Framework, securing our current and future international market access.



Why it Matters:

Global markets increasingly demand sustainable products, and with \$2.4 billion in annual exports on the line, Australia must showcase its commitment to environmental stewardship.



Election commitment sought:

Partnership with government to promote the framework internationally, securing Australia's reputation as a trusted supplier of sustainable sugar and bio-based products. We are looking for \$450,000 to support the sugar industry in promoting its sustainability framework internationally.

The sugar industry has a strong sustainability story to tell whether it is through reducing our carbon footprint, adopting circular economy principles, or sustainable agricultural practices. Government must work with our industry to tell this story to the world.

5

Securing sugar manufacturing capabilities through access to skills and workforce, ensuring good paying jobs for regional communities



The Opportunity:

Create clear pathways for skilled careers in sugar manufacturing, with a focus on young Australians, and provide access to skilled, semi-skilled and unskilled visa pathways where Australian workers cannot fill the workforce gap.



Why it Matters:

Regional communities are the backbone of the sugar industry, yet they face challenges such as youth outmigration and aging workforces. By investing in education and training, we can revitalise these communities and ensure the industry's long-term sustainability.

A disconnected, complex and costly system for skilled migration is leaving many positions vacant across the sugar manufacturing sector. Similarly, the timeliness and red tape associated with securing workers via visa schemes is a significant barrier to securing the workers we need to thrive.



Election commitment sought:

Launch the Sugar Career Start Program, offering training, mentorship, and secure employment opportunities, so the next generation can thrive in this vital sector.

Industry-government working group to create defined visa pathways for the sugar industry skills that cannot be filled by domestic workers.

We are seeking \$1.25 million to develop an holistic skills and workforce strategy across the entire sugar industry, including creating specific pathways for young Australians to build a career in sugar.



6

Ensuring an advanced sugar manufacturing capability through innovation



The Opportunity:

Sugar needs to leverage cutting edge technologies like automation and AI and adopt and adapt technologies to maintain our global competitiveness. We need to develop the expertise and technologies to be able to chart a viable pathway for the sector in the long-term. This would position Australia as a global leader in advanced manufacturing, driving economic growth and innovation.



Why it Matters:

By embracing the benefits of R&D, we can transform sugar manufacturing into a high-tech, future-ready industry. This includes increasing the efficiency in creating sugar and sugar-related products, while creating new products such as biofuels, bioplastics, and renewable energy.



Election commitment sought:

\$1.75 million for the establishment of the Centre of Excellence for Advanced Sugar Manufacturing which empower our sector to adopt cutting edge technologies to secure a viable industry future over the next fifty years.

The time for action and leadership is now

An investment in the sugar industry is an investment into building prosperous local communities underpinned by food and fuel manufacturing capabilities.

