



MEDIA RELEASE

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Qld Parliamentary Inquiry into Bioenergy: Sugar Manufacturers' Vision Will Secure Regional Jobs and Lead an Industry Revival

The Australian Sugar Manufacturers (ASM) has today submitted a bold vision to the Parliamentary Inquiry into Sugarcane Bioenergy Opportunities in Queensland, calling for a \$40 million investment package to transform the sugar industry into the centrepiece of Australia's renewable energy and low carbon liquid fuel future.

Representing an industry that supports over 20,000 regional jobs, the ASM outlines how Queensland's sugar industry can leverage its feedstock (cane juice, molasses, and biomass) to become a national leader in biofuels, biogas, cogeneration, and biomanufacturing — if governments and industry act together.

The submission highlights:

- The potential to meet **30% of Australia's aviation fuel demand** using sugar-derived feedstocks.
- The ability to generate **baseload renewable electricity equivalent to 500,000 homes** through cogeneration.
- The opportunity to establish **bioenergy precincts** across regional Queensland that can pump out biofuels and biogas, leveraging our 4,000 km cane rail network to aggregate agricultural and forestry residues.
- The potential for **new revenue streams for growers** through the use of their tops and trash.

ASM CEO, Ash Salardini, said the submission is a call to action for government to partner with industry to build a bioenergy and biomanufacturing capability in Queensland.

"This is about more than just energy — it's about securing good paying regional Queensland jobs in places like Cairns, Mackay, Townsville, Tully, Ingham, Childers and Bundaberg," Mr Salardini said.

"We can create a sovereign liquid fuels and bioenergy capability that will ensure the long-term viability of a foundational Queensland industry."

The submission warns that without diversification, the viability of the sector is at risk, with many mills' cost of production sitting above global prices — prices distorted by international subsidies.

"Just as China has been propping up its steel industry as a sovereign capability, India and Brazil have heavily subsidised their sugar industries, viewing the industry as a food and fuel security hedge."



The ASM is seeking strategic and targeted collaboration and investments from the Queensland Government, to ensure our industry can thrive in markets for sugar and biofuels. As such, the ASM is calling for:

- **\$9 million** in co-funding to develop a pipeline of shovel-ready bioenergy projects.
- **\$20 million** in enabling investments to unlock federal and private co-investment to progress shovel-ready projects to completion.
- **\$6 million** to co-fund a \$24 million R&D capability in advanced sugar manufacturing – ensuring we adopt the technologies and innovative processes that will make the sugar industry the heartbeat of a biofuels and bioenergy industry.
- **\$1 million** for a prefeasibility into the development of a biofuel supply chain for the Australian Defence Force (ADF), contributing to the fuel security imperative of the ADF.
- Inclusion of **cane rail infrastructure** in disaster recovery funding, ensuring we build back better the network to be disaster resilient.
- Exploration of **offtake agreements** for electricity cogeneration from sugar manufacturers in recognition of its renewable, baseload and synchronous nature.

“The significant taxpayer cost of rescuing an ailing business, such as the Mount Isa copper smelter, should give everyone pause for thought on how governments should approach industry development.”

“We are putting forward a positive agenda for cost-effective government support into opportunities that will underpin the long-term viability of an iconic Queensland industry – we are not going wait until our viability is eroded.”

“We have the infrastructure, the feedstock, and the know-how. What we now need is an industry-government strategy — we call on the Queensland Government to work with the industry on a comprehensive Sugar Industry Diversification Strategy that will make this vision a reality,” Mr Salardini concluded.

The ASM submission can be found [here](#).

For comment contact:

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The Australian Sugar Manufacturers (ASM) is the peak industry body representing the nation’s sugar manufacturing sector, with the sugar industry contributing \$4.4 billion annually to the Australian economy and supporting more than 20,000 jobs in regional communities. ASM works closely with its members, industry stakeholders, and government to develop and advocate for policies that enhance the sustainability, competitiveness, and long-term economic contribution of the sugar manufacturing sector. From the production of raw sugar, bio-based manufacturing and generation of renewable energy, the sector continues to support communities, create jobs, and foster a sustainable future for the industry, and the broader economy.