



8 December 2025

AUSTRALIAN SUGAR MANUFACTURERS MEDIA RELEASE

A TOUGH SEASON FOR THE SUGAR INDUSTRY COMING TO A CLOSE – DIVERSIFICATION THE ONLY VIABLE FUTURE

As Queensland's sugar crush draws to a close, the industry is grappling with its most challenging season in recent memory. Sugarcane prices have slumped to five-year lows, with many mills operating at a loss, and the final crush forecast is well below recent highs of 34 million tonnes, expected to fall under 30 million tonnes for the crushing season.

"As the season come to a close, we must acknowledge the efforts of our workers in the mills who have ensured a smooth processing season, despite the season starting with damaging floods and natural disasters", said ASM Chief Executive Officer, Ash Salardini.

"It has been a tough year for the sugar industry, forecasts for the crush have been continually revised down, and we are looking at a crush of 29 million tonnes. Volumes are down as are prices, as we face five-year lows in the sugar price."

The Australian Sugar Manufacturers (ASM) warns that without decisive action, the long-term viability of Queensland's second largest agricultural export is at risk.

"Business as usual can no longer be an option", said ASM Chief Executive Officer Ash Salardini. "We need a bold, forward-looking agenda that leverages sugar's potential to underpin a biofuels and bioenergy industry in Queensland. This is not just about saving jobs, it's about creating a sovereign capability for Australia's energy future".

[In its submission to the Federal Government today](#), the ASM has called for a Federal Government co-investment package to further secure the future of biofuels and bioenergy through sugar, including:

- \$90 million in capital grants for technology, adaptation and energy transition projects.
- \$9 million for feasibility studies to develop shovel ready biofuels projects.
- \$60 million cane rail fund to maintain and upgrade critical transport infrastructure.
- \$24 million for advanced sugar manufacturing R&D to drive innovation and diversification.

The sugar industry has the feedstock and infrastructure to deliver up to 30% of Australia's aviation fuel demand through biofuels, provide baseload renewable electricity for nearly 500,000 Queensland homes, and create new revenue streams through biogas and biomanufacturing.



“This is a once in a generation opportunity. If we act now, we can transform Queensland’s sugar industry into the cornerstone of Australia’s clean energy future. If we don’t, we risk losing a \$20 billion industry capability and thousands of regional jobs, the future of our industry is at stake”, said ASM Chief Executive Officer Ash Salardini.

Australian Sugar Manufacturers is urging the Australian Federal Government to work with industry and the Queensland Government to deliver and develop a national biofuels mandate and a comprehensive sugar industry diversification strategy.

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Australian Sugar Manufacturers (ASM) is the peak industry body representing the nation’s sugar manufacturing sector, 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 sugar manufacturing sector continues to support communities, create jobs, and foster a sustainable future for the industry, and the broader economy.