



Speech by

JAN JARRATT

MEMBER FOR WHITSUNDAY

Hansard 26 March 2003

FURFURAL

Ms JARRATT (Whitsunday—ALP) (12.17 a.m.): There has been much debate of late in both government and industry circles around the need for diversification and value-adding in the sugar industry. While many have been content to focus on the reasons why it is not possible, others have risen to the challenge of finding a way forward and have taken decisive steps to achieve that goal. The Board of the Proserpine Cooperative Sugar Milling Association provides an excellent example of a group with the can-do attitude that is so badly needed in this besieged industry.

The board, under the chairmanship of Mr Dick Dray, has seized on a project that has the potential to enhance profits and reduce the cooperative's exposure to low world sugar prices. They have begun a full feasibility study into the development of a furfural plant at the Proserpine Mill. Furfural is a speciality chemical made from agricultural waste products including bagasse, the fibrous component of the cane plant remaining after cane juice has been extracted. Present uses for furfural include: as a solvent in the manufacture of lubricating oil, as a non-toxic nematicide and as a feedstock for furfuryl alcohol and many other chemicals used in paints, golf balls, lycra, skateboard wheels, flavourings, pharmaceuticals, et cetera. The really exciting dimension to the development of a furfural plant is that it will not detract from the mill's current focus, the production of sugar, molasses and electricity. The production of furfural will complement these activities and, most importantly, has the potential to provide jobs on a year-round basis rather than the much shorter season associated with sugar production alone.

The Proserpine sugar mill is the mainstay of the town's economy, so this type of investment in local jobs would be welcomed by the whole community. While I am keen to heap praise on the vision and enterprise demonstrated by the mill's board, I also want to say how proud I am that the government, through the Department of State Development, has taken an active and supportive role in this project to date. The DSD approved a dollar-for-dollar Regional Business Development Scheme grant of \$46,750, which enabled the board to undertake a pre-feasibility study. The results of the pre-feasibility study have given the board the confidence to go ahead with the next stage, which will involve the construction of a pilot plant reactor and a period of trialling taking place in South Africa.

This project epitomises the sort of smart thinking and development that this government is championing in its Smart State vision. I am really excited by the potential benefits that furfural production could bring to Proserpine. If the reality meets the expectation, it will be a win for local canegrowers and millers, a win for the environment and a win for the local community.