

QUESTION ON NOTICE
No. 390
Asked on Thursday, 8 March 2007

MR LAWLOR asked the Minister for Primary Industries and Fisheries (MR MULHERIN)-

QUESTION:

With reference to page 1-11 dot point 4 of the Ministerial Portfolio Statement—

How is the Department of Primary Industries and Fisheries FutureCane Project benefiting the Queensland sugar industry?

ANSWER:

FutureCane is beginning to make a significant impact on the Queensland sugar industry and as more farmers take up best farming practices and the economic decision making tools promoted by FutureCane, they will have greater capacity to effectively manage their business viability.

Commenced in 2004, FutureCane is the Department of Primary Industries and Fisheries' (DPI&F) \$5.2m contribution to the State Sugar Package. FutureCane combines the expertise of farming systems agronomists, economists, and trade and business development officers to meet the specific needs of Queensland sugarcane farmers. A unique feature of the FutureCane Project is that DPI&F and BSES Limited staff members work in partnership to deliver services, each providing their unique skills in a complementary manner to the sugar industry.

Recent studies into FutureCane found that, in terms of benefits to sugarcane farmers, the Government's investment over the last three years has returned tenfold. This is due to costs saved with the adoption of reduced tillage methods, the reintroduction of legume fallows and the use of controlled traffic.

In mid-2006, DPI&F funded a Mid-Term Review of FutureCane by an independent reviewer, Dr John Drinan of Rural Enablers, to ensure that FutureCane was on track and delivering on its objectives. Dr Drinan reported that the FutureCane Project is performing well, delivering benefits to the industry and challenging those who are listening.

Dr Drinan further stated that the Project has been achieving remarkably well given its short life; unusually so as most projects do not achieve significant outcomes until much later in their lifespan. Some stakeholders have stated that they saw FutureCane as integral to the sugar industry's future.

FutureCane dovetails with pre-existing industry and government programs, often acting as a bridge for integrating different programs and has very effective working relationships with the majority of industry organisations at the local level.

Over the past two years, FutureCane economists have developed the Farm Economic Analysis Tool (FEAT). This software – the first of its kind in the sugar industry in Queensland – provides farmers with technology to easily determine their profitability and the impact of any changes they may make. As FEAT is picked up

and used by the sugar industry, it will lead to enhanced profitability in the cane industry.

Now, FutureCane is adapting its service mix to assist farmers to respond to sugarcane smut in order to maximise their capacity to deal with the “economics” of smut, as well as enhancing their viability through agronomic best practice.

Over the next one to three years, sugarcane farmers face a high level of business uncertainty due to sugarcane smut. To effectively manage their businesses through this time and into the future – because sugarcane smut is now widespread and cannot be eradicated nor contained – they will have to make the best agronomic as well as economic decisions as possible.

To counteract any potential losses of introducing new resistant cane varieties, FutureCane works with farmers to establish best agronomic practice by introducing reduced tillage methods, reintroducing legume fallows and using controlled traffic. Over time, these practices will reduce input costs by 20 percent, making a significant difference to the farmer’s bottom line and viability. In some instances, the legume fallow will even provide a welcome addition to cash flows.