

**Question on Notice**  
**No. 1368**  
**Asked on 16 October 2018**

**Mr J Costigan** asked Premier and Minister for Trade (Hon. A Palaszczuk)—

**QUESTION:**

Will the Premier commit to travelling to India, as a matter of urgency, to urge the Indian Government to drop subsidies to Indian cane farmers that have resulted in five million tonnes of sugar being dumped on the global market and subsequently, a ten year low in the world price of sugar?

**ANSWER:**

As I advised the Member for Hinchinbrook in my answer to Question on Notice No. 1073, and as the Member for Whitsunday would know, Australia's participation in a rules based international trading system, including our membership of the World Trade Organisation, is the responsibility of the Federal Government.

I am sure that the Honourable member would also know that Queensland's sugar industry is one of the most efficient in the world.

Raw sugar is essentially a commodity and, while there are premiums that can be achieved from providing a high quality product, the price is heavily influenced by global supply and demand.

I am advised that what we are seeing at the moment is a world market for raw sugar that is suffering from an over-supply of product, and that this has caused a drop in the world price to where even the most efficient suppliers, such as Queensland, are being forced to sell at an unsatisfactory price.

I am further advised that the over-supply is due to a combination of good seasonal conditions in Pakistan and India, coupled with the effects of government subsidies for producers in those countries.

I understand that the industry has been working closely with the Australian Department of Foreign Affairs and Trade in relation to the matter.

I made representations on this matter when I met with the Australian High Commissioner to India, Ms Harinder Sidhu, during her official visit to Brisbane in September this year.