

A new era for sugar industry R&D announced today

The Australian sugarcane industry today has revealed a comprehensive plan to strengthen and streamline the research, development and extension (RD&E) function. The changes more than double the industry's contribution to funding R&D from \$10 million in 2005/06 to \$21 million in 2013/14, creating certainty in the delivery and funding of core RD&E activities.

The integrated package of reforms released today aligns with a modern, positive industry, said the Australia Sugar Milling Council (ASMC) and peak sugarcane growers group CANEGROWERS in a joint statement today. They say the package will provide a larger competitive research program, and be a better use of industry and government funds.

The modern structure will ensure a professional research group is delivering for industry and government investors, research providers and wider stakeholders.

Today's announcement has come on the back of a yearlong consultation process and comprehensive review of sugar industry RD&E structures. Research is important, and growers and millers want to ensure every hard-earned dollar is achieving the best possible result to underpin a strong future for the industry.

ASMC and CANEGROWERS say revitalised R&D structures will keep the Australian industry on the front foot in the competitive export market onto which over 80% of Australia's sugar is sold.

Implementation is being carefully planned and coordinated. It will be rolled out over the coming two years in a staged process. Essentially the headlines are:


- **Restructure: form an Industry Owned Company.** The industry will work with the Australian Government to create a research body (Sugar Research Australia [SRA]), encompassing the, sometimes overlapping, functions currently carried out by BSES Limited, Sugar Research & Development Corporation (SRDC) and Sugar Research Limited (SRL). This company would help the industry secure increased funding from the federal government, and would be underpinned by a statutory levy shared equally between growers and millers, who would be empowered to elect directors and vote on the level of the levy.
- **Efficiency: strengthen and streamline BSES over 2011-2012.** Services such as plant delivery will be fortified by concentrating expertise into three strong research and delivery centres; Meringa, Burdekin and Mackay. The Bundaberg and Herbert stations will be closed and sold and their functions integrated into the three major delivery centres, keeping the important variety trials currently being run in each area, including Bundaberg and Herbert. Overall, the target is to improve service delivery and achieve efficiency gains of 20%.
- **Information access: create a complete set of up-to-date, grower-friendly resources.** This will include freely available knowledge packages, research information and a series of events. From mid-2012, the one-on-one advising function undertaken by BSES officers will be picked up by a host of local consultants and businesses.
- **A robust skilling program will be rolled out to develop and strengthen the skill-set of the new network of local sugar extension providers.** The Sugar Advisory Services Development Program will kick off in late 2011 and run throughout 2012, providing a transition to new service arrangements.

"Overall this restructuring and streamlining will strengthen R&D activities now and in the future," says Dominic Nolan of ASMC.

"We need a savvy, forward thinking approach to research, development and extension," underscores Steve Greenwood of CANEGROWERS. "You simply can't expect to lead the way without it."

And according to both groups that is what will be delivered. "In the long term this suite of changes is set to deliver improved profitability for growers, millers and the Australian industry alike," Greenwood and Nolan confirmed in the joint statement today.

The full report is available for download from www.canegrowers.com.au and www.asmc.com.au

 [Sugar RD&E Reform Package](#) (full report by the Reform Project Leader, Dr Sandra Welsman)

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Some of the changes & efficiencies

- Create core RD&E funding certainty.
- Over two years create 'Sugar Research Australia' by bringing together BSES, SRDC, and SRL.
- Reorganise cane variety development.
- Bolster service delivery through concentrating expertise, including expert breeding and technical field staff, at three major sites at Meringa, Burdekin and Mackay.
- Create whole-farm extension material, cane farming tools and events.
- Modernising CSIRO relationship by moving to project-by-project arrangements.
- Secure savings by closing the Bundaberg and Herbert River stations and streamlining plant breeding, varieties, biosecurity, cropping systems, technology support and extension.
- Establish a professional extension communications unit to support a range of extension providers.