

MEDIA RELEASE

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Nothing sweet about free. Subsidised sugar dumping threatens future of cane industry

'INTERVENE now to protect the World Sugar Price or risk cane farmers walking away from their crops' is the dire warning delivered by KAP Leader and Federal Member for Kennedy Bob Katter and Qld KAP Member for Hinchinbrook, Nick Dametto to the Federal Government as another six million tonnes of subsidised sugar was dumped on the global market by India yesterday.

Mr Katter said the Federal Government's free trade agreements were to blame and that if the government didn't intervene and protest to the World Trade Organisation (WTO) immediately to stop the flood of subsidised sugar coming onto the global market, then the survival of Australia's sugar industry is threatened as producers are left unable to compete.

"Free trade is a free kick for the rest of the world and it's a kick in the guts for us," Mr Katter said.

"Under our existing free trade agreements, there is no sugar going into Europe, America, Brazil and India. So where the hell is the sugar allowed to go? Where's your great free markets?

"The government has taken our protection away. Our farmers are the gladiator and they've taken their shield and helmet off us – the other blokes have their shield and helmet – they have tariffs, subsidies, home market contracts, quarantine laws – they have a million barriers that they throw at you.

"So how the hell can our farmers compete globally?!

"Quite frankly, the lovely bloke Josh Frydenberg, needs to stop running around talking about how much more free marketing Australia needs, when his record would be the worst of any government in world history I would think," Mr Katter said.

Nick Dametto said that the Federal Government had a responsibility to Australia's cane growers to protect the World Sugar Price and that they needed to take India to task to ensure every measure was being taken to prevent subsidised sugar from continuing to end up on the world market.

"The federal sugar code only allows farmers to be paid by a formula set by the World Sugar Price and unless the Federal Government is intending to help the farmers by amending the sugar code, then they need to be doing all they can to protect the farmers.

"Farmers aren't paid for any value added products. If a mill decides to produce electricity, molasses, biofuels, or bioplastics off the cane that they supplied, then the farmer doesn't get paid for any of that. They only get paid on this formula and the variable is the World Sugar Price.



BOB KATTER

Katter's Australian Party Federal Member for Kennedy



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"I understand that Australia does have trading ties with Indonesia, and by the Federal Government standing up for cane farmers, some of these relationships may deteriorate, but right now, the coalition needs to decide whether they back our farmers, or whether they are more interested in protecting other commodity markets. If they are, they need to come out and say they are.

"This is not the first time this has happened. The same thing happened two years ago when Indonesia and Pakistan dumped a heap of sugar on the market. It took getting Brazil on board before Australia took it to the WTO. So where's the strength in our federal government?"

Mr Dametto said growers were already under increasing pressure due to State Government's proposed environmental bill hanging over their heads and that the industry was also suffering from an already ailing World Sugar Price.

"To think over the next two to three years that the price could potentially plummet because of billions of dollars' worth of subsidised sugar being dumped on the market has many growers asking how long do they have left?" he said.

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