Discussion Paper - Flood Recovery

Background

The Northern Rivers region was impacted by catastrophic flooding in March 2022. While all mill areas were affected, the Broadwater mill area, in particular, suffered significant damage to infrastructure (farms, mill, roads, bridges), equipment and crop.

The level and duration of inundation in the mid-Richmond area was such that standing 1-year old crops were killed and even 2-year-old crops suffered significant damage. In addition to that, ongoing wet weather, and the late start to the season, disrupted the planting season and only 3,000 ha was planted. At Harwood and Condong 77% of the fallow area was planted and at Broadwater this was only 30%.

The areas planted at Broadwater in 2022 are as outlined in the table below:

Prod Zone		Cult Area	Plant Area	% Plant
#	**District**			
1	Teven & Newrybar	461.1	23.1	2%
2	Pimlico & Back Channel	991.3	78.3	8%
3	Sneeby's Ln to Sth Ballina	1,401.6	130.7	14%
4	Mill to Carney's Lane	706.1	76.0	8%
5	Banks Est, Dungarubba, East Coraki and Riley's Hill	2,502.5	177.1	19%
6	Woodburn, Buckendoon & Kilgin	2,514.6	135.4	15%
7	Rocky Mth Ck, Swan Bay, Bungawalbyn & Codrington	3,025.4	310.8	33%
Totals		**11,602.6**	**931.4**	**8%**

Note: % plant is of the 931.4 ha planted of which only 26 ha was plough out and replant.

So, while there is some flood recovery work at Condong and Harwood, the majority is at Broadwater where, based on the latest paddock data, the area of fallow land is 3,846 ha or 35% of the remaining cultivated area.

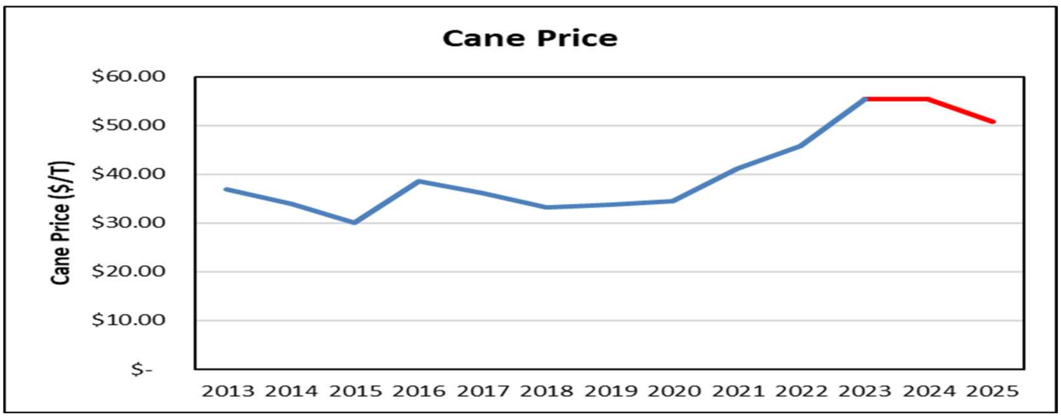
A survey undertaken by Ag Services staff shows that growers are planning on planting 1,679 ha of this or 43% of the fallow area.

With current strong sugar prices and the opportunities those present, it is imperative that a coordinated approach is followed to expedite the recovery process, particularly at Broadwater.

The Ag Advisory Committee and Ag Services has a leading role to play in this and this paper sets out the elements that need to be considered and possible strategies to address those.

Cane Price

The historical and anticipated cane prices for the next 3 seasons are as depicted in the chart below:



For the next 3 seasons cane prices of between $50 and $55/t are anticipated. An aggressive hedging program has been approved to secure these prices for the industry, and it is imperative that a concerted effort is made to ensure that crop recovery is expedited to maximise returns to the industry.

Fallow Area

The tables below are a summary of the historical fallow at each mill area over the last 10 years.

Harwood:

	Harwood						
Year	**Cult Ha**	**Fallow Ha**	**Plant Ha**	**Plant as % F**	**Fallow as % C**	**Plant as % C**	**Rotation %**
2013	10,689.1	2,279.3	2,825.0	91%	21%	26%	42.70
2014	10,608.6	2,085.1	1,848.0	81%	20%	17%	36.30
2015	10,635.8	1,378.8	1,362.4	65%	13%	13%	48.30
2016	10,552.4	1,466.1	1,195.7	87%	14%	11%	45.20
2017	10,520.6	1,306.4	1,271.0	87%	12%	12%	47.90
2018	10,470.7	1,381.4	1,182.8	91%	13%	11%	49.10
2019	10,144.1	1,311.4	1,138.6	82%	13%	11%	45.70
2020	10,023.6	1,588.0	1,352.0	103%	16%	13%	46.80
2021	9,872.3	1,623.7	1,450.6	91%	16%	15%	46.30
2022	9,896.8	1,682.2	1,256.0	77%	17%	13%	43.30
Average	**10,341.4**	**1,610.2**	**1,488.2**	**86%**	**16%**	**14%**	**45.16**

Broadwater:

	Broadwater						
Year	**Cult Ha**	**Fallow Ha**	**Plant Ha**	**Plant as % F**	**Fallow as % C**	**Plant as % C**	**Rotation %**
2013	14,549.5	3,167.4	2,550.9	66%	22%	18%	41.90
2014	14,541.0	3,128.6	2,261.9	71%	22%	16%	37.90
2015	14,700.0	2,792.0	2,291.0	73%	19%	16%	42.80
2016	14,643.5	2,757.0	2,500.1	90%	19%	17%	45.11
2017	14,915.0	3,081.8	1,438.7	52%	21%	10%	40.00
2018	14,392.0	3,013.0	1,659.5	54%	21%	12%	44.00
2019	15,318.0	4,306.0	1,493.0	50%	28%	10%	34.00
2020	13,839.0	3,806.0	1,342.4	31%	28%	10%	41.00
2021	12,466.0	3,416.0	1,088.5	29%	27%	9%	32.80
2022	12,674.0	3,846.0	934.0	27%	30%	7%	38.50
Average	**14,203.8**	**3,331.4**	**1,756.0**	**54%**	**24%**	**12%**	**39.80**

Condong:

	Condong						
Year	**Cult Ha**	**Fallow Ha**	**Plant Ha**	**Plant as % F**	**Fallow as % C**	**Plant as % C**	**Rotation %**
2013	7,177.8	1,511.1	1,454.4	139%	21%	20%	58.40
2014	6,781.7	1,000.9	1,120.0	74%	15%	17%	66.98
2015	6,787.4	826.4	940.9	94%	12%	14%	66.40
2016	6,813.7	790.2	934.1	113%	12%	14%	68.80
2017	6,554.0	763.9	883.7	112%	12%	13%	68.00
2018	6,538.1	599.7	879.8	115%	9%	13%	69.00
2019	6,530.1	852.2	881.6	147%	13%	14%	68.20
2020	6,428.0	764.8	859.6	101%	12%	13%	68.89
2021	6,258.3	861.9	864.0	113%	14%	14%	67.08
2022	6,236.5	906.4	663.6	77%	15%	11%	61.50
Average	**6,763.5**	**985.4**	**1,097.7**	**112%**	**14%**	**16%**	**64.90**

Note: Rotation is % of cultivated area harvested.

The distribution of the Broadwater fallow by productivity zone is as follows:

Prod Zone		Cult Area	Fallow Area	% Fallow
#	District			
1	Teven & Newrybar	461.1	200.3	5%
2	Pimlico & Back Channel	991.3	385.6	10%
3	Sneeby's Ln to Sth Ballina	1,401.6	372.1	9%
4	Mill to Carney's Lane	706.1	194.4	5%
5	Banks Est, Dungarubba, East Coraki and Riley's Hill	2,502.5	961.4	24%
6	Woodburn, Buckendoon & Kilgin	2,514.6	982.3	24%
7	Rocky Mth Ck, Swan Bay, Bungawalbyn & Codrington	3,025.4	915.3	23%
Totals		**11,602.6**	**4,011.3**	

Most of the fallow, 71%, is in the heavily flood-affected areas of the mid-Richmond.

When assessing the data, it is obvious that there is something amiss with the fallow numbers at Broadwater when compared to Harwood. The fallow area at Broadwater, as a % of cultivated area, is 50% higher than that of Harwood. Given both mill areas have a 2-year cropping system, this seems excessive. If one assumes that the Harwood data is more representative, then it is fair to say that the Broadwater fallow and cultivated areas are overstated by about 1,000 ha. This also has an important bearing on t/cult ha yield data.

In addition to that, about 1,000 ha of PAE at Broadwater that has gone mainly to macadamias in the last 12 months, is in the process of being cancelled. That means the cultivated area is closer to 10,600 ha and the fallow area closer to 2,000 ha.

Area to be Planted.

Based on the data from the grower survey, the total area of fallow land to be planted in 2023 across all 3 rivers is about 4,600 ha which is very close to the area planted in 2015. This area could be higher with more plough-out and replant post-harvest.

In addition to this, there is strong interest in sugarcane growing in the Casino area with about 250 ha planned to be planted this year.

So, we need to plan for a planting program, across the three rivers in 2023, of about 5000 ha of which about 2,000 ha will be at Broadwater.

Seedcane

Assuming a planting rate of 10T/ha, we will need 50,000 T of seedcane across the three rivers.

Broadwater will need about 20,000 T just to plant the fallow area and only 9.4 ha have been nominated for seed according to the latest mapping.

What’s out there?

A review has been undertaken to determine what potential seedcane is available at Broadwater and based on what was planted last year and using conservative yields, we estimate there are about 32,000 Tonnes of material available, as outlined in the following table (by productivity zone).

	NEED HELP (ha)		(Ha)			
Productivity Zone	Yes	No	2023 Plant	Seedcane required (T)	Potential Seed Cane Available (T)	Excess/Shortfall (T)
1	23	27	50	597	809	212
2	8	69	76	914	2,479	1,564
3	79	163	247	2,968	5,041	2,073
4	32	119	151	1,811	2,697	886
5	16	217	233	2,799	6,060	3,261
6	100	233	333	3,995	3,272	**- 723**
7	291	298	588	7,062	11,929	4,867
Total	**549**	**1125**	**1679**	**20,146**	**32,287**	**12,141**

The variety composition, and the willingness of the growers to provide material for planting will be determined over the next few weeks..

Land Preparation and Planting

With many growers having lost tractors and machinery, the small planting window etc, do we have enough capacity to get the land prep and planting done in time?

At Broadwater, 48 growers, with about 500 ha of the area to be planted, have indicated that they will need assistance either in the form of seedcane, a planting contractor or both.

At present there is one commercial contractor based at Broadwater who operates across the 3 rivers, and his services are going to be in high demand.

If we are to get the program completed within the available time, then additional resources will be required.

Given the differences in planting times within NSW and between NSW and Queensland, the opportunity exists to secure these resources from elsewhere in Queensland. Initial discussions have been positive.

Covering the Costs

The capacity of growers to pay for planting material and contract services has been identified as a possible issue. It has been suggested that those growers who have applied for the second round of funding under the Recovery Grant, can use that for planting costs.

The Ag Advisory Committee is supportive of reintroduction of the Grower Planting Loan Scheme by MHS if possible.