

referred to a dispute resolution process.

3.5. Review on change in circumstances

If at any time during the term of this Agreement CSR or the Committee considers that as a result of any significant change in circumstances, one party has been seriously disadvantaged to the benefit of the other party, that party may by notice in writing request the other party to confer regarding the changed circumstances and that other party shall within seven (7) days of receiving such notice confer with the first party regarding the changed circumstances.

If CSR and the Committee then mutually agree that because of the changed circumstances it is desirable that this Agreement be varied, the parties shall join in making an application to the Negotiating Team for variation of the Agreement in accordance with the provisions of s 44 of the *Sugar Industry Act*.

If the parties hereto cannot agree on the manner in which this Agreement is to be varied under this clause, then either party may refer the matter for dispute under Clause 4 below, for the purpose of determining the following:

- (a) whether there has been a significant change in circumstance;
- (b) whether such change has caused serious disadvantage to one party, to the benefit of the other party; and
- (c) if (a) and (b) are established, then to determine the changes that should be made to the Agreement to put, as far as is practicable, both parties back into the same respective positions in which they were before the significant change in circumstance occurred.

4 DISPUTE RESOLUTION

4.1. Extent of dispute resolution provision

If a dispute arises:-

- (i) within the Negotiating Team about the variation of this Agreement under Clause 3.5; or
- (ii) about the meaning of this Agreement between CSR and a Grower or Growers bound by the Agreement

the dispute shall be resolved in the manner hereinafter prescribed.

4.2. Method of Resolving Disputes

Such dispute shall be referred for resolution as required by the dispute resolution process as

determined by the Sugar Industry Act 1999 and its relevant regulations.

4.3. Costs of Resolving Disputes

Each party shall bear its own costs with the costs of the arbitrator being shared equally by CSR and the Committee.

5 FORCE MAJEURE

In accordance with Section 52 of the Act, neither CSR nor any grower shall be liable for any breach of the provisions of this agreement if that party's inability to comply with such provision is caused by natural disaster or other event or circumstance affecting cane growing, harvesting or crushing beyond the reasonable control of the party in breach.

6 MILL SALE OR CLOSURE

CSR agrees it will not cease to carry on the business of manufacturing sugar at Pioneer Mill without first giving the Committee at least one full crushing seasons notice.

In the event Pioneer Mill is sold, CSR agrees to obtain undertakings from the new owner to honour this Collective Supply Agreement.

In the event that CSR intends to offer Pioneer Mill for sale as a separate entity separate from the rest of CSR Sugar Mills Group, CSR agrees to register the Committee as a potential purchaser.

CSR agrees to keep the Committee informed as to the progress of any separation of CSR Sugar from the rest of CSR.

7 BY PRODUCTS

The parties agree they will consult on any opportunities that arise to joint venture in relation to commercial exploitation of sugar industry by-products, such as cane tops, mud and ash, but excluding bagasse and molasses, and products derived from these, which have traditionally been the property of the mill.

8 GOVERNING LAW

This Agreement shall be governed by the laws of Queensland.

PART II - EXPANSION

Part 2 of this agreement provides for the longer-term strategic planning issues facing Pioneer Mill area, particularly in relation to the Pioneer Mill but also relating to the Burdekìn District. It deals with extended planning and provides a framework for growers and miller to plan their operations and finances.

1 ACKNOWLEDGEMENT

The Negotiating Team agree that the terms of this agreement have been settled on the basis of a projected annual crop of cane of 6.11 million tonnes for Invicta mill and Pioneer mill combined, and a maximum season length of 24.5 dry weeks. If increased yield or increased rotation causes the total crop of cane available for harvest from land assigned to Invicta mill and to Pioneer mill to exceed the figure of 6.11 million tonnes for three (3) consecutive years, the parties agree that they will negotiate in good faith to reach fair and reasonable arrangements on how the excess cane can be crushed. Providing agreement can be reached in that regard, CSR will make reasonable attempts to crush this additional cane.

2 TARGET SEASON LENGTH

The parties agree that the target crushing season length for Pioneer mill should be 23.5 dry weeks for the 2000 crushing season, and should be extended to 24.5 dry weeks as the conditions in Clause 5 of this Part II are satisfied and additional crushing capacity is installed. The parties agree to use their best endeavours to ensure that the season length does not extend beyond or fall short of this target.

3 PROCEDURE FOR GRANT OF CPA

3.1. Agreed Procedure

The parties agree that the procedures set out in this Clause 3 shall govern the manner in which the Negotiating Team will seek to reach a view on approving, and determining the need for the allocation of, new or increased CPA out of unallocated hectares of land during the term of this Agreement.

3.2. Meeting to Consider Increase

The Negotiating Team will meet before 15 February each year and at such other times as it considers necessary, to consider whether there should be an allocation of new or increased CPA relating to Pioneer Mill for that year. In determining this issue, the Negotiating Team shall have regard to the Nominal Annual Capacity of the Mill and the CPA necessary to fully utilise that capacity. In having regard to these matters, the Negotiating Team shall apply the formulas set out in this clause 3.

3.3. Nominal Annual Capacity

The Nominal Annual Capacity of Pioneer Mill will be calculated each year during the term of this Agreement using the following formula:

$$\text{Nominal Annual Capacity (NAC)} = \text{TNCR} \times \text{TSL} \times 168 \text{ hours/week}$$

Where

“TNCR” means Target Net Crushing Rate which is calculated as the average gross crushing rate for the previous two (2) years at Pioneer Mill (expressed as tonnes of cane per hour), or a crushing rate determined by the Negotiating Team, multiplied by either:

- (a) the average mill availability percentage for the previous two (2) years (as advised by CSR using statistical records kept by CSR for this purpose, and subject to independent verification if required); or
- (b) a value to be determined by the Negotiating Team.

“TSL” means Target Season Length as defined in Clause 2.

3.4. Cane Production Area

The Negotiating Team will, following calculation of the Nominal Annual Capacity, determine the CPA needed to produce the nominal tonnage of cane to meet the Nominal Annual Capacity of Pioneer Mill. This figure will be calculated using the following formula:

$$A1 = T \div (Y \times R)$$

Where:

A1 = CPA in hectares (including an allowance for seed cane) needed to match the nominal annual capacity for crushing at Pioneer Mill.

T= the Nominal Annual Capacity calculated in accordance with clause 3.3

Y = the average crop yield for the last five (5) years (expressed as tonnage of cane per hectare) as advised by CSR based on statistical reports kept by CSR for that purpose, (subject to independent verification if required) and excluding the highest and lowest years.

R= the average rotation of crops attached to Pioneer Mill for the last three (3) years as advised by CSR based on CSR's records.

3.5. Allocation of CPA

Following determination of the matters referred to in Clauses 3.3 and 3.4, the allocation of unallocated land for new or increased CPA to be approved each year by the Negotiating Team for all purposes under the Act shall be determined using the following formula:

$$A3 = A1 - A2$$

Where:

A1 = the amount calculated in accordance with clause 6.4

A2 = the current total CPA at the date of calculation less an allowance (determined by the Negotiating Team) for seed cane.

A3 = the area of new allocation for CPA (expressed in hectares).

4 CONDITION FOR GRANT OF NEW CPA

The Negotiating Team agrees that it will instruct the CPB to approve the allocation of new or increased CPA to a grower only if –

- (a) The grower has confirmed in writing that he is prepared to accept the terms and conditions contained in the Collective Supply Agreement as it applies to New CPA; or
- (b) The grower and CSR have signed an Individual Supply Agreement in relation to that allocation, conditional only on the grant of the CPA.

5 INSTALLATION OF ADDITIONAL CRUSHING CAPACITY

5.1. Increase to 1,425 tonnes /hour net

CSR undertakes to increase the Net Crushing Rate at either or both of (at its discretion) Invicta Mill and/or Pioneer Mill so that the Net Crushing Rate of the two mills combined is 1,425 tonnes per hour as follows –

2000 season	1380 tonnes/hour
2001 Season	1395 tonnes/hour
2002 Season	1410 tonnes/hour
2003 Season	1425 tonnes/hour

5.2. Extension of season to 24.5 dry weeks

The parties agree that the Target Season Length will not be increased above 23.5 dry weeks until the Net Crushing Rate of the two mills combined is 1,425 tonnes per hour. Both parties agree to extend the season to 24.5 dry weeks, under the conditions generally contained in this agreement, subject to the following -

- (a) A commitment and plan by CSR to provide a capacity of 1,485 tonnes/hour Net Crushing Capacity; and
- (b) The Committee being satisfied with the CSR commitment, plan and timeframe to fully expand capacity to 1,485 tonnes/hour net throughput; and
- (c) The Negotiating Team for Invicta Mill executing a Collective Supply Agreement which includes a provision that Pioneer and Invicta cane may be freely transferred between mills at the millowners option so as to achieve as far as practicable equal season lengths; and
- (d) CSR being satisfied that sufficient new CPA will be allocated in accordance with the provisions of the Act to facilitate a 24.5 dry week season length concurrently with expansion of the combined Net Crushing Rate of Pioneer and Invicta Mills; and
- (e) The parties working together to ensure, as far as practical, that any increased CPA will be made productive in time to fully utilise the increased net crushing rate capacity and season length; and

5.3. Allocation between Invicta and Pioneer

The ultimate total crop shown in the table above is 6.11 m.t. Increased CPA resulting from increased season length and/or increased rate shall be allocated proportionately as agreed between Invicta and Pioneer growers, but in any case shall accord with each mills actual proven crushing capacity.

5.4. Increase beyond 1,485 tonnes/hour

In the event that there is an increase in the combined mills capacity beyond 1,485 tonnes/hour, and, as a result of vertical expansion the season length has extended beyond 24.5 dry weeks, then the extra capacity will first be used to reduce the season length to 24.5 dry weeks before additional assignment is allocated.

PART III - PAYMENT ARRANGEMENTS

Part III of this agreement deals with medium term issues, including the payment arrangements for cane supplied under this agreement.

1 DURATION OF SEASON

1.1. Estimated season length

The estimated length of the season will be calculated each year by the 1 March, using the following formula:

$$L = \frac{AUC \times TPHa}{TPHr \times MA \times 168}$$

where

- L = the estimated length of the season in Dry Weeks;
- AUC = area under cane available for harvest (excluding an allowance for seed cane at 0.5%, or a mutually agreed figure) measured in hectares;
- TPHa = average yield over last five years excluding best and worst year, measured in tonnes of cane per hectare, or a mutually agreed tonnage considering any significant changes or events.
- TPHr = the average gross crushing rate for the last two years measured in tonnes of cane per hour (or a mutually agreed rate considering any significant changes or events);
- MA = average mill availability for the previous two years (or a mutually agreed availability % considering any significant changes or events) as a proportion of full mill availability;
- 168 = total number of hours per week;

1.2. Commencement of Season

1.2.1. Commencement of season - 21.2 Dry Weeks or less

In the event that the estimated season length will be 21.2 Dry Weeks or less, the crushing season will start on the Tuesday after the date gazetted as the "Queen's Birthday" public holiday in Queensland (or, if no such date, the second Monday in June) or otherwise by agreement between the parties.

1.2.2. Commencement of season – Between 21.2 to 23.5 Dry Weeks

In the event that the estimated season length will be more than 21.2 Dry Weeks, the crushing season will start that number of days prior to the Tuesday after Queen's Birthday (as defined in the previous paragraph) by which the season length is estimated to exceed 21.2 weeks, provided that the earliest start date will be the Monday on or before the 1st of June, or otherwise by agreement between the parties.

1.2.3. Commencement of season - 23.5 Dry Weeks or longer

In the event that the estimated season length is calculated as 23.5 Dry Weeks or more, the crushing season will start on the Monday before the 1st of June or otherwise by agreement between the parties. If the 1st of June is a Monday, then the crushing will start on that day.

1.3. Extension of season length by unavoidable delays

If the crushing season is delayed by wet weather or by strikes, or any other matter, beyond the reasonable control of CSR or growers, the parties agree the season length shall be extended by the aggregate of any such delays, and extension shall not be counted in determining the dry season length. If there is any dispute between CSR and the Growers as to whether the delay was beyond the reasonable control of CSR or growers, such dispute shall be referred to the Negotiating Team for resolution. While CSR seeks to have good industrial relations with its employees, and takes all reasonable steps to avoid disputes, nothing in this Agreement shall oblige CSR to settle industrial disputes on terms that CSR regards as unfavourable. However, CSR undertakes to abide by all Industrial Commission recommendations.

1.4. Resumption of crushing after wet weather

Should the Mill cease crushing as a result of wet weather, the date of resumption of crushing shall be determined by consultation between CSR and the Committee.

1.5. Cessation of crushing

1.5.1. Crushing shall terminate when all cane has been crushed from CPA relating to the Mill. CSR shall give at least fourteen (14) days notice in the local press and by notice in writing to the Growers of the estimated finishing date.

1.5.2. After giving the notice above, CSR may terminate the season if wet weather causes the quantity of cane supplied to the Mill for crushing for five (5) successive days fall below two thirds (2/3) of the average daily crush to date for that season.

1.5.3. CSR agrees it will not terminate the season under Clause 1.5.2 above without first consulting with the Committee and jointly exploring all feasible options to crush any remaining cane.

1.6. Crushing of cane at other mills

The parties agree that CSR may, at its discretion, arrange for any cane supplied under this agreement to be crushed at other mills owned by CSR in the Burdekin region.

2 CANE SUPPLY

2.1. Minimum Supply Amount.

If a Grower grows cane on less than 70% of that Grower's CPA in each of three consecutive crushing seasons, then a party to this agreement may ask the CPB to consider whether it is appropriate for that Grower to forfeit that percentage of CPA which has not grown cane.

2.2. Obligation to Supply

Each Grower who grows cane on land included in the Grower's CPA relating to the Mill shall supply such cane to the Mill.

2.3. Cane Supplied from non-CPA land

If CSR processes cane from land without a CPA entitlement, and as a result CSR receives no payment for the sugar made from that cane, then the Grower who delivers that cane shall receive no payment for the cane.

3 CANE PAYMENTS AND FINANCIAL INCENTIVES

3.1. Cane price formula – Existing CPA

The value for cane supplied under this agreement from Existing CPA shall be calculated according to the following formula:

$$P_C = P_S \times 0.009(CCS - 4) + 0.578 + ESA + WEA$$

where

P_C = base average cane value at the Mill (pre GST);

P_S = sugar price in dollars per tonne of IPS sugar (pre GST);

CCS = seasonal average CCS of all cane;

ESA = Extended Season Allowance calculated in accordance with clauses 3.2 and 3.3 of this Part;

WEA = Weekend Harvesting Allowance calculated in accordance with Clause 3.4 of this Part

The value for an individual Grower's cane shall be calculated by the "Relative A" daily system of relative payment that incorporates the individual Grower's relative CCS. The relative "A" scheme is detailed in the Cane Supply and Processing Procedures Manual.

3.2. Extended Season Allowance for Existing CPA

Subject to Clause 3.3, the Extended Season Allowance for a season for all cane supplied from existing CPA shall be the amount in the following table corresponding to the actual season length. This allowance incorporates all previously paid adjustments excluding Weekend Harvesting Allowances, but including (without limitation) continuous crush allowances, production incentive payments, Bulk Mills/IPS adjustments, an allowance for CCS, the introduction of canned fibre machines, and any other losses whatsoever incurred as a result of the season length extension.

Actual Season Length (in Dry Days)	Extended Season Allowance
151.9 or less	\$0.302
152.0 - 152.9	\$0.332
153.0 - 153.9	\$0.362
154.0 - 154.9	\$0.392
155.0 - 155.9	\$0.422
156.0 - 156.9	\$0.452
157.0 - 157.9	\$0.482
158.0 - 158.9	\$0.512
159.0 - 159.9	\$0.542
160.0 - 160.9	\$0.572
161.0 - 161.9	\$0.602
162.0 - 162.9	\$0.632
163.0 - 163.9	\$0.662
164.0 - 164.9	\$0.692
165.0 - 165.9	\$0.722
166.0 - 166.9	\$0.752
167.0 - 167.9	\$0.782
168.0 - 168.9	\$0.812
169.0 - 169.9	\$0.842
170.0 - 170.9	\$0.872
171.0 or more	\$0.902

3.3. Adjustment to Extended Season Allowance – Existing CPA

The Extended Season Allowance payable for cane grown on Existing CPA is limited to payment on 2.05 million tonnes of cane. Factors such as CPA leasing, increased rotation, or increased yield could increase the amount of cane grown on Existing CPA. Accordingly, in the event that the amount of cane supplied from Existing CPA is more than 2.05Mt., the allowance calculated in the previous clause shall be reduced according to the following formula:

$$\text{Adjusted Allowance for Existing CPA} = \frac{\text{Allowance under Clause 3.2} \times 2.05\text{Mt}}{\text{Quantity of cane from Existing CPA (Mt)}}$$

The amount of 2.05Mt which appears in the above formula will be proportionately adjusted if there are transfers of Existing CPA between Pioneer Mill and other sugar mills.

3.4. Weekend Harvesting Allowance

3.4.1. Definitions

In this clause –

“**Guide Price**” shall mean the estimated cost of harvesting and hauling for a 60,000 tonne group using New Equipment., as published by the Burdekin District Canegrowers Executive, or another mutually agreed value which reflects the average cost of harvesting and hauling in the Pioneer Mill Area. The guide price shall be adjusted for green cane harvesting as appropriate.

“**Calendar Week**” means a working week commencing on a Sunday and ending on a Saturday

3.4.2. Cane harvested on Saturday or Sunday

An allowance shall be payable for cane harvested from existing CPA on a Saturday or Sunday, or on the 6th day worked in a calendar week in a continuous roster, calculated as follows –

- (i) A fixed daily component equal to eight (8) hours at half time at the Grade 1 level of the appropriate Sugar Industry Award for one (1) harvester driver and two (2) haulout drivers, plus the applicable workers compensation premium.
- (ii) A piecework rate equal to 5.8% of the guide price for harvesting burnt cane, and 7.85% of the guide price for harvesting green cane.

3.4.3. Cane harvested on days off

An allowance for cane harvested from existing CPA on a harvesting groups rostered day off, where the work has been requested by the mill, shall be payable, calculated as follows –

- (i) A piecework rate equal to 10.38% of the guide price for harvesting burnt cane, and 12.3% of the guide price for harvesting green cane for work on the 6th day; or
- (ii) A piecework rate equal to 13.00% of the guide price for harvesting burnt cane, and 14.76% of the guide price for harvesting green cane for work on the 7th day.

3.5. Cane price formula – New CPA

The parties acknowledge that cane supplied from New CPA is subject to different payment provisions than cane grown on Existing CPA. New CPA will not attract any Weekend Harvesting Allowances or Extended Season Allowances. New CPA will be assigned new Farm Numbers, and will not be able to be aggregated with existing farms.

The value for cane supplied under this agreement from new CPA shall be calculated according to the following formula:

$$P_C = P_S \times 0.009(CCS - 4) + 0.578 - Levy$$

where:

P_C = base average cane value at the Mill (pre GST);

P_S = sugar price in dollars per tonne of IPS sugar (pre GST);

CCS = seasonal average CCS of all cane;

Levy = \$1.00 per tonne for the first ten years of supply. After ten years of supply, the levy will be zero.

The price for an individual Grower's cane shall be calculated by the "Relative A" daily system of relative payment that incorporates the individual Grower's relative CCS.

4 ADJUSTMENT FOR MILL NON-PERFORMANCE

It is important that the season be contained in length. It is acknowledged that the extension of the season has a negative impact on the production of sugar by both miller and grower. Mill performance is an important and enduring factor in containing season length. As part of this agreement CSR warrants and agrees the performance criteria of its mills in both target throughput, maintenance and availability of the factory for start up and performance during the

harvest. CSR backs its performance criteria by accepting financial penalty provisions to be paid to growers should it not meet these agreed criteria. It is not the intention here to seek extra money from CSR; financial penalty provisions are in the first instance imposed in the expectation of ensuring mill performance and thereby staying within the agreed season length. There is no desire from growers to see an extended season. The penalty payments are tailored to identify with the losses that growers would suffer from such extended season.

4.1. Definitions

In this clause 4:

"Actual Crush" means the quantity of cane actually crushed during the season, measured in metric tonnes.

"Agreed Net Crushing Rate" means

- i. In respect of the 2000 to 2003 seasons, the amounts shown in the following table for Pioneer and Invicta combined -

Season	Agreed Net Crushing Rate
2000	1,380 tonnes/hour
2001	1,395 tonnes/hour
2002	1,410 tonnes/hour
2003	1,425 tonnes/hour

- ii. In respect of the 2004 and subsequent season, the Target Net Crushing Rate ("TNCR") as defined in Part II, less a buffer of 1.5% to allow for normal seasonal variations including CCS, Fibre and Cane Purity, measured in metric tonnes per hour. The 1.5% buffer will be limited to the amount by which the three year rolling average net crushing rate (that is, the average net crushing rate for the current season and the previous two seasons) exceeds the TNCR.
- iii. If other circumstances arise that, in CSR's reasonable opinion, reduce crushing rate such as
 - (a) the production of a brand of sugar that is not the Industry Standard Brand as defined in Section 99(9) of the Act.
 - (b) a season of excessive fibre levels; or
 - (c) other cane quality parameters significantly different from normal seasons,

then the Committee and CSR will agree adjustments to the Agreed Net Crushing Rate to compensate for these variations, and in the absence of agreement, the matter is to be referred to the Negotiating Team for resolution. The Negotiating Team may request supporting documentation for verification and if necessary seek verification of this documentation by an independent assessor.

"**Agreed Crush**" means the amount of cane the Mill has agreed to crush, measured in metric tonnes, and calculated as:

$$\text{Agreed Crush} = \text{Agreed Net Crushing Rate} \times 24.5 \text{ Dry Weeks} \times 168 \text{ hours per week}$$

"**Estimated Standover**" means the amount of cane not crushed, and stood over until the following year, measured in metric tonnes. It is calculated as:

$$\text{Estimated Standover} = \text{Area stood over} \times \text{estimated yield for that area}$$

"**Total Crop**" means the amount of cane available for crushing, including cane actually crushed plus an estimate of standover, measured in metric tonnes. It is calculated as:

$$\text{Total Crop} = \text{Actual Crush} + \text{Estimated Standover}$$

"**Expected Crush**" means the amount of cane that would have been crushed if the Mill had met its Agreed Net Crushing Rate, measured in metric tonnes. It is calculated as:

$$\text{Actual Season Length (in hours)} = \text{Season Length (in Dry Weeks)} \times 168 \text{ hours per week};$$

$$\text{Expected Crush} = \text{Agreed Net Crushing Rate} \times \text{Actual Season Length (in hours)};$$

provided that if the result of the above calculation is greater than the Total Crop, then the Expected Crush is equal to the Total Crop.

"**Actual Net Crushing Rate**" means the Crushing rate actually achieved after the adjustments outlined in clause 4.3 for extraordinary circumstances. It is calculated as:

$$\text{Actual Net Crushing Rate} = \frac{\text{Actual Crush} - \text{Clause 4.3 Adjustment}}{\text{Crushing Hours} - \text{Clause 4.3 Adjustment} + \text{Factory Stops}}$$

where "Factory Stops" means stops within the Mill's control, for example mechanical breakdown or maintenance stops.

"**Expected Season Length**" means the season length that would be expected given the Actual Net Crushing Rate achieved, measured in weeks. It is calculated as:

$$\text{Expected Season Length} = \frac{\text{Expected Crush}}{\text{Actual Net Crushing Rate (in tonnes per hour)} \times 168 \text{ hours per week}}$$

"Standard Season Crush" means the amount of cane that would have been crushed in 24.5 Dry Weeks, measured in metric tonnes. It is calculated as:

$$\text{Standard Season Crush} = \text{Actual Net Crushing Rate} \times 168 \text{ hours per week} \times 24.5 \text{ dry weeks}$$

4.2. Adjustment for Season Length Extension

In the event that -

- (i) the Actual Net Crushing Rate is less than the Agreed Net Crushing Rate, (that is, there has been a shortfall in Mill performance); and
- (ii) the Expected Season Length is greater than 24.5 Dry Weeks (that is, there was sufficient cane available to result in this shortfall causing the season length to exceed 24.5 dry weeks),

then CSR will make additional payments on the amount of cane that was affected by the season length extension. Growers acknowledge that such payment is in full compensation for any and all types of loss to Growers resulting from the season length extension. The distribution of any such payments between individual Growers shall be determined by the Committee.

4.3. Adjustment for Wet Weather and Abnormal Circumstances

The parties acknowledge that special circumstances apply when crushing operations are taking place during periods of wet weather, and that crushing performance can be reduced due to:

- (a) high mud loadings;
- (b) stop / start operation; and
- (c) variations to crushing rate to maximise sugar recovery and sugar quality, during periods of reduced cane availability.

If the Mill ceases crushing as a result of lack of cane supply caused by such circumstances, then for the purpose of calculating Actual Net Crushing Rate in clause 4.1, both the amount of cane crushed and the crushing hours shall be excluded from the calculation until one full day of continuous supply is available and mud loadings have, in the reasonable opinion of CSR and the Committee, returned to "normal" levels. CSR and the Committee shall consult in good faith as to what constitutes "normal" levels.

4.4. Amount of Cane Eligible for Additional Payment

- (i) If the Expected Crush is less than the Agreed Crush (that is, if the crop could have been crushed in 24.5 Dry Weeks if there was no deficiency in Mill performance) then the amount of cane (measured in metric tonnes) eligible for additional payment is calculated as -

$$\text{Amount Eligible} = \text{Expected Crush} - \text{Standard Season Crush}$$

- (ii) If the Expected Crush is greater than the Agreed crush (that is, if the crop could not have been crushed in 24.5 Dry Weeks, even if the Mill had performed properly) then the amount of cane (measured in metric tonnes) eligible for additional payment is calculated as -

$$\text{Amount Eligible} = \text{Agreed Crush} - \text{Standard Season Crush}$$

4.5. Payment Amount

The amount of the additional payment is calculated as:

$$\text{Payment Amount} = \$3.50 \text{ per tonne} \times \text{Amount Eligible}$$

4.6. CCS underpinning after 24.5 Dry Weeks

In the event the actual season length exceeds 24.5 Dry Weeks, CSR will underpin the CCS level of any cane crushed after 24.5 Dry Weeks as a result of the Mill not achieving the Agreed Net Crushing Rate. The procedure to calculate such underpinning is as follows:

- (i) The amount of cane subject to underpinning is calculated as:

$$\text{Underpinned CCS} = \text{Actual Crush} - \text{Standard Season Crush}$$

- (ii) The amount of cane subject to underpinning is assumed to be the last cane crushed for the season. The average CCS of this cane is then calculated.

- (iii) The average CCS for the 24.5 Week Crush is calculated ("**Standard Season CCS**")

- (iv) In the event the Underpinned CCS is more than the Standard Season CCS, no CCS underpinning is payable.

- (v) In the event the Underpinned CCS is less than the Standard Season CCS, then the amount calculated in (a) above will be underpinned according to the following formula:

$$U_p = P_s \times 0.009 \times (\text{Standard Season CCS} - \text{Underpinned CCS})$$

Where

U_p = Average underpinning payment per metric tonne of cane. The actual payment

to an individual Grower will be calculated taking into account that Grower's relative CCS; and

$P_s =$ Sugar Price of IPS sugar (in dollars per metric tonne).

4.7. Standover Cane

In the event that -

- (a) the Actual Net Crushing Rate is less than the Agreed Net Crushing Rate, (that is, there has been a shortfall in Mill performance); and
- (b) there has been cane stood over to the following season as a result of the shortfall in mill performance;

then the following arrangements shall apply to that cane.

- (i) The cane shall, as far as is practicable, be the first cane crushed in the Following Season; (For the purposes of this clause, the season in which the cane was originally scheduled to be crushed is defined as the Scheduled Season, and the following season in which the cane is actually crushed is defined as the Following Season)
- (ii) The maximum amount of standover cane related to mill non performance will be calculated as follows;

*Crush Hours = Actual Crushing Hours + Factory Stops in Scheduled Season
or 4116, whichever is lower.*

*(Agreed Net Crushing Rate – Actual Net Crushing Rate) * Crush Hours*

The amount of standover cane related to mill performance shall be either

- (a) the amount calculated above, or
- (b) the actual amount of standover cane,

whichever is the lower.

- (iii) The amount of cane calculated in sub-clause (ii) above shall be treated for all payment purposes as belonging to the Scheduled Season, including underpinning the growers relative CCS for that cane to the growers average relative CCS for the Scheduled Season;
- (iv) The grower shall receive no further payment for this cane in respect of the Following Season. Full payment for this cane shall be made with the final payment for the Scheduled Season.

5 CANNED FIBRE MACHINES

The Committee agrees to the introduction by CSR of canned fibre machines for fibre analysis for cane payment purposes from the 2000 crushing season.

6 TIMING OF PAYMENT FOR CANE

6.1. Interim price

The interim price during the season shall be 100% of the base price calculated in accordance with Clause 3.1 or 3.5, using the initial declared delivery price for Sugar. In the case of cane supplied from Existing CPA, the ESA in the formula in clause 3.1 shall be \$0.302. Weekend Harvesting payments shall be paid either weekly with cane pays, if payment is made direct to growers, or weekly to the Committee as mutually agreed.

6.2. Weekly payments

Payments shall be made weekly during the season and CSR shall supply to each Grower who has supplied cane during the week in question, a payment advice showing the relevant payment information. Such payment to be made within one (1) working day of receipt by the CSR the payment relating to such cane supply.

6.3. Payment for adjustments

If at any time during the season, CSR owner receives a higher price for sugar, the interim and base price shall be adjusted to the new level within one (1) working day after receipt of payment by CSR.

6.4. End of Season Payment

Within fourteen days excluding public holidays after the end of the season CSR shall adjust payments to each Grower to account for the difference between the value of that Grower's cane at the base price adjusted for the Grower's seasonal average relative and the sum already paid for that cane, provided that Queensland Sugar Ltd may extend the period allowed for payment in special circumstances.

An adjustment in respect of Mill non-performance pursuant to clause 4 will also be made with the end of season payment if applicable.

The balance of the allowances calculated in accordance with clauses 3.2 and 3.3 will also be made with the end of season payment, if applicable.

6.5. Subsequent increases in price and final payment

Within 1 working day of payment by Queensland Sugar Ltd of an increase in the price for sugar after the end of the season, CSR shall pay each Grower the difference between the value of that Grower's cane calculated at the new sugar price and the sum already paid for that cane.

6.6. General payment conditions.

6.6.1. Interest on overdue payments.

The mill owner shall pay interest at the current bank rate for primary producers on account of any payments not made by the due date.

6.6.2. Recovery of overpayments.

Where any grower has been inadvertently overpaid, the mill owner may make appropriate adjustments to subsequent payments, or take other action for the recovery of sums overpaid as considered necessary.

6.6.3. Recovery of Cost of Operation of CPB

Where the Committee incurs costs from the operation of the Cane production Board, it may recover these costs from growers. On request from the Committee, the mill shall deduct the growers' half share of the net cost of operation of the CPB from the final cane payment for the year, allocated on a cents/tonne cane basis, and remit to the Committee.

6.7. Third party deductions

The Mill owner may make deductions and other charges out of payments due to a grower where the grower has provided a written authorization.

7 CANE AND SUGAR QUALITY SCHEME

7.1. Components of Scheme

The parties agree that the production of high quality sugar is an important common goal. Better sugar quality will maintain our competitiveness in the market place, better meet customer expectations and give greater returns to grower and miller for their sugar. Both parties accept that the quality of sugar produced is heavily dependant on the quality of cane supplied and the technology and milling practices in place at the mill. Accordingly, the parties agree that they will put in place, before the 30th June 2000, in respect of the 2000 season, and before the commencement of each season in subsequent years, a cane and sugar quality scheme that incorporates a sharing of the costs and benefits of producing high quality sugar. This scheme will be documented in a separate agreement.

The Cane and Sugar Quality Scheme is to consist of seven components --

- (1) An identifiable premium received by the mill for the production of high

quality sugar

- (2) An equitable sharing of the premium between grower and miller into grower and miller pools
- (3) A commitment to the production of high quality cane and sugar by growers and millers
- (4) The application of appropriate processes and technology for quality sugar production at the mill
- (5) The application of appropriate agricultural and harvesting practices by growers
- (6) The objective measurement of appropriate cane quality parameters for cane delivered to the mill
- (7) The sharing of the growers pool between growers based on the parameters determined in (6) above.

Where the Committee incurs costs from the operation of the Cane and Sugar Quality Scheme, it may recover all or part of these costs from growers in any equitable manner it sees fit. Such amount as is determined by the Committee as an equitable contribution by each grower to the costs of the Cane and Sugar Quality Scheme shall be due and payable by the grower to the Committee, and the Mill shall, on written request from the Committee, deduct such amount from the Cane pay of the growers concerned and remit to the Committee.

7.2. Trial of NIR machine

CSR agrees to trial an NIR machine at Pioneer during the 2000 season, provided such machine is supplied by the manufacturer for trial purposes free of charge. If the trial shows that this machine is likely to be commercially viable, CSR agrees to fund the purchase of this machine, subject to agreement with growers on an appropriate sharing of further development, operating and maintenance costs. CSR's commitment under this clause is limited to \$100,000. Results of the trial during the 2000 season will be progressively shared with growers as they become available.

8 CANE NOT REQUIRED TO BE ACCEPTED BY CSR

CSR is not required to accept for crushing:

- (i) cane infested with a pest;
- (ii) cane having in or on it a chemical residue in an amount more than the maximum residue limit of the chemical prescribed for cane under the *Chemical Usage (Agricultural and Veterinary) Control Act 1988* or cane exposed to or having on or in it a chemical as prescribed under a regulation;

(iii) cane containing less than 7% of commercial cane sugar, provided however that any cane delivered prior to the date gazetted as the "Queen's Birthday" public holiday in Queensland (or, if no such date, the second Monday in June) that is analysed under 7 CCS will be paid as 7 CCS in the relative payment system;

(iv) cane grown in contravention of any condition of the Act or this Supply Agreement;

(v) cane varieties which are not approved.

Where cane is analysed as containing less than 7% of commercial cane sugar, the Grower shall receive no payment for the cane, except that where a Grower consigns a rake of cane to the Mill for the purpose of determining whether the CCS of the cane exceeds 7% CCS, and analysis of the cane determines that the CCS is less than 7%, CSR will pay the harvesting cost published by the Burdekin Cane Grower's Association on up to the first 100 tonnes of such cane.

9 DELIVERY AND ACCEPTANCE OF CANE

9.1. Delivery of cane

Cane is delivered to the Mill if it is delivered or tendered for delivery in accordance with this Agreement.

9.2. Acceptance of cane

Acceptance of cane by CSR comprises:

- (i) the handling of sugar cane from the point of delivery to the Mill;
- (ii) its crushing; and
- (iii) the acceptance of liability for its payment in accordance with this Agreement.

9.3. Action not taken to be acceptance

No action by CSR is deemed to be acceptance of the cane, other than the acts specified in clause 9.2.

10 Goods and Services Tax

10.1. General Principle

For the purposes of this Agreement, it is the intention of the parties that the process used to determine the value of cane, and allowances, penalties or deductions applying to the value of cane, or to be paid in addition to the value of cane, should first be to determine such value as though the GST does not in any way apply. Accordingly, all references in this Agreement to values for cane, sugar, allowances, deductions or penalties are exclusive of GST.

For the calculation of actual payments to growers, the value as determined above is adjusted by the appropriate rate of GST applicable thereto.

10.2. Recipient Invoices

Where a goods and services tax (GST) applies to any supply made under or in connection with this Agreement, or any extension of it, the recipient (mill owner) may, subject to providing a valid tax invoice identifying the GST on each component of the supply of cane, adjust the amount payable for the supply to provide the supplier with an additional amount on account of GST, such amount not to exceed the amount of the supplier's liability for GST in respect of the cane supplied and to be recoverable from the recipient at the same time as the amount payable for cane supplied; and

10.3. Application to cane Pay

The value of IPS Sugar to be used in the cane payment formula is the price exclusive of GST and can be calculated as follows;

Value of IPS Sugar (without GST) = Price of IPS Sugar (with GST) x 10/11

Price of Cane = Value of Cane x (1.1). Currently the GST rate is 10%

Value of Cane = Cane Payment Formula using the Value of IPS Sugar instead of the Price of IPS Sugar

Notes:

- **Value is always exclusive of GST, Price is always inclusive of GST**
- **The GST rate applied, currently 10%, is pursuant to A New Tax System (Goods and Services Tax) ACT 1999 and A New Tax System (Goods and Services Tax) Regulations 1999. The GST rate used in the above calculations will be the rate applicable at the time and at any time may be amended to reflect any change in the GST rate.**
- **The calculation of GST on the sugarcane payment will occur on the net payment after any allowance and penalties have been included.**

PART IV – SEASONAL SUPPLY ISSUES

Part IV of the agreement deals with the management of the production, delivery and receipt of sugar cane. It is essentially those matters that come from the old Local Board Award. This part of the agreement may be renegotiated in part or in total each year, without impact on the review process, effect, or duration of Parts I, II and III of this agreement. Any changes effected in this process of renegotiation must not affect any established processes of Parts I, II and III, except where unanimously agreed by the negotiating team.

1 ESTIMATES

1.1. Progressive estimates

CSR shall make an estimate of each Grower's crop before crushing begins, eight weeks afterwards, and at six weekly intervals during the remainder of the season and at a time not less than three weeks before the expected date for the cessation of crushing. Every Grower shall be notified in writing of that estimate on each occasion, and appeals may be made within seven days of receipt of notice in the event of a dispute. Growers whose cane is toll crushed will be notified by the receiving Mill.

1.2. CSR to provide information to Committee

CSR shall give the Committee a consolidated list, showing the current estimate and the daily tonnage allotment for every Grower on each occasion that Growers are informed of estimates.

1.3. Committee may obtain cane production area plans.

The Committee is authorized to obtain from the mill owner copies of the plans of the cane production area of any grower and to enter upon any grower's cane production area and/or take such steps as it may consider necessary, by the appointment of surveyors or otherwise, for the purpose of checking such grower's area and/or tonnage.

2 ALLOTMENTS

2.1. Mill owner to make allotments.

CSR shall allot to each grower or group of growers in the Collective Agreement and to each grower or group of growers in an Individual Agreement a daily delivery tonnage in proportion to which his or their estimated delivery tonnage bears to the total estimated delivery tonnage so that the total of such allotments shall be equal to the crushing capacity of the mill. Upon application being made by a grower or group of growers seven clear days before the commencement of crushing, priority shall be given subject to the consent of the Committee to the delivery of standover or pest or disease damaged cane.

2.2. Allotment notices to be given to growers.

Following an estimate, an allotment notice shall be sent to each grower, showing:-

- The individual crop estimate
- The estimated number of weeks left for crushing.

2.3. Allotment of Bins

Bins shall be allotted and supplied by CSR to growers sufficient to enable the supply of such daily quantity by each grower. Bins shall have a nominal carrying capacity of 5 tonnes and will be allotted on that basis for the first week and thereafter on the group's progressive seasonal average

3 CHANGES IN ALLOTMENT

3.1. Mill to advise of stoppages.

Should any stoppage at the mill, due to accident or other causes outside the control of CSR involve the temporary cessation of harvesting, or should accidental cane fire, frost or urgent necessity involve an alteration of delivery of allotments, CSR shall promptly notify all growers concerned at that time and shall indicate as far as possible the probable length of stoppage. The Committee shall be advised of any stoppage.

3.2. Alteration in allotments.

Any alteration in the allotment as above shall be subject to adjustment in subsequent delivery allotments.

3.3. Growers exceeding allotted rate of delivery.

In the event of any grower exceeding his allotted daily rate of delivery, whether by overloading or otherwise, his allotment may be so reduced as to prevent him supplying more than his allotted quantity in any week. In the event of any grower supplying less than his allotted daily tonnage, whether by under loading or otherwise, the number of bins may be increased to ensure his supplying his full allotted tonnage in any week.

3.4. Alteration of allotments for cane accidentally burnt.

In the event of cane being accidentally burnt, the field staff may notwithstanding the foregoing provisions, make such temporary alteration of bin allotments of other growers as, in its absolute discretion, will enable a fair proportion of the burnt cane to be harvested as expeditiously as practicable.

3.5. Penalty for non-supply

Should a grower fail to fill his daily allotment of bins, and does not make arrangements with the mill owner for an alternative source of supply, he may be liable for a penalty of up to \$2 per tonne for each tonne of cane short of his daily allotment, subject to consultation

and confirmation with the Committee. The mill owner shall credit such sums to a special account and shall distribute the money among all growers in proportion to the tonnage they have delivered, with end of season payments.

4 GROUPING FOR HARVESTING

4.1. Growers to notify regarding groups.

Growers wishing to form groups shall notify the mill owner in writing not later than the 1st March each year. Groups shall be as determined by mutual agreement between the mill owner and the growers concerned. Each group shall appoint a group spokesman as the principal point of contact.

4.2. Allotment within groups.

Each member of the group shall have the whole of the truck allotment of the group for a fair proportional period to be determined by the group concerned, or in default of agreement, by the mill owner.

4.3. Dissolution of groups.

A group may be dissolved by consent of the majority of its members and the mill owner.

4.4. One pool for harvesting.

There shall be one pool for harvesting.

4.5. Alteration of groups in emergencies.

The mill owner may alter group composition in emergencies

4.6. Resolution of disputes.

Any person aggrieved by a decision made under Clause 4.1 (a) of this Agreement, may apply to have the matter reviewed by the Cane Production Board which, upon review, shall give due consideration to all issues relevant to the matter and, if it thinks fit, may substitute its own decision for such decision. A notice requesting a review must be lodged with the Cane Production Board Chairperson no later than six weeks before the date of commencement of crushing.

5 CONSIGNMENT AND DELIVERY

5.1. Consignment notes.

A separate consignment note shall be completed for each rake and put into the siding box, at the point of delivery, at the time of loading.

5.2. Disputed consignments.

When two Growers purport to consign the same bin of cane in the same delivery and of the same class and variety, this bin shall be placed in suspense until ownership is established, to CSR and the Committee's satisfaction.

5.3. Weighing of cane

This shall be done at the mill weighbridge, bins to be correctly positioned and stationary. The net weight of cane being the difference between the weights recorded before and after tipping.

5.4. Weekly advice slips

A memorandum showing the date, total number of bins, total weight of cane, paddock number, variety, class and the CCS of cane for each rake of bins delivered and also showing the mill weekly average CCS and the growers relative CCS for the week, shall be posted to each grower weekly. Details of any deductions under this Agreement shall be included with the memorandum.

5.5. Pick-up cane

CSR, as expeditiously as possible, shall pick up cane which falls from bins along mill tramline and credit it to the grower from whose bin it fell.

5.6. Unclaimed cane

Cane in suspense which cannot be identified within seven days of the end of crushing shall be credited to the Committee.

5.7. Standover cane

If a grower wishes to leave cane to stand-over until next season, he shall give the mill owner at least six weeks, notice in writing before the end of the current season.

6 CANE QUALITY

6.1. Maximum quantity of burnt cane.

On each occasion the quantity of cane burnt for harvesting shall not exceed the allotment for the next two (2) days. On the last burn before a rostered day off, each group shall take care not to exceed their allotment, as CSR shall not be under any obligation to make special arrangements to have this cane harvested before the groups rostered day off.

6.2. Hours of Burning

6.2.1. Land bordered by cane production area land.

The occupier of land included in a cane production area that is bordered on every side by land included in a cane production area is exempt from obtaining a written permit to burn from a Fire Warden authorised by the Fire Service Act, 1990 to issue such permits for that area, provided:

- (i) Cane for harvest may be burnt at any time of the day except between the hours of 10.00 am and 2.00 pm. Where a grower wishes to burn cane between the hours of 10.00 am and 2.00 pm on any day, a written permit must be obtained from the Fire Warden authorised to issue such permit for that area;
- (ii) Tops and trash residual from harvesting may be burnt at any time, except between the hours of 10.00 am and 2.00 pm on any day, provided it is burnt at least 10 metres from any headland or from all therein flammable material. Where a grower wishes to burn outside the authorised hours or within the 10 metre stipulation, a written permit must be obtained from the Fire Warden authorised to issue such permit for that area; and
- (iii) Adequate precautions are taken to prevent the spread of fire.

6.2.2. Land not bordered by cane production area land.

The occupier of a cane production area that is not bordered on every side by a cane production area must obtain a written permit to burn sugar cane for harvest or burn tops and trash residual from the Fire Warden authorised to issue such permit for that area.

6.3. Deduction for burnt cane

6.3.1. Amount of deductions

CSR may make the following deductions:-

- On or before the second day after burning 9.8 cents per tonne.
- On the third day after burning 20 cents per tonne.
- On the fourth day after burning 35 cents per tonne.
- On the fifth day after burning 55 cents per tonne.
- On the sixth day after burning 80 cents per tonne.

6.3.2. Deductions if CSR responsible for delay

If CSR is responsible for delay in delivery or for a fire, the deduction of 9.8 cents only shall be made.

6.4. Refusal to accept sugar cane

CSR may refuse to accept sugar cane delivered or proposed to be delivered-

- (a) If the sugar cane has been or would be delivered more than five (5) days after burning, subject to any subsequent burnt cane agreement entered into between the Committee or grower and the miller.
- (b) If, considering its history and condition, the cane is reasonably regarded by CSR as unfit for the manufacture of raw sugar: Provided always as follows:-
 - (i) CSR, immediately upon refusing acceptance of any sugar cane under subclause 6.3(a) and 6.3(b) hereof, shall notify the Grower of such refusal and the grounds therefore by the most rapid means of communication available; and
 - (ii) The sugar cane of which acceptance has been refused shall be retained by the mill owner so that it can be inspected by the person appointed to resolve disputes under this Agreement, which inspection may be requested by either CSR or the Grower.

The period of five (5) days referred to in subclause (a) above may be extended if there is a Burnt Cane Agreement in existence.

6.5. Badly topped, dirty or trashy cane

If in the opinion of CSR, any bin of cane received is unsatisfactory by reason of containing an unreasonable quantity of trash, tops, soil, dried-up or rotten cane, or other foreign matter, the mill owner may take action as follows with respect to any cane of such grower which is unsatisfactory as aforesaid, the mill owner may make in respect of such cane which is unsatisfactory as aforesaid a deduction not exceeding 30 cents per tonne where the cane is trashy or dirty or badly topped, or a deduction not exceeding 60 cents per tonne where the cane is very trashy or very dirty or very badly topped, provided that –

- (i) no such deduction shall be made without the prior approval of the Cane Tester who has inspected the cane in question; and
- (ii) notification in writing shall be forwarded to the grower as soon as practicable thereafter.

Alternatively, CSR may withhold acceptance of the cane until the grower has cleaned it; or

- (ii) If the cane has been received, the mill owner may send it back to the grower at the grower's expense and may be written notice withhold further acceptance of it until it has been cleaned; or

(iii) If the cane has been received, the mill owner may clean it at the grower's expense.

If and while bins are held up on account of any of these matters, the mill owner may make a corresponding reduction in the daily allotment of bins to the grower, and such grower shall not thereafter have any right to a greater number of bins than would otherwise have been allotted to him.

6.6. Billet quality.

The cane harvesting machine shall be set and maintained so as to provide sound billets of cane of an average length of not less than 23 cm (9 inches) and the quality of cane shall be visually monitored by the millowner to ensure the standard length is maintained and that shattered and broken cane is not being unnecessarily delivered.

Where the billet standard is not met by any grower or group of growers, the daily bin quota may be suspended after consultation with the Committee until the necessary repairs have been made to the harvester to ensure compliance.

6.7. Foreign matter in bins

The inclusion in a loaded bin of anything likely to cause an accident, or damage to machinery, makes the grower concerned liable to a penalty of up to \$40. The penalty shall not exceed \$2 if the mill is notified before the loaded bin reaches the weighbridge.

6.8. Condemned cane

In the event that the mill owner has refused to accept cane for crushing pursuant to the provisions of this Agreement, the mill owner shall notify the grower of refusal of acceptance by the most rapid means of communication available. The following delivery of cane of the same variety, class and from the same field from that grower shall be sampled in rakes of four bins.

7 SAMPLING OF CANE

7.1. Continuous sampling

The mill owner shall sample cane by the obtaining of a "continuous" representative sample of the juice of the cane contained in each rake supplied by each and every canegrower in each day.

Any delivery containing less than 15 tonnes in four (4) bins shall be classed as a "missed sample" and the CCS attributed to such a rake shall be determined as provided for by Clause 7.2.

In the event of a breakdown of the continuous sampling equipment, the juice shall be sampled by hand and if it is necessary to spot sample, the sampling rate prescribed in Regulation 59 made under the repealed Regulation of *Sugar Cane Prices Act* shall be

adopted.

7.2. Missed Samples

If the mill owner fails to determine a CCS for a rake of cane, the missing CCS shall be deemed to be equal to -

The growers average CCS for -

- (i) the same variety, class and block for the current day; or
- (ii) the same variety, class and block for the next previous or subsequent days delivery which ever is the higher, or
- (iii) the same variety and class for the current day; or
- (iv) the same variety and class for the next previous or subsequent days delivery whichever is the higher, or

The mill average CCS for -

- (i) the same variety and class for the current day; or
- (ii) the same variety and class for the previous day; or
- (iii) the current day.

The priority for determining which CCS value is to be applied shall be in the order shown above and any previous days sample shall be limited to not more than seven days prior to the delivery in question and any subsequent days sample shall be limited to the current payment week.

The allocation of CCS from deliveries made on the previous day may include these made in the previous cane payment period.

7.3. Mill owner's failure to take a sample

When the mill owner has failed to take a sample or a substitute sample of a grower's cane in accordance with this Clause, and the Cane Tester is satisfied that such failure could have been avoided by the exercise of due diligence, the CCS determined in accordance with this Clause shall be increased by 1.0 CCS

7.4. Mill Supplier's Representative entitled to be present

A representative appointed by the Committee shall be entitled to be present at the taking of any samples.

7.5. Suspense cane

Cane in suspense may or may not be analysed at the discretion of the mill owner. When allotted to a grower, suspense cane shall be paid for at its determined value if analysed or, if not analysed, at the average value of the cane supplied by the grower I the week when the

Fibre content for CCS determination shall be on a class basis using Can Fibre analysis. Cane shall be treated as "mixed" -

(i) if the class or variety is not shown on the weighbill; or

(ii) if, in the opinion of the Cane Tester, a rake containing different varieties has less than 75 per cent of the variety present in greatest proportion.

8.6. Rake containing two or more varieties or classes.

Should a rake of cane consigned by any grower contain two or more varieties or classes as a result of which it is not possible to take continuous samples representative of each variety and class in the rake, the whole rake may be sampled continuously. Notwithstanding the provisions of Clause 7.4, fibre in cane for such samples shall be determined by the Cane Tester in consultation with the Production Superintendent.

9 DELIVERY IN SIDINGS

9.1. Coupling of Bins

Growers shall be responsible for the coupling of loaded bins on their respective sidings. If a grower fails to comply with this Clause the mill owners may cancel or amend the grower's daily allotment of empty bins until further notice.

9.2. Cleaning of sidings

Harvesting Groups shall be responsible for the cleaning of their designated delivery points or sidings on a regular basis so as not to affect the safe operation of the work site for those parties using the siding. Where the cause is deemed to be outside the control of the grower or his agent the mill will assist in the cleaning operation. If a harvesting group fails to comply with this Clause the mill owner may cancel or amend the grower's daily allotment of empty bins until further notice. If there are inherent design problems in the siding which causes excessive problems in keeping the siding clean, the Committee, CSR and the Group concerned should consult with a view to rectifying the problems.

10 SUPPLY OF INFORMATION

The mill shall supply the following information to the Committee

10.1. Weekly

Weekly crushing figures
Group Equity Information
CI Edit.

10.2. End of Season

suspense cane was crushed.

7.6. Cane to be crushed as soon as practicable after delivery

All cane delivered in accordance with this Award shall be crushed as soon as practicable after delivery to the canegrowers' point of delivery, If the mill owner fails to crush cane so delivered within 24 hours of such delivery, such cane shall for the purposes of this Award be deemed to be cane with respect to which the mill owner has failed to determine the CCS and the CCS of such cane shall be calculated in accordance with Clause 7.2 of this Award. Provided that should the actual CCS of the cane be higher than that determined by Clause 7.2 then payment shall be made on actual CCS recorded.

8 CANE ANALYSIS

8.1. Cane Analysis program

A cane analysis program shall be put in place each year. The intention is that the program for the 2000 season will be substantially the same as that which applied for the 1999 season, except for the introduction of canned fibre machine. This program will be detailed in a manual titled "CANE SUPPLY AND PROCESSING PROCEDURES MANUAL" and the Committee will hold a copy.

Where the Committee incurs costs from the operation of the cane analysis audit service, it may recover all or part of these costs from growers in any equitable manner it sees fit. Such amount as is determined by the Committee as an equitable contribution by each grower to the costs of the cane analysis program shall be due and payable by the grower to the Committee, and the Mill shall, on written request from the Committee, deduct such amount from the Cane pay of the growers concerned and remit to the Committee.

8.2. Growers' daily average CCS

A grower's daily average CCS shall be the average of his individual results for the day, each weighted according to the number of tonnes that it represents.

8.3. Mill owner to notify a drop of CCS

The Mill owner shall notify a grower as quickly as possible, and in the event within twenty-four hours, of a drop of two units of CCS which has been confirmed by subsequent analysis. Similar action shall be taken when CCS is below 10.

8.4. Mill owner to supply particulars

The mill owner shall supply (on a request being made for him to do so by any grower), the purity of the various classes and/or varieties of cane supplied by such grower.

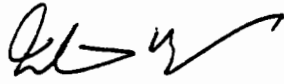
8.5. Fibre content for CCS determination

Tonnes of green cane crushed.
Tonnes of burnt cane crushed.
Total hectares of plant cane.
Total hectares of ratoon cane.
Area Details Report
Productivity Report

11 ANNUAL REVIEW MEETING

The parties agree they will hold a meeting towards the end of each crushing season, at which growers will bring to the attention of the mill any mill related issues which have caused problems for growers, and the mill will bring to the attention of the growers any agricultural or harvesting issues which have caused problems to the miller. The intention of this is to jointly explore ways to enhance the efficient operation of the industry in the Pioneer Mill area.

Signed by the Negotiating Team Members



Ian Haigh on behalf of Pioneer Growers

29th May, 2000



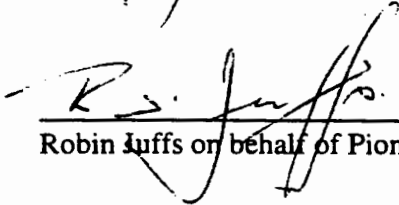
Frank Scuderi on behalf of Pioneer Growers

29th May, 2000



Roy Gellweiler on behalf of Pioneer Mill

29th May, 2000



Robin Juffs on behalf of Pioneer Mill

29th May, 2000