



2016 QSL Annual General Meeting – Chairman’s Address

Presented by Guy Cowan, QSL Chairman

Welcome Ladies and Gentlemen to the 2016 QSL Annual General Meeting.

Two months after we last gathered in this room, the Sugar Industry (Real Choice in Marketing) Amendment Act 2015 came into being, providing a platform for Marketing Choice, should alternate commercial arrangements between Millers and marketers not be reached.

The path to this legislative outcome was difficult, and it must be said the implementation of the new Marketing Choice arrangements has been equally challenging. But as you are no doubt aware, QSL was able to reach commercial agreement with MSF Sugar regarding an On-Supply Agreement for the 2017 Season and beyond. QSL Marketing Choice arrangements were subsequently finalised last month - proving the legislation is workable - and marking the start of a new era, not just for QSL but for the industry we serve.

The process involved in the ultimate delivery of QSL Marketing Choice for MSF Sugar growers in recent weeks is truly indicative of a truly collaborative approach. It was only through the support of our continuing Raw Sugar Supply Agreement signatories Bundaberg Sugar, Isis Central Mill and Mackay Sugar, and the willingness of MSF Sugar and growers to work with us to negotiate a workable arrangement moving forward, were we able to ensure we maximised the value delivered to both RSSA and OSA participants by pooling the sugar marketed by QSL.

Of course there is still much work to be done in this space, with many growers outside the existing RSSA system still unable to access QSL products and services from the end of the current season. But we all now know that Marketing Choice can be implemented and we remain committed to progressing negotiations with all mills to deliver the choice promised in the new legislation.

I am pleased to report that we have made progress in our negotiations with STL and I am confident QSL will be the operator of the terminals for the foreseeable future.

To reflect our changing corporate landscape and a renewed focus on the opportunities ahead, we are in the process of reshaping the QSL Board.

Independent Director Chris Leon stood down for personal reasons back in June this year, and I am pleased to advise that Craig Doyle has subsequently taken on the third Independent Director position. Craig joined his fellow Directors Sarah Scales, Greg Beashel and myself for our first Board meeting this morning, and I can report that we're looking forward to building on what was a promising start.

You may recall that during this address at last year's AGM I also flagged our intention to appoint Industry Directors to the QSL Board. Amendments to the QSL Constitution, made in July this year, and recently upheld by a single judge in the Brisbane Federal Court, can now move forward, and we envisage both Miller and Grower Directors will be appointed in the near future.

So there will be quite a few more individuals sitting up the front with me for next year's AGM, compared to the small, but battle-hardened contingent you currently see before you. Sarah and Greg,



thank you for your support and the significant contribution you have made to both the business and the industry we serve during the past 12 months.

I'd also like to thank the staff of QSL who have risen to the challenge of the last year with the sort of dedication and diligence that ultimately underpins our success. As you probably know, QSL does not own a lot of physical assets. While it may sound trite to some, is it completely true to say that our people are our greatest asset, and I am very proud to work with them.

Looking forward, the implementation of Marketing Choice arrangements for MSF Sugar growers illustrates just what can be achieved when we focus on the opportunities rather than the obstacles. Giving growers choice will provide healthy competition and we know we are up for the challenge

Prices are good. Now is the time to make hay while the sun shines. In a time of evolution and transformation, the possibilities for how we do that are more varied than ever before.

I truly hope that our industry can overcome the differences of recent years in order to seize the opportunities before us. A prosperous future is there for the taking. And as your industry service organisation, QSL is uniquely placed to be a pivotal element in that process.