



MEDIA RELEASE

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CANE CRUSH 9% BETTER THAN LAST YEAR

All three Sugar Mills in Fiji have commenced 2018 crushing season with over 180,000 tonnes of sugar cane crushed by 23rd July. This is 9% above what was crushed for the same period in 2017.

Labasa Mill has crushed 123,090 tonnes of cane making 12,709 tonnes of sugar. Whilst Labasa Mill has seen a slight increase in breakdowns in the first few weeks but overall if you include the breakdowns plus cane supply issues, there is 14% reduction in overall stoppages.

FSC's Chief Executive Officer Graham Clark says "it is great to see Labasa now consistently crushing over 5,000 tonnes per day which is on budget and operational efficiency has improved by 13% as well".

Lautoka Mill commenced its production on 03 July and has crushed 53,436 tonnes of sugar cane year-to-date making 4,041 tonnes of sugar. This is a 16% increase in what was crushed for the same period last year. Key factor driving the increase in cane crushed is the decision made by FSC to allow for the Rakiraki and Rarawai Mill area trucks to bring the cane to Lautoka Mill. In the 20-day period between 3rd till 23rd July, 672 trucks from Rarawai Mill area carrying 7636 tonnes of cane and 461 trucks from Rakiraki area carrying 6268 tonnes of cane has been crushed in Lautoka Mill.

Clark says that "if this bold and innovative decision was not made, farmers in these two Mill areas would have not got the opportunity to harvest about 14,000 tonnes of cane in what we call "pre-season".

The benefits also flow on to the lorry owners and drivers as for example an average load of 13 tonnes from Rakiraki area would have fetched them \$650 in gross income per trip. Such decision to allow for cane to be brought from other regions has reduced cane supply stoppages by 89% from 16.3 hours in 2017 to just 1.8 hours this year.

Clark said “this is the same Mill that had reduced breakdowns by 32% in 2017 and a few startup issues does not spell out the whole season for 2018. Lautoka Mill has been running well from last week with very minimum stoppages.”

Rarawai Mill commenced production on 17th July and has performed well.

Clark stated “just a few months ago, this very Mill was under a meter of flood water, twice, especially when we were nearing completion of our maintenance season. The resilience shown by FSC staff in Rarawai and through their dedication, it only took a day or so for the Mill to settle back to full crushing capacity. We should not forget that this Mill has reduced breakdown by 37% in 2017 and we don’t see any reason why we cannot continue this improvement trend in 2018. We believe in consistent results over a longer period of time. In case of planned or unplanned stoppages, relevant stakeholders are communicated via text messages (SMS) so that they can also plan accordingly”.

It is very encouraging to see the collaboration between the industry partners, cane farmers, lorry owners and drivers, the Government and FSC; all steadfast to see the Sugar Industry grows. Both Labasa and Lautoka Mill has seen significant reduction in burnt cane being sent to the Mills which is a significant effort towards ensuring the quality of sugar cane and quality of sugar is made. Cane purity has also improved by 9% which is a good sign of the quality of the cane in the fields.

Clark stressed the fact that “FSC has taken the initiative of introducing a Breakdown penalty for stoppages greater than 6 hours in the Mills”. Such actions would be unheard of in the past and it is a bold step by FSC to demonstrate our commitment to our stakeholders mainly the cane farmers and lorry owners on expenses incurred due to extended breakdowns in the Mills.

Adding “we have to ensure that our Mills run efficiently and serve the purpose which it is built for and if we fail from delivering that, then we will ensure that our stakeholders are not burden with all expenses. We understand the cost burden on our cane farmers for providing food etc for cane cutters, loss of income for lorry drivers because they cannot do a return load hence it is important knowing this, we introduced this scheme”.

FSC bringing in tractors and implements as well as water tankers for irrigation are all examples of a rejuvenated effort to grow this iconic industry. The government is also providing necessary incentives to farmers to increase sugarcane production.

Whilst the crushing season is commencing, FSC has reminded growers on the need to plant more cane especially in the fallow lands and also consider ploughing out old ratoons. Soil preparation and good seed cane complemented with good weather is essential for a good yield.

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For more information, please contact:

Navin Chandra
Chief Operating Officer
Fiji Sugar Corporation
navin.chandra@fsc.com.fj

Elenoa Korovulavula
Head of Strategic Communications
Fiji Sugar Corporation
elenoa.korovulavula@fsc.com.fj