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## **Brazil Shoulders Ethanol Demand Growth**

By Inae Riveras

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PRADOPOLIS, Brazil -- Melquiades Soares, with a sixth-grade education, became a cane cutter in Brazil's center-south at age 16, following in the footsteps of his mother, a 40-year veteran of Sao Paulo's cane fields.

Cane cutting, an exhausting job once done by slaves, has been among the only means of survival for young Brazilians with little education. But Soares' prospects changed a few years ago, when he was trained to operate a mechanized harvester.

"I get a little more money and am more comfortable now," said Soares, 35.

Experts say turnarounds like his are becoming more common, as demand for sugar cane from the booming ethanol industry is forcing Brazil's cane sector to abandon outdated practices.

World demand for ethanol as a fossil fuel substitute has brought the biggest expansion in Brazil's cane production since the beginning of its ethanol program in the 1970s.

With the boom in cane planting, environmental and health concerns have come into focus, pressuring the industry to stop the practice of burning cane fields to clear foliage and pests for manual cutting.

"I don't have a crystal ball, but the reduction in manual cutting is the trend given the move toward mechanization," said Remigio Todeschini, president of Fundacentro, a Labor Ministry foundation that oversees working conditions.

The impact of mechanized harvesting on labor was a big obstacle to phasing out manual cutting, as it could lead to widespread unemployment in certain regions. One machine can do the work of 87 cutters, according to Unica, the sugar cane industry union.

In the main center-south cane region, with about 85 percent of the national crop, 70 percent of the harvest remains manual. There are 260,000 cane cutters in the region, about 160,000 in Sao Paulo state alone.

Poor education complicates the problem. Workers spend only 4.2 years on average in the public education system, well below the national average. State governments are pushing for change.

In Sao Paulo, which concentrates more than 65 percent of the national cane crop, the government and mills signed an accord last month that will move up the end of cane burning by seven years to 2013 for flat areas, and by 14 years to 2017 for fields on hillsides.

The sector's growth could make the process smoother. The industry, which expects to receive investments of \$12 billion by 2013 in new mills and expansions, has a growing need for workers in other areas.

"You have to always look at those two aspects when talking about cane cutters' prospects -- the sector's growth and mechanization," Unica consultant Iza Barbosa said.

"It's not only cutting the cane and selling ethanol and sugar. There are many simple tasks that can be taken by cane cutters if they are properly trained," she added.

Barbosa said mills had started to see the scarcity of workers as a future threat, and in the last few years they have shown more interest in investing to train employees.

Unica estimates 300,000 jobs will be created in the next five years, ranging from truck drivers to managers.

"The new posts are always offered first to the mill's employees. They normally are the best prepared people to take them," said Carlos Rene do Amaral, human resources manager of Sao Martinho mill.

Sao Martinho was among the first to begin a regular training program, about 10 years ago, and since then, it has promoted about 250 cane cutters. Most now work as operators of agricultural machines and industrial equipment.

The need for experienced workers is even greater in frontier regions of Brazil's cane expansion. Amaral said the group, which is building a mill in Goias in central Brazil, took 20 employees from Sao Paulo to work there.

Although Soares' story is still an exception, it has fueled hopes for the future.

"I always tell my two boys to study, so they do not become cane cutters as I used to be. Undeniably, it's a hard job."

Still, from the air-conditioned cab where he spends eight hours a day, he worries about his mother.

"She continues working because her colleagues are like a family to her. But she was very glad when I stopped ... working under the sun, rain, cold. She knows well how hard it is."