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Committee Secretary
Senate Standing Committee on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

Submission: Review of the Citrus Industry in Australia.

To prepare for this submission, I delved into my office library and researched many Australian Citrus Industry publications dating from the 1960's. I wanted to review past citrus industry issues, consider what has had long term implication, what has been solved, what is ongoing and what is important today.

The 60 years of my farm's ongoing involvement in the Australian Citrus Industry is a very interesting journey which, when studied, gives great insight.

50 years ago many, in fact most, of the Australian Citrus Industry issues were exactly the same as they are today.

When I look at the issues then, and the issues now, I often wonder "Why bother?" But a study of the years in-between tells a story of many good innovations and outcomes and forms a template for considering the possibilities for lessons to be learned and applied today.

In this submission, I will not go all the way back, but I wish to emphasise some of the past experiences.

The three (3) issues that concern me most today are;

1. What to plant.
2. How to promote and market the produce I plant and
3. Security against pest and disease incursions on produce I grow for my family, my neighbours, my country and consumers throughout the world.

Issue 1: What to plant?

Since the early 1950's when my farm began to give serious commitment to growing citrus, the consideration of 'what to plant' has always been a very concerning and difficult matter. In the earliest days it was always difficult to decide between Valencia's or Navels, then Mandarins, Lemons or Grapefruit.

In recent years the questions have been "Oranges (Valencia, early season/mid season or late Navels) or Mandarins?"

Today the question is “Which Mandarin?”

Most recently Citrus Australia Limited (CAL), who call themselves the ‘peak body’ for the Australian Citrus Industry, have been touring the country holding meetings to promote bulldozing of oranges and the planting of various mandarin varieties.

In their publications and media releases CAL have been damning orange production and encouraging the planting of mandarins, recently saying “too many mandarins are not enough mandarins”

As a long time citrus grower, I am confused.

Recently our ‘peak body’ is decrying a vast over-production of unwanted oranges at the same time as saying that China is the new BIG market and they love Australian Navels.

Our ‘peak body’ is being discriminative against and unsupportive of every orange grower in this country and promoting the planting of vast amounts of mandarins whilst giving no background data or evidence of demand.

Why? . . . If the answer convinces me that perfectly good orange trees should be destroyed and replaced with mandarins, then the next question is “Which mandarin variety should I plant?”

In the early 1980’s Ellendale Mandarins were promoted as being valuable and preferred in the lucrative US market. How many Ellendales are sold for a positive return by citrus growers today?

Dozens of new varieties of mandarin are being showcased by our ‘peak body’ and CAL are comprehensively pushing the planting of mandarins with no guidance as to any plan for which variety is best or best in each region, no plan of enhancement of marketing opportunity nor any data to support their recommendation.

If mass mandarin plantings occur in the near future, what is the marketing plan and strategies for when all these trees come into full production in the next 7-10 years?

Will the advice then be that there is an overproduction of mandarins, that China (and the rest of Asia) wants oranges that are grown best quality in the world in Australia?

Why is Australia’s Citrus Industry ‘peak body’ promoting the possible planting of so many varieties of mandarin when they know that only a couple will ever be given shelf-space in our supermarkets?

Should the ‘peak body’ not spend valuable grower levy dollars on researching which varieties are best, gaining the Plant Variety Rights to those which support a structured marketing plan and then make those plants available to Australian growers? The royalties could then be used to finance research, development and marketing of new varieties for the future advantage of the growers who pay the levies.

Why does the ‘peak body’ appear to be beholden to promoting the interests of plant variety rights shareholders who are causing much confusion in the industry? It is in direct conflict with the needs of all stakeholders in the industry and detrimental and unfair to both the producer and the consumer.

Where is the long term strategy to minimise the waste (a high cost waste always financed by the grower) of the planting then destroying due to poor long term planning?

In summary of Question 1; What to plant?

We need to know definitively, region by region, what to plant.

We need to know why we should plant it.

We need to see data to support the recommendations.

The Australian Citrus Industry must give priority attention to enhancing access for farmers to improved varieties to accentuate industry re-vitalisation.

Issue 2: How to promote and market the produce we grow?

In the earliest days of irrigation and therefore the development of the commercial growing of horticultural produce in Australia there was a need for a communal approach to the processing, transport and marketing of the fresh produce.

Every grower was a shareholder of their local packing Co-op which, by default, also became the marketer who negotiated transport to the central markets and the distribution of returns. Grower, packer and marketing groups were closely inter-linked in the Co-op system.

After WW2 there was unity of some sort in Europe and transport and communication became much more efficient, available and wide-spread. England depended less on produce from Australia and they were able to source it much more cheaply from their nearer neighbours.

Australia, with a small population but growing horticultural production was forced to seek new markets.

There are perceptions that the Co-ops became very comfortable, that staff were very often not involved in or understanding of horticultural issues, that growers were not receiving fair and equitable financial returns and that the Co-op system was inefficient.

In the 1960's and 1970's when technology, transport and communication became more developed and more available, there was an opportunity for growers to become independent of the established co-operatives.

My personal experience included being part of a bold, brave move when a small group of citrus growers formed an alliance with a new independent citrus packer and created VITOR Citrus. It was a breakaway from the established co-ops which gave control and involvement of the produce packing, marketing and financial reward back to the grower.

The progressive group of VITOR citrus growers and their innovative packing and marketing arm, developed a strong exporting business and with massive support from the Citrus Board of South Australia, developed the very lucrative US market.

This massive change in the Citrus Industry was helped to succeed by the good support of the local citrus bodies and the State Government of South Australia.

The development of the Riversun/DNE relationship proved very successful for many years. The whole Australian Citrus Industry, in most part, supported the concept and, under the umbrella of the Australian Citrus Growers Association it brought much success and wealth to the Australian Citrus Industry and Australia in general.

Why has this successful, viable, financially rewarding exporting venture fallen so dismally in the past 5 years?

The papers from the 1995 National Citrus Field Day highlight the following statements:

“With only 6 weeks notice of access to the US market (in 1992) and an initial volume of only 125,000 cartons, the Riverland Industry has been able to consolidate its position in the US market with over 300,000 in 1993, 620,000 in 1994 . . . The US navel program is at present the only market . . . Whereby all sectors of the industry work together to the commercial benefit of all.”

This happened because “Riversun is now the driving force, the vehicle which makes the US

program work, with the blessing and support of the local growers, Australian Citrus Growers Federation and government.”

This model was very successful and financially rewarding to Australia for many years.

“The US is like no other market. It offers a premium but to get that maximum means selling in the main, to powerful chain stores. There is no doubt that the co-ordination here in Australia and the master/sub-agent marketing structure gives us a chance to combat that supermarket power.

Equally if the Australian Industry does not learn by its past experiences and we, the Australian Citrus Industry allow this co-ordination that is working to be weakened, then as individuals once again, we will become easy picking resulting in lower grower returns.”

So what happened?

How the hell did this model get broken?

Why does the Australian Citrus Industry now lie shattered on bare soils in Australia?

Is it just because, as we are often told, the \$Aus is so high?

Or is it because of weak government and poor governing decisions and policies made under the influence of pressures from immoral greed and corruption by outside corporations and financiers who do not understand the natural vagrancies of farming?

Could it be because of a downfall in the passion and commitment in the Australian Citrus Industry itself?

Have there been false promises made and lies told?

Have growers lost control of their levies and their industry and so therefore we have lost the great power of advancement made in the 1970's and 1980's?

Does our Industry representative, the 'peak body' truly defend and protect our Citrus Industry?

Why is the good, successful, working model which could have been taken to new markets now broken?

This Senate Enquiry is our last chance to search for the answers and promote their actioning if Australia is at all serious about food security in the future world.

There are more questions arising in my issue number 3.

Issue 3: Security against pest and disease incursion on the produce I grow for my family, my neighbours, my country and consumers throughout the world.

My first question in part 3 is; What is the capacity of the Australian Citrus Industry to mobilise a scientifically based response to Fruit Fly, Huanglongbing and other pests and diseases and who is responsible to translate scientific advances into products and services for the protection of our citrus industry in South Australia?

When we had the South Australian Citrus Industry Development Board (SACIDB), empowered by State Government legislation to collect industry levies, there was much surveillance, observation and action in biosecurity matters.

I believe that with the 'mothballing' of the SACIDB, even the Tri-State Fruit Fly Committee has become defunct at a time when Queensland Fruit Fly is becoming rampant and established in two of our neighbouring states.

The SACIDB was very active in the promotion of Fruit Fly awareness and had a regular big presence at the Royal Adelaide Show, the City Bay Fun Run, School sports days and many other events.

This public support and promotion by the SACIDB developed very positive relationships and understanding of the citrus and fruit growing industry throughout the metropolitan area with the result that gardeners and travellers were always willing to cooperate where fruit fly issues needed serious vigilance.

Who is now responsible for the relationship of the industry to public, academic, research, and funding and regulatory organisations at the State level with respect to developing comprehensive solutions to regional issues, pests and diseases?

Who is developing control strategies for Fruit Fly, Huanglongbing, and other pest and disease biosecurity contingency planning in South Australia where legislation and regulations may be different to other States?

The Australian Citrus Industry representative 'peak body' must develop and improve active legislation at both federal and state level to underpin key elements of industry biosecurity in each region.

In conclusion:

I admit that in late 2008, I accepted the outgoing ACG President's statement that;
"Citrus Australia offers a fresh, more professional and commercial approach in representing our industry and maximising grower investment and returns."

Sadly, something has gone horribly wrong and I now see a once very strong and prosperous Industry in a state of great turmoil and insecurity.

Every citrus growing region in Australia needs a strong regional organisation with the passion and power to control State issues with an overseeing body whose prime purpose must be to diligently use grower levies to promote the world's best quality citrus and ensure that variety and production is marketed in an orderly way.

In recent years even domestic marketing and promotion has been too late in the season, or in some States and for some varieties promotions have been almost non existent.

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