



## *Queensland Citrus Growers Inc*

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### **INTRODUCTION**

Queensland Citrus Growers Inc (QCG) has made a submission to the Senate Regional and Rural Affairs and Transport Legislation Committee's Inquiry into Citrus Canker (14 June 2005), addressing issues relating to allegations of illegal importation of citrus material in 2001.

However, the real damage to the citrus industry occurred with the outbreak of citrus canker at Emerald in June 2004. The cause of this outbreak is as yet unknown.

QCG makes this follow-up submission on the 2004 citrus canker outbreak, highlighting many issues of concern, particularly in relation to the eradication program and associated issues.

### **OVERVIEW**

QCG was first advised of a suspected outbreak of citrus canker on Evergreen Farms at Emerald on 30 June 2004. The national pest and disease incursion arrangements were immediately invoked, and a surveillance and eradication program was commenced. The eradication methodology chosen was the "cookie-cutter" 600 metre destruction zone approach (as used in Florida, USA), deemed to be the current international standard. This saw the complete destruction of all citrus on Evergreen Farms by early September 2004.

On 5 October 2004, the disease was found on 2PH Farms (Selma Road property). The QDPI&F, under the direction of the Consultative Committee on Exotic Plant Pests (CCEPP), continued with the eradication program using the same cookie-cutter methodology.

Six areas of infection were progressively found on 2PH through the later part of 2004 and into 2005. When the last of these was found in April 2005, it was finally accepted that the cookie-cutter approach was not working, and the CCEPP ordered the destruction of the rest of the citrus plantings on 2PH Selma Road.

Shortly thereafter in May 2005, the disease was found on a third property, and total destruction of all citrus within the PQA was then ordered.

Destruction of the remainder of the citrus in the PQA belatedly commenced in September 2005 and should be completed by 31 December 2005. This should finally see the complete eradication of citrus canker from Emerald. It also commences the process and gives a timeline for the re-establishment of the citrus industry in the Emerald district, and for the declaration of eradication of the disease.

## **SUMMARY OF KEY ISSUES**

There are many important issues which ought to be examined in relation to the handling of the emergency response, the eradication program, and associated matters. They include:

- The absence of any specific investigation into the cause of the outbreak.
- The arms-length position taken by the Federal Government, and their reluctance to have any role (except for national program co-ordination)
- The operation of the program management structures – the Scientific Advisory Group (SAG), Consultative Committee on Exotic Plant Pests (CCEPP) and National Management Group (NMG)
- Ad hoc extensions of the Eradication Program and lack of a master plan (the original plan was never fully revised).
- The science/technical mandate of the response structures, and their inability to deal with the human, social, economic, and commercial impacts of the outbreak and the eradication program,
- Failure of the eradication program, and failure to recognise that the cookie-cutter approach had failed.
- Role of the budget in determining the eradication strategy.
- The manner in which the industry (QCG) proposal to change the eradication methodology – the pre-emptive destruction proposal – was rejected.
- The inability of governments (and particularly Queensland) to provide effective assistance measures for Emerald growers, and the influence this had on the direction of the eradication program.
- The unacceptable length of time taken to eradicate the disease.
- As a consequence, the extended risk exposure for the whole of the Queensland and Australian citrus industry.
- The advancement of high-risk proposals (reinstatement of domestic market access) as a substitute for financial assistance for affected growers
- The politicisation of the program by the Queensland government – scapegoating, blame shifting, misrepresentation, and divisiveness – in dealing with industry stakeholders in particular.
- Deficiencies in consultation and communications with industry, particularly in the latter stages of the program.
- Undermining of the Australian industry's biosecurity culture – which depends on producers reporting anything suspicious on their farms to the authorities.
- The capacity of the existing structures to effectively deal with major outbreaks in the future.

## **PROGRAM MANAGEMENT STRUCTURE**

As indicated above, QCG was first advised of the outbreak of citrus canker on Evergreen Farms on 30 June 2004. QCG was invited to participate as an industry observer on the Consultative Committee on Exotic Plant Pests (CCEPP) – the Commonwealth/State/Industry Committee which would oversee the response program. The CCEPP is chaired by the Commonwealth Chief Plant Protection Officer (CPPO).

### **Consultative Committee on Exotic Plant Pests/National Management Group**

The management structure for the National Citrus Canker Eradication Program is as follows:

- The Consultative Committee (CCEPP) is the expert group for the national response program, comprising the plant health representatives from each state and the Commonwealth (and various other representatives),
- The National Management Group is the approval group, comprising the CEOs of the Commonwealth and State Departments of Agriculture (plus several other participants),

- Technical issues are referred to the Scientific Advisory Group (SAG) for expert advice. SAG operates under the CCEPP.
- The Queensland Department of Primary Industries (DPI&F) is the lead agency in the “combat state”, and is in effect the contractor undertaking the program on behalf of and under the direction of the national management structure.
- The National Citrus Canker Eradication Program is funded 50 percent Commonwealth, and 50 percent States – with each state contributing in proportion to the size of the citrus sector in their state.

### **Federal Government Role**

The Commonwealth Government’s most significant involvement is in the co-ordination of the National Citrus Canker Eradication Program through the Office of the Chief Plant Protection Officer (DAFF).

From the outset the (former) Federal Minister has distanced himself from the outbreak. The Minister’s first response was to deny any relationship between the 2004 outbreak and the 2001 allegations of illegal importation (and to defend the way the 2001 investigation was handled). He took the view that the outbreak was largely a domestic Queensland Government responsibility.

In more than 12 months the (former) Federal Minister did not visit Emerald to lend his support to the Eradication Program or to the affected growers.

The Minister’s hands-off approach extended to associated needs and requests, eg, QCG’s call for an Inquiry (turned down), request for an ABARE study into the cost impact of the outbreak on the citrus industry (turned down), and industry requests for assistance measures for affected growers (very difficult to achieve).

### **EMERGENCY RESPONSE**

The initial emergency response was the declaration of a 50km quarantine zone around Emerald (the Pest Quarantine Area – PQA). This was characterised as the Shires of Emerald, Peak Downs and Bauhinia. After the initial round of surveillance the PQA was reduced in size in August 2004.

Quarantine measures were put into place in relation to the movement of people, machinery, plants, and fruit onto and off Evergreen farms.

An eradication program commenced on Evergreen Farms, on the basis of 600 metre “cookie-cutter” destruction zones.

Delimiting surveillance commenced within the Emerald PQA to determine the boundaries of the disease (and to see if any other properties were infected).

Surveillance was commenced throughout the whole of Queensland to see if the disease was present in the State outside the Emerald area.

Interstate bans were put in place on all Queensland citrus until the completion of the first round of surveillance.

The first round of surveillance (all Queensland) took place in July 2004.

Interstate markets were re-opened for Queensland citrus on 23 July 2004 (except for Emerald) with a new inspection, dipping and certification protocol, which all Queensland growers were required to comply with.

DPI&F instituted a communications process, with a Citrus Canker Update bulletin being faxed/e-mailed to all Queensland citrus growers at regular intervals, and a major public meeting was held in Gayndah – in Queensland’s main area of citrus production.

## **CAUSE OF OUTBREAK**

AQIS, as the agency charged with biosecurity protection of Australia, has never initiated an investigation into the cause of the 2004 outbreak in its own right (to our knowledge).

The formal National Citrus Canker Eradication Program being managed by DPI&F included and “tracings” investigation – that is, looking at links to and from the infected property to see where the disease may possibly have been spread to, and trace back to see where the disease may have come from.

The DPI&F’s report *Overview of Tracings Investigations for Citrus Canker on Infested Premises No 1* was released to the CCEPP on 18 July 2005. It ruled out all legal and traceable pathways for the introduction or potential further spread of the disease but failed to identify any cause.

The approach taken with the tracings study was to put boundaries around the outbreak. It was not a forensic investigation seeking to find the cause. This report has been circulated as an information paper, but has not been considered at any meeting of the Consultative Committee.

It appears to QCG that neither the Federal or the Queensland Government had a serious interest in establishing the cause of this outbreak, even though it has cost governments over \$37 million in the eradication program, in assistance measures, and ancillary government costs, and caused over \$150 million in damage and losses for the Emerald growers as well as the wider Queensland citrus industry.

## **NATIONAL CITRUS CANKER ERADICATION PROGRAM**

### **Evergreen Farms – July-September 2004**

The National Citrus Canker Eradication Program commenced soon after the disease was confirmed on Evergreen Farms in early July 2004.

Evergreen Farms was found to be heavily infected with citrus canker, and from July through to early September 2004, the cookie-cutter program saw the complete destruction of all citrus plantings on that property.

### **2PH Farms – October 2004 – July 2005**

On 4 October 2004, canker was found on the 2PH Farms Selma Road property (which became the second infested property). 2PH is the largest citrus orchard in Queensland and one of the largest in Australia.

The first finding, by the owner, was a light infection on an otherwise apparently clean farm. The DPI&F continued the eradication on the basis of the cookie-cutter methodology, seemingly optimistic that they could eradicate it with just one more 600 metre circle (a small extension of the program – at minimal extra cost).

As further sites of infection were progressively found on 2PH, the eradication effort continued as ad hoc extensions of the approved National Citrus Canker Eradication Program (the cookie-cutter program) for a further 9 months until April 2005.

In total there were six separate sites of infection found on 2PH Selma Road. As these new infections were being found almost monthly, the Consultative Committee was reluctant to

acknowledge that the cookie-cutter methodology had failed, and that a change in direction was necessary.

By April 2005 the (overlapping) 600 metre destruction circles had destroyed or earmarked for destruction 70 percent of the 2PH Selma Road property, and left the remainder unworkable – having been split into 3 separate segments. After the last detection in April 2005, the Consultative Committee abandoned the cookie-cutter approach and accepted a QCG proposal that the remainder of the 2PH Selma Road property should be eradicated, and this limited change in the program was ordered.

### **Selma Citrus - May – June 2005**

In May 2005, a further citrus canker infection was found on Selma Citrus, the smallest citrus orchard in the district. The 600 metre destruction zone saw the immediate eradication of this entire property.

With citrus canker now having been found on a third property, the Consultative Committee finally recognised that the cookie-cutter program had failed to arrest the disease. The CCEPP then agreed to adopt the total destruction proposal, which was first proposed by QCG in October 2004.

## **PROGRAM MANAGEMENT ISSUES**

### **Consultative Committee on Exotic Plant Pests**

QCG believes that the Consultative Committee has not performed well as an effective steward of the National Citrus Canker Eradication Program.

The CCEPP mainly comprises the Plant Health Managers from each State. Industry representatives participate as observers (QCG, ACG and Growcom). The government representatives are colleagues who have established relationships with each other through membership of interstate quarantine committees, etc. They have science-based qualifications, and authority and power through the positions they hold in their respective organisations.

On the other hand QCG feels that industry observers were perceived as outsiders, viewed as not having comparable expertise, and who were probably representing the vested interests of citrus growers. Industry views at CCEPP (especially in the first 5 months of the program – before a change of Chairmanship) were given little credence, and therefore had little influence on decision making.

Notwithstanding their qualifications, the interstate government members of CCEPP had little knowledge of citrus canker. For the most part the CCEPP relied on the acquired expertise of the DPI&F, and mostly rubber-stamped proposals and recommendations put forward by Queensland. As lead agency, Queensland DPI&F is the dominant party at CCEPP, and without any effective counterbalance in the group, Queensland proposals were nearly always approved.

QCG believes that the CCEPP has been remiss in not having visited Emerald to inspect the outbreak site and acquire a first hand appreciation of the program they have been managing. Many decision making problems observed at CCEPP meetings stemmed from a lack of knowledge of the local geography and conditions, of the industry in the local area, or an understanding of the implementation of the program at the coal-face.

The Eradication Program has been operating without a clear plan. CCEPP approved the formal plan – *Emergency Plant Pest Response Plan* (3 August 2004), when the disease was still confined to Evergreen Farms, This plan was never comprehensively reviewed and updated. When the disease was subsequently found on 2PH, the program continued on the basis of ad-

hoc extensions of the original plan, when the underlying assumptions about the extent of the disease, its epidemiology, the efficacy of the eradication methodology, etc., had totally changed.

Overseas expertise was not brought in to advise on the program. The knowledge and experience of those who had been through it all before would have been beneficial.

CCEPP participants often exhibited a lack of confidence resulting in considerable indecision. They frequently took a "follow-the-leader" approach to decision making after one person was prepared to take a position. Accordingly, their decisions tended to be overly conservative, being made on the basis of caution in the face of lack of knowledge, rather than with confidence on the basis of sound science.

Also, some CCEPP participants acknowledged that at times they were making decisions on the basis of "gut reaction" rather than risk analysis, expert advice, and the local epidemiology studies. This raises questions as to the standards of the science being applied when setting the directions of this "science-based" eradication program.

On many issues, such as agreement on surveillance and eradication criteria, government representatives would rarely make commitments about what they required (ie. milestones and targets to be achieved) in order to lift quarantine restrictions or reinstate market access at some point in the future. Accordingly, Emerald growers were left in a constant state of uncertainty about the direction of the program, and in limbo as to what the future held for them.

The other States usually only take an independent position on matters of market access and budget. They have been happy to follow Queensland's recommendations which until recently have always been the cheapest option.

By not being independently minded and lacking confidence in their decision making, CCEPP failed many months ago to acknowledge that the existing program was not working, and that a change of course was needed (the change was belatedly recognised and made in May 2005).

The program has always been budget driven, and government stakeholders have tried to eradicate the disease at least cost – but because the minimalist "cookie-cutter" approach failed, the overall cost will now be considerably more than it would have been, had the CCEPP been more decisive back in October/November 2004 (the cost of the official program has almost quadrupled).

CCEPP has never shown any interest in the cost impact of the outbreak, or of their decisions, on the industry – which is estimated to be in the order of \$150 million. The only costs ever discussed are costs to governments of funding the eradication program.

The Consultative Committee has consistently taken the position that their mandate was confined to the science-based technical process of eradicating the disease, and that economic and social impacts were not their concern. However these matters are inextricably linked, as grower responses to issues such as compensation, assistance, market closures, etc, added layers of difficulty and complication to the science-based eradication program.

Confidentiality of CCEPP and NMG meetings has made it difficult for QCG and other industry representatives to communicate decisions and outcomes back to the industry bodies, and to the growers that they represent. This improved with time when CCEPP released discussion points for general distribution.

Communication of CCEPP and NMG outcomes to industry has been deficient. CCEPP does not communicate directly to industry, and leaves this to DPI&F as the lead agency.

Also, there has never been any opportunity for Emerald growers to engage with the CCEPP, and make direct input into CCEPP proposals and decisions which are affecting their livelihoods.

The Consultative Committee operated entirely on the basis of teleconferences and never met face to face until May 2005. This form of meeting was not conducive to the development of strategies and longer-term plans, and fostered the ad hoc nature of the program.

In summary, the CCEPP seriously underestimated the potential of the disease to spread. They then allowed the Eradication Program to drift along without a plan, nibbling away at the problem via the cookie-cutter approach, only requiring small incremental increases in budget, and taking a narrow view on their (technical) role – whilst failing in its basic mission to quickly eradicate the disease, bring to and end the debilitating situation facing the Emerald growers, and eliminate the risk of spread of the disease to other areas.

### **Pre-Emptive Destruction Proposal**

When the first outbreak occurred on 2PH in October 2004, the owner of 2PH, Mr John Pressler was concerned that the “cookie-cutter” approach was not sufficiently aggressive, and came to QCG with a plan to change the eradication methodology – and proposed the total eradication of all citrus in the district. The other Emerald growers agreed to be part of this plan also.

The reasons why the Emerald growers believed this was necessary were that:

- Citrus canker is an insidious disease and by the time it is found in one place, it is likely to have already spread to another place (subclinical infections are difficult to detect and it is often 3 months after infection that a disease can be detected),
- In Florida canker typically leap-frogs ahead of the eradication programs, and in Emerald it has been shown to behave in the same manner,
- The Emerald growers have been effectively put out of business. They were under quarantine, all of their domestic markets were closed, and would remain closed for the foreseeable future,
- New outbreaks were likely to be found, and the cookie-cutter eradication could go on for years, which would prolong the agony for them – and in the long run all of their orchards could still end up being destroyed,
- The Emerald growers would face bankruptcy if this continued, and
- The speedy implementation of total destruction would enable them to cut their losses, it would eradicate the disease with absolute certainty in the shortest time-frame, and it would give the growers certainty for the future, as it would provide a time-line for them to replant and get back into business.

This plan was accepted by QCG who took it forward as a major initiative to the office of the Queensland Premier on 19 October 2004, and to Federal Minister Truss on 29 October 2004.

After this, the proposal was evaluated by the Department of Primary Industries and Fisheries, who concluded (incorrectly) that total destruction offered no greater chance of success than the present “cookie-cutter” program. This recommendation was put to and endorsed by the Consultative Committee in November 2004.

QCG was unhappy with this outcome, and believes that the evaluation was biased and deficient, and that the real purpose of the exercise was to support and justify the existing program and reject the QCG proposal, rather than to make a fair and balanced assessment of a credible alternative option.

In its submission to the Senate Inquiry the DPI&F has inferred that they were more open minded than they really were. The DPI&F’s submission states ... *DPI&F concluded, however, that pre-emptive destruction of all citrus at Emerald was not justified at this time, and that eradication via the agreed plan was feasible.* This is a significant misrepresentation, and the

DPI&F report was much more absolute in its (incorrect) finding – which is quoted as follows ... *on technical and economic grounds, that the QCG proposal for rapid pre-emptive destruction does not provide any greater confidence of achieving eradication than the currently nationally agreed program (ie. the cookie-cutter program).*

The QCG plan (the Pressler Plan) sought a payment of \$50 per tree, as a contract cost to carry out the eradication – total cost approx \$16 million. This cost appears to have been the main stumbling block. However total destruction was put forward as a cost fast-track option – bringing future costs forward, and in return capping the potential for greater ongoing costs in the program. The program budget has since risen from \$4.9 million (as at 19 October 2004) to \$19.4 million, not counting \$6.5 million that the DPI&F claims to have spent outside the cost-shared program, and a further \$11.5 million recently announced in assistance for the Emerald growers – Total cost \$37 million.

In evaluating the industry pre-emptive eradication proposal the DPI&F did not seek further discussions with industry on the concept or detail of the proposal, and any area where it did not fall within government guidelines was taken as a reason to oppose it. A more open-minded response would have been to seek to reach agreement with industry on the best method to eradicate the disease, and to negotiate on the cost if necessary.

The non-acceptance of this proposal was crucial to the manner in which the eradication program continued for the remaining period, in terms of:

- Cost – the program is now considerably more expensive (over \$37 million compared to the \$16 million industry proposal)
- Mindset – despite increasing evidence piling up, there was a greater resistance to later recognise that the cookie-cutter program was failing, and that a change of direction was necessary; and it would have required an admission of a strategic error in the direction of the program (which they are still not prepared to do),
- Time – the eradication took considerably longer (and it still has not been completed), whereas total destruction would have achieved this result by the end of 2004,
- Risk – the failure to eradicate the disease quickly and decisively has exposed the rest of the Australian industry to the risk of spread of the disease for much longer than should have been necessary, and
- Breakdown of relations with industry – industry was not happy with DPI&F decision making processes which seemed to be mainly about getting their own way, and DPI&F was not happy about the mounting pressure from industry as new infections being found made it harder to justify not changing course.

### **Reconsideration of Total Destruction Proposal**

With further new sites of infection being found on 2PH in the latter part of 2004, QCG continued to press for reconsideration of the total destruction proposal as a better option to absolutely eradicate the disease.

On 16 December 2004 the Queensland Minister gave QCG a formal undertaking that they would look at again, but only after the next round of surveillance in the rest of Queensland which would need to demonstrate that the disease was still confined to the Emerald PQA. This surveillance took place in December 2004 and January 2005.

DPI&F also undertook to begin a process in the new year to develop a scientific case to underpin a new total destruction proposal. However when this process began in January 2005, the DPI&F changed direction (without consulting industry further) and their first priority became an objective to regain domestic market access for the Emerald region for the forthcoming 2005 citrus season.



## **Interim Assistance for Emerald Growers**

Assistance measures provided by the Commonwealth and Queensland Governments need to be considered in the context of the enormity of the losses experienced by the Emerald growers. 2PH in particular is the largest citrus orchard in Queensland, and one of the largest in Australia. The owner of 2PH reported in evidence to the Senate Committee (Emerald - 28 July 2005), that 2PH's losses were estimated as \$93.57 million over the next few years.

With the failure of the total destruction proposal the Emerald growers were faced with the situation where they would not be able to recoup any money spent on their orchard, as would be necessary to grow a marketable crop, to manage every day pests and diseases, or simply to keep their trees alive. The growers were faced with having to neglect their orchards, which would then become havens for other pests and diseases, and the trees would also decline in poor condition through lack of water.

QCG highlighted this emerging problem in its 19 October submission for pre-emptive destruction, and the DPI&F's report at least recognised this, and made a recommendation for interim assistance, to enable the growers to maintain their orchards - for the good of the eradication program (it would be more difficult for the surveillance to pick up canker in diseased or declining – yellowing – trees, than in healthy trees).

However, following the rejection of the total destruction proposal, no immediate action was taken at any level of government to adopt and implement this recommendation. The Consultative Committee was not prepared to take it on, and reaffirmed that their mandate was confined to the technical eradication response, and that the industry impacts were not their responsibility.

QCG continued to press for a response, and the matter was referred to the National Management Group (NMG) on 23 November 2004, who passed it on to the Primary Industries Standing Committee (PISC) which in turn established a Working Group to explore options to address transitional adjustment issues. The Working Group failed to recommend any tangible forms of assistance, and its key recommendations were - briefing relevant financial institutions, ensuring growers had access to farm financial counsellors, and assisting Emerald growers identify production alternatives.

Taking this issue back to square one, QCG and the Emerald citrus growers renewed their request to the Queensland Government for fair and reasonable assistance. DPI&F eventually carried out an assessment of needs, and in partnership with DAFF, developed a proposal for a joint Commonwealth/Queensland interim assistance package - with the Commonwealth government to provide interest subsidies of up to \$100,000 per annum (2 years maximum) plus income support, and the Queensland Government would look at providing interim cash relief of \$2,000 per hectare for ongoing orchard maintenance - for the good of the program. A \$55,000 add-on was put into the proposal to enable the two smaller growers to strip pick and bury lemons and limes which were mature on the trees at that time, and which needed to be disposed of for pest and disease control reasons.

QCG formally submitted this pre-negotiated package as an industry request in January 2005. However, it appears that the Queensland DPI&F was unable to deliver its component, and on 1 February 2005 the Queensland Premier and Minister jointly announced through the media, \$55,000 for the two smaller growers to strip pick and dispose of their lemon and lime crops. This was not the core of the anticipated package, however it appeared to be the only assistance to be forthcoming from the State Government.

QCG and the Emerald growers were dismayed at this outcome, and the Emerald growers in particular responded by withdrawing their co-operation with the DPI&F's surveillance teams

(they locked them out of their farms). Responding to this increased industry pressure and adverse press, the Queensland Premier and Minister jointly announced on 9 February 2005 “the rest” of the State package – that being \$500,000 interest free loans for the Emerald growers.

This was not the form of assistance anticipated from the State (a \$2,000 per ha cash payment was proposed and anticipated), and it also conflicted with the interest subsidy package which the Commonwealth Government had in the wings. It almost aborted the Commonwealth package, but on 11 February 2005 the Federal Minister announced the Commonwealth measures of \$100,000 interest free subsidies on new or existing loans (plus income support).

Both the Commonwealth and the State packages fell far short of what was needed. The Commonwealth assistance was of benefit, but quite limited in the context of the scale of operations of the larger growers in the area.

The State package was of little value. It was poorly targeted, and being a further loan which the growers would still have to pay back (albeit interest free), without cash flow and being able to sell their fruit, none of them were prepared to take on this further debt.

It also didn't solve the original problem of providing growers with the financial means to maintain their orchards – for the good of the program.

### **Domestic Market Access Proposal**

The failure of the Queensland assistance package had a significant bearing on the immediate future direction of the eradication program.

The Queensland Minister had already agreed to reconsider the total destruction proposal after the summer round of surveillance. It was recognised that when this proposal went forward to CCEPP, the other States would have to be pressed to be decisive. Continuation of the CCEPP's characteristic indecision would be unacceptable, as the Emerald growers were entitled to a clear decision on the future direction of the program. A fallback position was therefore identified. If the other States would not agree to total destruction, it would be put to them that they should be prepared to reinstate domestic market access for citrus from Emerald. They could not continue to have it both ways.

However, the DPI&F then changed their plans (without consultation) and made the fall-back position of market access their main (and only) objective. The rationale appeared to be realisation that re-opening interstate markets would provide the Emerald growers with a “commercial solution” – thereby negating the need for government funded assistance. With the summer round of surveillance coming up clear of canker on the first few properties inspected, the DPI&F apparently felt that this outcome could be achieved.

To advance this objective, the DPI&F conducted a “Risk Analysis” to demonstrate that citrus from non-infected properties at Emerald, under the citrus canker dipping and inspection protocol already established for the rest of the State, would meet Australia's Appropriate Level of Protection (ALOP), and with “very low risk” being demonstrated by the PRA, the reinstatement of domestic access should be accepted by the other States. The risk analysis was intended to parallel Biosecurity Australia's IRA process for imported products.

As the Risk Analysis was being undertaken, the DPI&F and Queensland Minister sought to generate industry and political support for the re-entry of Emerald citrus into domestic markets. Pressure was placed on QCG to pre-emptively make public statements in support of the proposal, and to lobby grower associations in other states to support it also (under threat of being accused of not supporting the Emerald growers).

QCG's response was to reserve its position until given an opportunity to consider the Risk Assessment report. However, QCG was concerned that market access for Emerald was premature, and felt there was little likelihood that the other states would agree – as accepting fruit from a domestic or international source where a Category 1 exotic disease was active in the area of production had never previously been agreed to.

As the PRA was being prepared (February-April 2005), three further outbreak sites were found at monthly intervals on 2PH. The writing was on the wall for the market access proposal. However the DPI&F continued to proceed on an all-or-nothing basis, claiming that the treatment-based proposal was still valid.

The draft Pest Risk Analysis was circulated to CCEPP participants on 18 April, and interstate government and industry stakeholders were given 4 days to evaluate the proposal, to consult with industry sectors, and provide written feedback to the DPI&F, to be taken into account in the preparation of a Final PRA.

The DPI&F's revised PRA was circulated on 6 May with a decision demanded from CCEPP stakeholders in a matter of days. Notwithstanding this unreasonable urgency, the interstate representatives and industry identified numerous serious shortcomings in the proposal, and the re-instatement of domestic market access was not agreed to.

As well as doubts about whether the proposal demonstrated a low enough level of risk, QCG, Biosecurity Australia and others were concerned that the proposal would have changed Australia's standards. Under the concept of equivalence Australia would have been obliged to offer the same terms and conditions to international trading partners – which would mean citrus imports from places with canker (Florida, Japan, Korea, China, etc), not to mention apples from New Zealand and bananas from the Philippines.

Many unfortunate consequences stemmed from this market access proposal.

The Queensland Minister/Director-General gave the Emerald growers personal assurances that they would be able to re-establish access to domestic markets by 28 April 2005, and these false hopes encouraged them to continue spending money which they couldn't afford to waste, to produce a marketable crop for the 2005 season.

Also the Minister's/DPI&F's political need to give the growers a means to derive some income (in the absence of government assistance) clouded their judgement as to whether the level of risk was acceptable for the rest of the industry in Queensland (and Australia) – noting that every other state considered the risk too great.

QCG believes that the DPI&F had a serious conflict of interest in relation to his proposal – they are the biosecurity agency charged with protecting Queensland from exotic pests and diseases (as do their interstate colleagues), yet they were proponents of this proposal which carried with it an increased level of risk for the rest of the Queensland citrus industry.

### **Implementation of Total Destruction Proposal – and Compensation for Emerald Growers**

By the time the market access proposal was rejected, further outbreaks of canker had finally brought about a complete change in direction of the program, and total destruction was ordered shortly thereafter.

The total destruction order applied to four orchards within the PQA on which canker had not been found (it was determined that they had probably been exposed to the pathogen, and were therefore at risk of being infected).

The Emerald growers sought fair and reasonable recompense before they would voluntarily allow the DPI&F to take their trees. Their losses would be the capital value of the trees destroyed, the loss of income from those trees in future years, additional money spent in maintaining orchards whilst under quarantine lock-down, and the future cost of replanting and re-establishing orchards until they have reached commercial production levels.

A change of Ministers at both the State and Commonwealth levels broke an impasse on the matter of an assistance package, and on 10 August the new Ministers announced a joint Commonwealth/Queensland/Industry \$11.5 million reimbursement and re-establishment package for affected Emerald citrus growers.

This package will provide a payment of \$100 per tree for the 115,000 disease free commercial citrus trees still standing in the district as at 3 June 2005, which will now be removed - \$80 reimbursement for the trees removed, and a further \$20 for the re-establishment of new trees in two years time.

It should be noted that the National Citrus Canker Eradication Program does not provide for compensation to be paid to growers for the destruction of diseased trees. Accordingly, no government compensation has been paid for any of the trees on the first three infected properties which had already been destroyed. The citrus industry, however, will be seeking to provide some industry-funded assistance to the owners of third infected property, Mr & Mrs M Iddles.

The details of the reimbursement and re-establishment package have recently been worked out, and the Emerald citrus growers have agreed to co-operate and allow the removal of the remaining commercial citrus trees within the Emerald PQA.

### **Final Phase of the Eradication Program**

The removal of the remaining commercial trees (together with domestic citrus in Emerald township, and a perimeter of native citrus species within the PQA) will finalise the eradication of citrus canker. It will give certainty as to the success of the program, and it will give certainty to the growers - with a time line for them to re-plant and to re-establish their citrus businesses.

However, the National Citrus Canker Eradication Program will continue for a further three years. There will ongoing monitoring and removal of any re-growth for 18 months before re-planting will be permitted, and then monitoring of replanted trees for a further 18 months to ensure that there is no recurrence of the disease. At that time (scheduled to be February 2009), citrus canker will be declared eradicated, and all remaining quarantine restrictions will be lifted.

## **OTHER ISSUES**

### **Plant Health Australia – New Model for Incursion Management**

Plant Health Australia (PHA) was established in 2000, to set up a new framework for the management of exotic pest and disease incursions. The new model provides for owner reimbursement (compensation) for affected producers, and industry would contribute to eradication costs. Plant industries have been signing on to the new arrangements on an industry by industry basis, and each participating industry has to establish a national biosecurity levy to fund the industry's participation in the new arrangements.

The national citrus industry, through Australian Citrus Growers Inc, was in transition to the new model when the Emerald canker outbreak occurred, (ACG formally signed the industry participation Deed in September 2005). Plans were however well advanced, and under PHA's PLANTPLAN (a generic template for the management of exotic pests and diseases), a National Citrus Industry Biosecurity Plan had already been finalised, and a Draft Citrus Canker

Contingency Plan (May 2004) had been prepared. These plans were used for the National Citrus Canker Eradication Program, albeit with some changes made in the light of actual experience.

The new model would have shared the cost of the National Citrus Canker Eradication Program – including owner reimbursement – between the Commonwealth/States/Industry on a 40/40/20 basis, and a statutory biosecurity levy would have funded the industry's share.

However, because of timing (neither ACG nor the Queensland Government had at that stage signed the Deed) and with no levy in place, the program had to be managed under the old model for Exotic Pest and Disease incursions – Commonwealth/State, 50/50 arrangements – with no provision for owner reimbursement.

DPI&F sought to have the program shifted to the new model and wanted industry to share the costs. However DAFF advised that this was not possible and that the new model arrangements could not be made retrospective to cover this citrus canker program.

There were pros and cons in this.

On the positive side for industry, the industry didn't have to fund a share of the eradication program. Also, the owner re-imburement would have been inadequate – and in particular the Emerald growers who did not have canker and did not have trees destroyed, but were still in difficulties because they were locked out of markets, would not have been eligible for any assistance – and these were the growers most in need. If canker had not spread to the third property in May 2005, the only growers who would have qualified for owner re-imburement would have been Evergreen Farms and 2PH.

On the negative side, industry had virtually no influence over the direction of the program, and industry proposals (such as total destruction) were often rejected – sometimes unfairly, and without proper consideration. QCG doubts that it would have been any different had the industry participated with the status of a formal member, rather than as an observer, given the *modus operandii* of the CCEPP.

### **Politicisation of the Program**

The former Queensland Minister took a high personal profile in leading the DPI&F's efforts in the eradication of citrus canker. He championed the Department's role in the emergency effort – with massive resources initially directed to surveillance and eradication in the Emerald district, the surveillance state-wide, and in efforts to re-open markets for the industry (other than Emerald).

The Minister capitalised on the incursion and the DPI&F's response as a significant PR opportunity, as illustrated by the 59 media releases he put out between 6 July 2004 and 12 July 2005 (with a further 19 releases put out by the Department).

However as the program progressed not all developments were positive, and the Minister began to overstate achievements – (eg. *Qld market restrictions for most local growers lifted* – 6 December 2004 - when this applied to less than 10 percent of the industry's production base).

When unpopular decisions were made he sought to deflect blame onto others, and at times misrepresented industry's position, associating industry's presence on teleconferences (as observers without voting rights) as industry support for these decisions.

He also deflected criticism for decisions on the direction of the program by claiming that Queensland was only acting as an agent of the Commonwealth and the Other States through

the CCEPP/NMG, when in reality those groups were mostly endorsing proposals and recommendations made by Queensland.

When the Emerald growers locked the DPI&F surveillance teams out of their farm in response to the meagre assistance announced on 1 February, the Queensland Minister wrote to QCG demanding that he “publicly condemn the stance by the Emerald growers”, otherwise he would withdraw support for the QCG President’s nomination as an observer on the NMG.

He then turned to setting up QCG and ACG to take the blame for the possible failure of the domestic market access proposal, which was always unlikely to be accepted by the other States. This included specific attacks on QCG and ACG in the media and in State Parliament.

QCG feels that the Minister’s was trying to divide the industry and position our association to be the scapegoat for the almost inevitable failure of this proposal, by claiming that our lack of support (a misrepresentation of QCG’s actual position), rather than any shortcomings in the proposal, would be responsible for the Department not being able to deliver a good outcome for the Emerald growers.

Ultimately, the attacks on QCG (and ACG) seemed to become irrational, with inappropriately aggressive letters being received from both the Minister and the Director-General.

The issues of the total destruction, reinstatement of domestic market access, and calls for assistance for Emerald growers, and the Minister’s misrepresentations and attacks on QCG over an extended period of time, seriously strained relations with the DPI&F, and by May 2005 there was little communication left between the organisations.

The Minister and the Department then decided to ostracise QCG and (incorrectly) characterise our association of not being representative of the Queensland citrus industry, notwithstanding that QCG is the only body whose membership includes all of the Emerald citrus growers, and with effective grass roots links to the rest of the Queensland citrus industry. DPI&F identified another industry organisation which was prepared to endorse one of their key proposals at a particular point in time, and then discontinued their liaison with QCG on the Eradication Program. This indicates that the DPI&F was more concerned with the appearance of consultation with industry, rather than in having genuine consultations.

### **Adversarial Approach Adopted by the Queensland Department of Primary Industries**

The manner in which the DPI&F dealt with QCG and ACG was parallel to what was occurring at Ministerial level. In many respects, the Ministerial approach was fuelled by the DPI&F.

The Departments dealings with QCG have been characterised by untruths, broken undertakings, deliberate misrepresentations, attempts to divide the industry, and setting QCG up for blame shedding.

There has never been a genuine DPI&F/industry consultation process throughout the entire program – with industry never being provided with an opportunity to participate in the development of proposals, or to negotiate on aspects of the program before they were essentially locked-in.

The DPI&F’s modus operandii has mainly been to operate in a tactical manner, designed to getting their own way, rather than seeking consensus and mutual agreement on issues and proposals.

## **Inability to Deal with Human, Social, Business, and Community Issues**

The National Citrus Canker Eradication Program is being carried out under the old plant health model, which makes no provision for compensation for any producer affected by an exotic pest or disease incursion. Consistent with this, the CCEPP and NMG have consistently maintained the position that their's is a science-based role, and their mandate is confined to the technical processes of eradicating the disease, and issues of compensation are not their responsibility.

However, science is not the only relevant factor. Decisions of the CCEPP/NMG have had direct and significant economic and social consequences for the Emerald citrus growers, as well as the Emerald community, and these have not been part of their decision making considerations. For example, the CCEPP has not taken any interest in, and is not even aware of, the immediate or longer term costs to the growers of the trees ordered for destruction under the program, or the losses experienced by all growers through the closure of markets.

The impacts of the program on the Emerald growers have at times generated hostility, and disobedience to orders made under the program. A lot of anger and emotion has often come to the surface, and inadequate responses to the hardship being caused by the program has affected good relations between the growers, industry organisation, and government representatives – adding layers of difficulty and complication to the science-based eradication effort.

In reality, the eradication cannot be effectively carried out unless the human and economic aspects are effectively handled as well. The two issues go hand in hand and cannot be separated.

QCG's objective in the citrus canker issue has been to see the disease eradicated, and also to see the best possible outcome for the affected growers. Obviously hard decision had to be taken; but sometimes there were choices, and some options might not be as onerous as others, and sometimes the impact can be ameliorated through counterbalancing assistance measures.

## **Industry Contribution**

With retrospectivity not allowed, it was not possible to shift the National Citrus Canker Eradication Program to the new plant health arrangements, and establish an industry contribution via a national citrus biosecurity levy (which in any event would not have assisted the growers most in need).

Nevertheless, QCG determined early on that it was prepared to agree to arrangements for an industry contribution should that be necessary, if it would assist in delivering the needed outcomes for the Emerald growers. However this willingness was tempered with the knowledge that collecting funds from growers on a voluntary basis is extremely difficult (mission impossible, in the words of a well known Senator).

In its submission to the Inquiry, DPI&F has made much of the fact that the industry was not contributing financially to the Eradication Program, and to assistance measures being sought. This was sometimes cited as a contributing factor in the rejection of various proposals put forward by QCG.

Whilst DPI&F often used the lack of an industry contribution as an excuse for no being able to agree to industry proposals, the Department never formally approached QCG or ACG for a meeting to facilitate such an industry contribution. This could have been achieved if DPI&F had really wanted it to happen.

It must be recognised however, that it is extremely difficult for horticultural industries in Queensland to fund anything on a voluntary basis, since the abolition of State statutory/compulsory levies in 1999/2003. Any expectation of industry funding at the State level should be accompanied by a willingness by the State Government to provide industry with the tools (ie. a statutory levy or a fee for service charge) to raise the funds in an equitable manner from the whole of the industry sector.

It should be noted that the Queensland citrus industry made a commitment to contribute 20 percent of the \$11.5 million assistance package agreed to by the Commonwealth and Queensland Ministers on 10 August 2005, with the industry's \$3 million share to be raised on a voluntary basis. The industry will endeavour to raise these funds as a collaborative effort by Growcom and Queensland Citrus Growers, from growers as well as the commercial sector involved in the industry.

### **Industry Engagement and Communications**

The DPI&F's engagement with industry throughout the program has been lacking.

In their submission to the Inquiry DPI&F has indicated that it was difficult to communicate complicated issues through the media such as perceived risks and actual risks; that in future the communication strategy should include an education and training component that ensures a broader understanding of the government's role; and also that industry groups need to become constructive mediators between individuals and decision making bodies.

However, the DPI&F has not provided industry with the opportunity to participate in the development of plans or proposals on a government/industry partnership basis. Rather, the DPI&F has generally developed plans without consultation, and makes announcements of what it is going to do (often through the media) and expects industry stakeholders to embrace them.

The DPI&F would have had more success in the areas mentioned if they had been more inclusive. Working Group meetings to co-operatively develop proposals, taking industry views into account would have been beneficial. However, meetings at this level have generally not taken place.

DPI&F has also suggested that if industry representatives had been better educated and informed they would have understood and supported the DPI&F's proposals. In this opinion the DPI&F fails to recognise that their's is not the only valid view. QCG representatives and executives do have a thorough understand biosecurity issues, however this does not mean that they will have the same view on an issue as the DPI&F. It also doesn't mean that their alternative view is incorrect. For example, on the matter of domestic market access (perceptions of risk), it was not the industry that was out of step with the DPI&F, but rather, the DPI&F who was out of step with every other Commonwealth and interstate biosecurity agency.

It should also be recognised that the role of an industry association is to represent and be an advocate for its members – including the Emerald growers – rather than a mediator for government. QCG believes it has a duty take a position on issues as it sees them from an industry viewpoint and in the interests of its members, whether or not they accord with the views of government.

The DPI&F also made note in its submission, of the fact that industry groups and individuals hired media professionals to assist in promoting their own interests and lobbying for their own views. It should be recognised that the Queensland Minister and DPI&F gave the citrus canker issue a high media profile from the outset, promoting the DPI&F's role and achievements. At a much later point in time, QCG and Mr Pressler felt that they also needed to engage media resources to get their messages out, and to counteract the DPI&F's one-sided communication.



Again the DPI&F appears to believe that their's is the only message entitled to be given public exposure.

At the grass roots level the DPI&F communicated fairly well with the Queensland industry, until the latter stages of the program. Growers were kept informed of every development in the program through the frequent Citrus Canker Updates, and the DPI&F's Biosecurity Manager regularly participated in QCG teleconferences to brief the QCG of developments. However, briefings dropped off after the initial emergency phase, and as the DPI&F and QCG's views diverged on issues such as the total destruction proposal.

Inexplicably, the DPI&F discontinued the Citrus Canker Update series in April 2005, when there were still important ongoing developments which should have been communicated to the general industry (further outbreaks, change in the eradication strategy, destruction of all citrus at Emerald, approval of the program through to declaration of eradication, replanting, and lifting of quarantine restrictions). Queensland citrus producers have not received any communication from the DPI&F on these matters.

## **CONCLUSION**

The Citrus Canker issue has been a once in a lifetime disaster for the Queensland citrus industry, and involvement in this matter has been an extremely difficult experience for QCG.

QCG's objectives in response to this outbreak have been:

- To ensure that the citrus canker was eradicated as quickly and effectively as possible,
- To limit the impact of the outbreak on the industry in the rest of Queensland, and indeed Australia,
- To ensure that the interests of the Emerald growers were taken into account, and that they were provided with effective and meaningful support to carry them through, and
- To seek to establish how the disease came to be in Australia – with an inquiry to look into matters of origin and cause (among other things).

With the recently agreed assistance package for the Emerald growers, the removal of the rest of the citrus trees from the Emerald PQA by 31 December 2005, and the Senate Committee looking into the cause of the outbreak, all of these objectives will have finally been achieved – albeit not as quickly as QCG would have liked.

However, the program was not a well run or a successful exercise. The inability to eradicate the disease in over 15 months (to date) in a small isolated pocket of the Australia citrus industry, such as Emerald (only 8 farms), does not bode well for the prospects of effectively dealing with larger outbreaks in mainstream production areas in the future.

Also the impact on the affected growers, and the lack of care for their situation, has undermined the central message of Plant Health Australia's "spotted anything unusual" campaign – which encourages growers to report anything suspicious to the authorities. Citrus growers elsewhere are now all too aware that doing this is a certain road to financial ruin.