



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT
LEGISLATION COMMITTEE

Reference: Citrus canker outbreak

WEDNESDAY, 15 JUNE 2005

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SENATE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Wednesday, 15 June 2005

Members: Senator Heffernan (*Chair*), Senator Buckland (*Deputy Chair*), Senators Cherry, Ferris, McGauran and Stephens

Participating members: Senators Abetz, Allison, Mark Bishop, Boswell, Brown, George Campbell, Carr, Chapman, Coonan, Eggleston, Chris Evans, Faulkner, Ferguson, Greig, Harradine, Hogg, Hutchins, Knowles, Lightfoot, Ludwig, Lundy, Sandy Macdonald, Mackay, Mason, McGauran, McLucas, Nettle, O'Brien, Payne, Robert Ray, Santoro, Tchen, Watson and Webber

Senators in attendance: Senators Buckland, Cherry, Ferris, Heffernan and Stephens

Terms of reference for the inquiry:

To inquire into and report on:

The Department of Agriculture, Fisheries and Forestry's administration of the citrus canker invasion with particular reference to:

- 1) AQIS' response to the allegations of illegal importation of plant material;
- 2) The adoption of the quarantine protocols and management of the emergency response;
- 3) Cooperation between the Commonwealth and States, including funding issues;
- 4) The impact of the incursion on the Australian citrus industry;
- 5) Prevention and management of future incursions; and
- 6) Other related matters.

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Committee met at 3.14 pm

CHAIR (Senator Heffernan)—I declare open this public hearing of the Senate Rural and Regional Affairs and Transport Legislation Committee. The committee is hearing evidence in its inquiry into the administration by the Department of Agriculture, Fisheries and Forestry of the citrus canker outbreak. I welcome everyone here today. This is a public hearing, and a *Hansard* transcript of the proceedings is being made. The committee has authorised the recording, broadcasting and rebroadcasting of these proceedings in accordance with the rules contained in the order of the Senate of 23 August 1990 concerning the broadcasting of committee proceedings.

Before the committee starts taking evidence I place on record that all witnesses are protected by parliamentary privilege with respect to submissions made to the committee and evidence given. I remind witnesses that parliamentary privilege does not extend to statements repeated outside the committee's proceedings. Any act by any person which may disadvantage a witness on account of evidence given by him or her before the Senate or a Senate committee is a breach of privilege. While the committee prefers to hear all evidence in public, the committee may agree to take evidence confidentially. If the committee takes confidential evidence it may still publish or present all or part of that evidence to the Senate at a later date. The Senate also has the power to order the production and/or publication of confidential evidence. The committee would consult the person whose evidence the committee is considering publishing before taking such action.

I also draw your attention to the continuing resolution relating to the claims of commercial confidentiality. Under the resolution, a claim to withhold information on the basis that it is commercial-in-confidence can only be made by a minister and must include a statement setting out the basis for the claim, including a statement of any commercial harm that may result from the disclosure of that information. Finally, I indicate that it is the committee's intention to seek the facts relating to the inquiry, not to apportion blame. I hope the committee will have the cooperation of both the state and Commonwealth in its efforts to do so. We will be inviting both Queensland and Commonwealth departments to give evidence.

[3.17 pm]

IENCO, Mr Ferdinando (Fred), Private capacity

CHAIR—Welcome, Mr Ienco. Would you like to make an opening statement?

Mr Ienco—No.

CHAIR—Your interest in this matter is because you were—

Mr Ienco—A table grape supervisor.

CHAIR—Would you help the committee by going back to your knowledge of and involvement in Evergreen Farms, where you started, and tell us of any knowledge you have of events from 2000 on regarding the disease outbreak up there.

Mr Ienco—I started there in February 2001. My position was that of table grape supervisor. There were 700 acres of table grapes. I was under a manager, looking after permanent and casual workers. I was there the morning AQIS came in. I was told to go home that morning, then I was called, I went into the office and AQIS asked me if I knew of the whereabouts of certain trees, vines and things. I knew nothing about it. They asked me a few times, but I knew nothing about it, so they told me to go home, and I went home that afternoon. I am not sure about the times, but at about 3.30 or four o'clock I was called back by the owner and was told that there were some vines on the property that were not supposed to be there, and she told me to go and get rid of them.

After she told me where they were, I went and pulled them out and stuck them at the bottom of the tip, which was burning, and that was it. I went home after that. About one week or 10 days later, the owner called me again and told me that in relation to some trees in the citrus department—and that was not my department—AQIS had quarantined them and put their stickers on them. So I knew where they were after they had left. Everyone knew where they were, and he told me to go and continuously spray them with poison to kill them. He told me to go at about two o'clock or three o'clock in the morning. That is what I did. I did that two or three times until they were dead, and that was pretty much it.

CHAIR—Just out of interest, what did you spray them with?

Mr Ienco—Roundup, straight.

Senator FERRIS—You were told that the grapes were not supposed to be there and you pulled them out. Were you told why they were not supposed to be there?

Mr Ienco—No. She did not tell me why they were not supposed to be there. But after they had left she called me in straightaway, and I pretty much knew they were not supposed to be there.

Senator FERRIS—Did you ask her why they were not supposed to be there?

Mr Ienco—No, I did not. It was none of my business. I had heard rumours about what had been going on that day, and I just went and got them out of the way and got rid of them.

Senator FERRIS—Did you form any opinion yourself as to why they should not have been there?

Mr Ienco—No, I did not.

Senator FERRIS—So you were asked to go and pull them out. How many did you pull out?

Mr Ienco—She told me the block where they were.

Senator FERRIS—Are you talking dozens or hundreds?

Mr Ienco—About 50 or 55.

Senator FERRIS—Were they healthy looking when you pulled them out?

Mr Ienco—No, not really.

Senator FERRIS—What was wrong with them?

Mr Ienco—They were nearly dead. They were shrivelled up. They did not look like healthy vines to me. They did not have much of a root system.

CHAIR—How long had they been planted?

Mr Ienco—I am not too sure because that was before my time.

CHAIR—So had they been there for some months or years?

Mr Ienco—Months, I would say.

CHAIR—Were they cuttings that had not come up to the fruit stage?

Mr Ienco—Yes. They were just rootlings, with a little cane and about two or three buds.

Senator FERRIS—You said that they were nearly dead and were all shrivelled up. Are you familiar with what citrus canker looks like on plants?

Mr Ienco—No.

CHAIR—This is not citrus canker.

Senator FERRIS—I know. What about grape diseases? Are you familiar with those?

Mr Ienco—Yes.

Senator FERRIS—Did you have any idea what might have been wrong with these plants?

Mr Ienco—No, I did not. I saw them and they did not look healthy. But I did not stop to have a look because I was in a hurry; I just pulled them out as quickly as I could.

Senator FERRIS—Is that the first time that you had been asked to pull out 50 vines like that and to burn them?

Mr Ienco—Yes. She did not say, ‘Burn them,’ but that is what I did.

Senator FERRIS—Did you feel comfortable in doing that?

Mr Ienco—No, no way.

Senator FERRIS—Did you think about ringing the AQIS hotline about it, given that AQIS had been there that day?

Mr Ienco—I did it because too many things had been said and done. I just rolled into the middle of it. I was the middle person who was supposed to go and get rid of them. They were put in before my time. From the way that I got rid of them, I knew they would not be any problem, not like the citrus had been.

Senator FERRIS—Can I just clarify that? Given that AQIS had been there that day—and you knew they had been there; you had been sent home and then called back—did it occur to you that, in being asked to pull out 50 vines and to get rid of them, you could have been breaching some regulations?

Mr Ienco—At that time I did not think it was really going to be much.

CHAIR—Would it be fair to say that you were like the good soldier? You were told what to do and die.

Mr Ienco—Yes.

CHAIR—You just followed the order and copped it?

Mr Ienco—Yes.

Senator FERRIS—Did you feel intimidated to the extent of doing it and saying nothing, or was it something that you did not even think about?

Mr Ienco—I was pretty much intimidated not to say anything.

CHAIR—In relation to the vacant space that was there, did AQIS come back the next day or the day after and ask, ‘What was there’?

Mr Ienco—They did come back, but I did not know what time they came back or where they had gone. I had just gone in and did what I had to do. I was not informed that they had come back.

CHAIR—You were not there when they inspected that day, were you?

Mr Ienco—No, I was on the property, but I was at home.

CHAIR—Are you aware of whether that area that they grew in was inspected?

Mr Ienco—No, I am not aware of that.

CHAIR—But when you pulled them out it would have been quite evident to anyone walking past that there had been recent removals.

Mr Ienco—Yes.

Senator CHERRY—Do you know if AQIS had inspected that particular block of grapes that day?

Mr Ienco—No, I do not. They had gone around everywhere. It was raining that day and, as I said, we went home and we thought, ‘All right, we’ve got the day off’—

Senator FERRIS—Have you ever disclosed this information to AQIS?

Mr Ienco—No.

CHAIR—Can I, just to get the record straight, ask who ‘she’ is?

Mr Ienco—Katherine Cea.

CHAIR—So she is the lady that asked you to go and pull them out?

Mr Ienco—Yes.

Senator FERRIS—Is she the wife of the manager?

Mr Ienco—The wife of the owner.

Senator O’BRIEN—Mr Ienco, I understand that you are the former table grape supervisor at Evergreen Farms?

Mr Ienco—Yes.

Senator O’BRIEN—Can you give us some idea of your background and experience in the industry?

Mr Ienco—I have done it pretty much all my life. I have worked on a family property. I was on the family property for 12 years and then I went up to Emerald and I got a—

Senator O’BRIEN—When was that? When did you start with Evergreen?

Mr Ienco—February 2001. I have got a table grape property of my own now. I have been around the industry for most of my life.

Senator O’BRIEN—So what did being table grape supervisor at Evergreen entail? You are going to tell me ‘everything’, aren’t you?

Mr Ienco—Circus.

Senator O’BRIEN—It was a circus! What do you mean?

Mr Ienco—It was not a normal farm. It was pretty much everything that a table grape property was not supposed to be.

Senator O’BRIEN—I do not understand what it should or should not be, so could you give us some examples?

Mr Ienco—It was not sprayed correctly. Things were done upside down. Work was not done correctly. So after being there for two or three months I just said, ‘Oh well, this is the way that they want to do it.’ I was trying to get back on my feet—because I had had a falling out with the family—so I was not going to go and put the cat in amongst the pigeons and get the sack when I had just got there. I was on reasonably good money and I wanted to get back into my own property, so I just pretty much did what I was told to do. I just kept my mouth closed and—

CHAIR—Mr Ienco, I have to say it was a pretty novel way of spraying, but when you were spraying mandarin trees—is that what they were?

Mr Ienco—Yes, citrus trees—I do not know if they were mandarin trees.

CHAIR—When you were spraying the trees with Roundup at three o’clock in the morning, what became of those trees?

Mr Ienco—They died.

CHAIR—And were they bulldozed?

Mr Ienco—Eventually, they were pulled out and burnt.

CHAIR—Was that at the time that AQIS was inspecting citrus as well as—

Mr Ienco—Yes, as I said, it was about seven or 10 days later, after AQIS came in and—

CHAIR—So there was a six- or eight-week period, which was challenged at court, which you may or may not be aware of. Then there was a secret memorandum of understanding taken out. Was that spraying period after the determination that the place be put under quarantine, or before? Can you remember?

Mr Ienco—It was my understanding that it had been put under quarantine from the day that they came in.

CHAIR—We will determine that later. But a few days after that, you were asked to go out at three o'clock in the morning and spray these trees, and like a good soldier you just did what you were told.

Mr Ienco—Yes.

CHAIR—Was it apparent within days that those trees were, unlike all the other trees around them, suddenly dying?

Mr Ienco—No, they were not, actually. They were pretty hardy. They were not dying.

CHAIR—They were tough buggers.

Mr Ienco—Yes, they were tough buggers. They took three or four good sprays.

CHAIR—Should you have put a bit of ester or something in to give it a bit of bite?

Mr Ienco—Well, I was not really worrying about—

CHAIR—The ester, of course would have been volatile—

Mr Ienco—I just chucked in Roundup and went there and sprayed them.

CHAIR—Was it Mrs Cea who asked you to do this?

Mr Ienco—No, Mr Cea. At this time, Mr Cea had come back. He heard everything about what happened.

CHAIR—Where had he come back from?

Mr Ienco—I am not too sure.

CHAIR—Anyhow, he lobbed there and said to you, 'Fred, there are some trees down in such and such a patch that I want you to spray.' Did he take you and show you them?

Mr Ienco—No. I knew where they were because after AQIS came out it spread around the farm. Of course, everyone was stickybeaking and I was one of them. I drove past the block to have a look.

CHAIR—How did you know, out of all the thousands of trees—

Mr Ienco—They had identified them. They had put stickers with 'AQIS' all over them.

CHAIR—If he did not take you to show you where the trees were that you were to spray at three o'clock in the morning, how could he, or anyone else, be assured that you were going to spray the right trees? Were they in rows that were numbered?

Mr Ienco—Yes. They run in rows and block numbers.

CHAIR—So they said, 'This row and that block,' and identified it that way.

Mr Ienco—They did not identify them by saying, 'Go to such and such a block' by block number, but I knew where they were.

CHAIR—When you say 'they'—

Mr Ienco—Sorry, him.

CHAIR—No. When he said, 'Go and spray these trees,' what did he say? Did he say, 'Those navel oranges,' or 'Those lemons'?

Mr Ienco—No. The ones from AQIS came in and put their stickers all over them.

CHAIR—So he asked you to spray the ones that AQIS put the stickers on.

Mr Ienco—Yes.

CHAIR—Were there other stickers around other parts of the orchard?

Mr Ienco—No, just the patch that I knew of.

CHAIR—And they got sprayed. That is a novel approach. So what then became of those trees? Did they take samples of those trees after or before you sprayed?

Mr Ienco—Yes, they did. They took samples the first day that they came in. I cannot remember exactly whether they had lost them, they had died or they had misplaced them but they did not have any. They said they wanted to come back and get some more but he would not let them on the property.

Senator BUCKLAND—'They' being AQIS?

Mr Ienco—Yes.

CHAIR—We will explore that from the other end of the argument. What eventually became of those trees?

Mr Ienco—Eventually they died and then they were pulled out and burnt.

CHAIR—And you did a good job? You did not spray the wrong rows?

Mr Ienco—No.

CHAIR—They were all blooming. What stage were they at? Were they coming up to bud?

Mr Ienco—They were in dormancy. It was about the start of August at the time.

CHAIR—So the quarantine period, as I understand it, was backdated. It was agreed to, from memory, on 22 October and the memorandum of understanding for the inspection process was backdated from October and September. This would have been the previous month. Can you remember?

Mr Ienco—No. I cannot remember exactly.

CHAIR—Can you tell us what year it was?

Mr Ienco—It was 2001.

CHAIR—That is well after the event, so this is a completely different time passage. So that happened in 2001. You sprayed the trees at three o'clock in the morning and eventually the trees died and were taken away.

Mr Ienco—Yes. They disappeared. I was not on the citrus side. He probably gave instructions for the citrus manager or whomever to get rid of them. I do not know. When I said before they got burnt, I assumed they would have got burnt. They disappeared and they put something else in there.

CHAIR—A cynic could read a bit into that, but we will not be cynical. Do you think that if you were on the Evergreen side of these events you could argue that you are just a disgruntled employee in telling us what you have just told us?

Mr Ienco—I suppose you could.

CHAIR—In other words, you are filling us up with—

Mr Ienco—I suppose you would. If it is going to save yourself, you would for sure.

CHAIR—We are going to Emerald and we will be inviting people to come along and make a statement if they want to on a voluntary basis about any issues surrounding these events. Would what you did be widely known—that you went out and sprayed those trees? Or was it a deep, dark secret between you and the owners?

Mr Ienco—I had not told anybody, but I know that on a number of occasions Philip told me certain things. He told me not to say anything, although not about this AQIS thing.

CHAIR—What sort of things was he telling you not to say?

Mr Ienco—Just things about people. He was saying, 'Don't go saying this and don't go saying that.' But not regarding this subject. People would come up to me and say, 'Philip told me this and Philip told me that.' So he would tell me to keep quiet and not to say anything and then—

CHAIR—That is fair enough; he is entitled to do that.

Senator O'BRIEN—Were you made aware or advised by anyone after you started at the property that it was alleged that there had been an illegal importation of grape cuttings from California, citrus and lychee cuttings from China, pawpaw seeds from the Philippines and watermelon seeds from China?

Mr Ienco—No.

Senator O'BRIEN—So no-one drew that to your attention while you worked there?

Mr Ienco—No. Not until the day that AQIS came in.

Senator O'BRIEN—After the day that AQIS came in, how did you hear of those allegations?

Mr Ienco—Through Katherine and Philip.

CHAIR—I want to clarify something else for the committee. Earlier in the hearing you said that you had a falling out with the family. Was that your own family?

Mr Ienco—Yes, it was my own family.

Senator O'BRIEN—Do you know what variety these grapes that were pulled out were?

Mr Ienco—Excuse me, I never had any falling out with Philip Cea. I eventually got sacked. He said that I was not loyal to him.

Senator BUCKLAND—Was that termination directly linked to what we are talking about now?

Mr Ienco—No. He gave me a termination letter, and it did not say that. He just pointed out a few different things that I had been arguing with him about over workers.

CHAIR—The management of the farm generally, which you said was a bit higgledy-piggledy?

Mr Ienco—Yes. After a while I started getting sick of the place and I started voicing my opinion, and they did not like that.

CHAIR—As I would have, too, if I had been you.

Mr Ienco—As I said, I got to Emerald and I basically had nothing. I had to start again, and that place helped me do it. I had a house on the property, which saved me a lot of rent money, and I worked hard and put in my hours.

Senator O'BRIEN—What variety were the grapes that you have talked about that were not doing well and that I think you said you pulled out?

Mr Ienco—I do not know.

Senator O'BRIEN—Have you ever seen them before?

Mr Ienco—No. They were just budwood. There were no grapes on them.

Senator O'BRIEN—No grapes or leaf?

Mr Ienco—No grapes or leaf.

CHAIR—So you do not remember them in the nursery; the first you knew of them was in the paddock?

Mr Ienco—Yes, in the paddock.

CHAIR—Was there such a thing as a nursery where they grafted them and got them up from little cuttings before they put them out in the paddock?

Mr Ienco—Yes.

CHAIR—At that time who would have run that show?

Mr Ienco—At the time that I was there there was a bloke by the name of Robin. I cannot remember his surname.

CHAIR—Not Price?

Mr Ienco—I think it was. I cannot remember.

CHAIR—We are going to Emerald to have a look. Were the citrus nursery, if that is the right terminology, and the grape nursery in the same area?

Mr Ienco—Yes, they were.

CHAIR—You may not be aware of this, but from what we have been told, at some stage in the game cuttings were taken off the citrus tree and taken to a place called Eastern Creek, which is a quarantine station in Sydney. Were you aware that that happened?

Mr Ienco—No. The grapevines had been transplanted to that spot where I pulled them out.

Senator O'BRIEN—Transplanted from where?

Mr Ienco—From another paddock, from another block.

Senator O'BRIEN—On the same property?

Mr Ienco—On the same property, yes.

Senator O'BRIEN—From what you describe, you are talking about small rootstock.

Mr Ienco—Yes.

Senator O'BRIEN—Does that mean it was in its first season?

Mr Ienco—Yes. The whole vine would have been about that long, from the roots to the top of the—

Senator O'BRIEN—So it was planting in the dormant season. Is that right?

Mr Ienco—Yes. It was July, so they would have been dormant, but you can pull out a vine up to three years old if you look after it properly, and you can transplant it.

CHAIR—So they did not come from the nursery to there?

Mr Ienco—I do not know.

Senator O'BRIEN—Not directly.

Mr Ienco—No. They came from another block.

CHAIR—Could it have been from the nursery?

Mr Ienco—No. I do not think so. They were definitely from another block.

Senator O'BRIEN—How do you know that?

Mr Ienco—I found that out afterwards.

Senator O'BRIEN—Who told you?

Mr Ienco—I had seen where they had pulled them out and I heard a rumour that they had been pulled out from another block.

CHAIR—Did they say why?

Mr Ienco—No.

CHAIR—Why do you think?

Mr Ienco—That would have been illegal, I suppose. They had been pulled out from one block and transplanted to where I pulled them out.

CHAIR—How long had they been where you pulled them out from?

Mr Ienco—I do not know.

CHAIR—Some months, though?

Mr Ienco—It would have been some months, yes.

CHAIR—So they were actually put where you pulled them out from before AQIS turned up?

Mr Ienco—Yes.

Senator O'BRIEN—So some workers on the property told you that they had been moved from that other place? Is that how I should understand you?

Mr Ienco—Yes.

Senator O'BRIEN—Were they people—

Mr Ienco—You want to find out who it was?

Senator O'BRIEN—Well, roughly. Were they other employees of Evergreen?

Mr Ienco—It was the grape manager that told me.

Senator O'BRIEN—Who was that?

Mr Ienco—Marco.

Senator O'BRIEN—What is his last name?

Mr Ienco—I am not too sure of his last name. But he would have been exactly the same as I was. He was just told what to do and he did it. But, as I say, it was all done before I got there.

Senator O'BRIEN—Are you aware of a place on Evergreen Farms known as the tomb?

Mr Ienco—Yes—the front gate, the whole lot!

Senator O'BRIEN—The front gate?

Mr Ienco—I reckon it all was. No, I do not know.

Senator O'BRIEN—You do or you do not know?

Mr Ienco—No, I do not. I was just joking about the front gate, because it was hopeless. Anyone who is in that industry who walks onto that property knows it is just a joke. It is a joke for the surrounding farms and it is known all over Australia as a joke.

CHAIR—But it might be a successful joke.

Mr Ienco—No, it is not.

CHAIR—What is the joke? Is it the grape growing?

Mr Ienco—Things are just done upside down.

CHAIR—Is it the citrus operation or the vine operation?

Mr Ienco—Everything. It is just not done properly. They have just poured big heaps of money into it and they think that money is going to buy everything, but it does not. Everyone says it, but no-one wants to admit to it.

CHAIR—We just want to get the facts. We are not interested in what people—

Mr Ienco—Sure. I was just answering that question when I said ‘the front gate’. I said it as a joke, but I am serious.

Senator CHERRY—I want to ask a question which I was touching on earlier. The pulling out of the table grapes did occur after AQIS had been on the property, and you indicated that you did not really think that AQIS had inspected that block. From your understanding, when AQIS was brought onto the property were they looking at grape issues or citrus issues or both?

Mr Ienco—I do not know what they were looking at.

CHAIR—And you were not there.

Mr Ienco—I was sent home that day. When they first drove into the driveway we actually thought it was occupational health and safety. They sent us home because it was raining that day and then I was called back, as I was saying, and they said it was AQIS.

Senator CHERRY—You said there were AQIS markings on the trees you pulled out.

Mr Ienco—Yes, spray.

Senator CHERRY—But there were no markings on the vines that you pulled out.

Mr Ienco—No.

CHAIR—But you were directed by the owners to pull them out.

Mr Ienco—Yes.

Senator BUCKLAND—You said there were about 50 vines. How many acres of vines in total would there have been on the property?

Mr Ienco—Fifty vines is not much.

Senator BUCKLAND—No, I understand that, but how many vines all up would there be? What percentage of vines did you take out with that 50?

Mr Ienco—The 50.

Senator BUCKLAND—Yes, but how many more vines were there?

Mr Ienco—None. I took them all out.

Senator BUCKLAND—That was the lot?

Mr Ienco—Yes.

Senator O'BRIEN—There were more than 50 vines on the property, weren't there?

CHAIR—There was 100 acres of grapes.

Mr Ienco—There were 700 acres. I thought you were saying of those vines that I took out. I took out all 50 of the ones that were not any good.

CHAIR—So you just ripped them up and took them to a tip?

Mr Ienco—Yes. They had a big hole in the ground where we used to burn papers and stuff like that. The fire was going that day. Someone had lit it up and I chucked them in there.

CHAIR—And those plants were dormant at the time?

Mr Ienco—Yes.

Senator BUCKLAND—And you do not know if AQIS had inspected that part of the vineyard that day?

Mr Ienco—They would not have because, if they had, there would have been stickers, but there were no stickers.

CHAIR—Without being too definite, because this was a long time ago, did you lob up to work that morning or that afternoon?

Mr Ienco—That morning.

CHAIR—What do you do? Do you report in and say: ‘I’m here. What’s on today’? Or did you know what you had to do from the day before?

Mr Ienco—I knew what we had to do because we were supposed to start pruning that morning. I went and clocked in. We had an amenities room where we used to go and clock in. There was a smoko room where all the permanents used to stand. We would see what had to be done for the day.

CHAIR—Was the boss there when you got there?

Mr Ienco—Yes, she was.

CHAIR—And she said, ‘Fred, will you get on your motorbike’—or get in your truck or walk—

Mr Ienco—Utility.

CHAIR—Did she say, ‘Slip down to row so and so in block so and so’?

Mr Ienco—That was after AQIS had gone—in the afternoon.

Senator BUCKLAND—So, initially, you were sent home and then brought back in?

Mr Ienco—Yes.

CHAIR—On the same day?

Mr Ienco—Yes.

CHAIR—Later that afternoon. Did they ring you up and say, ‘Come back in now’?

Mr Ienco—Yes. They said, ‘Come back in because we have to talk to you.’

CHAIR—Was it in the afternoon?

Mr Ienco—Yes. They had already called me back that morning.

CHAIR—Without being specific, what was the tone of the conversation? Did she say: ‘Fred, I want you to do a job for me. Slip down and pull out those vines in row so and so’? Was there a reason given as to why you were told to pull them out?

Mr Ienco—The secretary from the front desk rang me and said that Katherine wanted to see me. So I went in and saw Katherine. Then she instructed me to go and pull those vines out that afternoon.

CHAIR—Did she give you a reason why they had to be pulled out?

Mr Ienco—She said that AQIS were coming back the next day and she wanted those vines gone before they got back. I did not want to ask any questions.

CHAIR—When you say that you were not there, were you there the next day when AQIS turned up?

Mr Ienco—Yes, I was. But we were up the other end of the paddock pruning and I did not see them.

CHAIR—Do you think AQIS would have gone to where they were, or don’t you know?

Mr Ienco—I don’t know.

CHAIR—When you say that AQIS turned up, were there 10 army truckloads of them or two in an F100?

Mr Ienco—They were Commodore cars.

CHAIR—How many people were there?

Mr Ienco—I am not too sure of the amount of people, but there were three cars.

CHAIR—To inspect how many acres of rough? You might not even know the answer.

Mr Ienco—No, I do not.

CHAIR—At that stage of the game, how many acres of mandarins or citrus were there?

Mr Ienco—About 500.

CHAIR—How many acres of grapes?

Mr Ienco—About 700.

CHAIR—Put yourself in the shoes of a person looking for something in the orchard. What would you see in a day? Would you get a pretty good look if you had half-a-dozen men over 1,000 acres?

Mr Ienco—It would take you a while if you were looking for something and you did not know where it was but you knew it was in that vicinity. It would take you a fair while, yes.

CHAIR—If you were actually looking for a citrus canker blotch, you would not see it because it was the wrong time of the year?

Mr Ienco—I am not too sure. I would not have a clue about citrus.

CHAIR—I realise you are a grape grower. The grapes would have had no leaves.

Mr Ienco—Yes.

Senator BUCKLAND—But you were, just the same, asked to spray the citrus trees; is that right?

Mr Ienco—Yes.

Senator BUCKLAND—How far apart were the citrus trees from the grapes that you pulled out of the ground?

Mr Ienco—About 2½ to three kilometres.

CHAIR—A good way. You do not want to be too specific here. We do not expect you to know precisely.

Senator BUCKLAND—When you pulled out the grape vines, were you instructed to clear the ground, rake it over or cover up what you had done?

Mr Ienco—No.

CHAIR—But it was one row, or 50 plants, in 500 or 700 acres of grapes.

Mr Ienco—Yes. When I sprayed the trees I was told to keep my mouth closed and not say anything. When Philip used to call me on the two-way, I would have to go and see him in the office, and he would instruct me to spray those trees.

CHAIR—This was after you had done them once?

Mr Ienco—Yes. He would go and see them and see that they were not dying.

CHAIR—I could tell you what to spray on anything else—and I know how to kill an orange tree, but I am not too sure—

Mr Ienco—He was instructing me. He would go up after I sprayed them with Roundup to kill them and he would say, ‘Go and do it again.’

CHAIR—I do not know how well it would react in the middle of winter if the sap were not running et cetera, but we will get to that later.

Senator BUCKLAND—Did you understand the reason why you were asked to spray the citrus trees when you were a grape supervisor? Do you know the reasons for that, or would you be only speculating?

Mr Ienco—Yes.

Senator BUCKLAND—Did they have a citrus supervisor?

Mr Ienco—No, they did not.

CHAIR—So you sprayed the ones that had the AQIS tags on them or were marked out—

Mr Ienco—Yes.

CHAIR—And, obviously, if you walked past them the next day you would not know they were sprayed.

Mr Ienco—No, you would not.

CHAIR—Because it is not like 24D with a tomato where the tomato goes plop.

Mr Ienco—No.

CHAIR—You sprayed them three times, you said?

Mr Ienco—Three or four times, yes.

CHAIR—Over a month or a week?

Mr Ienco—Over a couple of weeks. I know Roundup takes at least five days before it starts.

CHAIR—Yes, it does. But you could have put a bit extra of something in it to liven it up. That would have stirred it up, but he did not.

Mr Ienco—No, he didn't.

CHAIR—Thank you very much.

Mr Ienco—Not a problem. Thank you.

Senator CHERRY—Chair, before the next witness is called, I note for the record that Growcom is a member of the Queensland Farmers Federation, which I joined on 1 July.

CHAIR—So you are declaring some sort of an interest?

Senator CHERRY—Yes, I am declaring sort of an interest.

[3.55 pm]

PANITZ, Mr Mark James, Industry Sustainability Manager, Growcom

CHAIR—Welcome. Would you like to make an opening statement?

Mr Panitz—My role includes all of our policy, advocacy and government relations work. One of the most important areas that we have identified is biosecurity. The citrus canker issue is obviously a key biosecurity issue facing our industry, but it also has broader implications as to how industry, state governments and the federal government deal with biosecurity matters. I thank the committee for agreeing to conduct this inquiry. We believe it is very important to get a bit of clarity on what is a very difficult issue in terms of some of the background to it, some of the issues about how the outbreak has been managed and, most importantly, when we look forward, about how we manage these sorts of incursions into the future. We need to have a system where we learn from any errors that we make and improve our biosecurity management processes down the track. We will be providing a written submission in due course to provide a bit more detail.

I will touch on the terms of reference in broad terms. Firstly, regarding AQIS's response to the allegations, I believe a lot more detail will come forward on that. It is something that needs to be brought out into the open in a clear and transparent manner to find out where the facts are and what the realities of that issue are. On the second issue, regarding the quarantine protocols and management of the emergency response, we are moving into a new regime of managing incursions from previous systems where both state and federal governments and industry partners are playing a shared role in the management of incursions. However, this particular incursion has occurred right in the middle of those negotiations. So to some extent it is somewhat messy. However, I think we can use it as a good example of how we do manage these things and how we can learn to develop into the future.

On the third item, regarding cooperation between the Commonwealth and state governments, the reality is that the more people who have a role in this, the messier some of the relationships can be, and sometimes it can get in the way of doing good business rather than assisting good business. We believe that, at a political level, there have been significant signs of tension, particularly between Queensland and the federal government. Our view is that that is not conducive to moving on and getting on with the job. It creates a haze or fuzz around the real issues and sometimes can impede dealing with the pure biosecurity issues. At a professional bureaucratic level, I think there has been pretty reasonable discussion, cooperation and cohesion among the technical and bureaucratic people involved in the arrangements. One of the fundamental issues that we need to deal with is that, under this revised shared arrangement, everything needs to be done with absolute professionalism, because industries and governments will be looking to invest in biosecurity matters, and we will only get investment where there is confidence in the operations and implementation of those investments. So professionalism and proper implementation are paramount.

The impact on the Australian citrus industry can be broadly covered in three areas. There is the impact on domestic trade, there are some broader implications to international trade and citrus, and there is the impact on the individual growers concerned and the region around Emerald, where citrus is one of the major economic mainstays—and we must not forget the impact on that region as well as on those individual growers.

On the fifth issue about prevention and management of future incursions, as I said before, we need to make full use of this process to identify lessons learnt and ways that we can improve our biosecurity arrangements into the future. That would cover areas such as management of the incursion, how we deal with the science of the incursion, how we deal with the regulatory or legislative frameworks—such as whether they are adequate or inadequate or whether they need to be boosted—whether we have adequate systems and structures in place, and whether we have the correct funding arrangements to make sure that these can happen smoothly.

CHAIR—Was your organisation in existence back in 2001?

Mr Panitz—Yes, we were. We were previously Queensland Fruit and Vegetable Growers.

CHAIR—Were you at all critical when this happened? What was the attitude of Growcom?

Mr Panitz—The attitude was that there seemed to be some facts emerging that needed to be questioned. There was a feeling that there was more under the surface of this issue than was apparent. That is one of the reasons that we felt that this inquiry process would be a good mechanism for drawing those issues out and getting them out into the public domain as much as possible.

CHAIR—So in June 2001, after the hotline phone call, were you aware that the hotline phone call had been made?

Mr Panitz—I personally was not aware of the details of how the situation was reported.

CHAIR—What was, to the best of your recall, the first inkling that something was wrong?

Mr Panitz—Once that call had been made, it would have been within weeks that the issue got out on the grapevine and then into the public domain, and that is when the broader debate about this issue started.

CHAIR—Did your organisation pay a visit there or make a few phone calls?

Mr Panitz—No, we did not make any visits, but it was an issue that was discussed around our citrus committee room, our committee delegates, and there were some activities under way at that point of time. The details of those we will have to go and revisit to check on our memories and make sure.

CHAIR—Could you provide to the committee Growcom's chronology of participation in this from when you first came to it: just a brief chronology of your efforts and representations to DPI and the various players?

Mr Panitz—Do you want a verbal one here?

CHAIR—No, take it on notice.

Senator FERRIS—Perhaps verbally you can tell us what you knew about the compliance investigation, what Growcom knew about that, and how much information you had.

Mr Panitz—Most of the information we had was initially, as I said, information that started on the grapevine and became information in the public domain. The issue was discussed very clearly by our organisation and our citrus committee. We had phone conversations and discussions with AQIS to try and understand what the situation was and what arrangement AQIS had. However, at the end of the day most of those inquiries ended up in a dead end, for want of a better term.

Senator FERRIS—Did you share with AQIS the information you had picked up, as you say, on the grapevine around the place?

Mr Panitz—Yes, it became public knowledge after a while. No-one actually rang us up or wrote us a letter to say, 'This has occurred et cetera. Please take action.' It became one of those issues that was openly debated or discussed around the industry.

Senator FERRIS—But if you heard some pretty serious allegations on the grapevine, as you put it, and you had the opportunity to clarify them with AQIS, I suppose what I am trying to get at is whether your organisation attempted to seek the truth in the matter, given how important this issue was to your industry and you as an industry body, or whether you just heard the information and did not attempt to get to the truth of it.

Mr Panitz—We actively tried to get to the truth of it at the time by discussion in our citrus committee, which is part of the organisation, and inquiries through AQIS and also through the Queensland Department of Primary Industries to get a better feel for what was going on.

Senator FERRIS—What did AQIS tell you when you asked them to clarify the truth of some of these allegations?

Mr Panitz—They took us through in broad terms how they had dealt with the matter and how they came to their agreement with the operator concerned and why the confidentiality of the issue was in place.

CHAIR—Did they tell you that they had signed this confidential memorandum of understanding when they signed it?

Mr Panitz—I do not think we would have asked exactly what day they had signed it, but we would have had a general understanding of when it was put in place.

CHAIR—At the time or months or years later?

Mr Panitz—It would not have been a year later.

CHAIR—So it was confidential but not to the point where they did not tell Growcom they had signed it?

Mr Panitz—We made inquiries and then we found out that this agreement had been made.

CHAIR—A day or two later?

Mr Panitz—It would have probably been a couple of months later.

CHAIR—Would it be fair to say that a lot of people were distressed that this thing had been signed?

Mr Panitz—Yes. It caused a lot of distress about why such an arrangement was entered into, what the reasons for it were, how it could possibly happen and so forth.

CHAIR—You may not be able to recall this and you may be well away from it, but on 26 July 2001 the original warrant was executed at the farm. Were you about in those days?

Mr Panitz—We would have been around, but we would not have been involved in that amount of detail.

CHAIR—According to the affidavit in the court, the execution of the warrant occurred that day and there was another visit the next day. I will probably have to recall Mr Ienco to work out whether this was the period in which the spraying of the trees took place and whether the cuttings that were taken on 26 July 2001 may have been the ones that went missing. I am not sure, and we will obviously ask AQIS the same question. It seems to me that if he sprayed them overnight and they had taken cuttings a day or two later the cuttings would not have done much good.

Senator FERRIS—Can I take you back to the scuttlebutt? Can you confirm for me whether or not the scuttlebutt included such rumours as the removal of cuttings and the spraying of trees? What sort of rumours were going around that you sought clarification of?

Mr Panitz—The clarification we specifically sought was about this arrangement that AQIS entered into and what actions AQIS had taken in this matter. The broader scuttlebutt was about budwood or planting material illegally introduced into the country and that that material was planted or propagated on this farming operation. There was some scuttlebutt about removal or voiding of evidence, but it was of a broad nature rather than of the detailed nature that we heard some information about from the previous witness.

Senator FERRIS—So that information from the previous witness was not news to you now? You were aware of it then?

Mr Panitz—I was not aware of the number of cuttings and all that sort of stuff—

Senator FERRIS—The detail.

CHAIR—Were you aware that he sprayed these trees at three o'clock in the morning?

Mr Panitz—I was not aware of that.

Senator FERRIS—So the nature of the scuttlebutt that you heard simply involved destruction of evidence, as you put it.

Mr Panitz—Yes.

Senator FERRIS—Was that an issue that you raised with AQIS? Did you try to clarify whether that was scuttlebutt or truth? It was obviously a pretty serious allegation circulating in a small community.

Mr Panitz—I cannot recall whether that specific issue was raised with AQIS. My memory of that conversation with AQIS is more about the arrangement that had been entered into and the confidentiality of it. I would have to go back and check our records.

CHAIR—So it may have been a conversation about how we manage what we have got on our hands rather than about how we got to have it on our hands?

Mr Panitz—Exactly.

Senator FERRIS—If you have any notes that you could check it would be very valuable if you could do so.

CHAIR—In the capacity in which you appear here today, do you have any technical qualifications?

Mr Panitz—I have a degree in horticultural science—

CHAIR—Which is a lot more than I have, I would have to say.

Mr Panitz—I would consider myself a lapsed scientist rather than a practicing technical person.

CHAIR—But you feel you are reasonably familiar with the industry in order to be able to pick up the issues concerned?

Mr Panitz—Absolutely. The major function of my role is about the interface between our industry organisation and government and managing that interaction.

Senator FERRIS—If a tree was sprayed at three o'clock in the morning with Roundup, do you have a view on how quickly any symptoms of any disease on that tree would disappear?

Mr Panitz—Roundup is a herbicide and my understanding of the way it works is that by the end of five days or a week you would see the leaves starting to curl up and die.

Senator FERRIS—So it would not show within hours any symptoms that might destroy any evidence?

Mr Panitz—No. Roundup is a systemic—

CHAIR—Could I just ask you, given your qualifications and my lack of them, whether, if you had put some ester in there, or something to liven up the spray, you would have got a bit of leaf curl pretty quickly, wouldn't you?

Mr Panitz—You may have got more of an immediate effect, yes.

CHAIR—So if you actually wanted to spray a tree in a way that did not make it look as though it had been sprayed but had just died of old age, white ants, borers or lack of water, it would be better not to include something that would liven the—

Mr Panitz—I would imagine that a slow death with gradual development of some sort of death symptoms would be the best way to go.

Senator O'BRIEN—I wanted to know whether, Mr Panitz, on behalf of Growcom, you would have any comment about quarantine protocols that were put in place at Emerald and the way the emergency response has been managed.

Mr Panitz—The current outbreak, and the current emergency response?

Senator O'BRIEN—Yes.

Mr Panitz—My view is that the initial response, in terms of mobilising forces to put quarantines in place, has been done pretty well and that the capacity with which the Queensland department have responded is much better in this instance than it would have been five or 10 years ago.

CHAIR—So does this refer to what happened back in 2001?

Mr Panitz—No, I am referring to more broad quarantine responses. Over the last 10 years in Queensland we have had a number of incursions. I would use the papaya fruit fly outbreak in the mid to late 1990s as an example of an incursion which had a massive impact on industry. I would say that the government agency were not as well prepared to respond then as they were with citrus canker. So the response capacity is much better.

CHAIR—There is something that has seemed curious to me all along, which was part of the quarantining protocols. That is the Florida protocol, so-called, the 600 metre rule. They had some sort of weird protocol with the banana thing and I do not think that worked. Are you familiar with the Florida protocol? Are you able to provide a technical comment?

Mr Panitz—I am not able to comment technically, but I think that the debate on this issue is about whether the Florida protocol was the correct strategy to use, versus a 'clear all the trees' strategy.

CHAIR—So in Florida, is citrus canker pretty well an everyday event, or at least not an unusual event?

Mr Panitz—My understanding of citrus canker in Florida, and it is not a detailed understanding, is that citrus canker is reasonably widespread and they use the 600 metre circle process—

CHAIR—Would it be unreasonable for an uneducated, unqualified person to say that maybe that protocol does not work?

Mr Panitz—It would be reasonable to question it, yes, because you are dealing with a biological thing in a living plant.

CHAIR—It can be carried by a storm for half a mile or a mile or two miles?

Mr Panitz—Yes, it can, that is my understanding.

CHAIR—So one of the fundamental flaws may have been that, despite the good management and cooperation and so on, the protocol itself was flawed.

Mr Panitz—And that is an issue of a fair bit of debate around the industry.

Senator FERRIS—Regarding the AQIS conversations that you had, did you have similar conversations with the Department of Primary Industries and Fisheries in Queensland as the lead agency? Did you have similar conversations with them about the rumours, the management and so on?

Mr Panitz—We would have had those discussions but they would have been less direct, because our understanding was that AQIS was the lead agency in terms of dealing with that situation, whereas the Queensland Department of Primary Industries and Fisheries was more peripheral to that.

Senator FERRIS—But I thought that they had responsibility under the Queensland law?

Mr Panitz—The current incursion of citrus canker is their major responsibility. The AQIS activities were more a direct result of breaches of federal legislation rather than state legislation. That is my understanding of how it works.

Senator FERRIS—That is my mine, too.

CHAIR—In your earlier comments you talked about a bit of a problem between the Commonwealth and Queensland because of a testy relationship. How has that affected the two jurisdictions working together on this outbreak?

Mr Panitz—I think that it potentially had an impact although I cannot give an accurate measure of that. I think that most of the work, as in most of these cases, happens at the staff officer level. I think at a staff officer level there has been less of the argy-bargy going on.

Senator O'BRIEN—So there has been political argy-bargy at one level but the working relationships between officers, state and federal, has been good?

Mr Panitz—My understanding is that they have been pretty good.

Senator O'BRIEN—Are you able to give the committee an overview of the impact of the outbreak on the citrus industry both in the Emerald region and in the rest of Queensland?

Mr Panitz—In broad terms, the impact on the Emerald region has been hugely significant because when the outbreak first occurred they were locked out of all markets. Progressively, they have had some export markets opened up to them as long as they followed some protocols. In effect, the Emerald producers' ability to market and stay in business was significantly reduced. More broadly around Queensland they were initially locked out of markets as well until certain protocols were put in place to allow them to market domestically. Once that occurred the pressure was off them, in a business sense. The impact on the rest of the country has been, firstly, nervousness about potentially getting citrus canker and, secondly, nervousness about any impact that citrus canker being found in Emerald might have on their export markets.

Senator O'BRIEN—Given that your organisation is obviously concerned about preventing such incursions from occurring in the future, can you tell us what lessons have been learnt as a result of this outbreak as far as your organisation is concerned?

Mr Panitz—I do not think that we have worked through exactly what lessons we have learnt yet. I believe that we will end up with some lessons learnt at the end of this inquiry process. There is another inquiry process, more about the technical responses, that has been initiated by Minister Truss, the Minister for Agriculture, Fisheries and Forestry, and we have also had discussions with the Queensland Department of Primary Industries and Fisheries about reviewing how the outbreak was handled. I think that at the end of those three sets of review processes we will have learnt some good lessons.

CHAIR—Would it be fair to say that it would be helpful to this committee if we were able to take evidence from the Queensland Department of Primary Industries and Fisheries?

Mr Panitz—I believe so, as the lead response agency—

CHAIR—Hopefully we will get that cooperation. I am really curious about the spread of citrus canker and the Florida protocol. Has your organisation looked at the technical side of what was put in place? When they said, 'We are going to use the Florida protocol,' did the industry look at what that meant and how successful it had been elsewhere?

Mr Panitz—Our organisation did not get an independent scientific assessment of the Florida protocol as compared to other protocols. However, we did ask that the department prepare both options and all the details about both options, whether it was the science of it or the economics of it—the Florida protocol versus the 'clear all the trees' model.

CHAIR—Did you have a look at that?

Mr Panitz—We never got both side-by-side to have a look at.

CHAIR—Let me just assist you because the World Wide Web is very good. We actually went to the trouble of looking up the web site for the Florida Department of Agriculture and Consumer Services Division of Plant Industry and in a document entitled, *Citrus Canker: The Threat to Florida Agriculture*, the summary of the justification for removing canker from exposed trees within 1,900 feet of infected trees states:

The main conclusion that can be drawn from the composite data is that subsequent infections resulting from inoculum dispersal from focal trees lie within approximately 1200 feet 90% of the time, within 1950 feet 95% of the time, and within 2700 feet 99% of the time ...

In other words, 600 metres is pretty irrelevant unless you only want to get a three-quarter safety margin. Wouldn't you think it would be in the interest of the growers in that area—and I realise this is a rock and a hard place decision because they are going to knock out more trees—to go for a maximum, 100 per cent system?

Mr Panitz—We are dealing with a disease that is operating in different environments. The Florida environment, in my understanding, is quite different for spread of disease than that of Emerald. So I do not believe we can just transfer exactly what has happened in Florida to what we have in wherever it is in Australia.

CHAIR—But do you think the wisdom people used in deciding to apply the protocol was that they were providing to the industry and for people's livelihoods a process that was 100 per cent risk free, to the best of their knowledge, or do you think they thought it would not be 100 per cent risk free but thought: 'Bugger it all. It might be all right; we might get away with it'? Do you think they would have thought about that?

Mr Panitz—I think they would have thought about it and come to a view that the disease is there and whatever they do there will still be some risk, even if it is miniscule, of that disease escaping somewhere else.

CHAIR—Unless they bulldoze the whole show.

Mr Panitz—Even if, as the strategy is now, the whole show is bulldozed, the question we need to ask is: 'Are we absolutely confident we've got every single wild citrus host that may be around there?' There will always be a small margin. My layman's feeling of the situation is that the clearing all trees option would have given greater confidence of getting rid of citrus canker; however, the costs of it may have been higher than those of the Florida protocol approach. That is why we asked for all the detail of both the options to be put on the table so a proper transparent decision can be made.

CHAIR—Do you think the industry should have some self-insuring policy for those poor unfortunate people up there?

Mr Panitz—When you say self-insuring—

CHAIR—Should there be some sort of a contribution across the entire citrus industry in Australia as a reserve to somehow assist these unfortunate circumstances?

Mr Panitz—I will say yes, because that is why we have been very active in these negotiations to revise the whole incursion management arrangements so that state and federal governments as well as industry contribute based on who the beneficiary may be in an incursion. I use citrus canker as an example. Citrus canker is a disease that has gone through this negotiation process. Under the model that was devised, 80 per cent of the cost would be paid by state and federal governments and 20 per cent by industry. So there was a cost-sharing arrangement being negotiated. However, the formalities of signing off on that arrangement have not been done and the negotiations were only just starting when citrus canker hit.

CHAIR—It is easy to be wise after the event. This committee has never played games or politics with people's livelihoods, whatever the industry is, so you can have full confidence that we are not playing some silly political game here. If there had been some sort of arrangement in place on the dollars side of it, do you think it might have been an easier decision to bulldoze the district in the first place? Do you think that decision to use the Florida protocol was influenced by whose money they were going to spend? You do not have to answer if you do not have a view.

Mr Panitz—A prior written agreement would have minimised the debates about how much things are going to cost and who pays. I think any argument then about the costs would have been arguments on the margin rather than about the fundamental principles of it.

CHAIR—So there may be some lessons for other primary industries in this sad and unfortunate episode. This is obviously seen as the foot-and-mouth of the citrus industry. Mr Panitz, thank you for appearing today.

[4.26 pm]

PRICE, Mr Robin Grenville, Private capacity

CHAIR—Welcome. If you would like to make an opening statement you may, and if you do not we will just go to questions.

Mr Price—Thank you. I was employed as the nursery manager at Evergreen Farms from March 2000 through to April 2002. I can give the committee an insight into the events that occurred in the nursery with regard to the alleged import of material as well as AQIS's dealings in the nursery itself.

Senator FERRIS—That would be very valuable.

CHAIR—For clarification purposes, when you refer to the nursery, does that include grapevines as well as citrus?

Mr Price—The nursery was predominantly for citrus, but it was a holding area for grapes when they came in from the southern states, prior to their being planted out in the field. It was also an experimental area. I did experiments on things like melons in the nursery.

CHAIR—It was a multipurpose nursery.

Mr Price—It was primarily for citrus. There were just under 400,000 citrus rootstocks when I went to the nursery.

CHAIR—Did grafting take place?

Mr Price—Yes. Everything from grafting right through to the final tree for planting was in the nursery.

Senator FERRIS—If you could take us through the offer that you made at the beginning—that is, to tell us what happened while you were there—that would be useful. Could you also clarify whether you resigned.

Mr Price—I resigned.

Senator FERRIS—Can you tell us why?

Mr Price—I found a better job.

Senator FERRIS—It had nothing to do with the circumstances of your employment?

Mr Price—No. I left on good terms and went to a better paying job.

CHAIR—Have you been interviewed by AQIS?

Mr Price—No. I have never been interviewed by any government department.

CHAIR—Do you think that is a bit strange?

Mr Price—Very. I would have thought that the first point of call of anything is the nursery.

CHAIR—Could you take us on the journey of your experience of events at the nursery?

Mr Price—Yes. You have to go back to probably roughly September 2000. We had just started budding lemon trees, and we were sourcing budwood from somewhere else. During that time, it was probably September coming into October, Wayne Gillies, who was the citrus manager, brought me a heap of different types of plants. There was citrus budwood; grape material—you would call them cuttings; we were going to use them for grafting onto grape root stock—lychees, which we had top grafted onto lychees that we had in the nursery; pawpaw seed; and melon seed.

CHAIR—This was the one event?

Mr Price—This was a load at the one time.

Senator FERRIS—Do you know where that material came from?

Mr Price—I do not know where the material came from. At the time, particularly in relation to the citrus, the boys that were working with me and I thought it was dodgy.

Senator FERRIS—Why did you think it was dodgy?

Mr Price—Mainly because the budwood, or bud sticks, were old. They were not good, fresh buds; they were very flat, old buds. That to me means you have got a longer time and a smaller percentage of buds being taken. It was not the best material that could be used.

Senator FERRIS—Did you ask where it came from?

Mr Price—No. At that stage there were trees coming from Mildura and we were collecting budwood off our own trees that were on the property. Later on we were getting budwood from the Citrus Improvement Program and much later on we were collecting budwood off Joe Cordoma's property.

Senator FERRIS—Did it look any different from what you would normally have?

Mr Price—It looked a lot different.

Senator FERRIS—Did it look as if it was recently cut?

Mr Price—No, it was very old material off older parts of the tree. It was not the fresh tip ends where you would get the nice, fresh, plump buds. They were very old, flat buds.

CHAIR—I have not had a chance to get some cuttings so that you could demonstrate to the committee the technique, but we will do that at a later stage. How old can a cutting be and still be successfully budwood?

Mr Price—In respect of budding, you could use budwood off the very old material, probably 20-year-old material—

CHAIR—When you cut it, how long have you got?

Mr Price—Instantaneous. As soon as you cut the bud off and it is exposed to the air, it starts to dry out, then your percentage of take decreases to a point where it is useless.

CHAIR—What would be the time frame in some sort of reasonable economic percentage? Could you cut a tree and a week later successfully transplant?

Mr Price—We were actually getting budwood from the Citrus Improvement Program—

CHAIR—What is the Citrus Improvement Program?

Mr Price—It is specifically selected budwood that has been guaranteed virus free. It is grown as part of the government incentive. Those bud sticks by the time they got to us would have been maybe three days old. We can hold them in a coolroom for probably another week and then, depending on moisture content and so on, they would slowly deteriorate.

CHAIR—Where do they come from?

Mr Price—From what I can remember, it is Tartura in northern Victoria. They are airfreighted up to the property when we are using them.

Senator FERRIS—When it was so different, did you think about talking to any of the other people you were working with? Was it a subject of conversation?

Mr Price—It was with the particular boys I had budding with me. It was in general conversation. I basically thought the stuff was, as I put it, dodgy.

CHAIR—We will come to that later, Senator Ferris.

Mr Price—Amongst us there was talk of it.

CHAIR—So it would be technically feasible to get some cuttings from another place out of Australia and fly them in.

Mr Price—Yes. Before working on the farm at Emerald I was employed in the Philippines for two years setting up a 100-acre wholesale nursery over there and we did a lot of exporting. We were shipping stuff from the Philippines overnight by plane—plant material into Australia. It is very feasible.

CHAIR—Was that under full quarantine—

Mr Price—Yes.

CHAIR—Where would they go to under that program?

Mr Price—In the program that we were using over there, they were being flown into Brisbane airport, where AQIS would get them, and then they were quarantined for three months.

Senator FERRIS—You did not think that this dodgy stuff had come from there?

CHAIR—Let him answer.

Mr Price—It is too hard to pick. What it was was budwood that could have come from anywhere.

CHAIR—None of us are technically skilled with this stuff, but if you did it through proper channels and it went to quarantine for three months, is it possible, given what has happened, that it might take 18 months before the disease appeared?

Mr Price—I am not an expert on citrus canker, so I could not really say. It is possible, but professionally I could not say.

CHAIR—We will come to the technical side of it.

Senator FERRIS—I just want to know why you used the word ‘dodgy’. That is what I am trying to get at in my questions—whenever I get the chance to ask them!

Mr Price—Mainly because it looked different. Normally the bud sticks that we get and collect ourselves are probably about a foot long. These were about six inches long and the material was all old, flat buds. When we are budding, we would discard that stuff because we know that it is not going to be all that successful; we are going to get a lower percentage of actual plants to take on the rootstock.

Senator FERRIS—When I use the word ‘dodgy’ I use it to mean illegal or unlawful. Is that how you use the word ‘dodgy’?

Mr Price—Yes. It just did not seem right.

Senator BUCKLAND—How would you normally receive the bud sticks?

Mr Price—Normally the citrus manager would bring them down to us. If it was a shipment that was coming from down at the citrus improvement program I would actually go and collect them from the front gate.

Senator BUCKLAND—How were they packaged? Were they in boxes?

Mr Price—Yes. The material that I got at that time was just loose. It was bundled up into probably a dozen or 15 sticks with rubber bands around them.

Senator FERRIS—Not in sawdust or anything?

Mr Price—No. They actually had tea-leaves. There was residue from tea-leaves sitting on them which, because it is not a normal—

CHAIR—We have heard about an accumulation of tea. Have you heard about the accumulation of tins of tea?

Mr Price—Yes. I actually received one. They were given to staff at Christmas 2000. Basically, all the senior and supervisory staff were given a container of Chinese tea and if you were senior management you got two clocks as well.

CHAIR—How big is a tin of tea?

Mr Price—These were probably a foot, eight or nine inches high maybe.

CHAIR—And there was tea not just on one or two buds but on lots of these buds?

Mr Price—Yes. Basically, the citrus wood did not have a large amount but you could still see the residue of tea-leaf on there, which to me is not that unusual. I have used tea-leaves before. It makes a good, moist packing material. Also, the lychee pieces that we got had a small amount on them as well.

CHAIR—Are they used or unused tea-leaves?

Senator O’BRIEN—How do you tell—if they’re wet?

Mr Price—Yes.

Senator FERRIS—Were they dried tea-leaves that you use to make a cup of tea?

Mr Price—No, they were damp, but that could have been because the material had also been stored in a fridge.

Senator FERRIS—But to all intents and purposes they looked like tea-leaves that you would make a cup of tea with?

Mr Price—Yes.

Senator FERRIS—So they were not picked off a bush?

Mr Price—No, they were processed.

CHAIR—You may not be able to recall this, but did you at the time think or give consideration to how old the cuttings were?

Mr Price—Not the age of them but—

CHAIR—They were at the limit?

Mr Price—They were not at the limit that they were starting to shrivel and you could not use them but they were at the limit of being an acceptable type of bud to put onto a plant.

CHAIR—And this was in 2001?

Mr Price—That was in 2000.

CHAIR—In 2000?

Mr Price—Yes, it would have been. We had been waiting for it to warm up, so it was probably about September-October, some time around then.

Senator BUCKLAND—Mr Price, when you were in the Philippines working in a nursery and exporting bud stock or bud sticks, how did you pack them?

Mr Price—They were bare root, completely washed, dipped in a fungicide solution and then trimmed back. Basically it was live plant with a little bit of root and a little bit of shoot. Then they were wrapped in newspaper, packed in plastic bags and packed in foam containers.

Senator BUCKLAND—I thought that might lead somewhere, but it has not, so we will go somewhere else. When you received the bud sticks that had tea-leaves on them, were you aware that this was a medium for transporting these sticks in other places?

Mr Price—I had previously used tea-leaves as a medium for—

CHAIR—New or used?

Mr Price—Fresh, because it absorbs moisture. Once it is used it has already got moisture in it. You can use it, but if you pack it dry and get it wet, it performs a lot better.

Senator BUCKLAND—Is it a common medium for stuff being moved from the southern states, from Mildura and places like that?

Mr Price—No, it is not a common medium that would be used by a professional outfit.

Senator FERRIS—In Australia.

Mr Price—In Australia. If you were doing it properly you would pack them differently. For instance, the citrus improvement program basically just bundled them up, wrapped them in newspaper and flew them overnight. If you were going to store them, if it was going to be prolonged then you would use perlite, vermiculite or something like that. It is just that if you are out in the bush tea-leaves are nice and handy.

CHAIR—I want to test your memory now. When you got your two tins or your one tin of tea-leaves for Christmas, were they sealed tins or had they been opened?

Mr Price—No, they were sealed.

Senator O'BRIEN—Apart from your observations, what were you hearing at that time or later about the sourcing of material by Evergreen Farm management?

Mr Price—I had not heard anything, other than where we normally were getting our material from, up until the day that AQIS came onto the property.

Senator O'BRIEN—With respect to the material that you received that you have been describing, was it delivered to you by management?

Mr Price—Yes, the citrus manager brought it all down to us and we just stored it in the fridge until—

Senator O'BRIEN—And that was not the normal procedure?

Mr Price—Yes, that was the normal practice at that time, up until later on, when the shipments were coming from northern Victoria and I was actually picking them up from the mailbox at the front gate.

Senator O'BRIEN—Were you present at any of the inspections of Evergreen Farms by AQIS or the Queensland quarantine authorities?

Mr Price—Yes, I was present on the property when they came in—when they came into the nursery itself, and I was also called up to the grape area at one stage.

Senator O'BRIEN—By whom? By AQIS?

Mr Price—By AQIS, yes.

Senator O'BRIEN—And what information were you able to give AQIS?

Mr Price—At that stage, in relation to the grapes, very little. They basically showed me where there were some rows in the grape plantation and asked me whether it looked freshly dug. Of course it looked freshly dug, so I had to say it did. Then they asked me whether I knew what was in there, and I said no because I had no knowledge of what was being planted out into the grapes.

Senator O'BRIEN—What was your role with grape production?

Mr Price—The only grape plants were what came in at that particular time and were propagated and grafted. What actually came from the southern states into the nursery was held and watered until such a point as it could be planted.

Senator O'BRIEN—The grapes that AQIS wanted you to look at: did you know where they had come from?

Mr Price—No.

Senator O'BRIEN—Did you know that they had been processed by the nursery?

Mr Price—I knew we had processed some grapes in the nursery but I was never informed as to where they were actually planted. I knew they had been planted somewhere because they had gone out of the nursery, but I did not know the actual location.

Senator O'BRIEN—And the grapes you saw, were they growing well or poorly?

Mr Price—The grapes in the nursery itself—

Senator O'BRIEN—No, the ones that AQIS were showing you out in the—

Mr Price—No, they were just showing me empty holes.

Senator O'BRIEN—Empty holes?

Mr Price—Yes. They asked, 'Is this an empty hole?' which of course it was. They were freshly dug empty holes, and they asked whether I knew what was in there. I could not tell what variety was in that particular area.

Senator O'BRIEN—Did you tell them it was not your job to know where things were going?

Mr Price—Basically the only answer I could give was that I knew that, in amongst the grapes, there was a team of Vietnamese that continually went through taking the dead ones out and then waiting to eventually get a fresh one to put back in there.

Senator O'BRIEN—How many of the inspections that took place were you present at?

Mr Price—There was the day they actually came down to the nursery. They basically told me they were going to have a look. They walked through and would have been there maybe 15 minutes, 20 minutes at the maximum, and then they went off. A little bit later on, it may have been an hour, they called me up to the grape site and asked me some questions there. That was basically it on that particular day that AQIS came in. About a week later, when they came back, they actually took some samples from trees in the nursery. That was the last time I saw them.

Senator O'BRIEN—So the first time they came, they were asking you about these areas where there were holes where the grapes had been.

Mr Price—Yes, where grapes may have been.

Senator O'BRIEN—They did not do this the second time?

Mr Price—No. It was on that same day and then the second time was in the nursery itself.

Senator O'BRIEN—Who else from the company accompanied the inspectors during their visits?

Mr Price—That I could not say. When I went up to the grapes, basically the only person I saw there was Marco, who was the grape manager at the time. When they came to the nursery, there was basically only myself; two of them walked through the nursery.

Senator O'BRIEN—Did you observe any representative of the company deny the inspectors access to any area of the property?

Mr Price—No.

Senator O'BRIEN—Do you have a view as to whether the inspectors looked in the right places?

Mr Price—I am assuming they did. Because I was not around the farm—I was in the nursery that whole day—I am assuming that they went to the right areas.

Senator O'BRIEN—Are you aware of a place on Evergreen Farm known colloquially as 'the tomb'?

Mr Price—No. But if the tomb refers to the dump, I know where the dump is.

Senator O'BRIEN—Did the AQIS inspectors ever inspect the dump?

Mr Price—That I could not say. I did not see them specifically, because the dump was north of where the nursery was.

Senator O'BRIEN—Should they have?

Mr Price—It probably would have been a good idea.

Senator O'BRIEN—Why?

Mr Price—Considering they seemed to think there were plants that had come out of the grapes, it may have been a very good idea to have a look there.

Senator FERRIS—Plants that had come out of the grapes? Do you mean plants that had come out of the ground?

Mr Price—Yes.

Senator FERRIS—Grapes that had come out of the ground.

Mr Price—Yes, grapes that had come out of the ground.

Senator FERRIS—Are they the grapes that the previous witness referred to as having been pulled down?

Mr Price—Yes, I would say so.

Senator FERRIS—So you think AQIS—

Mr Price—As far as I know, it was the only grape area they looked at on the property at that time with me present.

Senator CHERRY—Did you see them in July 2001?

Mr Price—Yes, it would have been roughly about July.

Senator CHERRY—So this is the one visit they made on 26 July, was it?

CHAIR—Was it the first day or the second day?

Mr Price—It was the first day. It was the day of what we on the farm colloquially called 'the raid'.

CHAIR—And that was the day it was raining and most of the staff went home?

Mr Price—It was not actually raining; it was overcast and it was a bit muddy underfoot.

CHAIR—You went around with the AQIS fellows?

Mr Price—No. I was called up to the grape section and asked some questions about some empty holes there. Prior to that, two AQIS personnel had come down to the nursery and told me they were having a look through. They walked through, walked out and then jumped back in—

CHAIR—In the nursery?

Mr Price—Yes.

Senator FERRIS—Mr Price, can you clarify something I am a little bit unclear about. When AQIS came down and saw the holes in the ground where there had been plants growing and you said they were grapes—

Mr Price—No, they asked me if I knew if there were plants—obviously it would have been grapes, because it was an area on the end of the vineyard.

Senator FERRIS—Did you form the opinion that that might have been where grape plants had been removed?

Mr Price—At that stage, yes.

Senator FERRIS—Were you aware of the information that the previous witness gave us about his instruction to remove and burn cuttings?

Mr Price—Grapes?

Senator FERRIS—Yes.

Mr Price—No.

Senator FERRIS—Or spray trees?

Mr Price—Yes, but not from the actual witness. It was rumoured around the farm, and I heard from the citrus manager at the time, that the trees had been sprayed.

CHAIR—What was his name?

Mr Price—Michael Benham.

Senator FERRIS—Did you raise those issues with AQIS when they were there?

Mr Price—AQIS, as I have said, have never interviewed me at any stage.

Senator FERRIS—You have never spoken to them at all?

Mr Price—No, they have never formally interviewed me as such.

Senator O'BRIEN—But they spoke to you when they were on the property?

Mr Price—They spoke to me the first time they came into the nursery. They said that they were looking for material and they walked through the nursery.

CHAIR—Could you assist the committee. I am going to bring some material around to you and ask you about it. Could you as the nurseryman explain the difference between the normal budwood and the dodgy material; would that be more like what you thought was dodgy?

Mr Price—Yes.

CHAIR—Would this be the normal one?

Mr Price—Those would be normally what we would use, because they are the better, fuller buds. We would probably discard the top third and the lower third and use maybe eight—

CHAIR—You would get a lot of buds off that?

Mr Price—You would get eight to 10; on a normal citrus bud stick, you get eight to 10 buds along. They are nice full, plump ones. They are easier to cut. On these ones there are fewer numbers of buds, they are very flat, so they are a lot harder to treat.

CHAIR—But these are similar to those you were describing?

Mr Price—Yes.

Senator CHERRY—You talked about the importation of plant stock from the Philippines into Australia. Do you know if we allow the importation of plant stock from China into Australia—of citrus stock?

Mr Price—Yes. Well, I do not know about citrus but basically, as long as you follow the quarantine import guidelines, you can import material from anywhere into Australia—as long as it goes through the proper documentation process and the proper quarantine process.

Senator CHERRY—You are not aware of materials that actually do come in from China?

Mr Price—No.

Senator CHERRY—What ultimately happened with the materials that you thought were a bit dodgy after you had successfully grafted them?

Mr Price—The citrus material was actually budded onto three different types of rootstock and was given the name Imperial 1A. That was its designated title. All our plants had labels on them that were printed out by a machine so that we knew what they were when they went to the field. With the grapes we used a mixture of top grafts and whip-and-tongue grafts to graft them onto rootstock. We had already used some of the grape material that had come in from down south; we grafted these pieces on top. The lychees were top-grafted onto lychees that we had in the nursery. There was pawpaw seed that was sown in normal little pots and then I specifically bought some trays for sowing watermelon seed.

Senator CHERRY—Did you know if this Imperial 1A stock that you are talking about ended up on this block 182 that was ultimately destroyed?

Mr Price—Yes. The material we had ready at the time of planting went onto that block and, as far as I know, it was marked as such.

Senator CHERRY—As far as you know?

Mr Price—Yes. As far as I know, the tags stayed on the plants. They may or may not have still been on there but they stayed on the plants. We also had a large amount of material still in the nursery which had not got to the right size.

Senator CHERRY—At the time?

Mr Price—If we budded in September, October, November or December it may have been planted in February-March. I cannot specifically remember.

CHAIR—In 2001?

Mr Price—In 2001. It would have been the bigger, probably the better, buds that took off and grew a tree a lot quicker. They have been planted. The rest of the material that was a lot slower was still in the nursery at that stage.

Senator O'BRIEN—What happened to them?

Mr Price—They stayed in the nursery for maybe two weeks, I cannot remember. We got a message to destroy them. We cut everything below the bud on those particular trees and it all went down to the dump.

CHAIR—Who sent you the message?

Mr Price—It came through the citrus manager, so it could have come—

CHAIR—Did he say who delivered the message to him?

Mr Price—He basically said that the owner said to—

CHAIR—Get rid of all the other material.

Mr Price—Yes. It could be that at the same time the other material was destroyed, we were told to get rid of that material.

Senator O'BRIEN—How was it identified?

Mr Price—They all had labels on them.

Senator O'BRIEN—You were told the types of stock to destroy?

Mr Price—Yes. We were told that we basically had to cut the Imperial 1As off and get rid of the tops, because he wanted to save all the rootstocks to re-bud onto.

Senator CHERRY—Was this after the property was placed in quarantine?

Mr Price—Yes. It was sometime after the first time that AQIS came onto the property.

Senator FERRIS—Did that request strike you as unusual or strange?

Mr Price—After what had happened when AQIS came onto the property and looked at those trees that were the same, no, I did not think it was strange.

Senator O'BRIEN—So you are saying, Mr Price, that if there was something untoward about the trees that had been taken out, it was natural this other material that had not yet been put in the ground should also be destroyed.

Mr Price—Yes.

Senator O'BRIEN—Does that include watermelon?

Mr Price—The watermelon had fruited and been sold by that time and that paddock had been done up again. I understand the pawpaws had been knocked out prior to AQIS coming in. I do not know whether they had the disease or whether they were not enjoying the Emerald climate, but citrus went back in there. At that time the pawpaws went and we had some mangoes which were shifted into another block, and then that block was planted up with citrus.

Senator O'BRIEN—What about the lychees?

Mr Price—The lychees all died prior to being planted. We grafted them at that time. Wayne Gillies, who was the citrus manager, wanted to plant them out in the field. Obviously they were pushing to get them planted and consequently none of them had taken. They had all come out of an igloo; they ended up dying and the rootstock just grew away.

CHAIR—We have got to finish up, or we will get behind.

Senator CHERRY—I have one last question. I know it would be hard to tell if had not fruited, but did the Imperial 1A stock look substantially different from the other varieties that you are familiar with after it had grown a little bit?

Mr Price—The only thing I saw that made it a bit different from an Imperial was, when it was small, it came out of its bud and started to grow as an Imperial. But as it started to get older, its leaf became more rounded and more like a mercott mandarin.

CHAIR—We have got to finish, but I have some more questions. When AQIS were there, they took samples and they ended up at Eastern Creek. Much to my amazement, until recent times no-one had bothered to find out what variety they were—despite it being four years later. It is extraordinary. Were you there when that happened?

Mr Price—I was there when they took samples out of the nursery.

CHAIR—Did they go to Eastern Creek?

Mr Price—I do not know where they went.

CHAIR—Do you know where they took the samples from?

Mr Price—I know basically what—I am surprised they took a lot of the samples out of the nursery, because probably 50 per cent of the samples they did take were just off rootstock.

CHAIR—I was trying to get to the technical side. They were taking samples from the wrong part of the plant—from the basic rootstock rather than what the rootstock was intending to grow?

Mr Price—At the time they came through taking samples, I still had trees that were actual rootstocks and had not been budded. They took quite a lot of material off that.

CHAIR—Did they take some Imperial samples?

Mr Price—No.

Senator O'BRIEN—Imperial 1A.

CHAIR—They did not take Imperial 1A. Was that a matter of guiding them to the other part of the shed—

Mr Price—It was more a matter that, by the time they started to take samples, there were no labels on any of them.

CHAIR—So you were told to remove the labels?

Mr Price—Yes. We actually removed the labels from those particular trees. Six of each variety of rootstock were put into another part of the nursery.

CHAIR—With the labels still on them?

Mr Price—No, with the labels taken off, and they were put into a block of Imperials.

Senator FERRIS—When you were asked to take the labels off, how did you feel about that? You used the word 'dodgy' before, and I was just wondering what adjective you would use to describe the feeling when you were asked to do that.

Mr Price—I thought it was a bit unusual—

CHAIR—How would you actually know, if you took the labels off, what—

Mr Price—You would not, because when they are young they look exactly the same as an Imperial. It is not until they are a bit older that their look changes a bit.

CHAIR—Thank you.

Proceedings suspended from 5.01 pm to 5.08 pm

IENCO, Mr Ferdinando (Fred), Private capacity

CHAIR—I recall Mr Ienco for one question. Have you been interviewed by AQIS?

Mr Ienco—No. I received a call in about March. I was driving a truck at the time. A gentleman rang me up and said he was from AQIS, but I did not know if he was or he was not so I did not say anything to him.

CHAIR—You were not interviewed back when this all occurred and when the place was put into quarantine?

Mr Ienco—No.

CHAIR—There was no approach?

Mr Ienco—No.

CHAIR—Thanks very much for that, Mr Ienco.

[5.08 pm]

PRICE, Mr Robin Grenville, Private capacity

CHAIR—Welcome back, Mr Price. I want to ask you the same question. I want you to think carefully: have you been spoken to, interviewed or approached by AQIS?

Mr Price—No, never.

CHAIR—They have a different view to that; they say you have.

Mr Price—I have never formally been interviewed. AQIS has spoken to me.

CHAIR—True. I want to get the definition. Tell me the circumstances under which you were interviewed by AQIS.

Mr Price—There has been no, what I call, formal interview.

CHAIR—What was there? Did they come and see you?

Mr Price—They came and saw me the first time they were on the property back in 2001. They basically told me they wanted to walk through the nursery.

CHAIR—And they have not spoken to you since?

Mr Price—No, other than probably when they came back to collect the samples when they would have said the same thing.

CHAIR—When did they come back and collect the samples?

Mr Price—As to the time frame, I cannot remember—

CHAIR—Days, months or years?

Mr Price—To me it was probably a week or two weeks after.

CHAIR—After their first visit. And had they talked about losing the first lot of samples? It says in the court—

Mr Price—There were rumours around the farm that most of the samples that AQIS had taken had died before they got anywhere, but they were rumours.

CHAIR—Did they come back and take another lot then?

Mr Price—From the nursery? No. They only ever took the one lot of samples from the nursery.

CHAIR—So you actually have spoken to AQIS, but in your view you were not given a formal interview which was recorded.

Mr Price—That is correct. There was no interview that was recorded or in which they asked me specifically about anything such as what is being asked today.

Senator BUCKLAND—You said that AQIS came to have a look through the nursery. Did you show them around the nursery or did they show themselves around?

Mr Price—They showed themselves around. They obviously thought they knew what they were looking for. We were budding in one of the igloos. They came in and said they wanted to have a look through the property.

Senator BUCKLAND—Did they ask you what you were doing in there or what plants you were working with?

Mr Price—No.

Senator BUCKLAND—And on the occasion that you went down to talk about the holes in the ground with them, did they ask you if you knew what plants were in there, what had happened to the plants or what the area was for? What were the questions they asked you?

Mr Price—They asked me: ‘Do you think these are freshly dug holes?’ to which I said yes, because they obviously were. Then they went on to ask: ‘Do you know what was in here?’ All I could say was that there were probably grapes, because it was part of the grape plantation.

CHAIR—And did you know what was in there?

Mr Price—No. To me, it was obviously grapes, but I did not know exactly what was in there—what variety or anything.

Senator FERRIS—So there was a form of interview done with AQIS.

Mr Price—Yes.

Senator FERRIS—It may not have been a formal interview, but you actually were questioned by AQIS, so you were interviewed by them.

Mr Price—Yes—three questions over the grapes.

Senator FERRIS—Yes, okay.

CHAIR—That was at the time. But three years have passed now, and you have not been visited.

Mr Price—That is correct.

Senator BUCKLAND—And at no time did you consider that conversation with AQIS as being a formal interview.

Mr Price—That is correct.

CHAIR—So they did not run you through a series of questions in the way we have.

Mr Price—That is correct.

Senator FERRIS—When all of this damage to the industry became clear, did you think about ringing the AQIS hotline and telling them that you had been asked to remove labels and in some way try to confuse them?

Mr Price—No. I basically did not trust AQIS then as to their approach to the whole thing and I still do not trust them now.

Senator FERRIS—Okay. That is a comment. But given that you subsequently knew what damage had been done to your district and the industry that you worked in, I am puzzled as to why you would not have, in a way—

Mr Price—Basically, back then I saw what sort of job they did and how Wayne ended up.

Senator FERRIS—We have not heard that yet.

Mr Price—Yes. But I certainly was not going to end up that way.

CHAIR—I think we should move on or we are going to run out of time. Thank you very much.

Mr Price—Okay.

[5.14 pm]

GILLIES, Mr Wayne Donald, Private capacity

CHAIR—Welcome, Mr Gillies. Please state the circumstances under which you appear. If you want to make an opening statement, please do so. I believe you have an affidavit that you may have provided to the court.

Mr Gillies—I guess I am the informant to AQIS in regard to this alleged illegal importation of budwood and seed material into Australia. As we go through, there are a couple of things that I do want to table in regard to all of this. The documentation I have is not actually a submission, but there are some points in it that I want to cover. It does not just primarily cover the illegal import of the budwood; it covers a wide scope of things in regard to how AQIS handled it, what they could have done better and what has actually happened to me.

First of all I wish to put the record straight. It has been mentioned in statements by departments of both governments and Evergreen Farms that it was a disgruntled employee that came forward with the allegations of illegal importation of budwood and seeds into Evergreen Farms. The records show that AQIS was informed about illegal importation of the abovementioned on 12 June 2001, which was before my termination on 17 July 2001. The reason for my termination was that I was not willing to sign affidavits for Evergreen Farms making allegations against two companies, some of the contents of which I believe to be untrue. If I had signed those affidavits, I would have been found to be perjuring myself in a court of law. I table that affidavit.

I would like to start off with the amount of budwood illegally imported. For grapes the number was approximately 500, for citrus approximately 1,200, for lychees approximately 1,500 and for melon seeds and pawpaw seeds 6,000. I have here some samples. Admittedly they are not true citrus budwood—they are actually for apples—and they come from Canberra; I did not bring them down from Queensland. This is the size of the budwood that I say was illegally imported into Australia. There were something like 500 of these for grapes. If you can imagine 500 of those and 1,200 of these longer ones for citrus, that is a lot of material to come in illegally.

Senator FERRIS—How did it come in?

Mr Gillies—I believe it came in with containers of tea, because it smelt of tea. But how it actually came in—whether it came in on persons or in containers—I do not know. But the process by which it came through enabled it to have a later use-by date than it would have with the conventional method by which I was getting budwood brought up from Auscitrus.

CHAIR—I am afraid that, for a technical reason, I have got to interrupt. I understand there is a tape recorder in the room. Can I just say to the owner of it that, for your purposes, if you are a journalist, you have to use the official *Hansard* transcript. That tape endangers you and we would like you to wipe the tape. I understand the owner of the tape recorder has now agreed to give us the tape, so we will move on. Please proceed, Mr Gillies.

Mr Gillies—This was the budwood that we actually bought from Auscitrus in Australia. As you can see, you could call them cheese and chalk. I would like you to remember this all the way through the investigations. When you go to Emerald, talk to budders and ask them to compare and verify. I think you will find this budwood is crucial to illegal importation.

The response time from AQIS to the alleged allegations was far too slow. On 12 June 2001 I made the first phone call. On 13 June I met with John Pressler and told him what I had done. I did this because, if the allegation was shrugged off by AQIS, then someone that was prominent in the citrus industry would follow it up. A week later I made a second phone call as I had not heard from AQIS. It took about six weeks for the raid to take place.

I will talk about why I was very wary of AQIS. In late January to March 2001 we had shipping containers of grapes going over to the Philippines. The grapes that were to go over should never have left the shores of Australia. They should never have left Evergreen Farms. Anyhow, we were forced, more or less, into sending them.

Senator FERRIS—Why should they not have left, and why were you forced into sending them?

Mr Gillies—We had gone through and done the harvest and the bad grapes were left on the vine. They would just shrivel up and dry out. Philip Cea had come up to the grape vineyard and he said to us, ‘What are you doing with these grapes?’ I told him what was going to happen. He said, ‘Oh no, what a complete waste.’

At that time I also had the grape consultant there with us. He tried to explain to Philip that they were no good to harvest. Philip said, 'No, no, no. We would be able to take those grapes off and send them over to the Philippines,' and his people over there, because of the wages costs, would be able to trim them up, repack them and sell them. To me, that was not going to work anyhow because the grapes would have gone way past their use-by date. We had done what he had said.

The quality assurance officer at the time would not sign off the paper that the grapes were 'true and correct' and that everything was in order. Michelle King had said to the quality assurance officer not to worry about it—they would fill out a form to say that they would exclude her from any misdoings if anything happened to those grapes. I made a call to AQIS in Brisbane to explain to them what was happening. That was before the shipping container went out. I think it was the second day after those grapes had left Evergreen Farms that Ben Evans came to me and said that the grapes were in the container and on the ship heading towards the Philippines. I was always very wary of AQIS after that.

CHAIR—Who did the quality assurance officer work for?

Mr Gillies—The quality assurance officer worked for Evergreen Farms. I will go one step further than that. The quality assurance officer was my wife. When the raid took place looking for the illegal grapes, the raid was not carried out properly. AQIS would not let me drive the roads to look for missing plants. The plants were easy to recognise because of the way they were grafted compared to the other grape plantings. The grape plantings that were allegedly illegally imported were removed from that site before the raid. This happened because, while I was away on 17 July, someone had entered my house and seen the correspondence between me and AQIS and the map of the illegal plantings showing where the grapes were. Plants missing were confirmed by Steve Watson in paragraph 7 of a reason for judgment in the Federal Court application. If you read through that and his judgment, he will explain how those plants were missing.

Fred Ienco said earlier that he had to remove those plants—I think the figure was about 42 or 48. On the morning of the day that raid took place, I said to AQIS, 'If you make provision for a four-wheeler I can ride those roads. If those grapevines are in that vineyard, even though there are 700 acres there, I would be able to identify those plants.' No. 1, I would be looking for freshly dug ground and, No. 2, the grafting of those plants was completely different to the plant material we got from Mildura.

Senator FERRIS—When somebody came into your house, did you report it to the police?

Mr Gillies—No. When we came back, we had our luggage and I went up onto the veranda and opened the screen door. As I was opening the other door I said to the wife, 'Didn't you lock this?' She said, 'Yes; everything was locked.' We went straight to the computer, and it showed that there was an illegal shutdown. When I went to where I had the other stuff stored, I saw that the plans of where the grapes and citrus were had been disturbed, too.

Senator FERRIS—What did you do about that?

Mr Gillies—I rang AQIS straightaway and told them what had happened, because previous to that the agreement with AQIS was that they wanted me to stay employed with Evergreen until this raid took place. Of course, they had to speed it up a lot more.

Senator FERRIS—Who do you think came into your house?

Mr Gillies—I would only be guessing, but I know that the owners had a key to the house. That is not to say that they did it themselves.

Senator FERRIS—When you say 'the owners', the owners of what?

Mr Gillies—The owners of Evergreen Farms.

Senator FERRIS—You lived on the farm?

Mr Gillies—Yes. Where I lived was actually next-door to their premises on the farm.

CHAIR—After you reported on 12 June, how long was it until the raid occurred?

Mr Gillies—Six weeks. But what had happened—

CHAIR—Hang on. So in those six weeks, did you fear in any way for what might happen?

Mr Gillies—Yes. I had told AQIS what would happen and then they made the statement that I would probably lose my job.

CHAIR—Who said that? AQIS?

Mr Gillies—AQIS said that, yes. The way they came across was to put up this front, more or less, and say, ‘Hey, if you’re not serious, this is a good time to back out.’

CHAIR—I suppose that is fair enough.

Mr Gillies—When I made the phone call, and a week later had rung again and nothing had happened, then I rang them up again a week later—

CHAIR—On the hotline?

Mr Gillies—No, on another number. They said that they were looking into my history. I don’t know what they were looking into—maybe to find out whether I was a criminal, or whether it was a hoax call or whatever.

CHAIR—Yes, that would be fair enough. I would do the same, I think, if I were them!

Mr Gillies—Is it because of the way I look?

CHAIR—No, it is not that you’re just ugly!

Mr Gillies—After that another week, I think, had expired, and I told John Pressler what had happened. He was astounded that I had not heard from anyone. I believe it was he who made the phone call to AQIS. Then later on that day I got a phone call from AQIS and they asked whether I had spoken to anyone. I said, ‘Yes, I have spoken to someone,’ and I told them who I had spoken to. They told me not to communicate with anyone about this matter because it was going to jeopardise the inquiry, the raid and everything else.

CHAIR—Well, that is probably true.

Mr Gillies—That was a fair enough statement on their part. But if I had not let someone else know, to this day there would not be any inquiry; there would not be anything going on at all because AQIS would have swept it all under the carpet.

Senator FERRIS—That is just supposition on your part.

CHAIR—Yes, I think that is unfair.

Senator FERRIS—Can you go back to the statement.

Mr Gillies—After the raid, the monitoring of diseases by AQIS was nowhere near adequate and this needs to be addressed. When I say the monitoring of disease, if the agreement—and I will tie this agreement in with Evergreen Farms’ confidentiality agreement—entailed that AQIS were allowed to send two staff onto that farm, it must be remembered that those staff had to cover over 200 hectares of citrus with a planting of 1,000 plants to the hectare and also something like 285 hectares of grapes with a planting of 1,173 plants to the hectare. In light of this, how could they monitor those plants in the given time every three months, given that the standard practice is for one person to monitor 100 trees per day? How could they cover the area in question? And this goes back to that.

CHAIR—I am sure these are questions we will ask.

Mr Gillies—Yes, these are questions I am putting to you for you to ask. Another thing out of all of this was: if they did not have to cover that whole area that was in question, what were they looking for when a statement had been made by Minister Truss that block 182 was destroyed before October and the grape plants were destroyed when AQIS formed that agreement? The grape plants were never destroyed; they went missing. Where they are is still in question. It has only been revealed today that they have been taken out.

Senator FERRIS—They were burnt the day they were removed, according to a previous witness.

Mr Gillies—Yes, but way after the raid had taken place. When they entered my house they saw the maps, and those plants that were in question that I had claimed were illegal plants were then removed and put somewhere else. Fred Ienco was then asked to destroy those plants, which I knew nothing about until today.

Senator CHERRY—I might clarify this with Mr Ienco later but, as I understand it, Mr Ienco was only ordered to remove those plants on the day of the raid. That was the evidence he gave, as I recall.

Senator FERRIS—I want to ask a question about what happened after the—

CHAIR—With great respect and just to guide this process, we are asking people to the best of their recall. We do not expect everything to be precise. We are just trying to get an honest appraisal of the events as you saw them. Please continue.

Mr Gillies—Minister Truss made a statement on *Landline* on 5 June 2005 that all grape material was destroyed when AQIS entered the property in 2001. This is not true, which I have already stated. He also

stated that the citrus in question was destroyed before 2001, which is also not true. I ask the question: has he been misled? Going back to the citrus being destroyed, there was something like 650 plants, which I had shown AQIS, that still survived with the illegal budwood. When AQIS did the raid and during that whole period—and this is a question I would like you to ask AQIS—did they count those plants? Leading up to the confidentiality agreement, when that property was put in quarantine were those plants still in place and were they still in place at the time they removed those plants? Was the total number there 650?

I will just clarify with regard to the grapes and Fred Ienco. He stated that he destroyed those plants on the day of the raid. I am saying that what he is saying is true but the grapes that he destroyed were more than likely the ones that were illegally imported or illegally grafted but they were shifted from where I had nominated to a different—

CHAIR—We actually picked that up. We want to get to questions. We are really not interested in your reflections on AQIS—rather, just a statement of facts as you saw them.

Senator FERRIS—Is there any chance that we could have that tabled and copied? As you are talking and we are asking you questions we could be reading that. That would help us enormously.

Mr Gillies—Okay. When we talk about the fruit that was growing and you said no-one knew about the fruit, in 2002-03 there were about 30 bins of lemons on Evergreen Farms that went down to Mundubbera to be packed. Of the 30 bins, only 10 were packed. Did anyone from AQIS or DPIF follow this up to see why this fruit was rejected? It had been claimed that the lemons that had been reported to have had canker on them in July 2004 had canker on them 18 months earlier. I am saying that no-one has ever followed through on that.

I also want to table something with regard to illegal importation. On 7 November 2004 there was a press release from Selwyn Johnson in the *Shepparton News* about a tip-off he received in March 2001 regarding the alleged illegal importation of citrus trees and other cuttings. Did the authorities follow this up? I table that press release. In other words, it was mentioned to the authorities in March 2001, long before I put in a complaint, that there were illegal goings-on on that property by unknown people. When I made the phone call, the compliance investigators in Queensland only had two compliance officers. At that time they were doing a case on abalone. Two compliance officers is nowhere near adequate for this area.

CHAIR—Just to keep the record nice and straight, do you have the names of the people you spoke to when you made that hotline call?

Mr Gillies—I do not; I am sorry—but I am certain it was a recorded message. Regarding those two investigations, when they interviewed witnesses at the time of the raid they did not interview as far as my concern went. One person was Ben Evans, who lived in the white house and knew all about the budwood, and the other person was Marco, the grape manager, who is Chilean. When they went to question him all he said was that he could not understand English very well, so AQIS ignored any dealings with him. The outbreak was discovered on these farms, and they had great difficulty finding experienced staff to monitor the crops. An advert went into the local paper up there seeking staff to do the monitoring of those crops. One of the staff members that DPI put on was a manager from Evergreen Farms who had seen the nurturing of this canker go all the way through to 2004—they went and employed him to look for citrus canker on these properties, after it was discovered.

CHAIR—When did you finish up there?

Mr Gillies—I finished up there on 17 July.

CHAIR—What year?

Mr Gillies—It was 2001. Whilst whistleblowers have no protection when they make allegations about illegal imports into Australia, when the matter that I have been involved in for the last four years—and is still going currently—becomes public knowledge it will demonstrate how a person can be crucified for trying to protect Australia's interests. Who is going to come forward with any allegations? In the past four years it has cost my lawyers Minter Ellison, my barrister Jack Pappas and me well over \$250,000 in legal fees. If it were not for them standing by me, it would by now have cost me everything. And this is still ongoing—it has not stopped there.

At this stage, it looks as if I am going to lose everything I have worked for. The litigations are still ongoing and will go on for a number of years. As I said, it is payback time by Evergreen Farms. I have not been offered any help from grower organisations or governments. As I said, they do not want to know of me. My wife and I went to see Minister Truss in mid 2003 to raise our concerns about what was happening to us regarding

litigation from Evergreen Farms. It was a 45-minute meeting and, 20 minutes into the meeting, he decided to take notes and he made the statement that it was a noble thing I had done but that there was nothing he could do. Another thing I was told was that Philip Cea had a lot of friends in government. After I was told this, I left the meeting feeling betrayed.

I know there is nothing in the legislation to provide help for whistleblowers, so why can't the government give me help in the form of exceptional circumstances? I also know that the allegations made against me by Evergreen Farms have nothing to do with the importation of illegal budwood directly, but while I have to answer these and other false accusations it costs money.

Senator FERRIS—How much money has it cost you?

Mr Gillies—The bill so far, with what I have paid and what I still owe at Minter Ellison, is a bit over \$250,000. Why should I have to go through all this expense and hardship for doing my duty by trying to keep Australia free from pests and diseases? Why would growers want to report any foreign disease in their orchard when there are no safeguards in place for them? It would be easier to destroy the trees in question and not saying anything. Where would that leave Australia in safeguarding against or stopping foreign diseased material entering Australia? The final wash-up of all of this is that ministers and their departments from both governments did not take this seriously at first, and they still do not want to know the course of action that should be taken now. When the Senate committee follows this trail from when the illegal budwood was first reported to where it is up to now, they will find that commonsense was not applied at all by heads of departments.

CHAIR—Would you care to table that so that we can copy it?

Mr Gillies—Yes.

CHAIR—Thank you.

Mr Gillies—Do you want us to table the other paperwork too?

CHAIR—Yes, all of it, thank you. Mr Gillies, we can understand the distress that you have been through and the message that, from your perspective, it sends to other potential whistleblowers. Have you been interviewed in recent times by AQIS?

Mr Gillies—I have. I would only be guessing, but I think it was in about 2003.

CHAIR—Was that some sort of formal process?

Mr Gillies—It was with regard to another allegation that was made to them about me and 2PH Farms about my bringing in budwood from Florida in the back pocket of my pants.

CHAIR—But in terms of the outbreak or the alleged importation and the events—

Mr Gillies—Nothing, not after those statements and the Federal Court hearing in August, I think, of 2001.

CHAIR—And in recent times you have not been contacted?

Mr Gillies—No.

Senator FERRIS—Can I take you back to that remark you just made in passing. Was the interview you had with AQIS related to AQIS asking you questions in relation to an allegation that had been made to AQIS about you?

Mr Gillies—Yes.

Senator FERRIS—Tell us what the allegation was.

Mr Gillies—Evergreen Farms had made allegations to AQIS that my wife and I went over to Florida with John Pressler and his wife, Pam, and that we visited a research station over there. The wording went along these lines: I had seen a scientist put some budwood in a bin, I had asked the scientist what he was doing with it and when he said, 'That material is no good,' I had grabbed it and put it in my back pocket.

Senator FERRIS—Where do you think the substance of that allegation came from?

Mr Gillies—I guess it was in regard to the animosity between Evergreen Farms and 2PH Farms.

Senator FERRIS—But how did those people know that you had been to a research establishment in Florida, and how did they come to be able to construct a piece of information like that?

Mr Gillies—They knew that I had been to Florida before. I had been to a Florida college for a month, and on other occasions I visited there I had been to research farms and everything else.

Senator FERRIS—But you are saying that this particular allegation was completely fabricated?

Mr Gillies—Yes.

Senator FERRIS—Do you regard it as malicious?

Mr Gillies—Yes.

Senator FERRIS—When you explained to the AQIS people in the interview that it was, in fact, unfounded and malicious, what did they say they would do?

Mr Gillies—They went to the trouble of getting all the air fares for my wife and me that we had made to America over the four visits—and those for John Pressler and Pam Pressler. When they laid out the two scrolls of paper, the dots did not add up. And that was the end of the investigation. I find it funny that they could do that—trace back the air fares and everything else—yet they could not trace back his whereabouts from when he left Australia to when he went to southern China at the alleged time of this illegal imported budwood.

Senator FERRIS—To complete the questions that I am asking you about this matter: did you believe that the allegations were made in an attempt to intimidate you and damage your credibility?

Mr Gillies—Yes.

Senator FERRIS—What did you do about that legally?

Mr Gillies—It was put in the hands of the solicitor.

Senator FERRIS—And then what happened?

Mr Gillies—They just said to answer everything, and that is what we did. AQIS then closed that investigation. They said it was going to go nowhere.

Senator FERRIS—Given how much legal advice you have taken, was there any legal advice that you should take action against those allegations?

Mr Gillies—No.

CHAIR—Could you give us the timing? Was it 2001, 2002 or 2003?

Mr Gillies—When he made the allegations?

CHAIR—Yes.

Mr Gillies—It would have been May, I think, in late 2002.

CHAIR—Was that in the period in which you were being sued or whatever by Evergreen?

Mr Gillies—Yes. There were two cases. There was me trying to get my termination and then, after that, he then put a Supreme Court action against us for \$3 million.

Senator FERRIS—For what?

Mr Gillies—Just for what the wording of it was and negligence.

CHAIR—Is that action alive and well today?

Mr Gillies—Yes, but he has changed it from \$3 million down to \$900,000.

Senator FERRIS—And you are contesting it.

Mr Gillies—Yes. But in no way am I going ahead and putting charges against them because all I want to do is put all this to rest. I have not got the money to go—

Senator FERRIS—Could I take you back to the comments you made early in your evidence in relation to illegal entry into your house, your computer having been interfered with, and so on. You said to me that you had decided not to call the police on that issue; but did you discuss it with anybody from Evergreen Farms?

Mr Gillies—No.

Senator FERRIS—So you did not tell anybody? You told AQIS but you did not anyone else?

Mr Gillies—When I was dismissed on 17 July, it was an argument we had in the computer room about them wanting me to sign these affidavits. I was trying to stall for time, and I said that I would have to go over everything and I would read them after I got back. He insisted that I sign them there and then. There was no way in the world I was going to sign them. It became heated, and that is when he dismissed us, on the spot, and that is when he took the keys to the office, the vehicle and everything else.

CHAIR—Do you have a copy of the affidavit that he wanted you to sign?

Mr Gillies—No. I did not get it, yet when we tried to get it from him and his solicitors, they said they did not have a copy of it. Yet in some statements he has made, he calls it an ‘affidavit’ then he calls it a ‘statement’ and then he says it never existed. His story all the way through has been inconsistent.

Senator FERRIS—When you were dismissed, you actually had no home either, I presume.

Mr Gillies—No, we had a week to get out of the place.

Senator O’BRIEN—You were taking some sort of action about the dismissal, I take it.

Mr Gillies—No, all I wanted was my termination. I did take action but only in regards to the termination, nothing else.

Senator O’BRIEN—What do you mean by only in regards to termination: what sort of action?

Mr Gillies—My termination pay.

Senator O’BRIEN—You were seeking compensation, were you?

Mr Gillies—No, the termination pay that was due to me. I was not after any other compensation or anything else.

Senator O’BRIEN—He did not pay you what you were entitled to—

Senator FERRIS—Severance pay.

Senator O’BRIEN—Some sort of redundancy pay: is that what you were after?

Mr Gillies—It was only really my holiday pay that was owing to me.

Senator O’BRIEN—And he withheld that.

Mr Gillies—Yes.

Senator FERRIS—Have you got it yet?

Mr Gillies—Yes.

Senator O’BRIEN—How much was involved?

Mr Gillies—It was only \$7,000. But it has cost something like \$50,000 to get it.

Senator O’BRIEN—Have you ever heard of a place on Evergreen Farms known as the tomb?

Mr Gillies—No.

Senator O’BRIEN—It is spelt t-o-m-b.

Senator FERRIS—The rubbish tip.

Mr Gillies—No.

Senator O’BRIEN—Do you currently work in the citrus industry?

Mr Gillies—No.

Senator O’BRIEN—At the time you went overseas to California were you working in the citrus industry?

Mr Gillies—Yes. On all occasions when I went over to America I was based in the citrus industry. Until this is settled, I think I would be unemployable in the citrus industry.

Senator O’BRIEN—How did you become aware of what you have described as the illegal importation?

Mr Gillies—Through previous discussions he told me what he wanted to do in regards to bringing budwood and different materials in from overseas.

CHAIR—That was in 2000, was it?

Mr Gillies—It started back in 1999, towards the end of 1999, and then it progressed in 2000.

Senator O’BRIEN—When you say ‘he’, can you identify who you mean?

Mr Gillies—Philip Cea.

Senator O’BRIEN—Was it a discussion between the two of you only or were other people present?

Mr Gillies—With me only. I made numerous phone calls to AQIS to see what the protocol and everything was for it. When I told him what had happened, he then told me that he could get different varieties of lychees brought in from China for \$2 a plant as opposed to over here the variety we were after was about \$15 to \$18 a

plant. I told him there was no way in the world that we would ever get them in because they were soil borne plants.

Senator O'BRIEN—What did you say they were?

Mr Gillies—Soil borne. Anyhow, after I had discussed with him the problems he would have and everything else and the quarantine issues that were required, it became too expensive and he said it was going to be too slow, and that is when he hit me with this illegal importation of budwood.

Senator O'BRIEN—How did that happen? When you say he hit you with it, he presented you with the material, did he?

Mr Gillies—He told us what he was going to do.

Senator O'BRIEN—What did he say?

Mr Gillies—That he was going to bring in illegal budwood and that we would just graft it on from there. In a sworn statement I have made to AQIS I said I told him what would happen. I said: 'Look, they are going to pull out your trees. If they don't do that, they'll quarantine them and you'll be faced with a fine and you'll destroy everything you have worked for.'

Senator O'BRIEN—So Mr Cea told you he was going to illegally import the material and you warned him that that would lead to serious consequences. What happened after that?

Mr Gillies—I will have to say approximately because I cannot give you the exact dates off-hand, but it was in the period September-November 2001 that budwood arrived.

Senator O'BRIEN—How did it arrive? Did you see it arrive? Did he present it to you?

Mr Gillies—The daughter picked it up. I do not know where she picked it up from.

Senator O'BRIEN—So that is Mr Cea's daughter.

Mr Gillies—Yes—Michelle King. Then it was put in the white house. So it was completely separate—

Senator O'BRIEN—What is the white house?

Mr Gillies—That is what we called their residence because it was a big white Victorian mansion.

Senator O'BRIEN—It was a bit grander than yours, was it?

Mr Gillies—Yes. The scenario with the alleged illegal budwood and how it came in and where the bud has picked it up and everything else was completely different from how we handled the proper budwood that we got from Auscitrus.

Senator FERRIS—Why do you think the tealeaves were on it?

Mr Gillies—I could only surmise that that was one way of camouflaging the stuff to bring it into Australia.

Senator FERRIS—How would he bring it in in tea?

Mr Gillies—I have no idea. As I said, I would only be speculating. All I know is that it smelt of tea and it had the little bits in there that indicated that that is what it was.

Senator O'BRIEN—Do you know anything about these Christmas presents of tea and clocks?

Mr Gillies—Yes.

Senator O'BRIEN—Is that relevant? Should we have regard to that?

Mr Gillies—I do not know whether it is or it isn't. One lot of machinery that we got in from China came in containers that we unloaded ourselves and everything was true and correct there after Customs had inspected it. But the presents came in in a loose pack. That means that they were unpacked before we got them. They could have come in at the same time as the budwood but never have come up there—

Senator O'BRIEN—That was something that arrived in something other than the normal way. Is that what you are saying?

Mr Gillies—Yes.

Senator FERRIS—Was the budwood of such a size that it could have been concealed in the tins of tea?

Mr Gillies—The pawpaw seeds and the melon seeds came in in tins about so high, while the budwood was shorter. So if they came in the same way the chances are that they were a lot smaller. But there is no guarantee that—

CHAIR—They fitted in the tin, but are you saying that the seeds for other plants came in in tins as well?

Mr Gillies—Yes, they came in in a tin.

Senator FERRIS—Did they smell of tea?

Mr Gillies—No.

CHAIR—Did they come in in tea tins or in Taubman's paint tins or something like that?

Mr Gillies—Robin will have to verify this, but I am pretty sure that they were octagonal tins about so high—a bit over 30 centimetres. As I said earlier, AQIS did not ask enough witnesses there and one of the key ones in regard to that was Ben Evans. He was there when all this stuff—

CHAIR—We will deal with that later.

Senator CHERRY—Do you have any idea of the timing on this? Was it in September 2000 that the budwood arrived on the farm?

Mr Gillies—Yes, it was spread over a period of time.

Senator CHERRY—From July to September or thereabouts in 2000.

Mr Gillies—No, from September to November.

Senator CHERRY—Okay. Did AQIS come on the farm about eight or nine months later, in July or August 2001?

Mr Gillies—Yes, about nine months later.

Senator CHERRY—How advanced would the budding have been? Were they identifiable plants or grafts at that stage?

Mr Gillies—The plant itself would have been about that high—

Senator CHERRY—About a foot high.

Mr Gillies—They were potted plants, so they were going all right.

Senator CHERRY—I suppose you were not really there for a large amount of time to ask AQIS these questions, but what is the possibility that AQIS would not have been able to identify all of the plants if they were that high—presumably they would look fairly similar to other varieties?

Mr Gillies—It would have been hard to identify them on the day, but if they had taken random samples and grown them out they should have no trouble identifying them now because they would have had fruit on them 18 months back.

Senator CHERRY—I am not an expert even on the life of trees and all the rest of it, given the AQIS deed of agreement, but in your opinion what is the likelihood that that budwood brought in in 2000 was still there in 2004 when citrus canker was found there? What is the process by which that would have to happen?

Mr Gillies—The budwood itself would not have been there, but what that was grafted onto would have been. From what the previous witness said, that is probably one of the reasons—besides their management practices with regard to the spraying—why that canker has spread all over that property. If those trees that they took those labels off were mixed in with other trees and then planted out, it would be just like planting a noxious weed all around a property and letting it spread. That would then probably solve one of the riddles about how it could spread over the whole property.

Senator CHERRY—We will have to ask AQIS this but, from what you have suggested, with their inspection regime they would not have tested the entire property in 2001.

Mr Gillies—They could not. With the amount of citrus trees there and only two people, how could they? Even if they spent a week there, that is only 500 trees per person. That is only 1,000 trees for the week, yet there is something like 200,000 out in the field without what was still up in the nursery.

Senator CHERRY—Do you still live in the Emerald area or have you moved out of there now?

Mr Gillies—I do not live in the Emerald area.

Senator CHERRY—I am just having a quick flick through your affidavit, which we will have to study in more detail later. I know you have been talking about the process of the budwood coming in. Was it quite clear—was Mr Cea quite open about it—that it was being brought in from China at that stage?

Mr Gillies—Yes. As far as I know, the only people who knew about it were his immediate family and me.

Senator CHERRY—And the figures you gave us were on the basis of what you had observed and kept records of at the time?

Mr Gillies—Yes.

Senator CHERRY—Just to tie in the evidence from earlier, Mr Price gave evidence that when he was there, in September 2000, you had brought in piles of oldish-looking budwood and asked for them to be grafted on. Do you recall doing that?

Mr Gillies—The oldish budwood is the illegal budwood—

Senator CHERRY—Yes.

Mr Gillies—yes—and that was given to the two buddists.

Senator CHERRY—So you can confirm that part of Mr Price's evidence?

Mr Gillies—Yes.

CHAIR—As you are aware, the DPP decided there was not a case to prosecute.

Mr Gillies—Yes.

CHAIR—Do you know how they gathered their evidence to come to that conclusion if they did not interview you or others?

Mr Gillies—No. I have no idea. I would like to see a copy of it so I could comment.

CHAIR—Do you think that any reasonable, detached person standing at the back of the court would think that, in a process that had concluded there was not a case, at least the main witnesses would have been interviewed to come to that conclusion?

Mr Gillies—Yes, indeed.

CHAIR—But you were never interviewed by the DPP?

Mr Gillies—No, not by the DPP. The only interview I had was with Tony Young and Steve Watson, and really that statement—

CHAIR—They are compliance officers from AQIS?

Mr Gillies—Yes, they are compliance officers.

CHAIR—And they would have used that information to provide what you said to the DPP?

Mr Gillies—I do not know what they did with that information.

CHAIR—But that was prior to the DPP's decision?

Mr Gillies—That information that I had given AQIS was used in the Federal Court.

Senator O'BRIEN—You never signed a statement. You never saw the statement.

Mr Gillies—Yes, there is a two-page statement.

Senator O'BRIEN—I have not got that yet.

Mr Gillies—And then there is another affidavit that I did. There are two parts to the affidavit: one is in reply to the allegations.

CHAIR—Have you heard anything today that you did not already know?

Mr Gillies—Yes, on the removal of the grape plants and the spraying of the citrus. I am still at a loss as to why only 50 citrus trees were sprayed and not 650.

CHAIR—From the evidence we have been given, it was because they had been identified by AQIS.

Mr Gillies—Why didn't the whole 650 have AQIS stickers on them?

CHAIR—We are here to try and get an idea of what happened. Since the announcement of the Senate inquiry, have you been approached by anyone?

Mr Gillies—The only ones I have been approached by are the media after a story, which I refused to give. I have been instructed by my solicitors not to talk to anyone.

CHAIR—So you left there shortly after you blew the whistle?

Mr Gillies—The terms of my contract were that they supplied me with accommodation until we built housing on the place. So, in the first 12 months, they supplied me with accommodation in Emerald and then I lived on the farm for the last 12 months.

CHAIR—When did you ring up the hotline?

Mr Gillies—On 12 June.

CHAIR—When were you terminated?

Mr Gillies—On 17 July 2001.

CHAIR—In the meantime, you know or presume that AQIS or someone contacted the owners and said, ‘We’ve had this phone call.’

Mr Gillies—I do not know whether they did.

CHAIR—So you do not really know why you got the sack.

Mr Gillies—I know why I got dismissed. It was because I failed to sign these illegal affidavits. These two illegal affidavits came to an amount of something like \$15 million that he was claiming for.

Senator O’BRIEN—You mean a false affidavit?

Mr Gillies—Yes.

CHAIR—So you did not think you got the sack for being a whistleblower?

Mr Gillies—No. His saying that I reported it to AQIS because I was a disgruntled employee is far from the truth. I had reported it to AQIS before that.

CHAIR—You feel personally disappointed, I suppose, because you thought you were doing the right thing.

Mr Gillies—I am terribly disappointed. I am disappointed in what I have done and I am probably disappointed sitting on the sidelines and seeing how everything has evolved. Not only have I suffered, but so have other growers. Forget about scientific evidence and everything else; it becomes a tool for these intellectuals to stand behind. If commonsense prevailed with a lot of this, we would not be at the stage we are at today. It is as simple as that.

Senator O’BRIEN—To sum up your evidence, if I understand you correctly, you are in absolutely no doubt that Mr Philip Cea either caused to be imported or knew of the importation illegally of plant material from other countries in breach of quarantine laws and that he had been in discussion with you about the consequences of such breaches.

Mr Gillies—Yes, that is correct.

CHAIR—So when you had the prior discussion back in 2000 he said, ‘Wayne, we better go and have a look at what the process is to import from overseas,’ which you did.

Mr Gillies—I had done previously, yes.

CHAIR—And you reported that?

Mr Gillies—I reported it to him, yes.

CHAIR—And that did not suit him?

Mr Gillies—No, it did not suit him.

CHAIR—Then he said, ‘We’ll do it.’

Mr Gillies—He said, ‘We’ll do it this way.’ I asked him why he needed to import these varieties. He was talking of importing the Poncan. The reason was that they were far superior to the ones we had in Australia. I said: ‘I disagree with that. Anyhow, the varieties we’ve got in Australia—if we did bring these in’—and I think at the time it was going to clash with the Imperial—‘why would you put two varieties in, if the Poncan was an acceptable fruit, and compete with another quality fruit at the same time? Wouldn’t you think one would discount the other?’ He did not take reason with that at all.

CHAIR—If the cuttings were removed at the time, three or four years ago, and taken to Eastern Creek, how long after they arrived at Eastern Creek do you think it would take for a person who was scientifically equipped and trained to be able to determine what varieties they were?

Mr Gillies—Before I answer that, I would like to know why they would take the cutting. Why didn’t they take the whole plant, remembering the whole plant was only so big? What did they intend to do with that

cutting? What did they do with the cutting? Did they graft it onto something else or what? What do they call a cutting?

CHAIR—Anyhow, they said no—

Mr Gillies—The chances of just taking a cutting down there—and I do not know whether they were going to shove it in the ground or what—are that it was not going to survive.

CHAIR—We will discover that. The boss decided to do it another way, right?

Mr Gillies—Yes.

CHAIR—It may have been breaking the law. Are you familiar with the Crimes Act?

Mr Gillies—Yes.

CHAIR—Were you familiar with the Crimes Act at the time?

Mr Gillies—Yes, I knew that I was breaking the law, if that is what you are getting at.

Senator O'BRIEN—Do you know if your affidavit—

Mr Gillies—I said I knew I was breaking the law, but I did not really have a choice. You could ask: why didn't you get up and walk away? Number one, we had only been there for a bit over 12 months, so it was a bit of a financial drain for me to shift. Number two, if I did not go through with it and if I had blatantly said to him, 'No, I'm not going to do this,' he would have discharged me. I had been there all year and there would have been heaps of innuendo going around about why I was dismissed. It would not have been the truth. He would have employed someone else who would have been quite willing to do that job and wear the consequences if they knew what the consequences were.

CHAIR—It would be fair to say you were economically intimidated.

Mr Gillies—Yes, although 'victimised' would be a better word.

Senator O'BRIEN—There is a lot more in this affidavit than there is in your AQIS statement.

Mr Gillies—That is all AQIS asked us at the time.

Senator O'BRIEN—I do not imagine that you know, but tell me if you do, whether the DPP saw this affidavit?

Mr Gillies—I have no idea.

CHAIR—When you were interviewed by AQIS, did you feel restricted or concerned about what you should or should not say because of the possibility that someone might sue you?

Mr Gillies—After the first couple of weeks and after having talked to them, the way it came across to me was that they wanted to find out whether it was a hoax call or something like that. Their questioning was enough to put the wind up us—to say, 'Hey, this is going to go a long way and if you are telling porkies now is the time to pull out.'

CHAIR—That is fair enough.

Mr Gillies—I accepted that, because they were not going to act just on a whim, were they?

CHAIR—When you made that statement to AQIS, were you allowed to have legal advice?

Mr Gillies—I do not recall it being offered, but I did not have it at the time, no.

CHAIR—Thank you for your time and consideration, Mr Gillies. I would like to briefly recall Mr Price, if he is still here. If he has gone, I would like to recall Mr Ienco.

[6.16 pm]

IENCO, Mr Ferdinando (Fred), Private capacity

CHAIR—Mr Ienco, thank you very much for reappearing before the committee. Could you clarify for me this 3 o'clock in the morning spraying operation? We appear to have some sort of misunderstanding about the scale of that. Are you aware of how many trees you sprayed?

Mr Ienco—It was well over 300. There were about six rows and about 50 to 60 trees in each row, but I am not sure of the exact number.

CHAIR—For some reason I had 50 in my head.

Mr Ienco—No, that was the 50 grapevines.

CHAIR—That is probably how I became confused.

Senator O'BRIEN—That was the day of their visit but after AQIS had left. Is that right?

Mr Ienco—For the grapevines, yes. It was the same day—that afternoon after AQIS had left.

CHAIR—So AQIS visited one day and came back the next day?

Mr Ienco—Yes.

CHAIR—And at 3 o'clock in the morning, between those two visits, you went out and sprayed the trees?

Mr Ienco—No, after their second visit, after they found out that they had lost all the samples that they had taken.

CHAIR—So there was a request to come back and get more cuttings?

Mr Ienco—That is what Philip said, yes, and he would not let them on the property.

CHAIR—And in the meantime he asked you to go and spray the trees.

Mr Ienco—Yes.

CHAIR—That was one way of fixing it. Thank you very much for that.

Senator O'BRIEN—Had the 50 grapevines that you pulled out been recently planted?

Mr Ienco—No. I burnt them that day.

Senator O'BRIEN—No—

Mr Ienco—Had they recently been planted?

Senator O'BRIEN—Yes.

Mr Ienco—They looked like they had been.

Senator O'BRIEN—So they appeared to have been recently put in that place—wherever they came from?

Mr Ienco—Yes. They looked like they had been, but it had been a while. It was not as though it had been done the day before.

CHAIR—The roots had taken hold in the ground?

Mr Ienco—No, they had not. Because they were dormant, it would have taken a couple of months for that to happen.

Senator O'BRIEN—They could have been in for a couple of days or for a couple of weeks?

Mr Ienco—They were in for more than a couple of days because it was not fresh dirt. But you could see that it had been moved.

CHAIR—The deed of agreement that was struck included a provision for the destruction of block 182. Did that happen to be the block that you sprayed out with Roundup?

Mr Ienco—I am not too sure what the block number was.

CHAIR—That was on 26 October 2001. It says here on the chronology of events that the deed of agreement was for the destruction of block 182. When did you actually destroy them? Was it back in July?

Mr Ienco—Yes.

CHAIR—Was it a day or two after?

Mr Ienco—It was about a week after.

CHAIR—And it was within the quarantine period rather than the period of the 18-month memorandum of understanding that was confidential. It was in the first quarantine period that you did the spraying.

Mr Ienco—The first quarantine period was 18 months, was it?

CHAIR—No; the quarantine period was eight weeks.

Senator O'BRIEN—That is a confusing question. It was some time after the first visit. Was it after the second visit by AQIS?

Mr Ienco—Yes, the second visit being the next day.

CHAIR—And then, a week or so after that—

Mr Ienco—Yes.

CHAIR—which would have been in the original quarantine time, which was challenged at court and turned into a memorandum of understanding. It was not in the memorandum time.

Mr Ienco—No. I did not know anything about that.

CHAIR—Okay. Thanks very much for that.

Senator O'BRIEN—Thank you for coming.

[6.21 pm]

SIMPSON, Mr Chris, Executive Manager, Queensland Citrus Growers

ULCOQ, Mr Nick, President, Queensland Citrus Growers

CHAIR—Welcome. Just out of curiosity, has either of you gentlemen ever worked for AQIS?

Mr Simpson—No.

Mr Ulcoq—No. We have a more detailed submission which will be coming forward to the inquiry at a future date.

CHAIR—We have received that already. Would you like to make an opening statement?

Mr Ulcoq—I would like to go through the background of where things have started from our point of view and where things are at now. As President of Queensland Citrus Growers, I was informed of the possible outbreak of citrus canker on Evergreen Farms in Emerald on 30 June 2004. Since then, citrus canker has become an all-consuming issue for our association. The disease outbreak has had a significant impact on the Queensland citrus industry and, in many aspects, these consequences continue to compound day by day. In summary, the consequences for the Emerald growers, and indeed for the whole Queensland and Australian industry, are as follows. There was a blanket ban put on all Queensland citrus to interstate markets at the height of our season in 2004 and, even when access was restored three to four weeks later, the fall-out ruined the rest of the season for all growers.

The Emerald growers were hit even harder. They were placed under quarantine and locked out of all domestic markets and some export markets for the foreseeable future, and that situation is still with us. The Emerald growers have had to live with the threat that the disease would spread to their farms, and this has now occurred in two cases. Growers elsewhere in Queensland and the rest of Australia have had to live with the risk that the disease could escape the quarantine area. If it did and their property became infected, it would surely wipe them out. And if it did but only infected someone else's property, it would still close all the growers' markets and would ruin their business and increase the risk that all growers would eventually get that disease. If Australia's disease status were at risk of being compromised, that would affect Australia's citrus exports and also open up Australia to imports from other countries where citrus canker is present.

For those reasons QCG entered the fray with the following key objectives: one, to ensure that the disease is eradicated as quickly and as effectively as possible; two, to minimise the impact on the industry, Emerald growers and the wider industry; three, to ensure that the interests of victims of the outbreak—the Emerald growers—were looked after; and four, to establish where the disease came from, what happened, who was responsible and whether anyone should be held accountable. We are now 12 months down the track and the disease has still not been eradicated. We still do not know where the disease came from, the Emerald growers are still locked out of domestic markets for the foreseeable future, effective assistance for the Emerald growers has not yet been provided and the losses—for the Emerald growers in particular—have been conservatively estimated at over \$100 million.

I would now like to address the four objectives in a bit more detail. Where did the citrus canker come from? That has never been investigated. We have been advised by government that they have no new evidence to reopen their investigation into the 2001 allegations of illegal importation of plant material. The government appear to take the view that the two issues are unrelated; if that is so, we need them to specifically look into the cause of the 2004 outbreak. However, their failure to investigate it suggests that they think the 2001 incident is the most likely scenario. We believe that there are significant deficiencies in the handling of the 2001 allegations, and these are set out in our written submission. We certainly do not believe the investigation was sufficiently followed through, and there are still many unanswered questions. The outcome of the 2001 incident was most unsatisfactory, particularly if it is established to be the cause of the 2004 canker outbreak. We believe that AQIS should have proactively accepted the responsibility to investigate the disease outbreak. Citrus canker is an exotic disease and it could only have entered Australia through a breach or a failure of quarantine.

On objective number two—eradication of the disease as quickly and effectively as possible—the eradication program has now been running for almost 12 months. Emerald is a small isolated pocket of the citrus industry comprising only eight farms, three of them owned by the one farming entity and a fourth closely related. It is an ideal type of location to run an eradication program. However, the eradication program

has not been successful to date and there have been many problems and issues along the way. Eradication commenced on the first infected property, Evergreen Farms, in July 2004. The methodology was the Florida protocol, considered to be the international standard, and it involved removing all citrus trees within 600 metres of an individual site of infection. This is known as the cookie cutter method. Evergreen was found to be heavily infected across the whole property, and the cookie cutter program saw the complete removal of all citrus plantings from the property by September 2004. We were hopeful that the disease had been contained and that eradication on Evergreen had been successful. However, this was not so.

In early October 2004 the disease was found on a second property, 2PH Farms, which is the largest citrus orchard in Queensland and one of the largest in Australia. The eradication program was extended to 2PH using the cookie cutter method. However, the owner of 2PH was concerned that this was not sufficiently robust and came to QCG with a bold proposal to absolutely eradicate the disease, to restore them to the market and to eliminate the uncertainty of the disease in a guaranteed time frame. This plan was for the pre-emptive destruction of all citrus trees in the district, because with no trees left the disease could not survive and all growers would be able to replant in a one- to two-year time frame. The plan was supported by all of the other Emerald growers. The owner of 2PH proposed that the trees be removed for a payment of \$50 per tree under a private enterprise arrangement. I will leave the details of that arrangement for later on. The total cost would be about \$16 million, and this is a figure which the cookie cutter method could have reached if it had to be extended time and time again. The proposal was rejected by government. They did not agree with the concept, they felt that the cookie cutter approach would succeed, they felt that total destruction was excessive, they perceived there was hidden compensation in the \$50 per tree figure and they were not prepared to commit the \$16 million required or even to negotiate on the issue.

CHAIR—When you say it was rejected by government, do you mean some sort of a combination of state and federal?

Mr Ulcoq—It was put to the Queensland government, the QDPI, who were managing the program, I guess, because it was in Queensland. They looked at that proposal and wrote a report which rejected that proposal. That was taken further to the consultative committee. The submission or the proposal was not taken further; it was just the fact that it was rejected.

CHAIR—Was that an argument over money? Anyhow, we will come back to that.

Mr Ulcoq—After rejecting the proposal, further areas of infection were found on 2PH, and the cookie cutter program was extended a couple of times. QDPIF eventually agreed to QCG's request to reconsider the pre-emptive destruction proposal, but only after a further round of surveillance in the whole state to show that the disease was still confined to the Emerald pest quarantine area. However, with the surveillance starting to look good in the Emerald area, the DPIF changed course and decided to seek to restore domestic market access in time for the 2005 season. A further factor behind this was the inability of governments to provide effective forms of assistance, so they decided to go for market access as a commercial solution.

The market access issue is another story which needs to be looked at in detail. Three further outbreaks were found whilst the market access PRA was being prepared. With too many doubts, the other states were not prepared to agree, and market access was not agreed to. After the third of these outbreaks they decided to partially move away from the cookie cutter approach and destroy the remainder of the main 2PH Selma Road property. In the following month, May 2005, citrus canker was found on a third property in the district, owned by Maurie and Connie Iddles. With that, the management group made the inevitable decision to totally destroy all remaining citrus in the district.

QCG believes that this decision will now finally eradicate the disease, thus this objective will have been achieved. However, there are many issues which should be looked at in relation to the program over the preceding year, including the operations of the consultative committee, politicising of the program, engagement of industry, the use or misuse of science, inadequate epidemiology underestimating the disease, no plan, the impact on the growers, failure of the program, failure to recognise it was not working, and others.

The program was to minimise the impact on the industry. Failure of the program to eradicate citrus canker decisively and quickly has meant that the threat of spread of the disease has been hanging over the head of the rest of the industry for far too long. Thankfully the recent decision for total destruction should finally eliminate the threat. To ensure the interests of the affected growers are looked after, this has been a very difficult issue. The application of the cookie cutter program under Queensland legislation has meant that the growers have had their trees destroyed without compensation. Other Emerald growers have been locked out of markets indefinitely and have had no citrus income except from exports to non canker-sensitive markets in the previous

season. Getting a better outcome for the Emerald growers is now the main outstanding issue that our association has to deal with.

CHAIR—This is a very sad episode for everyone, including this committee. You mentioned a figure of \$100 million in losses. Do you think there should be some sort of a national self-insurance scheme against these sorts of exotics within the industry? What brings this to mind and the Dad and Dave way it has all worked out is that I have often wondered what would happen if we got an outbreak of foot-and-mouth. Who would foot the bill and how the hell would we ever get the beef industry to recover? This exercise is a learning curve for everyone, and it is easy to be wise after the event. Will the different representative bodies be thinking about whether there should be some sort of free plan on the money side of this? Would this have got to the stage where it is now if there had been prearranged compensation or a prearranged contribution to a scheme that covered compensation? Have we all been at fault by not thinking through what we would do in the event of a catastrophe like the one that is now playing out?

Mr Ulcoq—We need to learn the lesson that there needs to be something in place to deal with affected growers or producers. If there had been something in place before this outbreak, it may well have gone a lot smoother and we may well have eradicated the disease a lot earlier. I think budgets have played a big part in how this has been managed and in the decisions that have been made.

CHAIR—Every time they go out 600 metres, some poor bugger is going to lose a hell of a lot more trees. The now famous or infamous Florida protocol, according to this information we have from Florida, says that at 2,700 feet, which I suppose is more than 600 metres, you have a 99 per cent chance of eradication. Have you or the industry looked at the history and the success or failure of the Florida protocol?

Mr Ulcoq—We are aware of a lot of things that have been happening in Florida. There are certainly differences in Florida to our situation. Florida has huge areas of citrus, and going down the track of taking out an entire area is not an option for them. Their cookie cutter program has not succeeded in eradicating the disease and whether it has been a good control method is up for debate. We still have the opportunity to take out the disease in that area because it is an isolated area of citrus.

Mr Simpson—The Florida protocol is based on 600 metres, which equates to 1,900 feet. Our scientific experts can probably explain it more precisely than I can, but there is the 600-metre area then there is the next 1,900 feet, which is a buffer zone in Florida. That is all the quarantine there is. In our situation we have got the entire Emerald pest quarantine area as the buffer zone, so they are doing the 600-metre circles within that.

Senator O'BRIEN—We had some evidence that in 2003 a quantity of lemons from Evergreen Farms—30 bins—went to Mundubbera to be packed and only 10 bins were packed. It is claimed that the lemon trees had been reported to have canker on them in July 2004 and had canker on them 18 months earlier. Effectively, that is the basis for the rejection. Do the citrus growers know anything about that?

Mr Ulcoq—No, I am not aware of any information there.

Mr Simpson—Wayne Gillies has mentioned that to me in the past in a wide-ranging discussion on issues related to the 2004 outbreak. I was not specifically aware at that moment of the particular timing. You said 2003, which predates the outbreak we have got. No-one knows there was citrus canker in Emerald before that date, and we certainly would not have been on the lookout for it. There has been extensive surveillance throughout the whole of Queensland and in particular thorough surveillance in the Central Burnett, which is Mundubbera and Gayndah, and those areas have been found to be free of canker. That is two rounds of surveillance since July last year.

Senator O'BRIEN—He said the source of the fruit was Evergreen Farms.

Mr Simpson—Yes, and Evergreen fruit was into the Brisbane market and fruit was found in the Brisbane market and in southern markets after the July outbreak as well that apparently had canker lesions on it, and that was confiscated by AQIS.

CHAIR—Was that against the quarantine?

Mr Simpson—No, this was at the time the quarantine was brought down. They traced it—

CHAIR—The days before they were—

Mr Simpson—It was in the middle of the season and there was fruit already on the market when the quarantine order was placed. Apparently there were some lemons in Brisbane and maybe Sydney and Melbourne that were infected as well. But you need to ask AQIS about that.

CHAIR—We must ask about the technical detail of the risk that that presents if someone hoys a lemon that is half off into a backyard that has got a lemon tree. I have got no idea.

Mr Simpson—I think fruit is a risk factor but leaves and plants are a bigger risk factor.

Senator O'BRIEN—Your submission makes a number of very serious claims, mainly about the role AQIS played in the whole matter. Just going through your letter, the first point is that the AQIS investigation did not appear to be carried out with the resolve, force or determination that QCG would have expected. What do you think they should have done?

Mr Simpson—As we have said in our second point there, there were obvious lines of investigation that we could see that they did not appear to follow. We could only scratch our heads and say: 'Why didn't they look into this? Why didn't they look into that?' There were a number of people they did not interview, as we have already seen this afternoon. I just felt that they were not really determined to get to the bottom of it.

Senator O'BRIEN—Has QCG spoken to AQIS with regard to their concerns?

Mr Simpson—Our association only came into existence two years ago, so we were not around at the time that the first outbreak occurred. I was involved in the industry in another capacity, though, and I do know the background. But we have not spoken to them in recent times about it. I am fully aware of what happened back in 2001.

Senator O'BRIEN—The third point of your submission suggests that AQIS's approach to illegal importation is that if they do not find disease it is all right. Is that what you are really saying there?

Mr Simpson—AQIS need to provide more information here, but I believe that is the case. I have referred to a grape incident there and there might be others who are better qualified to speak on that than I am but I use that as an example of what might have happened in the Evergreen situation. This may be why AQIS were testing for diseases but they really were not that interested in finding out what the variety is. It was not so much about finding out whether the plants were illegally imported and then prosecuting someone for doing an illegal act; they were more concerned about whether the plants were infected and whether there was a threat to the rest of the industry. If not, it seemed they did not need to worry too much about it.

CHAIR—So do you think that in that Menindee case the thinking behind the memorandum which was confidential would have been: 'We'll just keep an eye on this place and if there is no outbreak then mum will be the word and they can keep whatever it is. As long as there is no threat to the industry, it is a lesser priority to investigate what they have actually got there as long as there is not diseased'?

Mr Simpson—I have got no idea of the thinking of why they entered into that deed and why they made it confidential. They were successful in the courts when Evergreen challenged the quarantine and I really thought that they should have reimposed the quarantine for a longer period until they had checked things out more thoroughly. It all appeared to happen much too quickly that the deed of arrangement was put in place and everything was made confidential and then no-one would tell us anything after that.

CHAIR—To the best of this committee's knowledge, during the 18-month period—the details are yet to be provided by the department—there were perhaps three inspections. In the final three months there was no inspection. I would have thought any reasonable person would have had a look in the last day or two of the period just to make a final check. It also appears that in that final three months, backdating from the outbreak, which could have been 18 months old, there is a three-month crossover period when it was actually in the period of the memorandum but there was no inspection. So that could be another mistake.

Mr Ulcoq—Yes. That is an issue that we think needs to be looked into. The implications of citrus canker for the industry are, as has been pointed out, horrendous for the growers concerned. If that disease moved out of that area, we would have the same sort of situation affecting the rest of the industry.

CHAIR—What sort of task force are you aware was assigned to these three inspections? Was it a couple of blokes in a car—

Mr Simpson—We had no knowledge of anything that was happening under that confidential deed. We did not know if any inspections at all had taken place under that agreement, because it was confidential. It was made public by the minister only after that 18-month period had expired. When the canker outbreak occurred last year he posted a copy of the deed on the AQIS web site or the department's web site. You said there were three inspections during that period. They are supposed to be every three months, so there should have been six.

CHAIR—We have not had that confirmed, but no doubt we will.

Mr Simpson—We also know that the length of time it took to carry out the surveillance in every other part of Queensland during this program shows just how long it takes to do a property and how many people are needed. I do not know the duration or the number of people who carried out these inspections, but I would not think they would have a chance to do much.

CHAIR—Which is why I have always been windy about the inspection regime for bananas, apples and pears, where it just a human error test. You walk through and look for something and if you do not see it—

Mr Ulcoq—Citrus canker can lie very discrete for a long period of time until it actually gets the right conditions to express itself fully. It would certainly require some fairly good surveillance to be able to detect it in the situation where it was just lying—‘semidormant’ is not the word—in a state where it is not expressing itself because it does not have the conditions to do that.

CHAIR—So it has never been explained to the industry why they lifted the quarantine?

Mr Ulcoq—In 2001? No.

Senator O’BRIEN—And you make the point that, when the outbreak occurred, they refused to reinvestigate. Does that mean you asked them to reinvestigate?

Mr Ulcoq—We had several meetings with Warren Truss, and we did raise the issue of what happened in 2001. We sort of believed that these may well be related incidents, but we were told that that had been investigated and unless there was some new evidence brought forward by somebody, then there would be no—

Senator O’BRIEN—The minister told you that?

Mr Ulcoq—That is correct, yes.

Mr Simpson—We also said that we wanted the 2004 outbreak looked into. I was not at the meeting with the minister that Nick went to, but his response to that—and we wrote as well—was that ‘we looked into the allegations in 2001 and there was not sufficient evidence to prosecute anyone’. But that still did not answer the question in our mind as to what happened in 2004—which, as I said, they just have not looked into.

CHAIR—Would you be more than idly curious that, in arriving at that decision in 2001, there was no apparent formal interview of the key players—which is what appears to have come out today?

Mr Ulcoq—It does not appear that a thorough investigation was carried out if those people were not interviewed.

Mr Simpson—I know Wayne Gillies was interviewed but I did not know a lot of the other people involved on Evergreen. There was certainly a reluctance of people on that property to come forward at that time.

CHAIR—Presently, there is a bit of activity going on in this area and they are having trouble finding people. But I can let the people know that are doing the investigating up there that we have already found them and they will be turning up here in due course. That was just with the use of a telephone. You do not have to try too hard to come up with people and contact points.

Mr Simpson—There were a lot of unanswered questions and the whole issue just faded away until the outbreak of canker last year when everyone thought: why was that not followed through properly at the time?

CHAIR—Anyhow, our job is probably just to try and determine the chronology of events and lay them on the table and hopefully we will come up with some new evidence which may assist the authorities in maybe revisiting the DPP’s decision.

Mr Simpson—One other important thing is that a lot of the old evidence is still locked away and confidential because they never have undertaken any prosecution. The industry still has no information about what happened in 2001. I presume there has been new information picked up during the process in 2004, which has probably gone to AQIS, but is probably still not sufficient for them to reopen investigations formally. We do not have details of that either, though. I have heard a couple of rumours so I believe there is a bit of stuff somewhere.

CHAIR—Certainly, this committee would not want to interfere with, or in any way injure, any future investigation or prosecution but, from where we sit, it was pretty useful to have this inquiry.

Mr Simpson—If there is no prosecution, we certainly want to have an understanding of what took place by having the information at least put out there.

Senator O'BRIEN—I think that is quite a reasonable request. If there is no intention to use the matter in a court of law, then there is no reason it should not be made public. This committee, or the Senate, may well call upon AQIS and the department to produce their files on the matter.

CHAIR—But that is for a later meeting.

Mr Ulcoq—Perhaps I could just reiterate that a big concern of ours is that there does not seem to be any real push to find out what went wrong following the investigation into the 2004 citrus canker outbreak. If it is not related back to 2001, what happened?

CHAIR—It could actually be someone who saw what happened in 2001, when they got away with it, and thought: we will have a go at this too. It could actually be that it is a completely different party.

Mr Ulcoq—It has serious implications for our industry but, as you were saying before: for all agricultural industries, if quarantine can be breached, the impacts are enormous. We wonder why AQIS would not want to follow through and see what happened. What failed? Did anything fail?

CHAIR—As an industry body, you would be pretty alert to the fact that if the reward for being a whistleblower was to have your life, family and finances ruined then there must be a great danger to the industry—not just this industry, but every industry of a primary nature in Australia that faces these sorts of risks—for people to turn a blind eye or, as they say, just burn whatever it is and pretend it did not happen. I think it would be the view of this committee that if there has been some inappropriate behaviour then hopefully this will be discovered and dealt with so that it acts as a deterrent to others when tempted to repeat the business.

Mr Simpson—That is certainly the case. You asked Nick about a system being put in place to pay for outbreaks. There is a new plant health model that is being developed. We are in transition from the old model to the new model at the moment. This program is being handled under the old model. The new one might have still been a problem. The whole philosophy behind the new model is that, if anyone sees anything suspicious on their farm, they should report it to the authorities. There are posters out there in the citrus, banana and other industries encouraging growers to come forward and report suspicious signs of disease on their farms. But, in the Queensland citrus industry, the message is out their loud and clear: if you find a problem on your farm, for God's sake, do not say anything otherwise you will be ruined. This outbreak is totally undermining the message of the new plant health model.

CHAIR—Hopefully it will not come to that. Hopefully we might assist, as might the other inquiry, in regaining confidence in the industry that things will be fairly dealt with. I am not too sure how I would feel if I were in another industry and had a thousand cows or something and some smart alec decided to do something that introduced foot-and-mouth disease and I were part of the collateral damage and supposed to wear it on my own. You might have just bought your farm and owe a million dollars and end up with a life of misery. I think these are questions that need to be answered. Certainly, in the case of the people up there, they would all have commitments and kids, and tucker to put on the table. It seems to me that we have to put a bit of thought into that.

Mr Simpson—That is exactly the scenario. Throughout this inquiry, I am sure you will get information on the handling of the outbreak over the last 12 months. That adds weight to the reasons why growers would be reluctant to come forward in the future.

Senator O'BRIEN—I am interested in the two-page document appended to your letter and your submission. It is something of a chronology of events and also makes some points. You say that citrus material from China has the potential to be infected with a number of diseases, including strains of citrus tristeza virus not present in Australia. Where does that information come from?

Mr Simpson—There was a quote from the court transcript about that range of diseases. They did find strains of citrus tristeza virus not previously known to exist in Australia. You would need to talk to experts on this, but apparently citrus tristeza has numerous strains of the disease. We have got quite a few of them in Australia but not this one. I guess it was a bit of a sign that it may have been an imported disease. I am not sure just how serious it is for our industry, but I know it is a problem in California. It is a disease we live with in Queensland that affects some varieties more than others. It was serious enough for them to want to do further monitoring and investigation but it was probably not meaningful enough to prosecute.

Senator O'BRIEN—Where does the information come from in this chronology?

Mr Simpson—It comes from my personal knowledge, Nick's personal knowledge and copies of the court transcript. I have known about this disease for a long period of time and have talked to heaps of people.

Senator O'BRIEN—So, effectively, it is the evidence that your association has gathered which is the basis for the concerns that you express in your submission.

Mr Simpson—It is our understanding of what has happened during this particular aspect of it—the 2001 part of it. Our covering letter covers the key questions that I believe are unresolved out of the whole issue.

Senator O'BRIEN—There is a passage in the chronology which is tantamount to an allegation that Evergreen used claims against other growers to throw the scent off their track as the introducer of the disease. Is that what you intend to tell us? You can be free here, because you are protected by parliamentary privilege. I just want to know if that is what your association believes.

Mr Simpson—The way I would explain that is: we are aware that AQIS investigated counterclaims against 2PH Farms, and apparently those counterclaims were made by Evergreen. I had no specific knowledge as to whether those counterclaims were true or not. I raised them with the owner of 2PH, John Pressler, to see if he would support the view that I had picked up from others that it appears to be a vexatious counterclaim. The point I am making is that I was surprised that AQIS, and now the minister, seem to give that equal weighting to the original allegations against Evergreen. It seemed to be fairly easy to throw AQIS off the track of their investigation.

Senator O'BRIEN—Is that what you think the claim intended to do?

Mr Simpson—I am not sure. Basically, it might have been—and I can only speculate here, and I do not know whether I should—to say that, 'Everyone does it, so why shouldn't we?' But who knows.

Senator O'BRIEN—You described industry concerns that the 2001 allegations were not investigated as thoroughly as they should have been. How widely have you consulted to bring that view to us? Is that a widely held view in the industry?

Mr Ulcoq—Yes, right from when the AQIS operation happened. All growers have major concerns about importation. They know the risks involved with citrus diseases coming into this country. There was a great deal of concern about the allegations that were made and what was happening, and whether or not it was being dealt with effectively. Partway down the track the confidentiality agreement came into play and there was no further information coming out to industry, to any growers, about what was happening. As Chris said, it seemed to close the whole issue off. Then, in 2004, we had the outbreak of citrus canker—a major exotic disease. We have seen what it has done in the Emerald area; we know what it will do to each and every grower. I am a grower; I know what it would do to my place. We have very serious concerns that investigations are not being done properly and that we may not get the answers to what has happened.

As I said, number one on our list was the way we approached the disease. We needed to have it eradicated as quickly and effectively as possible. Within industry, that has been the view from the outset. It is a threat that hangs over the whole industry. If there are no answers forthcoming about what has happened in the past and why the canker outbreak occurred in 2004, then we do not have any confidence that this disease is not going to end up wiping us all out.

Senator O'BRIEN—In light of that, and in light of your submission which suggests that perhaps AQIS, the department, the government, the Queensland department or whoever is not vigorous enough in pursuing allegations of illegal importation, do you think this committee should consider making recommendations designed to strengthen the law and strengthen the obligations on AQIS with regard to this?

Mr Simpson—I recall speaking to the chief plant protection officer back in 2001—I was in another capacity then—about whether the plants were infected or not and if they were clean and that AQIS probably had a limited ability to take them off them or to prosecute. This has happened in other industries before. He said to me at the time that there are a lot of weaknesses in the Quarantine Act. He said that we could amend it and open it for review and all those sorts of things but there are a lot of strengths in it as well, particularly the powers to enter properties and search. He felt that powers of that strength are ones you would not get in modern legislation and he felt that it would probably be better not to reopen it. I suppose that would have been a fine response if this outbreak had not eventually occurred but, since it did, I guess it shows up the weaknesses.

CHAIR—Just out of curiosity, what was your capacity?

Mr Simpson—I used to work for Queensland Fruit and Vegetable Growers—which is now Growcom—as their citrus manager.

Senator O'BRIEN—If it feels it can, could your organisation—at some stage in this process, sooner or later—give us an additional submission about what you think needs to be done in terms of legislation, regulation or other measures with regard to the enforcement of existing laws? I have not seen anything which suggests you want to change the restriction on importation or the quarantine system as such. I am taking from your submission that you are not satisfied with the way this matter was investigated and prosecuted.

Mr Simpson—The way I look at it is that, in both this investigation and the 2004 one, the people who were managing the programs were basically plant health scientists, not professional investigators. Scientists want to prove everything to a scientific level. If they cannot, they really do not think there is anything to go on. That is my perception. I think that was a shortcoming in the way they went about their investigation because of the sort of discipline the people were involved in. I was going to say something about the varieties and that the bottom line should have been finding out where they came from and the action taken to deal with that.

Senator O'BRIEN—That is why I am saying that you do not need to answer this now. I understand there is some complexity to the question so I am suggesting that at some stage, if your organisation feels it has the capacity, you give us an additional submission and address those particular points, given that you have some very fundamental criticisms and very strong criticisms of the process. Ultimately this committee, I suspect, will want to address the state of the law as well as the state of the bureaucratic involvement, if I could put it that way.

Mr Simpson—We can certainly do that. I would add that we are already preparing a second submission focused on the 2004 situation. It is important but it is not the main issue that we are looking at. The 2004 issue is a very big issue for us as well.

CHAIR—Would it be fair to say that there is a fair bit of animosity among some of the growers up there?

Mr Ulcoq—The growers up where? In Emerald? Animosity towards—

CHAIR—Between one mob and another mob?

Mr Simpson—Only in one particular instance, and that is between Evergreen Farms and 2PH Farms. Other than that I would say no. I think growers throughout the state are very wary and suspicious of Evergreen. There is no animosity within the industry outside that particular focus.

CHAIR—Would there be any risk of industrial sabotage?

Mr Ulcoq—Do you mean transferring that disease to another citrus-growing area deliberately?

CHAIR—Yes.

Mr Ulcoq—I do not know. We communicate regularly with the growers in Emerald, and there is certainly—

CHAIR—I am actually talking about Emerald.

Mr Ulcoq—They are members of our association. I have no reason to believe that any of those growers would contemplate such an act.

CHAIR—I was just curious. I do not think I will progress that. We would like to thank everyone for their attention and their patience today. We will be reconvening on further dates in the future and we will be visiting Emerald, where we will—as we traditionally do in this committee at the end of the session—invite people from the community to make five-minute presentations if they would like to. There are no questions asked, but statements can be made which, if anyone thinks could assist the committee in our deliberations, we would be grateful for. Thank you very much and I bid you good evening. The committee is adjourned.

Committee adjourned at 7.12 pm