Senate Rural and Regional Affairs and Transport References Committee

Questions on Notice – Thursday, 4 July 2013

Inquiry into the review of the citrus industry in Australia

Question Number	Page No's.	Witness	Question asked by	Answered
1	32	Citrus Australia - SA Region	Senator Xenophon	15/07/13
1	39	MFC	Senator Colbeck	Unanswered as at 16/12/2013
1	45-46	DAFF	Chair	17/07/13
2	51	DAFF	Senator Xenophon	17/07/13
3	52	DAFF	Senator Xenophon	17/07/13
4	53	DAFF	Senator Madigan	17/07/13
1	75	Citrus Australia	Senator Sterle	23/07/13

SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013
MILDURA

Questions Taken on Notice – Citrus Australia - South Australia Region

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1. HANSARD, PG 32

Senator XENOPHON: Are there any criteria to spend that money for education, campaigns and generally to advance the industry?

Mr Poulos: Yes, it is for the benefit of the South Australian citrus industry.

CHAIR: So is it growing or is it shrinking? Do the board of trustees book up against it? Are they eating into it?

Mr Poulos: I have no idea, but they are getting back to me with that sort of information.

Senator XENOPHON: Could you let us know what the criteria are for the fund, to your knowledge, as to how the funds can be used for the benefit of the industry locally.

SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013
MILDURA

Questions Taken on Notice – Citrus Australia - South Australia Region

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1. HANSARD, PG 32

Senator XENOPHON: Are there any criteria to spend that money for education, campaigns and generally to advance the industry?

The fund is for the benefit and advancement for and on behalf of all citrus growers within South Australia.

Mr Poulos: Yes, it is for the benefit of the South Australian citrus industry.

CHAIR: So is it growing or is it shrinking? Do the board of trustees book up against it? Are they eating into it?

The fund is not shrinking it is in fact growing with a recent deposit from the previous citrus grower body group Citrus Growers of South Australia (CGSA) recently. The trustees are not eating into it or booking up against it.

Mr Poulos: I have no idea, but they are getting back to me with that sort of information.

Senator XENOPHON: Could you let us know what the criteria are for the fund, to your knowledge, as to how the funds can be used for the benefit of the industry locally.

The following are the objects of the trust fund

A. The advancement and improvement of the citrus industry within South Australia and Australia
B. The establishment of a scholarship to advance and research citrus industry issues to be known as the "Rex Andrew Scholarship"
C. To promote the common interest of all citrus growers within South Australia and Australia.

SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013
MILDURA

Questions Taken on Notice – Mildura Fruit Company

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1. HANSARD, PG 39

Senator COLBECK: Regarding the product going into Hong Kong, where does it end up going?

Mr Hill: My understanding is that about 80 per cent of it would stay in Hong Kong, but importers will make the decision about whether they choose to send it after that. The majority of our fruit will stay in Hong Kong.

Senator COLBECK: I do not think we need to take that any further. Is it possible to give us on notice—it is difficult to do it here—the countries that you send your product to?

Mr Hill: Sure.

Senator COLBECK: It would be interesting to know, and to get a sense of the sorts of volumes that go to each of those countries.

SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013
MILDURA

Questions Taken on Notice – Department of Agriculture, Fisheries and Forestry

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1. HANSARD, PG 45-46

CHAIR: No, we have finished with citrus canker. I am very familiar, as you know, with the lopsided, untidy entry of citrus canker into Australia. We are dealing with HBL now. Where are our nearest events?

Mr Barbour: The nearest events would be our northern neighbours.

CHAIR: Who?

Mr Barbour: I believe in sections in Indonesia. I would have to refer to other information and get back to you with the latest detections if you would like.

CHAIR: But with great respect, the mighty department, DAFF, this is the equivalent of foot-and-mouth disease for the cattle industry which within the first 18 months will have a bill of $8 billion. HBL can wipe out the entire industry if it got the right set of runs. Is it in Papua New Guinea?

Mr Aldred: I am unable to answer that definitively. As Mr Barbour has indicated, we can take on notice to provide that.

CHAIR: But what does that say: that the department does not have a plan or is not tracking where it is? I would have thought that you would have someone dedicated to tracking this. You agree that if this got a head on it wipes the industry. Do we have a contingency plan?

Mr Aldred: Yes, my understanding is that there is a contingency plan. In response to your earlier questions, we have endeavoured to have the right people here for the committee this afternoon. We unfortunately do not have a couple of people here and that means we may need to take a couple of things on notice.

CHAIR: Okay. The committee would like a briefing on what is the contingency plan around HBL. Just by way of interest, none of the people at the table at the present time has got their mind around where it is? If it is outside your brief you do not look across the border into someone else's page?

Mr Aldred: No, but what we would prefer to do is to give you precise answers rather than—

CHAIR: I appreciate that.

Mr Aldred: We will provide you with some information on notice. I have to clarify that we cannot agree to give you a briefing, but we will respond to—

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2. HANSARD, PG 51

Senator XENOPHON: The question goes to this. The evidence to this inquiry is clear that the level of membership of Citrus Australia, of growers, is quite low. That is No. 1. No. 2 is that there is a lot of dissatisfaction amongst the witnesses we have heard, who, I think it is fair to say, would be representative of a significant number of growers. Does that mean the department has an obligation to consult more widely rather than simply relying on what Citrus Australia says?

Mr Koval: On the broader issue around consultation more generally, we always consult more broadly than just one industry association. Whilst we do talk to industry associations and consult with them, we do attempt to consult far more broadly on general issues than with just one organisation.

Senator XENOPHON: Could you on notice give the committee an idea of who you consult with, how often, and the level of consultation?

Mr Koval: Generally, or just in relation to citrus?

Senator XENOPHON: In relation to citrus.

Mr Koval: Certainly.

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3. HANSARD, PG 52

Senator XENOPHON: Can you give details on notice of the level of consultation and whether you consider that it is in line with the government's own cost recovery guidelines? If you could, I would be grateful. DAFF's mission statement on its website is 'to improve the productivity, competitiveness and sustainability of agriculture'. How is discouraging smaller growers from exporting and developing niche markets in any way consistent with that objective of the department?

4. HANSARD, PG 53

Senator MADIGAN: Is it your aim to facilitate foreign interests over Australian interests?

Mr Aldred: No, it is not. I would be happy to provide you with a link to the strategic statement, which includes our—

Senator MADIGAN: I would be delighted to get that. Earlier you mentioned the peak body being Citrus Australia. There have been quite a few questions here today in relation to the peak body and you. On the one hand you said that the peak body represents the growers and industry, but then you said you check with the other bodies' groups. It is a bit confusing. Do you believe that they are the peak body or don't you?

Rural and Regional Affairs and Transport Committee

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013

Mildura

Questions Taken on Notice – Department of Agriculture, Fisheries and Forestry

Question: 1

Division/Agency: Plant
Topic: Huanglongbing
Proof Hansard page: Page 45-46

Senator HEFFERNAN asked:

CHAIR: No, we have finished with citrus canker. I am very familiar, as you know, with the lopsided, untidy entry of citrus canker into Australia. We are dealing with HBL now. Where are our nearest events?
Mr Barbour: The nearest events would be our northern neighbours.
CHAIR: Who?
Mr Barbour: I believe in sections in Indonesia. I would have to refer to other information and get back to you with the latest detections if you would like.
CHAIR: But with great respect, the mighty department, DAFF, this is the equivalent of foot-and-mouth disease for the cattle industry which within the first 18 months will have a bill of $8 billion. HBL can wipe out the entire industry if it got the right set of runs. Is it in Papua New Guinea?
Mr Aldred: I am unable to answer that definitively. As Mr Barbour has indicated, we can take on notice to provide that.
CHAIR: But what does that say: that the department does not have a plan or is not tracking where it is? I would have thought that you would have someone dedicated to tracking this. You agree that if this got a head on it wipes the industry. Do we have a contingency plan?
Mr Aldred: Yes, my understanding is that there is a contingency plan. In response to your earlier questions, we have endeavoured to have the right people here for the committee this afternoon. We unfortunately do not have a couple of people here and that means we may need to take a couple of things on notice.
CHAIR: Okay. The committee would like a briefing on what is the contingency plan around HBL. Just by way of interest, none of the people at the table at the present time has got their mind around where it is? If it is outside your brief you do not look across the border into someone else's page?
Mr Aldred: No, but what we would prefer to do is to give you precise answers rather than—
CHAIR: I appreciate that.
Mr Aldred: We will provide you with some information on notice. I have to clarify that we cannot agree to give you a briefing, but we will respond to—

Rural and Regional Affairs and Transport Committee

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013

Mildura

Questions Taken on Notice – Department of Agriculture, Fisheries and Forestry

Answer:

Huanglongbing has been detected in Indonesia, Malaysia, Timor-Leste, and Papua New Guinea.

A contingency plan specific to Huanglongbing and its vectors was developed by Professor GAC Beattie and Patricia Barkley through a citrus levy project funded by Horticulture Australia Limited with matching funding from the Commonwealth Government. This contingency plan was finalised at a February 2009 workshop convened by the Commonwealth Government. The contingency plan provides information that would assist with implementation of PLANTPLAN, in the event of an incursion of the pathogens that cause Huanglongbing ('*Candidatus* Liberibacter asiaticus', '*Candidatus* Liberibacter africanus', and '*Candidatus* Liberibacter americanus') and their vectors, the Asian citrus psyllid (*Diaphorina citri*) and the African citrus psyllid (*Trioza erytreae*).

The contingency plan captures relevant technical information on the pathogens, vectors, and host plants and supports industry awareness activities, as well as identifying, delimiting and managing any incursion with a goal of eradication.

Rural and Regional Affairs and Transport Committee

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013

Mildura

Questions Taken on Notice – Department of Agriculture, Fisheries and Forestry

Question: 2

Division/Agency: Agricultural Productivity/Biosecurity Plant/Australian Chief Plant Protection Office
Topic: Consultation with the citrus industry
Proof Hansard page: Page 51

Senator XENOPHON asked:

Senator XENOPHON: The question goes to this. The evidence to this inquiry is clear that the level of membership of Citrus Australia, of growers, is quite low. That is No. 1. No. 2 is that there is a lot of dissatisfaction amongst the witnesses we have heard, who, I think it is fair to say, would be representative of a significant number of growers. Does that mean the department has an obligation to consult more widely rather than simply relying on what Citrus Australia says?
Mr Koval: On the broader issue around consultation more generally, we always consult more broadly than just one industry association. Whilst we do talk to industry associations and consult with them, we do attempt to consult far more broadly on general issues than with just one organisation.
Senator XENOPHON: Could you on notice give the committee an idea of who you consult with, how often, and the level of consultation?
Mr Koval: Generally, or just in relation to citrus?
Senator XENOPHON: In relation to citrus.
Mr Koval: Certainly.

Answer:

DAFF consults with Citrus Australia Limited (CAL) as the national citrus industry peak body, as well as other stakeholders, depending on the nature of the issue. The aim of consultation is to ensure that for the particular issue being considered the views of all interested parties are identified and considered, and all relevant information is found. Examples of the consultation process used for a number of citrus related issues are detailed below.

Review of horticulture export efficiency powers
DAFF undertook a review of the horticulture export efficiency powers during 2011 and 2012. The citrus industry was the major user of these powers.

Question: 2 (continued)

DAFF conducted two rounds of consultation (in October 2011 and July 2012) and wrote to 80 stakeholder groups, including CAL, and individuals seeking input to the review. A two-tiered approach was taken, targeting national peak industry bodies of most horticultural commodities, but also approaching state and regional citrus representative and marketing groups and large citrus growing, packing and exporting businesses. In addition, advertisements were placed in regional newspapers in major citrus growing regions seeking input from individual citrus producers. CAL also assisted by communicating information about the review to its members.

Better regulation of agricultural and veterinary chemicals reforms
CAL was included on the better regulation of agricultural and veterinary chemicals reforms stakeholder distribution list to which information, updates and consultation meeting invitations were sent. Any interested party could register on the stakeholder list to receive the information and consultation meeting invitations.

Import risk analysis
When developing import risk analyses, DAFF consults with all interested stakeholders. Any interested party can register on the stakeholder register to receive advice on policies under development and on opportunities to comment on draft reports.

Export development
When developing market access protocols, DAFF seeks feedback from industry participants and exporters through a number of forums, including the peak industry bodies, the Office of Horticulture Market Access and through the Australian Horticultural Exporters' Association. DAFF seeks to incorporate views from as wide a cross section of the affected industry as possible. DAFF does not limit input to that from a peak industry body or members directly associated with that body.

Export certification reform
Please refer to the answer provided on Question on Notice 3, Hansard page 52 from the public hearing, Thursday, 4 July 2013 Mildura for details on consultation associated with export certification reform.

Rural and Regional Affairs and Transport Committee

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013

Mildura

Questions Taken on Notice – Department of Agriculture, Fisheries and Forestry

Question: 3

Division/Agency: Plant Biosecurity Division
Topic: Export certification reform
Proof Hansard page: Page 52

Senator XENOPHON asked: Can you give details on notice of the level of consultation and whether you consider that it is in line with the government's own cost recovery guidelines? If you could, I would be grateful. DAFF's mission statement on its website is 'to improve the productivity, competitiveness and sustainability of agriculture'. How is discouraging smaller growers from exporting and developing niche markets in any way consistent with that objective of the department?

Answer:

Consultation to develop the new fees and charges model, and the associated service delivery model, occurred through the Joint AQIS – Horticulture Industry Ministerial Task Force (MTF). The MTF met 47 times over a period of 33 months and considered a range of issues papers and consultants reports.

Broader consultation took place through MTF members, who further consulted with their industry during this period. A number of industry communiqués were published and circulated to industry, providing the opportunity for broader public comment, regarding the new service delivery model and the associated fees and charges.

The Horticulture Export Program cost recovery impact statement complies with the Australian Government Cost Recovery Guidelines.

Rural and Regional Affairs and Transport Committee

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013

Mildura

Questions Taken on Notice – Department of Agriculture, Fisheries and Forestry

Question: 4

Division/Agency: Agricultural Productivity
Topic: Peak industry body for the citrus industry
Proof Hansard page: Page 53

Senator MADIGAN: Is it your aim to facilitate foreign interests over Australian interests?

Mr Aldred: No, it is not. I would be happy to provide you with a link to the strategic statement, which includes our—

Senator MADIGAN asked: I would be delighted to get that. Earlier you mentioned the peak body being Citrus Australia. There have been quite a few questions here today in relation to the peak body and you. On the one hand you said that the peak body represents the growers and industry, but then you said you check with the other bodies' groups. It is a bit confusing. Do you believe that they are the peak body or don't you?

Answer:

Yes - please refer to the answer provided on written Question on Notice 3.

SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE

Inquiry into the review of the citrus industry in Australia

Public Hearing Thursday, 4 July 2013
MILDURA

Questions Taken on Notice – Citrus Australia

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1. HANSARD, PG 75

Senator STERLE: Ms Damiani, could you table the information that you have put out to the growers that offers all this so that we can make a very clear decision on that evidence?

Ms Damiani: What evidence are you looking for?

Senator STERLE: Notices you may have put out or copies of emails—not to the actual person. You are saying that you have done this and people are saying that you have not. We are taking the view that the growers are bagging the living daylights out of you, but we are not here to hang you.

Ms Damiani: I can table the exact day that the CEO and the chair of the Murray Darling Citrus Board came over to our office and sat down and worked it out. I can also table the day that the two CEOs sat down and tried to work out: 'In the future where do you want the industry to be and let's work from there.'

SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE

Inquiry into the review of the citrus industry in Australia

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Questions Taken on Notice – Citrus Australia

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1. HANSARD, PG 75

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RESPONSE

There have been many meetings between Citrus Australia and MVCB and SCG over the last few years. The most recent being:

Citrus Australia Chair Tania Chapman and CEO Judith Damiani met with MVCB Chair John Tesoriero and CEO Hugh Flett on Tuesday 7 August 2012 at 2pm at the Citrus Australia office. An email from Judith Damiani to Hugh Flett confirming this meeting was sent on 1 August 2012.

Meeting between Citrus Australia CEO and MVCB CEO held 16 October 2012 at 11.30am. Last email confirming venue and time sent by Judith Damiani on 16 October 2012.

Discussions between MVCB Chair and CEO with Citrus Australia CEO took place in February 2013 with an agreed regional/national cost-sharing arrangement for the Sunraysia Pest Free Area project seeking HAL funding confirmed with email from Citrus Australia CEO to MVCB Chair (cc MVCB CEO) sent 13 February 2013.

Citrus Australia Chair Tania Chapman met with SCG Chair Vince DeMaria on Tuesday 16 April 2013 at 2.30pm at the Citrus Australia office.