Government Administration Committee 'B'

Sub Committee Inquiry into Blueberry Rust

Submitted by

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Bilambil Berry Farm

Preamble

We operate a Certified Organic blueberry farm situated twenty kilometres North East of Launceston. The farm was established some forty years ago making it one of the oldest commercial blueberry farms in Tasmania. The property has enjoyed Certified Organic status for over twenty years. Total area planted to blueberries is approximately 1.5 hectares with 2100 producing plants. We turn off about 7000 kg of fruit per year and with the premium enjoyed because of our Certified Organic status we gross an average $35-00 per kg. Ninety nine percent of this fruit is exported to mainland Australia – 60% to Victoria and South Australia, 40% to NSW and Queensland. These sales together with the sale of blueberry plants we propagate for sale to the nursery trade make our farm a very viable economic unit.

1. ***The actions taken by Biosecurity Tasmania to address the 2014 and 2016 outbreaks of blueberry rust.***

   In 2014 immediately after becoming aware of the incursion of blueberry rust into the state Biosecurity Tasmania instigated an eradication program. The shipment of infected plants from Victoria were traced all over the state, located and destroyed. Infected plants were found on over 50 separate properties.
   Two blueberry orchards were identified as being infected and in both cases the orchards were stripped of all blueberry plants with this plant material being destroyed.

   Subsequent to the state being declared blueberry rust free the Premier Will Hodgman stated - <u>"The decision to eradicate was not taken lightly however it was a decision made in the best interests of all involved in the industry and clearly it has worked."</u>

   In 2016 after being advised by Costas that they had identified blueberry rust on their property at Sulphur Creek Biosecurity immediately moved to a containment strategy and established a containment zone around Costas property. It is believed that this decision was made at the request of Costas who claimed that as they represented 75% of the area planted to blueberries in the state and accounted for 80% of the blueberry production in the state they should be able to dictate what the response should be. These claims with regard to Costas size within the blueberry industry in Tasmania have since proved to be false - their size and production percentages being manifestly overstated.

   At a meeting of growers held at Mt Pleasant Laboratories in Launceston in September 2016 Biosecurity Tasmania were questioned as to why an eradication program had not immediately been instigated. Their answer at that time was that the economic cost would be too large. They further advised that they were arranging for consultants to conduct a survey of blueberry growers in the state to gauge the environmental, social and economic cost of the incursion. All growers present at that meeting were asked to provide their contact details to facilitate the survey and Biosecurity Tasmania staff told those present that respondents to the survey would be provided with the results.

Not all growers who left their contact details were in fact approached to complete the survey. As organic growers we would have welcomed the opportunity to contribute but were not given the chance. We do not know what criteria the company charged with doing the survey used to select the participants.

Despite requests from growers the results of this survey have never been released. They are now subject to a Right to Information Request lodged by ourselves.

In March 2017 two more properties were identified as being infected with blueberry rust. Both properties are within the exclusion zone established by Biosecurity Tasmania. News that two more properties had been identified by Biosecurity Tasmania with blueberry rust was not released to the public until late May 2017. With the movement of sales representatives and other people throughout the network of blueberry farms in the state withholding this information could have had disastrous consequences for the biosecurity of other property holders. No explanation has ever been given by Biosecurity as to why this information was withheld from the industry for this period of time.

In May 2017 Biosecurity Tasmania published on their web site information regarding the spread of blueberry rust to the two smaller nearby properties. They also stated that "As the disease is now considered established in Tasmania, blueberry rust will be de-regulated as a disease exotic to Tasmania in coming months. The industry will be informed of any changed conditions of trade." After serious concerns were raised by numerous growers this advice was removed from Biosecurity Tasmania's web site within twenty four hours of first being posted. Biosecurity Tasmania has since claimed that this was in fact never their position and that it should never have been placed on their web site.

In a briefing note from Dr Lloyd Klumpp (GM Biosecurity Tasmania) to Josie Doering (Executive Officer, Office of the Secretary, DPIPWE) dated 27/10/2016 Dr Klumpp states "The blueberry rust response has transitioned to containment for control as a step in regaining market access into unaffected jurisdictions." This would indicate that even "containment" was only instigated so as to re-establish market access.

He further states in the same note that "Discussions were also held (with Costas) as to what constitutes farm hygiene on site to delay the spread of the disease outside of the infected premise." This would indicate that even at this early stage Biosecurity Tasmania acknowledged that "containment" would only ever be a stop-gap measure and that it was inevitable that blueberry rust would spread outside the containment zone and become endemic in the state.

It should be noted that as late as August 2017 blueberry rust is not listed on Biosecurity Tasmania's web site under the section "Current Biosecurity Threats."

Since late May 2017 Biosecurity Tasmania has changed its reasons for not initiating an eradication program from being "too expensive economically" to being "scientifically not possible". They have attempted to get support for this position from a number of different organisations. After being asked to by Biosecurity Tasmania the Tasmanian Institute of Agriculture produced a document dated 27th July 2107 "Blueberry rust – scientific advice". It should be noted that Biosecurity Tasmania did not seek this advice when the initial decision to "contain" was made – it was only sought when they thought they needed support for the position they had adopted. To the best of our knowledge the Institute has never made an inquiry into the most recent blueberry rust incursion into the state and yet in their document they make some very broad claims that extend far beyond the scientific realm. One such claim is "After reviewing the best available science and consulting with subject experts, the Tasmanian Institute of Agriculture believes that containment is the most effective strategy to manage blueberry rust in Tasmania." They state this without any information on the economic impact the industry might experience if blueberry rust became endemic in the state. Further they state "Based on the best available science, we believe attempted eradication of blueberry rust would be a high-cost and unsustainable approach to the industry's long-term viability in Tasmania." They provide no economic modelling to sustain this (unscientific) position. Did they ascertain what it might cost Costas to undertake an eradication program? Were they privy to how much it might cost Biosecurity Tasmania to oversee an eradication program? How did they calculate the economic impact on all of the other blueberry growers in the state should blueberry rust become endemic?

They go on to state that "Given the prevalence of the disease globally and its ability to spread across large distances, it is possible the disease would reoccur in Tasmania within five years after an attempted eradication.

A re-appearance of the disease from existing undetected infections on plants in the state is also feasible." They offer no explanation as to why, if this disease is so prevalent and can spread so easily, both Victoria and South Australia are and continue to be blueberry rust free.

They also claim in their document that "They produce a spore type (urendiniospores) that is relatively resistant to damage by UV light and which can survive and travel more than 1000 km by air." This is false - even Biosecurity Tasmania's own Dr Jess Tyson admits that blueberry rust spores only travel several hundred metres.

The rest of this document also contains other spurious and unsupported claims. It is believed that this document was prepared at the request and direction of Biosecurity Tasmania with the sole aim of providing support for the decision taken by Biosecurity Tasmania made in August 2016 to "contain" as opposed to "eradicate". What "science" is in the document is questionable at best and some is just plain wrong. We do not consider that the document reflects well on the organisation and can understand why the author's name does not appear on it.

2. ***Past and present regulatory requirements relating to the blueberry industry in Tasmania.***

To the best of our knowledge from the time of the 2014 incursion to the time of the 2016 incursion there were no changes to legislation relating to this aspect of the blueberry industry. Further, to the best of our knowledge there were no changes to any regulations relating to the blueberry industry during this period.
The only difference between the two incursions has been the response by Biosecurity Tasmania. It is our belief that this difference in response can only be put down to the undue influence Costas has over Biosecurity Tasmania and the responsible minister.

We believe that the relative legislation should be changed to stipulate that the default response to biosecurity breaches of this nature is an eradication program and that only in extreme cases or in cases where it is physically impossible to eradicate is a containment strategy adopted.
It is noted that the current legislation clearly gives the minister responsible the power to direct the Secretary of the Department to initiate an eradication program (Control Program – section 46).
The act is unclear with regard to the payment of compensation. It is mentioned that compensation may be paid if a Control Program is initiated but gives no guidance as to who should pay the compensation or how the amount should be determined. We believe that the legislation should be amended to clarify these matters.

3. ***The future of Tasmania's blueberry industry, including the impacts of previous, current and any future outbreaks of blueberry rust.***

When trying to envisage the future of the blueberry industry in Tasmania we believe that the costs of the options available to respond to blueberry rust in the state have to be established. We do not think that this has been done in any comprehensive fashion. Whilst we feel that the scope of this project is beyond out capabilities we offer the following as a starting point.

Costs of Containment – all ongoing (until the disease becomes endemic!)
* Cost to Costas of an ongoing spray regime.
* Cost to Government of surveillance of infected properties.
* Cost to Government of property inspections (three times per season) of all growers wishing to export to Victoria and South Australia. This could be up to eighty properties.
* Cost to uninfected growers of additional red-tape.
* Loss of confidence in the industry by existing uninfected growers resulting in cancellation of expansion plans and resultant reduction in capital expenditure.

Costs if Blueberry Rust becomes endemic – some ongoing.
* Cost to all growers exporting to Victoria and South Australia of a spraying regime.
* Immediate capital costs of gearing up to enable spraying – estimated to be $35,000 for small enterprises.
* Loss of a large part of the Certified Organic industry and the premium that it receives.
* Loss of production from "old" orchards where it is impossible to spray due to the configuration where growers would have to pull orchards and replant or exit the industry.
* Additional red-tape for all growers exporting to Victoria and South Australia.
* Possible loss of international export markets both present and future.

Costs of Eradication.
* Cost to Government (Biosecurity Tasmania) of undertaking the removal and destruction of a large amount of infected plant material.
* Cost to Costas of assisting in the program.
* Cost to Costas of lost production.

We feel that this latest incursion and the way it has been handled by Biosecurity Tasmania has sharpened everyone's focus with regard to the threat that the industry faces. If blueberry rust were eradicated from the state, which we believe is not only possible but imperative, we are of the opinion that the industry is now vigilant enough that it could remain blueberry rust free for the foreseeable future - similar to Victoria and South Australia.

4. ***The capacity of Biosecurity Tasmania to manage blueberry rust outbreaks and other risks into the future.***

We believe that the actions taken by Biosecurity Tasmania relating to the most recent blueberry rust incursion have caused concern not only for the blueberry industry in Tasmania but also in the primary production community in general. Until late 2016 most blueberry growers had confidence that in the event of an incursion such as we now face Biosecurity Tasmania would take all steps possible to eradicate the risk and restore our state to a blueberry rust free area. Because of their actions to date this confidence has now been destroyed.

We are aware that other sectors of primary industry in Tasmania now have heightened concerns regarding what actions Biosecurity Tasmania might take should their areas be faced with similar threats. Confidence that current disease free status will, if possible, be maintained in each sector has been brought into question. Confidence has now evaporated. Until recently it was thought that Biosecurity Tasmania would always take whatever steps were necessary to protect the clean green image that Tasmania so proudly enjoys. This is now not the case.

It would appear that Biosecurity Tasmania's response to any threats is now dependant on what the large corporate operators want. When Pacific Oyster Mortality Syndrome (POMS) was detected Biosecurity Tasmania imposed restrictions on the industry, introduced a movement permit system for oysters and equipment all in an effort to confine the outbreak. In this case there was no one large corporate player dictating to Biosecurity Tasmania what actions they should take. It appears that with the steps taken Tasmania might be able to eradicate this disease. This was not the case in the blueberry industry.

It begs the question what might Biosecurity Tasmania's response be if green snail were detected in a strawberry enterprise in Tasmania. This high risk pest has already been detected on fruit imported from Western Australia. If the snails were detected in a large commercial producer in the state would the response be different to that if they were detected in a strawberry patch dedicated to growing for the farm gate market? Would Biosecurity Tasmania bow to any demands from the large commercial producer? Would it just be decreed that green snail were now in the state and that producers just had to accept the fact? We believe that at present there is no certainty.

It appears to us that the decision by Biosecurity Tasmania not to adopt an eradication program was initially based on unverified and spurious claims by Costas. If it turns out that this was the case and blueberry rust does become endemic in the state thus seriously affecting our business and all other organic blueberry businesses, there always remains the possibility that a class action could be brought to secure appropriate financial compensation.

5. ***Any other matters incidental thereto.***

As stated at the beginning of this submission our blueberry orchard was established over forty years ago. The way the orchard was set out means it is physically impossible to get spray equipment into the area. If we had to adopt a spraying regime we would have to remove every second row together with a number of plants at the end of each remaining row just to be able to get access. This measure would reduce our production by approximately sixty percent.

Further, if we had to adopt a spray regime we would immediately lose our certified organic status. We would no longer get a premium for our fruit thus reducing our income even further. With reduced production, increased costs and reduced prices for our product we believe our enterprise would no longer be an economically viable unit. It is estimated that our gross income would be reduced by 75%.

It should be noted that almost all of the people we employ on our farm are locals. Last season this amounted to ten pickers and four staff grading and packing fruit. We did employ two European backpackers for the last two weeks of the harvest. Casual workers employed during the year are all locals.

Environmentally having to adopt a spraying regime would also have serious consequences. Our orchard, which has not had any chemicals applied in well over twenty years, is home to a thriving population of Tasmanian Burrowing Crayfish – these being identified by Professor Nigel Forteath –and an extensive population of frogs. Being enclosed by netting, thereby excluding predators, our orchard is a haven for these species. Both species are highly sensitive to any chemical applications and we think that if we introduced a spraying regime these creatures would disappear. Tasmanian Parks and Wildlife Service has the burrowing crayfish (engaeus orramakunna) listed as "vulnerable".

A lot of the information we have been able to access that Biosecurity Tasmania has claimed to rely on when making their decision to contain this incursion indicates that Costas have provided the estimated costs. In our opinion most of these costs are wildly exaggerated. For example it is stated that the estimated cost of removal and destruction of each plant would be $200! If that is the case we would very much like the contract! We also believe that the employment numbers claimed by Costas are vastly overstated. Most of Costas seasonal workers are employed under the Seasonal Worker Program. The majority of these wages are repatriated to the worker's home countries and provides little benefit to the Tasmanian economy. Further, most of Costas administrative staff are located at their mainland operations and thus add nothing to the state economy. Management and executive are almost exclusively based on the mainland. Most of their farm inputs are supplied directly to their Tasmanian operations from their mainland sources. This is just the opposite to the remainder of the blueberry industry in Tasmania. It is acknowledged that most growers source all of their inputs – chemicals, mulch, netting, packaging materials, fuel etc. – from local suppliers. All management is local, the percentage of locals employed is far higher – all factors that add to the local economy.

It is also noted that Costas, an international company with a turnover of over one billion dollars and reporting a profit of over fifty million dollars, was the beneficiary of government financial support totalling 1.2 million dollars to assist with the expansion of their East Devonport distribution centre. Why they were deserving of this support has never been explained to the rest of the Tasmanian blueberry industry participants.

It is also worthy of note that during this whole episode Costas have been conspicuously silent. In reality it was Costas lax biosecurity protocols that allowed the infection to occur in the first place. A truly responsible corporate citizen would have been more proactive in trying to either control or eradicate the incursion.

Initially blueberry rust was identified on evergreen blueberry plants at Costas Sulphur Creek property. The variety is “Legacy” which are considered to be a greater risk in relation to rust. Costas, with their experience in controlling rust on their properties in NSW, would have known this before selecting them for their Tasmanian operations. When blueberry rust first appeared in NSW the predominant variety grown in that state (and on most of Costas properties) was “Sharpie Blue”. Due to the difficulty of controlling rust in this variety Costas took the decision to pull these plants and replace them with varieties that are less susceptible to blueberry rust. The commercial decision to plant a rust susceptible variety in Tasmania could only have been taken with an eye on the state’s rust free status. Considering their cavalier attitude to biosecurity this was not a wise decision. This also debunks their claim that controlling blueberry rust is easy and inexpensive.

In conclusion.

This matter has caused us a great deal of stress and anxiety. For well over twelve months now we have been is a state of limbo with regard to what the future might hold. It has cost us in both time and money – organising and attending meetings, researching facts and figures, liaising with other growers, preparing an extensive biosecurity plan for our farm – the list goes on. At the moment we feel that our future is very uncertain and we believe the government has done nothing to assist our cause.

We would like to place on record our appreciation for the most efficient and professional conduct the front line staff from Biosecurity Tasmania have displayed in their interactions with us since the first blueberry rust incursion in the state in 2014. At all times they have been highly respectful of our certified organic status and have taken all steps necessary to ensure nothing they did would affect our operation. Understandably we are concerned whenever any strangers come onto our property. This concern is heightened if we know that these people may have come into contact with blueberry rust or have visited properties that may have blueberry rust. Biosecurity Tasmania staff have always taken every step possible to alleviate our fears. The fact we are still blueberry rust free at the moment attests in part to the efficiency of their protocols.

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