

Vegetable and Potato EPPR Levies – Frequently Asked Questions

Why does AUSVEG recommend growers support an increase in the EPPR levies?

In February 2017 tomato potato psyllid (TPP, the psyllid) was detected in commercial and backyard crops across the Perth metro area. Our industry has never had to deal with this pest before, although it is found around the world in places such as the U.S.A., Central America, New Zealand and Norfolk Island.

Eradication activities were undertaken in late March of that year. As the potato and vegetable industry's representative for the Emergency Plant Pest Response Deed (the Deed), AUSVEG endorsed these eradication activities and agreed to attempt to raise the vegetable and potato Emergency Plant Pest Response (EPPR) levies to contribute to the response.

The Deed is a legally-binding contract between Plant Health Australia, the Federal Government, all states and territories, and national plant industry bodies, including AUSVEG. The Deed covers the management and funding of the response to an emergency plant pest. AUSVEG is a signatory to ensure adequate representation of our potato and vegetable growers with regard to exotic plant pest incursions.

Being a signatory to the Deed is the most effective mechanism we have to secure meaningful contributions from federal and state governments for pest incursion responses, maximising the resources available to successfully manage exotic plant pests.

Based on the extent of spread, in late April 2017 it was decided that the psyllid cannot be eradicated from WA. Following this decision, a 12 month industry/government cost-shared Transition to Management (T2M) program was endorsed. The program will conclude in May 2018.

The EPPR levies provide a mechanism for the vegetable and potato industries to fund preparedness and eradication activities to reduce the threat of exotic plant pests. If successfully increased, funds accrued by the EPPR levies will contribute to paying costs relating to TPP eradication activities, and a 12 month Transition to Management program.

What is the process for increasing an EPPR Levy?

To increase an EPPR levy, an industry body needs to undertake the following:

1. Consult with the Department of Agriculture and Water Resources to determine whether the benefit of a levy is greater than the cost to industry and calculate a levy rate to raise sufficient funds
2. Undertake public notification that a levy is to be amended
3. Write to the Minister for Agriculture and Water Resources requesting the levy rate be increased
4. Hold an objection period for a minimum of 30 days and publicise the methods for lodging an objection. At the end of this period, the industry body needs to respond to the Department to notify it of any objections received and how they were responded

The Department makes the final determination as to whether the EPPR Levy should be increased.

What is a T2M Plan? What are its purpose/objectives?

The Transition to Management (T2M) plan is a response plan developed in consultation with affected industry parties to support activities in the areas of surveillance, market access activities, research and enterprise management planning.

The plan focusses on the following major activities:

- targeted surveillance for TPP/CLso complex during Spring 2017 and Autumn 2018
- scientific research to improve understanding of TPP, its biology and options for control
- management of TPP through the development of national and enterprise management plans
- market access and trade

The outcomes for the T2M plan are:

- to monitor and determine the presence of TPP and CLso in Western Australia and across Australia,
- to ensure industry has the latest research to understand TPP, its biology and control options for when the industry is responsible for management of TPP
- to develop national and enterprise management plans so that farms can effectively manage TPP on-farm, and
- facilitate in market access and trade discussions so that impacts on trade and market access are minimised.

What is CLso?

Candidatus Liberibacter solanacearum (CLso) is a bacterium associated with 'zebra chip' disease in potatoes, which results in significantly reduced crop yield and crop health, stem death, yellowing of leaf tissue, and misshapen tubers. Globally, it is one of the major diseases of potatoes.

Internationally, TPP has been associated with the spread of zebra chip in potatoes. To date, CLso has not been detected in Australia. Surveillance will be conducted to confirm its absence.

Symptoms of the CLso bacterium on potatoes, tomatoes, capsicum and chilli may look similar to other plant conditions, so growers are urged to be vigilant for the following symptoms:

- In tomatoes, plants may become stunted or abnormally elongated. Leaf curling and yellowing occurs on the foliage. The fruit develops unevenly. Tomatoes may be misshapen or no fruit is produced, or there is an over-production of small, non-commercial grade fruit. Symptoms vary in severity between cultivars.
- In capsicums and chillies, parts of the plant may die back. In foliage, leaves become misshapen, pale green or yellow with spiky tips and leaf stalks appear stunted. Flowers may drop prematurely. Symptoms vary in severity between cultivars.
- Symptoms of zebra chip in potatoes include the plant having shortened internodes and aerial tubers may develop in the leaf nodes. Potato tops are likely to be smaller than normal. The foliage turns yellow and may have a burnt or purplish appearance.
- Stems may die completely but regrowth from the base may occur. Tubers from affected plants may have small stalked tubers protruding from the main tuber, called 'chaining', and when cut may show internal browning of the vascular ring or brownish streaks along the medullary rays.

Neither the psyllid nor the bacterium pose a risk to human health.

How was the T2M Program developed?

In late 2017 national agreement was reached on a management plan for TPP by federal and state governments, and the horticulture industry. Agreement on details of the plan followed extensive effort by governments and industry representative bodies to develop the scope, aims and details of the plan, which will conclude in May 2018. Transitioning to management follows national agreement TPP cannot be eradicated and efforts should focus on management.

As this plan has been developed under the Emergency Plant Pest Response Deed, activities will be cost shared between governments and affected industries at 80:20 respectively.

Other states will also implement surveillance for the pest.

For more information about the plan please contact the National TPP Coordinator, Alan Nankivell on +61 428 260 430 or alan.nankivell@ausveg.com.au.

How will the levy benefit me?

The Transition to Management (T2M) Plan will improve the capacity of the horticulture sector to manage TPP, and build confidence around the status of the bacterium *Candidatus Liberibacter solanacearum* (CLso) associated with TPP. There have been no detections of CLso in Western Australia to date.

While the T2M plan activities will be undertaken in Western Australia, it is important that vegetable and potato growers across Australia recognise the opportunity provided by undertaking T2M activities before the psyllid is spread to other states and territories. The T2M plan will increase our preparedness for managing TPP in currently unaffected production areas, and minimise the risk of trade impacts should the pest spread.

If the vegetable and potato industries were not party to the EPPR Deed, there would be no mechanism for the Government to contribute to the T2M Plan. The EPPR levies are the most important means the industry has to co-ordinate resources and responses to effectively deal with these threats.

What commodities are included in the vegetable and potato levy system?

The commodities that are incorporated into the vegetable and potato EPPR levies are consistent with the current structure of the R&D levies. These are:

- Vegetable
 - The vegetable levy and charge applies to growers of all vegetables, with the exception of:
 - Asparagus
 - Garlic
 - Hard onions
 - Herbs (other than fresh culinary shallots and parsley)

- Melons
 - Mushrooms
 - Potatoes
 - Seed sprouts
 - Sweetpotatoes, or
 - Tomatoes.
- Potato
 - The potato levy applies to all potatoes grown, including for seed and processing.

More information on the levy system can be found via the [Department of Agriculture and Water Resources website](#).

What is the proposed rate of increase to the vegetable and potato EPPR levies?

- Vegetable EPPR levy – 0% to a positive rate of 0.01% of the value at the point of sale.
- Potato EPPR levy – 0 cents per tonne to a positive rate of 10 cents per tonne at the point of sale.

These rates have been calculated to ensure both industries can pay accrue the required funds in a timely manner. When added to collection of the R&D and PHA levies, this would increase current levy collection from:

- **vegetable** growers from 0.5 per cent to 0.51 per cent of the value at the point of sale, and
- **potato** growers from 50 cents per tonne to 60 cents per tonne at the point of sale.

How much will this cost?

The total payback for the vegetable and potato industries is \$989,910.00.

For the vegetable and potato industries contributions:

- The vegetable industry will pay 53.5 per cent, equal to around \$530,000 (approx. \$187,000 per year for around 3 years); and
- The potato industry will pay 46.5 per cent, equal to around \$460,000 (approx. \$130,000 per year for around 3.5 years).

How much will this cost me per year?

Estimated costs for small, medium and large **vegetable** farms

- Small farm (\$100,000 in cash receipts) = \$10.00 per year contribution
- Medium farm (\$450,000 in cash receipts) = \$45.00 per year contribution
- Large farm (\$3,000,000 in cash receipts) = \$300.00 per year contribution

Estimated costs for small, medium and large **potato** farms

- Small farm (50 tonnes of potato production) = \$5.00 per year contribution
- Medium farm (500 tonnes of potato production) = \$50.00 per year contribution
- Large farm (5,000 tonnes of potato production) = \$500.00 per year contribution

For more information on the calculations, please [click here](#).

Who else is contributing to the T2M program?

Eradication activities have been cost-shared at a ratio of 80:20 respectively between governments (the Federal government and all state governments) and affected industries that are signed to the Deed (Nurseries & Gardens, Processed Tomatoes, Vegetables, Potatoes).

That means:

- the Federal government and all state governments are contributing 80 per cent of the total cost; and
- affected industries (including vegetable and potato) are contributing 20 per cent of the total cost.

How long will this proposed levy increase last?

It will take about 3 years for the levy to collect sufficient funds to meet each industry's commitment. After costs are repaid to the Federal Government, the levies will be reduced to zero.

How can I submit my view on this proposed increase?

Growers who wish to comment on the increase to the EPPR levies can do so by contacting AUSVEG or the Department of Agriculture and Water Resources using the contact details during the objection period (29 January 2018 to 14 March 2018).

AUSVEG

info@ausveg.com.au

Phone: (03) 9882 0277

Department of Agriculture and Water Resources – Levies

levies.management@agriculture.gov.au

Phone: (02) 6272 2057

Objections can also be made by filling out our online survey form. To access this form, please [click here](#).

What happens after the objection period?

All objections will be reviewed by the Department of Agriculture and Water Resources after the objection period has closed. The department will assess any arguments objecting to the levy and will make the final determination regarding any increases to the EPPR levies.

Industry will be notified of the result.

Where can I find more information?

More information on the current situation and the EPPR levies can be found on the AUSVEG website at www.ausveg.com.au/tpp-response.