



HOUSE OF ASSEMBLY

SELECT COMMITTEE ON SUSTAINABLE FARMING PRACTICES

King William Room, Parliament House, Adelaide

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MEMBERS:

Mr T. Piccolo MP (Chairman)
Dr S.E. Close MP
Mr S.P. Griffiths MP
Mr I.H. Venning MP
Mrs L.A. Vlahos MP

WITNESS:

ROBBIE DAVIS, Chief Executive Officer, Potatoes South Australia, Elder House, Level 2,
27 Currie Street, Adelaide 5000, called and examined:

525 The CHAIRMAN: For the committee members' benefit, Ms Davis wrote to me on behalf of Potatoes SA Inc. and their issues around biosecurity. That is not an issue which has actually come up so far, so I thought it might be an introduction. It is something that we are going to have to deal with in part of the report, as it is an important issue. In the meantime, as a result of that submission, I have also contacted the university and there is a professor at the university who specialises in these issues. I am now trying to engage him to see if he will come and talk to us as well on a much broader issue, not just potatoes, but the whole issue of biosecurity from a science point of view, because we need to make sure that we separate the science from perhaps some anti-competitive type behaviour, tariff behaviours or those sorts of protection behaviours; we need to get the science to it. There may be some legitimate issues to be addressed. I notice it was covered in the *Stock Journal* last week.

Ms DAVIS: Yes.

526 The CHAIRMAN: I saw that, so I thought given that we had a spot today it might be a good time to invite Robbie in. Thank you for your attendance before the committee today. A transcript of the evidence you give to the committee will be taken by Hansard and made available to you for correction before publication. I advise you that the committee has passed a motion to enable the disclosure of evidence prior to reporting to the House of Assembly. This means that your evidence will be publicly available once you have had an opportunity to check the accuracy of the record. If at any stage you wish to provide evidence in confidence, please advise the committee and we will consider your request.

The committee will allow media representatives to be present during the taking of evidence to record the meeting and take photos. If at any time you feel uncomfortable or object to the media's presence, please advise the committee. (We don't have any media today.) The proceedings of this committee are protected by parliamentary privilege. Anything said by witnesses at this meeting is protected against prosecution. However, please be aware that if you repeat your evidence outside this meeting you may not be protected. I now invite you to introduce yourself and make a presentation to the committee before the members may ask you some questions.

Ms DAVIS: Thank you very much. First of all, good morning everyone. It is a pleasure to be here. Thank you for inviting me. It is a privilege to be able to speak to you about this very concerning matter for this enormous industry. This is not just at a state level; we do need to consider it at a national level. I don't know how much you know about this disease or how it is transferred.

527 The CHAIRMAN: Assume we know nothing.

Ms DAVIS: Nothing?

528 The CHAIRMAN: Assume nothing. That's the safest thing to do.

Ms DAVIS: I'll start from the very beginning then.

529 Dr CLOSE: And how big the industry is itself. Give us the whole background.

Ms DAVIS: Certainly. What I'm doing is giving you a background about the industry, national, state and global, then a story about Potatoes South Australia, which is the new

organisation, and what we are trying to do, and then a story about the bacterium and the psyllid which transfers it and the whole importation from New Zealand, so that you then understand why this is so serious.

In South Australia we really pride ourselves on premium product. We know we can't compete on price for many things, and potato is certainly one of them, so quality is really important. I attended the Premier's launch at premium food and wine last week, the clean environment priority, and this certainly supports this.

I am the new CEO of Potatoes South Australia. I have been in the role for six weeks and three days. I am actually a primary producer from Lake Albert and I have been an agribusiness consultant for the last 10 years, after a short stint in government in trade and investment, and before that I lived in South East Asia. So, I don't come from a horticultural background, but I come from a strong agricultural background.

I would like to tell you about the organisation, because obviously that is the best way to start. Potatoes South Australia was incorporated last year, but really started running this year. It is a peak industry organisation and why it is unique is that it follows the whole value chain. So, we are talking from seed growers right through to the consumer, and this is a first for this country. We also represent the largest horticultural sector in the state and nationally.

530 Mr GRIFFITHS: By dollar or by volume or—

Ms DAVIS: By value. We are supported by a board of seven and the board of seven covers all areas, so geographically in South Australia and the three main sectors, which are: seed, processing and fresh. The board members are Nick Psevdos, South Australian Potato Company, Gary O'Neill, Mitolo Group, Basil Mondello, Mondello Farms, Andrew Widdison from the South-East Potato Growers Association (that is the processing side), James Wandel from KI, who is a seed grower, Mark Pye of Zerella Holdings and Richard Haynes of Elders.

This organisation has four main objectives. It is going to have a very strong consumer and promotional focus because we need to increase demand. It will manage issues on behalf of the industry, like this. It is going to identify R&D which is relevant to the industry and make sure it gets back to industry. We will also represent all stakeholders in the value chain, so it is not just about potato growers, it is about transport companies, it is about cool chain companies, it is about exporters, it is about marketers.

I will put the industry into some kind of perspective for you, again so that you will understand just how devastating the entrance of potatoes could be from New Zealand. Globally, potatoes are the fourth largest crop. They say that by 2050 our population will have increased by two billion. I think that probably potatoes can fill that food security gap. We also know that China is going to increase its food production by 50 per cent and will increase its population and will have enormous export opportunity for Australia.

In Australia potatoes represent 20 per cent of all vegetable production. It is in the top two commodity groups sold in value and volume, as in highest. Fifty-five per cent of all households purchase potatoes every week. We are just behind the carrot. Annual production is over 600 million, so I like to think of that as greater than half a billion.

531 Mr GRIFFITHS: In tonnes?

Ms DAVIS: Dollars—annual production. Processing potatoes account for 56 per cent, and remember these potatoes coming in from New Zealand are for processing. Fresh potatoes represent 36 per cent and seed production, as you would anticipate, is much less at 8 per cent. Now we will go to South Australia. Potatoes represent the largest horticultural contribution to gross food revenue, greater than 440 million. We are the nation's largest producer, with a farm gate production worth 206 million. We produce 485,000 tonnes, and if you compare that with Western Australia, who say they are big producers, they produce 60,000 tonnes. So, we are eight times ahead of them.

One hundred thousand of that 485,000 are processed. South Australia produces 80 per cent of Australia's fresh washed market. This is why this is so critical for South Australia—80 per cent, a very large number. We employ more than 2,000 people and we have approximately 70,000 hectares under cultivation. There are about 35 growers of which 10 are major, and by major

I mean they are integrated with packing sheds and they are selling to the Eastern States. Exports remain very low at 2 per cent.

Our main potato growing regions for fresh are the Riverland, the Mallee and the Adelaide Plains at Virginia; processing is on the Limestone Coast. McCain's Safries have a processing plant at Penola and in the southern Murraylands; seed is grown on KI—a pristine environment, you can't beat that; it should be premium—in the Mallee and the South-East. We supply about 40 per cent of the nation's certified seed, so put that in the equation, too—certified seed, huge quality, zebra chip. The main issues for this industry, and this is not just in South Australia, are that the demand for potatoes is decreasing, certainly in the fresh market. People are eating less. The figure sits at 63 kilos a year, which sounds enormous per capita but that is declining.

532 Mr VENNING: Is that because of health scares by health junkies?

Ms DAVIS: Ivan, yes, absolutely. We are going to promote the potato as the healthy option. If you ask anyone who is trying to lose weight, they will say they don't eat potatoes any more. It is the things you put on the potato that cause the dilemma, but it has more vitamin C than an orange, which I find extraordinary. It has huge amounts of potassium, huge amounts of vitamin A, and now they are saying that eating potatoes can lower blood pressure. This is information that is out there.

533 Mr GRIFFITHS: I love spuds, so I am happy to hear it.

Ms DAVIS: Just put that salt on as well at the same time! I think one of the things we will do down the line is focus on this health angle but get backing by CSIRO and key scientists because there is a lot out there at the moment on low GI. They are low GI but all potatoes are low GI, so we need to extend that. The other thing, Ivan, is that potatoes have been usurped by pasta and rice over the last 20 years. That is the yuppie food that everyone wants to eat. I think there is a trend back.

534 The CHAIRMAN: Careful. There are working-class Italians here who eat pasta, too.

Ms DAVIS: I am looking at you, Tony. I think that is a trend that will probably be reversed. We all love pasta and rice but the vitamins and minerals in pasta and rice are much less than the potato. The other thing we are trying to do is improve competitiveness. Business is really hard here. We are not competitive with New Zealand on cost. They are probably producing 40 per cent cheaper—and that is a very high figure, that would be the top end—but they have cheaper water, power, labour and input costs at the farm gate. They probably have better soils, so that is another reason why their fertiliser inputs are less. The other thing we want to do, and it is relevant to this meeting, is improve sustainability.

Against all of that, you will probably understand that this potential relaxation of the suspension of trade with New Zealand will have a devastating effect. We, in South Australia, have the most to lose because we are the biggest producer. Our position on zebra chip: I will summarise the main points. We have based our response to the DAFF draft report—and I will table these today. Some of you already have that; that was the draft report that came out on 3 July. Following that, there was a response from AUSVEG, which is the peak industry body for Australia. Their response was contracted to a scientist called Kevin Clayton-Greene. I have spoken to him many times concerning this document and how we use it. It is now public, of course. We have based our response to DAFF on this because it is an excellent document. I have also produced a list of key points about this response and I will table that as well for you today.

The message that I would like to say on behalf of Potatoes South Australia to all stakeholders, including the consumer which is all of us, is that importation of potatoes from New Zealand will have a catastrophic effect on the nation's and state's industry. This ban on potatoes being imported has been in place for 24 years. I wonder why.

The access from New Zealand will allow the importation of fresh potatoes for the purpose of processing, which will include french fries and crisps. We believe that once you let in potatoes for processing, then to let them in for the fresh market will follow quickly after that and it will be much easier for the New Zealand government. We believe that if potatoes come in, the potential introduction of zebra chip disease complex, based on overseas experience, could wipe

out 50 per cent of the Australian industry. That is a quarter of a billion dollars; it is \$100 million in the South Australian farm-gate value.

This disease is spread by a psyllid, which is a flying insect. It is called the tomato/potato psyllid or TPP. Clearly, it likes the host plant tomato as well—in fact, anything solanaceous.

535 Mrs VLAHOS: Which makes it even worse for the Virginia area.

Ms DAVIS: Of course. Estimated loss in the New Zealand industry due to the disease is over \$200 million. It has also had a devastating effect in the USA in three states, and it spread from Mexico, through Texas and other states, and is now in Canada. Scientists believed originally that it was attracted to very hot climates or to temperate climates, but clearly that is not the case any more. It is probably mutating in some way and adapting to colder climates.

The psyllid feeds on plants and reduces yield and spreads a bacterium called the liberibacter bacterium which is a known vector of zebra chip disease. This bacterium lives in the gut of the psyllid. It is unknown whether the bacteria can be transferred by our native psyllids. It is unknown actually what it can be carried by. What happens to the potato is a discolouration of rings. If you cut the tuber, there are black circles—hence the name 'zebra chip'.

This obviously reduces the quality of the potato to the consumer. They won't purchase it. If you process it, because of the conversion of starch, the taste is unpleasant. One of the big problems that we see, and why we are so fearful, is that very little is known and understood about this psyllid and the bacterium, especially with regard to the acquisition of new host plants. It was first described in New Zealand in 2008 after it appeared in 2006, so it has only been around there now for four years.

There are at least two strains of the bacteria. We believe that we really need to understand the biology and evolution of this insect and bacteria first. The significance of this disease is reflected in the millions and millions of dollars invested in the States and now in New Zealand since its occurrence. At the moment, there are no resistant varieties of potato, nor is there any management protocol in place as far as we know.

We believe that the regulations in the DAFF biosecurity draft report are not sufficiently stringent and just don't offer a high enough level of protection for our industry. The draft advice also does not consider the considerable number of pests and diseases also existing in New Zealand. It does mention potato cyst nematode, zebra chip and black wart disease, but there are so many more.

Science-based—which is what the report is—means there has to be evidence. There is little solid scientific evidence to prevent imports as so little is known. If there is no evidence, then there is no reason to stop the imports. It is really a system problem. DAFF will be obliged to tell the World Trade Organisation that there isn't evidence of a threat, and clearly there is.

The advice supporting final pest risk analysis, which is referred to in this document, we believe lacks rigour, objectivity and basic scientific method. We also believe, as does Kevin Clayton-Greene, that there is selected presentation of data. The PRA (or pest risk analysis) is of the year 2009. It is now 2012, so no research in the last three years has gone into that risk analysis. This means to us that the risk really is unknown; therefore the risk is too high. This has to be rejected.

I now would like to tell you what we are doing as an organisation. As far as the response to DAFF, Potatoes South Australia has provided a submission on behalf of its stakeholders to DAFF and to minister Ludwig, and this was done by 3 September, which was the closing date. Tomorrow our board will meet with Dr Vanessa Findlay, the Australian Chief Plant Protection Officer, in our boardroom. We want to hear her side of the story, and there will be plenty of time for our questions—and there will be plenty of those.

Potatoes South Australia has been liaising with relevant MPs and senators concerning the proposed importation, and Potatoes South Australia has encouraged individual stakeholders to write to DAFF and the minister.

The next point is the senate inquiry at the federal level. As you are aware, this motion was passed on Wednesday of last week. The inquiry is to assess the validity of scientific evidence underpinning the PRA (or pest risk analysis) included in the New Zealand potatoes import risk analysis of 2009 and the extent of scientific knowledge about psyllid and the bacteria and related matters.

Potatoes South Australia will prepare a submission for the Senate inquiry on behalf of the industry by 10 October. We have also formally requested for the inquiry to come to South Australia to allow the South Australian industry to give formal evidence. I understand that this request has been forwarded to Bill Heffernan for a hearing, which I think is this morning. We also understand that minister Ludwig is meeting with all ministers and senators at 8am this morning. Potatoes South Australia will also prepare a submission to this select committee by 7 December.

536 Mrs VLAHOS: How many years has the ban been in place now?

Ms DAVIS: It has been 24 years.

537 Mr VENNING: And psyllid has been there that whole time?

Ms DAVIS: Psyllid was first found in New Zealand in 2006. It was described etymologically by 2008. Do we know how long psyllid was there? No, no idea. It was just found in 2006. New Zealand potatoes have been banned due to other pests and diseases for 24 years.

538 Mr VENNING: What other pests are they—can you name them?

Ms DAVIS: I would say it is PCN, the nematode one, certainly black wart—I can certainly find out, Ivan, if you would like me to.

539 Mrs VLAHOS: I appreciate that you have written to me on this and why this is processing as a commandment to try to provide some support.

540 Mr GRIFFITHS: I presume the senate inquiry has bipartisan support. I note that Senator Heffernan is the chair of that, but both parties are involved in it?

Ms DAVIS: Yes, they are.

541 Mr GRIFFITHS: And the feedback you have had from the people you have briefed is that they will do everything they can?

Ms DAVIS: Absolutely. I have been dealing with Senator Sean Edwards primarily, and he has been incredibly helpful. He was the one responsible for getting my email through to make sure the inquiry came to South Australia. He was very keen on that, as are we. Having said what I said this morning, you can see why we are so insistent on that, because the industry is so large. This really is not known out there. One thing this organisation needs to do is to spread that. We need press and need Australia to know that we are so significant.

542 Mrs VLAHOS: Has there been any coverage on *Landline* or anywhere like that? I know they started running the *Landline* ABC TV started doing stuff on the apple industry when that was becoming an issue, but have you had anything on *Landline* on ABC TV?

Ms DAVIS: No, there was something on potatoes earlier in the year before my appointment. They certainly received my media releases and I have sent them—certainly, Tony, you have received them and, Lisa, you have received them. If the others of you would like them, then I am very happy to send them to you.

543 The CHAIRMAN: You could send them to the committee and the committee secretary will make sure everybody gets them, and we have an official record as well.

Ms DAVIS: We have had quite a lot of press. Nigel Austin of *The Advertiser* has promised me to do something this week because his articles, to date, have been about Tasmania and Victoria, so we hope to get something out with an image. We have certainly been in the *Stock Journal*, as you have said; we've been in the *Grower*; I've been on *Channel 7 News* during the Show week talking about it; I'm on Flow FM once a week; I was on Leon Byner's show last Friday morning; and I'm on radio with ABC National occasionally.

544 Mrs VLAHOS: You are doing your best to get the message out there?

Ms DAVIS: It's early days for me in the role and it is a matter of the journalists wanting to speak to me as well; but, so far, so good, and the media releases have grabbed, so we're getting there. But I would certainly like to do a *Landline* story. That would be excellent. The only downside in that is that *Landline* is seen, really, only by people in agriculture so it doesn't touch mainstream consumers or people outside of the agricultural sector.

545 Mr GRIFFITHS: You talked also about New Zealand's \$200 million loss. I take it that's per year?

Ms DAVIS: I'll have to check that figure. I don't think so. I would be presuming it's over the last four years. I would need to check that.

546 Mr GRIFFITHS: Since 2008. I would be interested, also, if you extrapolate it out to the value of the Australian market, and the South Australian market in particular, what the financial implications could be here.

Ms DAVIS: Okay. I think I said something this morning concerning we believe our loss would be as great as theirs, so we're talking 50 per cent, but I can get the numbers for you if you like. The New Zealand industry is different to ours in the way it's structured, and certainly at the value end we are still much greater than New Zealand.

547 The CHAIRMAN: You said you're writing a submission for the Senate inquiry. Is there any reason that can't be submitted to us as well, or is it going to be a different submission?

Ms DAVIS: I haven't gone into the details of either submission yet, but I'll certainly look at that. They are going to have the same information in them, so it makes sense to me.

548 The CHAIRMAN: Rather than you do two separate ones, we are happy if you give us a copy. Just address it to us as well.

Ms DAVIS: Alright, fantastic. That means you get it a lot earlier, too.

549 The CHAIRMAN: Hopefully we might talk to some other scientists as well earlier on, so it would be good to have that submission as early as possible.

Ms DAVIS: You'll have it by October.

550 Dr CLOSE: Why don't we export more?

Ms DAVIS: Potatoes are a low value crop: that's number one. Number two: it's quite heavy, so it's expensive. And, at the moment, in terms of our supply and demand, our supply is the domestic market. Certainly, there is no doubt we can increase supply.

551 Dr CLOSE: Do we have one of the few production sectors in the world that doesn't have this disease? I couldn't quite get a sense of the spread of it. It's certainly gone up through America and it's in New Zealand.

Ms DAVIS: So far we know it's in New Zealand and we know it's in the States. It's not in Europe, and we don't believe it's in any of the European Union countries to the eastern side, either.

552 Dr CLOSE: Do they import potatoes?

Ms DAVIS: They grow their own.

553 Dr CLOSE: But do they prevent importation of potatoes?

Ms DAVIS: I don't know that. I can find out, though. I can tell you, as far as prevention of imports, South Korea has banned all imports from America. I wish we would follow suit. Japan hasn't stated categorically that they have stopped importing from America but they are looking to Australia, and certainly South Australia, to import. So if you think about the minute we get Zebra chip, that's the end of that. The amount is very small at this stage because Japan grows quite a lot of potatoes themselves but, as soon as we have Zebra chip here, our potential to export, which is something we'd like to do, build that up, is gone.

554 Mrs VLAHOS: And our proximity to the Asian marketplace and its growing population.

Ms DAVIS: Yes. There is real opportunity in Asia because they like small potatoes, and there is a market. They are already going into Thailand and Indonesia, but not to get into China so much at this stage but into Japan, they will buy only on quality, so that is where we have an opportunity.

555 Dr CLOSE: Do we import potatoes from America?

Ms DAVIS: No, we don't.

556 Dr CLOSE: Okay. When you say, 'I wish we—

Ms DAVIS: We don't import potatoes from anywhere.

557 Mr VENNING: In pushing strongly to keep New Zealand potatoes out, is it also in relation to the processed potatoes, either freshly sliced or crisps or chips or—

Ms DAVIS: Potatoes are already coming in highly processed as crisps or frozen chips. So, they are already entering.

558 Mr VENNING: Is that a problem?

Ms DAVIS: That's not a problem, no. We're talking about whole potatoes coming in. They're fresh in that transport—how do they secure everything?—and then they're going straight into the processing factories.

559 Mrs VLAHOS: They haven't been decontaminated or sterilised or semi-processed?

560 Mr VENNING: If they were in the freezer before they got here, would that take the disease out?

Ms DAVIS: I think that's unknown. You can understand that this push would be coming from a processing factory on the eastern seaboard. Whether that is being pushed by the supermarket chains, that's hypothetical. But we really don't know at this stage where it is coming from but, clearly, it is about cost.

561 Mr VENNING: As a big-end user of the chip, such as Smith's Potato Chips and these bigger crinkle-cut chips, do they use potatoes from New Zealand, or do they use processed goods? If they're cheap, you would wonder why they didn't.

Ms DAVIS: Well, that's what they are trying to do now, that is, import whole tubers to process because they can get them more cheaply, and they will just keep undercutting the Australian grower.

562 Mr VENNING: Why don't do they do the processing in New Zealand and bring them over here to process?

Ms DAVIS: Good question.

563 The CHAIRMAN: What research has been done in South Australia on this issue that you are aware of?

Ms DAVIS: There has been very little done so far in Australia, and the reason for that is we don't have it, so it is difficult. There's work being done—

564 The CHAIRMAN: Sorry; research in terms of the potential risk. In other words, rather than saying what is happening here, is there a position by PIRSA or some research institutes in South Australia?

Ms DAVIS: No research is being done in South Australia at the moment. The research is being done in Tasmania, and it is being done by the University of Tasmania, a scientist called Calum Wilson. I have liaised with him. There is also another scientist based in Victoria called Paul Horn; he's into integrated pest management. He supplied research documents for the Australian processing sector when it responded to the DAFF report.

In Tasmania, they are looking at early warning systems. But having spoken to both Paul and Calum, I just wanted their personal professional opinion on this document and the threat of the psyllid, and they said, 'This is worse than blight in 1845.' So, this is very serious. Other

diseases such as PCN, the nematodes and other black wart things, they are just nothing compared with this.

I also ran the document past SARDI. Barbara Hall, who is a scientist there, got back to me just this morning. She was reading the document that had been written in response by Kevin Clayton-Greene, the one used by AUSVEG, which you have a copy of here. She thought that his response was absolutely excellent; it was spot on. She also commented that this pest risk analysis they are basing everything on is three years old; it's 2009. There is work that is being done in the States, at huge cost, and in New Zealand, and it is not in this document. I also note that the Australian scientists in Tasmania and Victoria are working with the New Zealanders. There is no real reason the South Australians haven't done so—they have been working on other things—but they are all liaising on it.

565 The CHAIRMAN: Is there a national counterpart equivalent to your organisation in South Australia?

Ms DAVIS: AUSVEG is the national—

566 The CHAIRMAN: That covers all the vegetables, doesn't it?

Ms DAVIS: It does.

567 The CHAIRMAN: There is not a specific potato one nationally?

Ms DAVIS: No, there's not, but we would certainly like there to be; so, watch this space. We don't come under AUSVEG, anyway; we're very separate.

568 Mrs VLAHOS: How broad is your membership base and how many people would you say are employed in the potato industry in our state?

Ms DAVIS: Approximately 2,000. That is the figure that I have been given. I am trying to build a database now, and it's going to be quite specific because there are so many sectors. I wouldn't be surprised if we surpassed the 2,000.

569 Mr GRIFFITHS: Was it 17,000 hectares, 35 growers and 10 people who are vertically integrated?

Ms DAVIS: Yes. Of the 35 growers, there are probably a lot of little ones, too, who have dropped through the cracks, and that's what we are trying to find. We're trying to really engage with everyone in the industry, and certainly at Virginia. I think that that number 35 goes out the window a bit. I seem to be getting details from many small growers.

570 Mrs VLAHOS: That's why I was asking.

Ms DAVIS: There are still some in the Hills. I have just been to KI and met with eight growers there in the seed industry. It's more widespread than I thought, but it's still three main regions.

571 Mr GRIFFITHS: Have you made representations to PIRSA for support, and through to the minister, and what's the response been?

Ms DAVIS: I have a meeting with the Hon. Gail Gago on, I think, 5 November. That's the earliest time I can see her. I would like to talk about this industry body, our role and certainly zebra chip. I deal with PIRSA all the time—well, not all the time, but constantly. I certainly have dealt with the scientists at SARDI.

572 Dr CLOSE: In Biosecurity SA specifically within PIRSA, I imagine?

Ms DAVIS: Yes, I have met Will Zacharin. I deal with Geoff Raven. I met with Will just last week. Fortunately, I knew him from a previous life, so it's been very helpful. I know that these government people shift around, but I still know them. I know that Will Zacharin is meeting today with Dr Vanessa Findlay in the Riverland concerning fruit fly. I'm sure that he will have a discussion with her about zebra chip. Also, within PIRSA, I am meeting with Daniel Casement of Rural Solutions this Friday because it's work that has been done in value chains involving a big potato company and right through to Woolworths. I am certainly keen to speak to him about that, and I am also meeting with Justin Rossi, who heads up that team.

573 Dr CLOSE: Zebra chip doesn't make the crop fail: it discolours the tubers and, in certain processing, that results in a bad taste; is that right?

Ms DAVIS: Thank you for your question. I haven't seen it, of course, except in a photograph. I understand that yields are much less. That's No. 1. The plant isn't as healthy. The potatoes will probably look normal on the outside; it's when you cut them that will then expose the stripes.

574 Dr CLOSE: But it does have a relationship to the yield as well?

Ms DAVIS: It certainly does. It's much less, yes.

575 The CHAIRMAN: Any further questions or comments? Thank you for presenting today. We look forward to receiving your written submission. We will seek some advice from elsewhere as part of the process. I am sure that we will make some sort of recommendation as part of our final report. If it's necessary, we may make some interim findings.

576 Mrs VLAHOS: I think we might want to.

577 The CHAIRMAN: Yes. There is nothing stopping us from doing that once we have had some other discussions. We can also request some response from the minister, and we can do that later today.

578 Mr VENNING: One more question. Of all the commercial products available in the supermarkets today, are any of them using New Zealand potatoes, and should they be marked if they are because they are probably packaged in Australia?

Ms DAVIS: That's a very good point. I have no idea of that stat and how much is imported from New Zealand. I can certainly get back to you.

579 Mr VENNING: Really, we ought to know, and we ought to be promoting South Aussie chips. I can bet you London to a brick that they would be sneaking them in.

Ms DAVIS: There's no doubt that the frozen is there, and the crisps are there. Snack foods, certainly, we would be importing direct from New Zealand—

580 Mr VENNING: As I said, let's have a look at the labelling then. When you buy that—

581 The CHAIRMAN: It's probably part of the Coles and Woolworths home brands.

582 Mrs VLAHOS: Smith's uses potatoes from Angle Vale, as we both know.

Ms DAVIS: That's probably correct, Tony. I think it is home brand predominately because of cost. I have heard, also, that all French fries coming out of Hungry Jack's are made of Belgian potatoes. They are not processed here.

583 Mrs VLAHOS: Hungry Jack's?

Ms DAVIS: I can't substantiate that, it's just—

584 Mrs VLAHOS: Allegedly.

585 Mr VENNING: What about Big Macs, are they the same?

Ms DAVIS: I can't answer that one.

586 Mr VENNING: We'd better find out.

Ms DAVIS: I'm thinking they're Australian.

587 Mrs VLAHOS: They're Australian. McDonald's markets that one.

588 The CHAIRMAN: I think we had better stick to what we do know. We will get into trouble getting too much into the 'alleged' field. Are there any other questions? Thank you very much. As I said, you will get a copy of the *Hansard* from today and you will have the opportunity to make any corrections to any errors. You cannot change your evidence, though; it is about any spelling errors, etc. If you can get that back to us as soon as possible, that will become part of our official record.

In the meantime, if we seek some further evidence or comment from elsewhere we will let you know. Also, when we have other witnesses, if you wish to be present we can give you notice and you can come along and listen to those other witnesses as well, on this topic.

Ms DAVIS: Thank you very much for the opportunity to speak today. If you need extra assistance or if you need ideas about who else you should speak to you, or if you need any other extra information, please contact me at any time.

589 The CHAIRMAN: Can you please liaise with Lauren? Obviously, we will have to talk to other people as well to make sure that we get the full picture, and that if there is some dissenting opinion to make sure that we are aware of those dissenting opinions, if there are any. Not that we would disbelieve your evidence, but it would be wrong for us not to be thorough in our findings because we would lose credibility if there were—

Ms DAVIS: I think it would be important that you speak to a SARDI scientist—

590 The CHAIRMAN: Very much so.

Ms DAVIS: I think it would be important that you speak to a grower, speak to someone else on our board. Some of them have been in the industry for 30 or 40 years, and they know this business upside down. I am just the voice for them.

591 The CHAIRMAN: A good voice, at that.

THE WITNESS WITHDREW