

Presidents Report

As I commence this report, I reflect on the fact that the season 2023/24 was one of the smallest in recent time with just 1462 tons of Lychee produced. Australian production was not on its own in this regard, China, Taiwan, and Vietnam were all hit with a similar downgrade in crop numbers which equated to 40% of production.

The cool winter we are currently experiencing from the south to the north gives us hope that we will all experience a strong flowering. This is tempered somewhat by the extraordinary wet conditions experienced in the north and the southern regions, so here's hoping production will be somewhat back to normal.

Export

If all does return to normal regarding production, export will be an important factor in keeping domestic oversupply in check. This cannot be overstated as export preparedness by growers is an important part for this industry going forward. We have seen in other industries what can happen if tree planting just keeps rolling on without a marketing plan that includes export.

Once again, we have six producers registered for export to the USA, most of this activity comes out of Central and southern Queensland where the need for export is becoming more imperative every year as production ramps up.

Preparedness for export is the major priority, quality fruit and packaging and of course a marketing partner, whether it be a wholesaler that has an export focus or an independent marketer that formulates a plan for the coming season with specific goals regarding volume and quality. A plan that can be reviewed post season and improved upon in coming seasons. The participating grower should be rewarded financially for the extra effort they have put in, receiving a margin above the domestic price

Spot sales to export destinations during the season is not a marketing plan, we need to be better than that, I encourage all producers to give this serious consideration.

Biosecurity Tax on Farmers

The biosecurity tax on farmers has been defeated in the Senate. Most biosecurity breaches are a result of containers or goods in containers coming by sea and yet often farmers have been left a significant burden of cost associated with managing these outbreaks.

A levy on containers is not unreasonable, but it is the nation as a whole which benefits from good biosecurity management, bleeding farmers with another tax was never an equitable solution.

Varroa Mite

As you will no doubt be aware the process of re-aligning our current levy to cater for the Biosecurity breach of Varroa Mite and pay back the approximate debt of \$50,000 over the next 10 years is all but complete. Our executive officer Jill Houser has put a lot of time and effort in complying with the regulations required to achieve this goal.

For the benefit of those who have not been following this process closely, the 8 cents a kg you are currently paying will NOT increase, however a redirection of 0.50 of a cent per kg made up of the reduction of 0.25 of a cent from both R&D and marketing will become the new Pant Health Australia Biosecurity Levy for the lychee industry.

This redirection of our levy funds will happen in the New Year.

ALGA the organisation a \$40 million industry

Since its inception back in the early 1990s ALGA has always moved with the times and as we know the "Times are always a changing ". Over time we have had a great mix of executive officers or secretaries as they have been called in the past to run the overarching body, ALGA.

When HAL (Horticulture Australia Ltd) was our Research and Development provider we were guaranteed funds to run the business requirements of ALGA via our Consultation Funding Agreement, this was money which came from our industry grower levy, but since the demise of HAL and the forming of Hort Innovation (HIA) our consultation funding has ceased.

The model we are now following is that ALGA represents it's members as it has always done but also acts as a service provider and the Executive officer being the person responsible for generating projects. This transition has been under way for some years with the workload steadily increasing on our executive officer to a point where ALGA is now in a position to pay our executive officer an amount that reflects the workload.

We have been fortunate to have Jill Houser as our executive officer through this transition period, a person with a love of the industry also with the necessary skills to carry out the job and being prepared to put in the hours well above the amount of remuneration.

This strategy will take us forward with confidence that if at some point in the distant future, should Jill opt to retire we are well equipped to replace her with someone with similar skills, this may well be someone outside of our industry.

As I stated a \$40 million industry and growing. If current predictions of production increase come to fruition, retaining a professional approach to the running of our organisation becomes even more important.

ALGA is in a strong financial position, member support to our interesting AGM events is envied by other industries, we are actively pursuing new export markets so we are never in the position of domestic oversupply which will maintain a viable industry into the future.

I wish to thank Jill Houser for another year of exceptional service, to the outgoing executive thank you for your wise council.

To all those in attendance, I hope you enjoy the rest of the day and find the guest speakers at the Growers meeting informative.

Derek Foley
President
Australian Lychee Growers Association