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CITRUS CANKER

Citrus nurseries lament shortfall in compensation

Citrus nurseries argue they will not be able to stay afloat with the current compensation offered to them for canker eradication.

By Susan Salisbury

The Palm Beach Post

The \$18 million being offered to citrus nursery growers for the 4.3 million trees they lost to the canker eradication program is not enough to keep the industry afloat, a nursery business leader said last week.

Chuck Reed, owner of Reed Brothers Citrus in Dundee and a board member of the Florida Nurseryman's Association, said the group is asking the U.S. Department of Agriculture for clarification on an interim rule for nursery compensation that was issued earlier this month.

"This will not save the nursery industry," he said. "This \$18 million will not do it."

GROWERS INCLUDED

The \$100 million citrus canker compensation funding is the first to include nursery growers and will bring the total compensation for Florida's citrus industry to \$536 million, the USDA said. Ken Bedat, Miami-based control director of the USDA program, estimated that \$176 million is needed to complete payments to grove owners alone.

Meanwhile, state officials said last week that the number of trees removed across the state during the failed 10-year fight against the bacterial disease has reached nearly 16 million.

The eradication losses, coupled with canker outbreaks that are continuing, have created a demand for at least 5 million new trees each year for the next 15 years, Reed said. Production in 2007 is forecast at only 700,000 to 800,000 trees.

MAJORITY DESTROYED

In 2005, the canker eradication program destroyed 65 percent of the stock of the nurseries that grow starter plants for both groves and backyards.

A joint study by the University of Florida and Florida Citrus Mutual found it would take between \$25 million and \$27.5 million to pay the industry for the value of the trees destroyed, plus two years of lost production, Reed said.

GREENHOUSES NEEDED

In addition, the industry estimates it will take a total of \$65 million to build the secure, bug-proof greenhouses it will be required to have to produce plants for sale by Jan. 1, 2008.

Previously, 90 percent of nursery plants were grown in open-air nurseries, Reed said.

"The nursery industry doesn't have the money to do that. That is why there is going to be a severe shortage of trees," he said. "That is why it is so critical for nurseries to get help. Otherwise, the entire citrus industry will be gone. It is at a crisis point now."

State officials said the number of trees taken from commercial citrus groves has risen to 10.7 million from 7.5 million when the canker program ended in January.

Since then, more removal reports have come in, said Florida Department of Agriculture spokeswoman Liz Compton.

The number of trees removed from residential properties remains unchanged at 860,899. With the 4.3 million lost nursery trees, the total so far of citrus trees lost to the canker fight is about 15.9 million.