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Biosecurity – Plant  
Department of Agriculture, Fisheries and Forestry  
GPO Box 858  
CANBERRA, ACT, 2601

By email [plant@daff.gov.au](mailto:plant@daff.gov.au)

**Biosecurity Advice 2012/07**  
**Draft Import Risk Analysis Report for Fresh Ginger from Fiji**

Buderim Ginger Limited (Buderim) is the largest processor of ginger in Australia. Buderim makes a variety of crystalised, dried, puree and juice products at its plant in Yandina in Queensland. Buderim does not sell products into the fresh ginger market. During 2011, Buderim had sales of \$31 million AUD of ginger. Half of these sales were domestic and half were to export markets. Buderim is also the largest processor of ginger in Fiji through its wholly owned subsidiary, Frespac Ginger (Fiji) Limited.

The ginger processed by Buderim is primarily sourced from within Australia, however since the outbreak of pythium in Australia in 2010; Buderim has increased the volume of ginger in brine that it imports from its own operations in Fiji and from third party suppliers in China and other parts of Southeast Asia.

Buderim does not intend to address any specific biosecurity issues in its submission, however as a supplier to many large retail and industrial customers, Buderim has two primary concerns regarding the import of fresh ginger from Fiji:

1. Ensuring there is a stable supply of clean ginger within Australia; and
2. The financial viability of the ginger growers in Australia.

**Ensuring there is a stable supply of ginger within Australia**

The onset of pythium in Australia in 2010 caused significant hardship for Buderim and its ginger suppliers. The significant reduction in the reliable volume of raw ginger available within Australia and the increased complexity of farming ginger as a result

BUDERIM GINGER LIMITED  
A.C.N. 010 978 800 A.B.N. 68 010 978 800  
50 Pioneer Road, P O Box 231, Yandina Queensland 4561 Australia



of pythium has forced Buderim to permanently change its sourcing strategy to ensure it can adequately services its customers future needs.

Buderim now sources ginger from a variety of markets to insulate its business as much as possible from the risk of disease outbreaks and adverse weather conditions. Given the prevalence of disease within ginger crops, the diversification of its supply base has enabled Buderim to continue to service its customers and to create independent supply regions; one in Australia, one in Fiji and the other in China and South East Asia. Any inadvertent introduction of other pest varieties into the Australian growing region that severely impacted the supply of ginger available would have the capacity to significantly disrupt these arrangements and adversely impact on Buderim's profitability and threaten the viability of the Australian ginger industry, in our view.

### **The financial viability of the ginger growers in Australia**

Buderim only buys early harvest ginger for its processing operations. Early harvest ginger accounts for about 30% of the Australian harvest annually. Because Buderim can only purchase a portion of the ginger crop, the growers of ginger are dependent on a mix of returns from other processors and from the fresh ginger market for their overall viability. If the importation of fresh ginger causes the returns from the fresh market to decline, this will have an impact across all sectors of the market.

Buderim is aware that the cost and complexity of growing ginger has changed significantly for the Australia ginger growers in the last few years. The inadvertent introduction of other pest species will likely add to these increased cost burdens and should be avoided if at all possible. The price Buderim has paid for ginger has increased by approximately 17% in the last two years. This increase has been beneficial for our growers however Australian ginger is now significantly more expensive than ginger from other regions and it cannot be assumed that additional increases will be possible in the future.

If you require any additional information, please do not hesitate to contact me by email at [mrichardson@buderimginger.com](mailto:mrichardson@buderimginger.com) or by phone on 07 5447 8428

Yours sincerely



Murray Richardson  
Chief Executive Officer  
Buderim Ginger Limited

BUDERIM GINGER LIMITED  
A.C.N. 010 978 800 A.B.N. 68 010 978 800  
50 Pioneer Road, P O Box 231, Yandina Queensland 4561 Australia

