

# Planting incentives needed now for Florida growers

#### By Tom Spreen

he U.S. Department of Agriculture (USDA) released its intial forecast for the 2021– 22 Florida citrus crop on Oct. 12. The forecast called for a crop of 47 million boxes of round oranges, 3.8 million boxes of grapefruit and 900,000 boxes of specialty fruit. If the final projections hold true, this would be the smallest crop not affected by a major weather event (freeze or hurricane) in several decades.

## **TREE DECLINE**

The combined effects of HLB (citrus greening) and blight are taking a toll on the aging portion of the commercial inventory planted after the freezes of the 1980s. After a series of freezes destroyed a significant portion of the commercial production area in Central Florida, a massive replanting effort began and coincided with a move into Southwest Florida. Those trees are now more than 30 years old. Historically, older citrus trees had not necessarily exhibited production declines to the scale being seen now. Before the 1980s freezes, it was not uncommon to find trees approaching 50 years of age and still providing good yields.

Experts cannot explain the reasons for production declines in older trees, but the 2021–22 crop forecast is evidence that it is a real phenomenon. Therefore, it is incumbent on Florida citrus growers to speed up the process of replanting in the face of massive tree losses due to citrus canker eradication, HLB, blight and weather events such as hurricanes. But help is needed to stimulate the effort.

#### **GROWER OBSTACLES**

Replanting is currently taking place, but the scale is insufficient to maintain the bearing tree inventory. Even though fruit prices have been relatively strong over the past half-decade, the risk posed by HLB has created sufficient uncertainty.

Another factor is the availability of new trees. The proliferation of new scions and rootstocks has complicated decisions faced by tree nurseries. Most nurseries now wait until an order is received before initiating the production of a new tree. This results in a 12- to 18-month lag between the decision to replant and the receipt of a ready-to-plant tree.

## **RECOMMENDED SOLUTION**

Given the economic importance of the citrus industry to the state of Florida, this author urges the public sector to consider the development of incentives for all Florida growers to encourage new tree planting. The USDA's Tree Assistance Program (TAP) is one such incentive, but it includes limitations, most notably limited participation by all growers based on income.

A broader, more generous program is needed to provide a boost to Florida citrus growers. The evidence is there. Florida's Natural Growers (FNG) offered such a program that resulted in the planting of two million orange trees. That program, however, was only open to members of the FNG cooperative and is currently inactive.

The fundamental problem with previous planting incentive programs is that they were not available to *all* growers collectively. The Florida citrus industry has declined to the point that the infrastructure that supports the industry is threatening to disappear. The industry has already seen a major contraction in both fresh and processing plants. This limits the number of market outlets available to growers.

The time has come for some "outof-the-box" thinking by government officials. A partnership between the public and private sector is needed to encourage existing growers and possibly attract new growers to citrus production in Florida. The particulars of a program or combination of programs should consider the costs to taxpayers. The cost of a program, however, would more than be offset by the gains stemming from increased economic activity resulting from higher fruit production.

There is a demand for Florida citrus today. We must ask ourselves: How can we supply that demand?

Thomas H. Spreen is professor emeritus in the Food and Resource Economics Department of the University of Florida and senior economic consultant in the Economic and Market Research Department of the Florida Department of Citrus.