

26 November 2001

Citrus Industry Inquiry
Productivity Commission Locked
Bag 2
Collins Street East Post Office
MELBOURNE VIC 8003

Dear Sir

in 1980, when I married my husband, and we purchased a citrus farm, the life although new to me promised so much. My husband had ridden by this farm all his primary school life promising himself that 'one day' he would buy this farm. So in 1980 when we purchased this farm (his dream becoming a reality) from an elderly couple who were ready to retire and move into town after having lovingly looked after our farm. The timing was right, the orchard was looking good although at the stage now needing new/updated methods to make farming a little easier going from cement channel irrigation to modern piped jet fittings at the end of each row. The citrus industry was in great shape, 60% tariff protection, new industry into juicing plants and fresh fruit markets were a viable and healthy way to go, things were good.

We, after two years of nurturing our land and planning our orchard of some 80 acres to be bearing the new variety fruit and pulling old not successful bearing trees, we started our family of what was to be four beautiful healthy children. Farming life for a new mother with young children was indeed a great life - hard at times, long hours in the paddock but the returns were there for putting in extra effort, we knew for our benefit. It takes some ten years to get them from seed to stock to trees in the ground to get 10 tonne/acre. The family made the sacrifices, long days, many nights without good nights to their dad as he was out on the tractor working the land for our future benefit. It was tiring as a mum with 4 young children raising them along as their father spent so much time on the farm, day and night, from Sunday to Sunday, week after week.

Tariff protection changed World Commodity prices by American and Brazilian began to and still continue to cause great pain to citrus growers. The world commodity price is far below the prices paid in Australia for pickers, the cost of production bringing our returns down as low as \$110 and \$60 per tonne. We cannot survive at these prices as it costs at least \$75/tonne for us to pick, cover superannuation, workers compensation, taxes and so on, not accounting for the on going maintenance costs of equipment and watering costs.

We now found that we were really struggling scraping for money. The cash flow dried up. We found we had to borrow money to continue our farming practices, causing further hardships on the family already making so many sacrifices. Many of our farming friends marriages fell on harder times than us - pressures ended lots of marriages and beautiful farming family lives. The future in our industry is so uncertain; rising costs everywhere you turn to poor returns for our world class product. Many. Many women find that they have to find employment off the farm to help make ends meet. Some have even had to find more that one other job to help with on going expenses on the farm and to help keep ever increasing costs of educating their children. Although we have assets, cash flow is difficult, some places only paying on 60 days credit. Pickers live basically from day to day letting their every tomorrows look after themselves, we still have to find money to pay them at the end of each week.

Imported Brazilian juice to America must meet with the United States Department of Agriculture (USDA) of 11 .5 plus brix (approx.). How come it comes into Australia as imported concentrate at 10 brix? This is some 15% unfair trading to us the citrus growers!!!

'McDonald's' are the only company that have a standard for their juice in Australia. Which brings me to the labelling and laws set out or not set out for juice in this country.

I have included a sheet of labels to get my point across. The top label - SR Juice "We squeeze our oranges everyday -Orange Juice". Now look at the orange juice ingredients - "The pure juice of Fresh Australian oranges which are squeezed every day and may contain reconstituted Australian or imported orange juice and/or sugar during winter as required." How true is this statement? Come on - where is the right to say "Fresh Australian" juice in this label?

Label number 2 "Tamara: - how can it be "Fresh Orange juice" when the ingredients states "Fresh Orange juice, seasonally adjusted with Australian and imported A grade reconstituted orange juice concentrate." Imported A grade concentrate at what brix? How can it be labelled fresh if it has concentrate included. There is no mention of how much juice is used in this container. Then it states no added

sugar. Well if the brix/acid/ratio isn't right then certainly sugar is added. Come on who's pulling the wool over whose eyes here? I could go on forever. Lets be positive and dispense with all the negativity.

Juice sold in Australia needs/must have better labelling laws, we must now farm to best practice so labelling laws must comply. Tell the consumer what percentage of juice they have in their product plus a true indication of all the ingredients. We want juice to be "pure fresh Australian juice not a concoction of "belly wash".

Chain stores are continually making it difficult by discounting juices - while I realise this is economics, one week selling some products for \$2/2 litres and next week \$4/2 litres. Where does the difference go? Information on juice labelling is so confusing - if sugar is added it must be law to have it stated, if preservatives are added put it on the label, we want the truth.

The past season we have seen World Commodity Prices as low as \$0.27/litre which returns us \$60/tonne which uncontracted processors downgrade the market which puts pressure on the bigger processors who contract fruit at \$160 to \$220 per tonne on fresh juice. Fresh juice is our only saviour at the current moment, if these prices come below or come down to World Parity Prices (WPP) the industry will collapse.

Health issues will make a drastic increase, diabetes is already on the increase, we are producing young children grossly overweight at primary school ages because of poor diet. Lets get the protection out therefor everyone not just the citrus industry.

We need to have a protected industry, not allowing every country in the world to be flogging off cheap concentrate to place our industry in such a downturn.

The labelling laws MUST comply to state the TRUTH of content. The consumer must be told the percentage of juice, variety, all other ingredients and the country of origin in large clear print.

Yours sincerely

(signed)

Carol Davidson

Incl: 1

Included with this submission were three Labels which could not be reproduced clearly in an electronic document for publication on the website. The label captions were:

1. S-R Juice – Our oranges
2. Tamarama Famous Fresh Orange Juice
3. Tamarama Fresh Orange Juice (2 litre)