

D & L Pompeani,  
N.S.W.

14th November, 2001

The Presiding Commissioner,  
Citrus Industry Inquiry Productivity  
Commission, Locked Bag 2,  
Collins Street East Post Office,  
MELBOURNE, VIC. 8003

ATTENTION: Mr. John Cosgrove

Fax No. (03) 9653 2302

Dear Sir,

I have had my Citrus property for 16 years and was raised on my father's Citrus property before that. In the years that I have owned my own property I have seen a steady decline in our product and our own self-worth.

Many reasons have been given for the decline such as the import of concentrate juice so called fair trading to poor quality and low demand but the biggest problem has been overlooked and that is the greed of big business to exploit today and not care for the future.

The focus over many years has changed from concentrate to fresh juice and we are forced to sell our product at the price of a cheaper inferior concentrate produced in a country without Australia's high standard of wages, taxes and liberties.

We have written letters in the past and received little back. Perhaps this is why many farmers are reluctant to involve themselves and have a feeling of helplessness because of a decade of receiving less than the cost of production, most of whom, have to retort in welfare which is another blow to our pride.

I believe that there is a substantial difference between concentrated orange juice and fresh orange juice, and, what is happening to us is that-we are being forced by the Juice Companies to sell our fresh product for the same or less than the imported product, which is of inferior quality and needs to be blended with our quality product to make it palatable and suitable for the consumer.

Now, if I may, I would like to suggest some small inexpensive solutions to the problem.

Firstly, if there was a valencia tree pull scheme, say for instance, a payment of \$4,000.00 per hectare to extract the trees under conditions that valencias are not replanted.

../2

-2.

I have made some calculations and for \$1,000,000.00 would clear 500 hectares, in turn this would take between 15,000 - 25,000 tonnes of valencias out of the market place, so as you can see if there was say \$2,000,000.00 per year over 3-5 years this would have a great impact.

This would give farmers an escape which in turn would threaten the comfortable position in which the Juice Companies have placed themselves.

They inevitably need us more than we need them. Hopefully convincing them to relinquish some of their unjustifiably high profits for a reasonable return for the fruit, thus giving the industry some stability.

Secondly, the labelling laws are still, after all these years, worded to give the consumer the impression they are purchasing an Australian product, which in fact, the bulk of it is not. I would suggest not only our product but indeed every product should have detailed 'product ingredients' stating place of origin as well as place of manufacturing, thus giving the consumer the right to support their country.

Thirdly, we currently pay a levy per tonne and have done for many years but in the case of valencias I don't see the point in paying for research and development where the Government has suggested that we have no hope. I propose that this money go towards the tree pull as part payment for the scheme. The Citrus Industry makes a lot of money for everybody else but the farmer. Surely, between the taxes imposed on the juice and the employment we supply we are worth a rescue package that only you could provide.

In closing, I thank you for your time. It has been difficult for me to summarise some of many possible solutions. I hope I have given you a small insight.

I feel we should look at it in a confident and not negative manner. We are looking at a price increase this year of at least \$100.00 per tonne which is a good thing but put in the context or the worst crop in 20 years is yet another slap in the face. So please, when you are considering your decisions lean more towards the farmer than the processors. We have the potential to supply Asia's needs, but the imported concentrate is being used as a smoke screen that we must see through.

I hope this letter has been an introduction and would willingly answer any question in an attempt to improve the situation for the benefit of all.

I look forward to your response.

Yours sincerely

(signed)

Denis Pompeani

../3

P.S. We have been trying to sell our property for the last 4-5 years and when someone is interested in buying, the Banks want 60-70% equity which nobody that is trying to buy a farm would have.