

6<sup>th</sup> December 2001

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

Dear Sir

I have been farming citrus for the past 11 years, in that time the prices we have been receiving for our produce have never met our cost of production.

Picking prices, workers compensation, superannuation, water, chemicals and fertiliser have all risen, and the prices being paid for citrus have decreased substantially.

The major impacts to me as a citrus grower are:

- o The abolishment of the 25% local juice content sales tax concession, the local content requirements are now approximately 5% compared to 25% a few years ago.
- o The drop in tariffs
- o The importation of cheap FCOJ from countries such as Brazil
- o The differentiation in pricing along the market chain
- o Confusion over labelling

The Cost of Production for my property is around \$200/tonne, last year I was receiving as low as \$70/tonne, just covering my picking costs.

With these prices I am unable to expand my operations to compete, these days you either have to get bigger or 'get out'. I am 39 years old, I don't have a trade, what do I do if I am forced to leave? Go on the dole?

The citrus industry is in dire need of assistance.

Yours sincerely

Glen Bavaresco