

18 March, 2002

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The Presiding Commissioner & Deputy Commissioner,
Citrus Growing and Processing Inquiry,
Productivity Commission,
L132,
EAST MELBOURNE VIC 8003

Dear Sir,

Further to my attendance at the second Mildura Hearing, I submit:

(a) That the Commission had not made an in depth appraisal of our industry's ability to continue to have sufficient profitable export markets to enable it to be an economic exporter, as it could be, even relative to existing production. I say it does not presently have that ability.

(b) Likewise the Commission seemingly did not understand the emerging force of international merchandising; particularly relevant to our small volume, scattered industry.

(c) I reiterate my view that your Position Paper's Terms of Reference are specific to the citrus industry, and therefore that your Paper brings in extraneous matter such as does not show "the financial conditions including profitability of the industry". I take that to mean the "citrus growing and processing industry", not a combination of several outside inputs.

(d) Profit margins at point of destination are the main force - both presently for competition and for incentive to expand production - as our competitors are. Our industry has a negative margin and will continue to so have as it winds down - unless assistance comparable to our competitors is given.

Yours sincerely,

DUDLEY MARROWS, ASA
DSO DFC