

MID - MURRAY CITRUS GROWERS INC.

RESPONSE TO

PRODUCTIVITY COMMISSION :

CITRUS GROWING & PROCESSING POSITION PAPER.

The Productivity Commission has documented much statistical data relative to the Citrus Industry on:

- ~ plantings
- ~ production trends
- ~ markets : domestic, export and processing
- ~ grower returns and costs

This data has been primarily gathered from submissions by ACG Inc., Regional Statutory Authorities and Grower Organisations.

The Commission has totally rejected any form of assistance being afforded the Industry, despite acknowledging that it is the second largest Horticultural Industry and Exporter, after Wine Grapes.

Considerable Government incentives and assistance has been given to the Wine Grape Industry, particularly Taxation Incentives for plantings which the Citrus Industry does not attract.

The Report does not focus on the real problem of the increasing quantity of FCOJ and the decrease in its nominal average value; and its impact on the financial ability of Valencia growers to move on.

The Commission has also totally ignored and / or rejected addressing glaring deficiencies in Government policies that are adversely affecting the Citrus Industry, such as the following:

~ Inadequate labelling laws that enable the processing and retail sector to keep the consuming public in a permanent state of confusion, as to contents and country of origin of products; thus denying the consumer the ability to make an informed choice of purchase.

~ Labour that is essential to the future of the Industry. No recommendations were put to address the availability or unavailability of potential workers. That is no measures to prevent Australian workers 'opting out' of the workforce and being supported by other Australian Taxpayers. It is not, as suggested in the Draft Report, the Industry's inability to compete for labour, but in many cases the lack of will of younger Australian's to perform labouring tasks in the outdoors. If Governments do not tackle this sort, then at least it should be made more simple to employ overseas workers / visitors who appear to be willing to perform manual outdoor work.

The Commission must realise that Packer and Exporter profitability relies on volume throughput or sales at a margin of profit, where frequently they disregard the profit level of their grower suppliers.

The Commission also indicates that the benefits achieved through the Export Control Powers process in appointing a single marketer, can be eroded by the entry of another supplier country into the market. That is true, and has been addressed by South Africa planning their forwardings with Australia, mostly through DNE World Fruit Sales, as the South Africans have realised the benefits to their Growers by such a level of international co-operation.

However, South Africa only has interest in this level of co-operation and co-ordination because Australia, through the Export Control Powers process has control of planning and forwarding of supplies.

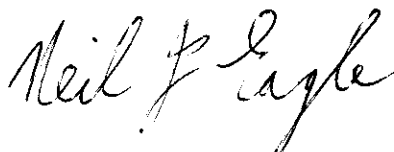
Unfortunately, the Commission can take or make judgements that can dramatically affect the future of Industries and Individuals, but themselves carry no risks when recommendations that are flawed, if implemented, trigger detrimental financial consequences to that Industry.

We are a small player on the International Field, however we are a major contributor to Australia's economic well-being. This is only achieved by successful, profitable exporting of high value products; in the face of international trade barriers such as quotas, tariffs and wastage rules. We live with many trade impediments from other Countries, however we will not stand for the destruction of a successful mechanism in our own Country.

There is absolutely NO acceptance that the Export Control Powers should be even considered to be eliminated.

The Growing Industry absolutely REJECTS the notion and or recommendation that the Export Control Powers should be eliminated.

It is the income and future of Australian Growers at stake.

A handwritten signature in black ink, reading "Neil J Eagle". The signature is written in a cursive, flowing style.

Neil J Eagle  
Chairman  
Mid - Murray Citrus Growers Inc.