

NSW

21 November 2001

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

Dear Sir

I am a second-generation citrus grower who has been in the industry for 37 years.

I have two boys that I thought one day when I am of retiring age and not capable of farming anymore, may take over the business as I have done.

Every year that goes by our returns are getting smaller and smaller, simply because our costs of production are rising constantly due to higher fuel, fertiliser, water, wages and so on.

We are being paid prices well below our cost of production.

One son is already looking elsewhere for work where he will be paid a reasonable wage. The prices we are being paid for our produce does not give young people any incentive to stay in citrus farming.

I feel the government needs to take a serious look into what is happening within the citrus industry.

Since the phasing out of tariffs of Frozen Orange Juice Concentrate coming in from overseas, mainly Brazil, they are landing FCOJ here at very low prices that we cannot compete with, because they have very low labour and production costs.

We not only grow citrus for juice, we also grow it for export and domestic markets but there is always of run fruit that goes into juice, but with the very low juice price, it drags back the overall price.

1 believe the only one that benefits from the low import price is the importer converter or juice factories as they convert it to reconstituted orange juice and command a premium price on the supermarket shelf.

The consumer is not benefiting from the very low FCOJ which is coming in and the very low prices paid to the Australian citrus growers.

Yours sincerely

Nat Nardi