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My wife and I, and our two children have been on our farm in Stanbridge for almost twenty-five years. However the previous few years have proven to be a struggle. There have been many changes over our farming life. In the early 70s and early 80s most of our fruit was grown for concentrate and fresh juice. The government policy at that time allowed us to grow valencia oranges for the juice market and a comfortable living was achieved. The government then lowered the tariff rate and removed the twenty-five percent local content rule. It was realised that our focus needed to shift to the exportation of fresh oranges and the domestic fruit market.

Valencia oranges, which we had under contract to the fresh juice market, were the backbone of our enterprise. The first contract delivered two hundred dollars per tonne. This occurred in the late 80s, and the price for the same product now, is almost the same rate.

It was clear we had to go into a replant program to change our varieties. We have been doing this since 1985. It takes at least seven to ten years for an orange tree to produce enough fruit to make a satisfactory crop. With low commodity prices it has been difficult to make a rapid change.

Some of the issues we see that have made it difficult to advance are:

- The importation of concentrate- this had substantially increased over the past few years. This increase in concentrate imports is a major factor contributing to the decrease in the price of juicing oranges. The lower price for juicing oranges has had an effect on the domestic fresh orange market. The imported concentrate price becomes the base price in the market and many of the growers who do not own contracts for valencias then deliver their oranges at a price that is lower than

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the contract price for juice. This then has a flow-on effect for the fresh fruit market. On many occasions the fresh fruit price is lower than the contract juice prices. Thus growers are removing Valencia trees and this encourages more concentrate imports. Why is it that the imported concentrate into California is 11.2' brix and Florida is 11.8' brix and the amount coming to Australia is 10' brix?

- Labour is a problem within the citrus industry. We now have to pick fruit at a rate that meets the export quotas. Large quantities have to be picked in a short space of time.
- The national body-ACG- has been working very closely with the six states that grow citrus. One of ACG's top priorities is to get the national planting statistics crop forecasting correct. Once we have these figures we can then focus on the markets we need to sell our product to. Government and Industry need to work together to hasten market access.

Competition policy has had an impact on our ability to get all the states to work together in a national body. Each individual state body is wasting time and money working inside the NCP, when they could be focusing their efforts on spending that time and money on strategies for the Australian Citrus Growers. Under NCP it has been difficult for the state bodies to belong to their national body. The government wants one body- that represents all growers in the industry- to speak to. A rethink is needed on the NCP and its impact on rural Australia.

Labelling is another issue that has had an effect on us as growers. To increase the value to us the use of a one hundred percent Australian product would be good. Of

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the consumer cannot understand what they are buying, what hope do we have? We need bigger, clearer accuracy and truth in the label on a product.

The past two seasons have shown the consumer dollar is not being passed back to the grower. Consumers are paying approximately three dollars per kilogram for navel oranges and last year we received fifteen cents per kilogram; this year it was thirty cents per kilogram. Somehow we need to get a better share of the consumer dollar.

The licensing powers that we have into the American market have greatly assisted growers. This market has shown us that with controlled and coordinated marketing the full potential of our product is achieved. This market has advanced farm management and cultural practices and growers from different states can achieve the same fruit quality. As an industry we must maintain these licensing powers for the existing and potential markets.

We hope that when the Productivity Commission inquiry, into the citrus industry, reports to the government, they will have a better understanding of our industry.

Peter and Jenny Davidson