

Submission

To

The

Productivity Commission Inquiry Public Hearings into
the Citrus INDUSTRY

By

Riverina Citrus,

Griffith and District Citrus Growers Inc

And

Leeton and District Citrus Growers Assoc

Introduction

The peak body – Riverina Citrus representing citrus growers in the Riverina area including Leeton, Griffith and Carrathool growers are pleased to be able to respond to the Productivity Commission's Citrus Growing and Processing Position Paper. Riverina Citrus on behalf of growers in the area believe that this draft report is a poor example of the capacity of the Commission to adequately address the terms of reference as specified by the Treasurer and to comprehensively and thoroughly investigate the factors impacting on citrus growers across the country. Riverina Citrus completely reject the draft recommendations and findings identified in this report and advise that the Productivity Commission no longer enjoys the support or confidence of growers in this area. Our members are so disgusted by the inept work of the commission and its failure to undertake relevant activities to identify the accurate financial position of the citrus growing industry in this country and specifically the Riverina area that we will be seeking immediate support from the Federal Treasurer, Peter Costello, to terminate the services of the Productivity Commission in this regard. We will be seeking support from the Government to engage the services of a suitably qualified and skilled independent Commissioner who will continue this inquiry in a fair and equitable manner and who will implement processes and activities aimed at identifying all relevant information before reaching any conclusions, preparing any Position Paper's, reporting to the Government etc. In this submission we aim to raise the overarching concerns regarding this Productivity Commission Inquiry of Riverina citrus growers to the Commission and will endeavour at the hearing to demonstrate that the process to date and the Position Paper specifically are so flawed that the validity and credibility of this Inquiry have been fatally compromised.

Until an Independent Commissioner is appointed by the Treasurer and in order to comply with the existing requirements of this current Inquiry by the Productivity Commission, Riverina Citrus will attend the hearings and forward this Submission to the Commission in order to verify our view that the Productivity Commission is either not skilled for this task and/or is evidently biased against the needs and concerns of citrus growers.

The major areas of concern to Riverina Citrus Growers include:-

- The failure of the Commission to fulfill the Terms of Reference of the Inquiry as specified by the Treasurer ie 1(a) and 1(d);
- The obvious bias of the Commission in not accepting the evidence of the Citrus Industry or growers in detailing the financial plight of the industry. The Commission however has placed great credence on "evidence" provided by other stakeholders including BGP International, Warren Muirhead, JV Whyte and Berri. In this regard although a Benchmarking study has identified that growers in the Murray Valley suffered losses three out of five years, broke even once and made a profit once and that the Commission itself has accepted that 2000-2001 was a disastrous year for growers, the Commission still contends that growers are in a sound financial position.

- Information now provided by Riverina Citrus Growers at Appendix C reinforces the disastrous position of growers in this area. These figures demonstrate that Valencia growers have not made a profit since 1995 – ie returns have not exceeded costs of production. Information on costs of production can be found at Appendix D. The returns for Navels have been better but even the returns for these export varieties are meager in most years and certainly do not balance the losses experienced for Valencias;
- The misrepresentation of data and figures by the Commission, the selective utilization of some data and statistics to support their assumptions, and the utilization of flawed financial modeling rather than actual realistic grower costs and returns to skew findings;
- The attempts by the Commission to include off farm income and income from other crops in order to validate the financial viability of the industry. This information is outside the scope of this inquiry. This inquiry is to focus on the profitability of the Citrus Industry. As such given that growers need to grow other crops and work extra part time jobs in order to survive, clearly demonstrates that citrus growing is not profitable and yet the Commission refuses to accept this position.
- The complete failure of the Commission to obtain all information prior to preparing the Position Paper;
- The failure of the Commission to make any recommendations which will realize any on farm benefits to growers now or in the immediate or even long term future; and
- The focus of the Commission on the supposed benefits of exports and a complete lack of focus on the effects of imports on the local industry.

Riverina Citrus Growers Response

Appendix A details the specific areas of the Position Paper and the process of the Inquiry, which are of significant concern to Riverina Citrus Growers. However following is a brief outline of the various issues that Riverina Citrus wishes to raise:-

In particular it is clearly apparent that the Commission has not fulfilled the requirements of the Terms of Reference in many areas. One example of this relates to the failure of the Commission to undertake relevant activities and investigations to obtain a true and accurate picture of “the financial conditions, including profitability, of the industry” (Terms of Reference – 1(a)). In order to obtain enough relevant information to report accurately to the Government in this regard and in fact to be able to prepare a Position Paper, based on fact rather than estimates and a reliance on completely incorrect and unsubstantiated data, the Commission needed to undertake thorough, complex and impartial investigations. While the citrus growing industry and growers from the Riverina have attempted to provide financial data to the Commission validating the poor state of the industry, the Commission has refused to accept this as an accurate reflection of the current plight of growers and has requested that respondents provide further evidence.

Riverina Citrus Growers provide relevant information on examples of grower returns over the last few years at Appendix C. In these examples it can be seen that growers since 1995 have never broken even on the returns from Valencias against the cost of production (Appendix D – the average cost of production for Riverina Growers has been identified as at least \$265.00 per tonne). The returns for Navels have also been meager as demonstrated by these figures.

In the position paper the Commission even states “information on the financial performance of establishments and income of households engaged in the citrus growing is very limited”. It is the view of Riverina Citrus that the primary role of the Commission and this Inquiry was to in fact identify the profitability of the industry.

The Industry peak bodies and growers are more than willing to assist where possible but it is the Productivity Commission who has not only the power but the resources required to undertake such a comprehensive, complex and difficult task. The Commission have failed to identify such data, information, statistics etc except to refute the evidence provided from growers themselves. The Commission however on the other hand consistently utilized the “evidence” of unqualified respondents and flawed data (ABS statistics, “data” from Retailworks etc) to validate their position of grower viability.

Throughout the report the Commission adopts a completely biased and incorrect perspective that the citrus industry is financially viable and that in essence no assistance to growers at the farmgate is necessary. One such comment from the Position Paper states that “growers in the citrus industry have adjusted to changes and remained financially viable by changing the mix of the varieties of citrus and of other crops.....”. Riverina Citrus cannot comprehend how the Commission arrives at this assessment given the only realistic figures available to the Commission on the profitability of the industry are available through the Murray Valley benchmarking study. This study shows that growers in that area on average realized substantial losses for the years 95-96, 96-97, 97-98, barely broke even in 98-99, and on average realized a profit in 99-2000. This study was also undertaken before the disastrous losses suffered by growers in 2000-2001. So in essence growers in Murray Valley have only made a profit from Citrus in one year out of the last six. Appendix C which demonstrates examples of grower returns in the Riverina further validates this position.

Given that Murray Valley growers grow varieties more suitable to the more profitable export markets than do growers in either Riverina or Riverland, the losses suffered by growers in these two other areas can be significantly multiplied. These figures indicate that growers have NOT remained financially viable as indicated by the Commission. One further issue, with the aforementioned quotation from the report regarding the financial viability of growers, which in itself is a fundamental flaw regarding the Commission’s Inquiry and Position Paper, relates to the Commission’s continued reliance on income from other crops and indeed off-farm income to validate that growers are financially viable. This inquiry was implemented to review the profitability of the industry – not the profitability of other industries and crops – nor for the Commission to include the fact that growers earn off farm income to support growers meager returns from citrus in their attempts to validate grower viability. The Commission should refer to the Terms of Reference in this regard – 1 (a) – “the financial conditions, including profitability of the industry”.

The Commission should note that this requirement in the Terms of Reference does not include the words “profitability of the farm, or “profitability of the household”. The Commission’s assertions and “evidence” in this regard fall outside the Terms of Reference and should be dismissed and removed from the Position Paper.

The intent of this quotation is inherent throughout the report and clearly demonstrates the Commission’s biased view and continued attempts to use information, data, “evidence” etc to misrepresent the accurate picture of the Citrus Industry and to support a finding that the industry does not need any assistance from the Federal Government.

As mentioned previously the Commission has failed to adequately validate the financial viability of the industry and yet has produced a position paper with findings and draft recommendations based on the “viability” of growers. Not only has it failed to identify the financial viability as required by the Terms of Reference, but the Commission has produced a Position Paper without identifying any of the following essential information:-

- ❖ Financial conditions in citrus packing;
- ❖ The current cost competitiveness of the packing sector in Australia;
- ❖ The financial performance of citrus processors and convertors;
- ❖ Whether citrus growers who meet the relevant eligibility criteria face any impediments to gaining access to Government programs which facilitate adjustment;
- ❖ The processing of market requests by Biosecurity Australia, including by way of specific example; and
- ❖ The appropriateness of supplementing Biosecurity Australia’s government funding with contributions from industries which benefit directly from its market access negotiations.

This failure by the Commission to fully access all the evidence and facts before preparing this report ensures that the report cannot be realistically considered let alone accepted as a factual representation of the state of the citrus industry in Australia. Throughout the document the Commission misrepresents figures and statistics to validate their position and uses quotations from sources, who are not experts in the field and who do not have the expertise, experience or qualifications to represent the points of view the Commission seems to accept as “factual”, in order to support the contention of citrus grower viability, failure to adjust, implement innovations etc.

Even if we were to set all of the aforementioned concerns aside, this report cannot be supported and the Commission's ability to effectively investigate this matter in an impartial manner must be strongly challenged by the Commission's own refusal to adequately fulfill the Terms of Reference 1(d). In the Position Paper the Commission states "The Commission does not plan to evaluate the general (Government) policies and programs that are available to the citrus industry".

This statement is in clear contravention of the requirements by the Treasurer for this Commission and Inquiry and as such on this basis alone the Position Paper is rejected completely by Riverina Citrus. The Treasurer has requested that the Commission investigate the "impact and effectiveness of existing and recent Commonwealth/State policies and programs". The Commission is clearly ignoring the Treasurer's instructions in this regard and evidence on this matter is completely absent from the Position Paper.

Riverina Citrus now will be seeking the support of all other peak citrus grower representative bodies to approach the Treasurer formally to have an Independent Commissioner appointed to this Inquiry.

This Inquiry in its present format, the process and the Position Paper are now compromised to such an extent that this Inquiry is now fatally flawed and Riverina Citrus believes that this Commission is now unable to effectively complete its tasks as required by the Treasurer with the full confidence of citrus growers across Australia.

Recommendations

Riverina Citrus proposes the following recommendations to replace those identified in the Position Paper:-

- ❖ That the Treasurer dismiss the services of the Productivity Commission immediately with respect of this inquiry and appoint an Independent Commissioner as a matter of urgency.
- ❖ That the Independent Commissioner implement activities to thoroughly investigate and identify the following information prior to preparing a further Position Paper:-
 - a. Financial position of citrus growers in each separate major citrus growing area across Australia. As such the Independent Commissioner should base findings and recommendations on the differing financial positions of growers in the differing areas and recognize that growers in the Riverina area are suffering specific financial hardships;
 - b. Identification of the complete affects of imports on the local industry especially in setting the floor price in Australia and in reducing profitability of Australian growers particularly those in the Riverina;

- c. Financial conditions in citrus packing;
- d. The current cost competitiveness of the packing sector in Australia;
- e. The financial performance of citrus processors and convertors;
- f. Undertake a thorough review of the applicability and effectiveness of State/Federal policies and programs in assisting the citrus industry;
- g. Whether citrus growers who meet the relevant eligibility criteria face any impediments to gaining access to Government programs which facilitate adjustment;
- h. All future challenges which will impact both positively and negatively on Australia's citrus industry;
- i. The processing of market requests by Biosecurity Australia, including by way of specific example; and
- j. The appropriateness of supplementing Biosecurity Australia's government funding with contributions from industries, which benefit directly from its market access negotiations.

- ❖ That following an assessment of the information obtained through the formal investigations, the Independent Commissioner recommend an appropriate and equitable assistance package to citrus growers which may include the implementation of tariffs on imported produce or a grower assistance package based on that which has already been proposed to the Federal Government by Riverina Citrus (see Appendix B). Any assistance package may be required to meet the needs of growers in differing areas. Given that Riverina Growers are primarily in the Valencia market the needs and requirements of growers in this area will vary markedly from other growers across Australia and as such any assistance package should recognize these differences;
- ❖ That the Independent Commissioner make recommendations to Local, State and Federal Government that facilitate easier access to labour. In this regard effective policies and practices need to be developed as well as the negotiation and implementation of effective policing measures. Local government needs to address accommodation and taxation issues of backpackers;
- ❖ That the Independent Commissioner recommend to the ACCC that the Citrus Industry be relieved of requirements under the Trade Practices Act to enable growers to enter into collective bargaining arrangements with Processors and the Retail Sector;

- ❖ That the Independent Commissioner address the issue of poor labeling laws ie with regards to country of origin, content, font size etc and the inability to ensure compliance with same; and
- ❖ That the Independent Commissioner seek to identify future impacts on the industry prior to developing a Position Paper and proposing any assistance measure for the citrus growing industry.

Appendix A details the specific concerns of Riverina Citrus in further detail and identifies problems and discrepancies with the Productivity Commission's Position Paper.

Appendix B identifies the position of Riverina Citrus Growers with respect to an Industry based structural assistance package.

Appendix C specifies examples of grower returns in the Riverina area over the period 1995 to 2002, while Appendix D details the average costs of production for citrus growing in the Riverina area.

Appendix E demonstrates grower returns from contracts with processors for processed fruit.

Appendix F details the diversity of grower plantings in the Riverina area.

Appendix A

Specific Areas of Concern

With

Productivity Commission's Position Paper

Regarding

Citrus Growing and Processing Inquiry

As Raised By

Riverina Citrus Growers

Relevant notes regarding the Productivity Commission's Position Paper.

- Investigation into the profit and loss of citrus growers across the country has not occurred. This needs to be undertaken in depth by the Commission and to obtain evidence for each major citrus growing area – ie Riverland, Sunraysia, Riverina, Mundubbera/Gayndah etc. Examples of financial returns to RIVERINA growers are included at Appendix C;
- Breach of terms of reference of the inquiry – 1 (a) and 1 (d);
- Page XXI- What evidence? Evidence from MV benchmarking study shows that 3 out of 5 years were at a loss and one was break even. MV figures would have been worse for the Riverina AREA – due to the fact that Riverina is more Valencia focused. The Commission stating that the industry is financially viable, why are packers going into receivership? 3 prominent packers in the last two years, Riverland Co-op, Waikerie Co-op and John Simpson. Growers have also provided evidence to the Commission but this has not been accepted by the Commission as a valid industry wide perspective. There has been a 14% increase in real value of exports, how does this relate to the farmgate. How has that equated to returns to growers? Is there any evidence? Evidence from growers has not been obtained (refer Appendix C);
- In the foreseeable future, Australia is going to be opened up more and more to imports and competition on the fresh fruit and fresh juice market;
- Page XXII – What expertise do Warren Muirhead and BGP International have in representing industry based views? Throughout the document the Commission draws heavily of quotes from individuals/BGP to validate their stance yet dismisses the views of growers and the industry peak body. Evidence supplied by individuals and BGP is generally anecdotal and is not validated by figures or data. Muirhead and BGP are talking about the need for industry to adjust and change to better varieties, the benefits of this change will not be realised for at least 5 years. Growers across Australia have been attempting to implement new farming practices, plant new varieties over the last decade and yet growers still are not profitable. Refer to submission from EJT Packers on comments made by BGP;
- Page XXIII – Although average farm gate prices were higher than the price imported FCOJ, evidence from the Riverina suggests that in 2000 the average price realized for processed fruit was \$156 per tonne, 1999 - \$140 per tonne, 1998 - \$126 per tonne, however cost of production in this area is estimated at \$220 per tonne minimum, therefore growers realised a significant loss per tonne compared to the cost of production. Mia Powerpact and Mia Council of Horticultural Associations data now suggests that cost of production for growers in the Riverina area is at least \$265.00 per tonne;

- The Commissions' statement that the only fruit suitable for juice is overrun and fruit unsuitable for the fresh fruit and fresh juice markets is wrong (this statement may be true for areas like the Riverland, but completely incorrect for the Riverina). All fruit this year was suitable for fresh juice. The Commission has failed in their report to identify that there are different circumstances for different growing areas and this has not been addressed;
- Page XXIV – Table 1, where have these figures been drawn from? Evidence from Riverina Growers suggests that these figures are completely incorrect and way over estimated. Riverina certainly is not experiencing a boom in Valencia exports as relative to other areas. Different rootstock, seasonality, soil;
- Page XXV – The Commission states that many of those engaged in citrus growing are not solely citrus growers. As shown in the MIA PowerPACT study 59.6% of the industry have 100% citrus and 76.4% of growers have greater than 51% citrus in the Riverina area. Commission has been asked to study the viability of citrus, not off-farm income or income from other crops. The reason why some farmers are involved in sourcing off-farm income is because citrus is not a viable commodity and the figures from the MV Benchmarking study validates that. The Commission is interpreting data to suit their means (paragraph 3 'More than 50 % of establishments had no more than 60% of the crop area allocated to citrus'. This equally could be turned around to state almost 50% of growers had more than 60%). People have validated the industries position to the Commission, yet the Commission has refused to accept this as indicative of the industries performance, yet the Commission has accept comments from other parties BGP, Muirhead etc as being factual;
- Page XXVI – The reason why people have to grow other crops and source off-farm income is because citrus is NOT VIABLE. The Commission has been clearly tasked with finding out the financial viability of the citrus sector, but have failed to do this throughout the report and yet have validated the facts that citrus growers are reasonably well off in income term wise by validating off farm income as a supplement. What studies and evidence has the commission used to validate off farm income and in any case this information is outside the terms of this Inquiry???? While we have information from the MV there has previously been little information available for the Riverina, the Riverina is more dependant on off-farm income compared to the MV, due to a number of factors soldier settler blocks, large area of Valencia plantings and historical legislative restriction have prevented aggregation of holdings. "Consequently, there appears to be scope for many less profitable growers to do better", the Commission is not accepting the fact that even those growing export varieties have suffered losses recently. The Commission is also not accepting the long time frame that it takes to change and implement new varieties. To be able to change growers need to have the capital to be able to do it, estimated at \$14,933 per hectare for the standard 450 trees per hectare (MIA PowerPACT proposal). Because growers are working off-farm to supplement poor returns growers don't have the time to implement change and new varieties. 15 year turn around, as quoted by Ron Hutton (NSW Agriculture, Citrus Researcher, Citrus CD-Rom);

- Page XXVII – Increase in land values does not provide any relief for growers but will in fact realize increased overheads through rate increases etc. Increase in land values is due to increase in housing costs, makes the purchased of land to make the citrus grower more viable less of an option. Increased demand for rural residential subdivisions. This is a nonsense argument by the Commission. In any case land values are only set at the value of a buyer at sale, so any speculation on potential increases in value cannot be substantiated until such increases were actually realized at sale. In essence such increases may not materialize at time of sale;
- Page XXVIII – Second last paragraph – the Commission states that the majority of citrus growers are not specialist producers solely dependant on citrus, this is not the case as the majority of Riverina growers are specialized citrus growers, the Riverina represents 30% of Australia’s citrus production. Last paragraph – What evidence?????? This is unsubstantiated;
- Page XXIX – First Paragraph – In the Riverina nobody grows solely for the concentrate market. The Commission has stated there is evidence for this, where is it???
- Page XXXI – second last paragraph - “many farmers” these statements are non validated, no figures to substantiate. We are not saying that high tariffs is the answer, but the imported FCOJ price from overseas has a large effect on the domestic Valencia and Navel prices. The Commission has dismissed the notion of a tariff but haven’t considered alternate strategies ie import quotas;
- Page XXXII – Contradiction in paragraph 1, the Commission stated previously in the document that a tariff would have no effect (page XXXI, second last paragraph) a higher tariff on FCOJ would be unlikely to have much effect on the prices of fruit supplied for these purposes, then on page XXXII in the first paragraph you state that an increase in tariff on FCOJ would be a very blunt way of providing assistance to the citrus industry.
- MV statistic don’t validate the statement made under “Impediments to industry performance” Second last paragraph – trying to dilute the potential impediment to the citrus industry by including other sectors of the horticultural industry. There are other impediments to industry performance that are not recognized by the commission including road –rail infrastructure, fuel pricing, telecommunication problems, increased uncertainty over the future regulatory controls on price impact of water supply, increased compliance costs from the new tax system;
- Page XXXIII – Draft Recommendation 7.1 – this should be a firm commitment, in that the Federal Government must tell the State and Territory governments that they MUST, should be more demanding;
- Page XXXIV – Draft Recommendation 7.2 – This recommendation is useless in that the Federal Government has had little or no success in this regard as evidence by the recent US tariff on steel and the US Farm Bill;

- Information relating to Biosecurity, and the Commission's contention that if import requests were processed quicker than those countries would process our imports requests quicker is nonsense.
- Draft Recommendation 7.3 – no beneficial effects on growers on the ground and will increase costs in relation to the grower levies;
- Draft Recommendation 7.4 – This needs to be stronger. The government should not 'consider' but implement strategies where based on public benefit, general revenue funds are used to augment Biosecurity resources. Funding should not necessarily be sought from relevant industries;
- Draft Recommendation 7.5 – Strongly agree. Imports should be exposed to the same scrutiny as our exports to other countries;
- Draft Recommendation 7.6 – We agree with the continuation of the single desk importer into the US, therefore we disagree completely with this recommendation, we need orderly marketing for all export markets. In any case Riverina Citrus has difficulty comprehending how this issue falls within the Terms of Reference and how the commission arrived at this finding;
- Draft Recommendation 7.7 – Agree, but include AFFA in close consultation with industry. As per Draft Recommendation 7.6;
- Draft Recommendation 7.8 – Disagree Strongly. To be removed from report, no validation in report to support this recommendation. As per Draft Recommendation 7.6;
- Page XXXVI – First sentence under Outlook. No evidence to support this statement (MV statistics, Appendix C);
- Page XXXVII – First paragraph – How can growers expand when suffering losses? Larger organisations in this area are suffering more than smaller operations, refer to PowerPACT, the evidence from the Riverina completely conflicts with the statement by the Commission, in any case, what evidence did the Commission use to validate this. (Sunraysia – Dudley Marrows submission – very large grower struggling);

- Second last paragraph – conflicts completely with all previous statements in regard to profitability of the industry made by the Commission. Commission continually espouses the theory that changing to Navels will solve the profitability issue, but refuses to acknowledge that there is a continuing need for Valencias for the fresh juice market. 1999-2000 all Navel growers suffered severe losses – refer to Dudley Marrows submission. Also MV study (primarily navel area shows growers suffered losses three out of five years). Appendix C also provides information in this regard;
- Page XXXIX – Finding 2.1 – Where is the evidence to support this finding? The percentages to FCOJ vary widely year to year;
- Finding 2.2 – Completely incorrect statement, Commission has no realistic evidence to support this claim;
- Finding 2.3 - ? Figure 2.8 page 28 – Please Explain???? The table represents annual averages and doesn't reflect fluctuation within a season, across regions and for individual growers;
- Finding 3.1 – How is this validated, where did the Commission get this information from? What percentage is substantial?
- Page XL – Finding 5.1 – What validation and data has the Commission used to show that these assistance programs have been beneficial to citrus growers?
- Finding 5.2 – No evidence to validate this statement at all. Information from the Rural Counseling Service that this is incorrect. (Refer to Peter Gerarde-Smith);
- Finding 6.1 – Agree;
- Finding 6.2 – Undersells the future negative impacts on Australian growers;
- Finding 6.3 – Inconclusive in that yes it may, but it also may not;
- Finding 6.4 – A non-finding this is applicable to all industries;
- Finding 6.5 – This may be applicable in other areas, however, Riverina growers have a good supply of water, there will be a significant increase in costs, and therefore increasing cost of production;

- Finding 7.1 – Compliance activities are not sufficient or effective. The Code is too loose and doesn't advantage the consumer or the grower, only the processor or retailer. Strongly disagree with finding;
- Finding 7.2 – to whose benefit? Compliance of codes and laws are not based on whether it is cost effective, but the need on whether the law is being broken. Completely disagree with finding;
- Finding 7.3 – Disagree refer to comments re draft recommendation 7.6. What evidence of the success of alternative strategies has the Commission proposed in this report (South African model);
- Finding 7.4 – Disagree refer to comments on draft recommendation 7.8. What evidence of the success of alternative strategies has the Commission proposed in this report (South African model);
- Finding 8.1 – Disagree with finding, refer to previous comments regarding tariffs;
- Finding 8.2 – Disagree, targeted assistance to dairy, pork, sugar, etc proves that assistance to specific sectors is extremely beneficial;
- Finding 8.3 – What financial/economic model has the Commission drawn upon to validate this position?
- Page XLIII – How has the Commission made draft recommendations and findings when all of this information is not at hand?
- Market Diversification Program – No good for the Riverina, because it was focused on export markets benefits were realised by MV and Riverland growers with minimal benefits realised by Riverina growers. Because Riverina is highly concentrated in the Valencia market a specific package is required to assist Riverina growers.

INTRODUCTION

- Page 1 – Commission claims that Australia has a significant market with growth potential in Asian markets. This statement is arguable. Asian markets somewhat difficult to access due to the stringent restrictions. Asia as a total market is relatively important, however it is made up of a number of countries and therefore accessing export opportunities in each of those countries individually is very difficult. Agree with the commission regarding growth potential but there will be an increase with other countries competing in the marketplace;

- Page 3 – 87 submissions were received, this only represents 3% of citrus growers (if in fact the submissions were all by citrus growers – which obviously they are not) at most and therefore the extent of information that the Commission is relying on from these submissions is questionable. In any case, the Commission has been selective in what evidence they have allowed/supported. The timelines that we have been given to respond is a disgrace. The Commission has had 4 ½ months for them to prepare this Position Paper and then given respondents 3 weeks for to prepare response;
- Page 9 – What data has been used for the last paragraph? If the information relates to MV what has been considered with regard to other areas, as information and more specifically returns vary from area to area. Validity of the Commissions' data in relation to table 2.3, information is questionable. The methodologies used in calculating the table are completely incorrect and need to be based on actual realisations not theoretical models. Basing anything on ABS statistics is dangerous given that a large number of people are missed in the process. Refer to evidence provided by Dom Nardi at the Commission Hearings;
- Page 10 – Who are Elton, Hutton and Mullen????? \$1430 tonne would only be realised by a small number of growers. Even in 2000/01 growers did not receive returns of this extent for Navel exports. The figures used on page 10 are aimed at validating the Commission's stance and do not reflect actual costs across Australia and in particular the Riverina. The figures quoted for exports to the US are based on per packed tonne rather than actual prices for fruit provided, therefore growers are not actually receiving \$1430 for every tonne delivered. This is only a small proportion of the crop. No evidence has been provided on cost of production to validate Finding 2.2. Appendices C and D completely refute the claims by the Commission;
- Page 11 – Figures provided do not reflect Riverina growers (Refer Appendix C). Second Last paragraph – At the moment the situation in the grape industry is disastrous, where growers are actually being paid to leave their crop on the vine due to oversupply and the real effect of the number of plantings going into the ground has not yet been realised. Climatic conditions in some areas are not conducive to planting alternate crops or varieties as has been suggested by the Commission;
- Page 12 – second last paragraph – Information provided to BGP is questionable – refer to EJT Packers submission. Industry perspective is that this is almost certainly incorrect and in 2000 the market was oversupplied with Navels. Future possibility is that the soon to be bearing new plantings of mandarins will flood the market thus having an adverse effect on Navels and Valencias on the domestic market;
- Page 13 – ACG consumption figures doesn't make sense, please explain. Last Paragraph – This conflicts completely with the claims of BGP;
- Page 16 – Last paragraph – Commissions statements conflict completely with information provided on Page XXI;

- Page 17 – Commissions figures are questionable, what evidence does the commission have to validate this besides ABS data, what was the farm gate share of this? ABS data is also outdated in any case (Table 2.4);
- Page 18 – BGP statement, what evidence do they have to support this statement? Please refer to EJT Packers submission;
- Page 19 – The Commission has placed lots of credence on information in the Berri submission. Has the commission validated that the information in Berri's submission is actually factual?
- Page 20 – Berri's own submission states that some growers are having to sell at \$60-\$80 per tonne, well below the growers cost of production. Based on previous comments, that \$60-\$80 is obviously based on the price of imported FCOJ – a contention the Commission rejects.
- Page 21 – "Exports of NFC juice rise 526%" yet throughout the report the commission is stating that growers should move away from growing Valencias. Based on the \$60-80 being realised by growers, processors are obviously making an enormous profit at the growers expense;
- Page 23 – FCOJ imports have increased by 351% does this conflict with previous information provided in the Commissions' report of the extent of imports into the market;
- Page 25 – In relation to this point the Riverina feels that the price is quite simple, and not complex. Processors base their prices on the FCOJ price. Appendix D details returns realized by growers from Contracts with processors. As can be seen from this information returns are far less than cost of production;
- Page 26 – Paragraph 1 – the Commission has conflicted with the information provided in Table 2.3. 2000/01 was not different, based on MV figures 4 out of 6 years have been negative. Appendix C further supports this stance;
- Page 28 – Figure 2.8 Commission to explain;
- Page 29 – Complete contradiction in what was previously written with regard to FCOJ import prices. Finding 2.3 again contradicts;
- Page 33 – Figures in Table 3.1 apply to MV but Riverina is considerably different.

- Page 34 – Table 3.2 no data has been supplied on the Riverina. Profitability – the Commission endorses that there is little information on financial performance, however the Commission does not make any attempt to identify financial performance besides that already provided from the MV benchmarking study. Important recommendation of the Commission should be that such a comprehensive study be undertaken immediately. Again Appendix C provides evidence to support the plight of growers in the Riverina;
- Page 35 – Total income of a family or farm, including off farm activities is of no concern and out of the jurisdiction of the Commission’s Terms of Reference. The Commission should be only identifying the profitability/non-profitability of the citrus component of grower activities. Table 3.3 – Second last paragraph – Commission is focusing on business as a whole and not the citrus component and is using top 25% rather than the remaining 75%. Typical utilisation of selective information;
- Page 36 – Table 3.4 – the Commission is once again using off-farm income and income other than citrus to validate claims. This should not be included in the report. Murray Valley figures are much better than those for the Riverina;
- Page 37 – “In Summary.....” it is being stated that you are required to be a larger grower to increase income, this is not the case in the Riverina, large farmers are suffering. This seems to be primarily because of the focus on Valencias. Finding 3.1 – should not be including off-farm income or income of other sorts. The inclusion by the Commission of total farm income is distorting what is actual income on citrus;
- Page 39 – It good to see that the Commission acknowledges that there is a long time frame delay before rewards are realised from replanting or changing varieties;
- Page 41 – Both the Murrumbidgee Rural Counseling Service and ACG have maintained that there are a large number of citrus growers experiencing financial difficulties, yet the Commission refuses to accept these positions on the other hand the Commission has accepted as fact statements provided by others including BGP International. The Commission should have actively sourced this information from Counseling Services from the relevant areas in October of last year. Riverina Citrus believes that while the industry needs to provide information to the Commission, it is up to the Commission to undertake all activities to identify financial and other information required to support any finding or recommendations outlined in this report. In this regard the Commission has failed completely and thus this report is flawed. Information provided by Peter Gerarde – Smith suggests that the farm exit package had been of no assistance to citrus growers in exiting the industry as NO growers have accessed this support;;
- Page 44 – Table 3.7 identifies the average cost of production for citrus enterprises in the MV at \$351 per tonne. It seems that the Commission does not accept that as a reasonable cost of production, however, the Commission has accepted previous MV data on the financial performance of growers from the same benchmarking study;

- Page 45 – Riverina Citrus need access to more itinerant people, relaxation of visas, government identity cards;
- Page 46 – Access to water, costs will increase, uncertainty over price increases leads to uncertainty in further investment. Table 3.9 indicates water costs of up to 12% of growing costs, stated as 2% elsewhere. Electricity costs will increase over time due to deregulation and an increased reliance on pumped rather than channel irrigation systems;
- Being able to negotiate as a conglomerate. ACCC says that we cannot do this at the moment, however have allowed it in the chicken meat industry;
- Page 47 – Future increase in prices for chemicals is guaranteed. Productivity – according to the Productivity Commission no data exists on the productivity of the citrus industry, however, a previous study indicates that efficiency and productivity in the Australian industry is among the best in the world according to Citrus Best Practice Groups Yr 2, pg 2 para 2 (Best Australian producers are very cost competitive);
- Productivity Commission report states that according to MV larger operators are more profitable, this is not the case in the Riverina;
- Page 48 - The Commission states that there are no studies to determine optimal farm size, however they state there are some economies of size in running a citrus orchard. How is this arrived at?
- Page 49 – Commission relies on statements and quotes from unsubstantiated sources;
- Page 50 – First two paragraphs conflict;
- Section 4 – In the Riverina efforts have been made to form co-ops and realise savings, however, these have not proved to be beneficial. There is a need for government support in facilitating better administrative and business skills in such enterprises;
- Page 67 – The Commission has relied on Berri's statement that they have initiated a number of programs aimed at stabilising grower profit related factors, where in effect Berri have only implemented contracts to guarantee a set price over a period of specified product. Berri's statement that minimum prices range from \$170 - \$240 per tonne are incorrect in the Riverina area, where the minimum price is set at \$150 and where the maximum price of \$240 is rarely achieved. Berri's last point on paying high prices for surplus crop is questionable at best. Information in this regard is provided at Appendix D;

- Page 71 – Number 1 (d) in the Terms of reference to the Commissions Inquiry, the Commission was asked to take into account the impact and effectiveness of existing and recent Commonwealth/State policies or programs and report on same, however, the commission has completely failed to fulfill this obligation in this report. Stating from the report “the Commission does not plan to evaluate the general policies and programs that are available to the citrus industry”. This clearly is a breach of the terms of reference and as such the report should be dismissed in its entirety. The Commission has clearly failed to achieve the Treasurer’s objectives. While the report identifies some Commonwealth assistance programs, the commission has failed to identify any programs provided at the State level, and has failed to discuss these in detail and identify their effectiveness for the citrus industry. Also no detailed review of PowerPACT;
- Page 75 – The Commission is relying on studies that were done in 1970’s. Riverina Citrus considers that studies done some years ago are completely irrelevant to the requirements of the industry in this century;
- Page 76 – The Commission continues to quote references from a variety of sources and studies, the Commission equally could have used other references which would have offered a completely counterbalancing prospective. It would seem inappropriate for the Commission to rely on the studies requested by the Federal government of their own programs in order to validate that these programs are indeed effective;
- Page 77 – Again the Commission relies on studies from the 1970’s to develop their argument;
- Page 78 – Citrus growers as an industry with low income, and low equity have less ability to access finance regardless of deregulation in Australian Financial markets. The Commission seems to be saying that the problems in the industry are short term, whereas the MV figures suggest that it is more long term endemic problem ie 4 out of 5 years growers suffered losses. Appendix C supports this;
- Page 79 – Commission’s information on levy is incorrect. Actual levy is not \$2 for all citrus, but \$2.75 for oranges and \$2 for other varieties;
- Page 81 – The Commission continuing to use comments made by J V Whyte;
- Page 84 – In relation to fruit fly strategy the Riverina believes that the Commission should be endorsing extra funding for fruit fly prevention. In this regard the Commission has again failed to investigate the effectiveness of the current strategy. It would appear that although Riverina growers are heavily committed to adopting practices for fruit fly prevention, it would seem that other areas in the state at least are not as committed to implementing such actions, this has had serious consequence on the citrus industry in the Riverina;

- Page 89 – The Commission is quoting that 616 citrus farmers have applied for the subsidy, evidence to date states that limited numbers of growers have implemented effective quality systems and realised benefits in the marketplace. Riverina Citrus welcomes any information, which identifies the effectiveness of this training and the price benefits to be realised by growers;
- SECTION 5.4 There is no investigation of the effectiveness of these systems. The Commission has failed to investigate the effectiveness of these programs as required in the terms of reference, yet makes a general finding 5.2, that the programs are broadly effective. The Position Paper and the Inquiry are fatally flawed;
- Page 90 – Exit Grants – The Productivity Commission identifies that re-establishment grants are not an incentive for growers to leave farming, unless the grant offers the ability for growers to purchase a comfortable house in the neighbouring town. If the exit package is not sufficient to assist growers reintegrate into other agricultural sectors or back into the general community, there will be no incentive for growers to exit the industry;
- Page 95 – The Commission relies on departmentally endorsed reviews to validate the effectiveness of some government programs. The FarmBis review found “that the program had been successful in increasing farmers level of participation in learning activities” no information or evidence was provided as to the effectiveness of the training in improving farm operations. This is typical of the attempts of the Commission to validate their argument and at best is laughable;
- Page 97 – In identifying information relating to changing consumer practices, the Commission has failed to identify the effectiveness of past and existing marketing campaigns;
- Page 99 – JV Whyte is now an expert according to the Commission with regard to consumer requirements. BGP International state that exports could easily double if sufficient production was available, Riverina Citrus believe this statement to be completely unfounded and factually irresponsible. The previous CMDP did not provide assistance to growers to diversify on the farm into new varieties and develop new products from citrus fruit etc, but rather focused completely on facilitating access to export markets;
- Page 100 – Statement by BGP International is incorrect, no matter what varieties we can grow, we will always rely on some overseas varieties due to seasonality issues;
- Page 103 – Due to the amount of non-bearing Navels planted in the ground, the industry could possibly encounter oversupply problems in the not so distant future. Again the Commission relies on unsubstantiated references from respondents;

- Page 105 – Growers are already innovative and have implemented a number of practice and processes aimed at increasing competitiveness. The Commission throughout the report seems to have failed to have recognized these efforts. Growers are faced with increasing competition in the market place, new technologies etc and while the Commission has falsely claimed that the industry was in a good position these future challenges will have a further negative effect on grower profitability. In essence the majority of growers across Australia and particularly in the Riverina are already struggling financially and this increased competition will place further pressures on the local industry. The Commission doesn't seem to have taken into account fully the possible threats to the industry in the future;
- Page 106 – It is encouraging to see that the Commission in one sector of the report has identified the long lead times involved in switching varieties in general though the report seems to suggest that changes to different export based varieties is the saviour for the industry and is relatively easy to achieve. Riverina Citrus completely refutes the perception of the ease to change varieties and further adds that growers in this area are not in a financial position to be able to do so in any case;
- Page 107- The Commission states that some citrus growers have responded to falling prices by diversifying. It is interesting to note that at present grape growers are suffering lower returns and from information supplied by the Rural Counseling Service showing that there is an increasing number of grape growers requiring assistance;
- Page - 108 Information received that growers wishing to exit the industry have encountered significant legal problems with processors regarding the fulfillment of long term contracts, in essence long term contracts will in future prevent growers exiting non profitable ventures;
- Page 109 – There is no recognition that the impact of additional employment/tax compliance arrangements on employers has diminished grower capacity to attract labour. Future capacity will depend heavily on the policing/compliance efforts of tax and immigration authorities. Access to labour needs extensive consultation between government and the citrus industry in order to realise effective policies and practices and negotiate effective policing measures. Local government needs to address accommodation and taxation issues of backpackers;
- Page 110 – Commission states that reforms have recently been implemented in relation to water, these reforms are yet to be bedded in effectively and significant queries still remain as to the future impacts on citrus growers;
- Page 115 – The Commission relies heavily on information provided by Retailworks and yet Retailworks have only estimated information rather than actually accessing factual operational statistics. The focus of this report in utilising estimations, hearsay, non validated data etc ensures that the report, the recommendations and the findings should be dismissed out of hand;

- Page 118 – Even Retailworks have identified, even though it is via an “estimation”, that Growers do not receive a significant proportion of the share of the retail price for fresh fruit and fresh juice;
- Page 119 – Labeling is a major impediment in our point of sale. Labeling laws are unclear, do not determine the country of origin, does not identify the fresh aspect of the product, font size is inappropriate, and there is little or no compliance activity undertaken to ensure compliance with the code and labeling requirements. See other reports referring to labeling. The Commission endorses that there is a need for collective bargaining arrangements to be considered for the Citrus Industry and yet refuses to make findings or recommendations in this regard;
- Page 121 - The Commission acknowledges that there are problems with the current Labeling arrangements and yet takes the stance that the cost of compliance activities may outweigh any benefits. When has the cost of complying with requirements been a consideration in upholding the laws of this Country;
- Page 125 – Finding 7.1, this finding is completely flawed and does not address the existing concerns of industry. Evidence supplied by the Industry suggests that the current compliance arrangements are an abject failure;
- Page 126 – Finding 7.2 – The Commission has failed to offer any solutions to this problem and advises that costs of compliance may outweigh any benefits;
- Page 127 – The Commission’s statement that only “oversupply” oranges are provided to the fresh juice market is completely incorrect. The Commission throughout the report seems to be suggesting that growers abandon the fresh juice market as well as the FCOJ market. Yet navel growing is certainly not a profitable venture as indicated by the figures in Appendix C. The failure of the Commission to identify consumer satisfaction/dissatisfaction with labeling arrangements is also typical of the total lack of a thoroughly investigated and factually supported argument presented anywhere in the Position Paper. There obviously is some uncertainty in consumer minds as Riverina Citrus spends thousands of dollars each year on promotional activities aimed at highlighting 100% Australian Fresh Orange Juice as compared to imported product. Feedback from consumers is that labeling is very confusing to say the least in identifying Australian made produce;
- Page 129 – The Commission makes the point that “many growers have successfully undertaken redevelopment in the past.” The insinuation is that a number of growers refuse to redevelop their properties and if they wanted to there are a number of options open to them. This position does not consider that many growers who have undertaken redevelopment were lucky and did so in profitable economic times. It is very hard for growers in poor financial circumstances to implement redevelopment programs. The Commission’s claim that growers although small and not able to generate an income and yet still have avenues to pursue to generate redevelopment funds is ludicrous to say the least. Such statements reaffirm the belief of a complete bias against Citrus growers in this Position Paper;

- Page 129 - Basically growers in this situation will have one option only and that is to leave the industry. The exit package currently offered for the industry is completely ineffective in allowing growers to leave with dignity and to purchase homes in surrounding areas. The effectiveness of existing government programs to support expansion and innovation are not suitable to meet the needs of low income families or indeed those who are successful;
- Page 134 – The Commission states in one paragraph that there is no evidence to substantiate that power costs have increased in recent years. This conflicts completely with evidence identified on the same page, which states that power costs have increased between 4 and 24 per cent in the Riverina area. Again the Commission has failed in its performance to identify all information and circumstance affecting the Industry by accessing no other data in this regard;
- Page 135 – The Commission again fails to identify relevant information regarding water infrastructure issues in the Burnett area. Why does the Commission consistently fail to thoroughly investigate issues raised by Industry?
- Page 139 – Again the Commission has failed to thoroughly investigate an issue – ie how Biosecurity Australia allocates its resources between the two roles;
- Page 145 – The Commission states that Export Control powers can impose costs etc – where is the validation for this statement?
- Page 146 – Finding 7.3 – this conflicts completely with information provided by growers and industry who are very satisfied with the current arrangements;
- Page 150 – The Position Paper states “ The Commission has not quantitatively assessed the performance of the single importer arrangement”. Again the Commission has failed in undertaking any research and investigatory activities. As such on what basis is the Commission making its findings and recommendations in this regard? The lack of factual evidence by the Commission ensures the Position Paper must be disregarded;
- Page 154 – Finding 7.4 conflicts with Draft Recommendation 7.8 in that the finding says “it is not clear” yet the recommendation states to discontinue with the arrangements. In any case the Commission has already admitted to not having any quantitative evidence in this regard and as such is not well placed to be making any findings or recommendations;

- Page 155 – the Commission claims that Chapter 3 provides evidence of growers “reaping the benefits of change” and yet no credible evidence was supplied by the Commission in this regard;
- Page 155 – the Commission claims growers have been affected by “an unusual coincidence of factors”, however the Murray Valley study identifies that such circumstance have been experienced 4 out of 5 years. This would seem to be stretching the fact of unusual factors. The Commission again refers to the favourable prospects for growers which conflicts completely with the real state of the Industry as identified by the MV study. Financial information regarding the profitability of Riverina growers which is included at Appendix C also conflicts with the Commission’s poorly informed view;
- Page 157 – the Commission “does not consider that adjustment assistance should be provided to offset a poor financial outcome which is short term in nature”. Again Riverina Citrus query if losses 4 out of 6 years (including disastrous 2000/2001), with one other year barely being a break even year would be considered as short term. See also Appendix C;
- Page 158 – the Commission again identifies that grower are dependent on off farm income and income from other crops but still fails to recognise that this is a result of a non profitable citrus industry. The Commission again talks about the income of citrus growers being dependant on other crops and off farm income. This is outside the scope of the inquiry and the commission is tasked with identifying the profitability of the citrus sector. Given that the data from MV suggests that citrus growers are incurring losses, this would suggest that some form of assistance, either an increase in tariff or industry assistance package be implemented. The Commission’s flawed view that the citrus industry in Australia is viable demonstrates the inaccurate findings and recommendations of this report. Refer back to comments on CMDP;
- Page 160 and 161 – the Commission validates the finding that the Industry does not need assistance. This finding clearly demonstrates the incompetence of the Commission in that they have not identified all the facts, have undertaken little if any investigations, failed to accept the findings of the Murray Valley study and have not identified the effectiveness of existing State and Federal programs as required in the Terms of Reference;
- Page 162 – the Commission uses the CMDP as validation of growers already receiving assistance. In essence the focus of this program was on facilitating access to export markets and did not realize any direct benefits to growers at the farmgate ie in redevelopment funding etc. Rural Partnership Program has delivered few if any real benefits to growers in the Riverina (See Riverina Citrus submission on PowerPACT);
- Page 163 – The Commission has failed to investigate the effectiveness of the existing programs so how do they claim that the programs “provide assistance to facilitate adjustment etc....”?

- Page 163 – The Commission has failed completely to investigate all issues, identify and obtain information as necessary and failed to meet the Terms of Reference and yet make claims that there is no evidence to suggest that the industry is suffering;
- Page 166 – Again the Commission has no evidence to support the “favourable outlook for growers” and in essence has refused to accept evidence from the MV study and from Industry and individual growers to the contrary;
- Page 167 – Completely conflicts with the thrust of this whole Paper in that the Commission now acknowledges that “A significant number of growers appear to have uneconomic citrus operations”. Previously the Commission has claimed how profitable the industry was and that no assistance was needed etc, however the last paragraph states that the industry is not doing well at all. Riverina Citrus suggests that this contradiction alone verifies the dismal efforts of the Commission in investigating this issue and then preparing this Position Paper. Even though the Commission finally acknowledges that growers are in trouble, no recommendations or solutions have been offered to rectify the situation and assist growers at the farmgate.

Appendix B

Proposed Assistance Initiatives

Orange Grower Structural Assistance Package

Riverina Citrus proposes that this package should include the following initiatives:-

Low Interest Subsidies

- Growers see one of the most important initiatives to be included in any Structural Assistance Package as being Low Interest Subsidies. Such subsidies were provided in the Sugar Industry Assistance Program.
- Interest rate subsidies should be provided for replanting purposes and variety re-development;
- Interest rate subsidies also could be accessible for new or existing loans up to a maximum loan of \$100,000 for eligible growers subject to an off farm net assets test.

Decent Exit/Re-establishment Package

- Allowing a grower wishing to exit the industry to buy a decent property in town, market price. Current exit/re-establishment payment of \$45000 is completely inadequate. Such an amount does not allow a grower to leave the industry with dignity or any real prospects for re-establishment in financial, social and lifestyle terms.
- Tree Pull Scheme – allowing growers to exit the industry but remain on their properties.

Redevelopment Program

- Replanting – subsidise growers for the years (estimated 7 years) that the areas replanted are not in production.
- Reworking – subsidise the cost of reworking trees to other varieties including innovative varieties/EasyPeel/Export varieties.
- Tree Subsidies – direct assistance to purchase and plant trees especially innovative/export varieties.

Innovation and New Technologies

- Grants to be accessed for those farmers who propose to implement innovative projects including the implementation of innovative growing techniques, developing innovative planting, harvesting and sorting machinery, developing and planting innovative varieties including more focus on the fresh fruit market.
- Irrigation System Subsidies – assistance on top of that offered by other packages such as LWMP and Hortvision 2010. This assistance is seen to be essential to citrus growers.
- Machinery and Equipment Updates – assistance in purchasing hi- tech equipment, plastic bins, machinery, computers.
- Training – for growers to be able to gain off farm income, such as welding which can be used both on and off farm, and computer training on farm to allow for better management practices.
- On-Farm Cultural Practices – Funding to assist with pruning, spraying etc in order to produce a higher quality product.

Labour Scheme

- Superannuation policies for growers with government contributions.
- Increase the Superannuation threshold.
- If money set aside for pickers superannuation is not claimed it should be returned to the grower.

Domestic Marketing Campaign for Valencias

- Funding to be provided by the Government to develop an identifier logo for 100% Australian products.
- Funding to be provided by the government to develop and implement a marketing campaign to encourage consumers to buy Australian citrus products.

Expansion Package

- Grants available for those growers who wish to expand their business.

Centrelink Payments

- Growers to be means tested in order to receive Centrelink Payments.
- FarmHelp Scheme to be revised.

Research and Development on-farm

- Grants and assistance provided for research and development activities undertaken on the farm. Assistance could be in the form of increased taxation concessions.

Appendix C

Examples of

Riverina Citrus Grower Financial Returns

Average Grower Returns from Packhouse A*

Period 1995 - 2002

Average prices for 150 to 200 growers delivering fruit to Packhouse A for the past 5 years.

Please note Packhouse A handle approx. 40% of the citrus in the Griffith region.

Valencia 95/96 \$200

Navels 96 \$180

Valencia 96/97 \$110

Navels 97 \$190

Valencia 97/98 \$115

Navels 98 \$380

Valencia 98/99 \$260

Navels 99 \$280

Valencia 99/00 \$120

Navels 2000 \$100

Valencia 00/01 \$95

Navels 2001 \$360

Valencia 01/02 \$192

Navels 2002 N/A

Average Grower Returns from Packhouse B***

Period 1997 – 2001

Valencia 97/98 \$95

Navels 98 \$462**

Valencia 98/99 \$238

Navels 99 \$512

Valencia 99/00 \$141

Navels 00 \$160

Valencia 00/01 \$135

Navels 01 \$435

***NB – These figures are drawn from the returns of between 150 and 200 growers in the Riverina area who provided to Packhouse A over this period.**

****NB – this was a frosted year where Packhouse B suffered large losses but did not pass these losses on to growers.**

*****NB - These figures are obtained from returns of approximately 100 growers in the Riverina area who provided fruit to Packhouse B over this period.**

Appendix D

Mia Powerpact

Analysis OF

COSTs OF production

For

Riverina Growers

Appendix E

Examples of Prices Obtained

By

Riverina Growers

From

Processors

Appendix F

Mia powerpact

Analysis of

PLANTING DIVERSITY

In The

Riverina