



## **BACKGROUND:**

All families and corporations who operate Citrus enterprises in the Griffith and Leeton Districts are customers of our Company, and are also Shareholders. Our role is the conduit through which the life giving water for these enterprises is sourced from the Murrumbidgee River and reticulated to individual properties. Our Company is wholly owned by the irrigated agricultural landholders it services. These include the growers (approximately 600) as well as almost all of the packers and juicers who purchase and value add to what is produced.

## **COMMENTS RE ISSUES PAPER**

### **Australia's Imports**

No comment other than to support any inquiry to establish if foreign producers are dumping on the Australian market. We are concerned at the time any inquiry can take. Our country's assessments' timeframe do not appear to match market realities. Citrus is a fresh perishable product and any inquiry that takes months or years to complete can lead to the demise of an industry. A streamlined and rapid process for testing market dumping is requested.

### **Financial Performance**

Recent and current financial performance of citrus growers in regard to their relationship with this Company has declined. At 30 September, 2001 horticulture (majority citrus) payments outstanding totalled 17.5% of total payments due. By way of comparison, large area (summer crops, winter cereals, livestock) payments outstanding totalled 9% of total payments due. Both groups have similar numbers of farmers. This impacts on our business and requires enhanced credit policy management. The attached extract from the Murrumbidgee Valley Rural Counselling Service gives further details of impacts on our community.

### **Cost Structure and Productivity**

Our funds received from all citrus growers for water supply and drainage have remained less than inflation for the last 8 years.

However, the price of bulk water we pay to the Department of Land and Water Conservation has risen sharply. Since 1994/95 this charge has risen from \$996,996 to \$3,617 623 in 2000/2001 with smaller continuing price rises announced recently for this and subsequent years.

### **Barriers to Entry and Exit**

The recently introduced PowerPact Program (see submission by PowerPact Committee) has assisted the commencement of structural adjustment. However, the time delay taken to finalise the program again highlights the lack of a tuned relationship between Government decision making processes and market realities.

Submission to the Productivity Commission's  
**Public Inquiry into  
CITRUS GROWING AND PROCESSING**



MIA EnviroWise (The Murrumbidgee Irrigation Areas & Districts Community Land & Water Management Plan) has elements of partial limited assistance to citrus growers wishing to enhance natural resource management. The community developed the plan over 10 years and agreement has been reached with Government at a technical and bureaucratic level. Alas we have received just over 40% of the Government matching funding that was agreed as appropriate for the first year. We are told that our chances are good under proposed National Action Plan funding but it remains to be seen if the MIA EnviroWise continues as the Community and Government officials agree as appropriate for the long term sustainability of our area.

Long term impacts of any structural adjustment must also be considered. If citrus growers change, to what do they change? The wine industry has accommodated many but there are limits to this capacity and we are seeing flow on changes that may lead to deterioration of the wine industry due to over production.

In summary, Murrumbidgee Irrigation:

- a) supports our citrus growers in their endeavour to survive and prosper;
- b) wishes to protect itself from the complications that come from dealing with a rationalising industry; and
- c) requests long term natural resource management funding so that the citrus industry elements and our whole MIA EnviroWise program can be implemented to ensure the MIA's sustainability.

# Activities Report

## OVERVIEW

The 2000/01 period has probably been the most demanding time for me personally over the past 4 ½ years due to continuing Government Funding demands and Farm Debt Mediation work.

These mediations, 11 in total (comprising four citrus, five grape and two rice enterprises), on an average require approximately forty hours per client involving varied complex financial and personal issues.

MVRCS has seen a continuing increase of Citrus and Wine Grape Horticulturalists experiencing extreme difficulty meeting day to day living expenses and the servicing of high debt levels that many of them are carrying.

Numerous meetings with predominantly citrus representatives have taken place over the past twelve months along with several submissions at Federal and State level trying to highlight the difficult position of horticulturalists within the MIA.

The challenges ahead for many producers in the Horticultural industry would appear to be servicing present debt levels and maintaining viability

Irrigation property returns are still governed by water availability and price. Both of these seem to be in conflict with less water available and higher costs for users.

Grazing areas are seeing a resurgence in income with Wool, Lamb, Mutton, Beef and Veal prices improving dramatically on recent years.

Population in rural areas has started to accelerate after years of decreasing (1911 - 43% to 1976 - 14%). ABARE's recently released figure for the last twelve months indicate the best return in agriculture on record. This may give a false indication as to the actual position of many farmers who experience more lows than highs.

## CLIENTS

The past financial year has seen a total of 169 clients (145 rural) accessing MVRCS with 54 new clients forming part of this figure.

These 54 new clients were surveyed with eleven responding or 20% (see survey attached).

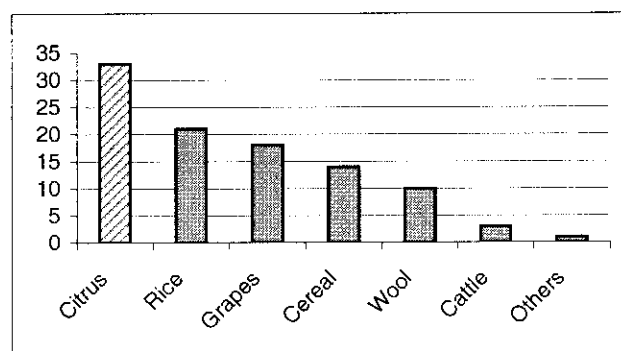
An average client age of forty-eight years increasing marginally on last year's age of forty-five years was recorded.

The average time spent with rural clients was nine hours per client. Rural clients totalling forty-three (30%) had off-farm income sources of some description.

Local community client work totalled twenty-four non-rural clients forming part of the 169 clients seen over the last financial year. Average time per non-rural client was 5.5 hours per client.

MVRCS has continued to be involved with the Griffith Suicide Prevention and Support Group with 414 hours logged for the twelve-month period. This comprised 28 x 14 hour crisis telephone counselling shifts (out of normal working hours) plus 22 hours attending meetings etc as Vice-president of the group.

Within a normal working week of 40 hours, 27 hours per week was spent on predominantly face-to-face client work.



Enterprises represented at MVRCS (%)