

Submission to the Citrus Growing and Processing Productivity Commission

From :

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I am a 45 year old citrus farmer growing 250 tonnes of Valencia oranges and 40 tonnes of Navel oranges.

My wife is 41 years old and works a minimum of 30 hours per week for a government agency. She would like to give up work but can't afford to. Her entire salary is used to pay off the mortgage on our farm. We have two boys, aged 9 and 11.

As well as being a citrus grower I am a self-employed licensed builder. This is a full-time occupation. This is a necessity. If we were to only rely on citrus farming for income we could not afford to live. We are forced to use the off-farm income we both earn to pay for many of the costs of farming. We are not eligible for any government assistance.

Ideally, in the not too distant future, I would like the opportunity to pick and choose the amount of building work that I do. Building is very physically and mentally demanding and I don't believe that I can do it now as I once could. Citrus should allow me to build less and farm more. However while we continue to make a loss from citrus farming this is not possible. We still have a farm to pay for and a family to raise.

Below Poverty Level is the best way to describe the income levels of a typical citrus grower. This year we received \$70.00 per tonne for Valencias (\$.07/kg). You could see them for sale in the local supermarket for \$2.99 per kg (\$2,990.00/tonne). This meant that less than 3% of the retail price of an orange went to the farmer. An absurd level of return. WHO IS MAKING ALL THE PROFIT ??

Now I don't know anything about politics but I know enough about economics to realise that this return is unsustainable. Our ongoing costs (water, fertilizer, sprays, fuel, transport, levies, labour etc) keep on going up while our return diminishes.

This year, on about ¼ of the crop, it cost us \$50.00 per tonne to pick. PLUS workers compensation, PAYE tax and superannuation. It doesn't leave much for the growers. These trees were big tree and time consuming (expensive) to pick but I can't afford to pay to have them pruned and I can't afford the time to do it myself by hand. I certainly can't afford to purchase new machinery to do it or any other job around the place.

The government has offered us incentives to install new technology and prepare farms plans. A prerequisite is that I attend a water wise course - I can't afford the time away from building !!

I would think that it would be in the government's interest for me to be sustainable. No welfare handouts, tax for me to pay and self-funded retirement. What a "win win" situation.

The environment wants a portion of my water right. For me to install drip or sprinkler systems will cost me about \$60,000. How can I afford to do this if oranges are paying only \$70.00 per tonne ? The numbers don't add up. There is no return..

If we are the so called "lucky country" our standard of living is surely expected to be higher than Brazilian orange growers. Why do we allow them to flood the market with cheap fruit and concentrate? We are sacrificing Australian farmers to please overseas interests. This makes no sense.

The Australian Labour Party believes in throwing money at restructuring but why kill off what should be a thriving industry? To restructure by growing different varieties would take 10 years to achieve reasonable returns. What do we do in the meantime ? Surely it must make more sense to help the existing industry become profitable ? And so much cheaper.

Rex Connor, from the Australia First party believes our best bet is to regulate, not deregulate. I agree with him. Listen to what he says. I believe that he has the best interests of Australia at heart. Listen to the lateral thinkers. The way we are headed is killing off Australia. I don't want to rely on governments for handouts. We need to have a prosperous, independent agricultural sector. Why are we stifled. HELP US help the country.

Australia does not grow enough oranges for our domestic needs, yet the industry is dying. Bring in minimum Australian content, import quotas, tariffs and concessions and perhaps we can have a viable industry. Please don't let us go the way the world and have economies of scale issues. To do this would destroy the very fabric of Australia's way of life. We all don't want, or need, to work for big companies in the cities. A fair go is what we want. In the 1998 election John Howard campaigned on a policy of a "fair go for everyone". Now is the time to start delivering.

I believe that the citrus industry can be fixed with the stroke of a pen. Very economical !

Sandy Bowditch
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