FROM THE DESK OF THE CEO (16/11)

Justin Chadwick (29 April 2011)

QUOTE OF THE WEEK *"Every day I get up and look through the Forbes list of the richest people in America. If I'm not there, I go to work. ~Robert Orben*

JOB CREATION: A NATIONAL PRIORITY

In 1918 600 000 people were employed on farms in South Africa – in 2010 600 000 people were employed on farms in South Africa. In the 1960's and 1970's this number was up to 1.8 million. So from 1918 to late 1960's increased production in agriculture was driven by increased areas under cultivation and increased use of manpower; since then intensive agriculture and labor saving technology has stripped 2/3rds of agricultural employment. The citrus industry employs on-farm about 60 000 workers (10% of the total); while the fruit industries as a whole employ a third of on-farm workers (about 200 000 workers). So it is no wonder that the citrus industry is categorized as one of the winners that need to be supported should the job creation targets of government have any chance of being met. This was highlighted at a job creation Imbizo that I had the opportunity of attending. This Imbizo was one of many held as think tanks to advise government on how to stimulate job creation in agriculture. What is really frustrating about meetings such as this Imbizo is that the actions needed are largely known, there is just an inability to get any momentum going to make things happen. The major constraints to job creation are erosion of property rights, land reform, labor laws, skills shortage, social grants and a low morale amongst many farmers (impacting on productivity and investment). What everybody needs to realize is that profitability leads to growth, and growth leads to job creation. The constraints listed above all impact on businesses ability to compete – if they are uncompetitive then they do not grow; do you think our competitors would have a similar list of constraints? I think not – they would list unlocking technologies, improving efficiencies, product development and others; all of which we have to do PLUS the constraints listed above. We need to build a public-private partnership based on TRUST to address competitiveness constraints, they can be overcome. And at the same time we need to be investing in human capital, getting people ready for the jobs that will be created as we become more competitive, grow and need people to make things happen. If we could sit in a task team with government and plot the way forward to truly exploit the opportunities in Eastern Europe, Far East and Asia we could increase profitability, grow the industry and provide job opportunities. Every additional hectare planted to citrus creates an additional on farm job – opportunities are there to expand the industry; but the constraints need to be addressed. Industry cannot do it alone, and neither can government.

YOUTH IN CITRUS

All those under 35's who want to start connecting can search for "CGA NEXT" on Facebook.

PACKED AND SHIPPED 2011

With PPECB still unable to provide reports in the same format as last year I have had to do some conversions to get the figures for this table – so cannot vouch for absolute accuracy. We hope that PPECB will get their act together soon so that reliable information can be provided.

Rain in the north impacted on grapefruit harvesting during last week, which is causing a slight delay. With this week's public holidays this may continue into this week. Satsuma's harvesting is coming to an end.

The Grapefruit Focus Group met recently and increased their predicted volume by ½ million cartons, while the Soft Citrus Focus Group and Navel Focus Group both decreased their predicted volumes, by 400 000 cartons and 100 000 cartons respectively.

To Week 16 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed	Final Shipped
SOURCE: PPECB	2009	2010	2011	2010	2011	2011	2011	2010	2010
Grapefruit	0.9 m	0.7m	0.8m	0.1m	0.1m	14.7m	15.2m	12.5m	12.2m
Soft Citrus	1.2m	1.8m	1.5 m	1 m	1.1m	7.9m	7.5m	7.5m	7.1m
Lemons	1.3m	1.7m	1.3m	0.4m	0.9m	9.8m	9.8m	9.6m	9.4m
Navels	-	-	-	-	-	19.4m	19.3m	22.9m	22.6m
Valencia	-	-	-	-	-	42.9m	42.9m	46.5m	45.9m
	3.4m	4.2m	3.6 m	1.5m	2.1m	94.7m	94.7m	99m	97.2m

GROWERS LEVIES ARE USED TO FUND CGA, CRI AND CITRUS ACADEMY ACTIVITIES.
ENSURING A GLOBALLY COMPETITIVE SOUTHERN AFRICAN CITRUS INDUSTRY