Citrus Growers' Association
OF SOUTHERN AFRICA
Grower levies working for you!

FROM THE DESK OF THE CEO (42/11)

Justin Chadwick (28 October 2011)

QUOTE OF THE WEEK "You don't have degrees of honesty" notice outside church in rural Australia

AUSTRALIA

The Queen of England and I have both been in Australia this past week. Her Royal Highness to open a Commonwealth meeting, me to attend the Citrus Australia Conference where I delivered a paper. Quite a few of the delegates would have understood if I had given my presentation in Afrikaans; South African and Zimbabweans are spoken of highly by Australian growers with some of our best talent now living and working in the Australian citrus industry. Citrus Australia put on an excellent conference – they have a passionate and involved Board, and committed and dedicated staff – a recipe for success. After the conference I also visited some farms; my impressions are as follows:

- The Australian citrus industry has the benefit of a strong domestic demand with Citrus Australia assisting with marketing campaigns to increase demand.
- There is also a push for increased attention to quality; with Citrus Australia assisting through educating and promoting voluntary quality specifications (they do not have statutory standards).
- There are some very late fruit still being harvested in Australia – both Valencia types and soft citrus. In fact harvesting will continue for a few months more; with a problem being the re-greening of fruit in January/February (due to high temperatures).
- South African and Zimbabweans have assisted in driving technological improvements in the Australian industry.
- Australian growers have travelled extensively – with many having visited South Africa.
- Australia focused on the Japanese market in 2011, with less emphasis on the USA.
- Labour is a significant cost for Australian growers – which mean that orchard activities have been rationalized in 2011 as a result of a particularly poor season in terms of returns.
- Mechanical trimming and topping is carried out in most orchards. This is largely driven by the high cost of labour – pruning can cost between AUS$ 1 and 2 per tree (R7 to 14 per tree).
- Mechanical harvesting has not taken off – even in the juicing regions. Growers commented that the small size of farms and the fast rate of harvesting meant that mechanical harvesting could only work if a number of growers collaborated (as with most growers' collaboration is not that common).
- Mechanical packing – as in the placing of fruit in the box – was observed at Australia's bigger packhouse.

WORLD POPULATION

Earlier this year the world population ticked over to 7 billion people; by 2030 that will be 8 Billion; and by 2050 9 billion. Where will that growth come from? 1 billion will be added in Africa; and 1 billion in Asia. Although many of us will not be around in 2050 (and many of us even in 2030) – this should assist in making strategic decisions regarding market development. For some time we have been pushing the idea of GOING EAST; Far East, Middle East and Eastern Europe. But Africa offers an interesting dynamic. The obvious question is one of consumer's ability to afford our product; whatever the situation it makes a lot of sense to research the market a little more – it is on our doorstep and could be a growing opportunity for the future.

PACKED AND SHIPPED

To Week 42 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	14 m	12.5 m	15.8 m	12.2 m	15.8 m	14.7m	15.8 m	12.5m	12.2m
Soft Citrus	6.8 m	7.5 m	6.9 m	7.1 m	6.9 m	7.9m	7.3 m	7.5m	7.1m
Lemons	8.7 m	9.6 m	10.7m	8.3 m	10.2m	9.8m	10.7 m	9.6m	9.4m
Navels	19.4 m	22.9 m	20.7 m	65.7 m	63.3 m	19.4m	20.7 m	22.9m	22.6m
Valencia	38.5m	46.5 m	42.6 m			42.9m	42.6 m	46.5m	45.9m
	87.4 m	99 m	96.7 m	93.3 m	96.2 m	94.7m	97.1 m	99m	97.2m

*** Please note 2011 shipped figures for oranges are for ALL oranges – PPECB unable to supply reliable shipped figures. Some figures have been adjusted downwards (grapefruit) as we get more accurate figures.**

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