

Farmers suffer in Transnet strike

By [Michael Hamlyn](#)

25 May 2010

Cries for help are beginning to be heard from the country's beleaguered farmers because of the effects of the Transnet strike on ports and harbours.

According to the Agriculture Minister, Tina Joemat-Pettersson more than a billion rands have already been lost as a result of fruit and other produce being held up.

Millions lost

She told a press conference in Parliament on Monday, 24 May 2010, that losses are already being felt in markets and jobs.

"Initial estimates by the citrus industry indicate that due to bunched marketing a loss of approximately 650 million rand is anticipated," she said.

"The industry is bound by contractual obligations for example freshness and prompt delivery," the minister said.

She also pointed out that with markets in Greece, Spain and Ireland already compromised by the Euro crisis "they are quite keen to shed markets".

"We are afraid that once we are unable to meet our contractual obligations they would be at liberty to end those contracts," she said.

Peak season

The minister explained that the strike is hurting badly because of the peak fruit season. Apples and pears are coming to an end, but avocados and citrus fruit are beginning to need harvesting and storing.

With the last of the apples and pears still in cold storage, there is no room for the new arrivals, and there is actually a shortage of electric plug points for the refrigeration machines.

Joemat-Pettersson said that until last week the industry had been able to delay watering the fruit and so delay ripening, but that this week it cannot go on any longer.

Storage penalties

"Initial estimates by the citrus industry indicate that due to bunched marketing a loss of approximately 650 million rand is anticipated," she said.

"A further loss of 50 million rand due to storage costs is possible.

"Last week alone a storage surcharge for the over 70,000 pallets was imposed on the citrus cargo currently awaiting loading. This penalty amounted to 80 million rand."

The minister said she has been in discussion with her cabinet colleagues Barbara Hogan and Rob Davies, Ministers for Public Enterprises and Trade and Industry, in the hope that some form of deadlock breaking mechanism can be found.

For more, visit: <https://www.bizcommunity.com>