

EMAIL LIST OF ALL GROWERS

In an effort to increase the speed at which information is made available to growers the Board is keen to obtain from all members their current email addresses. This would allow the Board to send you the most current and relevant information directly to your inbox. The Board currently have around 75% of all growers listed.

If you are not yet getting information from the Board and would like to be included please contact the office. Alternatively you can email us. While each staff have their separate email address the Board has a generic email that goes to all staff. board@wgmb.net.au Please contact us or call the office on 6962 3944



HEAD POST TAGS

\$6.60 per block (4 tags). Tags are designed to be affixed to the head-post on the corner of each varietal block.

The Board can also arrange for Heat Post Numbering to be undertaken with the tags.

Payment in full is due at time of ordering. The Board now have EFT-POS facilities available (so bring your credit card). Alternatively the Board will issue Tax Invoices if you are unable to make payment at time of purchase.

Vine Chat



PRICES FAIL TO IMPRESS AS SENATE INQUIRY RECOMMENDS CHANGES TO INDUSTRY

The majority of growers contacting the Board office are very concerned that prices for winegrapes have failed to lift to levels expected in spite of market improvements for Australian exports and the more favourable position of the Australian dollar against the US Dollar with regard to exports.

Some minor improvements to the prices paid for in demand varieties such as Sauvignon Blanc and Pinot Gris/Grigio and some others have done little to satisfy grower concerns that the industry overall remains unviable.

The Board is acutely aware of the precarious position of growers and encourages producers to speak with wineries at any available opportunity to let them know of your financial concerns.

Other inland regions are reporting similar problems with regard to the prices being paid by wineries.

Water trade has been a welcome source of income for many producers this season and more growers are looking to permanently sell their entitlement and retire parts of their vineyards or in a number of acute cases their entire property.

Terms and conditions of payment variation

One of the most notable issues evident in this region is the departure from industry standard terms and conditions of payment. It is highly concerning that some producers are not receiving their payments until the following year and payments that once were made over the industry standard of three are being made in some instances up to 6 payments. Amid these variations some wineries are paying growers early which shows that cash flows are relatively strong within the wine business.

Senate Inquiry recommends changes

The Senate committee (made up of representatives of all political parties) is recommending that the Government phase out the Wine Equalisation Tax (WET) rebate over five years, allocating the savings to a structural adjustment program from the industry (including annual grants to genuine cellar door operators to support their continued operation).

Other key recommendations target the major retailers through proposed changes to labelling and contract

agreements. Many were supportive of the industry authority, Australian Grape and Wine Authority and wanted to ensure its funding was matched by the Government and that the work undertaken by the Australian Bureau of Statistics would be funded to resume annual vineyard census collection.

Export market development will also receive a boost if the recommendations are adopted by the Government with funding coming principally through the reduction in the WET rebate to industry.

Code of Conduct gets a boost

The much needed Australian Wine Industry Code of Conduct should be reviewed by an independent reviewer was a key recommendation. The outcome of the review should be a report to Government occurring before 30 June 2016.

The committee also recommended that if targets for increased uptake of the Australian Wine Industry Code of Conduct are not met, the Government, in consultation with representative organisations for growers and winemakers, reconsider the development of a mandatory code before the end of 2017.

Growers wanting a copy of the full report are asked to contact the office. Only 41 submissions were made to the Inquiry with the Board speaking at a public hearing.



REGISTER NOW

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2016 VARIETAL SHOWCASE – DURIF

Join us at the NSW DPI Varietal Showcase – Durif under the spotlight event.

In collaboration with the NSW Wine Industry Association and the Riverina Wine Grapes Marketing Board this workshop brings together the latest research and practical experiences from leading Durif researchers, producers and winemakers from Australia and South Africa.

With a tutored tasting conducted by Nick Bulleid MW, this is a great opportunity for grape growers, viticulturists, winemakers and cellar door staff to experience, taste and reflect on modern day Durif wine.

When: 11 May 2016
Where: TAFE NSW Riverina Institute, Riverina Wine and Food Technology Centre, Griffith
Cost: \$77 per person [includes morning tea, lunch and wine tasting].
For registrations and payments please call WGMB on 02 6962 3944 or email board@wgmb.net.au.
For further enquires contact Darren Fahey on 0457 842 874 or email darren.fahey@dpi.nsw.gov.au



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Disclaimer: The Wine Grapes Marketing Board Newsletter is for the information of constituted winegrape growers. The Board accepts no responsibility for the actions or potential financial losses of individuals or companies taken as a result of acting on information contained in this newsletter. The information contained in this newsletter comes from various referenced sources and is often edited, changes in the meaning of items from their original context when edited may occur and is not an intentional act by the Board. All editorial comments made do not reflect those of the Board members and are provided only to stimulate discussion on topics raised.

WHAT'S INSIDE	Page
Warning Signs for Grape Transport Vehicles	2
Nominations for the Board have Closed - Election to Occur	2
Media Watch	3
RMS Update	3
Media Watch	4-5
Report all Grape Spillages to Council	5
Wine Industry Trading Practices Questioned	6
New Executive Director Appointed to WGGA	6
2016 WGMB Laboratory Services	7
Email list of all growers	8
Head Post Tags	8
NSWDPI Varietal Showcase - Durif "REGISTER NOW"	8

WARNING SIGNS FOR GRAPE TRANSPORT VEHICLES

This season the Board has continued a number of initiatives aimed solely at reducing the risk of winegrapes being spilled by trucks. Based on conversations with drivers the biggest concern that they have is other road users cutting them off at intersections and roundabouts. These incidents allegedly cause the brakes to be applied too rapidly and can result in grapes leaving the vehicle in extreme circumstances.

Growers could protect themselves from prosecution if they all had a dashboard camera but it is obvious that this solution does not prevent the grapes from leaving the vehicle.

Throughout the harvest the Board will be moving around a number of variable message boards that will operate 24/7 advising all road users that the trucks are out and about and to take care around them.

To compliment the variable message boards the Board

also has reflective signs for the back of trucks so that when being followed the vehicle behind will know that you are carting winegrapes and hopefully take all due care if and when overtaking.

These signs are available to growers with truck FREE OF CHARGE on a first in first served basis while stocks last.



NOMINATIONS FOR THE BOARD HAVE CLOSED - ELECTION TO OCCUR

The NSW Electoral Commission has received (6) nominations for the positions on the Board that require an election to be conducted by the NSW Electoral Commission.

The 6 persons that nominated for the Board are: Frank Alampi, Bruno Altin, Anthony Baggio, Robert Bellato, Bruno Brombal and Rod Gribble.

The contested election will now be preceded by an exhibition of the Roll of whom can vote in the election. If you are unsure if you are the nominated representative of your trading entity please contact the Board office to confirm. If a change is sought after, a simple form will need to be completed by the applicant and sent through to the NSW Electoral Commission.

The Roll will open for exhibition Tues



2016 WGMB LABORATORY SERVICES

The vintage laboratory of the Wine Grapes Marketing Board has opened for winegrape sampling, free to all constituted growers (those that pay the statutory fees and charges). A charge will apply to grape producers that are not constituted growers of the Board.

Analysis is available for **winegrape colour, Baumé, pH/TA and average berry/bunch weight.**

Grapes should be delivered to our Yambil Street office

then results may not be available so promptly.

Each sample will need to contain a minimum of 12 bunches, but optimum of 20 bunches as this gives much better accuracy, especially when testing for colour. Bunches should be taken from across your block and from all locations on the vine to ensure a representative sample. When samples are dropped off, growers that have not used the service in 2013 previously will be

required to complete a registration form. This is essential to enable the Board to report the results back to the grower.

The Board is able to supply Baumé measuring kits at the cost price of \$65 (inc GST). Each kit contains the equipment and instruments to test samples in the field reliably and quickly. The Board can also supply hand-held WINE - 2 A T C Baumé refractometers at \$137.50 (inc GST). Baume hydrometers \$55 (inc GST); Baume thermometer \$5 (inc GST) and Measuring Cylinders \$5 (inc GST).

The Board is also able to undertake sampling work for non members. Please have these persons contact the Board for further information.



after **8:30am and before 11am** for results to be available by the end of that day.

Should you have **more than two** samples to be tested please book your samples in by phoning the Board before you collect your samples to ensure that these can be accommodated. If grape samples are delivered at other times or in large numbers (without bookings)

For further information regarding any vintage analysis services contact Kristy Bartrop, Industry Development Officer.

BOARD RESIGNS FROM WINE GRAPE GROWERS AUSTRALIA

The Board has resigned from being an affiliate member of Wine Grape Growers Australia following several key changes to the management of the organisation the Board felt that the current direction of the body was no in line with the Boards view of what the national industry body should be undertaking.

The WGGA for its part declined to honour the terms of its funding agreement with the Board. These terms have been in place since 2009 and renewed annually when the Board negotiated its project funding agreement. New Executive Members and non-

executive members of the WGGA would not agree to the terms as requested by the Board.

The Board was also concerned that its representative wasn't being included in all correspondence to Executive members and it was also concerned that its current path of forming a unified national body was not in the interests of grape producers as it was (a) not achievable in the current regulatory environment and (b) was not going to address the issues of industry profitability to an extent that would assist growers across the entire industry.

WINE INDUSTRY TRADING PRACTICES QUESTIONED

10th February 2016, Media Release from Murray Valley Winegrowers Inc.

An independent review of the Horticulture Code of Conduct has suggested that trading practices occurring within the Australian wine industry should be subjected to analysis.

The mandatory horticulture code was introduced almost nine years ago to improve trading relationships between growers and traders of fresh fruit and vegetable, following complaints from growers that trading terms were vague and often undocumented, and that growers had no formal dispute resolution process to which they could refer complaints.

While the Australian wine industry has developed a voluntary code of conduct, in a submission to the review Wine Grape Growers Australia (WGGA) suggested that a combination of the two codes would be 'ideal for the wine sector'. WGGA proposed that the mandatory horticulture code be expanded to cover winemakers who had not endorsed the voluntary wine industry code.

A major shortcoming of the wine industry code is that only 40 wineries representing around 40 per cent of Australian winegrape production have signed up to the code, leaving many growers without the protection of industry-approved dispute resolution provisions and

contracts that stipulate prices and payment terms.

The Australian government in June last year ordered a review of the Horticulture Code of Conduct, appointing orchardist Mark Napper and barrister/mediator Alan Wein to conduct the process. Their report was handed down this week.



Their report noted that winegrape growers had called for wineries to be included in the horticulture code, but that the Winemakers Federation of Australia (WFA) had opposed the proposition. However, their report also noted: *While we do not believe there is sufficient evidence for winegrape growers and processors to be included in the horticulture code, we do believe that analysis of the wine industry and its trading practices should be undertaken...to assess the appropriateness of including transactions between winegrape growers and processors (winemakers) under the horticulture code.*

Murray Valley Winegrowers (MVW) Executive Officer Mike Stone says the reviewers obviously agree that existing code arrangements in the wine industry require scrutiny.

"As the horticulture code is administered by the Australian Competition and Consumer Commission (ACCC), it is the appropriate body to undertake the analysis," he said.

NEW EXECUTIVE DIRECTOR APPOINTED TO WGGA

Wine Grape Growers Australia is pleased to announce the appointment of Andrew Weeks as the incoming Executive Director. Andrew will be transitioning into the role over the next month.



Most recently employed as the Business Manager at Riverland Wine, Andrew has previously worked in various technical and vineyard management roles including the Senior Viticulture Officer with CCW Cooperative Limited. Prior to that he was the Vineyard Manager at Jubilee Park Vineyards in the Riverland region, and he has also worked in other roles in the Riverland, Murray Valley and Langhorne Creek

wine regions. This experience has provided a sound understanding of the challenges facing growers across the nation, and a commitment to the betterment of the Australian wine community as a whole.

Andrew has served as an executive committee member on WGGA since 2012, and has also been a member of the Joint Policy Forum, the tax advisory group, and has previously served on the innovation policy committee. He has a strong industry focus, and is looking forward to the challenges ahead.

MEDIA WATCH

Australian wine exports surge to \$2.1 billion
21 January 2016

Assistant Minister for Agriculture and Water Resources, and South Australian Senator Anne Ruston welcomes news that the value of Australian wine exports has surged 14 per cent to \$2.1 billion in 2015, reaching its highest value since October 2007.

Wine Australia's 2015 Export Report shows that for the first time in over two decades, the value of Australian wine exports has grown in each of our nation's top fifteen export markets – a result which builds on the collective hard work of our industry.

Figures of exceptional growth are highlighted by large export increases to China, Japan and Korea: China had the strongest growth of 66 per cent to \$370 million; Japan increased by 12 per cent in value to \$46 million, and; exports to Korea have jumped 38 percent in value to \$11.7 million.

Minister Ruston congratulated the Australian wine industry, and said that the Wine Australia figures indicate that the industry is responding confidently to improved market access secured through new, and forecast International trade agreements.

"I would like to congratulate the Australian wine industry on the export figures released today, as they are first and foremost a reflection of the collective hard work of our industry.

"The Coalition Government is committed to completing and implementing the free trade agreements that will provide economic opportunities for future generations; we've improved market access into Asia, and the Australian wine industry has certainly responded well, with our wine exports surging to \$2.1 billion in 2015."

In particular, Assistant Minister Ruston points to the Japan-Australia Economic Partnership Agreement (JAPEPA), the Korea-Australia Free Trade Agreement (KAFTA) and the China-Australia Free Trade Agreement (ChAFTA) as the agreements which have provided a market setting conducive for industry success.

"Internationally, we are now seeing large-scale retailers

put more focus on the Australian category, and a number of importers, including some of Japan's largest, have started importing new Australian wines, giving more energy to the market place.

"The fact that Australia's strongest export growth was recorded in to China, and the new ChAFTA effects are not yet reflective in Wine Australia's figures really does indicate that we are in the midst of yet another boost in market optimism. Under ChAFTA, the tariff on bulk wine has already reduced from 20 per cent to 12 per cent, and the tariff on bottled wine has reduced from 14 per cent to 8.4 per cent.

"The JAEPA has been in force for 12 months now, and the industry is responding well to the agreement which immediately cut tariffs on bulk wine to zero and will reduce tariffs on bottled wine over a seven-year period.

"After a year of the KAFTA which saw the removal of the 15 per cent tariff on Australian wine, exporters to South Korea have increased by 38 per cent to \$11.7 million in value, hitting their highest value since 2008.

"Hopefully we soon see these great figures for wine exporters reflected at the farm gate with high grape prices."

Wine Australia Chair, Mr Brian Walsh said the board was delighted to see growth in each of Australia's top fifteen export markets for the first time since Wine Australia started collecting export figures in 1990.

"It's a strong signal that we are on the path to see a revitalised and more prosperous sector and we will continue to work with our grape growing and winemaking community to capture these developing export opportunities," said Mr. Walsh

For more detail about Wine Australia's 2015 Export Report visit: <http://www.wineaustralia.com/>

Assistant Minister Ruston Media: Ashton Hurn +61 476 849 100

Editors Note: With the dollar in our favour and exports increasing it is disappointing to note that grape prices are still being depressed.

RMS UPDATE

As mentioned in the previous Vine Chat operators of bond with a foil-stamped RMS logo and must be carried conditionally registered vehicles must be issued with a at all times for enforcement purposes. These are written copy of the conditions of operation applicable to issued when registration is established, or if requested the vehicle, known as a Certificate of Approved on renewal or when a change is made. So please Operations. This document is printed on A5 90gsm ensure that you have these or get a new copy.

MEDIA WATCH

Wine exports are climbing, so why is the industry battling to survive? <http://theconversation.com/wine-exports-are-climbing-so-why-is-the-industry-battling-to-survive-53960> Online 8 Feb 2016 (document edited)

This month brought good news from Wine Australia with the value of exports rocketing by 14% to \$2.1 billion in 2015. These figures represent the best result since 2007. However, a different picture of the wine industry emerges from submissions made to the Senate Rural and Regional Affairs and Transport References Committee Inquiry, due to report on 12 February 2016. (see page 1 of this newsletter). Change is clearly needed but given the wide gap in views is the industry's future sustainable?

Economic sustainability

The Senate submissions suggest all is not as it seems. The Winemakers' Federation of Australia have stated 70% of wine production in Australia may be uneconomic. Pernod Ricard Winemakers, the third largest producer, say that in 2014, 84% of Australian wine grapes were produced at a loss. Economic sustainability still appears a critical issue for the wine industry moving forward.

The Government Senate inquiry certainly recognises this, with an economic focus making up the majority of its terms of reference. Submissions reveal a litany of woes - both in market and government policy - such as the problem of being a price-taker in a competitive marketplace and the need for industry tax reform.

There are the expected claims of local groups seeking to gain relative economic advantage. For example, Wine Tasmania favours financial encouragement and marketing of cool climate wines and small business.

In contrast Riverland Wine, with 25% of the national annual grape crush in a warm climate setting, suggests the need for a collaborative approach if the industry is to overcome problems arising over the last decade. Competition and cooperation are needed to bring a common perspective for industry survival.

This currently is in the hands of the Australian Grape and Wine Authority which is criticised for looking after large wineries at the expense of small producers.

While the recent drop in the Australian dollar may help, if the industry is to remain viable in the long-term, two other sustainability issues must be addressed.

Environmental sustainability

The Senate Inquiry's specific terms of reference is

noticeably silent on environmental issues affecting the wine industry. Yet several submissions raise the environment as critical to the industry's future.

One wine industry consultant pinpoints environmental sustainability as of prospective concern.

The ongoing climatic evolution along with growing market demand for product traceability, ethical production and environmental awareness will become increasingly important and the industry's response to these issues and demands will differentiate it and provide opportunity to charge the premium it deserves.

Another submission from individual winegrowers claimed small businesses are ignored by the professional wine associations and also are not the focus of state organisations, despite their contribution to environmental sustainability. The submission also claimed that the views of small business are under-represented, with about 35% of the innovative small wineries appearing "totally invisible" to the industry.

Certainly the Winemakers' Federation of Australia sees the importance of leveraging off the Australian wine industry's environmental credentials when major international buyers, including the Liquor Control Board of Ontario, Marks & Spencer and the Nordic monopolies, are introducing environmental benchmarks into their purchasing criteria for premium brands.

Environmental sustainability in the context of extreme weather events, changing season lengths and water shortages may well stymie the short-term economic gains about which Wine Australia is currently in awe.

Social sustainability

Social aspects of the wine industry, and in particular those associated with small wineries, are sometimes overlooked, yet made clear through numerous submissions. Not only does the industry generate employment, it encourages tourism trading on foodie and "locavore" cultures, and supports regional communities that would suffer extreme hardship should small producers find themselves unable to continue with their activities. In contrast, only one submission needs to be read to understand the sheer personal desperation owners of some small wineries feel.

Integrating the economic, social and environmental for success

At a time when agility and innovation of business is

(Continued on page 5)

REPORT ALL GRAPE SPILLAGES TO COUNCIL

Growers are reminded that all grape spillages in the Griffith City Council local area should be promptly reported to the Council so that these can be cleaned promptly.

The business hours number of 6962 8100, after hours is 6969 4823 (J&J Security). Council have a dedicated team of staff on standby in case this occurs.

Recent media by Griffith City Council Road Safety Office Greg Balind caused some negative criticism by growers believing that the onus of the problem was being directed to much toward growers and grape

carters. Many reported that other road users are in many instances the main cause of the spillage occurring on local roads as they tend to cut in front of trucks at intersections causing brakes to be applied heavily and grapes to spill out of transport vehicles.

After communication with Mr Balind about the concerns it was one sided his further media statements included a word of caution to other road users.

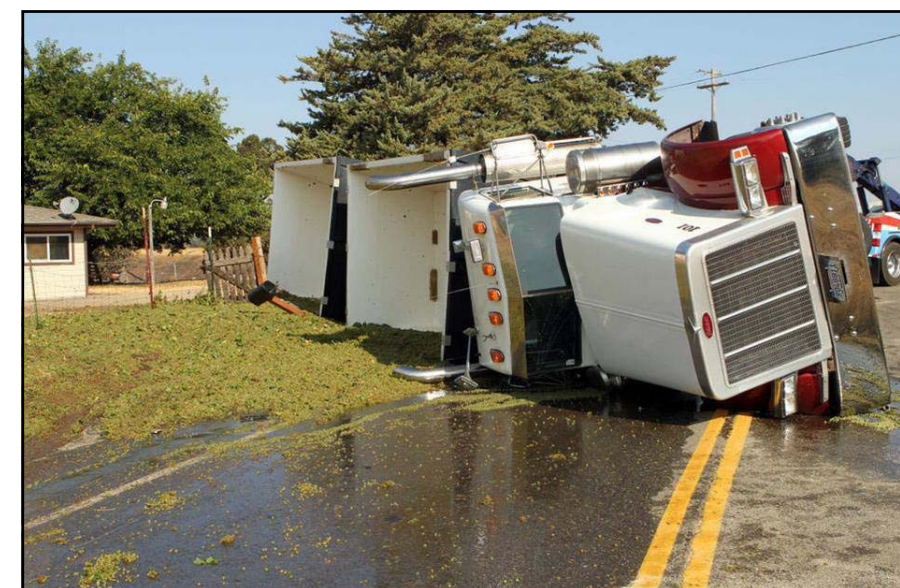
Increasing driver awareness

The Board has again employed the use of variable message boards to try and educate other road users in the local government area.

The two message boards are being circulated around the region during the harvest period. If growers and transport operators wish to share some advice on alternate locations for these signs please do not hesitate to contact the Board office on 69623944 to discuss.

Please also note that the Riverina Winemakers Association have a policy regarding overloading. It can be accessed at the following website:

<http://www.riverinawinemakers.com.au/wp-content/uploads/2012/06/Overloaded-Vehicles-Policy-2016.pdf>



(Continued from page 4)

being encouraged by the Australian government it is important to ask why smaller producers are ignored. Evidence from CPA Australia and this submission indicates it is not the case in Asia, where social media and direct to consumer e-commerce technologies are the norm. Also new markets are being developed by small business such as tapping the wine for the tourism and hospitality industry in restaurants and bars.

However, in Australia small wine business are reporting cutbacks. As one vineyard owner in Griffith, NSW reports:

We've slowed machinery replacement considerably and have ceased repairs on soil moisture monitoring... We are using more of the cheaper chemicals to control weeds and disease, which we don't like doing as some are more dangerous than their more expensive alternatives.

The economic, environmental and social aspects of sustainable wine production are inextricably intertwined. Wine associations and government at all levels must do more to support the needs of all producers and be mindful of innovations leading to changes in consumption patterns if the industry is to become sustainable in the long-term.

With a Senate Inquiry about to report and potentially provide an outdated report, how and when will government, industry associations and the wine businesses themselves become more agile?

