

Member Bites: WFA Activities June 4, 2015

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Wine Show Medals Code of Practice

After an extensive consultation process on the WFA Wine Show Medal Code of Practice, a revised code has been prepared for consideration by the WFA Board meeting later this month. A large number of submissions were received and the draft code has been amended to reflect a range of issues raised. The ASVO Wine Show Technical Advisory Group provided technical support to revise the code as part of its on-going work to review Australia's wine show system. *Contact:* Tony Battaglione – 0413014807, tony@wfa.org.au

2015 Vintage Survey

The 2015 Vintage Survey has been incorporated into a new Wine Sector Survey which is now underway. Streamlining the survey tools into one annual collection of data across the wine industry will no doubt be welcomed by industry. The 2015 Wine Sector Survey combines WFA's Vintage Survey, the annual data collected by AGWA's Price Dispersion Survey, the South Australian Crush Survey and the Murray-Darling / Swan Hill Wine Grape Crush Report. This also meets a WFA Action Plan commitment to help give grape growers and wine producers access to improved data upon which to base their decision making. If you would like to participate in the survey or want more information, please contact Sandy Hathaway at agwa.surveys@agwa.net.au.

Contact: Katrina Edillor – 08 8133 4308, katrina@wfa.org.au

Government brings forward accelerated depreciation for primary producers

In the May Budget, the Treasurer announced accelerated depreciation for primary producers' capital expenditure on water facilities and fencing. The Budget wording suggested the measure would be implemented "immediately" but the funding was forecast to start 1 July 2016. This has now been clarified with the Treasurer, Agriculture Minister and Minister for Small Business issuing a joint statement confirming the accelerated depreciation measures have been brought forward to start 12 May 2015. As always, please seek tax advice from your business advisors.

Contact: Melissa Cheesman-Faull – 08 8133 4312, Melissa@wfa.org.au

Trans-Pacific Partnership Agreement

There has been negative media lately about the Trans-Pacific Partnership Agreement (TPP). While the TPP is by no means assured of a successful conclusion until the United States Government passes the Trade Promotion Authority Bill, it's overwhelmingly to the benefit of Australia's wine sector. The US Senate has passed the Bill which now goes to the House to be considered. The legislation would give Congress the ability to vote for or against – but not amend or filibuster – major international trade agreements negotiated by the White House. It's known as "fast track" authority because it's designed to speed up and boost the likelihood of the US approving free trade agreements. The pending 12-nation Trans-Pacific Partnership isn't expected to be sealed

until and if Congress clears the fast-track bill. Negotiators met again last week in Guam to continue negotiations, and wine producer organisations from Canada, the US, Australia and New Zealand remain united in their call for a modern trade agreement that includes meaningful and comprehensive market access opportunities for wine. The agreement will provide substantial benefits for the wine sector in the form of reduced tariffs in major markets and specific aspects to deal with non-tariff measures.

Contact: Tony Battaglene – 0413014807, tony@wfa.org.au

Future Leaders unveiled

After a record number of applications, the 2015 intake of the *Future Leaders* program has been announced. There are 15 successful applicants who start their six-month program this month. Participants include winemakers, grape growers, suppliers, marketers, consultants and off-premise retailers. They will be taking part in face-to-face sessions that aim to challenge and stretch them professionally and personally. Over the past decade, Future Leaders has produced 75 alumni. See www.futureleaders15.com for more information.

Health matters

Work in the health space continues. WFA is a stakeholder of [DrinkWise Australia](#), which runs national information and effective education campaigns designed to change Australia's drinking culture and it's kicking some important goals. WFA also helps fund and manage the Alcohol Beverage Advertising Code ([ABAC](#)) which, with Government support, provides advertising guidelines and a pre-vetting service to industry, including individual wine businesses. ABAC also adjudicates public complaints about alcohol advertising.

Rabobank Agribusiness Monthly Report – May 2015

Australian wine export volumes increased by 3.6% to 711m litres in the year to March 2015, rising to their highest level since early 2013. Annual bottled wine export volumes remained flat on the whole, while bulk wine export volumes grew by 6% over the course of the past 12 months. The strongest growth in bottled wine export volumes at higher price points (i.e > AUD 7.50 FOB/litre) came from Asia – most notably China/Hong Kong, but also Singapore and Malaysia. Of the other major destinations for premium bottled wine exports, Canada and the UK also saw growth, while shipments to the US market fell back.

Contact: Katrina Edillor – 08 8133 4308, katrina@wfa.org.au

Treasurer trumpets Asian trade opportunities and business measures

WFA attended a post-Budget lunch with the Treasurer in Adelaide. The Treasurer spoke about opportunities to grow export markets into Asia off the back of the recent Free Trade Agreements with Korea, China and Japan. He also spoke about the rise of the middle class in China and India and the expected growth in demand for Australian consumer goods, including wine. The Treasurer expressed his confidence in Australia's future and spoke about small business measures to support their growth. See [here](#) for more information about the small business measures, such as accelerated depreciation. Business advisors are best placed to provide detailed tax and other advice for individual businesses.

Contact: Melissa Cheesman-Faull – 08 8133 4312, Melissa@wfa.org.au

Tax questions for ATO?

The Australian Tax Office has offered to answer members' tax questions. While there's a lot of information available on the ATO website, you might have a burning question that could benefit other readers of *Member Bites*. So send it in and we'll put it to the ATO. Of course, specific business or personal matters should be referred directly to the ATO on 1300 137 916. Contact: Alexia Deegan – 08 8133 4303, Alexia@wfa.org.au

IMCD offer

WFA partner IMCD is pleased to introduce its new range of high purity Claris Bentonites from Bento products to members. As the owner of the Bentonite mine sites, Bento products can selectively produce natural quality bentonites that can reduce the bentonite required for wines. With OIV approval, Bento products are a key supplier to the European wine industry. IMCD is also offering assistance to help resolve winemaking issues. Visit IMCD at Wine Tech (Stand 25) or call 1300 655 328.

Contact: Sue Mills – 0385443162.

Are there issues you need an update on? Email wfa@wfa.org.au or contact staff above.

2. Upcoming events

- June 10:** AWRI Workshop “Adapting to Difficult Vintages” - Coonawarra ([details](#))
June 11: AWRI Grape & Wine Roadshow Mildura, 9am-4pm ([TBC](#))
June 15: Official launch of Plonk’s season two. See trailer [here](#).
June 18: AWRI Wine Consumer & Market Insights Symposium, Uni of Melbourne ([details](#))
June 23: AWRI Workshop “Adapting to Difficult Vintages” – Tamar Ridge Cellar Door ([details](#))
June 24: WFA Board Meeting, Canberra.
June 25: AWRI Workshop “Adapting to Difficult Vintages” – Hobart ([details](#))
July 14-16, 2015: National Wine Industry Supplier Trade Show, Adelaide:
<http://www.winetechnology.com.au/>
July 14: AWRI Grape & Wine Roadshow Rutherglen Seminar (details [TBC](#))
July 15: AWRI Grape & Wine Roadshow Bendigo Seminar (details [TBC](#))
July 23-24: ASVO “Vineyard Longevity: maintaining the asset” seminar, [Mildura](#).
July 23-28, 2016: Australian Wine Industry Technical Conference & Trade Exhibition:
<http://www.awitc.com.au/> & <http://www.awite.com.au/>

3. Media Update & Links

Wine row leaves sour taste (The West Australian & Yahoo! 7 News, June 2). Report on a state government decision to scrap a cellar door subsidy which had been paid to wine producers when they had exhausted their WET rebate entitlement. See story [here](#).

Cellar door app gets McGuigan and Tyrrell toasting (BRW, June 1). Traces the development of a wine app which enables consumers to scan wines, rate, save and recommend to friends. Read [more](#).

Wine tax issues (AFR, SMH, The Age & others May 29-30). These papers carried reports about differing wine industry views on taxation as lobbying intensifies in Canberra in the lead up to the government’s tax review. See SMH story [here](#).

Coles, Woolies face WET fury (The West Australian, May 29). Wines of WA chief executive Larry Jorgensen said the big retailers were pushing more of their labels onto liquor store shelves and cashing in on Commonwealth tax rebates of up to \$500,000 a year. New Zealand wine producers are also claiming about \$25 million a year under the wine equalisation tax rebate scheme. See story [here](#).

Wines of Western Australia is demanding the State Govt reverse a decision to cut an \$11 million industry subsidy. ABC Online May 29. Listen [here](#).

Divine wine: How a love of vino helped Winephoria founder Suzi Devine build a \$5 million business (Smart Company, May 29). Read [more](#).

Italian wine grapes coming of age in Australia (Australian Financial Review, May 28). Name the grape varieties behind these famous Italian wines: Gavi, Soave, Frascati, Valpolicella, Barolo, Brunello. If you’ve more than a passing interest in (sic) this hugely diverse wine country – there are hundreds of grape varieties in Italy, although many are the same but bearing different names – you might have heard of a few of them. They are, in order: the white grapes cortese, garganega, and malvasia (blended with trebbiano); and the black-red wine varieties corvina (blended with rondinella), nebbiolo, and sangiovese. Read Tim White’s full story [here](#).

New centre for innovative wine production launches in SA (Foodmagazine, May 27)
A new wine research centre for the wine industry has been launched at the University of Adelaide’s Waite campus. Read [more](#).