

## Member Bites: WFA Activities for Fortnight Ending June 19, 2015

### 1. Index

- WFA meets in Canberra
- China trade deal? Done!
- And from the PM...
- Kick-off discussions with Treasury on WET Rebate Discussion Paper
- Managing people workshops
- Carbon calculator update
- SE Asia Business Mission: August 16-22
- NAB Monthly Business Survey
- On the grapevine ...
- Country-of-origin labelling online community survey
- Queen's birthday honours
- Vineyard longevity
- Getting 'lean' definitely worth crowing about
- All systems go for *Plonk season two*
- Got something to say about the future of South Australian business?
- Countdown to WineTech 2015
- Finlaysons' Roadshow

### 2. Upcoming events

### 3. Media Update & Links

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#### WFA meets in Canberra

The WFA Committees and the Board meet in Canberra next week. These meetings in the nation's capital give members ready access to MPs and provides politicians & advisors an opportunity to meet WFA representatives at the annual cocktail gathering. Over the two days the Small Winemakers, Medium and Large Winemakers membership committees and the Board will be progressing issues and priorities for the coming year.

#### China trade deal? Done!

Australian Trade and Investment Minister Andrew Robb AO this week officially signed the Free Trade Agreement with the People's Republic of China Commerce Minister Gao Hucheng. The event was held at Parliament House, Canberra. The China FTA will see the import tariff on wine reduced to zero in four years – it's currently 14% for bottled wine and 20% for bulk. Ending the tariff will place Australia on a level playing field with Chile and New Zealand. China is currently our third largest wine export market by value, with around 44 million litres of Australian wine imported to the value of \$242 million in the 12 months to March 2015.

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#### And from the PM...

In his speech at the official FTA signing with China (often referred to as ChAFTA), Prime Minister Tony Abbott said: "...the President of China is such a friend of Australia that he has seen more of our country than most Australians. He is a very shrewd man as well as being a very good friend of Australia and at their meeting before Minister Gao came to Australia for today's ceremony, President Xi – being a shrewd and perceptive politician, as well as a great leader of his nation – said to Minister Gao, "Now just what's in it for the people of China?" And Minister Gao, being likewise – a shrewd and perceptive politician, as well as a great leader of his country – said, "It's very simple, Mr President. For Chinese people it means more beef and better wine."

#### Kick-off discussions with Treasury on WET Rebate Discussion Paper

WFA travelled to Canberra at the invitation of the Department of Treasury for a stakeholder roundtable on the WET Rebate Discussion Paper. The purpose of the discussion was to enable Treasury officials to better

understand the operation of the WET rebate, its importance to winemakers and some of the problems that have been encountered. The discussion will help Treasury officials to frame the scope for the discussion paper which is due for release in July. Treasury is still defining how the process will flow from the release of the paper and WFA will learn more in coming weeks and will update members.

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### **Managing people workshops**

Briefings on how to work with contractors and labour hire as well as tips and tools for managing performance are being conducted by the South Australian Wine Industry Association (SAWIA). The sessions are on from now until July 15. They cover a range of issues including the differences between performance management and performance reviews, how to have difficult conversations with workers, warnings and managing termination, as well as a briefing on the law and what can go wrong. Sessions are open to SAWIA members and non-members and will be held in Clare, McLaren Vale, Coonawarra and in Adelaide. See [here](#) for prices, details and registrations.

### **Carbon calculator update**

An update to the Australian Wine Carbon Calculator and integrating into the Entwine database is nearing completion. This work has been undertaken in partnership with the Australian Wine and Research Institute and will deliver significantly improved benchmark reporting capabilities via the new system. This update is expected to be completed by the end of June in preparation for Entwine member renewals which begin in July. In line with the calculator update, the *International Wine Carbon Protocol* which provides the backing methodologies for the calculator is also being updated through the FIVS sustainability group. This work will ensure there's a consistent and up-to-date international methodology for calculating wine carbon footprints.

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### **SE Asia Business Mission: August 16-22**

Are you export ready? SA Premier Jay Weatherill is leading a business mission to South East Asia in August, visiting Singapore, Malaysia and Thailand to enhance the state's profile and members of the wine sector are invited to submit expressions of interest to join. Registrations are due this week. See [here](#) for information.

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### **NAB Monthly Business Survey**

The recent Federal Budget and interest rate cut appears to have had a positive impact on business confidence which moved up significantly in May – from +3 to +7 index points. This is the highest level of confidence since August 2014. Confidence was significantly higher in retail / wholesale (possibly associated with expectations from the Small Business Package) and finance, business and property services. Mining confidence, on the other hand, fell significantly (to -30 points). However, the big picture is still one where the domestic economy is struggling to offset the impact of sharply lower mining investment – as again highlighted in the Q1 National Accounts. While there has been some improvement in recent data, capex expectations in the non-mining sector have weakened, businesses remain reluctant to employ and consumers remain cautious. With future domestic demand still weak, unemployment is expected to rise a touch to around 6.4% by the end of 2015 and remain relatively high for some time. Forecasts suggest the RBA is finished cutting.

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### **On the grapevine ...**

Winestate magazine is about to announce it will host a wine show of *From the Producer* wines for 2015 with all entries that are commended by the judges going on to be featured in the December edition of the magazine. WFA can advise that judging will be August 10-14, with a public tasting on September 4 at the National Wine Centre with over 500 guests including trade. Wines will be promoted in Australia, NZ, Singapore and Asia after the judging. To register your interest in taking part, contact Madeline at Winestate [tasting@winestate.com.au](mailto:tasting@winestate.com.au) and request a submission form. Any questions please contact Peter Jackson on 08 8357 9277 or [sales@winestate.com.au](mailto:sales@winestate.com.au)

### **Country-of-origin labelling online community survey**

While wine continues to be exempt from the Federal Government's plans for a country of origin labelling scheme, it is seeking the views of the community on how the scheme should look and what information it should

provide consumers. Anyone interested in participating in this process, including the opportunity to comment on the six draft pictorial concepts, should follow the link provided to the online survey. The survey is open until 3 July 2015 and can be accessed at: [www.industry.gov.au/cool](http://www.industry.gov.au/cool)  
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### **Queen's birthday honours**

Among Australians recognised in the recent Queen's birthday honors are:

- Adelaide University Prof Kym Anderson - awarded a Companion (AC) in the General Division for
- Eminent service to higher education as a leading academic and researcher, particularly in the field of agricultural economics, to viticulture, the study of international trade and reducing poverty in developing countries;
- Ms Dianne Davidson – awarded a Member (AM) in the General Division for significant service to the wine-making industry, horticultural management science and higher education administration is Ms Dianne Davidson (Hahndorf). Ms Davidson has held numerous Board and advisory positions and has served as Deputy Chair of AGWA, Chair of SAWIC, SAWIA member, and Deputy Chancellor of the University of Adelaide.
- Ms Valmai Hankel – awarded an AM for significant service to the wine industry as a writer and for library and information services. Ms Hankel was a Baron of the Barossa Foundation recipient in 2007;
- Mr Stephen Higgs (Woolahara, NSW) – awarded an AM for services to community health. Mr Higgs' professional appointments include Director of Rural Press and Past Chairman of Orlando Wines.
- Graeme Gibson (Narrawallee, NSW) – awarded a Medal (OAM) of the Order of Australia in the General Division for service to the Hunter Valley community, including his roles as President of the Broke Fordwich Winegrowers' Association.
- Brian Hunt (Baskerville, WA) received a Medal (OAM) of the Order of Australia in the General Division for service to surveying and mapping and to the community of Swan Valley, including as co-founder of Entopia Wines.

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### **Vineyard longevity**

The Australian Society of Viticulture and Oenology (ASVO) hosts Vineyard longevity: Maintaining the asset in Mildura from July 22-23. Sessions cover the economic challenges facing Australian vineyards, biotic threat to productivity, managing abiotic threats and innovation and adaptation for long-term survival. Guest speakers include Dr Kendra Baumgartner (Uni California), Dr Vaughn Bell (NZ), Dr Ian Dry & Dr Jeffrey Baldock (CSIRO), Dr Mark Sosnowski (SARDI), Simon Berry (berry2wine) and Brett Proud (Sherwood Estates). See [here](#) for more. *Contact:* Chris Waters – 0488 488 416, [admin@asvo.com.au](mailto:admin@asvo.com.au)

### **Getting 'lean' definitely worth crowing about**

An *Efficient Wineries* pilot which has been identifying waste and resource savings of between \$20,000 and over \$5.5 million a year for participants is nearing completion. The project has been led by the South Australian Wine Industry Association in two parts, with support from AGWA and the South Australian Government, with plans to roll it out nationally. Most recently the pilot has been testing *The Lean Guide: A Primer on Lean Production for the Australian Wine Industry* and helping up to 75 local wineries interpret the "Lean" principles and employ these techniques in the winery, with the 2015 vintage providing an important test for identifying efficiency and productivity savings.

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### **All systems go for *Plonk* season two**

The South Australian Tourism Commission and *Plonk* launched the second series this week at a special preview showing at the SA Film Corporation Adelaide Studios on Monday night. This was followed up with a media famil to the Barossa Valley. The series airs on Stan Pay TV this Thursday. Quite a number of winemakers attended th eprewwere in the audience for the preview showing and there were many chuckles around *Plonk's* misadventures while promoting the great landscapes, strengths and attractions of our amazing wine industry. See [here](#) for the teaser.

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### Got something to say about the future of South Australian business?

WFA is a member of Business SA and that gives our members access to information and a range of services offered by this state body. One of the things Business SA is doing right now is canvassing local businesses about their thoughts on the economic outlook, growth and success. The survey is anonymous and takes just 5 minutes to complete. See [here](#) to take part or find out more information.

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### Countdown to WineTech 2015

It's just four weeks to [WineTech 2015](#) with over 150 suppliers/brands across the value chain at the exhibition, presentations and panel discussions along with seminars and networking functions. Speakers include AGWA CEO Andreas Clark, Ross Ord (AgriFood Skills Australia), Wolf Blass AM, BlackSquare President David Gluzman, Harry Moate (Trade Schools for the Future), trade and business advisors and media.

### Finlaysons 23<sup>rd</sup> Wine Roadshow

It's on again – the Finlaysons Wine Roadshow seminars will run from July 30 to August 21. WFA, SAWIA, Wines of WA and Wine Tasmania members receive the discount rate of \$93.50 (usually \$137.50). This year's roadshow explores *Decision time: Bringing an investor in or buying or selling a wine business*. Seminars will be held in Swan Valley, Margaret River, Hunter Valley, Canberra District, Rutherglen, Mornington Peninsula, Launceston, Barossa, McLaren Vale and the Coonawarra. See [here](#) for details and bookings.

## 2. Upcoming events

- 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](#))
- June 26:** Opportunities in a new climate workshop – McLaren Vale ([details](#))
- June 26:** NASAA Ltd Certified 2015 Organic Wine of the Year Awards, Adelaide Convention Centre ([details](#))
- July 14-16, 2015:** National Wine Industry Supplier Trade Show, Adelaide:  
<http://www.winetechnaustralia.com.au/>
- July 14:** AWRI Grape & Wine Roadshow Rutherglen Seminar ([details](#))
- 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/>
- July 28:** AWRI Workshop “Adapting to Difficult Vintages” – Hunter Valley ([details](#))
- July 30:** Finlaysons 23<sup>rd</sup> Wine Roadshow – Swan Valley ([details](#))
- July 31:** Finlaysons 23<sup>rd</sup> Wine Roadshow – Margaret River ([details](#))
- August 10:** Finlaysons 23<sup>rd</sup> Wine Roadshow – Hunter Valley ([details](#))
- August 11:** Finlaysons 23<sup>rd</sup> Wine Roadshow – Canberra District ([details](#))
- August 12:** Finlaysons 23<sup>rd</sup> Wine Roadshow – Rutherglen ([details](#))
- August 13:** Finlaysons 23<sup>rd</sup> Wine Roadshow – Mornington Peninsula ([details](#))
- August 14:** Finlaysons 23<sup>rd</sup> Wine Roadshow – Launceston ([details](#))
- August 18:** Finlaysons 23<sup>rd</sup> Wine Roadshow – Barossa Valley ([details](#))
- August 19:** Finlaysons 23<sup>rd</sup> Wine Roadshow – McLaren Vale ([details](#))
- August 21:** Finlaysons 23<sup>rd</sup> Wine Roadshow – Coonawarra ([details](#))

## 3. Media Update & Useful Links

**Hopes new wine country alliance will put an end to ‘backyard politics’** (ABC, June 19).

The [ABC](#) reports Hunter Valley Wine and Tourism Association are joining forces with local councils to form an alliance to better promote the region and its businesses.

**Australian wine lists win big** (TheShout, June 19)

The World of Fine Wine magazine out of the UK has recognised 249 Australian restaurants for their wine lists, with 40 picking up a prestigious three-star rating. Full [story](#).

**Guys and gals mixing it up** (Business Insider, June 19). [Interview](#) with Thomas Pastuszak, wine director of the swanky NoMad Hotel in Manhattan, who says rosé, is back in vogue among menfolk.

**Wine industry welcomes China FTA** (TheShout, June 18) Read story [here](#).

**Tas govt urged to do more** (Tasmanian Examiner, June 17)

At Wine Tasmania's annual conference this week, Wine Australia's Ali Lockwood said wineries need to get export ready and the Tas Govt could do more to help local wines get onto the world stage. See [here](#).

**Australian wines win at Decanter World Wine Awards** (Hospitality News, June 16)

Five Australian wines have won international Decanter trophies. Read story [here](#) or more from Decanter [here](#).

**Joyce exposes Coalition split on foreign ownership** (ABC June 17, UK Guardian, June 16)

The Australian Ag Minister says he's not in favor of farmland being owned by foreign interests despite the Prime Minister trying to downplay the issue earlier in the week. It came about over a potential sale of Kidman and Co cattle stations – a huge swathe of cattle country. Read more [here](#). ABC has followed up [here](#), quoting Minister Joyce saying Australia already has foreign investors "lined up out the door".

**Decentralising Public Sector** (Canberra Times, June 15)

Noel Towell from the Canberra Times this week reported the states are trying and poach public service jobs out of the political capital and out to the regions, with the Ag Minister wanting to relocate the Grains R&D Corp to Wagga Wagga and Australian Pesticides and the Veterinary Medicines Authority to Armidale or Toowoomba. Under the Minister's plan, writes Towell, RIRDC would go to Albury-Wadonga while Fisheries RDC would move to Hobart. See [here](#) for more.

**Tax** (various outlets): Tax issues and differing views have been covered by the media in the past fortnight, including The Age, Sydney Morning Herald, Australian Financial Review and The Australian, as well as TheShout, Daily Wine News and ABC. *The Land's* latest report 'Wine tax ripe for reform' from June 14 is [here](#).

**Won't sign TPP unless farmers gain: Joyce** (ABC, June 12)

Agriculture Minister Barnaby Joyce says he'll only sign the Trans Pacific Partnership with the US if Australia's ag industry, & particularly sugar and beef, benefit including better market access. See [here](#).

**Climate change & the French harvest** (SMH, June 13)

Report from environment editor Peter Hannam looking at climate change and just 1.5-2 degrees is promoting changes with harvest, grape varieties and plans for the future. Bordeaux for eg is experiencing early harvests by about two weeks while nearer the German border experimenting with different grape types more resilient to the changed conditions. It's not just higher alcohol content in grapes, writes Hannam, but also droughts and fires. Full story [here](#).