

## Member Bites: WFA Activities November 27, 2015

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#### **National Alcohol Strategy discussion paper misses the mark**

WFA has prepared a submission in response to the Intergovernmental Committee on Drugs' (IGCD) discussion paper on the next National Alcohol Strategy for 2016-2021. WFA has been critical of the direction the paper has taken, particularly how it ignores alcohol's legitimate place in Australian society as a legal and heavily regulated product that can be consumed safely. The draft paper instead treats alcohol akin to tobacco and illicit substances which have no safe level of consumption. As a consequence, the draft's proposed strategies favor population-wide reductions, abstinence and cessation of alcohol. Nowhere is the message of moderation mentioned. To read WFA's critique and recommendations, including an attachment from Dr Creina Stockley, from the Australian Wine Research Institute, please visit [here](#).

Contact: Melissa Cheesman-Faull – 08 8133 4312, [melissa@wfa.org.au](mailto:melissa@wfa.org.au)

#### **China and India wine standards under review**

China and India are preparing standards for wines in their respective countries. WFA has prepared substantive comments on the proposals by these countries and submitted these to their officials this week. More updates to follow in due course. Contact: Tony Battaglione – 0413014807, [tony@wfa.org.au](mailto:tony@wfa.org.au)

#### **New foreign currency exchange offer for WFA members**

We are delighted to introduce award winning global foreign exchange provider TransferMate Global Payments as a new WFA Network Partner. Launching PayForWine.com for WFA Members, you can use this specially-tailored new payments portal to save time and money on every single foreign currency payment. TransferMate's James Leishman said: "For too long the banks have held the key to foreign exchange, often providing poor exchange rates and significantly high Transfer Fees as well as Receiver Fees. Here at TransferMate we are very much looking forward to offering WFA members something vastly better." To find out more, visit PayForWine [here](#).

Contact the TransferMate team - 02 9037 2735 or email [WFA@transfermate.com](mailto:WFA@transfermate.com)

#### **Follow WFA CEO on Twitter**

WFA Chief Executive Paul Evans has hit twitter to share upcoming news and events in the wine industry. Posted to date have been comments about the Federal Government's Harper Competition Review, the unacceptable treatment of alcohol under the draft National Alcohol Strategy and good news about industry's uptake of voluntary pregnancy labelling. Want to know more? Follow Paul Evans @WFACEO

#### **ASEAN-centred free trade area taking shape**

WFA met Australian negotiators for the Regional Comprehensive Economic Partnership (RCEP) agreement this week. RCEP is an ASEAN-centred proposal for a regional free trade area which would initially include 10 ASEAN member states and those countries which have existing FTAs with ASEAN – Australia, China, India, Japan, Republic of Korea and New Zealand. At least 9 RCEP economies are producers of grape wine (Australia, China,

India, Japan, Korea, Myanmar, New Zealand, Thailand and Vietnam). RCEP is a first step in the creation of a possible Free Trade Area of Asia Pacific. We have a real opportunity with RCEP to come up with some meaningful concessions on non-tariff measures in the region and importantly improve market access into India  
*Contact:* Tony Battaglione – 0413014807, [tony@wfa.org.au](mailto:tony@wfa.org.au)

### **Success through smarter marketing**

Join the University of SA Business School and the Ehrenberg-Bass Institute for a special one-day conference on cutting-edge wine marketing and strategies used by some of our leading wine brands called *Success through smarter marketing*. The conference will be held on February 16, 2016 at the Hawke Centre, North Terrace, Adelaide and has been sponsored by the Wolf Blass Foundation. The cost is \$195pp and includes full day, lunch and cocktail function. Event and registration details are online [here](#).

### **WET Rebate – the lobbying continues**

As 2015r and the Parliamentary year draws to an end, WFA continues to press the case for WET rebate reform and for additional marketing dollars for Wine Australia to help industry grow demand for Australian wine in key overseas markets. WFA continues to meet with Ministers, the backbench and with the cross-benches on the case for reform and for the additional marketing dollars. Parliament rises on Thursday, December 3, with sittings resuming Tuesday, February 2, 2016. Two key dates loom – the first is the Mid-Year Economic and Fiscal Outlook (MYEFO). This traditionally happens in mid-December. The second is the Federal Budget which will be handed down on Tuesday, May 10. Both give government opportunities to respond to the reforms and investment requests put to it by the wine industry and supported by WGGA and all state wine associations.  
*Contact:* Melissa Cheesman-Faull – 08 8133 4312, [melissa@wfa.org.au](mailto:melissa@wfa.org.au)

### **More on international developments**

As reported last edition, two major international meetings were held in Adelaide this month – the World Wine Trade Group and the APEC Wine Regulatory Forum. Jointly hosted by the Australian government, AGWA and WFA these meetings were a tremendous success and showcased Australia's leadership in the area of opening up market access for wine. The World Wine Trade Group comprises industry and government representatives with interests in facilitating international wine trade and avoiding application of obstacles. Along with Australia, its members are Argentina, Canada, Chile, Georgia, New Zealand, South Africa and United States of America, with observers from Japan (at industry level), Mexico and Uruguay. The APEC Wine Regulatory Forum (WRF) was the third of six technical forums scheduled under this multi-year project. Government officials and industry representatives from 17 economies participated including Australia, Canada, Chile, China, Hong Kong China, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russia, Chinese Taipei, Thailand, United States and Vietnam. Argentina and South Africa participated as observers. WRF seeks to eliminate non-science based testing and certification requirements for wine trade in an effort to increase wine production, to expand trade and create jobs in the region.  
*Contact:* Tony Battaglione – 0413014807, [tony@wfa.org.au](mailto:tony@wfa.org.au)

### **Tax Reform – awaiting the Green Paper**

The Federal Government remains committed to the Tax Reform process it began in March. It received 870 formal submissions, 400 of which were lodged by organisations including industry peak bodies such as WFA. For a reminder of WFA's submission, please see [here](#). According to the Treasury Department, the five tax topics mentioned the most in submissions were superannuation, GST, income tax, the overall tax system and capital gains tax. An options paper, known in government circles as a "Green Paper" is due for release by the end of the year. This will be followed by more consultations and a White Paper outlining the Government's preferred options which should be out prior to the next election. The next election is likely to be held between August and November 2016. WFA will continue to lobby for no increase in the overall taxation of wine and for the retention of wine's differential tax treatment compared with that of beer and spirits.  
*Contact:* Melissa Cheesman-Faull – 08 8133 4312, [melissa@wfa.org.au](mailto:melissa@wfa.org.au)

### **How to ensure your marketing meets ABAC standards**

The Alcohol Beverages Advertising Code (QABAC) was established in 1998 by the WFA, Brewers Association of Australia and NZ and the Distilled Spirits Industry Council of Australia. It operates a pre-vetting service for all marketers of alcohol products to help ensure they comply with the ABAC Responsible Alcohol Marketing Code.

This includes all brand advertising (and trade advertising), competitions, digital communications (including mobile and social media and user-generated content), product names and packaging, advertorials, alcohol brand extensions to non-alcohol beverage products, point-of-sale materials, retailer advertising and marketing collateral. To use the service, see recent adjudications and other information, go [here](#).

Contact: Alexia Deegan – 08 8133 4303, [alexia@wfa.org.au](mailto:alexia@wfa.org.au)

Are there issues you need an update on? Email [wfa@wfa.org.au](mailto:wfa@wfa.org.au) or contact staff above.

Circle the date ... **July 23-28, 2016**: Australian Wine Industry Outlook, Technical Conference & Trade Exhibition, Adelaide: <http://www.awitc.com.au/> & <http://www.awite.com.au/>

## 2. Media Update & Links

### **SA wine grape growers to go into arbitration with unions over working conditions** (ABC, Nov 25, 2015)

The SA Wine Industry Association wants to halve the minimum engagement time from four to two hours that casual employees are entitled to work, following on from a joint submission with WFA to the Fair Work Commission. The current award requires either four hours of work or four hours pay each time a casual is engaged and this is out of line with other ag sectors (eg horticulture) and exposes the wine sector to added financial risk. See full story [here](#).

### **Innovation nation: How Australia's winemakers are pushing new frontiers in the industry** (Business Insider, Nov 23, 2015)

This online article explores how the Australian wine industry is constantly innovating with grape varieties, low alcohol and preservative free wines, to creative labels and business approaches. Interviewed are Leanne De Bortoli, David Lowe, Andrew Calabria. Read full story [here](#).

### **\$1B-plus non-tariff trade barriers must go: Winemakers** (Daily Wine News, Nov 19, 2015)

Non-tariff trade barriers cost Asia-Pacific Economic Cooperation (APEC) member economies and businesses over \$1 billion a year due to the complexity and inconsistencies of regulation, the APEC Wine Regulatory Forum has conservatively estimated. Tony Battaglione, Winemakers' Federation of Australia (WFA) strategy and international affairs general manager, said non-tariff barriers cost Australian wine exporters dearly and prevent others from looking at potential offshore markets as growth opportunities. Read full story [here](#).

### **WGGA unveils new leader** (Stock Journal, Nov 17, 2015)

Winegrape Growers Australia has announced Mellor Olsson partner Jo Andrew as its new independent Chair. Read [here](#).

### **Dan Murphy's (and Woolworths) blitzing the Aussie liquor market** (Roy Morgan Research, Nov 16 2015)

Latest Roy Morgan research out this month shows Dan Murphy's has the largest market share at 16.3%, followed by BWS at 17.9%, then down to Liquorland at 10.8% and 1<sup>st</sup> Choice at 6.3%. Read full report [here](#).

### **Minister backs flat tax rate** (TheShout, Nov 16 2015)

Federal Cities Minister and local member for McLaren Vale and the Adelaide Hills Jamie Briggs is reported in this digital news item as asking govt to replace the current alcohol taxation system with a flat rate, while Tassie Senator Jacqui Lambie has been out canvassing for more tax concessions for the spirits industry. Read [here](#).

### **Woolworths, Coles private label plonk angers wine industry** (Australian Financial Review, Nov 14, 2015)

AFR asks 'why won't the supermarkets tell us which labels they own?' in a detailed story about wine labels owned by retailers but often not listed as such on their labels. The article quotes a source saying Woolworths had in excess of 200 private labels brands including Baily & Baily, Cow Bombie, Marlborough Sounds, South Island and Bowlers Run. As these labels take more shelf space, there's less available for winemakers. WFA CEO Paul Evans wants government to force retailers to identify their private labels on the wine label so consumers can choose. Evans is also arguing for tax reform to stop bulk wine producers accessing the WET rebate which is also flowing to the retail chains. Full online story [here](#).