



**Australian Grape & Wine Submission
to:
Reforming Australia's Measurement
Legislation – Consultation RIS
May 2021**

Contents

Who are we	3
Terms of Reference	3
General Comments.....	4
Responses to the RIS Questions	4
What is the policy problem to be solved?	4
Why is government action needed?	5
What policy options are being considered?	5
What is the likely net benefit of each option?	5
Contact.....	6

Who are we

Australian Grape and Wine Incorporated (Australian Grape & Wine) is Australia's national association of winegrape and wine producers. Our activities focus upon the objective of providing leadership, strategy, advocacy and support that serves Australian wine businesses now and into the future.

We represent the interests of the more than 2,500 winemakers and 6,000 winegrape growers working in Australia. Our role is to help forge a political, social and regulatory environment - in Australia and overseas - that enables profitable and sustainable Australian wine and winegrape growing businesses. These businesses make a significant contribution to underpinning regional economies by driving growth in jobs, regional exports and food and wine tourism.

Australian Grape & Wine's voluntary membership represents over 75% of the national winegrape crush. We represent small, medium and large winemakers and winegrape growers from across the country. Policy decisions by the Australian Grape & Wine Board require 80% support, ensuring no single category can dominate the decision-making process and guaranteeing policy is only determined if it provides significant industry benefit. In practice, most decisions are determined by consensus.

Australian Grape & Wine is recognised as a representative organisation for winegrape and wine producers under the Wine Australia Act 2013, and is incorporated under the SA Associations Incorporation Act 1985. We work in partnership with the Australian Government to develop and implement policy that is in the best interests of winegrape growers and winemakers across Australia.

Terms of Reference

This consultation Regulation Impact Statement (RIS) has been prepared to consider the reform options developed under the Measurement Law Review and seek feedback from stakeholders on these options. It has been developed by the Department of Industry, Science, Energy and Resources in accordance with The Australian Government Guide to Regulatory Impact Analysis and in consultation with the Office of Best Practice Regulation.

This document covers the first four of the seven standard RIS questions:

1. What is the policy problem to be solved?
2. Why is government action needed?
3. What policy options are being considered?
4. What is the likely net benefit of each option?

Following feedback from stakeholders, this document will be expanded to cover the three remaining RIS questions:

5. Who was consulted and was their feedback incorporated?
6. What is the best option from those considered?
7. How will the chosen option be implemented and evaluated?

The final RIS will be submitted for government consideration in late 2021.

General Comments

This RIS outlines three reform options for consultation:

Status quo	Reform option 1	Reform option 2	Reform option 3
No change	Streamline with Minimal Change	Flexible and Future Focused	Flexible with Additional Regulatory Powers
Maintain existing prescriptive legislative framework	Streamline the legislation and reduce prescription by taking a principles-based approach, whilst largely maintaining the current scope	Streamlined as for Option 1, and further reduce regulatory burden by significantly increasing flexibility and support for innovation	Extend Option 2 by providing appropriate powers to regulate measurements relied upon by other policy owners

Australian Grape & Wine has consulted key industry stakeholders in assessing the impacts of the RIS reform options, including grape and wine businesses, industry supply chains, technical, packaging, regulatory and legal industry experts. The general consensus of these stakeholders was that the RIS paper lacked sufficient detail to allow the sector to properly assess the real-life practical impacts of each of the reform options.

The sector is highly regulated and has a very high level of technical compliance and proficiency across all relevant aspects of measurement that impact the sector. Despite this the industry experts found it extremely difficult to understand the potential impacts that the changes proposed in the RIS might have in practice. For example, it was not possible to understand what additional calibrations or verifications that industry practitioners may need to undertake for their existing or new measuring instruments under the various policy options.

In addition, it is not ideal allow only one month of consultation with an industry the size and complexity of grape and wine sector and expect the sector to provide any meaningful response within such a short timeframe. Further time and greater details should be provided for issues of this significance and potential broad implications for the future.

The Australian grape and wine sector would welcome opportunities to streamline measurement regulation and create opportunities for greater flexibility that may benefit businesses, however it is not possible at this time to support any of the options listed as the impacts are unclear.

Responses to the RIS Questions

What is the policy problem to be solved?

Australian Grape & Wine acknowledges that there is merit in reforming regulation in order to meet changing technologies and advances, however it remains unclear if the root causes of current problems are regulations or other matters such as limitations in resourcing of pattern approvals and verification services.

The concept of a 'principles-based' approach to legislation as well as increased flexibility for exemptions would appear to have some merit, however, our stakeholders were not able to form a clear understanding of the need for such approaches due to the complexity of the RIS.

Why is government action needed?

As above, the policy problems and their root causes are unclear to Australian Grape & Wine at this time and therefore the need for government action is unclear.

What policy options are being considered?

The RIS describes the options for reform using very general terms such as 'streamlined' and 'flexible', which on the surface are concepts that could be supported by the sector in terms of measurement legislation. However, the explanations of the options were difficult to understand, lacked wine-sector relevant details or worked examples, and therefore it was not possible to gain an appreciation of the likely practical impacts of the new policy options presented.

For example, Option 2 supporting future flexibility and streamlining, has potential to have some benefits but without understanding greater detail, it is not possible to fully understand the implications and ensure there are no unforeseen or unintended consequences.

What is the likely net benefit of each option?

There may be benefits under any of the options presented but with the information provided at this time, we are unable to identify the net benefits of each option for the wine sector or beyond.

Conclusion

The sector places high value on its technical compliance and proficiency across all relevant aspects of measurement that impact the sector. We are supportive of genuine change and consultation within the sector to improve legislation in the interest of grape and wine producers.

While this is the case, Australian Grape & Wine are not able at this stage to support specific options as the impacts are unclear. We welcome the opportunity to contribute and encourage further open consultation with the sector on options for measurement reforms.

Given the breadth and complexity of the issue we would welcome a direct briefing from you, so we can further understand and discuss the implications for the grape and wine sector.

Contact

For further information, please contact

Tony Battaglone

Chief Executive

14-16 Brisbane Avenue
Barton, ACT 2600

Tel +61 413 014 807

Email tony@agw.org.au

Damien Griffante

Director, Strategy and International Affairs

National Wine Centre, Botanic Road,
Adelaide, SA 5000
PO Box 2414, Kent Town SA 5071

Tel: +61 423 094 943

Email: damien@agw.org.au