



SOUTH AUSTRALIAN WINE INDUSTRY
ASSOCIATION INCORPORATED

30 June 2020

Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600
Via email: ec.sen@aph.gov.au

Dear Committee Secretary,

Inquiry into the future of Australia Post's service delivery

Thank you for the opportunity to provide a submission in relation to the Australian Postal Corporation (Performance Standards) Amendment Regulations 2020 (*Regulations*).

Who we are

The South Australian Wine Industry Association (SAWIA), located in Adelaide, South Australia is an industry employer association representing the interests of wine grape growers and wine producers throughout the state of South Australia.

SAWIA is a not for profit incorporated association, funded by voluntary member subscriptions, grants and fee for service activities, whose mission is to provide leadership, advice and support to South Australian grape and wine industry businesses assisting them to prosper within a dynamic, diverse industry.

SAWIA membership represents approximately 96% of the grapes crushed in South Australia and about 40% of the land under viticulture. Each major wine region within South Australia is represented on the board governing our activities.

COVID-19 impact

COVID-19 has meant in the most recent past that member cellar door businesses were at first closed to the public. Then they were open for takeaway sales only. Then for modified tastings in-house based on minimum numbers of 10, with numbers increasing, to today being based on 1 person per 2 square metres. This effectively means only half of the liquor licensed capacity is permitted. COVID-19 is having a serious impact on business operations for South Australian wine businesses.

Buying behaviours

What has been noticed is with on-premise wine sales (restaurants and cafes) also being closed for a time, or now operating with small numbers, the increase in sales for 'off premise' has resulted in substantial and unprecedented e-commerce transactions – ordering online for delivery to the home. International wine sales have also had a significant change within our key export markets. Most countries are experiencing stronger lock down measures meaning that on premise sales are significantly impacted with online growing in sales focus.

Australia Post's parcel delivery service has been connecting each of our wine businesses who use their services with Australian households throughout COVID-19. Australia Post are providing a critical service for the wine industry that is helping our businesses across the State, continue their business operations. With every parcel delivery, jobs are being saved and created to deal with the significant change in purchasing behaviour. The *Regulation* will ensure that Australia Post is able to deliver this service for Australian businesses as they continue to adapt in these unprecedented times.

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Parcels provide crucial support to regional, rural and remote areas of Australia

Most of the South Australian wine businesses are located in regional South Australia and they have access to a post office to conduct transactions or through a pick-up service. This makes Australia Post an important service provider for wine businesses in South Australia.

With 2,500 post offices across regional Australia, they are well placed to meet the needs of wine business customers all over Australia.

Importantly, Australia Post is an important partner to support the recovery of South Australian wine businesses over the next 12 months.

The parcel delivery service is crucial to supporting Australian businesses.

During the COVID-19 crisis, a fast and reliable parcel delivery service has been key to ensuring businesses, both large and small, across metropolitan and regional South Australia, have continued to reach their customers.

As has been well-documented, Australians have been shopping online in increasing numbers in recent months. The South Australian wine industry businesses have been relying on Australia Post to get deliveries done in a timely manner.

Wine businesses are changing and adapting to support customers and business demand in the face of COVID-19 and we need Australia Post to be able to do the same.

The *Regulations* enable Australia Post, and its workforce, to meet the current unprecedented customer demand for parcels. This activity supports wine businesses, and their employees, as we navigate the ongoing challenges of COVID-19 in the months ahead.

Support

SAWIA supports the making of these *Regulations*. The alternative would cause a significant impact on the delivery service required by customers for wine and other businesses in Australia.

Thank you again for the opportunity to provide this submission. If you have any questions, please do not hesitate to contact SAWIA on _____ or by email

Yours sincerely,

BRIAN SMEDLEY
Chief Executive