

**Rural and Regional Affairs and Transport Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
Supplementary Budget Estimates October 2012  
**Agriculture, Fisheries and Forestry**

**Question:** 269

**Division/Agency:** Agricultural Productivity Division/Grape and Wine Research and Development Corporation

**Topic:** Proposed merger of Wine Australia and GWRDC

**Proof Hansard page:** Written

**Senator EDWARDS asked:**

In a response to Senate Question No. 2110 asked on notice on 23 August 2012 the Minister stated that on 21 August 2012 WFA and WGGGA provided a formal submission recommending a merger and that the Department would be analysing the merger.

1. Which section of the Department is conducting the analysis?
2. Has the analysis been completed?
3. If yes has the Minister received advice? When does the Minister expect to take that to Government and, in turn, make a decision on the merger?
4. If not, when does the Department expect the analysis to be completed?

**Answer:**

The Wine Policy and Industry Codes section from the Agricultural Productivity Division is responsible for the analysis of the Winemaker's Federation of Australia and Wine Grape Growers Australia submission. It conducts the analysis in consultation with other areas within the Department of Agriculture, Fisheries and Forestry and relevant government agencies. The Australian Government is currently considering the merger proposal.

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In a response to Senate Question No. 2110 asked on notice on 23 August 2012 the Minister stated that on 21 August 2012 WFA and WGGGA provided a formal submission recommending a merger and that the Department would be analysing the merger.

1. Which section of the Department is conducting the analysis?
2. Has the analysis been completed?
3. If yes has the Minister received advice? When does the Minister expect to take that to Government and, in turn, make a decision on the merger?
4. If not, when does the Department expect the analysis to be completed?

**Answer:**

Please see the response to question on notice 269 (Wine Research and Development Corporation) from Supplementary Budget Estimates – October 2012.

**Rural and Regional Affairs and Transport Committee**  
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**Agriculture, Fisheries and Forestry**

**Question: 273**

**Division/Agency:** Agricultural Productivity Division/Grape and Wine Research and Development Corporation/Wine Australia Corporation

**Topic:** Cart notes for wine grape deliveries

**Proof Hansard page:** Written

**Senator EDWARDS asked:**

Is GWRDC aware that wine grape cart notes, being individualised by company imposes an unnecessary administrative burden on small grower businesses delivering to multiple off-takers and fails to capitalise on an opportunity to reduce the administrative burden of various regulatory requirements on the same businesses?

Has GWRDC put any thought into standardising wine grape cart notes across Australia to achieve lower administration costs on small business?

Has the Wine Australia Corporation investigated standardising cart notes so that they cover off on the label integrity program requirements of growers' delivery wine grapes to processing facilities?

Has GWRDC had any discussions with state agencies relating to including biosecurity protocols like ICA33 and standardising this across Australia? If so, who with and what action has been taken?

**Answer:**

The negotiation of wine grape cart notes is a commercial matter that is best resolved by the parties involved in individual transactions.

The Grape and Wine Research and Development Corporation (GWRDC) is an agency established under the *Primary Industries and Energy Research and Development Act 1989* with responsibility for funding and administering research and development in the wine grape and wine industry. The GWRDC does not have a role in standardising biosecurity protocols.

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**Question:** 274

**Division/Agency:** Agricultural Productivity Division/Grape and Wine Research and Development Corporation

**Topic:** Terms of payment for wine grapes

**Proof Hansard page:** Written

**Senator EDWARDS asked:**

Is GWRDC aware of anecdotal evidence that some processors prefer to make purchases in states other than South Australia because these states do not have legislation equivalent to the *South Australian Wine Grapes Industry Act 1991* and they are therefore able to disregard the basic commercial practices set out in SA Act (terms of payment within three defined periods and inability to purchase wine grapes unless purchases of the previous season have been paid in full)?

Has there been any discussion of harmonising the rules relating to terms and conditions of payment between the States so that growers outside SA are not disadvantaged and so that growers in all states operate on a level playing field?

Has this been discussed at CoAG or through a Ministerial forum?

If not, what is the appropriate forum for this to be discussed at?

**Answer:**

The Grape and Wine Research and Development Corporation (GWRDC) is an agency established under the *Primary Industries and Energy Research and Development Act 1989* with responsibility for funding and administering research and development in the wine grape and wine industry. The GWRDC does not have a role in assessing commercial practices of processors.

The Department of Agriculture, Fisheries and Forestry is not aware of any discussions between the states about harmonising the rules relating to terms and conditions of payment, including through forums such as CoAG or the Standing Committee on Primary Industries (formerly the Primary Industries Ministerial Council).

If the wine industry is concerned about commercial practices in different jurisdictions then those concerns can be raised with respective state governments.

**Rural and Regional Affairs and Transport Committee**

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates October 2012

**Agriculture, Fisheries and Forestry**

**Question: 275**

**Division/Agency:** Agricultural Productivity Division/Grape and Wine Research and Development Corporation

**Topic: Funding grower development**

**Proof Hansard page:** Written

**Senator EDWARDS asked:**

Is GWRDC aware that an effective national voice for wine grape growing is hampered, and could potentially fail, under inequitable funding arrangements in which South Australia bears a disproportionate share of the funding load because that state has a voluntary levy that does not exist in any other wine grape-producing state?

Does GWRDC acknowledge market failure in relation to advocacy funds for growers?

Has Agricultural Productivity/People and Service Delivery/Corporate considered how a national wine grape grower levy for grower development can be implemented to overcome market failure inherent in national advocacy funds for growers?

If yes, what has been discussed?

If no, why has this not been discussed?

Has this issue been raised at CoAG or through a CoAG process?

**Answer:**

The Grape and Wine Research and Development Corporation (GWRDC) is an agency established under the *Primary Industries and Energy Research and Development Act 1989* with responsibility for funding and administering research and development in the wine grape and wine industry. The GWRDC does not have a role in supporting or promoting advocacy for wine grape growers.

Government policy as stated in the *Levy Principles and Guidelines* is that statutory levies must not be used to fund agri-political activities. Therefore it is not appropriate for the Australian Government to collect a levy for a national wine grape grower organisation.

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**Question:** 276

**Division/Agency:** Agricultural Productivity Division/Grape and Wine Research and Development Corporation

**Topic:** Abandoned vineyards

**Proof Hansard page:** Written

**Senator EDWARDS asked:**

Recently released ABS data has shown that the total national vineyard area in Australia has shrunk from 172,676ha in 2008 to 148,509ha this year. Has any work been undertaken to audit the effectiveness of state-by-state legislation for dealing with the biosecurity risks posed by abandoned vineyards with a view to harmonising such regulation nationally?

Is GWRDC aware of the issues?

If yes, what work has been undertaken?

If not, why

**Answer:**

The Grape and Wine Research and Development Corporation (GWRDC) is a *Primary Industries and Energy Research and Development Act 1989* agency with responsibility for funding and administering research and development in the wine grape and wine industry. It is not the role of the GWRDC to consider the effectiveness of state legislation.