

## **RURAL AND REGIONAL AFFAIRS AND TRANSPORT**

### **Senate Rural and Regional Affairs and Transport Reference Committee- Inquiry into the Wine industry**

**SUBMISSION- from the Yarra Valley Winegrowers' Association (YVWGA)  
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#### **Robyn Male- Chairman of the YVWGA's Technical Sub-committee**

- Anecdotally, there was some fruit left on the vines in the Yarra Valley in 2005 vintage. The YVWGA's grape registry indicated that glut varieties were primarily Cabernet Sauvignon and Merlot. Certainly other fruit was harvested but sold at below cost of production prices or at levels lower than what might have been reasonably expected in previous years. It is difficult to accurately estimate percentages with regard to either of these scenarios.
- Yarra Valley vignerons come from large, medium and small industry participants. Some associations between wineries and growers are long standing with contractual agreements that are regular and mutually satisfying. Other contracts have not been renewed leaving growers feeling uncertain and stressed. Clearly very few vineyards are financially viable on their own with owners working at other jobs to support vineyard requirements. In January, 2005, the YVWGA's Technical Sub-committee ran a seminar outlining industry conditions globally, within the wider Australian scene and locally, with long and short term suggestions for planning and survival over the next few years. Stuart McGraw-Kerr was one of the keynote speakers addressing such issues facing growers and winemakers alike. It was a deliberate effort to move to the bigger picture to enable all parties to see the global pressures that underpin stressful local outcomes. Further seminars are planned to provide common language and understanding between growers and winemakers with respect to grape sensory analysis and other quality benchmarking issues. Larger companies are requiring growers to come up to the mark with respect to quality benchmarking systems of management. It would also appear that premium, cool climate Yarra Valley fruit has not been actively sought out by such large concerns. Recently, the Yarra Valley has been identified by Greening Australia to qualify for significant funding for a *Wine for Life* program aimed to encourage vineyards to adopt sustainable viticultural best practices. It is possible that this program could be the catalyst for future benchmarking in the area of sustainable viticulture. It is difficult to envisage how such codes of conduct could be standardised across the industry as regional wine requirements and conditions vary so markedly. Such standards have had to be customised in the past to allow acceptance and adoption in the Yarra Valley.
- Anecdotally, it would appear that breaches have occurred in relation to wine grape growers and the Trade Practices Act 1974. Such positions as "This is the price- take it or leave it" have been reported.
- The YVWGA is strongly supportive of the concept of a national grape growers' representative body. It is felt that voluntary contributions towards funding would probably not meet financial requirements. This would mean that a levy might well be the best way to proceed. Certainly at the moment it is thought that systems of management are very "top heavy" with little or no representation from small to medium size players.