



## Hon. Peter Lewis MP

## **Member for Hammond**

"I'm here to make improvements – not friends or enemies. I work without fear or favour. I'm happiest in the service of people, their communities and their pursuit of prosperity – not powerful lobby groups and secular, combative corporate interests and organisations."

27th June 2005/bf

The Senate Enquiry into the Wine Industry Parliament House CANBERRA ACT 2600

Honourable Senators,

I crave your indulgence to be permitted to make a submission.

My name is Peter Lewis. I am the Member for Hammond in State Parliament, having been first elected in 1979.

My first discipline is Agricultural Science having majored in Horticulture. At graduation from Roseworthy Agriculture College in 1962 I was awarded the Rudi Buring Memorial Prize.

My awareness of this hearing is very recent (I learned of it after close of business Friday). My wish to make a submission and speak to it for a few minutes arises from the research I have done over the last 30 odd years into the wine industry, its production patterns in terms of the size of production module, the trend in development of production regions, marketing strategies adopted and followed by the industry and more particularly the individual production units within it, as well as some conceptual strategies which could be used to enhance production unit survival without affecting diversity and independence; all aimed at enhancing both viability and quality – as we now face a domestic glut.

I am in the unique position of having been a professional servant of several clients in the industry as a Marketing and Management Consultant, prior to entering Parliament but I am not beholden to any vested interests and the internal wranglings and political implications of any sector or formal organisation which must speak on behalf of vested interests and avoid offending elements of those interests in the process of doing so. These constraints commonly result in the glaringly obvious being overlooked in the determination of public policy. That work will follow on from the recommendations contained in your Honourable Committee's report.

There are too many small producers who do not have the benefit of the economies of scale in their marketing thrust which are available to the big corporations. The production volume of the smaller producers is now

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so great that the emerging over supply to the domestic market will result in the opportunity for the major producers to trigger a price war which will simply wipe out over 90% of those independent entrepreneurial labels and outlets unless they are otherwise able to adopt a strategy which results in them retaining their independent, separate identities but within the framework of regional badging, as well as objective independent appellation (grading) and the resulting marketing strategies which then become possible in the international market – which is not over-supplied with the higher quality product coming from the Australian industry in general.

To succeed in this course, there will need to be rigorously determined objectively and anonymously assessed appellation (grading) of the different styles and varieties of wines produced by this plethora of smaller producers.

Labelling of the product will need to carry (emphasize) the regional badge and (emphasize) this independently determined appellation, along with the wine producer's own brand name.

Moreover, research into the options and materials in the form(s) of the retail container used to supply the wine to the market place also needs some market research and be changed to more efficient, less expensive packaging forms.

Yours sincerely,

HON. PETER LEWIS, JP, AFAIM, MAIAST, RDA (Hort), MP

MEMBER FOR HAMMOND

WORLD PEACE CORPS "ROVING AMBASSADOR" AWARD HARVESTER PRIZE 2004