

**Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Additional Estimates February 2014

**Agriculture**

**Question: 65**

**Division/Agency:** Agricultural Productivity Division/Wine Australia Corporation

**Topic:** Wine Australia performance

**Proof Hansard page:** Written

**Senator EDWARDS asked:**

- How does WAC measure its success/achievements?
- Have you considered using return on investment metrics?
- What monitoring or evaluation is done following an event, for example Savour Australia, to evaluate its success and monitor its impact?
- What measures do you envision AGWA using? What consideration will be given to measuring performance?
- In terms of performance as measured by Industry enterprises do they do any form of 360 degree review with industry that tests relevance, impact and return?
- Is WAC aware of any of the big four wine companies referencing the benefits of their investment in and activities with the corporations in, their annual reports?
- What feedback have you received from the big four regarding the benefits they receive from the levies they pay?

**Answer:**

Wine Australia is required under the *Wine Australia Corporation Act* to prepare an Annual Operating Plan (AOP) each year. The AOP includes key performance indicators for each of the Corporation's Output Groups – Market Development, Wine Sector Intelligence, Compliance and Trade. Wine Australia reports its performance each year in its Annual Report.

Wine Australia's marketing strategy is focused on positively positioning the quality, diversity and regionality of Australian wine to create a favourable environment for levy payers. The key performance indicators for the sector included in the AOP for Market Development therefore represent appropriate measures of success of the strategy.

**Question: 65 (continued)**

Following Savour Australia 2013, all attendees were invited to complete a survey and the responses were analysed to evaluate its success. A further survey has recently been sent to all winery participants requesting feedback regarding commercial results following Savour Australia 2013.

In accordance with the *Grape and Wine Legislation Amendment (Australian Grape and Wine Authority) Act*, the Authority must prepare an initial corporate plan by 30 September 2014 and provide it to the Minister. It must draft a 5-year corporate plan that addresses the objectives of the Authority and submit it to the Minister for approval by 1 May 2015.

The corporate plan is required to include a specific statement of grape and wine research and development objectives and the strategies to achieve those objectives.

Wine Australia makes decisions following extensive consultation with relevant advisory groups or committees comprising industry representatives. For example, Market Development reference groups have been established in Australia, United States, United Kingdom and China and they provide guidance with respect to the development and implementation of market development strategies and promotional programs on behalf of the Australian wine sector. Wine Australia also consults regularly with state and regional wine associations.

Wine Australia is not aware of any wine companies referring to Wine Australia in their annual reports. The Market Development reference groups include representatives from large, medium and small producers which provides them with an opportunity to provide input on Wine Australia's market development strategies to ensure they deliver benefits for the Australian wine sector.

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**Agriculture**

**Question: 66**

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

**Topic:** Conflicts of interest

**Proof Hansard page:** Written

**Senator EDWARDS asked:**

How are conflicts of interest managed on the WAC/GWRDC Boards?

Is WAC/GWRDC aware that the current WGGA was not the same WGGA referred to in the PIERD Act?

**Answer:**

**Wine Australia**

Board Members of Wine Australia Corporation and the Grape and Wine Research and Development Corporation must comply with the *Commonwealth Authorities and Corporations Act* (CAC Act) and in particular Division 4 - Conduct of Officers.

However, pursuant to section 21 of the *Wine Australia Corporation Act*, for the purposes of sections 27F and 27J of the CAC Act, a Board member who is a winemaker or a grape grower is not taken to have a material personal interest in a matter being considered or about to be considered by Wine Australia Corporation by reason only of being a winemaker or grapegrower.

**Grape and Wine Research and Development Corporation**

The Grape and Wine Research and Development Corporation has a Directors' Interests Policy which reflects the provisions of the CAC Act.

The Grape and Wine Research and Development Corporation maintains a register of Directors Interests and the update of Directors' Interests is a standing item at all Board and Committee meetings.

The Wine Australia Corporation and the Grape and Wine Research and Development Corporation (GWRDC) are aware that the Wine Grape Growers' Council of Australia was the previous grape grower industry body under the former *Primary Industries and Energy Research and Development Act 1989* (PIERD Act). Wine Grape Growers Australia (WGGA) was declared under this Act on 25 August 2004 along with the Winemakers' Federation of Australia (WFA).

**Question:** 66 (continued)

This declaration revoked all previous instruments made under section 7 of the PIERD Act in relation to GWRDC.

WGGA and WFA are both declared under the *Wine Australia Corporation Act 1980* and will retain this status under the legislation that will govern the Australian Grape and Wine Authority from 1 July 2014.