

## **Alpine Valleys Vignerons Inc**

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Committee Secretary Senate Rural and Regional Affairs and Transport Committee Department of the Senate Parliament House Canberra ACT 2600

12.7.2005

## <u>Re:</u> Endorsement for King Valley Vignerons Submission to Senate Rural and Regional Affairs and Transport Reference Committee Inquiry into the Australian Wine Industry

On behalf of the seventy-nine members of the Alpine Valleys Vignerons Association, I am writing to lend our endorsement and full support to the submission made to the said inquiry by our close neighbours, the King Valley Vignerons.

The Vignerons of the Alpine Valleys share with the King Valley's production issues including high production costs, a proliferation of relatively young vineyards and increasingly unsustainable wine grape prices.

We concur that the following issues are of crucial importance to the Senate Inquiry:

- 1. The size and nature of the wine grape glut versus producers inventory levels
- 2. The structure of the industry and how this impacts on the relationship between growers and producers; the nature of the contractual agreements between them; the implementation of quality benchmarks and whether these can be standardized in an industry-wide code of conduct.
- 3. The adequacy of the terms and implementation of the *Trade Practices Act* 1974 in relation to wine grape growers
- 4. The need for a national representative body for grape growers

The grape growers of the Alpine Valleys wine region have been squeezed by wineries to a point at which many are considering leaving the industry. There is a clear need for government intervention to ensure that a fair, transparent and standardized pricing system based upon quality is implemented for the Australian wine grape industry.

We eagerly anticipate the above issues being brought to the table and look forward to having a Senate Hearing in Wangaratta as per the invitation from the King Valley Vignerons.

Yours sincerely,

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Eleana Anderson AVV Executive Officer