

As part of a wide-ranging review of the Code to make it more effective, an amendment has been agreed between WGGA and WFA that will assist growers in disputing final prices they feel are unfair.

The review in which this amendment has been agreed, is currently being undertaken by the combined WGGA-WFA Code Management Committee (CMC) which among other things, is charged with monitoring the effectiveness of the Australian Wine Industry Code of Conduct (the Code).

The amendment deals with a concern, expressed by growers, that during the busy harvest period, time is not available to effectively mount and resolve a dispute under the Code's time stipulations. It is considered that growers, being more often the disputing party and with fruit in jeopardy while the dispute awaits resolution, were at a disadvantage.

The amendment will apply for the 2015 harvest onwards.

The Code currently stipulates a 14 day period from the time the dispute is notified by the disputing party, for the parties to come to a mutually agreed outcome. The change will now allow for a mutually agreed outcome to be reached 60 days after the notification, if the notification is lodged before April 30. April 30 is taken to be a date that covers by far the majority of notifications that may occur 'during the harvest period' when this process arises.

It should be noted that the other provisions for disputes over winegrape price remain the same. Together with the amendments, these are summarized below but for complete clarity should be read from part 3.1 of the Code.

1. The amended provisions apply in the circumstances where it is agreed that a final price has to be determined that is, not where a fixed price has been agreed, and the determination occurs prior to the harvest if a pre-vintage vineyard inspection is involved in determining the final price, or in all other instances, 10 business days prior to the anticipated harvest date.
2. The disputing party has 7 days from being delivered the final price to notify the other party of the dispute.
3. The other party has 7 days from receiving the notification of the dispute to respond to the disputing party.
4. If resolution is not achieved by these exchanges, and the notification occurs before April 30, the parties now have 60 days from the notification (CHANGED from 14 days) to find a mutually agreed outcome.

5. If a mutually agreed outcome is not found in 60 days from the notification (CHANGED in accordance with the 60 days amendment), the two parties must jointly appoint an Independent Expert to determine the price.
6. If the two parties cannot agree on an Independent Expert to appoint within 7 business days of the 60 days expiring (CHANGED in accordance with the 60 days amendment), then within 7 days of this failure, the Code Management Committee will appoint an Independent Expert on their behalf.

Further announcements and information can be found on WGGA's website (www.wgga.com.au), WFA's website (www.wfa.org.au), the Australian Wine Industry Code of Conduct website (www.wineindustrycode.org) or in the wine industry media.