



Wine Grape Growers' Australia

1 July 2010
Canberra

2009-10 CHAIRMAN'S REPORT – WGGA 2010 ANNUAL GENERAL MEETING

Over the past year, in spite of extremely difficult industry circumstances, WGGA has continued to enhance its status in the wine industry, while consolidating its capacity for effective delivery on its mission, to provide strong national representation and services for all Australian grape growers and their families.

WGGA's achievements during the year are absolutely in line with the aspirations and strong support voiced by the majority of the nation's growers for such a body to be in place to work on their behalf and to fight to protect their future.

This progress has been achieved at a time when wine grape growers have needed all the help they can muster, as they have been assailed by harsh climate conditions, a strong reduction in market takeoff of grapes and prices received and the inevitable intra industry conflicts and other ramifications arising from a surplus in wine grapes and lower demand for Australian wine.

WGGA has throughout, been able to maintain a high and consistent profile for growers within the media, in industry forums, in effectively representing growers in lobbying the national and state governments on their behalf and in the delivery of programs like the successful 'Vine Biz' management system, the Wine Industry Code of Conduct, and other service support to growers.

In this period WGGA has matured and strengthened its role as a central member of the wine industry's administrative and leadership structure and team, while entrenching itself as a respected and strong advocate for growers. It has been prominent in its participation along with WFA, AWBC and G&WRDC in the Wine Industry Restructuring Action Agenda (WRAA), in the National Organisational Structures (NOS) Review processes and in negotiating with the National and State governments on critical industry policy issues.

During the year, the credentials of WGGA were closely scrutinised through the machinations of the Independent Inquiry into the SA Wine Grape Growers Fund Inquiry established by the South Australian Government and under the leadership of retired County Court Judge Mr Allan Moss. In the event, The Inquiry Report, vindicated WGGA over its performance and the value extracted from expenditures of grower derived levy monies, and argued strongly for its continuation in its present role.

Following the release of the Inquiry Report, I was able to 'broker' agreement on a program of cooperation and collaboration initiatives to be jointly developed and implemented by WGGA and the Wine Grape Council of South Australia (WGCSA).

The aim here is to agree on a set of activities, which will meet priorities set by SA growers, and which will provide benefit to them and fellow grape growers nationally. The

intention is for the program to be jointly funded by WGCSA and WGGGA drawing in particular on monies derived from South Australian Grape Grower levies. This initiative was presented by WGCSA and WGGGA delegates in a subsequent meeting chaired by Agricultural Minister Michael O'Brien. Minister O'Brien welcomed the initiative and additionally offered his support to work with WGGGA in discussions with his colleague National and State Ministers over avenues for additional collaboration with them and their Departments, in assisting WGGGA to further its national agenda on behalf of their grower constituents.

With regard to Governance matters, a Special General Meeting was convened at the 2009 AGM on 3 December 2009 in Adelaide, with a view to member consideration of a number of proposals, including, in particular, agreement to an amendment to the WGGGA Constitution to enable election of the Chair of the Executive Committee from within and by the Executive Committee, in light of potential cost savings. Notwithstanding the Executive Committee preference for appointment of a Chair who is independent from the Executive Committee, the general view was to agree to the change, as part of a block agreement to the Constitutional issues raised at the meeting, subject to the determination that "the issue of an Independent versus internally elected Chairman should be reviewed at the next Annual General Meeting".

I submit this summary of WGGGA's progress and range of activities it has been engaged in over the past year for your information, discussion and necessary actions at the 2010 AGM.

In doing so I will make the point that, notwithstanding the range of activities we have been able to set in train, our grape growers still face tough times in the years ahead. In these circumstances growers will continue to rely on the succour that a strong national body like WGGGA can provide by working effectively on their behalf in national representation and service provision. To do this to the required level of effectiveness, the WGGGA Executive we will in turn need your continued support through on-going membership of WGGGA and the funding and activity support that goes with it.

In closing, as this is my last WGGGA report, I would like to thank Australia's wine grape growers for the opportunity to serve as your Chairman over the last four years and to wish all growers and their families much deserved future business, commercial and personal success as you traverse the journey that lies ahead.

Yours sincerely,

A handwritten signature in black ink that reads "Alan Newton". The signature is written in a cursive, flowing style.

Alan Newton

Chairman WGGGA July 2006 to July 2010