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**Government  
of South Australia**

**PHYLLOXERA AND GRAPE INDUSTRY  
BOARD OF SOUTH AUSTRALIA (trading as  
VINEHEALTH AUSTRALIA)  
2022-23 Annual Report**

**PHYLLOXERA AND GRAPE INDUSTRY BOARD OF SOUTH  
AUSTRALIA (trading as VINEHEALTH AUSTRALIA)**

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To:

Hon. Clare Scriven (MLC)

Minister for Primary Industries and Regional Development

Minister for Forest Industries

This annual report will be presented to Parliament to meet the statutory reporting requirements of *Phylloxera and Grape industry Act 1995* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

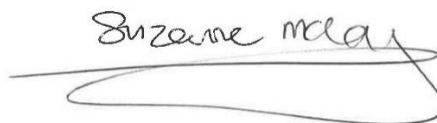
Submitted on behalf of the PHYLLOXERA AND GRAPE INDUSTRY BOARD OF SOUTH AUSTRALIA (trading as VINEHEALTH AUSTRALIA) by:

Suzanne McLoughlin

Acting CEO

Date: 16 August 2023

Signature:

A handwritten signature in dark ink, appearing to read 'Suzanne McLoughlin', with a long, sweeping horizontal line underneath.

Late submission advised to the Hon. Clare Scriven MLC on 7 June 2023 in lieu of consideration of sustainable funding model for Vinehealth, and resultant delay in external financial audit for 2022-23.

## **From the Acting Chief Executive Officer**

In the past year, the grape and wine industry has continued to operate amidst challenges around grape and wine oversupply, high pest and disease pressure, rising cost pressures, River Murray flooding events and continuing fruit fly outbreaks in the Riverland.

It is within this operating environment that Vinehealth Australia has worked to continue our focus on protecting the South Australian grape and wine industry from pest and disease incursions impacting long term vineyard sustainability.

Vinehealth Australia's key achievements in 2022-23 included:

- Provision to PIRSA of three pieces of comprehensive and considered advice, post our evaluation of risk to the state of phylloxera introduction due to proposed rezoning of Mornington Peninsula from a Phylloxera Risk Zone to a Phylloxera Exclusion Zone. This advice was founded on protecting South Australia's vineyards and took a scientific, risk-based, practical approach.
- Investment in significant capability and capacity in supporting PIRSA's fruit fly response in South Australia's Riverland. This involved reviewing and contributing to all industry communications, direct contact with vineyard owners and wineries to communicate timely changes to fruit fly boundaries, movement requirements and associated compliance knowledge.
- Leading South Australia's response to the Grapevine Red Blotch virus detection in Australia, including surveillance, tracing, and communication activities. Vinehealth Australia's unique foundational Register of South Australian grapevine plantings was key to determining the surveillance plan by enabling rapid identification of vine plantings of interest. Activities were pivotal in driving and shaping the national wine industry's response to this incursion, and learnings for future responses. Response activities continue into 2023-24.
- Continued response to service enquiry requests by the grape and wine industry and government; particularly on quarantine matters and supply of aggregated and deidentified data from the Register.
- Receiving 10 letters of support and testimonials from wine industry organisations as part of the funding review industry consultation. This highlighted Vinehealth Australia's strong partnerships with industry, and demonstrated need for Vinehealth's activities.

As required under our governing Act, significant time and resources continue to be devoted to maintaining foundational information (including planting, location, and owner information, and maps of vineyards) in our core asset – the Register. The entirety of information on this Register is not duplicated by any other organisation.

The Register was again deployed for biosecurity response activities in 2022-23, predominantly for fruit fly and Grapevine Red Blotch virus. It also provided key foundational information to support government activities – including River Murray flood response, prescribed burns, and water allocation planning and for a range of industry insight reports.

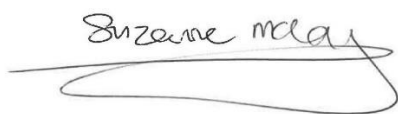
Efforts to transform the Register to open up future opportunities for industry, government and the organisation have halted due to a lack of funding. This has resulted in continued funds being allocated to keep an ageing asset going that has low future value for the organisation.

With our levy continuing at the same rate as set in 1996, and business costs continuing to rise, Vinehealth Australia's ability to operate was again considerably constrained. To that end, the Vinehealth Australia Board decided that a conversation with industry about funding could not wait. With the endorsement of the Hon. Clare Scriven MLC, an extensive 11-week industry consultation was undertaken on proposed new rules and rates. Feedback from industry guided refined recommendations to the Minister around a proposed funding solution, considering the current operating landscape for the wine industry. A funding solution was subsequently endorsed in June 2023, representing a landmark change for the organisation. Vinehealth Australia thanks and commends the Minister and PIRSA for their courage in demonstrating the value of grapevine biosecurity and the South Australian grape and wine industry to the state.

Looking forward to 2023-24, increased funding security for Vinehealth Australia will enable two key pieces of work to progress, which will improve the capability and capacity of the organisation to prepare for and respond to pest incursions. These include commencing the transformation of our key asset, our Register, into a Digital Biosecurity Platform, completing the new South Australian Phylloxera Response Plan and commencing associated extension activities, which will enable PIRSA, Vinehealth Australia and industry, to effectively respond to a phylloxera outbreak to minimise the impact on grape and wine businesses.

I thank the outgoing Chair, Dr Prue McMichael, and Board of Vinehealth Australia for their strategic oversight and counsel, and together with the outgoing CEO Inca Lee and the Vinehealth team, for their collective contribution to Vinehealth's achievements in 2022-23, and unwavering focus on working with and for industry.

It is with a deep sense of responsibility and respect that I will continue in 2023-24 to oversee wise investment of your contributions payable into activities that will benefit industry now and into the future.



Suzanne McLoughlin

**Acting CEO**

**Vinehealth Australia**

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## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	<p>To foster a profitable, sustainable, and reputable grape and wine industry, by working alongside growers, winemakers, propagation specialists and government to protect vines from biosecurity risk and to advance vine health.</p> <p>As stated in the <i>Phylloxera and Grape Industry Act 1995</i> (Act), Vinehealth Australia's role is: 'To provide for the protection of vineyards from disease and to assist and support the grape industry in South Australia.'</p>
<b>Our Vision</b>	Biosecurity action is integrated in every grape and wine business.
<b>Our Values</b>	<p>Our values drive how we behave and deliver benefits to the grape and wine industry:</p> <p><b>Knowledge</b></p> <p>Pursuing new knowledge to empower evidence-based decision making by industry and government.</p> <p><b>Action</b></p> <p>Completing targeted, high impact biosecurity activities that deliver measurable change in biosecurity practices by industry, government, and other priority stakeholders.</p> <p><b>Collaboration</b></p> <p>Partnering with grape and wine businesses, government, researchers, and industry bodies to drive accountability for biosecurity and to leverage resources.</p> <p><b>Focus</b></p> <p>Investing in biosecurity initiatives that support the state's growth agenda and the industry's enviable reputation for quality and heritage.</p> <p><b>Independence</b></p> <p>Honouring our status as an independent statutory authority, as defined by our governing Act, and working to create enduring value for industry through ongoing strategic review and performance monitoring.</p>
<b>Our functions, objectives and deliverables</b>	<p><b>Legislative functions:</b></p> <ul style="list-style-type: none"> <li>• Ten primary functions:             <ol style="list-style-type: none"> <li>1. to identify and assess —                 <ol style="list-style-type: none"> <li>a. the relative threat to the State's vineyards posed by phylloxera and other diseases; and</li> </ol> </li> </ol> </li> </ul>

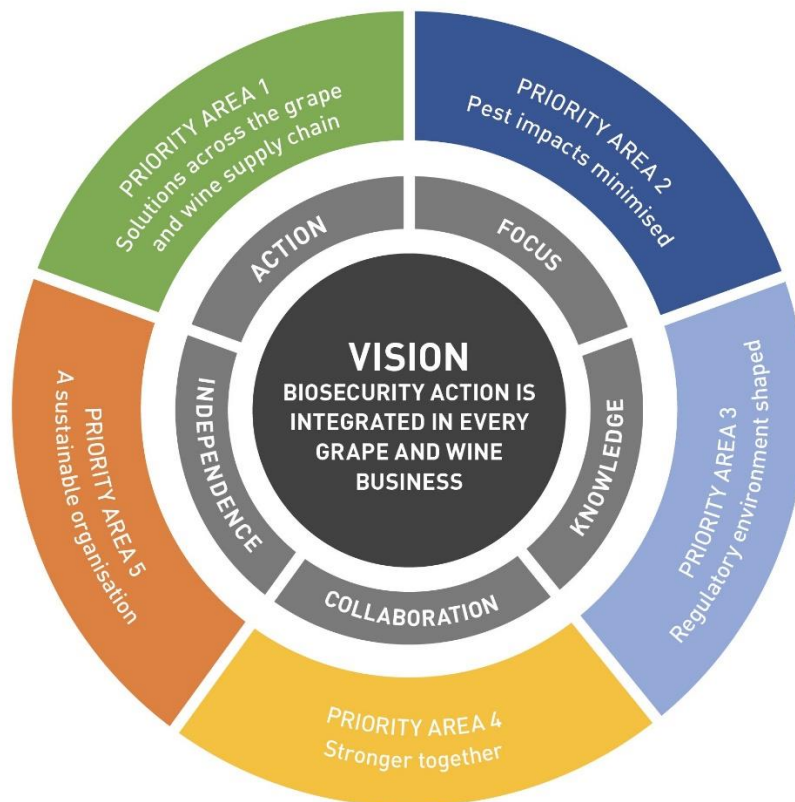
	<p>b. the risk of spreading diseases through the movement of machinery, equipment, vines, and other vectors into and within the State;</p> <p>2. to develop policies in relation to —</p> <p>a. appropriate restrictions on or conditions for the movement of machinery, equipment, vines, and other vectors into and within the State to prevent the spread of disease; and</p> <p>b. the quarantine of vines that are or may be affected by disease; and</p> <p>c. appropriate measures for the control of outbreaks of disease in the State;</p> <p>3. to develop plans for the eradication of disease in the State's vineyards;</p> <p>4. to support and encourage the conduct and evaluation of research into —</p> <p>a. disease resistance and tolerance of rootstocks and scions; and</p> <p>b. diseases that affect or may affect vines, and any matter relating to such diseases, including their control;</p> <p>5. to publish the results of relevant research;</p> <p>6. to promote awareness of the dangers of disease (as defined in the Act) among the public and people involved in grape growing or winemaking;</p> <p>7. to disseminate information on disease and work practices or industry codes of practice that would minimise the risk of disease, or its spread, to people involved in grape growing or winemaking;</p> <p>8. to approve nurseries (whether within or outside the State) that are capable of producing propagative material that is free of specified diseases or industry-based accreditation schemes for such nurseries;</p> <p>9. subject to subsection 13(3) of the Act, to collect and, on request by an interested person, supply data relating to vineyards and vine health in South Australia;</p> <p>10. to perform the other functions assigned to the Board by or under this Act or by the Minister.</p> <ul style="list-style-type: none"> <li>• Maintain a Register of all vineyards planted in South Australia.</li> <li>• Manage a system to levy, collect and recover contributions owing to Vinehealth Australia, pursuant to section 23 of the Act.</li> <li>• Inspectors under the Plant Health Act 2009 <i>ex officio</i>.</li> </ul>
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- Determine the appropriate action to take in the event of an outbreak, jointly managing the outbreak and providing ongoing advice to the Minister regarding the outbreak.

### Vinehealth Australia's Strategic Agenda 2021-2026

Pursuant to section 18 of the Act, Vinehealth Australia's five-year Strategic Agenda sets out five priority areas, with a target articulated for each as depicted below:



#### Target: Priority Area 1

A stronger, active defence against vineyard pest threats, with biosecurity practices integrated into everyday operations and access to high-health planting material.

#### Target: Priority Area 2

The impact of an incursion on assets, people and profitability is minimised, providing business continuity for growers, winemakers and other entities along the supply chain.

#### Target: Priority Area 3

A responsive and robust biosecurity regulatory system, respected and complied with by industry.

#### Target: Priority Area 4

An active and connected network across the South Australian grape and wine supply chain, with impact and results extending across the country.

#### Target: Priority Area 5

A sustainable organisation with expertise, systems and resources, that delivers exceptional outcomes.

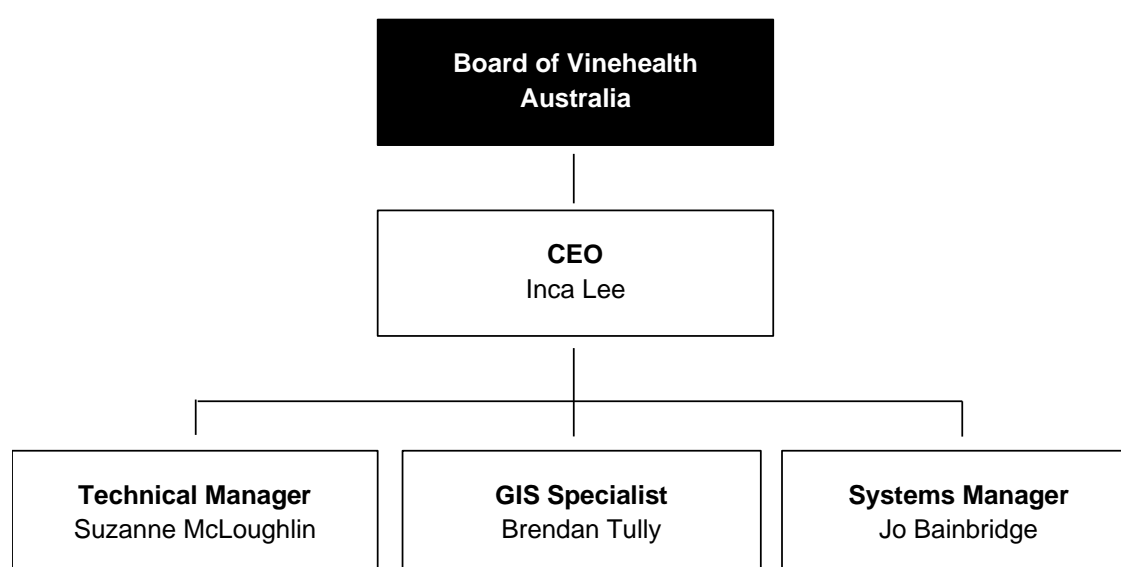
## Our organisational structure

### Management

Vinehealth Australia is a small agency with four employees at 30 April 2023. Vinehealth Australia has a mix of full time and part time staff, with 3.6 full time equivalents in 2022-23.

#### *Organisational chart*

Vinehealth Australia's organisational structure is such that there are no divisions – simply a Chief Executive Officer (CEO) with three direct reports, Suzanne McLoughlin Technical Manager, Jo Bainbridge Systems Manager and Brendan Tully as GIS Specialist.



The Chief Executive Officer reports to the Board of Vinehealth Australia.

[Click here](#) for profiles on current staff as at 1 June 2023.

### Board

Pursuant to Section 5 of the Act, the Board of Vinehealth Australia has up to eight members appointed by the Minister, and an additional member being the Chief Inspector for South Australia. Of those appointed by the Minister, one member must have expertise in viticultural research and up to seven are nominated to the Minister by one or more organisations or bodies that, in the opinion of the Minister, have significant involvement in grape growing or winemaking.

Board members serve a term of not more than three years and are eligible for reappointment at the end of their term. Each year in July, the board members elect one of their number to be Chair (Presiding Member) for a term of one year.

The Board deals with all matters relating to the strategic oversight and management of Vinehealth Australia, and as such there are no committees of the Board.

## Board members

Current board members are:

- Dr Prue McMichael (appointed 1 July 2016, reappointed 1 July 2022 for a one year term, elected Presiding Member 20 September 2022)
- Mr Richard Barrett (appointed 18 July 2019, and reappointed 1 July 2022 for a one year term)
- Dr Jo Luck (appointed 18 July 2019) reappointed 1 July 2022 for a two year term)
- Mr Alex Sas (appointed 18 July 2019) reappointed 1 July 2022 for a two year term)
- Dr Sally Troy (appointed 18 July 2019) reappointed 1 July 2022 for a two year term)
- Mr Alec Gilbert (appointed 18 July 2019, reappointed 1 July 2022 for a one year term)
- Dr Ross Meffin (ongoing as Chief Inspector)

*Note post reporting period: The current board term for Dr Prue McMichael, Mr Richard Barrett and Mr Alec Gilbert concluded on 30 June 2023. Mr Alec Gilbert was reappointed for a three month term expiring 30 September 2023, and elected Interim Presiding Member on 14 August 2023. Other Board appointments were pending at the time of signing of the Annual Report. The Chief Inspector Dr Ross Meffin was replaced on the Board by Mr Nick Secomb on 15 June 2023.*

[Click here](#) for profiles on current board members and Chair.

## Changes to the agency

During 2022-23 there were no changes to Vinehealth's structure and objectives as a result of internal reviews or machinery of government changes.

*Note post reporting period: Upon resignation of CEO Inca Lee, Suzanne McLoughlin was appointed as Acting CEO from 1 June 2023 to 31 May 2024.*

## Our Minister

The Hon. Clare Scriven MLC, Minister for Primary Industries and Regional Development and Minister for Forest Industries is responsible for the *Phylloxera and Grape Industry Act 1995*.

**Our Executive team (as at 30 April 2023)**

**Inca Lee**, Chief Executive Officer

Inca is responsible for ensuring the delivery of Vinehealth Australia's strategic plan and annual operating plan.

**Suzanne McLoughlin**, Technical Manager

Suzanne is responsible for the provision of technical specialist biosecurity advice to industry and government. For industry, this includes the development, analysis and communication of technical knowledge, policies and initiatives relating to biosecurity and general vine health. For government, this includes providing technical advice on all industry biosecurity-related matters under the SA Plant Quarantine Standard and providing technical expertise into response activities, quarantine-related incidents, incident tracing and vineyard surveillance.

**Legislation administered by the agency**

*Phylloxera and Grape Industry Act 1995* (PGI Act)

**Other related agencies (within the Minister's area/s of responsibility)**

Department of Primary Industries and Regions (PIRSA), incorporating Biosecurity SA Division.

## The agency's performance

### Performance at a glance

#### Priority area 1: Solutions across the grape and wine supply chain

- Conducted pilot training session for 'Biosecurity for Contractors and Vineyard Owners' program to encourage shared responsibility for biosecurity across the wine supply chain. The program is being refined based on the feedback from the pilot session.
- Continued collaborative project with Small Design Co. to produce a fit-for-purpose disposable shoe cover as an alternative to footwear disinfestation. Production targeted to begin in 2023-24.

#### Priority area 2: Pest impacts minimised

- Led South Australia's response to the Grapevine Red Blotch virus detection in Australia. Vinehealth Australia's unique foundational Register of South Australian grapevine plantings was key to determining the surveillance plan by enabling rapid identification of vine plantings of interest.
- Provided significant support to PIRSA in response to 46 plant pest biosecurity incidents. Vinehealth Australia's Register again proved vital in enabling direct communications by Vinehealth staff with vineyard owners affected by fruit fly outbreaks in the Riverland, through 743 SMS notifications and 58 emails advising of changes to fruit fly boundaries and movement requirements.
- In response to speculation that River Murray floodwaters may transport phylloxera from flooded vineyards in the North East Phylloxera Infested Zone to South Australian vineyards, Vinehealth Australia, with the assistance of third party expertise, evaluated and [reported](#) the likelihood of this introduction as negligible.

#### Priority area 3: Regulatory environment shaped

- Three pieces of comprehensive and considered advice provided to PIRSA post evaluation of risk to SA of phylloxera introduction due to proposed rezoning of Mornington Peninsula from a Phylloxera Risk Zone to a Phylloxera Exclusion Zone by PIRSA.
- Expertise in quarantine and risk-related enquiries continued to be demonstrated and valued by industry and PIRSA. Approximately 100 enquiries received and actioned, which comprised half of the annual service requests received. Advice provided on four key areas including fruit fly accreditation, baiting, management; import requirements into South Australia for machinery, equipment, grapevine planting material, winegrapes and grape material; phylloxera management, surveillance, and detection; and phylloxera disinfestation treatments and tourism-related biosecurity.
- Continued to encourage state governments and national industry bodies to develop a National Phylloxera Management Strategy to ensure the grape and wine industry is protected through a robust national system.

#### **Priority area 4: Stronger together**

- Strong partnerships with wine industry organisations demonstrated through the levy review process, through receipt of 10 letters of support and testimonials highlighting the importance of Vinehealth Australia's continued activities to the wine industry.
- Continued to lead the conversation about wine biosecurity in Australia through news articles, feature articles, videos, and case studies in the media, on industry platforms, in our monthly newsletter and on our website.
- Used the state's foundational vineyard data in Vinehealth's Register to provide aggregated, deidentified planting data to state government departments, state and regional wine industry associations, and national wine RDC on request. This included predicting impact to vineyards and wineries in the Riverland as a result of the River Murray flooding event.
- Continued to provide aggregated, deidentified data from Vinehealth's Register for the 2023 SA Winegrape Crush Survey.
- Continued to support vineyard owners, regional associations and the National Parks and Wildlife Service SA during the autumn prescribed burns season in the Adelaide & Mount Lofty Ranges Region.

#### **Priority area 5: A sustainable organisation**

- Continued to maintain the State's unique Register of vineyard plantings, including enhancing data security. This core asset is used by Vinehealth for all preparedness, prevention, and response activities.
- Extensive industry consultation on new rules and rates for contributions payable under the *Phylloxera and Grape Industry Act 1995* undertaken with support of the Hon Clare Scriven MLC to ensure adequate funding for Vinehealth to perform its statutory functions. Formal recommendations made to the Minister and PIRSA on a proposed funding solution to raise the quantum required. A funding solution was subsequently endorsed in June 2023, representing a landmark change for the organisation.
- Worked with PIRSA and the Minister to continue to explore funding sources for the Digital Biosecurity Platform to replace the current Register.
- Continued to liaise with PIRSA on development of a new Biosecurity Act for South Australia, to understand implications on the powers and function within the *Phylloxera and Grape Industry Act 1995*.
- Management of levy collection and recovery system.

### **Board attendance**

Eight board meetings were held between 1 May 2022 and 30 April 2023, of which six were hybrid meetings (online/in-person). The number of meetings attended by each board member was as follows:

- Dr Prue McMichael (8/8)
- Mr Richard Barrett (8/8)
- Dr Sally Troy (8/8)
- Mr Alec Gilbert (7/8)
- Dr Jo Luck (7/8)
- Mr Alex Sas (6/8)
- Dr Ross Meffin (3/8)

### **Agency specific objectives and performance**

Refer to tables on the following pages.

**Priority area 1:** Solutions across the grape and wine supply chain

**Agency objective:** A stronger, active defence against vineyard pest threats, with biosecurity practices integrated into everyday operations and access to high-health planting material.

**1.1 Indicator**

Target projects that promote enhanced biosecurity practices by key risk creators.

**Performance****Biosecurity for contractors**

- Pilot training session for 'Biosecurity for Contractors and Vineyard Owners' program held in the Adelaide Hills with 15 wine industry contractors and growers. The program aims to encourage shared responsibility for biosecurity across the wine supply chain, with open flow of biosecurity information and expectations.
- The Program is being refined based on the feedback from the pilot workshop, with content delivery planned for 2023-24.

**Shoe covers**

- Continued collaborative project with Small Design Co. to produce a fit-for-purpose disposable shoe cover as an alternative to footwear disinfestation to minimise the risk of pest, disease and weed introduction and spread by footwear in vineyards and other biosecurity risk situations.
  - Work in 2022-23 by collaborator involved testing and refinement of input materials with CSIRO, refining design of potential production facility, investigating sourcing of appropriate production machinery, assessing manufacturing options in conjunction with established local businesses, and seeking grant funding opportunities. Shoe cover production targeted to begin in 2023-24.

**Biosecurity signage**

- Continued production of industry-specific biosecurity signage and disinfestation kits and delivery on request by industry, including:
  - 161 farm-gate hygiene signs
  - 107 consumer-facing signs
  - 4 disinfestation kits

**National Viticulture Biosecurity Reference Panel**

- Continuing viticulture industry member.
- Provided input into Viticulture Biosecurity Plan and feedback on wine industry high priority pests and ratings, to ensure reflectiveness of



	industry concerns.
<b>1.2</b>	<p><b>Indicator</b></p> <p>Quantify the adoption of farm-gate hygiene practices by vineyard owners biennially to direct future investment.</p> <p><b>Performance</b></p> <ul style="list-style-type: none"> <li>• Next Vineyard Owners' Survey to quantify adoption of farm-gate hygiene practices scheduled for late 2023-24.</li> </ul>
<b>1.3</b>	<p><b>Indicator</b></p> <p>Optimise biosecurity value delivered by the Naracoorte Heat Shed.</p> <p><b>Performance</b></p> <ul style="list-style-type: none"> <li>• Operation of Heat Shed maintained.</li> <li>• Preventative maintenance schedule ongoing.</li> <li>• Utilised by PIRSA as part of incident management during vintage.</li> </ul>
<b>1.4</b>	<p><b>Indicator</b></p> <p>Drive improved virus management by the propagation sector.</p> <p><b>Performance</b></p> <ul style="list-style-type: none"> <li>• Continuing member of the Australian Grapevine Virus Technical Committee tasked with improving grapevine virus diagnostic testing, including contribution to 'Grapevine tissue sampling protocol for virus diagnostics.'</li> <li>• Continuing member of the National Grapevine Collection Industry Advisory Committee tasked with overseeing and guiding the establishment and maintenance of the National Germplasm Collection.</li> <li>• Ongoing discussions with the South Australian Vine Improvement Association regarding knowledge gaps in virus management. A greater understanding of the virus status of vine improvement source blocks and germplasms will be realised through the state's autumn 2023 virus surveillance plan. Results to be reported in 2023-24.</li> </ul>
<b>1.5</b>	<p><b>Indicator</b></p> <p>Review accreditation schemes for grapevine propagation in consultation with the sector to improve the availability of high-health planting material.</p> <p><b>Performance</b></p> <ul style="list-style-type: none"> <li>• Ongoing discussions with SAVIA and Wine Australia as to how Vinehealth can support the development of standards and accreditation schemes for the propagation sector.</li> </ul>

1.6	<p><b>Indicator</b></p> <p>Quantify rootstock supply demand balance and identify key levers to adjust supply, cost, and quality.</p>
	<p><b>Performance</b></p> <p>Completion of Stage 2 of 'Addressing rootstock shortages for the wine industry' project to deliver a roadmap to efficiently increase production of high-health rootstocks paused due to competing priorities. Project scope to be reviewed in 2023-24 in light of sector activities.</p>

**Priority area 2: Pest impacts minimised**

**Agency objective:** The impact of an incursion on assets, people and profitability is minimised, providing business continuity for growers, winemakers, and other entities along the supply chain.

<b>2.1</b>	<p><b>Indicator</b></p> <p>Profile biosecurity risks to South Australian vineyards to drive preparedness and prevention activities.</p>
	<p><b>Performance</b></p> <p>Phylloxera</p> <ul style="list-style-type: none"> <li>• In response to social media and media speculation that River Murray floodwaters may transport phylloxera from flooded vineyards in the North East Phylloxera Infested Zone (PIZ) to South Australian vineyards, Vinehealth Australia, with the assistance of third party expertise, evaluated and <a href="#">reported</a> the likelihood of this introduction as negligible.</li> <li>• Vinehealth Australia undertook its own tracing related to the detection of phylloxera confirmed inside the Maroondah PIZ in April 2023, using industry insights and publicly available information. This informed advice was communicated to the South Australian grape and wine industry in a <a href="#">Biosecurity Alert</a> on what the detection means, and to PIRSA on the Mornington Peninsula rezoning consideration.</li> <li>• ‘Impact of an outbreak’ assessment costed with a third party. Activity placed on hold during 2022-23.</li> </ul>
<b>2.2</b>	<p><b>Indicator</b></p> <p>Transform South Australia’s Phylloxera Response Plan, in partnership with PIRSA, to meet current operating environment and challenges.</p>
	<p><b>Performance</b></p> <ul style="list-style-type: none"> <li>• Final review of new Phylloxera Response Plan for South Australia and Phylloxera Industry Preparedness and Response Repository delayed. Completion along with Implementation Plan, scheduled for 2023-24.</li> </ul>
<b>2.3</b>	<p><b>Indicator</b></p> <p>Challenge the SA industry’s readiness for a pest incursion through simulations and evaluating the integration of preparedness measures by grape and wine businesses and government.</p>
	<p><b>Performance</b></p> <ul style="list-style-type: none"> <li>• Simulations for the Vinehealth Australia Board and industry being considered as part of the implementation of the Phylloxera Response Plan in 2023-24.</li> </ul>
<b>2.4</b>	<p><b>Indicator</b></p> <p>Evaluate the impact of selected exotic pest incursions in South Australia to drive biosecurity action by federal and state government and industry.</p>

	<p><b>Performance</b></p> <p>Grapevine red blotch virus (GRBV) response</p> <ul style="list-style-type: none"> <li>• A high priority exotic pest for the winegrape industry, rapidly decided by state governments as not eradicable.</li> <li>• Upon detection of GRBV in Western Australia, Vinehealth Australia: <ul style="list-style-type: none"> <li>○ Completed a review of literature to validate impact to grapevines, identify grape varieties/clones that had tested positive overseas and contribute findings to inform an update of industry's GRBV fact sheet.</li> <li>○ Used the Vinehealth Register to identify plantings of varieties that had tested positive interstate and overseas to build a surveillance plan in winter/spring to understand initial risk to the South Australia's vineyards. Surveillance involved testing of approximately 160 single vine or composite grapevine tissue samples.</li> <li>○ Inconsistent results of this initial surveillance yielded key learnings around importance of undertaking the following prior to deciding on potential level of field infection and associated ability to eradicate: <ul style="list-style-type: none"> <li>▪ To conducting surveillance when virus titre is at maximum.</li> <li>▪ To retest and ring test to ensure repeatability of results.</li> <li>▪ To afford time to diagnosticians, and fund them to test and refine diagnostics for the Australian context to ensure acceptable confidence in results.</li> </ul> </li> </ul> </li> <li>• Vinehealth Australia led South Australia's targeted surveillance plan in autumn 2023 to inform the state and national position on potential to eradicate the virus. Coordinating approximately 780 single vine or composite grapevine tissue samples for GRBV testing, results are due to be reported in 2023-24.</li> </ul>
2.5	<p><b>Indicator</b></p> <p>Invest in Vinehealth Australia's ability to support PIRSA respond to an incursion that impacts the grape and wine industry.</p> <hr/> <p><b>Performance</b></p> <ul style="list-style-type: none"> <li>• Provided support to PIRSA to respond to 46 plant pest biosecurity incidents: <ul style="list-style-type: none"> <li>○ 2 pieces of advice reviewed on potential quarantine pest fungi <ul style="list-style-type: none"> <li>▪ For one incident, Vinehealth Australia advised PIRSA of previous records of the fungal species in Australia, therefore correcting the PIDS of the detection being a new pest record for Australia.</li> </ul> </li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ 1 piece of advice reviewed for PIRSA on potential quarantine pest snails and implications for industry.</li> <li>○ 1 exotic grapevine virus.</li> <li>○ Advice to PIRSA on 2 potential quarantine breaches relating to importation of used machinery and equipment into SA.</li> <li>○ 40 fruit fly outbreaks (active at 1 May 2022 to 30 April 2023).</li> <li>● Fruit fly response <ul style="list-style-type: none"> <li>○ Provided direct support to PIRSA staff on 12 enquiries relating to fruit fly outbreak preparedness and management.</li> <li>○ Provided support to PIRSA by responding to 21 direct enquiries from industry relating to fruit fly outbreak management.</li> <li>○ 1 wine industry fruit fly meeting in Loxton jointly facilitated with PIRSA.</li> <li>○ Weekly government/industry teleconferences attended for briefings on current outbreak situation.</li> <li>○ Significant advice provided to PIRSA of development of Guideline 'Managing Riverland vineyards located inside Queensland fruit fly outbreak areas – 2022-23'.</li> <li>○ 78 personalised letters sent to Riverland vineyard owners seeking either a mobile number or email to be recorded in Vinehealth Australia's Register to assist in rapid fruit fly response communications.</li> <li>○ Over 25 instances of sending out updated kmz format fruit fly boundaries to industry list.</li> <li>○ 100 maps produced to reflect changes to Riverland fruit fly affected area boundaries transposed over Vinehealth Australia's SA vineyard layer, arising from 33 new Queensland fruit fly outbreaks and 50 boundary extensions or realignments to all current outbreaks between 1 May 2022 and 30 April 2023.</li> <li>○ 743 notifications to Riverland growers via SMS to advise of changes to fruit fly boundaries and movement requirements.</li> <li>○ 58 notifications to Riverland growers via email to advise of changes to fruit fly boundaries and movement requirements.</li> </ul> </li> <li>● Response activated within 24 hours of notification of a suspected or confirmed exotic or significant endemic pest.</li> </ul>
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**Priority area 3: Regulatory environment shaped**

**Agency objective:** A responsive and robust biosecurity regulatory system, respected and complied with by industry.

**3.1 Indicator**

Address high priority regulatory risks through policy action and advocacy.

**Performance**

Mornington Peninsula rezoning

- Comprehensive evaluation of risk to SA of phylloxera introduction due to proposed rezoning of Mornington Peninsula from a Phylloxera Risk Zone to a Phylloxera Exclusion Zone by PIRSA. Significant time and resources invested by Vinehealth to undertake a detailed review of all information provided by Agriculture Victoria on the Mornington Peninsula rezoning program and a rapid risk assessment undertaken by PIRSA, considering recommendations by biometric expert, IPPC principles, and scientific literature on phylloxera biology, survival and surveillance.
- Three pieces of advice provided to PIRSA in October 2022.
- Response from PIRSA received June 2023, indicating impending change to the SA Plant Quarantine Standard. Vinehealth Australia will advise industry of this change.

Organisation of Vine and Wine (OIV)

- Vinehealth Australia CEO continues as Australia's industry expert delegate to the OIV (Intergovernmental Organisation of Vine and Wine) working group titled 'Xylella in Viticulture.'

**3.2 Indicator**

Assist the South Australian government to ensure regulatory management of phylloxera is based on up-to-date risk profiling, scientific knowledge, and industry insights.

**Performance**

- In light of further phylloxera detections in Victoria and industry insights, letter sent to PIRSA in April 2023 encouraging discussion and consideration of Vinehealth Australia's advice provided in October 2022 relating to importation into South Australia of regulated items from the Mornington Peninsula.
- Review and feedback provided to PIRSA on Phylloxera Area Freedom Certificate wording.

3.3	<p><b>Indicator</b></p> <p>Influence the development of a national strategy for the management of phylloxera.</p> <p><b>Performance</b></p> <ul style="list-style-type: none"> <li>Vinehealth Australia continues to advocate on behalf of industry and government for a new national management system for phylloxera that must incorporate current pest knowledge, contemporary biosecurity thinking and the latest science on disinfestation, surveillance, and detection. Vinehealth Australia considers that these underlying principles are crucial to protecting the future sustainability of all vineyards; particularly those planted on own roots, and most vulnerable to phylloxera.</li> </ul>
3.4	<p><b>Indicator</b></p> <p>Educate entities across the supply chain on their biosecurity regulatory obligations.</p> <p><b>Performance</b></p> <p>Quarantine-related enquiries</p> <ul style="list-style-type: none"> <li>Requests from industry and PIRSA on compliance with the SA Plant Quarantine Standard and other quarantine or risk-related enquiries responded to within 24 hours and represented 48% of all service request enquiries to Vinehealth Australia in 2022-23 – this proportion represented a 6% increase on the previous year.</li> <li>Four areas of quarantine-related enquiries comprised 86% of all quarantine matters:             <ul style="list-style-type: none"> <li>34% relating to fruit fly (including management, accreditation and baiting).</li> <li>26% relating to importation of regulated items (including used machinery and equipment, propagation material, winegrapes and grape-related material).</li> <li>13% relating to phylloxera (including best-practice management, surveillance and detection).</li> <li>13% relating to disinfestation treatments and tourism-related biosecurity).</li> </ul> </li> </ul> <p>Maps</p> <ul style="list-style-type: none"> <li>Ongoing maintenance of the <a href="#">Phylloxera Management Zones</a> boundary map, including provision to WA Department of Primary Industries and Regional Development WA (DPIRD).</li> <li>Due to South Australia's current recognition of the Mornington Peninsula as a Phylloxera Risk Zone in the SA Plant Quarantine Standard, the Phylloxera Management Zone boundaries maintained by Vinehealth Australia are for the SA grape and wine industry.</li> </ul>

<b>3.5</b>	<p><b>Indicator</b></p> <p>Review key operational procedures for biosecurity accreditation schemes and provide recommendations for improvement to PIRSA.</p>
	<p><b>Performance</b></p> <ul style="list-style-type: none"> <li>• Provided a submission to PIRSA in May 2022 (in consultation with Riverland Wine) in response to PIRSA's consultation document on proposed scenarios for fruit fly management in the Riverland. Submission outlined the wine industry's capacity to apply measures required by the proposed scenarios, foreseen implementation impacts, suggested measures to maximise chances of successful eradication, and areas for which further clarity was sought.</li> <li>• Review of and feedback provided to PIRSA's fruit fly seasonal plans.</li> </ul>



**Priority area 4: Stronger together**

**Agency objective:** An active and connected network across the South Australian grape and wine supply chain, with impact and results extending across the country.

**4.1 Indicator**

Critique the maturity of the wine industry to manage current and emerging biosecurity risks.

**Performance**

- Active member of the Wine Biosecurity Committee, continuing to bring biosecurity issues to the attention of the national committee for discussion.

**4.2 Indicator**

Deliver influential multi-channel communications campaigns focused on biosecurity behaviour change for key risk creators across the supply chain.

**Performance**

- Continued delivery of Vinehealth Australia's Communications Strategy 2022-2023 which targets behaviour change and covers:
  - Projects and campaigns
  - Content
  - Industry engagement
  - Media and PR
- Development and delivery of the 2022-2023 Vinehealth Australia Content Plan, which guides content creation and flow.
- Continued use of multiple communications platforms, particularly digital channels.
- Continued creation of compelling content that is widely shared.

**4.3 Indicator**

Elevate partnerships with state and regional wine associations to create regional biosecurity champions.

**Performance**

- Weekly email updates to South Australian wine industry regional and state associations, sharing biosecurity tips, alerts, resources, and news.
- Presentations on biosecurity and activities at a range of industry, government, and university forums.
- Through Vinehealth's levy review consultation period, the voice of state and regional wine industry associations was clear and strong in supporting Vinehealth's continued delivery of biosecurity services for the South Australia grape and wine industry, but with adequate funding.

4.4	<p><b>Indicator</b></p> <p>Drive digital communication in the wine industry, achieving industry-leading results with newsletter open rates and website users.</p> <p><b>Performance</b></p> <p>Website</p> <ul style="list-style-type: none"> <li>Continued refinement of Vinehealth's Australia <a href="#">website</a>, enabling a positive user experience for website and mobile users. Continued focus on engaging with our website users:             <ul style="list-style-type: none"> <li>23,370 website users (May 2022 to April 2023)</li> <li>31,154 website sessions (May 2022 to April 2023)</li> <li>Average session duration: 1.14 minutes (May 2022 to April 2023)</li> </ul> </li> <li>98 <a href="#">news articles and case studies</a> focused on biosecurity written and published in the media and on our website.</li> <li>1 <a href="#">Biosecurity Alert</a> published to warn of immediate threats:             <ul style="list-style-type: none"> <li><a href="#">New phylloxera detection in Victoria to expand the Maroondah PIZ</a></li> </ul> </li> <li>2 <a href="#">Industry Notices</a> published on high priority biosecurity topics relevant to industry:             <ul style="list-style-type: none"> <li><a href="#">Grapevine Red Blotch Virus</a></li> <li><a href="#">Abandoned/Neglected Vineyards</a></li> </ul> </li> </ul> <p>E-News</p> <ul style="list-style-type: none"> <li><a href="#">12 issues</a> published.</li> <li>74.1% average open rate (industry average 21%), a 42% increase on 2021-22.</li> <li>9.1% click through rate (industry average 3%).</li> </ul>
4.5	<p><b>Indicator</b></p> <p>Elevate partnerships with media to underpin our status as the wine biosecurity expert.</p> <p><b>Performance</b></p> <ul style="list-style-type: none"> <li>50 Biosecurity Tips written and provided weekly to Daily Wine News and to all SA regional wine industry associations for their weekly regional newsletters.             <ul style="list-style-type: none"> <li>Themes covered by 2022-23 Tips series included grapevine propagation, wine tourism, biosecurity for contractors and vineyard owners using contractors and 'Did you Know'.</li> </ul> </li> <li>Close relationships with key wine, rural and news media maintained.</li> <li>38 conversations with media about biosecurity.</li> </ul>

	<ul style="list-style-type: none"> <li>• 7 <a href="#">feature articles</a> written and published in a wide variety of industry journals, papers, magazines.</li> </ul>
<b>4.6</b>	<p><b>Indicator</b></p> <p>Deliver on-demand services to the South Australian government and industry using Vinehealth Australia's expertise and assets.</p> <p><b>Performance</b></p> <p>Vineyard Register outputs (Note: data provided under strict privacy conditions and in aggregated deidentified form)</p> <ul style="list-style-type: none"> <li>• Analysis of vineyard plantings in South Australia on Vinehealth's Register by variety, area, year planted completed as at 30 April 2023. <ul style="list-style-type: none"> <li>○ Provision of aggregated and deidentified data to Wine Australia for <a href="#">The SA Winegrape Crush Survey 2023</a>.</li> <li>○ For a snapshot of data contained in the Register, refer section in this annual report titled, 'Reporting required under any other act or regulation.'</li> </ul> </li> <li>• Provision to PIRSA of: <ul style="list-style-type: none"> <li>○ Riverland aggregated and deidentified data on number of registered vineyard owners and associated total planted area for varying proportions of vineyard area planted to red winegrapes.</li> <li>○ Total vineyard area and size range, number of vineyards, number of owners, and planting year range for Prosecco and Picpoul.</li> </ul> </li> <li>• Provision to Department of Environment and Water (DEW) of: <ul style="list-style-type: none"> <li>○ Deidentified vineyard polygons for McLaren Vale to assist with water allocation planning.</li> </ul> </li> <li>• Provision to Wine Australia of rootstock use in South Australia.</li> <li>• Provision to South Australian Wine Industry Association (SAWIA) of: <ul style="list-style-type: none"> <li>○ Data specification for the SA winery spatial layer held on the Vinehealth Register, and the data sources used to create the layer.</li> </ul> </li> <li>• Provision to Adelaide Hills Wine of aggregated planting information on: <ul style="list-style-type: none"> <li>○ Top rootstocks (by planted area and number of vineyard owners).</li> <li>○ Top red and white varieties planted to rootstock (by planted area and proportion on rootstock).</li> <li>○ Change in proportion of total area planted to rootstocks over time for Adelaide Hills.</li> </ul> </li> <li>• Provision to Barossa Australia of the total number of Registered vineyard owners only owning vineyards in the Barossa, compared to those who own vineyards in the Barossa and in other SA regions.</li> <li>• Provision to Coonawarra Grape &amp; Wine Inc of various planting, production and tourism statistics by region and state.</li> </ul>

- Provision to Riverland Wine of:
  - Planting statistics from 2022 Winegrape Crush Survey to assist in identifying plantings by variety in the Riverland.
  - Total number of Registered vineyard owners in the Riverland owning Cabernet Sauvignon, Shiraz or both varieties.
  - Total number and proportion of Registered vineyard owners in the Riverland owning less than or greater than 40 hectares of planted vineyard.
- Provision to Onside of SA Winegrape Crush Survey Report 2022.
- Provision to Pinion Advisory of proportion of Adelaide Hills vineyard area planted to rootstock.

#### River Murray flooding

- Provision to PIRSA of:
  - Spatial maps of vineyards within 1.5km of the River Murray to identify potential vineyard flooded area and location for planning purposes.
  - Overlay of 200GL predicted flow rate flood scar for the River Murray and identification of total number of potentially impacted vineyards (to varying degrees) and associated total vineyard area.
  - Overlay of 250GL predicted flow rate flood scar for the River Murray and identification of total number of potentially impacted vineyards (to varying degrees) and associated total vineyard area.
    - Contact details for vineyard owners for the sole purpose of advising of financial assistance and other available support.
- Provision to SAWIA of a visual presentation highlighting the location of potentially impacted Riverland wineries based on the River Murray flood scar.
- Provision to Riverland Wine of a visual presentation highlighting the location of potentially impacted vineyards in the Riverland based on the River Murray flood scar.

#### Prescribed burns with National Parks and Wildlife Service SA (NPWSSA)

- Acted as a conduit between NPWSSA and vineyard owners during the autumn prescribed burn season in the Adelaide Hills and Mount Lofty Ranges Region. Given the late vintage, there was again some overlap of the winegrape harvesting period and that of the autumn prescribed burns program, however significantly less than the previous two seasons.
- Contacted growers to advise of proposed prescribed burns by NPWSSA, and to request harvest status. Worked with Adelaide Hills, McLaren Vale, and Barossa wine associations and NPWSSA to ensure the timing of these burns minimised the risk of smoke taint to unharvested grapes.

	<ul style="list-style-type: none"> <li>○ Notified approximately 200 vineyard owners and operators prior to vintage that their vineyard(s) were within a 3km radius of a proposed burn.</li> <li>○ Approximately 40 calls were made to growers immediately prior to 9 burns to determine vineyard harvest status.</li> <li>○ 20 hours of fee for service activity by Vinehealth staff was invested into this activity.</li> </ul> <p>General enquiries</p> <ul style="list-style-type: none"> <li>• 201 service enquiry requests from industry and government responded to within 48 hours. The number of requests received in 2022-23 was 20% below the previous year, but within the range of 200 to 300 requests received in general per year historically.</li> <li>• The top five service enquiry topics comprised 88% of all requests: <ul style="list-style-type: none"> <li>○ 48% quarantine matters</li> <li>○ 14% Register information</li> <li>○ 10% request for materials, workshops, presentations, interviews and reviews</li> <li>○ 9% GIS/mapping</li> <li>○ 7% requests for assistance from industry based outside South Australia</li> </ul> </li> </ul>
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**Priority area 5: A sustainable organisation**

**Agency objective:** A sustainable organisation with expertise, systems, and resources, that delivers exceptional outcomes.

**5.1 Indicator**

Build a new [Digital Biosecurity Platform](#) that is powered by geospatial data to drive a relationship-rich digital biosecurity ecosystem.

**Performance**

- Efforts have continued to secure funding for the Digital Biosecurity Platform (DBP).
  - Ongoing investigation of eligibility for grant funding.
- Communications with PIRSA and the Minister's office regarding contribution to funding of the DBP as a specific outcome of government co-investment in Vinehealth. Funding contribution not forthcoming, citing potential overlap with national PIC system.

**5.2 Indicator**

Increase the approved rate of contributions and change the investor mix to better reflect biosecurity risk creators and beneficiaries.

**Performance**

- In 2022, the Board of Vinehealth Australia again sought endorsement from the Minister to undertake industry consultation on the proposed new rules and rates. At this time, the Board acknowledged that industry conditions were challenging, and that these challenges were likely to continue at least in the short term. The Board considered that a conversation with industry about funding could not wait, after there had been no change to funding rates since 1996, and Vinehealth was becoming unable to perform its statutory functions to the level expected by Industry.
  - Support for Vinehealth to undertake industry consultation on new rules and rates for contributions payable under the PGI Act was provided by the Minister in early November 2022.
- Extensive industry consultation was undertaken between 14 November 2022 and 31 January 2023, with the Minister briefed on progress.
  - Every vineyard owner in South Australia (3,221) was sent a consultation pack of information (including how to obtain the Business Case), a feedback form and reply-paid envelope. SA vineyard owners were therefore aware of the opportunity and mechanisms by which to provide feedback.
  - Seven regional Q&A sessions were held.

	<ul style="list-style-type: none"> <li>○ Regular electronic reminders were sent to vineyard owners welcoming and encouraging feedback. High open rates (83% in November, 76% in December, 69% in January) demonstrated active engagement with the funding review.</li> <li>○ A total of 120 vineyard owners provided feedback. This represents a 3.7% response rate. No opinion was voiced by more than 96% of South Australian vineyard owners.</li> </ul> <p>Direct written correspondence was received from the South Australian Wine Industry Association, the South Australian Vine Improvement Association, Adelaide Hills Wine Region, Australian Commercial Wine Producers, Barossa Australia, Langhorne Creek Grape and Wine, Coonawarra Vignerons, McLaren Vale Grape Wine and Tourism Association, Riverland Wine, Riverland Vine Improvement Committee, Clare Valley Wine, and Grape Association, supporting:</p> <ul style="list-style-type: none"> <li>▪ the continuation and strengthening of Vinehealth's highly valued functions and services that enable the future prosperity of the SA grape and wine industry</li> <li>▪ the need to increase funding</li> <li>▪ the need for temporary government co-investment to support a staggered increase</li> </ul> <ul style="list-style-type: none"> <li>• Recommendations to the Minister were made in March 2023 around a proposed funding solution, determined by incorporating three new rules and rates, to raise the quantum required. A staggered increase to the rates, offset by government funding was recommended. This was guided by feedback received during industry consultation, and in light of current industry conditions. A number of meetings with the Minister and PIRSA carefully considered detailed funding options – each option recognised the need for adequate and sustainable Vinehealth funding, the current state of the industry and the desire to minimise costs to vineyard owners.</li> <li>• A funding solution was endorsed by the Minister in June 2023, including a change to rules and rates and a quantum of government funding for the next two years to act as fee relief for vineyard owners. This is in recognition that any increase in fees is difficult, but facilitates a staggering of levy increases, directly reducing the impact on vineyard owners and providing them time to adjust.</li> <li>• Vinehealth Australia recognises that this change to rules and rates has been the first since 1996. Vinehealth Australia thanks and commends the Minister and PIRSA for their courage in demonstrating the value of grapevine biosecurity and the SA grape and wine industry to the state.</li> <li>• Following gazettal of new rules and rates, <a href="#">Vinehealth Australia's industry consultation report</a> was released to industry on 16 June 2023.</li> </ul>
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5.3	<p><b>Indicator</b></p> <p>Efficiently manage contributions payable under the Act and in accordance with rules approved by the Minister.</p> <hr/> <p><b>Performance</b></p> <p>Phylloxera and Grape Industry Levy</p> <ul style="list-style-type: none"> <li>Managed the levy collection and recovery system for more than 3,200 vineyard owners.</li> </ul> <p>The Register</p> <ul style="list-style-type: none"> <li>Ongoing accuracy of vineyard owner land parcel information and planting details for all SA vineyards of 0.5 hectares and above, enabled through: <ul style="list-style-type: none"> <li>Annual Vineyard record returns sent to all registered owners in February 2023 to capture changes.</li> <li>Ongoing validation of vineyard owners' requests for changes to their records via the online kiosk or by phone.</li> <li>Imagery acquisition undertaken as part of government preferred supplier panel: <ul style="list-style-type: none"> <li>Adelaide Hills, Adelaide Plains and McLaren Vale acquired 2021-22; vineyard area re-digitisation completed 2022-23 and 29 new vineyard plantings identified.</li> <li>Southern Fleurieu Peninsula (taking in Currency Creek GI, Langhorne Creek GI, and Southern Fleurieu Peninsula GI) acquired and completed 2022-23; two new vineyard plantings identified.</li> </ul> </li> <li>Continued involvement in the conveyancing process during land sale to ensure current owner and planting details are maintained. This included: <ul style="list-style-type: none"> <li>274 Section 7 letters generated (2% lower than previous year and 5% higher than in 2020-21)</li> <li>249 sale transactions completed (1% lower than previous year and 40% higher than in 2020-21)</li> </ul> </li> <li>Ongoing review and verification of discrepancies in vineyard area between that identified using GIS compared to that provided by each vineyard owner.</li> <li>Work ongoing to ensure internal grower exit procedure is followed for any vineyard owner wishing to exit the Register. This requires receipt of a signed grower exit letter identifying that the vines on the Register have been physically removed from the ground, and verification of the vineyard status through aerial imagery or onsite visits.</li> </ul> </li> </ul>
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	<p><b>Notice of Assessments</b></p> <ul style="list-style-type: none"> <li>• Distributed in late June 2022 following delayed approval and subsequent gazettal of new rules and rates, and distribution of advice to each vineyard owner of impending changes to contributions payable.</li> </ul> <p><b>Debt management</b></p> <ul style="list-style-type: none"> <li>• Work ongoing to contact growers with outstanding debts and look to work together to manage the debt through agreed payment plans or other means.</li> </ul> <p><b>Data security of current Register</b></p> <ul style="list-style-type: none"> <li>• Enhancements were performed on the current aged Register to firm up data security in lieu of starting the Digital Biosecurity Platform build. These included: <ul style="list-style-type: none"> <li>○ Multi-factor authentication added to the Register login process for all users in line with recommendations through the Australian Cyber Security Centre Essential Eight.</li> <li>○ Reconfiguration of the network firewalls utilising a demilitarised zone.</li> </ul> </li> </ul>
<b>5.4</b>	<p><b>Indicator</b></p> <p>Influence the development of a new Biosecurity Act for South Australia and the strengthening of Vinehealth Australia's governing Act to ensure it remains fit for purpose.</p> <p><b>Performance</b></p> <ul style="list-style-type: none"> <li>• August 2022, Vinehealth provided a brief to the Minister (and PIRSA) detailing Vinehealth's position on and key issues in relation to the development of a new Biosecurity Act, and highlighted previous submissions made.</li> <li>• 22 December 2022, Minister released the 'Public Consultation summary November 2020' to which Vinehealth provided a submission on 11 February 2023, noting that the summary included general feedback provided by Vinehealth to PIRSA from previous submissions, but that Vinehealth was yet to receive a response to a significant number of questions/concerns raised/requests for further information.</li> <li>• Mid-February 2023, Minister publicly announces that the PGI Act will not be incorporated into a draft Biosecurity Bill and will remain as a standalone Act. Vinehealth continues to maintain contact with PIRSA on progress with the drafting of the Biosecurity Bill, to ensure it and the PGI Act work in synergy, and that words in a new Biosecurity Act do not lessen the powers and functions of the PGI Act.</li> </ul>

<b>5.5</b>	<b>Indicator</b> Continue to optimise organisational strategies, policies, and procedures to meet obligations to investors, employees, and government.
	<b>Performance</b> <ul style="list-style-type: none"> <li>• 8 board meetings held in the reporting period.</li> <li>• Ongoing review of all organisational policies and procedures with registers tracking progress.</li> <li>• Organisational Risk Register reviewed and annually updated by the Board.</li> <li>• Ongoing work by the Board and management to assess and build the culture and resilience of the organisation.</li> </ul>

### Corporate performance summary

Items for this section are included in Agency specific objectives and performance (above).

### Employment opportunity programs

Program name	Performance
In 2022-23 Vinehealth Australia did not recruit any new employees, therefore no employees were recruited through a public sector wide employment opportunity program.	

**Agency performance management and development systems**

<b>Performance management and development system</b>	<b>Performance</b>
Employee Performance and Development Review (EPDR)	<p>Mid-year and end-year performance reviews were completed for 100% of employees.</p> <p>This formal process was complemented by regular informal discussions with all employees to track performance and identify any challenges/barriers to achieving objectives.</p>
Discipline Policy (Poor Performance & Serious Misconduct)	There was no need to deploy this policy during the 2022-23 reporting period for employees of Vinehealth Australia.

**Work health, safety and return to work programs**

<b>Program name</b>	<b>Performance</b>
<p>During the 2022-23 reporting period, all Work health and safety policies were maintained. They include:</p> <ul style="list-style-type: none"> <li>• Work Health and Safety policy</li> <li>• Emergency Plans</li> <li>• Office Security policy</li> <li>• Working Alone on Premises policy (outside of normal office hours)</li> <li>• Remote Work – Field Work policy</li> <li>• Travelling for Work policy</li> <li>• Bullying and Harassment policy</li> <li>• Equal Employment Opportunity policy</li> <li>• Incident Reporting and Investigation policy</li> </ul>	<p>All policies remain effective in providing a rigorous framework for the safety of Vinehealth Australia employees.</p> <p>Work, health, and safety remains the first agenda item on staff meetings, providing the opportunity for staff to raise and discuss any concerns, and for management to action and resolve.</p>
Working from home	Vinehealth Australia employee-initiated requests for part-time working from home supported in 2022-23 and undertaken in accordance with the Working from home policy.
Safe and effective operation of the Naracoorte Heat Shed	<p>Preventative maintenance schedule ongoing to ensure the safe operating environment of the heat shed.</p> <p>Work, health, and safety audit scheduled May 2023.</p>

<b>Workplace injury claims</b>	<b>Current year 2022-23</b>	<b>Past year 2021-22</b>	<b>% Change (+ / -)</b>
Total new workplace injury claims	0	0	0%
Fatalities	0	0	0%
Seriously injured workers*	0	0	0%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0%

\*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

<b>Work health and safety regulations</b>	<b>Current year 2022-23</b>	<b>Past year 2021-22</b>	<b>% Change (+ / -)</b>
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	0	0	0%
Number of provisional improvement, improvement, and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	0	0%

<b>Return to work costs**</b>	<b>Current year 2022-23</b>	<b>Past year 2021-22</b>	<b>% Change (+ / -)</b>
Total gross workers compensation expenditure (\$)	0	0	0%
Income support payments – gross (\$)	0	0	0%

\*\*before third party recovery

Data for previous years is available at: [Vinehealth Australia's website](#)

### Executive employment in the agency

<b>Executive classification</b>	<b>Number of executives</b>
Term un-tenured	2

Data for previous years is available at: [Vinehealth Australia's website](#)

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

## Financial performance

### Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2022-2023 are attached to this report.

<b>Statement of Comprehensive Income</b>	<b>2022-23 Budget</b>	<b>2022-23 Actual</b>	<b>Variation</b>	<b>2021-22 Actual</b>
Total Income	806,042	1,110,160	304,118	825,977
Total Expenses	1,021,575	1,003,505	(18,070)	953,510
<b>Net Result</b>	<b>(215,533)</b>	<b>106,655</b>	<b>322,188</b>	<b>(127,533)</b>
<b>Total Comprehensive Result</b>	<b>(215,533)</b>	<b>106,655</b>	<b>322,188</b>	<b>(127,533)</b>

<b>Statement of Financial Position</b>	<b>2022-23 Budget</b>	<b>2022-23 Actual</b>	<b>Variation</b>	<b>2021-22 Actual</b>
Current assets		1,951,355		1,834,851
Non-current assets		276,194		9,997
<b>Total assets</b>		<b>2,227,549</b>		<b>1,844,848</b>
Current liabilities		232,940		207,518
Non-current liabilities		269,097		18,473
<b>Total liabilities</b>		<b>502,037</b>		<b>225,991</b>
<b>Net assets</b>		<b>1,725,512</b>		<b>1,618,857</b>
<b>Equity</b>		<b>1,725,512</b>		<b>1,618,857</b>

### Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

### Consultancies with a contract value below \$10,000 each

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All consultancies below \$10,000 each - combined	Legal counsel, external financial audit, integrity audit of levy feedback	\$14,526

**Consultancies with a contract value above \$10,000 each**

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
CyberCX	Strengthening Vinehealth Australia's security posture	\$ 10,063
	Total	\$ 10,063

Data for previous years is available at: [Vinehealth Australia's website](#)

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

**Contractors disclosure**

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

**Contractors with a contract value below \$10,000**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All contractors below \$10,000 each - combined	Various	\$21,386

**Contractors with a contract value above \$10,000 each**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Biz Hub Australia	Provision of IT services to maintain Register	\$ 39,420
efex	Provision of monthly IT services	\$ 21,940
Cindie Smart Consulting	Communications Adviser	\$ 67,640

Perks & Associates	Monthly accounting services (including payroll, management accounts, government data provision), banking transition	\$ 27,655
	Total	\$ 156,654

Data for previous years is available at: [Vinehealth Australia's website](#)

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

## Other information

### Significant issues affecting Vinehealth Australia

#### *Lack of sustainable funding to deliver statutory functions and activities*

As highlighted in Annual Reports since 2018, Vinehealth Australia's current funding structure and quantum are severely limiting the organisation's ability to carry out its primary functions under its governing Act. With Vinehealth Australia's significantly diminished funds, activities required to safeguard South Australia's vineyards from pest and disease threats are not being undertaken to the level expected by industry. Efforts to transform Vinehealth Australia's core asset, its Register into a platform to open up future opportunities for industry, government and the organisation have also halted due to a lack of funding. This has resulted in continued funds being allocated to keep an ageing asset going that has low future value for the organisation.→→

Following the Vinehealth Australia Board's considered review of its funding needs, consent was received from the Minister for Primary Industries and Regional Development to proceed with discussing a proposed funding solution with industry during a three month consultation in 2022-23.

The voice of the industry through the consultation period, including via state and regional association letters provided, was clear and strong: Vinehealth's work is essential and Vinehealth must be adequately funded to enable delivery of biosecurity services for the South Australia grape and wine industry.

Feedback gained through the industry consultation assisted Vinehealth Australia to refine its proposed funding solution to the Minister and PIRSA, including a request for co-investment for two years to enable a staggering to levy rate increases given the current state of the industry.

As at 30 April 2023, a decision from the Minister on a change to Vinehealth Australia's funding was pending. It is acknowledged that no change to the rate per hectare of contributions payable has occurred since 1995.



Note: a funding solution was endorsed by the Minister in June 2023, including a change to rules and rates and a quantum of government funding for the next two years to act as fee relief for vineyard owners.

## Risk management

### Risk and audit at a glance

#### Fraud detected in the agency

Category/nature of fraud	Number of instances
No cases of actual or suspected fraud were detected in 2022-23.	

*NB: Fraud reported includes actual and reasonably suspected incidents of fraud.*

#### Strategies implemented to control and prevent fraud

Vinehealth Australia continues to implement key strategies to control and prevent fraud throughout the organisation. This is particularly important given the delegated authority from the Commissioner of State Taxation to the Presiding Member of Vinehealth Australia to levy, collect and recover contributions payable under the PGI Act. These strategies include:

##### Internal controls and segregation of duties

- Delegations of Authority Policy annually reviewed and approved by the Board.
- Two signatories required on all expenditure (except credit cards), with CEO being the second and final authority.
- Limits on employee purchasing cards reviewed annually and monthly reconciliations completed.
- Vinehealth Australia utilises the services of an external accounting expert to manage payroll and internal financial reporting to management and to the Board, thus providing an additional independent review and verification of accounts and payroll.
- Month end review of management accounts by CEO and external accounting expert.
- Annual integrity audit of contributions payable under the PGI Act completed by external accounting expert to ensure accuracy and to resolve any issues identified.

##### External auditor

- The external auditor of Vinehealth Australia reports directly to the Board of Vinehealth Australia on its findings and recommendations.

##### Conflict of interest

- A conflict of interest register for Board members is maintained and is a standing agenda item at the beginning of all Board meetings.
- Related party transactions for Vinehealth Australia board members and executives are declared and disclosed as part of Vinehealth Australia's audited financial statements.

### Confidentiality

- Confidentiality agreements are entered into with contractors and consultants to Vinehealth Australia.

### Culture

- Provision of Code of Ethics for the SA Public Sector and *Public Sector (Honesty and Accountability) Act 1995* to all employees and Board members through their induction program.
- Information regarding conditions of employment and organisational policies are provided in the Vinehealth Australia Employee Handbook, which is provided during induction.
- Policies and procedures for all financial operations are annually reviewed.
- Policies and procedures for the maintenance of vineyard owner records in the Register (pursuant to Section 19 of the PGI Act) are implemented.
- Ongoing promotion to employees during staff meetings regarding the prevention, identification, and reporting of actual or suspected instances of fraud.

Data for previous years is available at: [Vinehealth Australia's website](#)

### Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

There have been no occasions.

Data for previous years is available at: [Vinehealth Australia's website](#)

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

## Reporting required under any other act or regulation

Act or Regulation	Requirement
<i>Phylloxera and Grape Industry Act 1995</i>	<p>Section 26(1)</p> <p><i>‘The Board must, no later than 31 July each year, submit to the Minister a report on its operations during the financial year of the Board ending on the preceding 30 April.’</i></p>

### Section 26(1)

Reporting on the operations of Vinehealth Australia is contained within this Annual Report in prior sections.

A snapshot of information contained in the Register is provided below.

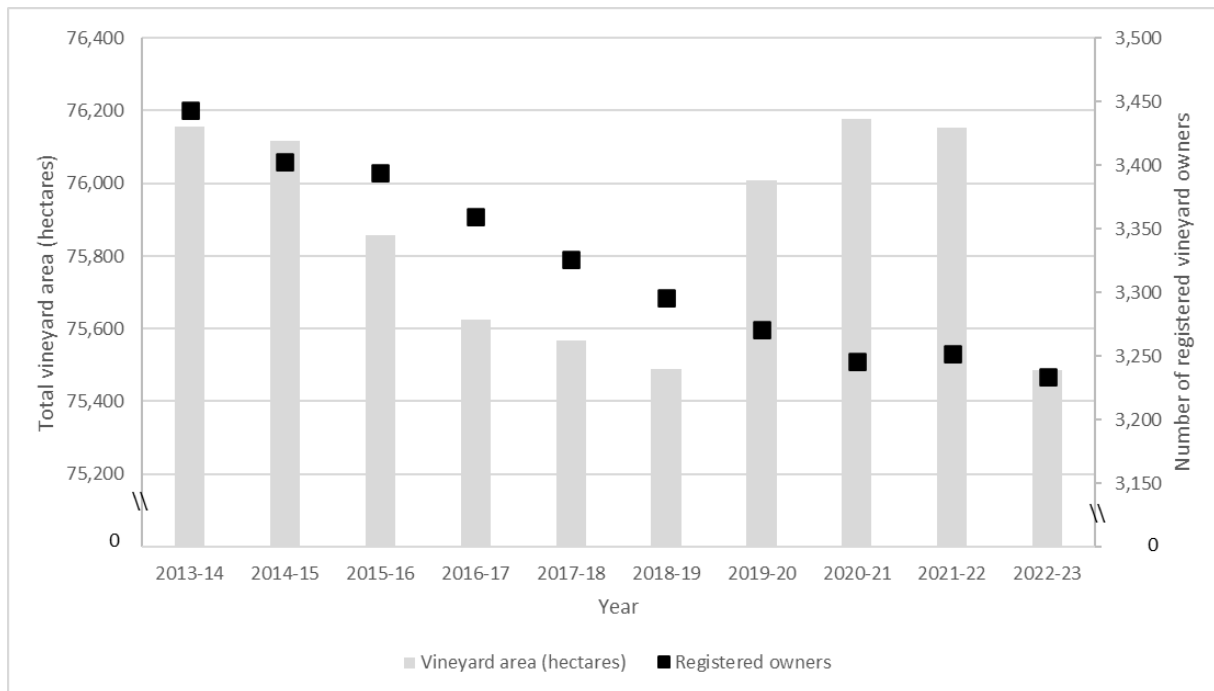
#### *Snapshot of the Register information for 2022-223*

Pursuant to Section 19 of the *Phylloxera and Grape Industry Act 1995*, Vinehealth Australia maintains a Register of persons who own vineyards comprising 0.5 hectares or more of planted vines. The Register contains owner details, parcel and land titles information, vineyard area, grape variety, rootstock, and age of vines.

Over the last 10 year period (2012-13 to 2022-23), the total vineyard area in South Australia had been steadily declining despite a three year increase between 2019-20 to 2021-22. This decline has negatively impacted Vinehealth’s income, being based on area of vines planted. During 2022-223 there was again net decrease compared to the previous year (Figure 1). Vineyard area in the state declined in 2022-23 by 668 hectares to a total of 75,485 hectares.

Despite the net decrease, there was 323 hectares of vineyard planted over the last year (including topworking and replacements). The largest area of plantings in 2022-23 was undertaken in the Riverland wine region (102 hectares), followed by the Clare Valley (60 hectares).

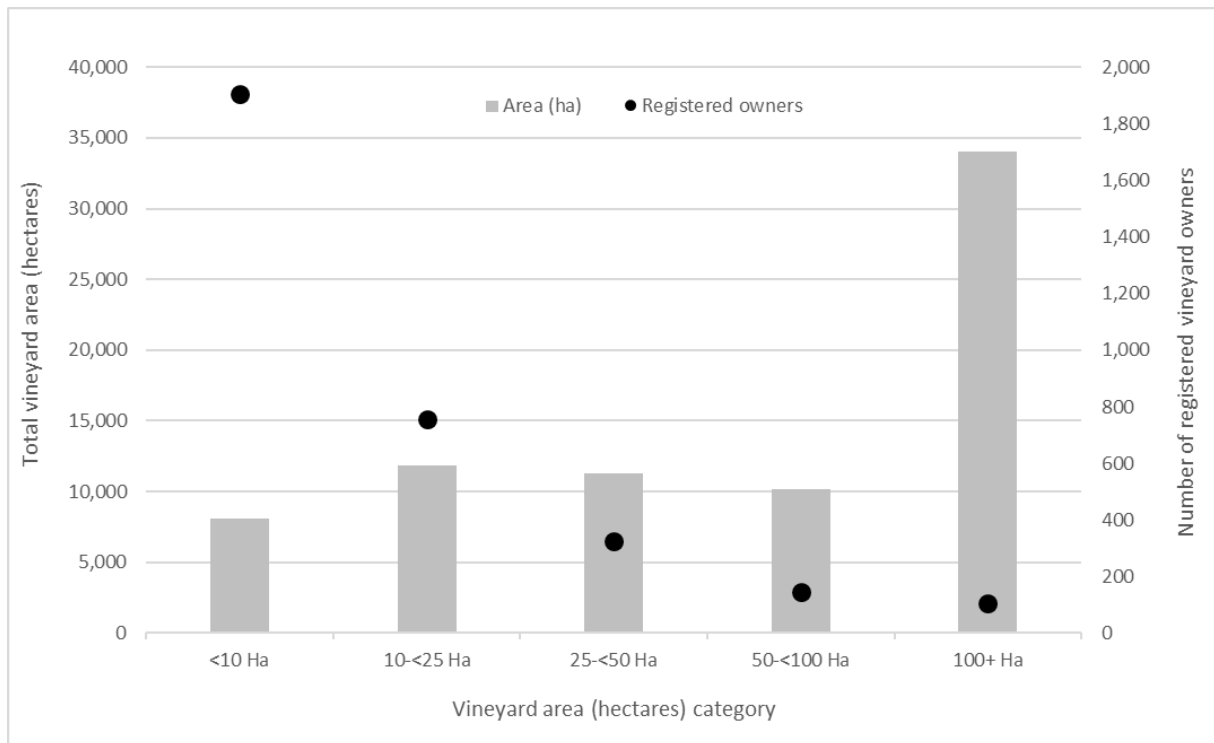
Of new vineyard plantings in South Australia in 2022-23, 61% were red varieties – with Shiraz (73 hectares) making up nearly a quarter of all new plantings. Other significant plantings by variety were Fiano (34 hectares), Cabernet Sauvignon (32 hectares), Chardonnay (27 hectares) and Sauvignon Blanc (18 hectares).



*Figure 1. Number of registered vineyard owners and total vineyard area in South Australia.*

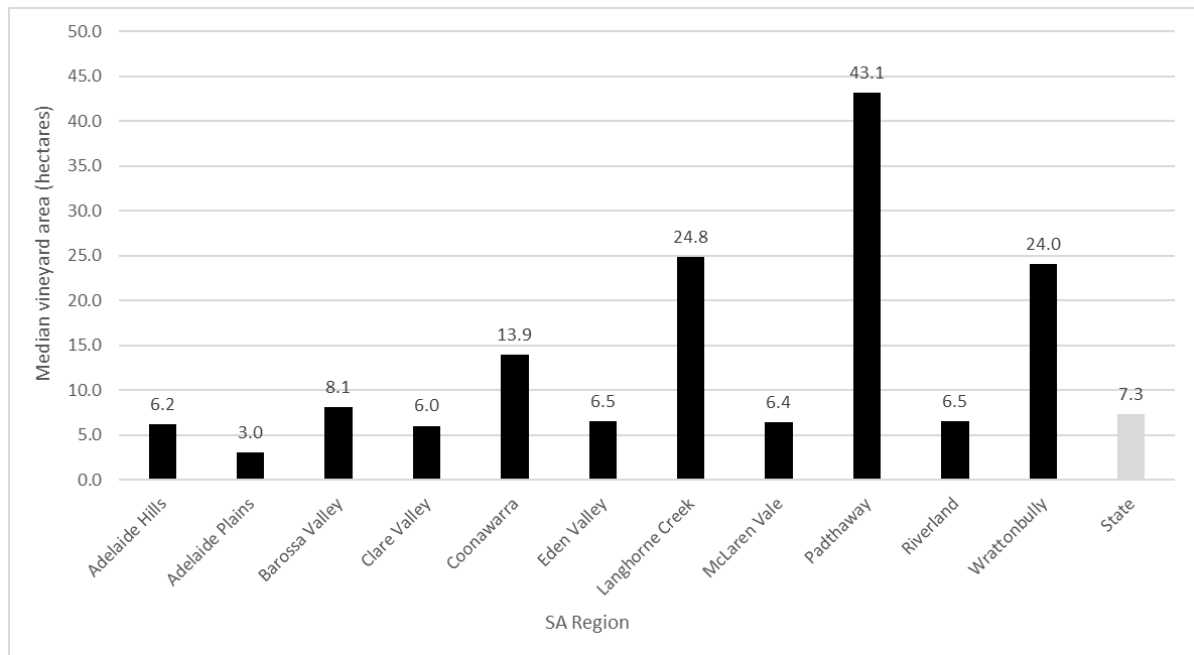
The number of vineyard owners on Vinehealth's Register in 2022-23 decreased by 18, to 3,234. The number of vineyard owners Registered on Vinehealth's Register has seen a year-on-year decline over the last 10-year period (2012-13 to 2022-23), with only 2021-22 seeing a marginal increase compared to the prior year (Figure 1).

Approximately 60% of South Australia's registered vineyard owners have vineyards that are less than 10 hectares in size, with only 3% owning vineyards above 100 hectares in size (Figure 2). However, the 105 vineyard owners with greater than 100 hectares account for 45% of the vineyard area in South Australia. By comparison, the 1,904 vineyard owners with less than 10 hectares of vineyard account for only 11% of total vineyard plantings in the state.



*Figure 2. Number of registered vineyard owners and total area per vineyard size category in South Australia for 2022-23.*

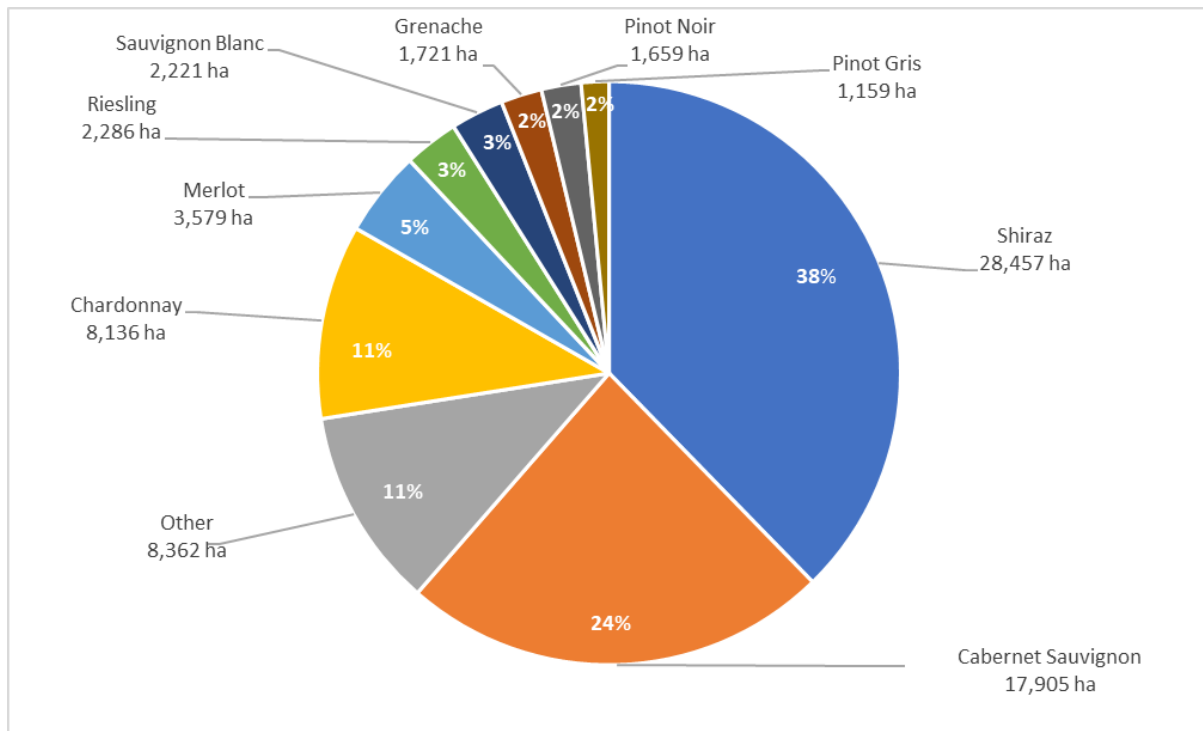
While the median vineyard area on Vinehealth's Register for South Australia is 7.3 hectares, this value varies considerably by region. For those wine regions with more than 50 vineyards, median vineyard area ranged from 3.0 hectares in the Adelaide Plains, up to 43.1 hectares in Padthaway. Other regions with comparatively large median vineyard areas compared to the median area for the state, included Langhorne Creek (24.8 hectares), Wrattenbully (24.0 hectares) and Coonawarra (13.9 hectares) (Figure 3).



*Figure 3. Median vineyard area (hectares) in 2022-23 for South Australian wine regions with over 50 vineyards.*

Figure 4 shows the split of the total 75,485 hectares of vineyards in South Australia by grape variety. The top nine winegrape varieties accounted for 89% of the state's planted area.

South Australia's reliance on two red varieties, Shiraz, and Cabernet Sauvignon, is extremely evident, with these varieties accounting for 61% of the state's planted area. The top three varieties – Shiraz, Cabernet Sauvignon and Chardonnay, accounted for 72% of the total planted vineyard area, the same as the previous two years.



*Figure 4. Most widely planted grape varieties in South Australia by area (hectares) and percentage in 2022-23.*

It is important to continue to highlight the vulnerability of South Australian vineyards to the grapevine pest, phylloxera. Vinehealth's Register shows that in 2022-23, 72% of area under vine in South Australia is planted to ungrafted vines; those being planted on their own roots. These vines are susceptible to attack by all strains of phylloxera (Figure 5). This proportion of own rooted vines has been static for at least the past five years and indicates that from a state level, the use of rootstocks as a farm-gate hygiene practice to reduce the impact of phylloxera is not being widely adopted.

As per previous years, the top four rootstocks planted by area in the state are Ramsey, Paulsen 1103, 101-14 and Ruggeri 140 (Figure 5).



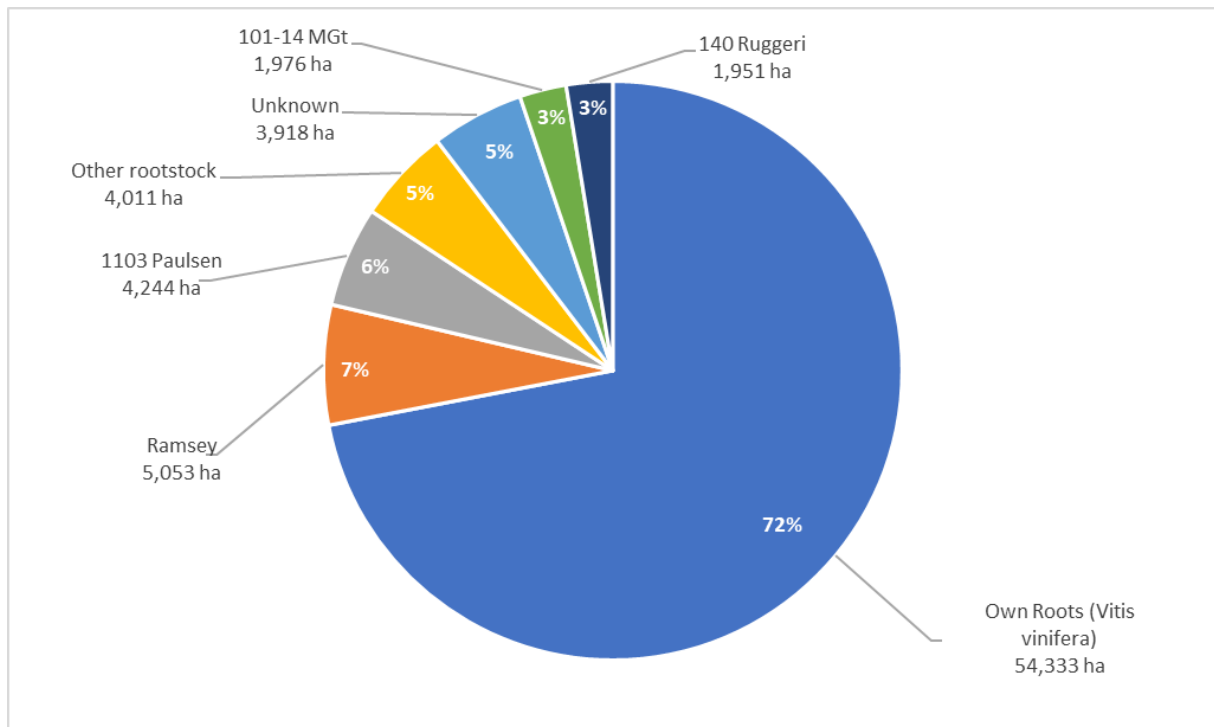


Figure 5. South Australian vineyard plantings by rootstock type in 2022-23.

South Australia proudly holds some of the oldest vineyards in the world. In 2022-23, 0.46% of the state's vineyard area (344 hectares) was 100 years of age or older, this represents an increase of 0.12% (90 hectares) over the last five years. Plantings aged between 35 and less than 70 years of age saw the largest increase in area since 2018-19, representing 0.21% or 162 hectares (Table 1).

Table 1. South Australian vineyard plantings split by vine age category in 2022-23 compared to in 2018-19.

		Percent of Total Planted Area	
		2018-19	2022-23
Age (years)	0 - <35	89.05%	89.01%
	35 - <70	7.73%	7.94%
	70 - <100	0.78%	0.78%
	100+	0.34%	0.46%
	unknown	2.11%	1.81%

Information from the Vineyard Register in 2022-23 was analysed internally and provided to Wine Australia as source information for the [South Australian Winegrape Crush Survey](#).

Act or Regulation	Requirement
<i>Phylloxera and Grape Industry Act 1995</i>	<p>Section 26(2)</p> <p><i>‘The report must incorporate –</i>  <i>(a) The audited statement of accounts of the Board for the period to which the report relates; and</i>  <i>The five-year plan prepared or revised by the Board under this Act.’</i></p>

### Section 26(2)

Audited statements of accounts are provided as part of this Annual Report (Appendix A).

Vinehealth Australia’s [Strategic Agenda 2021 to 2026](#) is hosted on Vinehealth Australia’s website and is attached in Appendix B.

### Reporting required under the *Carers’ Recognition Act 2005*

*Not applicable.*

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2022-23
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed, or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0* (*refer to service improvements)
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0

Complaint categories	Sub-categories	Example	Number of Complaints 2022-23
Service quality	Information	Incorrect, incomplete, out-dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		<b>Total</b>	<b>0</b>

Additional Metrics	Total*
Number of positive feedback comments	20
Number of negative feedback comments	1
Total number of feedback comments	21
% complaints resolved within policy timeframes	Not applicable

\*feedback provided as part of industry consultation on Vinehealth Australia's proposed funding solution is reported separately under Agency specific objectives and performance Priority Area 5 (5.2).

Data for previous years is available at: [Vinehealth Australia's website](#)

## Service Improvements

Under the PGI Act, Vinehealth Australia is required to maintain a Register of all vineyards of 0.5 hectares or greater in South Australia. Maintaining this Register, including managing a levy system, allows Vinehealth direct contact with all registered vineyard owners. Accordingly, Vinehealth continues to receive annual ad hoc feedback from vineyard owners around difficulties attempting to maintain their records in the current Register. These difficulties stem from the age of the Register and the technology used to build the Register over 10 years ago. Vinehealth acknowledges this feedback and continues to provide significant one-on-one assistance to such vineyard owners.

To address the known issues with the current Register, Vinehealth undertook a procurement process in 2019-20 to update the Register. The discovery phase of this upgrade was subsequently completed in 2020-21. Thereafter the build was placed on hold until co-investment could be secured. With the initial scoping of the upgraded Register completed around two years ago, and co-investment again not secured in 2022-23, work was completed to revisit the initial scoping. The upgraded Register business case was acknowledged as still fit-for-purpose and identified as imperative to:

- Incorporate design and functionality to ensure vineyard owners ease of use in maintaining their records, and provide them a range of tangible benefits in doing so.
- Allow vineyard records and information to be viewed spatially rather than textually.
- Allow Vinehealth to efficiently acquire and maintain valuable foundational data for the wine industry in a secure manner, and in accordance with the PGI Act.
- Streamline data management and reduce duplication and system errors that result from data maintenance within multiple non-linked systems.
- Enable permissioned exchange of data to other platforms.

## Compliance Statement

Phylloxera and Grape Industry Board of South Australia (t/a Vinehealth Australia) is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
Phylloxera and Grape Industry Board of South Australia (t/a Vinehealth Australia) has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Y

## **Appendix A: Audited financial statements 2022-23**

# **Phylloxera & Grape Industry Board of South Australia**

**Trading as Vinehealth Australia**

**Financial Statements - 30 April 2023**

**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Contents**  
**For the year ended 30 April 2023**

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Statement of financial position	6
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Statement of cash flows	8
Notes to the financial statements	9



## Vinehealth Australia

### Independent auditor's report to members

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial report of Vinehealth Australia (Vinehealth), which comprises the statement of financial position as at 30 April 2023, the statement of comprehensive income, statement of changes in equity, statement of changes in equity, notes to the financial statements, including a summary of significant accounting policies, and certification of the financial statements.

In our opinion the financial report of Vinehealth Australia has been prepared in accordance with the *Phylloxera and Grape Industry Act 1995*, including:

- a. giving a true and fair view of the entity's financial position as at 30 April 2023 and of its financial performance for the year then ended; and
- b. complying with Australian Accounting Standards – Simplified Disclosures.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Board are responsible for the other information. The other information comprises the information included in Vinehealth Australia's annual report for the year ended 30 April 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

## **Responsibilities of Management and Those Charged with Governance for the Financial Report**

The Board is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Phylloxera and Grape Industry Act 1995 and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing Vinehealth Australia's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The Board are responsible for overseeing the entity's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our independent auditor's report.



**William Buck (SA)**  
ABN 38 280 203 274



**G.W. Martinella**  
Partner

Adelaide, 16<sup>th</sup> August 2023

**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Certification of the Financial Statements**  
**For the year ended 30 April 2023**

We certify that the attached general purpose financial statements for Vinehealth Australia:

- have made reference to the Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, comply with Australian Accounting Standards - simplified disclosures and the *Phylloxera and Grape Industry Act 1995*;
- are in accordance with the accounts and records of Vinehealth Australia; and
- present a true and fair view of the financial position of Vinehealth Australia as at 30 April 2023 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by Vinehealth Australia for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Suzanne McLoughlin  
Acting Chief Executive Officer

16 August 2023



Alec Gilbert  
Interim Presiding Member

**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Statement of comprehensive income**  
**For the year ended 30 April 2023**

	<b>Note</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
<b>Income</b>			
Fees and charges	3	1,039,691	758,807
Grant income	4	-	22,163
Interest	5	22,734	-
Other income	6	47,735	45,007
		<u>1,110,160</u>	<u>825,977</u>
<b>Expenses</b>			
Employee benefits expenses	9	(537,007)	(532,399)
Supplies and services	11	(301,950)	(280,818)
Depreciation and amortisation expenses	12	(37,509)	(40,779)
Borrowing costs	13	(8,444)	(3,425)
Other expenses	14	(118,595)	(96,089)
		<u>(1,002,505)</u>	<u>(952,500)</u>
<b>Surplus/(deficit) for the year</b>	21	106,655	(127,533)
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<u>106,655</u>	<u>(127,533)</u>

The net result and total comprehensive result are attributable to the SA Government as owner.

**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Statement of financial position**  
**As at 30 April 2023**

	<b>Note</b>	<b>2023</b> \$	<b>2022</b> \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	17	838,422	986,847
Trade and other receivables	18	1,112,933	848,004
Total current assets		<u>1,951,355</u>	<u>1,834,851</u>
<b>Non-current assets</b>			
Property, plant and equipment	15	261,345	9,997
Intangible assets	16	14,849	-
Total non-current assets		<u>276,194</u>	<u>9,997</u>
<b>Total assets</b>		<u>2,227,549</u>	<u>1,844,848</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	19	51,264	73,551
Borrowings	20	27,121	-
Employee benefits liability	10	154,555	133,967
Total current liabilities		<u>232,940</u>	<u>207,518</u>
<b>Non-current liabilities</b>			
Borrowings	20	242,604	-
Employee benefits liability	10	26,493	18,473
Total non-current liabilities		<u>269,097</u>	<u>18,473</u>
<b>Total liabilities</b>		<u>502,037</u>	<u>225,991</u>
<b>Net assets</b>		<u>1,725,512</u>	<u>1,618,857</u>
<b>Equity</b>			
Retained surpluses	21	<u>1,725,512</u>	<u>1,618,857</u>
<b>Total equity</b>		<u>1,725,512</u>	<u>1,618,857</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Statement of changes in equity**  
**For the year ended 30 April 2023**

	<b>Equity \$</b>	<b>Total equity \$</b>
Balance at 1 May 2021	1,746,390	1,746,390
Deficit for the year	(127,533)	(127,533)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>(127,533)</u>	<u>(127,533)</u>
Balance at 30 April 2022	<u>1,618,857</u>	<u>1,618,857</u>

	<b>Equity \$</b>	<b>Total equity \$</b>
Balance at 1 May 2022	1,618,857	1,618,857
Surplus for the year	106,655	106,655
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>106,655</u>	<u>106,655</u>
Balance at 30 April 2023	<u>1,725,512</u>	<u>1,725,512</u>

All changes in equity are attributable to the SA Government as owner.

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Statement of cash flows**  
**For the year ended 30 April 2023**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Grower levies and charges		701,958	765,759
Receipts from grants		-	22,163
Interest received		22,734	-
GST recovered from the ATO		29,195	36,395
Other receipts		47,735	39,825
Employee benefits payments		(507,655)	(486,990)
Payments for supplies and services		(399,967)	(395,766)
Interest paid		(8,444)	(3,425)
Net cash used in operating activities		(114,444)	(22,039)
<b>Cash flows from investing activities</b>			
Payments for intangibles		(15,000)	-
Net cash used in investing activities		(15,000)	-
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(18,981)	(41,064)
Net cash used in financing activities		(18,981)	(41,064)
Net decrease in cash and cash equivalents		(148,425)	(63,103)
Cash and cash equivalents at the beginning of the financial year		986,847	1,049,950
Cash and cash equivalents at the end of the financial year	17	<u>838,422</u>	<u>986,847</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Notes to the financial statements**  
**For the year ended 30 April 2023**

**Note 1. General Information**

The Phylloxera & Grape Industry Board of South Australia, trading as Vinehealth Australia ("Vinehealth"), is a statutory authority of the State of South Australia, established pursuant to the *Phylloxera and Grape Industry Act 1995* ("Act").

The financial statements and accompanying notes include all the controlled activities of Vinehealth.

Vinehealth does not control any other entity and has no interests in unconsolidated structured entities.

Vinehealth has not entered into any contractual arrangements which involve the sharing of control or significant influence over another entity.

Vinehealth does not have any transactions and balances relating to administered resources.

**Note 1.1 Basis of preparation**

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards (Simplified Disclosures) and the *Phylloxera and Grape Industry Act 1995*.

These financial statements have been prepared with reference to section 41 of the *Public Finance and Audit Act 1987* and therefore do not include all disclosures and presentations required under that section.

Vinehealth has applied Australian Accounting Standards that are applicable to not-for-profit entities, as Vinehealth is a not-for-profit entity.

The financial statements have been prepared based on a 12 month period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item with the item measured.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

All amounts in the financial statements and accompanying notes have been rounded to the nearest dollar.

**Note 1.2 Taxation**

Vinehealth is not subject to income tax. Vinehealth is liable for fringe benefits tax and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

**Note 1.3 Budget Performance**

Vinehealth does not have an obligation to provide Parliament with an annual budget and therefore the Board have adopted to not include a budget versus actual analysis for inclusion within this financial report. Management and the Board undertake appropriate monitoring of actual results against budget on a monthly basis and also report against budget in the annual report.



## Note 2 Objectives and Activities

### Note 2.1 Objectives of Vinehealth Australia

Vinehealth will carry out the role and functions outlined in the *Phylloxera and Grape Industry Act 1995* to provide for the protection of vineyards from disease and to assist and support the grape industry in South Australia.

### Note 2.2 Activities of Vinehealth Australia

Vinehealth is committed to minimising the risk of pests and diseases (in particular phylloxera) in vineyards, by investing in biosecurity training and awareness, policy and procedures, research and development priority setting, and preparedness, prevention and response activities, to the benefit of the South Australian and national wine industry.

## Note 3. Fees and charges

	2023 \$	2022 \$
Grower levies	1,032,927	755,827
Penalties	6,764	2,980
<b>Total fees and charges</b>	<b>1,039,691</b>	<b>758,807</b>

## Note 4. Grant income

	2023 \$	2022 \$
Other grants	-	22,163
<b>Total grant income</b>	<b>-</b>	<b>22,163</b>

Grant income in its entirety relates to that received from the Limestone Coast Landscape Board Grassroots Grant 2021-22, for the project titled 'Improving wine industry resilience to climate change'. There was no income from this grant in 2022-23.

## Note 5. Interest

	2023 \$	2022 \$
Interest received	22,734	-
<b>Total interest revenues</b>	<b>22,734</b>	<b>-</b>

Interest received has significantly increased in 2022-23 due to the improved interest rates offered by the Department of Treasury and Finance. In the prior financial year the interest rates offered by the Department of Treasury and Finance was 0%.

## Note 6. Other income

	2023 \$	2022 \$
Other fee for service	4,298	7,440
Sale of goods	38,137	19,466
Heat shed income	5,250	10,123
Other	50	7,978
<b>Total other income</b>	<b>47,735</b>	<b>45,007</b>

**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Notes to the financial statements**  
**For the year ended 30 April 2023**

**Note 7. Key management personnel disclosures**

Remuneration of key management personnel reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

The total remuneration received by these employees for the year was \$399,865 (2022: \$357,134).

**Note 8. Board and Committee Members**

Board members during the 2023 financial year and up to the date of signing the financial statements were:

Dr Prue McMichael (appointed 1 July 2016, reappointed 1 July 2022 for a one year term ending 30 June 2023, elected Presiding Member 20 September 2022)  
 Mr Richard Barrett (appointed 18 July 2019, reappointed 1 July 2022 for a one year term ending 30 June 2023)  
 Mr Alex Sas (appointed 18 July 2019, reappointed 1 July 2022 for a two year term)  
 Dr Jo Luck (appointed 18 July 2019, reappointed 1 July 2022 for a two year term)  
 Dr Sally Troy (appointed 18 July 2019, reappointed 1 July 2022 for a two year term)  
 Mr Alec Gilbert (appointed 18 July 2019, reappointed 1 July 2022 for a one year term, reappointed for a three month term expiring 30 September 2023, elected Interim Presiding Member 14 August 2023)  
 Dr Ross Meffin (ongoing Board appointment as Chief Plant Inspector, replaced on the Board by Nick Secomb on 15 June 2023)

The number of Board members whose remuneration received or receivable falls within the following bands:

	2023 \$	2022 \$
\$0 - \$9,999	6	6
<b>Total number of members</b>	<b>6</b>	<b>6</b>

Remuneration of Board members reflects all costs of performing board duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$12,649 (2022: \$9,277).

In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board duties during the financial year.

There are no related party transactions for the year ended 30 April 2023 (2022: nil).

**Note 9. Employee benefits expenses**

	2023 \$	2022 \$
Salaries and wages	443,271	421,204
Employee on-costs-superannuation*	47,624	41,798
Board fees	12,649	9,277
Long service leave	17,100	29,653
Workers compensation	2,173	1,577
Annual leave	11,508	15,256
Other employee related expenses	2,682	13,634
<b>Total employee benefits expense</b>	<b>537,007</b>	<b>532,399</b>

\*The amount charged to the Statement of Comprehensive Income represents the compulsory superannuation contribution made to staff and board superannuation plans by Vinehealth in respect of services by current Vinehealth staff.

**Note 10. Employee benefits liability**

	2023 \$	2022 \$
<i>Current liabilities</i>		
Annual leave	88,106	76,598
Long service leave	66,449	57,369
<b>Total current employee benefits</b>	<b>154,555</b>	<b>133,967</b>
<i>Non-current liabilities</i>		
Long service leave	26,493	18,473
<b>Total employee benefits</b>	<b>181,048</b>	<b>152,440</b>

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

**Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave**

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

**Long service leave**

Employee entitlements relating to long service leave are calculated and provided for as per the *Long Service Leave Act 1987*. In summary, employees are entitled to 13 weeks long service leave after the completion of 10 continuous years of service, we highlight a pro-rata payment is payable on termination after 7 years of continuous service. Management have agreed upon the accounting policy in respect to long service leave being to record the full entitlement (including on-costs) upon each employee satisfying the requirement of 5 years continuous service. This is an acceptable 'short-hand' method under *AASB 119 Employee Benefits*.

**Note 11. Supplies and services**

	2023 \$	2022 \$
Stakeholder communications and engagement	101,600	105,831
Project expenses	23,353	36,888
Information technology	101,471	80,195
Operating lease payments	24,728	23,758
Board expenses	13,248	7,221
Heat shed expenses	12,958	9,711
Consultants	24,592	17,214
<b>Total supplies and services</b>	<b>301,950</b>	<b>280,818</b>

**Consultants**

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

**Note 11. Supplies and services (continued)**

	<b>No.</b>	<b>2023 \$</b>
Below \$10,000	3	14,526
Above \$10,000	1	10,066
<b>Total paid /payable to the consultants engaged</b>	<b>4</b>	<b>24,592</b>
	<b>No.</b>	<b>2022 \$</b>
Below \$10,000	3	17,214
Above \$10,000	-	-
<b>Total paid /payable to the consultants engaged</b>	<b>3</b>	<b>17,214</b>

**Note 12. Depreciation and amortisation expenses**

	<b>2023 \$</b>	<b>2022 \$</b>
Plant and equipment	3,056	3,057
Right-of-use buildings	34,302	37,722
Intangible assets	151	-
<b>Total depreciation and amortisation</b>	<b>37,509</b>	<b>40,779</b>

All non-current assets, with a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

**Useful Life**

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

<b>Class of asset</b>	<b>Useful life (years)</b>
Plant and equipment	3 – 8 years
Right-of-use buildings	Lease term
Intangibles	3 years

The useful lives of intangible assets are assessed to be either finite or indefinite. Vinehealth only has intangible assets with finite lives. The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis.

**Revision of accounting estimates**

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or the method, as appropriate, which is a change in accounting estimate.

During the year Vinehealth did not re-assess the useful lives of its class of assets.

Phylloxera & Grape Industry Board of South Australia  
Trading as Vinehealth Australia  
Notes to the financial statements  
For the year ended 30 April 2023

**Note 13. Borrowing costs**

	2023 \$	2022 \$
Interest expense on lease liabilities	8,444	3,425
<b>Total borrowing costs</b>	<b>8,444</b>	<b>3,425</b>

**Note 14. Other expenses**

	2023 \$	2022 \$
Accounting	27,655	33,949
FBT and bank charges	24,757	14,747
Tourism RVC	13,463	6,769
Telephone & Internet	9,614	8,840
Office amenities	9,151	3,020
Travel	152	159
Other	33,803	28,605
<b>Total other expenses</b>	<b>118,595</b>	<b>96,089</b>

**Note 15. Property, plant and equipment**

	2023 \$	2022 \$
<i>Non-current assets</i>		
Plant and equipment - at cost	46,625	74,414
Less: Accumulated depreciation	(39,684)	(64,417)
<b>Total plant and equipment</b>	<b>6,941</b>	<b>9,997</b>
Right-of-use property	308,715	-
Less: Accumulated depreciation	(54,311)	-
	254,404	-
<b>Total property, plant and equipment</b>	<b>261,345</b>	<b>9,997</b>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Plant and equipment \$	Right-of-use asset \$	Total \$
Balance at 1 May 2022	9,997	-	9,997
Additions	-	308,715	308,715
AASB 16 adjustment	-	(20,009)	(20,009)
Depreciation expense	(3,056)	(34,302)	(37,358)
Balance at 30 April 2023	<b>6,941</b>	<b>254,404</b>	<b>261,345</b>

**Property, plant and equipment leased by Vinehealth**

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15,000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 11.

#### Note 15. Property, plant and equipment (continued)

Vinehealth leases office space on the first floor of Industry House located in the National Wine Centre precinct. A new lease agreement was signed in July 2022, covering a period of 3 years from 1 October 2021 to 30 September 2024. The lease includes two 3-year extension options which have been factored into the disclosed balances.

#### Acquisition and recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at cost after allowing for accumulated depreciation.

Where assets are acquired at no value, or minimal value, they are recorded at impairment in the Statement of Financial Position.

All non-current tangible assets with a value equal to or in excess of \$5,000 are capitalised.

#### Impairment

There were no indications of impairment of tangible assets at 30 April 2023.

#### Note 16. Intangible assets

	2023 \$	2022 \$
<i>Non-current assets</i>		
Computer software - at cost	22,524	50,628
Less: Accumulated amortisation	(7,675)	(50,628)
<b>Total intangible assets</b>	<b>14,849</b>	<b>-</b>

#### Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Computer Software \$	Total \$
Balance at 1 May 2022	-	-
Additions	15,000	15,000
Amortisation expense	(151)	(151)
<b>Balance at 30 April 2023</b>	<b>14,849</b>	<b>14,849</b>

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are recorded at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Vinehealth Australia only has intangible assets with finite lives. The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10,000.

#### Impairment

There were no indications of impairment of intangible assets at 30 April 2023.

Phylloxera & Grape Industry Board of South Australia  
Trading as Vinehealth Australia  
Notes to the financial statements  
For the year ended 30 April 2023

**Note 17. Cash and cash equivalents**

	2023 \$	2022 \$
<i>Current assets</i>		
Cash at bank	838,422	986,847
<b>Total cash and cash equivalents</b>	<b>838,422</b>	<b>986,847</b>

**Note 18. Trade and other receivables**

	2023 \$	2022 \$
<i>Current assets</i>		
Receivables		
- Trade debtors	25,463	21,729
- Balance of current year levies unpaid	1,007,482	725,360
- Previous years' levies and penalties not received	68,188	90,041
<b>Total receivables</b>	<b>1,101,133</b>	<b>837,130</b>
Less allowance for doubtful debts	-	-
Prepayments	6,086	5,963
Accrued Income	-	-
GST input tax recoverable	5,714	4,911
<b>Total current trade and other receivables</b>	<b>1,112,933</b>	<b>848,004</b>

Receivables in relation to current year levies are invoiced yearly in arrears at the end of the financial year (30 April 2023), and therefore have not been received at 30 April 2023.

At the date of signing the financial statements \$473,095 of the levies and penalties have not been received.

No provision for doubtful debts is recorded due to provisions under the *Phylloxera and Grape Industry Act 1995* stating that the fees due and payable remain a charge on the land upon which the vineyard, winery or distillery is situated until payment.

Contributions (levy) payable under the *Phylloxera and Grape Industry Act 1995* are subject to the same penalties for delay or default in payment as land tax.

Administration of land tax falls under the *Taxation Administration Act 1996*, which allows for a flat penalty tax of 75% of the unpaid tax to be imposed in the instances of the deliberate non-payment of tax, or 25% for any other situation. *The Taxation Administration Act 1996*, also allows for interest to be imposed on unpaid tax on a daily basis from the due date until the date the tax is paid.

For the purposes of levies payable under the *Phylloxera and Grape Industry Act 1995*, a penalty tax of 5% of the annual levy outstanding will be applied in a Final Notice if the original Notice of Assessment is not paid by the due date. A further default on a Final Notice, will result in a 25% penalty tax of the annual levy outstanding being applied and a Demand Notice issued. Default on a Demand Notice may be referred to a debt recovery provider.

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Receivables, prepayments, and accrued revenues are non-interest bearing.

**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Notes to the financial statements**  
**For the year ended 30 April 2023**

**Note 19. Trade and other payables**

	2023 \$	2022 \$
<i>Current liabilities</i>		
Trade payables	30,174	25,500
Employee on-costs*	6,522	12,016
Levies in advance	5,068	5,373
Accrued expenses	9,500	31,218
Suspense	-	(556)
<b>Total current payables</b>	<b>51,264</b>	<b>73,551</b>

\*Employee on-costs include Work Cover levies and superannuation contributions.

Vinehealth contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to a superannuation fund.

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts owing but unpaid. Sundry creditors are normally settled within 30 days from the date the invoice is first received. Employment on-costs are settled when the respective employee benefits that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

**Note 20. Borrowings**

	2023 \$	2022 \$
<i>Current liabilities</i>		
Lease liabilities	27,121	-
<i>Non-current liabilities</i>		
Lease liabilities	242,604	-
	<b>269,725</b>	<b>-</b>

Vinehealth leases office space on the first floor of Industry House located in the National Wine Centre precinct. A new lease agreement was signed in July 2022, covering a period of 3 years from 1 October 2021 to 30 September 2024.

**Note 21. Retained surpluses**

	2023 \$	2022 \$
Retained surpluses at the beginning of the financial year	1,618,857	1,746,390
Surplus/(deficit) for the year	106,655	(127,533)
<b>Retained surpluses at the end of the financial year</b>	<b>1,725,512</b>	<b>1,618,857</b>

The Board notes that levies are invoiced in arrears each year on 30 April. The current year levies (\$1,007,482) constitute 58% of total equity and are yet to be received by Vinehealth Australia. Cash and cash equivalents of \$838,422 represents the second largest portion of total equity for Vinehealth Australia.



**Phylloxera & Grape Industry Board of South Australia**  
**Trading as Vinehealth Australia**  
**Notes to the financial statements**  
**For the year ended 30 April 2023**

**Note 21. Retained surpluses (continued)**

The Board has highlighted the purpose of maintaining equity is to:

- Support communications, administration and technical activities consistent with the functions described under the *Phylloxera and Grape Industry Act 1995*, during the initial stages of an outbreak.
- To allow the Board to exploit opportunities outside the normal annual operating plan / strategic agenda and to cover fluctuations in income.
- To cover forward contracted commitments – reviewed at the end of each financial year.

**Note 22. Commitments**

**Unrecognised Commitments**

Commitments include operating, capital and outsourcing arrangements arising from contractual sources and are disclosed at their nominal value.

Unrecognised contractual commitments are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office. If GST is not payable to, or recoverable from, the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

**Lease Commitments**

	2023 \$	2022 \$
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	34,796	-
One to five years	268,148	-
	<hr/>	<hr/>
Total commitment	302,944	-
Less: Future finance charges	(33,219)	-
	<hr/>	<hr/>
Net commitment recognised as liabilities	269,725	-
	<hr/>	<hr/>
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	20,236	18,155
One to five years	12,329	31,772
	<hr/>	<hr/>
<b>Total commitment</b>	<b>32,565</b>	<b>49,927</b>
	<hr/>	<hr/>
Representing:		
Non-cancellable leases	302,290	49,927
	<hr/>	<hr/>

Future lease commitments for Vinehealth include two motor vehicle leases with a term of 4 years commencing February 2021, and office space lease agreement was covering a period of 3 years commencing from October 2021.

**Note 23. Contingent assets and liabilities**

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Unrecognised contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office. If GST is not payable to, or recoverable from, the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

At the date of signing these financial statements, the Board is not aware of any contingent assets or contingent liabilities of Vinehealth.

**Note 24. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by William Buck, the auditor of Vinehealth Australia:

	2023 \$	2022 \$
<i>Audit services</i>		
Audit of the financial statements	9,500	-

**Note 25. Events after the reporting period**

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 April 2023 and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 April 2023.

Note disclosure is made about events between 30 April 2023 and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 April 2023 and which may have a material impact on the results of subsequent years.

No matter or circumstance has arisen since 30 April 2023 that has significantly affected, or may significantly affect Vinehealth Australia's operations, the results of those operations, or the state of affairs in future financial years.

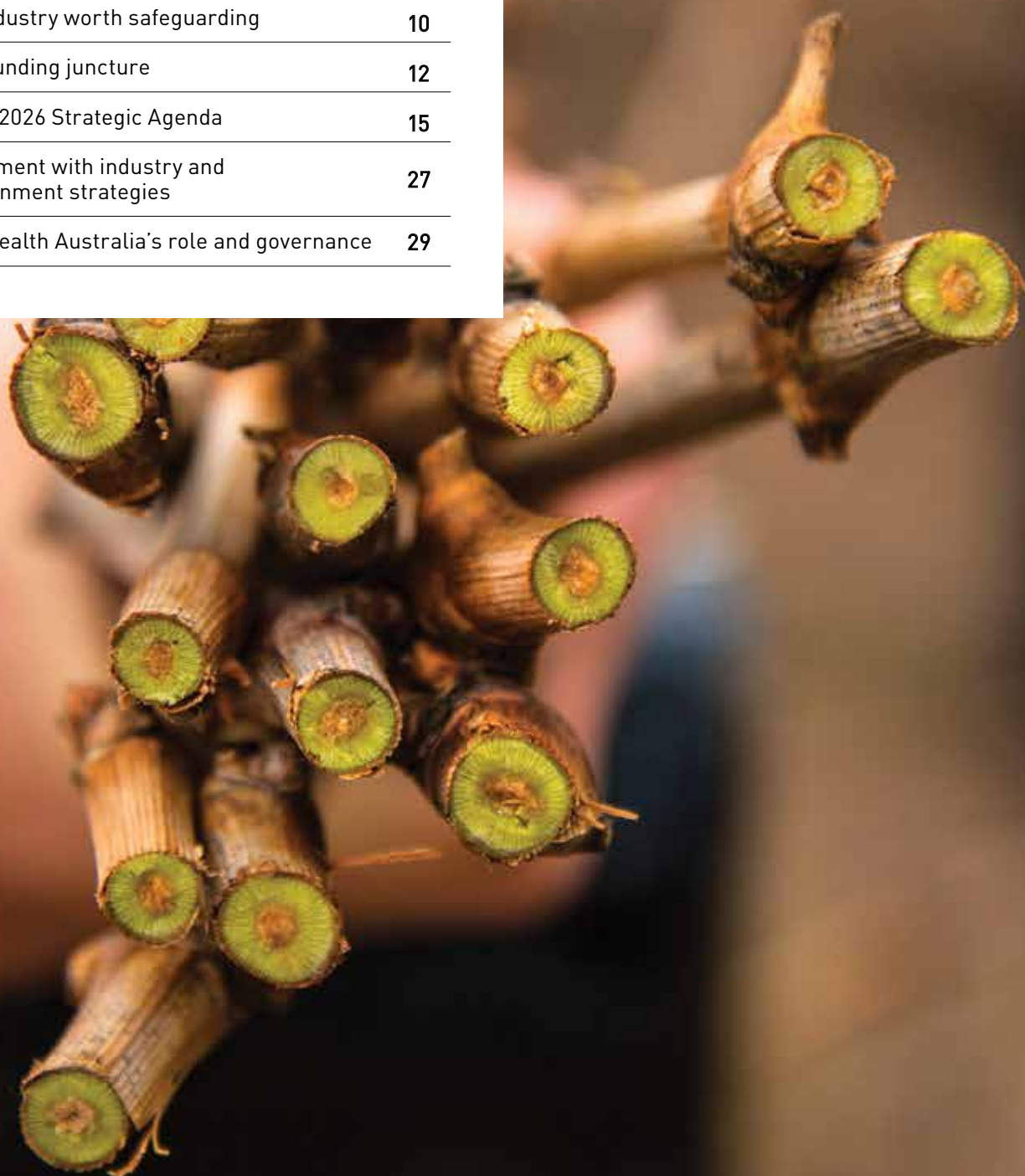
## **Appendix B: Vinehealth Australia's Strategic Agenda 2021-2026**

VINEHEALTH AUSTRALIA

# STRATEGIC AGENDA 2021 TO 2026

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# CHAIR'S STATEMENT

The grape and wine industry is critical to South Australia's future prosperity.

Generating \$1.92 billion in wine exports and directly employing 8,440 people in grapegrowing and winemaking roles, the South Australian wine industry is a powerhouse.

But South Australia's biosecurity status is under significant pressure. Over the past three years, Vinehealth Australia has set a clear vision for biosecurity management across the grape and wine industry in Australia.

Vinehealth Australia's strategic plan Towards 2020, launched in July 2017, was a whole of industry plan created to raise the profile of our biosecurity status as a key enabler to the future success of the grape and wine industry in Australia.

This goal was achieved, and the biosecurity language used in Towards 2020 is now commonly used in the general vernacular among regional, state and national wine industry organisations and by industry personnel.

Towards 2020 also cemented Vinehealth Australia as a biosecurity expert for the grape and wine industry. It reinforced the key role that Vinehealth Australia commands as the anchor to the wine industry's biosecurity preparedness.

Our new Strategic Agenda 2021-2026 continues that biosecurity momentum, with five priority areas essential to making the industry more resilient and future focused.

We will create solutions across the supply chain, we will minimise pest impacts, we will shape the regulatory environment, we will continue to work closely with all stakeholders and we will cement our capacity and capability to lead.

We look forward to working with industry on delivery of this plan, and continuing to evolve and set the biosecurity agenda for the industry.



**Prue McMichael**  
**Chair**



# VINEHEALTH AUSTRALIA

Vinehealth Australia is an independent statutory authority in South Australia. We obtain our powers and functions from our governing legislation, the *Phylloxera and Grape Industry Act 1995*. The overriding aim of the Act is to provide for the protection of vineyards from pests, and to assist and support the grape and wine industry in South Australia.

The impact of Vinehealth Australia on the grape and wine biosecurity landscape is powerful.

With a single-minded focus on biosecurity and deep understanding of the supply chain and industry dynamics, Vinehealth Australia partners with growers, winemakers, suppliers and industry stakeholders to empower them with tools, information and expertise to safeguard their vineyards and wines from pests. In the event of an incursion, Vinehealth Australia uses its biosecurity expertise and assets to provide counsel to government and support industry to manage and recover.

Vinehealth Australia is viewed as an honest broker between government and industry on biosecurity matters and holds the enviable position of being everyone's informed advocate.

The enduring and strong working relationship Vinehealth Australia has with the South Australia government, and particularly the Department of Primary Industries and Regions (PIRSA), enables strategic and operational biosecurity work for industry. PIRSA continues to rely on Vinehealth Australia for counsel, operational activities and consultation with industry on various matters.

**Grapevine phylloxera is a global destructive vine killer pest.**

**Prevention of the entry of phylloxera into South Australia is, and will always be, at our core. The absence of phylloxera in South Australia drives the organisation.**

**The modern Vinehealth Australia plays a broad and critical role for all pests that are a threat to the health of our vines. Our scope of pests includes any bacterium, fungus, insect, mite or other arthropod, protozoan, virus, other organism or pathogen, or any other condition that may affect vines.**

## PURPOSE

**To foster a profitable, sustainable and reputable grape and wine industry, by working alongside growers, winemakers, propagation specialists and government to protect vines from biosecurity risk and to advance vine health.**

## VISION

Biosecurity action is integrated in every grape and wine business.

## GUIDING PRINCIPLES

**Knowledge:** Pursuing new knowledge to empower evidence-based decision making by industry and government.


**Action:** Completing targeted, high impact biosecurity activities that deliver measurable change in biosecurity practices by industry, government and other priority stakeholders.

**Collaboration:** Partnering with grape and wine businesses, government, researchers and industry bodies to drive accountability for biosecurity and to leverage resources.

**Focus:** Investing in biosecurity initiatives that support the state's growth agenda and the industry's enviable reputation for quality and heritage.

**Independence:** Honouring our status as an independent statutory authority, as defined by our governing Act, and working to create enduring value for industry through ongoing strategic review and performance monitoring.



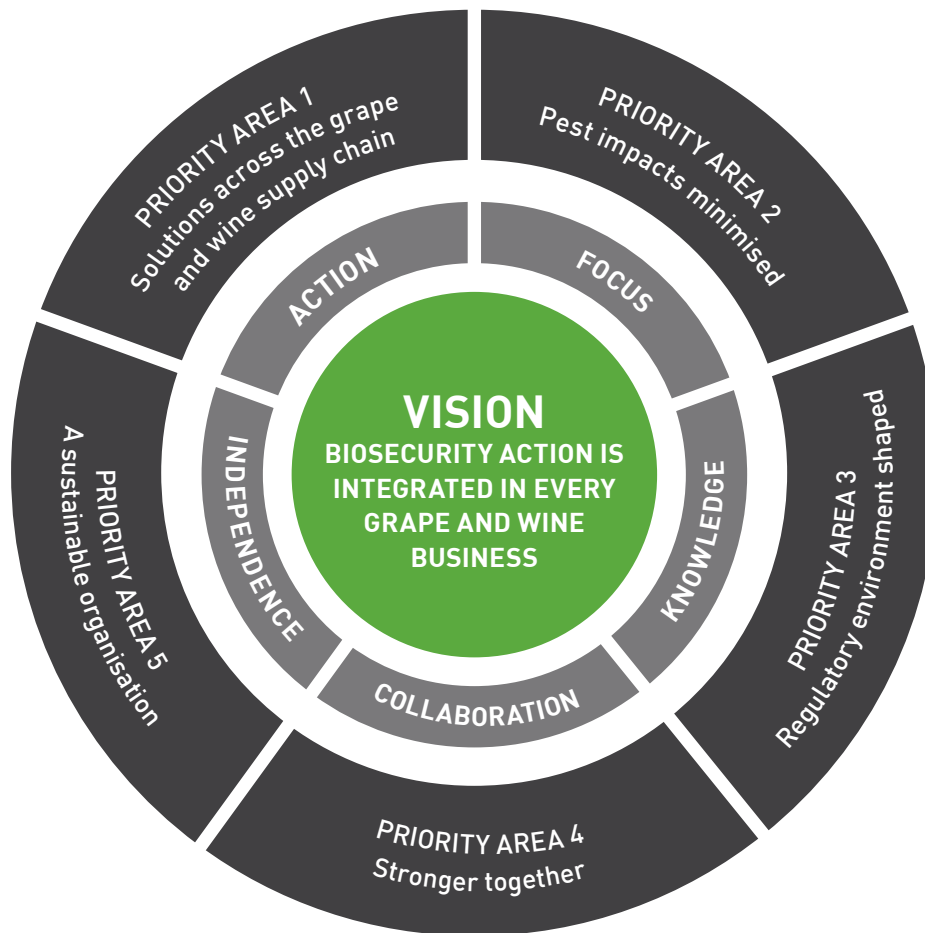
A close-up photograph of a tree trunk with deeply textured, weathered bark. The bark is dark brown with prominent vertical ridges and grooves. A white-bordered box is overlaid on the left side of the image, containing a testimonial. The background is a soft, out-of-focus warm light.

“Following the discovery of unusual leaf symptoms in a young vineyard, we called Vinehealth. The quick response and fantastic service was invaluable and helped us solve the problem.”

Sue Trott, Vineyard Owner

# STRATEGIC AGENDA 2021 TO 2026 AT A GLANCE

Vinehealth Australia is an independent statutory authority in South Australia. Our purpose is to foster a profitable, sustainable and reputable grape and wine industry, by working alongside growers, winemakers, propagation specialists and government to protect vines from biosecurity risk and to advance vine health.



## Target: Priority Area 1

A stronger, active defence against vineyard pest threats, with biosecurity practices integrated into everyday operations and access to high-health planting material.

## Target: Priority Area 2

The impact of an incursion on assets, people and profitability is minimised, providing business continuity for growers, winemakers and other entities along the supply chain.

## Target: Priority Area 3

A responsive and robust biosecurity regulatory system, respected and complied with by industry.

## Target: Priority Area 4

An active and connected network across the South Australian grape and wine supply chain, with impact and results extending across the country.

## Target: Priority Area 5

A sustainable organisation with expertise, systems and resources, that delivers exceptional outcomes.







# OUR INVESTORS AND STAKEHOLDERS

Our Act enables contributions to be levied from investors, being (1) registered owners of vineyards that are equal to or greater than 0.5 hectares, (2) winemakers, and (3) distillers, in accordance with rules approved by the Minister for Primary Industries and Regional Development.

We have a broad group of stakeholders whom we influence and collaborate with to champion biosecurity to ensure collective long-term industry success.

	INDUSTRY		GOVERNMENT
<b>National</b>	<ul style="list-style-type: none"> <li>• Australian Grape and Wine</li> <li>• Vine Industry Nursery Association and Australian Vine Improvement Association</li> <li>• Australian Table Grape Association</li> <li>• Dried Fruits Australia</li> <li>• Greenlife Industry Australia</li> </ul>	<ul style="list-style-type: none"> <li>• Vineyard owners (wine, table, dried)</li> <li>• Winemakers</li> <li>• Nurseries</li> </ul>	<ul style="list-style-type: none"> <li>• The Australian Department of Agriculture, Water and the Environment (including AQIS)</li> <li>• Plant Health Australia</li> <li>• Wine Australia</li> <li>• Horticulture Innovation Australia</li> </ul>
<b>State</b>	<ul style="list-style-type: none"> <li>• South Australian Wine Industry Association</li> <li>• Wine Grape Council of South Australia</li> <li>• South Australian Vine Improvement Association</li> <li>• Interstate wine associations</li> </ul>	<ul style="list-style-type: none"> <li>• Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Minister for Primary Industries and Regional Development South Australia</li> <li>• The Department of Primary Industries and Regions (including Biosecurity SA)</li> <li>• State government jurisdictions</li> </ul>
<b>Regional</b>	<ul style="list-style-type: none"> <li>• South Australian regional wine associations</li> <li>• Vine improvement groups</li> <li>• Interstate regional wine associations</li> </ul>		<ul style="list-style-type: none"> <li>• Regional Development Boards</li> <li>• Regional tourism associations</li> <li>• Local councils</li> </ul>
	<p>Community</p> <p>Research and extension providers (including The Australian Wine Research Institute, Agriculture Victoria Research, SARDI, CSIRO)</p>		



# OPERATING ENVIRONMENT

Vineyards and wine businesses face many threats to their sustainability. Our vines are under pressure from multiple sources including:

- Drought, bushfires and other natural disasters that damage vineyards and businesses
- Global pandemics, that lead to financial hardship
- Pest movements, including phylloxera in Victoria and *Xylella fastidiosa* species all over the world
- International trade disputes that put our wine exports at risk
- Changes to regulations that govern import and movement rules
- Changing consumer preferences and trends

Added to this, increased consolidation in the wine industry is contributing to the risk of a biosecurity incursion, with large processing facilities importing higher volumes of grapes across regional and state boundaries.

Increased international ownership of Australian wineries and vineyards adds complexity to the system, with 'absent owners' removing a layer of accountability for best practice farm-gate hygiene.

The wine industry is also seeing increased specialisation, with more contract vineyard management, pruning and harvesting, increasing the risk of cross-state, cross-regional and cross-vineyard contamination.

And increased international trade provides opportunities for the movement of pests between countries, states, regions and vineyards.

Coupled with this, margins for grapegrowers continue to be tight, resulting in sub-standard investment in farm-gate hygiene activities.

The risk of a biosecurity incursion has never been greater.

**Vinehealth Australia's role is to implement policies, practices, tools and systems to assist the wine industry to better manage these risks.**

The opportunity to create meaningful behaviour change has been heightened in 2020 during the COVID-19 pandemic. The community now has a far greater understanding of biosecurity terminology and the impacts of outbreaks.

## BIOSECURITY LEGISLATION IN SA

The State Government is developing a new Biosecurity Act for South Australia, through PIRSA. The new Biosecurity Act will merge several existing pieces of biosecurity legislation into one, with the aim of creating a simpler and more effective legal framework for the management of pests, diseases and weeds, and biosecurity emergencies.

It's critical that the wine industry participates in the creation of the new Biosecurity Act, to ensure our systems remain strong and that the new Biosecurity Act aligns with our governing Act, the *Phylloxera and Grape Industry Act 1995*.

# AN INDUSTRY WORTH SAFEGUARDING

Vineyards in South Australia have several end uses; for wine, as table grapes or dried fruit. Vineyards also supply propagation material for new plantings.

## THE SOUTH AUSTRALIAN VITICULTURE INDUSTRY



**76,008 HECTARES  
OF GRAPEVINES**



**3,271**

registered  
vineyard owners

**99%**

of vineyards planted to  
winegrape varieties



A propagation sector with a state vine improvement association, 6 regional vine improvement associations and a network of commercial nurseries

## OUR HERITAGE

South Australia requires healthy, productive vineyards to supply our wine markets and to keep pace with growth ambitions.

The oldest vineyards of 150 years plus can be found in the Barossa Valley, Eden Valley, McLaren Vale, Clare Valley, Coonawarra, Langhorne Creek and the Riverland.

This rich tapestry of old and young vine material, due to the absence of phylloxera and other pests, makes us unique compared to the rest of the world and helps create some of Australia's most iconic wines.

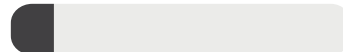
But 70% of grapevines in South Australia are planted on their own roots, making them susceptible to phylloxera. And with phylloxera on our doorstep in Victoria, we must be vigilant.

Of the vines planted in South Australia:

**90.96%** of vines are aged 0-34 years



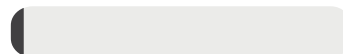
**7.80%** of vines are aged 35-69 years



**0.79%** of vines are aged 70-99 years



**0.45%** of vines are aged 100 plus years



**70%**

of vines in SA are  
susceptible to phylloxera



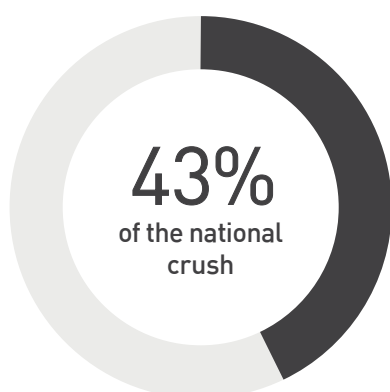
## THE SOUTH AUSTRALIAN WINE INDUSTRY IS A POWERHOUSE



**651,195 TONNES**

of winegrapes crushed  
in 2020 vintage

550 million litres of  
wine produced in  
2019 (equivalent to  
734 million bottles)



\$1.92 billion in wine exports (2019)

**\$3.6 BILLION IN REGIONAL  
VISITOR EXPENDITURE (2019)**

**8,440 PEOPLE**

directly employed in  
grapegrowing and  
winemaking, and  
many more indirectly  
employed



\$2.28 billion in  
wine production  
(2019)



**More than  
340 cellar  
doors**



**More than  
680 wineries**



**34%**

of international visitors travel to a  
wine region while in South Australia



# OUR FUNDING JUNCTURE

Vinehealth Australia has a clear remit outlined in its governing Act. However, with a diminishing pool of funds we are unable to perform our functions to the level required and expected by industry to confront intensifying and evolving biosecurity challenges.

## WHAT DOES THIS MEAN FOR GROWERS AND WINEMAKERS?

An increased likelihood that a devastating grapevine pest is introduced, spread and established in South Australia, with significant financial, social and environmental consequences to grape and wine businesses, suppliers, regional communities and supporting businesses.



**CONSTRAINED  
FUNDING MEANS A  
GREATER RISK OF PEST  
INTRODUCTION INTO SA**

It will disrupt continuity of grape and wine supply, constraining the South Australian wine industry's growth ambitions and compromising wine tourism.

## \$23 BILLION BY 2030

**SA'S FOOD, WINE AND  
AGRIBUSINESS PLAN  
FOR GROWTH**

## WHAT IS THE COST OF A PEST INCURSION?

There are many pests that could cause a serious negative impact to the wine industry. The spread of Pierce's Disease (caused by *Xylella fastidiosa*) and phylloxera globally demonstrates the extent and severity of impacts.

The cost of a Pierce's Disease incursion on the Australian wine industry is predicted to be up to \$7.9 billion over a 50-year period.<sup>1</sup> In California, this disease causes more than \$100 million in yearly losses to the grape industry.

## \$7.9 BILLION

**THE PREDICTED COST OF A PIERCE'S  
DISEASE INCURSION OVER 50 YEARS**

Similarly, with phylloxera continuing to spread in Victoria in recent years, the cost to regions and grape and wine businesses is evident. Replanting infested vineyards with grafted vines tolerant to phylloxera costs approximately \$60,000 per hectare. Add to this loss of production while new plantings mature, loss of brand continuity and value, and the cost of ongoing quarantine controls.



## \$60,000 PER HECTARE

**The cost of replanting infested  
vineyards on phylloxera tolerant  
rootstock**

With fewer than 30% of South Australia's vineyards on rootstock tolerant to phylloxera, the reliance on old vines for some brands and with limited supply of high-health grafted propagation material to replant infested vineyards, the cost of a phylloxera incursion in South Australia has the potential to be immense, and for some grape and wine businesses, catastrophic. And the threat is real with the closest phylloxera infested zone only 300 kms from the state border.

<sup>1</sup> <https://www.agriculture.gov.au/abares/research-topics/biosecurity/biosecurity-economics/xyella-impact-report>

## FUNDING SITUATION

Our current investors, being owners of 0.5 hectares or more of planted vines, contribute \$9.50 per hectare (minimum \$50) each year to fund the activities of Vinehealth Australia. This equates to approximately \$740,000 per year.

**\$740,000**

Vinehealth Australia's total funding from the levy

**\$9.50/ha**  
(minimum \$50) = the current levy

The area of vineyards has remained relatively stable over the last 10 years and is expected to change little over the next five year period. Combined with the approved levy rate of \$9.50 per hectare remaining unchanged since 1996, the total funds available for Vinehealth Australia to perform its functions has remained static.



**1996**

THE LAST TIME THE LEVY WAS ADJUSTED

Given this, inflation alone has eroded the purchasing power of Vinehealth Australia's funds by around 20% since 1996.

**~20% reduction**

in purchasing power of funds since 1996

Put simply, we are needing to do more with less to protect the state's vineyards and a new approach to funding Vinehealth Australia is needed.

## A REVISED FUNDING APPROACH

A strategic review of funding of Vinehealth Australia was completed in the last strategic plan period (2017-2020) by an independent consultant. This review identified and mapped biosecurity risk creators and beneficiaries and proposed a new equitable approach to increase funding available for Vinehealth Australia.

For the next three years and through conversations with industry and government, a key priority for Vinehealth Australia will be to realise this new funding approach.

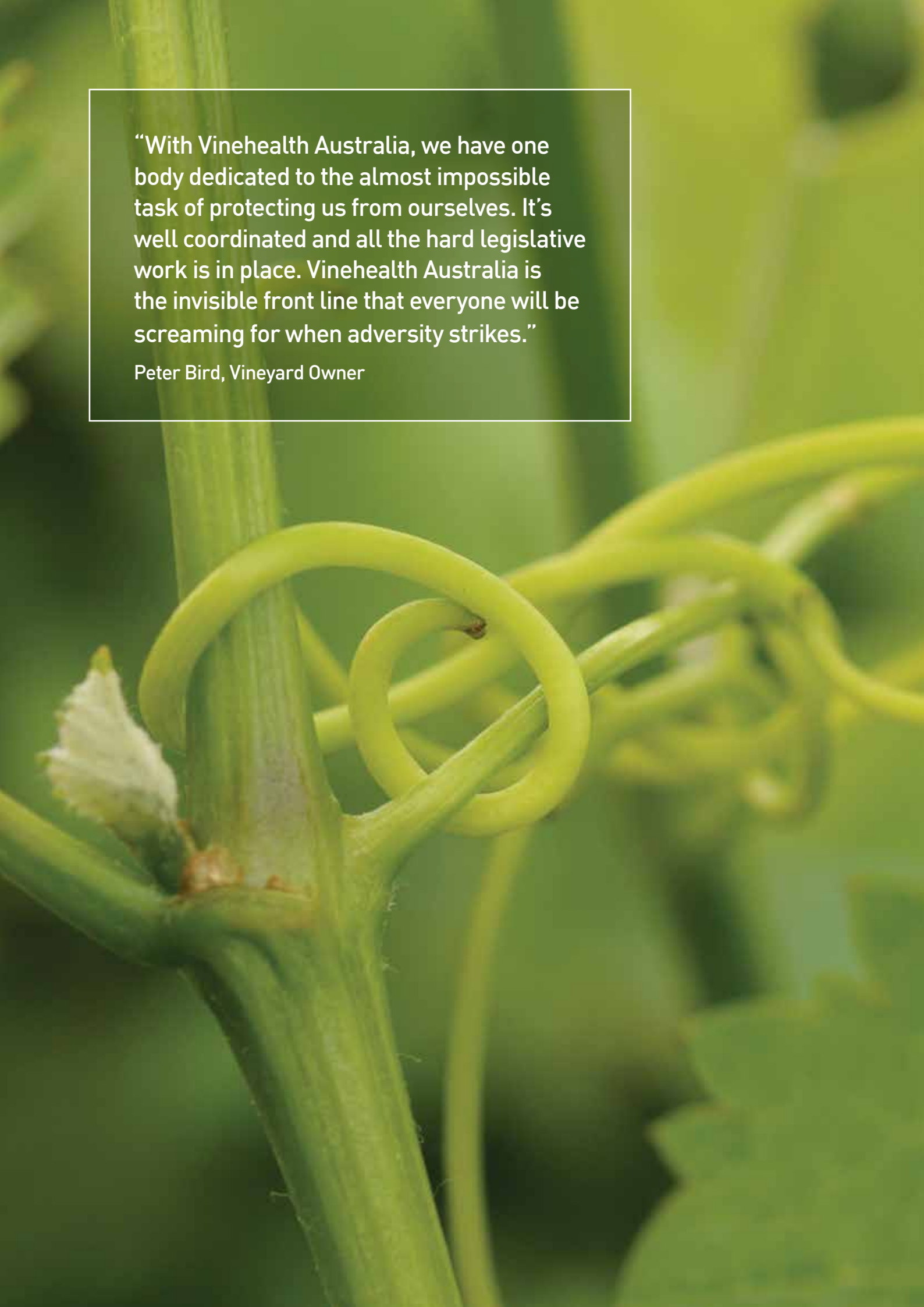
Concurrently, Vinehealth Australia will also seek to attract investment for its new Digital Biosecurity Platform by leveraging synergies with South Australia's AgTech Strategic Plan, released in October 2020.

**3 YEARS**

The timeline to deliver a new funding model


This Digital Biosecurity Platform provides an opportunity to vastly improve the value of information captured in the Register to enhance biosecurity management for the grape and wine industry in South Australia, while enabling vineyard owners to explore the benefits that digital technology can offer.

$$\begin{array}{ccccc} \$740,000 & : & \$2.28 \text{ billion} & = & 0.032\% \\ \text{current Vinehealth Australia funding} & & \text{SA wine industry value} & & \text{investment} \end{array}$$



“With Vinehealth Australia, we have one body dedicated to the almost impossible task of protecting us from ourselves. It’s well coordinated and all the hard legislative work is in place. Vinehealth Australia is the invisible front line that everyone will be screaming for when adversity strikes.”

Peter Bird, Vineyard Owner



## STRATEGIC AGENDA: 2021-2026

Our Strategic Agenda 2021-2026 will guide our operations for the next five years, with specific focus on five priority areas:

1. Solutions across the grape and wine supply chain
2. Pest impacts minimised
3. Regulatory environment shaped
4. Stronger together
5. A sustainable organisation

For each priority area, we articulate what it means, why it is essential, our targets and how we plan to achieve success.

Each year an Annual Operational Plan is developed, with activities for each priority area guided by available funds. Vinehealth Australia's Annual Report will outline our performance against the Annual Operational Plan and delivery against our Strategic Agenda.

## PRIORITY AREA 1

# SOLUTIONS ACROSS THE GRAPE AND WINE SUPPLY CHAIN

The grape and wine industry continues to face new and rapidly changing biosecurity threats. We must elevate industry's maturity and capability to respond to these threats. Growers, winemakers and other entities along the supply chain need ready access to user friendly, cost effective and practical biosecurity solutions that can be easily integrated into their operations. These solutions are driven by industry needs and are fit for purpose.

Importantly, this also includes access to high-health status planting material and timely access to preferred rootstocks to improve tolerance to pests and adaptation to abiotic stresses.

This priority area addresses the pressing need to develop solutions for industry to enable widespread adoption of farm gate-hygiene practices aimed at preventing the introduction and spread of pests to our vineyards. Vinehealth Australia will listen to industry's issues and provide solutions, where possible. This priority area also embraces the propagation sector as the foundation of the long-term health of our vineyards.

Critical to the success of this priority area will be the ability of Vinehealth Australia's collective network of stakeholders and influencers to foster sustained behaviour change across the supply chain.

### Target:

**A stronger, active defence against vineyard pest threats, with biosecurity practices integrated into everyday operations and access to high-health planting material.**



## KEY THEMES

- Invest in practical solutions for industry to improve adoption of biosecurity practices.
- Partner with technical experts and industry to drive improved value from all preparedness and prevention activities.
- Advance the supply of high-health planting material to enable productive and healthy vineyards for the long term.
- Improve industry's understanding of the attributes offered by rootstocks for new plantings.

## HOW WE GET THERE

1. Target projects that promote enhanced biosecurity practices by key risk creators.
2. Quantify the adoption of farm-gate hygiene practices by vineyard owners biennially to direct future investment.
3. Optimise biosecurity value delivered by the Naracoorte Heat Shed.
4. Drive improved virus management by the propagation sector.
5. Review accreditation schemes for grapevine propagation in consultation with the sector to improve the availability of high-health planting material.
6. Quantify rootstock supply demand balance and identify key levers to adjust supply, cost and quality.

## PRIORITY AREA 2

# PEST IMPACTS MINIMISED

The impacts of a pest incursion on people, businesses and communities are devastating. We must constantly scan the horizon to identify and assess pest threats, get industry and businesses ready, deploy prevention strategies, and ensure that we have capabilities and resources primed to respond with speed, power and efficacy.

This priority area sharpens Vinehealth Australia's activities on supporting industry preparedness for an exotic or regulated endemic pest outbreak.

For an exotic incursion that is managed under the Emergency Plant Pest Response Deed (EPPRD), we are the South Australian wine industry's voice.

If incursions occur, growers and winemakers must be armed with the tools and knowledge to minimise the impacts on their businesses. Vinehealth Australia, together with PIRSA, must also be ready to act swiftly and confidently to eradicate, or contain the spread of the pest.

### Target:

**The impact of an incursion on assets, people and profitability is minimised, providing business continuity for growers, winemakers and other entities along the supply chain.**

## KEY THEMES

- Scan the operating landscape globally and locally for new and emerging threats to South Australian vineyards.
- Build industry preparedness for pest incursions.
- Rapid and effective response to suspected or confirmed pest incursions in partnership with PIRSA.
- Support research, development and adoption of early field detection and surveillance methods for phylloxera and rapid, accurate diagnostic capability.

## HOW WE GET THERE

1. Profile biosecurity risks to South Australian vineyards to drive preparedness and prevention activities.
2. Transform South Australia's Phylloxera Outbreak Plan, in partnership with PIRSA, into an effective response plan.
3. Challenge the South Australian industry's readiness for a pest incursion through simulations and evaluating the integration of preparedness measures by grape and wine businesses and government.
4. Evaluate the impact of selected exotic pest incursions in South Australia to drive biosecurity action by federal and state government and industry.
5. Invest in Vinehealth Australia's ability to respond to an incursion.



## PRIORITY AREA 3

# REGULATORY ENVIRONMENT SHAPED

A strong regulatory system provides a vital layer of defence against the entry and spread of pests into Australia and across state borders. Government is responsible for adequately resourcing and managing this regulatory environment; the federal government at the national border and state governments for their respective jurisdictions. The governing Act of Vinehealth Australia builds on this core investment by government, providing the unique ability to work with the South Australian Minister for Primary Industries and Regional Development and PIRSA to ensure that our state regulatory environment is effective and protects industry from serious pest threats.

Dependent on risk, a balance of regulatory controls, industry accreditation and best practice code of conducts are needed. Industry's role in complying with these are critical for the system to work.

This priority area sees Vinehealth Australia actively shaping the biosecurity regulatory environment in partnership with federal and state government. We will achieve this by developing policy positions, pest-specific management strategies (including surveillance), operational activities that enable industry compliance with regulatory requirements, and ongoing Ministerial counsel. Vinehealth Australia will support strong mechanisms to encourage compliance with South Australian biosecurity legislation and regulations, and action against those who are non-compliant.

### Target:

**A responsive and robust biosecurity regulatory system, respected and complied with by industry.**



## KEY THEMES

- Pursue policy positions on key biosecurity matters.
- Improve the effectiveness of regulations targeting known threats such as phylloxera.
- Elevate industry compliance with South Australian biosecurity legislation.
- Modernise biosecurity accreditation schemes in partnership with PIRSA that support the grape and wine industry.
- Provide independent counsel to PIRSA and the Minister for Primary Industries and Regional Development.

## HOW WE GET THERE

1. Address high priority regulatory risks through policy action and advocacy.
2. Assist the South Australian government to ensure regulatory management of phylloxera is based on up-to-date risk profiling, scientific knowledge and industry insights.
3. Influence the development of a national strategy for the management of phylloxera.
4. Educate entities across the supply chain on their biosecurity regulatory obligations.
5. Review key operational procedures for biosecurity accreditation schemes and provide recommendations for improvement to PIRSA.

## PRIORITY AREA 4

# STRONGER TOGETHER

Successful biosecurity programs rely on excellent communication and collaboration across the supply chain. A close connection with grape and wine businesses, suppliers to industry, industry organisations, federal and state government and media is critical, to gauge industry needs, share insights, deliver project outcomes and perform our primary functions. We are a collective that is much stronger when we work together.

Leveraging the power of the Register, we will deliver smart, free flowing information, to stimulate action in the grape and wine industry in relation to farm-gate hygiene and biosecurity preparedness activities.

This priority area sees Vinehealth Australia using a range of communication and engagement vehicles, including regional and business visits, strategic partnerships, digital strategies, tools, data and media work, to enable meaningful behaviour change across the network. We are driven by the aspiration for positive biosecurity practices to be demanded and driven by industry members.

Vinehealth Australia will continue to be responsive to requests received from the South Australian government and industry, seeking to leverage our expertise and assets to inform activities for the greater benefit of the industry.

### Target:

**An active and connected network across the South Australian grape and wine supply chain, with impact and results extending across the country.**

## KEY THEMES

- Influence strategic investment in biosecurity by supply chain participants.
- Strengthen networks across the grape and wine supply chain.
- Fortify relationships with South Australian state and regional wine associations and federal and state governments.
- Lead the style and tone of biosecurity communications for the wine industry.
- Support federal and state governments and industry to achieve their ambitions for the sector.

## HOW WE GET THERE

1. Critique the maturity of the wine industry to manage current and emerging biosecurity risks.
2. Deliver influential multi-channel communications campaigns focused on biosecurity behaviour change for key risk creators across the supply chain.
3. Elevate partnerships with state and regional wine associations to create regional biosecurity champions.
4. Drive digital communication in the wine industry, achieving industry-leading results with newsletter open rates and website users.
5. Elevate partnerships with media to underpin our status as the wine biosecurity expert.
6. Deliver on-demand services to the South Australian government and industry using Vinehealth Australia's expertise and assets.

## PRIORITY AREA 5

# A SUSTAINABLE ORGANISATION

Vinehealth Australia's strength is forged in its governing Act and implemented through its deep connections with industry and government. To lead the biosecurity agenda and deliver enduring value for the grape and wine industry, Vinehealth Australia must continue to develop its people and evolve its systems and processes to deliver its statutory functions with improved efficiency and customer experience.

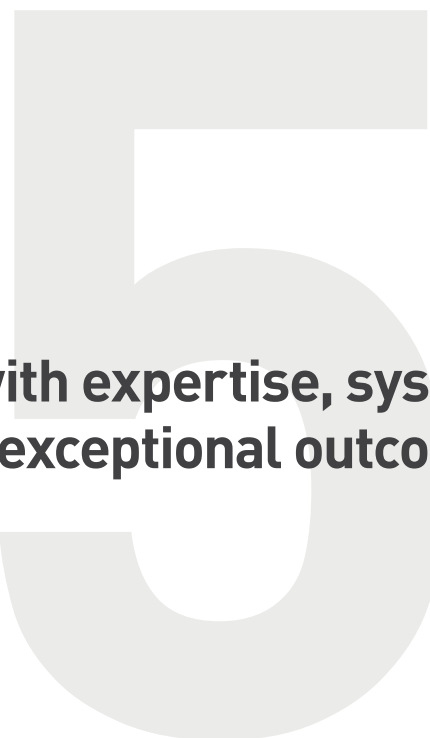
For over 120 years, details of ownership, location and plantings for all vineyards of 0.5 hectares or more in South Australia have been recorded in the Vinehealth Australia Register. This unique Register is an extraordinary asset and enables Vinehealth Australia to execute activities across the biosecurity continuum. It has also been crucial in supporting the South Australian government to manage potential smoke taint from prescribed burns, bushfire recovery, police investigations, water allocation planning and fruit fly outbreaks. However,

for the Register to meet the changing nature and intensity of biosecurity challenges faced by industry, the functionality and flexibility offered by next generation technology must be urgently adopted.

With the South Australian government developing a new Biosecurity Act during this strategic plan period, the industry, as it did back in the late 1800s when our founding Act was established, again has the opportunity to be visionary. This involves articulating a clear picture of the biosecurity arrangements required to ensure a prosperous grape and wine industry now and well into the future. Vinehealth Australia will provide an essential supporting role to industry and the South Australian government through this process.

### Target:

**A sustainable organisation with expertise, systems and resources, that delivers exceptional outcomes.**



## KEY THEMES

- Modernise the Register to provide the functionality and flexibility needed to respond to a changing biosecurity landscape and customer demands.
- Transform the funding model for Vinehealth Australia to advance vine health and improve protection of grape and wine assets from biosecurity risk and impact.
- Enhance South Australia's biosecurity legislation to protect the grape and wine industry.
- Strong financial management, governance and systems, with transparency to the South Australian government and investors.
- Strengthen organisational culture to deliver outstanding value to industry.

## HOW WE GET THERE

1. Build a new Digital Biosecurity Platform that is powered by geospatial data to drive a relationship-rich digital biosecurity ecosystem.
2. Increase the approved rate of contributions and change the investor mix to better reflect biosecurity risk creators and beneficiaries.
3. Efficiently manage contributions payable under the Act and in accordance with rules approved by the Minister.
4. Influence the development of a new Biosecurity Act for South Australia and the strengthening of Vinehealth Australia's governing Act to ensure it remains fit for purpose.
5. Continue to optimise organisational strategies, policies and procedures to meet obligations to investors, employees and government.
6. Invest in Vinehealth Australia's systems to enhance our employee performance, productivity and motivation.





Image courtesy of  
Coonawarra Vignerons.

# ALIGNMENT WITH INDUSTRY AND GOVERNMENT STRATEGIES

Vinehealth Australia's Strategic Agenda has been developed to support the industry achieve its ambitions as described in the South Australian Wine Industry Plan, and the recently released Vision 2050 for the Australian wine industry. It also aligns with South Australian government priorities for growth and biosecurity, and national plant biosecurity strategies.

Vinehealth Australia is an active contributor to the Wine Biosecurity Committee, which is chaired and managed by Australian Grape & Wine. This Committee oversees the National Wine Biosecurity Strategy and provides advice on setting wine sector biosecurity policy that minimises the negative effects of pests on the Australian wine sector. The Committee is a collaboration of grape and wine producers, nursery and vine improvement organisations, wine sector supply chain participants, biosecurity and technical experts and Wine Australia.

Through this Committee, Vinehealth Australia has played an active role in shaping the National Wine Biosecurity Strategy 2019-2023 (National

Strategy) for which the Committee has oversight. The priorities of Vinehealth Australia's Strategic Agenda closely align with the six strategic objectives of the National Strategy, and collectively these two strategies will build a stronger biosecurity system for industry.

Ultimately, a stronger biosecurity system will ensure:

- Exotic pests are prevented from entering vineyards in Australia
- Phylloxera is contained within the existing Phylloxera Infested Zones (PIZ) in Australia
- In the event of an exotic or regulated endemic pest incursion, the pest is eradicated or contained and the impact on grape and wine assets minimised
- Effective management of high priority endemic pests of vineyards

Such a rigorous biosecurity system will enable market access, export growth and inbound wine tourism, and will protect the value and profitability of grape and wine assets.

INDUSTRY		GOVERNMENT
Vision 2050 (Australian Grape & Wine)	Vinehealth Australia Strategic Agenda 2021-2026	<ul style="list-style-type: none"> <li>• Food, Wine and Agribusiness Plan for Growth</li> <li>• South Australia's AgTech Strategic Plan (South Australian government)</li> </ul>
National Wine Biosecurity Strategy 2019-2023 (Wine Biosecurity Committee - Australian Grape & Wine)		<ul style="list-style-type: none"> <li>• South Australia's Biosecurity Policy 2020-2023 (PIRSA)</li> </ul>
South Australian Wine Industry Plan (South Australian Wine Industry Association and Wine Grape Council SA)		<ul style="list-style-type: none"> <li>• National plant biosecurity strategies (Plant Health Australia)</li> <li>• Strategic Plan 2020-2025 (Wine Australia)</li> </ul>





# VINEHEALTH AUSTRALIA'S ROLE AND GOVERNANCE

## BOARD

The Board of Vinehealth Australia maintains oversight over strategy, finances, operations, culture and reporting obligations.

The Board has up to seven members nominated to the Minister for Primary Industries and Regional Development by an industry Board Nominations Committee, an expert in viticultural research and is complemented with the ex officio appointment of the Chief Inspector for South Australia. This skills-based board functions according to contemporary board governance principles, with accountability to industry and the Minister for Primary Industries and Regional Development. The Chair of the Board is elected each year by the Board.

## FUNCTIONS

Vinehealth Australia carries out activities across the four phases of biosecurity; preparedness, prevention, response and recovery.

In the Act, disease\* means, (a) any bacterium, fungus, insect, mite or other arthropod, protozoan, virus or other organism or pathogen; or (b) any other condition, that may affect vines.

The primary functions of Vinehealth Australia as detailed in the Act are to:

- Identify and assess
  - o the relative threat to the state's vineyards posed by phylloxera and other diseases,
  - o the risk of spreading diseases through the movement of machinery, equipment, vines and other vectors into and within the state
- Develop policies in relation to
  - o the appropriate conditions for the movement of machinery, equipment, vines and other vectors into and within the state
  - o prevent the spread of disease
  - o the quarantine of vines that are or may be affected by disease
  - o appropriate measures for the control of outbreaks of disease in the state

- Develop plans for the eradication of diseases in the state's vineyards
- Support and encourage the conduct and evaluation of research into diseases including their control and management and to publish the results of relevant research
- Promote awareness of the dangers of disease among the public and people involved in grape growing or winemaking
- Prepare and disseminate information on diseases, codes of conduct and work practices that minimise the risk of disease, or its spread, to people involved in grape growing or winemaking
- Approve nurseries (whether within or outside the state) that are capable of producing propagative material that is free of specified diseases or industry-based accreditation schemes for such nurseries
- Collect and supply data relating to vineyards and vine health in South Australia

Other core functions of Vinehealth Australia include:

- Assisting and supporting the grape industry in its initiatives
- Acting as inspectors under the *Plant Health Act 2009* ex officio
- In conjunction with the Chief Inspector, determining the appropriate action to be taken to control an outbreak and providing ongoing advice to the Minister regarding the outbreak and the action being taken to control it
- Maintaining a Register of all vineyards of 0.5 hectares or greater planted in South Australia, which includes owner and location details and planting information
- Managing a system to levy, collect and recover contributions (levies) payable under the *Phylloxera and Grape Industry Act 1995*

*\*For the purposes of this strategic agenda the word 'pest' is used to refer to the defined term 'disease' in our Act.*



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Government  
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