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10 Sep 2024



**Government
of South Australia**

**PHYLLOXERA AND GRAPE INDUSTRY
BOARD OF SOUTH AUSTRALIA
(trading as VINEHEALTH AUSTRALIA)
2023-24 Annual Report**

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

Level 1, Industry Offices National Wine Centre, Botanic Rd, Adelaide

PO BOX 280 Kent Town DC SA 5071

www.vinehealth.com.au

Contact phone number: 08 8273 0550
Contact email: admin@vinehealth.com.au
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2023-24 ANNUAL REPORT for Phylloxera and Grape Industry Board of South Australia

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 the *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:

Dianne Davidson AM

Presiding Member

Date: 21 August 2024 Signature:



From the Chief Executive

The first increase to contributions payable since 1996, enabled by the Hon Clare Scriven MLC in June 2023, has been a pivotal moment for Vinehealth Australia in providing a foundation for the organisation to improve its capability and capacity to fulfil its functions and activities under the *Phylloxera and Grape Industry Act 1995*.

In the past year, the grape and wine industry has continued to operate amidst considerable challenges around grape and wine oversupply, rising cost pressures, continuing fruit fly outbreaks in the Riverland and metropolitan Adelaide, and other pathogen and disease pressures.

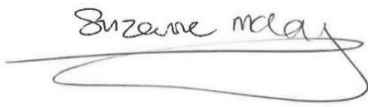
It is within this operating environment that Vinehealth Australia has continued our focus on protecting the South Australian grape and wine industry from pest and disease incursions impacting long term vineyard sustainability.

Vinehealth Australia's key achievements in 2023-24 included:

- Completed a comprehensive review of South Australia's Phylloxera Preparedness Plan and identified prioritised activities to complete in 2024-25, including regional visits to test the plan with industry.
- Led a large-scale targeted surveillance plan of 2,755 vines across the state for Grapevine red blotch virus (GRBV) with South Australia's propagation sector. Results determined virus incidence in the state and nationally, informing eradication potential and opportunities to maintain at-border testing to prevent further introductions into Australia via infected planting material.
- Continued education of vineyard owners and broader industry in biosecurity through a range of communications methods, including our monthly e-newsletter that continues to exceed industry open rates, our website, Biosecurity Alerts, Industry Notices, fact sheets, tips series, featured articles and maps. Topics included visitor management, abandoned/neglected vineyards, machinery auctions, phylloxera, crown gall, hitchhiker pests, vehicles, footwear, contractor management, fruit fly, and tourism.
- Provided significant support to PIRSA in response to 18 plant pest biosecurity incidents and responded to 232 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.
- Continued to contribute significant time and resources into maintaining Vinehealth's key asset – South Australia's unique Register of vineyard plantings. Accuracy of this information was enabled through updates provided by vineyard owners through the annual vineyard record return process, validation of vineyard owners' requests for changes to their records through review of aerial imagery and onsite visits, and continued involvement in the conveyancing process during land sale. The Register continues its value for Vinehealth for all preparedness, prevention, and response activities. It was used to provide aggregated and deidentified statistics to state government departments, national, state and regional wine industry associations, research organisations, individual vineyard owners and industry participants on request.

I thank the current Presiding Member, Ms Dianne Davidson AM, and Board of Vinehealth Australia for their strategic oversight and counsel during 2023-24, and the Vinehealth team for their collective contribution to Vinehealth's achievements and unwavering focus on working with and for industry. Importantly, I also acknowledge the considerable contribution of three outgoing Board members whose terms conclude on 30 June 2024 – Dr Sally Troy, Dr Jo Luck and Mr Alex Sas, for their five years of service to Vinehealth's key strategic causes.

Looking forward to 2024-25 and acknowledging that more tough times for industry are ahead, the [Key Focus Areas for 2024 – 2006](#) identified and communicated by the Board in 2024 will be progressed. Importantly for industry, this includes further work on the Phylloxera Response Plan and testing in-region through simulations, and further work towards transforming our South Australian Register of vineyard plantings.



Suzanne McLoughlin

Acting Chief Executive (to 28 June 2024)

Vinehealth Australia

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Overview: about the agency

Our strategic focus

| | |
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| <p>Our Purpose</p> | <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 (Act)</i>, 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> |
| <p>Our Vision</p> | <p>Biosecurity action is integrated in every grape and wine business.</p> |
| <p>Our Values</p> | <p>Our values drive how we behave and deliver benefits to the grape and wine industry:</p> <p>Knowledge</p> <p>Pursuing new knowledge to empower evidence-based decision making by industry and government.</p> <p>Action</p> <p>Completing targeted, high impact biosecurity activities that deliver measurable change in biosecurity practices by industry, government, and other priority stakeholders.</p> <p>Collaboration</p> <p>Partnering with grape and wine businesses, government, researchers, and industry bodies to drive accountability for biosecurity and to leverage resources.</p> <p>Focus</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>Independence</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> |
| <p>Our functions, objectives and deliverables</p> | <p>Legislative functions:</p> <ul style="list-style-type: none"> • Ten primary functions: <ol style="list-style-type: none"> 1. to identify and assess — <ol style="list-style-type: none"> a. the relative threat to the State's vineyards posed by phylloxera and other diseases; and |

- b. the risk of spreading diseases through the movement of machinery, equipment, vines, and other vectors into and within the State;
 2. to develop policies in relation to —
 - 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
 - b. the quarantine of vines that are or may be affected by disease; and
 - c. appropriate measures for the control of outbreaks of disease in the State;
 3. to develop plans for the eradication of disease in the State's vineyards;
 4. to support and encourage the conduct and evaluation of research into —
 - a. disease resistance and tolerance of rootstocks and scions; and
 - b. diseases that affect or may affect vines, and any matter relating to such diseases, including their control;
 5. to publish the results of relevant research;
 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;
 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;
 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;
 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;
 10. to perform the other functions assigned to the Board by or under this Act or by the Minister.
- Maintain a Register of all vineyards planted in South Australia.
 - Manage a system to levy, collect and recover contributions owing to Vinehealth Australia, pursuant to section 23 of the Act.
 - Inspectors under the Plant Health Act 2009 *ex officio*.

- 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.

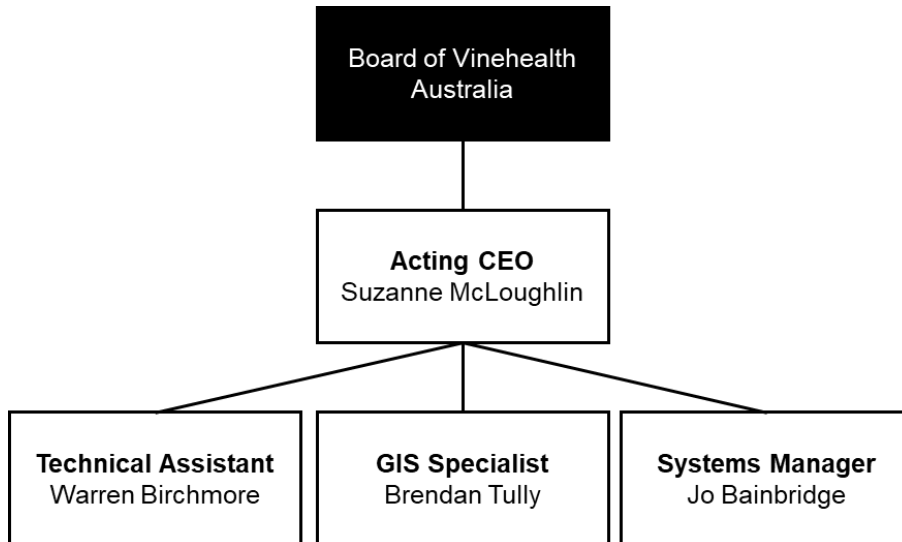
Vinehealth Australia met in January 2024 with Board and Staff and held a strategic session to identify the key focus areas. This is added as Appendix B.

Our organisational structure

Vinehealth Australia is a small agency with a mix of full time and part time staff. There were four employees at 30 April 2024, equating to 3.6 full time equivalents.

Organisational chart

Vinehealth Australia’s organisational structure is such that there are no divisions – simply an Acting Chief Executive Officer (CEO) with three direct reports, Warren Birchmore - Technical Assistant, Jo Bainbridge - Systems Manager and Brendan Tully - GIS Specialist.



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

[Click here](#) for profiles on current staff.

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

At 30 April 2024, there were seven members of the Vinehealth Australia Board:

- Ms Dianne Davidson AM (appointed 9 November 2023 for a three year term, elected as Presiding Member 11 December 2023)
- 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 Alex Sas (appointed 18 July 2019, reappointed 1 July 2022 for a two year term)
- Mr Iain Jones (appointed 9 November 2023 for a three year term)
- Ms Krysteen McElroy (appointed 10 November 2023 for a three year term)
- Mr Nick Secomb (ongoing appointment as Chief Inspector)

Note post reporting period:

The board terms for Dr Jo Luck, Dr Sally Troy and Mr Alex Sas concluded on 30 June 2024. New appointments to the Board from 1 July 2024 include Dr Fiona Constable, Ms Brooke Howell and Mr Peter Nguyen.

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

Changes to the agency

During 2023-24 there were the following changes to the agency's structure:

- The board term for Dr Prue McMichael concluded on 30 June 2023.
- The board term for Mr Richard Barrett concluded on 30 June 2023.
- The board term for Mr Alec Gilbert concluded on 30 June 2023, after which time Mr Gilbert was reappointed for a final term of three months, and elected Interim Presiding Member on 14 August 2023.
- Between 1 October 2023 and 9 November 2023 the board was without a quorum, and between 1 October 2023 and 10 December, the board was without a Presiding Member.
- Suzanne McLoughlin was appointed Acting CEO from 1 June 2023 to 31 December 2024 upon the resignation of former CEO, Inca Lee.
- Warren Birchmore was appointed Technical Assistant from 30 October 2023.

Note post reporting period: Upon the resignation of Acting CEO Suzanne McLoughlin, Warren Birchmore was appointed Interim Manager from 1 July 2024 until the commencement of the new CEO.

Our Minister (s)

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 2024)

Suzanne McLoughlin, Acting Chief Executive Officer

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

Warren Birchmore, Technical Assistant

Warren 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.

Warren Birchmore was appointed as Technical Assistant in October 2023, working across key biosecurity and farm-gate hygiene projects.

Legislation administered by the agency

Phylloxera and Grape Industry Act 1995 (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

- 'Biosecurity for Contractors and Vineyard Owners' education program content actively shared with industry during 2023-24, including the development of a new '[Contractors](#)' section on Vinehealth Australia's website providing terms and concepts, how to report a problem, contractor checklists, service agreements, information and tools.
- To drive improved endemic virus management by the propagation sector, Vinehealth Australia coordinated large-scale virus surveillance of South Australia's current and historic vine improvement source blocks and germplasm to inform production standards and management.
- Continued collaborative project with Small Design Co. to produce a fit-for-purpose disposable shoe cover to be branded 'SafeSolz' as an alternative to footwear disinfection to minimise the risk of pest, disease and weed introduction and spread by footwear in vineyards and other biosecurity risk situations. Production is targeted for late 2024 to early 2025.

Priority area 2: Pest impacts minimised

- Significant progress was made on South Australia's Phylloxera Preparedness Plan, including completion of a Program Logic and Mind Mapping to identify prioritised activities list for 2024-25, and briefings to PIRSA and Vinehealth Australia Board.
- Led South Australia's targeted surveillance plan for Grapevine red blotch virus in autumn 2023 with the state's propagation sector, involving collection and submission of 768 grapevine samples from 2,755 vines for diagnostic testing. Results are key to informing incidence in Australia and therefore eradication potential, and opportunities to maintain at-border testing for GRBV.
- Contributed biosecurity knowledge and expertise as a member of an industry/government response group on the endemic bacterial disease, Crown Gall.
- Provided significant support to PIRSA in response to 18 plant pest biosecurity incidents. Vinehealth Australia's Register proved vital in enabling direct communications by Vinehealth staff with vineyard owners affected by fruit fly outbreaks in the Riverland and metropolitan Adelaide.

Priority area 3: Regulatory environment shaped

- In response to PIRSA's decision to accept the Mornington Peninsula as a Phylloxera Exclusion Zone against Vinehealth Australia's advice, Vinehealth advised industry that the decision was not without risk to South Australia, and that Vinehealth's and PIRSA's risk appetites and viewpoints on this decision varied but were both valid.

- Requests from industry and PIRSA on compliance with the SA Plant Quarantine Standard and other quarantine or risk-related enquiries comprised 49% of all service enquiries for the 2023-24 period, demonstrating Vinehealth's biosecurity expertise.
- Continued discussions with Australian Grape and Wine and PIRSA for action on a new national management system for phylloxera that must incorporate current pest knowledge, contemporary biosecurity thinking and the latest science on disinfection, surveillance, and detection.
- Educated the wine supply chain on biosecurity regulatory obligations relating to phylloxera, fruit fly, grape spills, hot water treatment for propagation material being imported from South Australia into Tasmania.

Priority area 4: Stronger together

- Continued to lead wine biosecurity education through multi-channel communications campaigns, including communications on our website, and in our monthly e-newsletter, which exceeds industry open rates.
- 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, research organisations, individual vineyard owners and industry participants on request.
- Continued to provide aggregated, deidentified data from Vinehealth's Register for the 2024 SA Winegrape Crush Survey.

Priority area 5: A sustainable organisation

- A significant milestone for Vinehealth Australia was achieved in June 2023, with the Hon Clare Scriven MLC endorsing a sustainable funding solution for the organisation. This included changes to the rules and rates of the contributions payable by Registered Persons under the Act, and temporary government co-investment over two years to support a staggered increase in the base fee component of the sustainable funding model, to enable Vinehealth to be adequately funded to carry out its functions.
- Continued to maintain the State's unique Register of vineyard plantings used by Vinehealth for all preparedness, prevention, and response activities. Accuracy of the Register, enabled through the annual vineyard record return, validation of vineyard owners' requests for changes to their records through review of aerial imagery and onsite visits, and continued involvement in the conveyancing process during land sale.
- Detailed feedback provided to PIRSA in September 2023 on the draft Biosecurity Bill to ensure protection for the state's vineyard assets and to ensure no dilution of powers and functions under the *Phylloxera and Grape Industry Act 1995* once the Biosecurity Bill is passed.
- Managed levy collection and recovery system.
- Upgrade of Vinehealth's Register continues as an organisational priority with a new review of requirements being undertaken in 2024-25.

Board attendance

Six board meetings were held between 1 May 2023 and 30 April 2024:

| Meeting date | Meeting duration | Meeting type |
|------------------|------------------|-------------------------|
| 15 June 2023 | 6 hours | In-person and via Teams |
| 27 June 2023 | 1½ hours | Via Teams |
| 14 August 2023 | 3 hours | In-person and via Teams |
| 11 December 2023 | 4 ¼ hours | In-person |
| 19 February 2024 | 7 ¼ hours | In-person |
| 19 March 2024 | 1½ hours | Via Teams |

The number of meetings attended by each board member was as follows:

- Dr Prue McMichael (2/2; term ended 30 June 2023)
- Mr Richard Barrett (2/2; term ended 30 June 2023)
- Mr Alec Gilbert (3/3; term ended 30 September 2023)
- Dr Jo Luck (4/6)
- Mr Alex Sas (6/6)
- Mr Nick Secomb (6/6)
- Dr Sally Troy (6/6)
- Ms Dianne Davidson AM (3/3 since appointment)
- Mr Iain Jones (3/3 since appointment)
- Ms Krysteen McElroy (3/3 since appointment)

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

- Content developed as part of the 'Biosecurity for Contractors and Vineyard Owners' program has been actively shared with industry:
 - New '[Contractors](#)' section on Vinehealth Australia's website created, including educational material on general biosecurity for contractors, terms and concepts, reporting a problem, contractor checklists, service agreements, information and tools.
 - [Contractor agreements: a guide to biosecurity](#) (reported September 2023)

Shoe covers

- Continued collaborative project with Small Design Co. to produce a fit-for-purpose disposable shoe cover 'SafeSolz' as an alternative to footwear disinfection to minimise the risk of pest, disease and weed introduction and spread by footwear in vineyards and other biosecurity risk situations.
- Work in 2023-24 by collaborator involved continued testing and refinement of input materials, refining location and design of production facility, investigating sourcing of appropriate production machinery, assessing manufacturing options and materials in conjunction with established local businesses, securing a grant opportunity and completion of branding. Shoe cover production targeted to begin in late 2024 to early 2025.

Biosecurity signage

- Continued production of industry-specific biosecurity signage and disinfection kits and delivery to industry, including:
 - 83 farm-gate hygiene signs (representing a 48% decrease from 2022-23)
 - 90 consumer-facing signs (representing a 15% decrease from 2022-23)
 - In 2023-24, 60% of Vinehealth Australia's biosecurity signs were installed in South Australia, 33% in Victoria, 5% in New South

| | |
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| | <p style="text-align: center;">Wales and 2% in Tasmania.</p> <ul style="list-style-type: none"> ○ 5 disinfestation kits <p>National Viticulture Biosecurity Reference Panel</p> <ul style="list-style-type: none"> ● 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. |
| <p>1.2</p> | <p>Indicator</p> <p>Quantify the adoption of farm-gate hygiene practices by vineyard owners biennially to direct future investment.</p> <hr/> <p>Performance</p> <ul style="list-style-type: none"> ● Next Vineyard Owners' Survey to quantify adoption of farm-gate hygiene practices scheduled for late 2024. |
| <p>1.3</p> | <p>Indicator</p> <p>Optimise biosecurity value delivered by the Naracoorte Heat Shed.</p> <hr/> <p>Performance</p> <ul style="list-style-type: none"> ● 28 uses of Naracoorte Heat Shed facility (representing a 12% increase from 2022-23). ● Operation of Heat Shed maintained. ● Preventative maintenance schedule ongoing. |
| <p>1.4</p> | <p>Indicator</p> <p>Drive improved virus management by the propagation sector.</p> <hr/> <p>Performance</p> <ul style="list-style-type: none"> ● Continuing member of the Australian Grapevine Virus Technical Committee tasked with improving grapevine virus diagnostic testing. ● Continuing member of the National Grapevine Collection Industry Advisory Committee tasked with overseeing and guiding the establishment and maintenance of the National Germplasm Collection. ● In autumn 2023, coordinated surveillance of South Australia's current and historic vine improvement source blocks and germplasms to ascertain level of exotic (Grapevine red blotch virus only) and endemic virus infection to inform ongoing production standards: <ul style="list-style-type: none"> ○ 768 diagnostic samples were submitted for testing from 2,755 grapevines sampled of 535 variety/clone combinations across 8 vineyard sites in 5 winegrowing regions. ○ Results indicated extremely low incidence of the exotic Grapevine red blotch virus. ○ Further Grapevine red blotch virus surveillance was completed in |

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| | autumn 2024, with results to be reported in 2024-25. |
| 1.5 | Indicator Review accreditation schemes for grapevine propagation in consultation with the sector to improve the availability of high-health planting material. |
| | Performance <ul style="list-style-type: none">• Ongoing discussions with SAVIA as to how Vinehealth can support the development of standards and accreditation schemes for the propagation sector. |
| 1.6 | Indicator Quantify rootstock supply demand balance and identify key levers to adjust supply, cost, and quality. |
| | Performance <ul style="list-style-type: none">• Work on hold during 2023-24 in lieu of refocusing priority to assess the health status of South Australia’s grapevine propagation material. |

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.

2.1 Indicator

Profile biosecurity risks to South Australian vineyards to drive preparedness and prevention activities.

Performance

Phylloxera

- In response to Agriculture Victoria confirming a new detection of phylloxera in a Yarra Valley vineyard located inside the Phylloxera Interim Buffer Zone established in April 2023, Vinehealth Australia communicated required actions for the South Australian grape and wine industry in a [Biosecurity Alert](#) in May 2023.
- In response to PIRSA’s acceptance of the Mornington Peninsula as a Phylloxera Exclusion Zone following a rezoning program, Vinehealth Australia communicated required actions for the South Australian grape and wine industry in an [Industry Notice](#) in August 2023.

Crown Gall

- Vinehealth Australia is contributing its biosecurity knowledge and expertise as a member of an industry/government response group started in January 2024 and meeting weekly to fortnightly to evaluate and respond to occurrences in interstate vineyards of this endemic bacterial disease.
- The causal pathogen(s) in the current cases appear to be different to that observed traditionally in vineyards, and therefore developing diagnostics is key to understanding the issue and tailoring management plans.
- Activities have included contribution into traceback, development of a range of communications materials for industry and the propagation sector, undertaking vineyard inspections, and evaluating Requests for Proposal for new research.

2.2 Indicator

Transform South Australia’s Phylloxera Response Plan, in partnership with PIRSA, to meet current operating environment and challenges.

Performance

- Range of activities delivered in 2023-24, including:
 - Independent review of Phylloxera Industry Preparedness and Response Repository, and Phylloxera Response Plan documents to identify critical gaps.
 - Summary of foundational information on phylloxera preparedness in South Australia to guide the development of a Program Logic.

| | |
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| | <ul style="list-style-type: none"> ○ Draft Program Logic for phylloxera preparedness to ensure purpose and clarity around the key deliverables of the outbreak plan. ○ Mind map indicating key relationships involved across the preparedness, response and transition to management stages of a phylloxera outbreak to assist in identifying prioritised work activities. ○ Draft principles to guide the Vinehealth Australia Board and organisation during a phylloxera incursion. ○ Preparation of communication tools to engage the Board in the development of an overarching policy for phylloxera preparedness and their role in its execution. ○ Draft MoU with PIRSA on organisational roles and responsibilities in the event of a phylloxera outbreak. ○ Draft Communications and Engagement Strategy for Phylloxera Preparedness. ○ Draft 2024-25 work program of prioritised activities for phylloxera preparedness. ○ PIRSA and Vinehealth Australia Board briefings of progress on work undertaken in 2023-24. <ul style="list-style-type: none"> ● Invited speaker at Plant Biosecurity Research Initiative (PBRI) Conference in May 2024, to present on Vinehealth Australia’s approach to phylloxera preparedness. |
| 2.3 | <p>Indicator</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>Performance</p> <ul style="list-style-type: none"> ● Simulations form part of the 2024-25 work plan as part of testing South Australia’s Phylloxera Response Plan discussed in section 2.2. |
| 2.4 | <p>Indicator</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>Performance</p> <p>Grapevine red blotch virus (GRBV) response</p> <ul style="list-style-type: none"> ● Building on initial surveillance undertaken in South Australia in winter/early spring 2022 upon detection of GRBV in winter 2022 in Western Australia, Vinehealth Australia: <ul style="list-style-type: none"> ○ Led South Australia’s targeted surveillance plan in autumn 2023 with the state’s propagation sector. ○ Submitted 768 grapevine samples collected from 2,755 vines for GRBV diagnostic testing. Sampled 535 grapevine variety/clone combinations across eight vineyard sites in five winegrowing regions. |

| | |
|------------|---|
| | <ul style="list-style-type: none"> • Results of autumn 2023 SA surveillance key to informing incidence in Australia and therefore eradication potential, and opportunities to maintain at-border testing for GRBV. • Small amount of confirmatory surveillance undertaken in autumn 2024, of 28 samples collected from 33 vines representing 10 grapevine variety/clone combinations across two vineyard sites in two winegrowing regions. Results to be reported in 2024-25 and informing CCEPP final evaluation. |
| 2.5 | <p>Indicator</p> <p>Invest in Vinehealth Australia’s ability to support PIRSA respond to an incursion that impacts the grape and wine industry.</p> |
| | <p>Performance</p> <ul style="list-style-type: none"> • Provided support to PIRSA to respond to 18 plant pest biosecurity incidents: <ul style="list-style-type: none"> ○ 13 fruit fly outbreaks or extensions (1 May 2023 to 30 April 2024). ○ 1 endemic bacterium. ○ 1 potential spray drift case. ○ 1 interstate Phylloxera Infested Zone boundary extension. ○ 2 grapevine virus cases (one a continuing case reported in 2.4 above). • Fruit fly response <ul style="list-style-type: none"> ○ Liaison with PIRSA staff on enquiries relating to fruit fly outbreak preparedness and management. ○ Provided support to PIRSA by responding to 32 direct enquiries from industry relating to fruit fly outbreak management. ○ 1 wine industry fruit fly meeting in Loxton jointly facilitated with PIRSA. ○ Weekly government/industry teleconferences attended for briefings on current outbreak situation. ○ 1 Biosecurity Alert for industry on interim action required as a result of fruit fly found in metropolitan Adelaide. ○ 1 Industry Notice relating to Riverland fruit fly outbreaks, discussing movement requirements for vineyards and wineries, available accreditation and certification options, applicable costs for vintage and options for receiving assistance. ○ 8 instances of sending out updated Google Earth Pro file format fruit fly boundaries to industry list. ○ 6 maps produced to reflect changes to fruit fly affected area boundaries transposed over Vinehealth Australia’s SA vineyard layer, relating to all current outbreaks between 1 May 2023 and 30 April 2024. |

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| | <ul style="list-style-type: none">○ 40 notifications to vineyard owners via SMS to advise of changes to fruit fly boundaries and movement requirements.○ 109 notifications to vineyard owners via email to advise of changes to fruit fly boundaries and movement requirements.● Response activated within 24 hours of notification of a suspected or confirmed exotic or significant endemic pest. |
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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

- The relative threat to South Australia’s vineyards of a phylloxera introduction due to the proposed rezoning of the Mornington Peninsula from a Phylloxera Risk Zone to a Phylloxera Exclusion Zone was assessed by Vinehealth Australia and findings provided to PIRSA in October 2022. Response from PIRSA was received June 2023, indicating that the rezoning would be endorsed and SA Plant Quarantine Standard updated accordingly. This update occurred in [August 2023](#), with Vinehealth Australia advising industry that:
 - Our in-depth assessment of the rezoning program has determined that this change is not without risk to South Australia;
 - In articulating the risks identified, Vinehealth advised contrary to the PIRSA decision; and
 - Vinehealth’s and PIRSA’s risk appetites and viewpoints on this decision vary but are both valid.

Organisation of Vine and Wine (OIV)

- Vinehealth Australia CEO continued 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

- Upon request from PIRSA, undertook review of individual consignments of propagation material from Tasmania being granted the opportunity to be imported based on hot water treatment on arrival into South Australia rather than at origin, given absence of treatment options in Tasmania.

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| <p>3.3</p> | <p>Indicator</p> <p>Influence the development of a national strategy for the management of phylloxera.</p> <hr/> <p>Performance</p> <ul style="list-style-type: none"> • Vinehealth Australia continued discussions with Australian Grape and Wine and PIRSA to advocate for action on 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 are most vulnerable to phylloxera. |
| <p>3.4</p> | <p>Indicator</p> <p>Educate entities across the supply chain on their biosecurity regulatory obligations.</p> <hr/> <p>Performance</p> <p>Quarantine-related enquiries</p> <ul style="list-style-type: none"> • 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 49% of all service request enquiries to Vinehealth Australia in 2023-24, 1% higher than the previous year. • Four areas of quarantine-related enquiries comprised 64% of all quarantine matters: <ul style="list-style-type: none"> ○ 28% relating to fruit fly (including management, accreditation and baiting). ○ 13% relating to importation of planting material. ○ 13% relating to phylloxera disinfestation treatments. ○ 10% relating to importation of machinery. <p>Phylloxera</p> <ul style="list-style-type: none"> • A notification was published in February 2024 to remind the wine industry of regulatory requirements relating to phylloxera and the importation of wine grapes and grape-related products. • Ongoing maintenance of the Phylloxera Management Zones boundary map. <p>Fruit fly</p> <ul style="list-style-type: none"> • To prepare the wine industry for operating through another vintage with fruit fly restrictions in place, Vinehealth Australia worked with PIRSA to develop a suite of educational materials published in November 2023: <ul style="list-style-type: none"> ○ Movement requirements for winegrapes regarding Queensland fruit fly; |

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| | <ul style="list-style-type: none"> ○ Guidance for wineries handling rejected fruit; ○ Eradication efforts: your voluntary activities matter; ○ New market access terminology for fruit fly; ○ Fruit fly on or near my vineyard: what will happen?; and ○ Delivering winegrapes into the Riverland PFA. <ul style="list-style-type: none"> ● Interim action required by vineyard owners and wineries potentially impacted by the metropolitan Adelaide fruit fly affected area was issued in March 2024. <p>Grape spills</p> <ul style="list-style-type: none"> ● A notification was sent to the South Australian wine industry and transporters regarding how to correctly manage and report grape spills during the vintage period, that relate to both quarantine and road safety aspects. ● Presented at one regional pre-harvest workshop on managing and reporting grape spills. <p>Hot water treatment for propagation material</p> <ul style="list-style-type: none"> ● A notification was sent to the South Australian propagation sector and broader industry around changes to Tasmania’s Plant Biosecurity Manual and requirement to hot water treat propagation material being sent to Tasmania. |
| <p>3.5 Indicator</p> | <p>Review key operational procedures for biosecurity accreditation schemes and provide recommendations for improvement to PIRSA.</p> <hr/> <p>Performance</p> <ul style="list-style-type: none"> ● Drafted a Biosecurity Bulletin for PIRSA on movement requirements for the wine industry in light of the metropolitan Adelaide fruit fly outbreak declared in early March 2024. ● Vinehealth Australia with PIRSA hosted a winery representatives fruit fly meeting in Loxton to jointly review fruit fly operational procedures for wine businesses for vintage 2024 and options for meeting requirements. |

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.
- Invited industry expert panel member at the 2024 Nudgeathon behavioural change competition in April 2024, run by Queensland University of Technology’s Centre for Behavioural Economics, Science and Technology. Provided opportunity to benchmark biosecurity practices in the wine industry compared to other horticulture industry members of the Plant Biosecurity Research Initiative.
- Attendance at PBRI Conference, May 2024 to gain knowledge on national biosecurity issues and responses to improve those being prepared for by the wine industry.

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 2023-2024 which targets behaviour change and covers:
 - Projects and campaigns
 - Content
 - Industry engagement
 - Media and PR
- Development and delivery of the 2023-2024 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.
- To address the specific risk of pest and disease introduction into vineyards via tourism:

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| | <ul style="list-style-type: none"> ○ Targeted reminders issued to vineyard owners on the importance of farm-gate hygiene vigilance around peak tourism events of the Tour Down Under and Gather Round, including ways to limit tourist access to vineyards; and ○ 860 ‘Who’s Hitchhiking With You?’ phylloxera awareness postcards distributed in tourism racks in the Adelaide Hills, McLaren Vale and around Adelaide urging tourists not to walk amongst our vines. ● To address the specific risk of pest and disease introduction into vineyards via sheep agistment, an updated ‘Sheep and vine biosecurity risk’ fact sheet was published. ● To address the specific risk of pest and disease introduction to vineyards and wineries during the vintage period: <ul style="list-style-type: none"> ○ key biosecurity conversation topics for vineyard owners and wineries to have with staff and contractors were shared directly with regions, and through Vinehealth’s standard communication channels; and ○ A reminder was issued to be aware of hitchhiker pests, where they might commonly be found and how to report findings. ● To address the specific risk of pest and disease introduction to vineyards through footwear, articles were published in March 2024 guiding industry on how to undertake effective footwear disinfection against phylloxera, or use disposable shoe cover and onsite footwear options for staff and visitors. ● To address the specific risk of pest and disease introduction to vineyards through vehicle movement, a ‘Tips’ series was produced for all of industry. ● To address the ability to trace visitors who have entered vineyard properties, aspects to consider when setting up a visitor register were provided in September 2023. |
| <p>4.3</p> | <p>Indicator</p> <p>Elevate partnerships with state and regional wine associations to create regional biosecurity champions.</p> <hr/> <p>Performance</p> <ul style="list-style-type: none"> ● 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, university and government forums. ● Monthly regional biosecurity series commenced in March 2024 in Vinehealth Australia’s e-newsletter to highlight biosecurity activities occurring in region and by regional associations. |

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| <p>4.4</p> | <p>Indicator</p> <p>Drive digital communication in the wine industry, achieving industry-leading results with newsletter open rates and website users.</p> <hr/> <p>Performance</p> <p>Website</p> <ul style="list-style-type: none"> • Continued refinement of Vinehealth’s Australia website, enabling a positive user experience for website and mobile users. Continued focus on engaging with our website users between May 2023 to April 2024: <ul style="list-style-type: none"> ○ 23,495 website users (0.5% higher than 2022-23) ○ 91,026 total page views ○ Average engagement time per user: 1 minute 21 seconds (6% longer than in 2022-23) • 100 news articles published in the media and on our website • 10 Biosecurity Alerts and Industry Notices published, covering key topics such as Victorian phylloxera detections, fruit fly, Mornington Peninsula rezoning, SA’s Biosecurity Bill, Board positions and abandoned/neglected vineyards. <p>E-News</p> <ul style="list-style-type: none"> • 12 issues published. • 75% average open rate (industry average 38%), maintained from 2022-23. • 11.5% click through rate (industry average 2.9%); being 2.4% higher than in 2022-23. |
| <p>4.5</p> | <p>Indicator</p> <p>Elevate partnerships with media to underpin our status as the wine biosecurity expert.</p> <hr/> <p>Performance</p> <ul style="list-style-type: none"> • 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"> ○ Themes covered by 2023-24 Tips series included vintage, phylloxera facts and wine tourism facts. • Close relationships with key wine, rural and news media maintained. • 51 conversations with media about biosecurity; being 34% higher than in 2022-23. • 7 feature articles written and published in a wide variety of industry journals, papers, magazines, including ‘Embrace biosecurity this growing season’ in the SA Farmer Magazine in November 2023. |

4.6 Indicator

Deliver on-demand services to the South Australian government and industry using Vinehealth Australia's expertise and assets.

Performance

Posters

- [Footwear and Small Hand Tool Disinfestation poster](#) translated into five new languages including Dari, Hindi, Khmer, Pashto and Vietnamese in response to improving support for vineyard owners using non-English speaking contract labour resources.

Fact sheets

- [Hosting a biosecurity machinery auction](#) fact sheet created to assist South Australian vineyard owner buyers to obtain required information from interstate auction hosts to meet biosecurity requirements to import purchases into South Australia.

Industry Notices

- Updated [Abandoned or Neglected vineyards](#) Industry Notice released in October 2023 in response to queries for assistance from vineyard owners.

Maps

- Updated the [Phylloxera Management Zones](#) map in response to both the reclassification of the Mornington Peninsula from a Phylloxera Risk Zone to a Phylloxera Exclusion Zone under the South Australian Plant Quarantine Standard by PIRSA in August 2023; and the extended Maroondah Phylloxera Infested Zone boundary gazetted in December 2023 by Agriculture Victoria.

Outputs as a result of managing South Australia's Vineyard Register mandated by the Act

- Provision to Wine Australia of aggregated and deidentified planting data and maps for [The SA Winegrape Crush Survey 2024](#). For a snapshot of data contained in the Register, refer section in this annual report titled, 'Reporting required under any other act or regulation.'
- Provision to SAWIA of SA vineyard layer over state native title areas.
- Provision to CSIRO of aggregated and deidentified Langhorne Creek planted area by rootstock type.
- Provision to Barossa Australia of rootstock information on old vine plantings in the Barossa Valley.
- Provision to Langhorne Creek Grape and Wine of the number of active vineyard owners on the Register.

- Provision to Riverland Wine of:
 - State and Lower Murray Zone red and white variety planted area for the last three years.
 - Percentage change in total vineyard area, and red and white planted areas between 2022 and 2024, aggregated by Zone.
 - Four years of state planted vineyard area.
 - Four years of Riverland planted vineyard area and proportion of total state planted area.
 - Riverland planted vineyard area over 35, 50 and 100 years old.
 - Planted vineyard area in the Riverland on rootstocks.
- Provision to a Langhorne vineyard owner of state and regional aggregated and deidentified Verdelho planting statistics.
- Provision to a McLaren Vale vineyard owner of Fiano and Nero D'Avola vineyard area planted per year for the last five years in McLaren Vale.
- Provision to a McLaren Vale vineyard owner of Piccadilly Valley sub-GI region planted area.
- Contacted individual Palomino growers fitting the requirements of a SA grape purchaser to facilitate a grape purchase opportunity for vintage 2024.
- Contacted individual Nero D'Avola growers fitting the requirements of a SA grape purchaser to facilitate a grape purchase opportunity for vintage 2024.
- Provision to a UK-based Master of Wine student of aggregated state planting statistics on Fiano.
- Provision of aggregated and deidentified state data to the OIV for a survey on vine age.
- Provision to cartographer of Phylloxera Management Zones shapefiles for a publication.
- Provision of estimated area of grapevine production infected with phylloxera in Australia to an agricultural economist completing economic analysis of RD&E projects for Wine Australia.
- Provision to PIRSA of:
 - GIS layer of deidentified vineyard polygons maintained by Vinehealth, for the AgInsights website, and additional permission granted to use for the purposes of frost mapping in the Clare Valley.
 - Verifications of Grower numbers and Vineyard numbers associated with vineyard owners participating in the Ethephon rebate scheme.

- Conduit between National Parks and Wildlife Service SA (NPWSSA) and vineyard owners for the 2024 autumn prescribed burn season in the Adelaide Hills and Mount Lofty Ranges Region.
 - Overlaid the state vineyard layer over the NPWSSA autumn prescribed burns GIS layer to identify all vineyard owners and operators within a 3km radius of a proposed burn.
 - Notified approximately 250 vineyard owners and operators of the proximity of their vineyard to specific prescribed burns, how to monitor progress of prescribed burns and who to contact for assistance.

General enquiries

- 232 service enquiry requests were received from industry and government and responded to within 48 hours, being 16% above the previous year, and within the range of 200 to 300 requests received in general per year historically.
- The four categories with the largest proportion of service enquiries were quarantine matters (49%), vineyard register (15%), request for materials/workshops/presentations/interviews/reviews (12%) and GIS/mapping (9%).
- In response to a general service enquiry, and relevant to the South Australian industry including transporters – a list of [heat treatment facilities in Victoria](#) was compiled with help from the Victorian industry. This list will aid South Australian wine businesses needing to source interstate heat treatment options for disinfestation, before importing machinery or equipment into South Australia.

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 to transform Vinehealth Australia’s Register into a platform to open up future opportunities for industry, government and the organisation have continued to be delayed due to a lack of funding and current uncertainty relating to levy income in light of difficult industry conditions. Funds are continuing to be allocated to keep an ageing asset going that has low future value for the organisation.
- Work began in June 2024 to revisit the requirements of the Register upgrade, and to ensure that associated organisational risks with the current Register are being adequately managed in light of the delayed build.
- Commencement of the Register upgrade is forecast for later 2024-25.

5.2 Indicator

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

Performance

- A significant milestone for Vinehealth Australia was achieved in June 2023, with the Hon Clare Scriven MLC endorsing a sustainable funding solution for the organisation as presented in March 2023. The sustainable funding solution included:
 - A change to the rules and rates of the contributions payable by Registered Persons under the Act, first applicable to the 2022-23 contribution period (levied in arrears in June 2023). These changes marked the first increases to Vinehealth Australia’s levy since 1996); and
 - A Memorandum of Administrative Arrangement enacted in January 2024 between the SA Government and Vinehealth Australia, to providing temporary government co-investment over two years to support a staggered increase in the base fee component of the sustainable funding model, for the purpose of Vinehealth being adequately funded to carry out its functions.

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| <p>5.3</p> | <p>Indicator</p> <p>Efficiently manage contributions payable under the Act and in accordance with rules approved by the Minister.</p> <hr/> <p>Performance</p> <p>Phylloxera and Grape Industry Levy</p> <ul style="list-style-type: none"> • Managed the levy collection and recovery system for more than 3,180 vineyard owners. • Gazettal of rules and rates pertinent to the 2023-24 contribution year (levied in arrears) occurred on 18 January 2024. <p>The Register</p> <ul style="list-style-type: none"> • 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"> ○ Annual Vineyard record returns sent to all registered owners in November/December 2023 to capture changes pertinent to the 2023-24 contribution year. ○ Ongoing validation of vineyard owners' requests for changes to their records via the online kiosk or by phone. ○ Imagery acquisition undertaken in March 2024 as part of Imagery Working Group of Location SA included that of the Upper and Lower Limestone Coast as 4-band imagery at 20 cm resolution. Analysis of new vineyards identified across the Geographic Indicator regions of Coonawarra, Mount Benson, Mount Gambier, Padthaway, Robe, and Wrattontully to be reported in 2024-25. ○ Purchase of property ownership names and valuation numbers dataset from The South Australian Integrated Land Information System (SAILIS) to facilitate comparison to Register-held details. ○ 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"> ▪ 226 Section 7 letters generated (17% lower than in 2022-23) ▪ 207 Settlement Notices completed for sales transactions (17% lower than in 2022-23), noting that a proportion of the sales do not finalise ○ Publishing of 'Guiding principles for levy calculations, including for the property settlement process' in April 2024 on Vinehealth's website. |
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| | <ul style="list-style-type: none"> ○ Ongoing review and verification of discrepancies in vineyard area between that identified using GIS compared to that provided by each vineyard owner. ○ Work ongoing to validate all submissions from vineyard owners requesting to be removed from the Register. This includes return of completed and signed 'Grower Exit' form by owners to identify that vines on the Register have been physically removed from the ground, and verification of the vineyard status by Vinehealth through onsite visits and/or aerial imagery. Onsite visits were conducted across the Riverland, Limestone Coast, Barossa, Adelaide Plains, Adelaide Hills, McLaren Vale, Langhorne Creek, Currency Creek and Clare in 2023-24. <p>Notice of Assessments</p> <ul style="list-style-type: none"> ● An indicative Notice of Assessment was sent for the first time to each vineyard owner in March 2024, to assist with budgeting and to drive prompt review and updating of vineyard records as the basis on which contributions payable for the 2023-24 year are calculated. ● Distributed by hard copy and email in May 2024 relating to the 2023-24 contribution period levied in arrears. All vineyard owners offered a range of payment options as part of financial assistance. <p>Debt management</p> <ul style="list-style-type: none"> ● Work ongoing to contact growers with outstanding debts and look to work together to manage the debt through agreed payment plans or other means. |
| <p>5.4</p> | <p>Indicator</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> <hr/> <p>Performance</p> <ul style="list-style-type: none"> ● 26 September 2023, Vinehealth contributed detailed feedback to the SA Government on the draft Biosecurity Bill to ensure protection for the state's vineyard assets and to ensure no dilution of powers and functions under the Act once the Biosecurity Bill is passed. Feedback was constructed post advice sought from the Crown Solicitor's Office to assist in understanding potential implications of the draft Biosecurity Bill on the Act. ● Continue to maintain contact with PIRSA on progress with the drafting of the Biosecurity Bill, to ensure it and the Act work in synergy, and that wording in the new Biosecurity Act does not lessen the powers and functions of the Act. |

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| 5.5 | <p>Indicator</p> <p>Continue to optimise organisational strategies, policies, and procedures to meet obligations to investors, employees, and government.</p> |
| | <p>Performance</p> <ul style="list-style-type: none"> • 6 board meetings held in the reporting period of 1 May 2023 to 30 April 2024. • Ongoing review of all organisational policies and procedures with registers tracking progress. • Organisational Risk Register reviewed and annually updated by the Board. • Ongoing work by the Board and management to assess and build the culture and resilience of the organisation. |

Corporate performance summary

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

Employment opportunity programs

| Program name | Performance |
|---------------------|--|
| | Between 1 May 2023 and 30 April 2024 Vinehealth Australia recruited 1 new employee outside the use of a public sector wide employment opportunity program. |

Agency performance management and development systems

| Performance management and development system | Performance |
|---|--|
| Employee Performance and Development Review (EPDR) | Mid-year and end-year performance reviews were completed for 100% of employees with greater than six months' service for the year. This formal process was complemented by regular informal discussions with all employees to track performance and identify any challenges/barriers to achieving objectives. |
| Discipline Policy (Poor Performance & Serious Misconduct) | There was no need to deploy this policy during the 2023-24 reporting period for employees of Vinehealth Australia. |

Work health, safety and return to work programs

| Program name | Performance |
|---|--|
| <p>During the 2023-24 reporting period, all Work health and safety policies were maintained. They include:</p> <ul style="list-style-type: none"> • Work Health and Safety policy • Emergency Plans • Office Security policy • Working Alone on Premises policy (outside of normal office hours) • Remote Work – Field Work policy • Travelling for Work policy • Bullying and Harassment policy • Equal Employment Opportunity policy • Incident Reporting and Investigation policy | <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 2023-24 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 completed in May 2023.</p> |

| Workplace injury claims | Current year 2023-24 | Past year 2022-23 | % Change (+ / -) |
|---|-----------------------------|--------------------------|-------------------------|
| 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)*

| Work health and safety regulations | Current year 2023-24 | Past year 2022-23 | % Change (+ / -) |
|--|---------------------------------|------------------------------|-----------------------------|
| 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% |

| Return to work costs** | Current year 2023-24 | Past year 2022-23 | % Change (+ / -) |
|---|---------------------------------|------------------------------|-----------------------------|
| 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

| Executive classification | Number of executives |
|---------------------------------|-----------------------------|
| Fixed term contract | 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 2023-2024 are attached to this report.

| Statement of Comprehensive Income | 2023-24 Budget | 2023-24 Actual | Variation | 2022-23 Actual |
|--|-----------------------|-----------------------|------------------|-----------------------|
| Total Income | 1,612,488 | 1,630,165 | 17,677 | 1,110,160 |
| Total Expenses | 1,410,651 | 957,724 | 452,927 | 1,003,505 |
| Net Result | 201,837 | 672,441 | 470,604 | 106,655 |
| Total Comprehensive Result | 201,837 | 672,441 | 470,604 | 106,655 |

| Statement of Financial Position | 2023-24 Budget | 2023-24 Actual | Variation | 2022-23 Actual |
|--|-----------------------|-----------------------|------------------|-----------------------|
| Current assets | | 2,602,030 | | 1,951,355 |
| Non-current assets | | 219,043 | | 276,194 |
| Total assets | | 2,821,073 | | 2,227,549 |
| Current liabilities | | 232,232 | | 232,940 |
| Non-current liabilities | | 190,888 | | 269,097 |
| Total liabilities | | 423,120 | | 502,037 |
| Net assets | | 2,397,953 | | 1,725,512 |
| Equity | | 2,397,953 | | 1,725,512 |

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

| Consultancies | Purpose | Actual payment |
|--|----------------|-----------------------|
| All consultancies below \$10,000 each - combined | Various | \$20,408 |

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

| Consultancies | Purpose | Actual payment |
|--|----------------------|-----------------------|
| Hudson Global Resources (Aust) Pty Ltd | Employee recruitment | \$ 19,314 |
| | Total | \$ 19,314 |

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

| Contractors | Purpose | Actual payment |
|--|----------------|-----------------------|
| All contractors below \$10,000 each - combined | Various | \$32,962 |

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

| Contractors | Purpose | Actual payment |
|---------------------------|---|-----------------------|
| Cindie Smart Consulting | Communications Advisor contractor (e-news, articles, fact sheets, Industry Notices, Biosecurity Alerts, case studies, presentations, annual report, website, social media campaigns, communications strategy) | \$ 66,918 |
| Perks & Associates | Integrity audit of levies, monthly accounting services (including, payroll, management accounts, government data collection, preparation and lodgement of tax returns), advisory and consulting for banking migration, assistance with external financial audit | \$ 53,049 |
| Biz Hub Australia Pty Ltd | Provision of monthly IT services to maintain Vinehealth Australia's Register and other ad hoc Register improvements | \$ 25,288 |
| Blackbird IT Pty Ltd | Provision of monthly IT services and help desk (cost excludes license subscriptions that Blackbird IT facilitates for Vinehealth) | \$ 20,858 |
| Christina Cook Consulting | Delivery of Phylloxera Outbreak Preparedness services | \$ 14,875 |
| Kwik Copy Norwood | Provision of printing services for mailouts | \$ 11,514 |
| | Total | \$ 192,501 |

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.](#)

Risk management

Fraud detected in the agency

| Category/nature of fraud | Number of instances |
|---|---------------------|
| No cases of actual or suspected fraud were detected in 2023-24. | |

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 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 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 every Board meeting.
- 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 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*: 0

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> | Section 26(1) <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> |

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 2023-24

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.

There has been a general declining trend in South Australian vineyard area over the last 11 year period (2013-14 to 2023-24), eroding Vinehealth’s levy income, despite a year-on-year increase in area for three years between 2019-20 to 2021-22. Over the past two years there has been a similar and sharp net decrease to planted vineyard area recorded on the Register of 752 hectares in 2023-24, and 668 hectares in 2022-23. The vineyard area at 30 April 2024 of 74,733 hectares is the lowest on record of the time period presented (Figure 1).

Despite the net decrease of 752 hectares in 2023-24, there were 311 hectares of new vineyard planted or topworked to winegrapes over this last year. Major plantings included Sauvignon Blanc (48 hectares), Pinot Noir (45 hectares) and Grenache (31 hectares). The largest area of new plantings/gratings in the state was in the Riverland (71 hectares) followed by the Barossa Valley (61 hectares).

The number of vineyard owners registered on Vinehealth’s Register at 30 April has seen a steady decline over the last 11-year reporting period (2013-14 to 2023-24), with only 2021-22 seeing a marginal increase compared to the prior year. These figures represent a net change, accounting for both new vineyard owners added to the Register as well as those vineyard owners who have left the Register. For 2023-24, the number of registered vineyard owners was 3,182, being 52 fewer than the year prior. This change represented a 1.6% decrease, and the highest annual net decrease of the years presented (Figure 1). Over the last three years, the majority of vineyard

owners leaving the Register have been those with a vineyard ownership of less than 10 hectares.

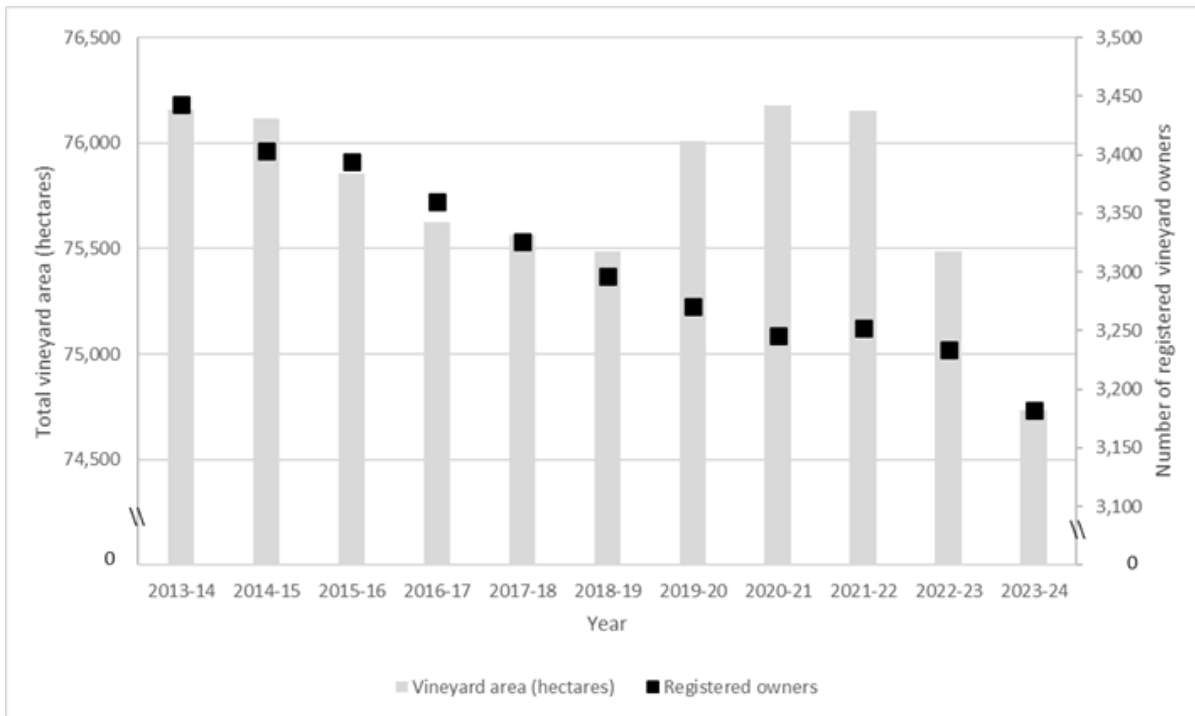


Figure 1. Total number of registered vineyard owners and total planted vineyard area in South Australia at 30 April 2024.

There are 4,642 vineyards in South Australia. South Australia’s vineyard ownership is dominated by many small vineyards. Approximately 59% of South Australia’s registered vineyard owners (1,870) have vineyards that are less than 10 hectares in size which collectively account for 11% of the state’s total vineyard area. By comparison, 4% (113) of South Australia’s vineyard owners have vineyards above 100 hectares in size, which collectively account for 46% of the state’s planted vineyard area (Figure 2).

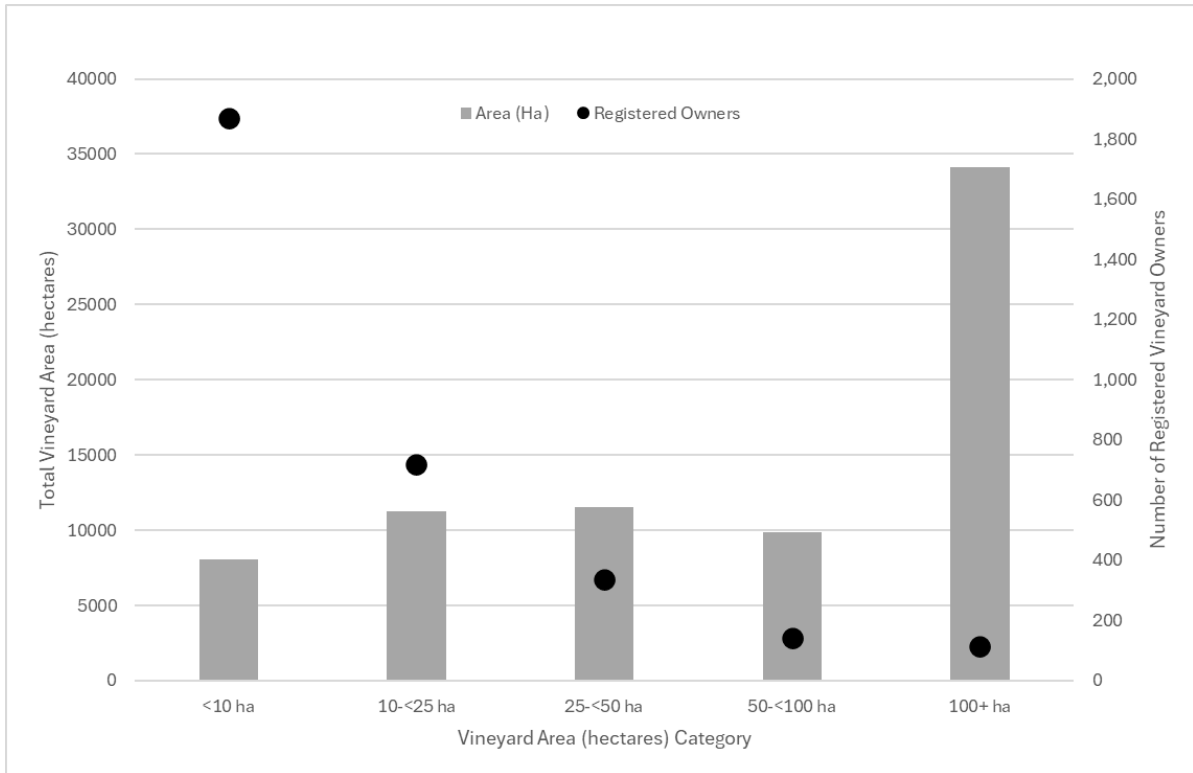


Figure 2. Number of registered vineyard owners and planted vineyard area per size category in South Australia at 30 April 2024.

The average vineyard area across the state at 30 April 2024 was 16.1 hectares, and this varied considerably by region (Figure 3). For wine regions with more than 50 vineyards, average vineyard area ranged from 5.8 hectares in the Adelaide Plains, up to 68.6 hectares in Padthaway. All three major regions in the Limestone Coast with over 50 vineyards showed higher than the state average vineyard size; being 68.6 hectares in Padthaway, 38.8 hectares in Wrattenbully, and 31.0 hectares in Coonawarra. The average vineyard area in Langhorne Creek of 41.1 hectares is also considerably higher than the state average.

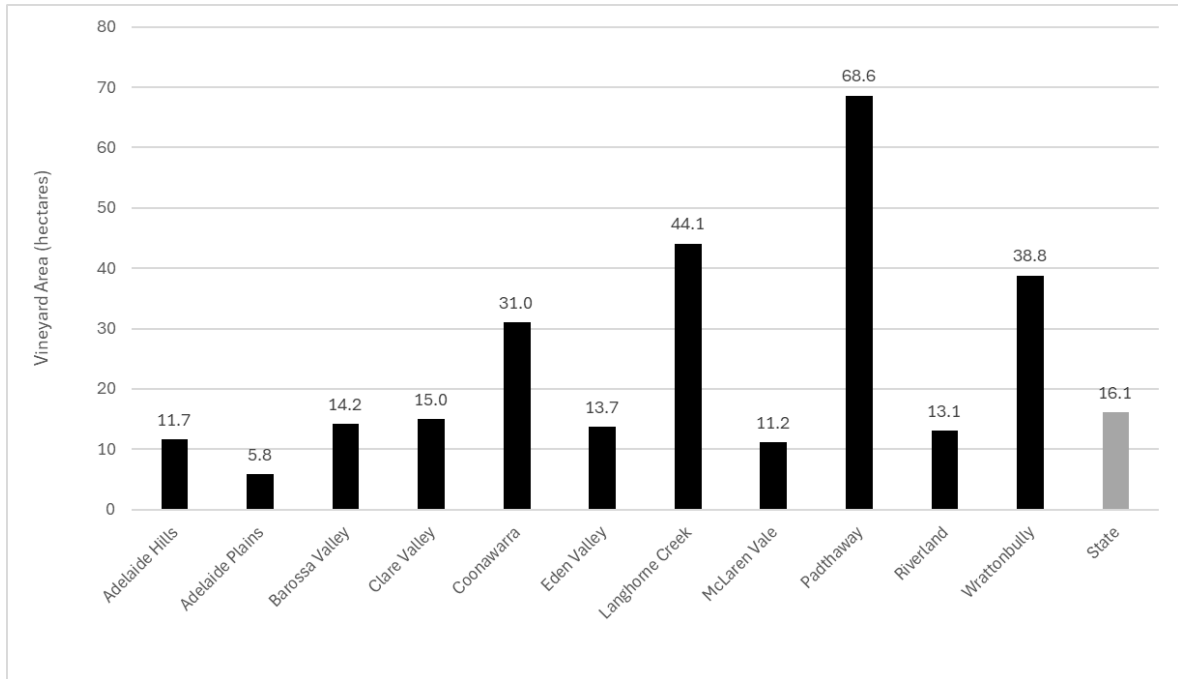


Figure 3. Average vineyard area (hectares) at 30 April 2024 for South Australian wine regions with over 50 vineyards.

South Australia’s vineyard area was dominated by three grape varieties Shiraz, Cabernet Sauvignon and Chardonnay, which together comprised 72% of the state’s vineyard area. The top nine winegrape varieties accounted for 88% of the state’s planted area, with Shiraz by far the most planted variety at over 28,000 hectares or 38% of total planted area (Figure 4). Cabernet Sauvignon and Merlot each represented 1% less of the total planted area in 2023-34, compared to in 2022-23.

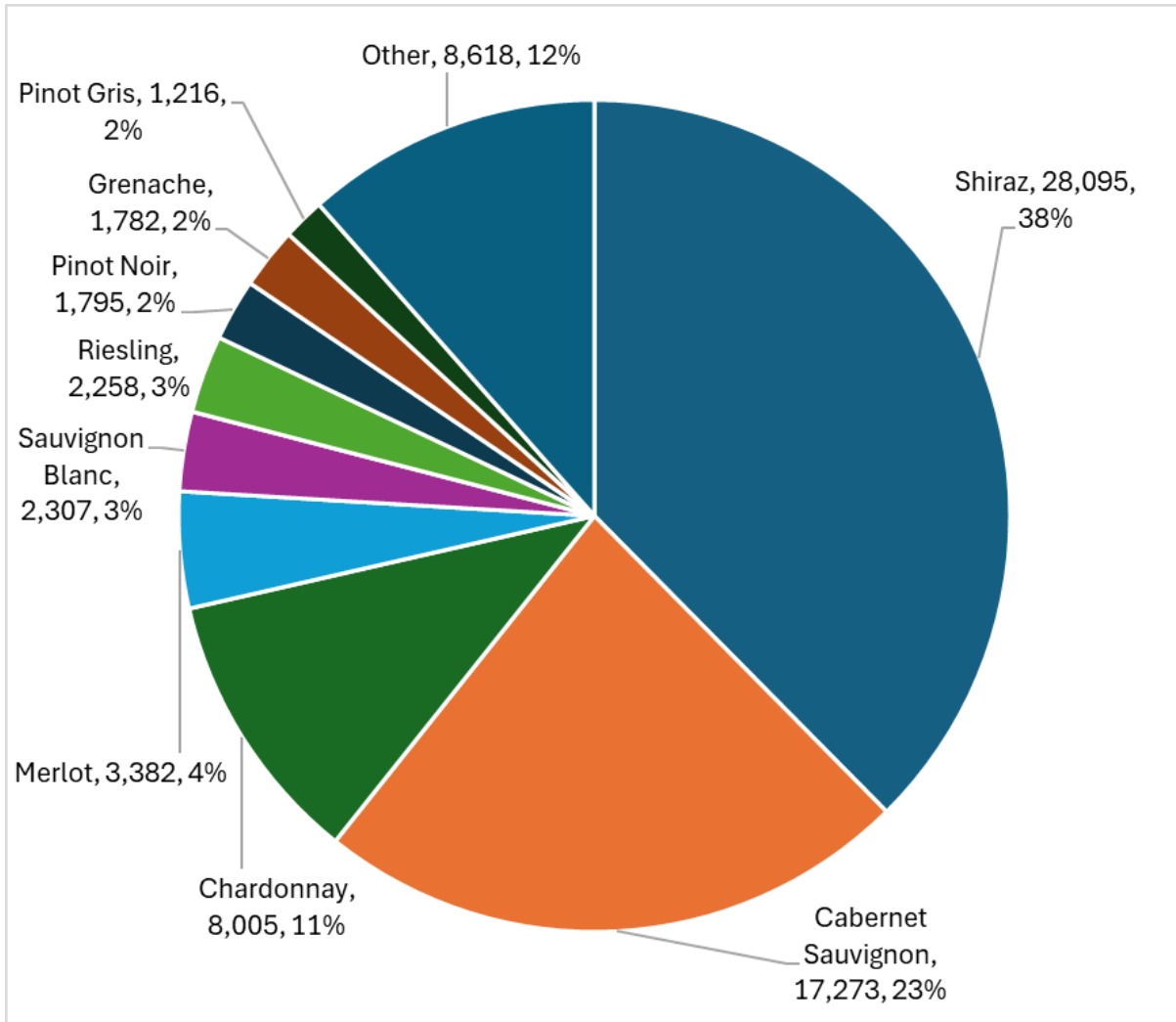


Figure 4. Most widely planted grape varieties in South Australia by area (hectares) and percentage in 2023-24.

It is important to continue to highlight the vulnerability of South Australian vineyards to the grapevine pest, phylloxera. Vinehealth’s Register shows that in 2023-24, 75% of area under vine in South Australia where the rootstock has been disclosed, was planted to ungrafted vines; those being planted on their own roots. These vines are susceptible to attack by all strains of phylloxera. As per previous years, the top four rootstocks planted by area in the state were Ramsey, Paulsen 1103, 101-14 and Ruggeri 140 (Figure 5). Vinehealth Australia continues to encourage vineyard owners to consider the use of grafted vines for at least a portion of new plantings as a farm-gate hygiene practice.

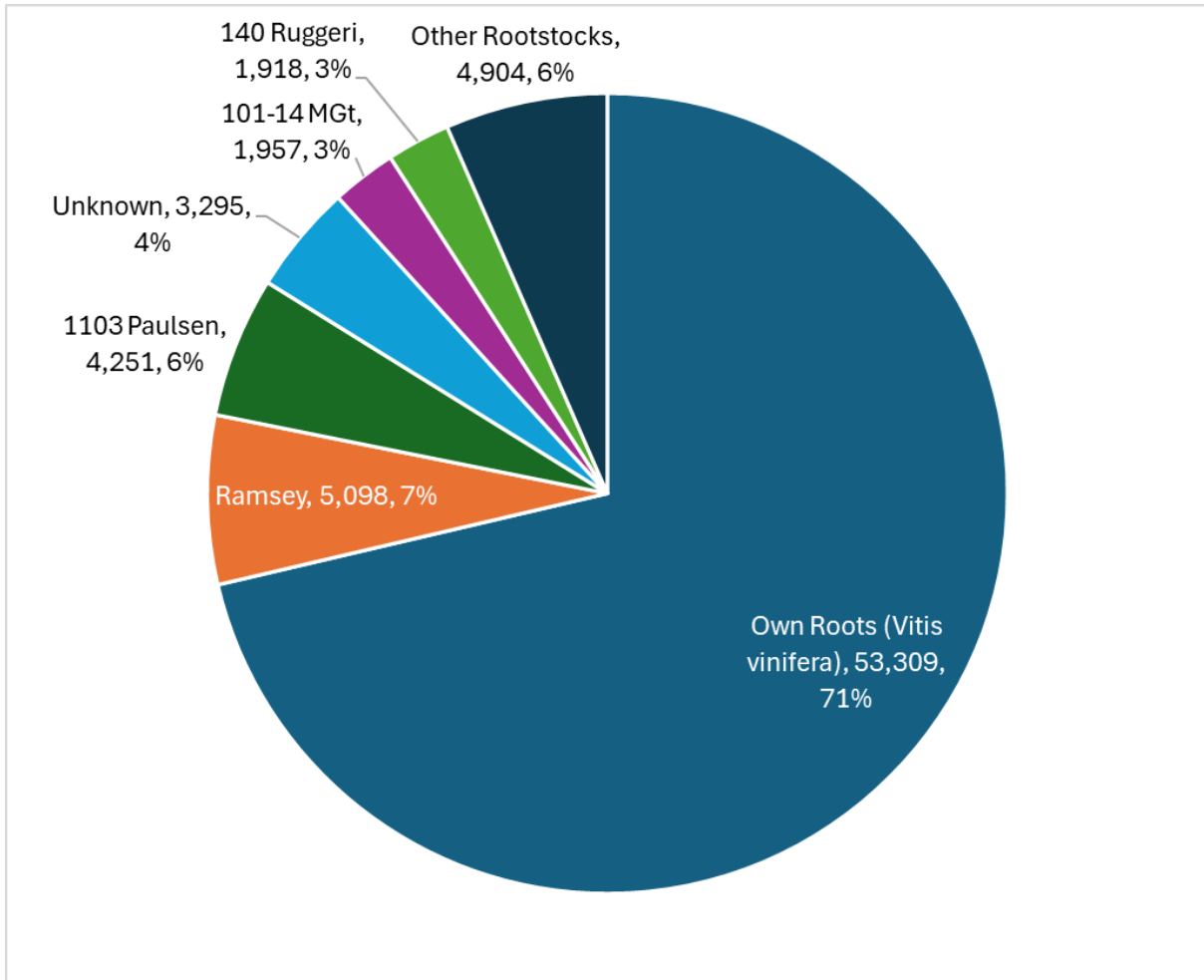


Figure 5. South Australian vineyard plantings by rootstock type at 30 April 2024.

South Australia proudly holds some of the oldest vineyards in the world. In 2023-24, 0.45% of the state’s vineyard area (341 hectares) was 100 years of age or older, this represents an increase of 0.12% (87 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 0.91% or 689 hectares. There has been a notable decline in total vineyard area in the youngest age category (less than 35 years) with a net decrease of 2.3% (1,577 hectares) from 2018-19 to 2023-24. While some of this planted area has moved into the 35 to less than 70 years of age category, the remainder represents younger vine removal (Table 1).

Table 1. South Australian vineyard plantings split by vine age category in 2023-24 compared to 2018-19.

| | | Percent of Total Planted Area | |
|--------------------|---------------------|-------------------------------|---------|
| | | 2018-19 | 2023-24 |
| Age (years) | 0 - <35 | 89.05% | 86.96% |
| | 35 - <70 | 7.73% | 8.64% |
| | 70 - <100 | 0.78% | 0.82% |
| | 100+ | 0.34% | 0.45% |
| | unknown | 2.11% | 2.12% |

Reporting on insights from the Register in 2023-24

- Information from the Vineyard Register was analysed internally and provided to Wine Australia as source information for the [South Australian Winegrape Crush Survey](#).
- There was increased sharing through Vinehealth Australia’s e-newsletter on insights gained from the Register to demonstrate value of the information held to industry and government. Articles included:
 - Review of the state’s vine plantings by area, region, vineyard size category, new planted or topworked area, variety; change in number of vineyard owners (reported [June 2023](#)).
 - Review of Shiraz and Cabernet Sauvignon plantings in South Australia and by region (reported [July 2023](#)).
 - Review of vineyard size by region and comparison internationally (reported [July 2023](#)).
 - Review of changes in rootstock plantings by region over the last decade (reported [August 2023](#)).
 - Review of quantity of non-bearing vines on the Register by year, by grape colour and region (reported [November 2023](#)).
 - Review of whole vineyard removals from the Register by year and by Zone (reported [December 2023](#)).
 - Review of number and timing of vineyard sales recorded in the Register (reported [January 2024](#)).
 - Review of size of vineyards being sold (reported [February 2024](#)).

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

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.

In 2024, the Board of Vinehealth Australia released its Focus Areas for 2024 to 2026 as a subset of the Strategic Agenda. Reporting against these focus areas will start for the 2024-25 Annual Report.

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 2023-24 |
|-----------------------------|-----------------------|--|---|
| 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 | 1 |
| Service delivery | Access to services | Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities | 1 |
| Service delivery | Process | Processing error; incorrect process used; delay in processing application; process not customer responsive | 1 |
| 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 | 5 (regarding levy increase) |

| Complaint categories | Sub-categories | Example | Number of Complaints 2023-24 |
|-----------------------------|------------------------|---|-------------------------------------|
| 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 |
| | | Total | 8 |

| Additional Metrics | Total |
|--|--|
| Number of positive feedback comments | 9 |
| Number of negative feedback comments | 8 <small>(reported as complaints above)</small> |
| Total number of feedback comments | 17 |
| % complaints resolved within policy timeframes | 100 |

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

Service Improvements

In line with PC039- *Complaint Management in the South Australian Public Sector*, Vinehealth has undertaken some service improvements resulting from complaints during 2023-24, including:

1. Around two months prior to the 2023-24 Notices of Assessment being issued, an indicative Notice of Assessment was generated and sent to every registered vineyard owner. This provided a clear breakdown of levy calculations, a further opportunity for vineyard owners to advise Vinehealth of any changes to planted area held by the Register (upon which the levies are calculated in part), and for budgeting purposes.
2. At the time of issue of the 2023-24 Notice of Assessment to every registered vineyard owner, two documents were included to provide a high level update on work achieved over the past financial year and priority areas for the short term future:
 - 'Our work for you in 2023-24'
 - Vinehealth Australia Key Focus Areas for 2024 – 20206
3. Under the 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. Vinehealth continues to receive annual 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 more than 10 years ago. Vinehealth acknowledges this feedback and continues to provide significant one-on-one assistance to vineyard owners. An upgrade to the Register continues to be recognised as a key organisational priority, with a new scoping study scheduled for 2024-25 and build stage thereafter.

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 2023-24

OFFICIAL

Phylloxera & Grape Industry Board of South Australia

Trading as Vinehealth Australia

**Financial Statements
For the year ended
30 April 2024**

Simplified Disclosures

OFFICIAL

Phylloxera & Grape Industry Board of South Australia
Trading as Vinehealth Australia
Contents
For the year ended 30 April 2024

| | |
|---|---|
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| Certification of the Financial Statements | 4 |
| Statement of comprehensive income | 5 |
| Statement of financial position | 6 |
| Statement of changes in equity | 7 |
| Statement of cash flows | 8 |
| Notes to the financial statements | 9 |

Independent auditor's report to the members of Vinehealth Australia

Report on the audit of the financial report



Our opinion on the financial report

In our opinion, the accompanying financial report of Vinehealth Australia (Vinehealth), presents fairly, in all material respects:

the financial position of Vinehealth as at 30 April 2024, and
its financial performance and its cash flows for the year then ended
in accordance with *Phylloxera and Grape Industry Act 1995*.

What was audited?

We have audited the financial report of Vinehealth, which comprises:

- the statement of financial position as at 30 April 2024,
- the statement of comprehensive income for the year then ended,
- the statement of changes in equity for the year then ended,
- the statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information, and

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 2024, 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

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



William Buck (SA)
ABN 38 280 203 274



G.W. Martinella
Partner
Adelaide, 24th July 2024

**Phylloxera & Grape Industry Board of South Australia
Trading as Vinehealth Australia
Certification of the Financial Statements
For the year ended 30 April 2024**

We certify that:

- General purpose financial statements of the Department for SA Service Delivery:
 - are in accordance with the accounts and records of the department;
 - comply with relevant Treasurer’s Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the department at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the Department for SA Service Delivery for the financial year over its financial reporting and its preparation of financial statements have been effective.



Interim Manager



Presiding Member

24 July 2024

OFFICIAL

Phylloxera & Grape Industry Board of South Australia
Trading as Vinehealth Australia
Statement of comprehensive income
For the year ended 30 April 2024

| | Note | 2024 \$ | 2023 \$ |
|--|------|------------|-------------|
| Income | | | |
| Fees and charges | 2.2 | 1,226,840 | 1,039,691 |
| SA Government grants, subsidies and transfers | 2.4 | 325,000 | - |
| Sales of goods and services | 2.5 | 28,137 | 47,685 |
| Other income | 2.7 | 50,188 | 22,784 |
| Total income | | 1,630,165 | 1,110,160 |
| Expenses | | | |
| Employee related expenses | 3.3 | (502,253) | (537,007) |
| Supplies and services | 4.1 | (277,703) | (301,950) |
| Depreciation and amortisation | 5.1 | (39,513) | (37,509) |
| Borrowing costs | 4.3 | (6,672) | (8,444) |
| Other expenses | 4.4 | (131,583) | (118,595) |
| Total expenses | | (957,724) | (1,003,505) |
| Net result | | 672,441 | 106,655 |
| Other comprehensive income for the year | | - | - |
| Total comprehensive income for the year | | 672,441 | 106,655 |

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

The above statement of comprehensive income should be read in conjunction with the accompanying notes

Phylloxera & Grape Industry Board of South Australia
Trading as Vinehealth Australia
Statement of financial position
As at 30 April 2024

| | Note | 2024 \$ | 2023 \$ |
|--------------------------------|------|------------------|------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 6.2 | 1,232,037 | 838,422 |
| Trade and other receivables | 6.3 | 1,369,993 | 1,112,933 |
| Total current assets | | <u>2,602,030</u> | <u>1,951,355</u> |
| Non-current assets | | | |
| Property, plant and equipment | 5.1 | 209,194 | 261,345 |
| Intangible assets | 5.5 | 9,849 | 14,849 |
| Total non-current assets | | <u>219,043</u> | <u>276,194</u> |
| Total assets | | <u>2,821,073</u> | <u>2,227,549</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 7.2 | 100,729 | 51,264 |
| Borrowings | 7.3 | 29,544 | 27,121 |
| Employee benefits liability | 3.4 | 101,959 | 154,555 |
| Total current liabilities | | <u>232,232</u> | <u>232,940</u> |
| Non-current liabilities | | | |
| Borrowings | 7.3 | 179,245 | 242,604 |
| Employee benefits liability | 3.4 | 11,643 | 26,493 |
| Total non-current liabilities | | <u>190,888</u> | <u>269,097</u> |
| Total liabilities | | <u>423,120</u> | <u>502,037</u> |
| Net assets | | <u>2,397,953</u> | <u>1,725,512</u> |
| Equity | | | |
| Retained surpluses | 7.6 | 2,397,953 | 1,725,512 |
| Total equity | | <u>2,397,953</u> | <u>1,725,512</u> |

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

OFFICIAL

**Phylloxera & Grape Industry Board of South Australia
Trading as Vinehealth Australia
Statement of changes in equity
For the year ended 30 April 2024**

| | Equity | Total equity |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| 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><u>1,725,512</u></u> | <u><u>1,725,512</u></u> |

| | Equity | Total equity |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| Balance at 1 May 2023 | 1,725,512 | 1,725,512 |
| Surplus for the year | 672,441 | 680,922 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | <u>672,441</u> | <u>680,922</u> |
| Balance at 30 April 2024 | <u><u>2,397,953</u></u> | <u><u>2,406,434</u></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 2024

| | Note | 2024 \$ | 2023 \$ |
|--|------|-------------------------|-----------------------|
| Cash flows from operating activities | | | |
| Grower levies and charges | | 877,495 | 701,958 |
| Receipt of government grants | | 325,000 | - |
| Interest received | | 43,756 | 22,734 |
| GST recovered from the ATO | | 57,782 | 29,195 |
| Other receipts | | 38,590 | 47,735 |
| Employee benefits payments | | (570,178) | (507,655) |
| Payments for supplies and services | | (358,367) | (399,967) |
| Interest paid | | <u>(6,672)</u> | <u>(8,444)</u> |
| Net cash from/(used in) operating activities | | <u>407,406</u> | <u>(114,444)</u> |
| Cash flows from investing activities | | | |
| Payments for property, plant and equipment | | (13,791) | - |
| Payments for intangibles | | <u>-</u> | <u>(15,000)</u> |
| Net cash used in investing activities | | <u>(13,791)</u> | <u>(15,000)</u> |
| Cash flows from financing activities | | | |
| Repayment of lease liabilities | | <u>-</u> | <u>(18,981)</u> |
| Net cash used in financing activities | | <u>-</u> | <u>(18,981)</u> |
| Net increase/(decrease) in cash and cash equivalents | | 393,615 | (148,425) |
| Cash and cash equivalents at the beginning of the financial year | | <u>838,422</u> | <u>986,847</u> |
| Cash and cash equivalents at the end of the financial year | 6.2 | <u><u>1,232,037</u></u> | <u><u>838,422</u></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 2024

Note 1.1 General Information

The Phylloxera and 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 1.2 Material accounting policy information

The accounting policies that are material to the entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

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.

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.

Phylloxera & Grape Industry Board of South Australia
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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.

Objectives and Activities

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.

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 2.2 Fees and charges

| | 2024 \$ | 2023 \$ |
|-------------------------------|------------------|------------------|
| Grower levies | 1,216,575 | 1,032,927 |
| Penalties | 10,265 | 6,764 |
| Total fees and charges | 1,226,840 | 1,039,691 |

Note 2.4 SA Government grants, subsidies and transfers

| | 2024 \$ | 2023 \$ |
|---------------------------|----------------|------------|
| SA government grant | 325,000 | - |
| Total grant income | 325,000 | - |

SA Government Grant relates to that received from the Hon Clare Scriven MLC and PIRSA as part of approval of Vinehealth's sustainable funding model in June 2023, to enable Vinehealth to carry out its functions and activities under the *Phylloxera and Grape Industry Act 1995*.

Note 2.5 Sales of goods and services

| | 2024 \$ | 2023 \$ |
|--|---------------|---------------|
| Other fee for service | - | 4,298 |
| Sale of goods | 22,273 | 38,137 |
| Heat shed income | 5,864 | 5,250 |
| Total sales of goods and services | 28,137 | 47,685 |

Note 2.7 Other income

| | 2024 \$ | 2023 \$ |
|---------------------------|---------------|---------------|
| Interest received | 43,756 | 22,734 |
| Other | 6,432 | 50 |
| Total other income | 50,188 | 22,784 |

**Phylloxera & Grape Industry Board of South Australia
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Notes to the financial statements
For the year ended 30 April 2024**

Note 3.1 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 \$284,290 (2023: \$399,865).

Note 3.2 Board Members

Board members during the 2024 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 – term ended 30 June 2023, elected Presiding Member 20 September 2022)
- Mr Richard Barrett (appointed 18 July 2019, and reappointed 1 July 2022 for a one-year term – term ended 30 June 2023)
- Mr Alec Gilbert (appointed 18 July 2019, reappointed 1 July 2022 for a one-year term, and reappointed for a three month term expiring 30 September 2023)
- Dr Jo Luck (appointed 18 July 2019, reappointed until 30 June 2024, and not reappointing further)
- Mr Alex Sas (appointed 18 July 2019, reappointed until 30 June 2024, and not reappointing further)
- Dr Sally Troy (appointed 18 July 2019, reappointed until 30 June 2024, and not reappointing further)
- Ms Dianne Davidson AM (appointed 9 November 2023 for three year term and as elected Presiding Member from 11 December 2023)
- Mr Iain Jones (appointed 9 November 2023 for three year term)
- Ms Krysteen McElroy (appointed 10 November 2023 for three year term)
- Mr Nick Secomb (Chief Inspector, appointed 15 June 2023, ongoing term)

New appointments to the Board from 1 July 2024 are Dr Fiona Constable, Ms Brooke Howell, and Mr Peter Nguyen.

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

| | 2024 | 2023 |
|--------------------------------|-----------|----------|
| \$0 - \$9,999 | 10 | 6 |
| Total number of members | 10 | 6 |

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 \$4,963 (2023: \$12,649).

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 2024 (2023: nil).

Phylloxera & Grape Industry Board of South Australia
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Notes to the financial statements
For the year ended 30 April 2024

Note 3.3 Employee related expenses

| | 2024 \$ | 2023 \$ |
|--|-----------------------|-----------------------|
| Salaries and wages | 393,656 | 443,271 |
| Employee on-costs-superannuation* | 43,084 | 47,624 |
| Board fees | 4,963 | 12,649 |
| Long service leave | 17,054 | 17,100 |
| Workers compensation | 2,156 | 2,173 |
| Annual leave | (3,249) | 11,508 |
| Other employee related expenses | 44,589 | 2,682 |
| Total employee benefits expense | <u>502,253</u> | <u>537,007</u> |

*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 3.4 Employee benefits liability

| | 2024 \$ | 2023 \$ |
|--|-----------------------|-----------------------|
| <i>Current liabilities</i> | | |
| Annual leave | 39,901 | 88,106 |
| Long service leave | 62,058 | 66,449 |
| Total current employee benefits | <u>101,959</u> | <u>154,555</u> |
| <i>Non-current liabilities</i> | | |
| Long service leave | 11,643 | 26,493 |
| Total employee benefits | <u>101,959</u> | <u>181,048</u> |

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*.

Phylloxera & Grape Industry Board of South Australia
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Notes to the financial statements
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Note 4.1 Supplies and services

| | 2024 \$ | 2023 \$ |
|---|----------------|----------------|
| Stakeholder communications and engagement | 99,718 | 101,600 |
| Project expenses | 36,483 | 23,353 |
| Information technology | 87,172 | 101,471 |
| Operating lease payments | 11,371 | 24,728 |
| Board expenses | 10,643 | 13,248 |
| Heat shed expenses | 8,933 | 12,958 |
| Consultants | 23,383 | 24,592 |
| Total supplies and services | 277,703 | 301,950 |

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:

| | No. | 2024 \$ |
|---|----------|---------------|
| Below \$10,000 | 3 | 20,408 |
| Above \$10,000 | 1 | 19,314 |
| Total paid /payable to the consultants engaged | 4 | 39,722 |

| | No. | 2023 \$ |
|---|----------|---------------|
| Below \$10,000 | 3 | 14,526 |
| Above \$10,000 | 1 | 10,066 |
| Total paid /payable to the consultants engaged | 4 | 24,592 |

Note 5.1 Depreciation and amortisation expenses

| | 2024 \$ | 2023 \$ |
|--|---------------|---------------|
| Plant and equipment | 3,801 | 3,056 |
| Right-of-use buildings | 30,712 | 34,302 |
| Intangible assets | 5,000 | 151 |
| Total depreciation and amortisation | 39,513 | 37,509 |

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:

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| Class of asset | Useful life (years) |
|------------------------|---------------------|
| 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.

Note 4.3 Borrowing costs

| | 2024 \$ | 2023 \$ |
|---------------------------------------|--------------|--------------|
| Interest expense on lease liabilities | 6,672 | 8,444 |
| Total borrowing costs | 6,672 | 8,444 |

Note 4.4 Other expenses

| | 2024 \$ | 2023 \$ |
|-----------------------------|----------------|----------------|
| Accounting | 48,025 | 27,655 |
| FBT and bank charges | 10,104 | 24,757 |
| Tourism RVC | 8,855 | 13,463 |
| Telephone & Internet | 9,649 | 9,614 |
| Office amenities | 7,142 | 9,151 |
| Travel | 1,564 | 152 |
| Other | 46,244 | 33,803 |
| Total other expenses | 131,583 | 118,595 |

Phylloxera & Grape Industry Board of South Australia
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Note 5.1 Property, plant and equipment

| | 2024 \$ | 2023 \$ |
|--|-----------------------|-----------------------|
| <i>Non-current assets</i> | | |
| Plant and equipment - at cost | 52,987 | 46,625 |
| Less: Accumulated depreciation | <u>(40,859)</u> | <u>(39,684)</u> |
| | 12,128 | 6,941 |
| Right-of-use property | 276,404 | 308,715 |
| Less: Accumulated depreciation | <u>(79,338)</u> | <u>(54,311)</u> |
| | 197,066 | 254,404 |
| Low value assets - at cost | 24,373 | 19,570 |
| Less: Accumulated depreciation | <u>(24,373)</u> | <u>(19,570)</u> |
| | - | - |
| Total property, plant and equipment | <u>209,194</u> | <u>261,345</u> |

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 2023 | 6,941 | 254,404 | 261,345 |
| Additions | 8,988 | - | 8,988 |
| AASB 16 adjustment | - | (26,626) | (26,626) |
| Depreciation expense | <u>(3,801)</u> | <u>(30,712)</u> | <u>(34,513)</u> |
| Balance at 30 April 2024 | <u>12,128</u> | <u>197,066</u> | <u>209,194</u> |

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 4.1.

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. The first extension option has already been executed.

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 2024.

Phylloxera & Grape Industry Board of South Australia
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Notes to the financial statements
For the year ended 30 April 2024

Note 5.5 Intangible assets

| | 2024 | 2023 |
|--------------------------------|---------------------|----------------------|
| | \$ | \$ |
| <i>Non-current assets</i> | | |
| Computer software - at cost | 22,400 | 22,524 |
| Less: Accumulated amortisation | <u>(12,551)</u> | <u>(7,675)</u> |
| Total intangible assets | <u>9,849</u> | <u>14,849</u> |

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 2023 | 14,849 | 14,849 |
| Amortisation expense | <u>(5,000)</u> | <u>(5,000)</u> |
| Balance at 30 April 2024 | <u>9,849</u> | <u>9,849</u> |

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 2024.

Note 6.2 Cash and cash equivalents

| | 2024 | 2023 |
|--|-------------------------|-----------------------|
| | \$ | \$ |
| <i>Current assets</i> | | |
| Cash at bank | 1,232,037 | 838,422 |
| Total cash and cash equivalents | <u>1,232,037</u> | <u>838,422</u> |

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Trading as Vinehealth Australia
Notes to the financial statements
For the year ended 30 April 2024

Note 6.3 Trade and other receivables

| | 2024 \$ | 2023 \$ |
|---|------------------|------------------|
| <i>Current assets</i> | | |
| Receivables | | |
| - Trade debtors | 4,414 | 25,463 |
| - Balance of current year levies unpaid | 1,191,061 | 1,007,482 |
| - Previous years' levies and penalties not received | 162,776 | 68,188 |
| Total receivables | 1,358,251 | 1,101,133 |
| Less allowance for doubtful debts | - | - |
| Prepayments | 7,385 | 6,086 |
| Accrued Income | - | - |
| GST input tax recoverable | 4,357 | 5,714 |
| Total current trade and other receivables | 1,369,993 | 1,112,933 |

Receivables in relation to current year levies are invoiced yearly in arrears at the end of the financial year (30 April 2024), and therefore have not been received at 30 April 2024.

At the date of signing the financial statements \$307,266 of the current year 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.

Note 7.2 Trade and other payables

| | 2024 \$ | 2023 \$ |
|-------------------------------|----------------|---------------|
| <i>Current liabilities</i> | | |
| Trade payables | 62,516 | 30,174 |
| Employee on-costs* | 12,644 | 6,522 |
| Levies in advance | 4,626 | 5,068 |
| Accrued expenses | 20,943 | 9,500 |
| Total current payables | 100,729 | 51,264 |

Phylloxera & Grape Industry Board of South Australia
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*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 7.3 Borrowings

| | 2024 | 2023 |
|--------------------------------|----------------|----------------|
| | \$ | \$ |
| <i>Current liabilities</i> | | |
| Lease liabilities | 29,544 | 27,121 |
| <i>Non-current liabilities</i> | | |
| Lease liabilities | 179,245 | 242,604 |
| | <u>208,789</u> | <u>269,725</u> |

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 7.6 Retained surpluses

| | 2024 | 2023 |
|--|-------------------------|-------------------------|
| | \$ | \$ |
| Retained surpluses at the beginning of the financial year | 1,725,512 | 1,618,857 |
| Surplus for the year | 672,441 | 106,655 |
| Retained surpluses at the end of the financial year | <u>2,397,953</u> | <u>1,725,512</u> |

The Board notes that levies are invoiced in arrears each year on 30 April. The current year levies unpaid at 30 April 2024 (\$1,191,061) constitute 50% of total equity and are yet to be received by Vinehealth Australia. Cash and cash equivalents of \$1,232,037 represents the second largest portion of total equity for Vinehealth Australia.

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 (planned to include upgrade of the Register) and to cover fluctuations in income.
- To cover forward contracted commitments – reviewed at the end of each financial year.

Phylloxera & Grape Industry Board of South Australia
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Note 8.1 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

| | 2024 \$ | 2023 \$ |
|---|----------------|----------------|
| Committed at the reporting date and recognised as liabilities, payable: | | |
| Within one year | 35,875 | 34,796 |
| One to five years | 194,323 | 268,148 |
| | <hr/> | <hr/> |
| Total commitment | 230,198 | 302,944 |
| Less: Future finance charges | (21,409) | (33,219) |
| | <hr/> | <hr/> |
| Net commitment recognised as liabilities | 208,789 | 269,725 |
| | <hr/> | <hr/> |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| Within one year | 6,589 | 20,236 |
| One to five years | - | 12,329 |
| | <hr/> | <hr/> |
| Total commitment | 6,589 | 32,565 |
| | <hr/> | <hr/> |
| Representing: | | |
| Non-cancellable leases | 215,378 | 302,290 |
| | <hr/> | <hr/> |

Future lease commitments for Vinehealth include one motor vehicle leases with a term of 4 years commencing February 2021, and office space lease agreement covering a period of 3 years from October 2021 to September 2024 which has been extended by a further three year term.

Note 8.3 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 8.4 Events after the reporting period

No matter or circumstance has arisen since 30 April 2024 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

Phylloxera & Grape Industry Board of South Australia
 Trading as Vinehealth Australia
 Notes to the financial statements
 For the year ended 30 April 2024

Note 8.5 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:

| | 2024 | 2023 |
|-----------------------------------|---------------|--------------|
| | \$ | \$ |
| <i>Audit services</i> | | |
| Audit of the financial statements | <u>10,150</u> | <u>9,500</u> |

**Appendix B: Vinehealth Australia's Strategic Agenda
2021-2026 and Vinehealth Australia Focus Areas for
2024-2026**

OFFICIAL

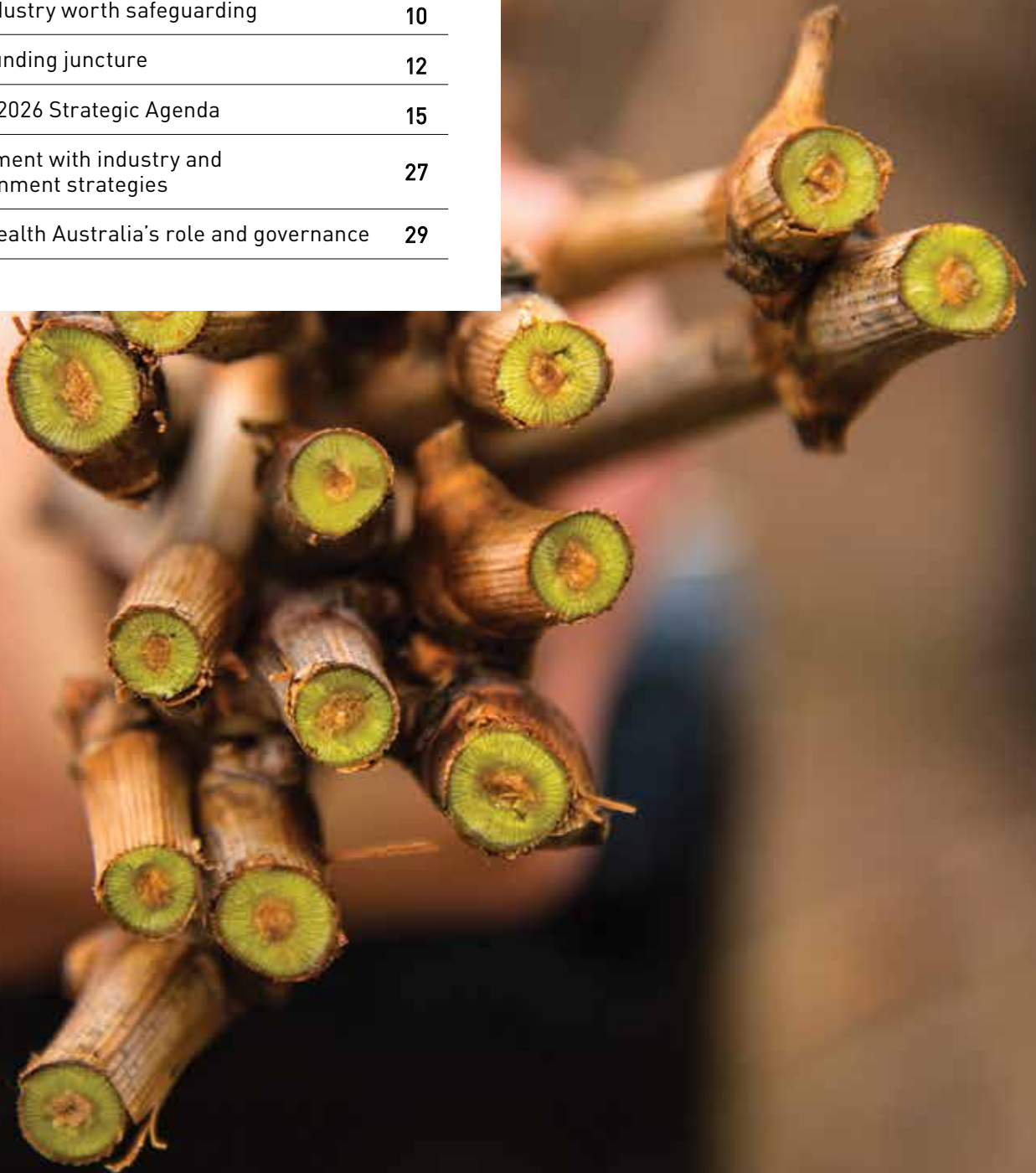
VINEHEALTH AUSTRALIA
**STRATEGIC
AGENDA
2021 TO 2026**



OFFICIAL

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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.

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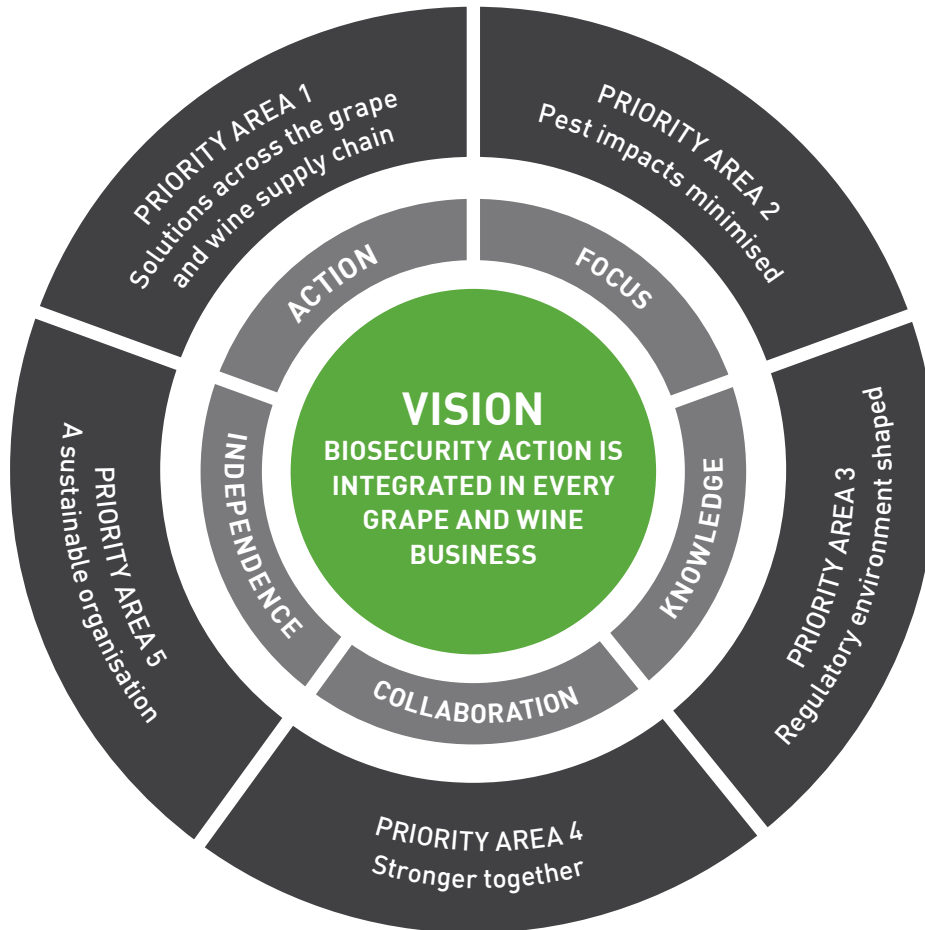
“Following the discovery of unusual leaf symptoms in a young vineyard, we called Vinehealth. The quick response and fantastic service was invaluable and helped us solve the problem.”

Sue Trott, Vineyard Owner

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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.

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

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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*.

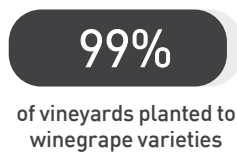
AN INDUSTRY WORTH SAFEGUARDING

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



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



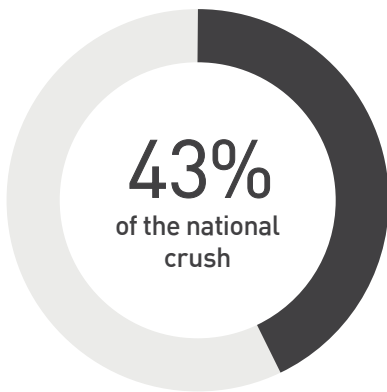
THE SOUTH AUSTRALIAN WINE INDUSTRY IS A POWERHOUSE



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.¹ 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.

¹ <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.

\$740,000 : **\$2.28 billion** = **0.032%**
current Vinehealth Australia funding : SA wine industry value = investment

“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.

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Ramsey
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Image courtesy of
Coonawarra Vignerons.

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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"> • Food, Wine and Agribusiness Plan for Growth • South Australia’s AgTech Strategic Plan (South Australian government) |
| National Wine Biosecurity Strategy 2019-2023 (Wine Biosecurity Committee - Australian Grape & Wine) | | <ul style="list-style-type: none"> • South Australia’s Biosecurity Policy 2020-2023 (PIRSA) |
| South Australian Wine Industry Plan (South Australian Wine Industry Association and Wine Grape Council SA) | | <ul style="list-style-type: none"> • National plant biosecurity strategies (Plant Health Australia) • Strategic Plan 2020-2025 (Wine Australia) |

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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 to 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.*



Phylloxera and Grape Industry Board of South Australia
(trading as Vinehealth Australia)
Cnr Botanic and Hackney Roads, Adelaide SA 5000
PO Box 280, Kent Town DC SA 5071
Telephone: +61 8 8273 0550
Email: admin@vinehealth.com.au
www.vinehealth.com.au
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Government
of South Australia

VINEHEALTH AUSTRALIA FOCUS AREAS FOR 2024 – 2026

To be read in conjunction with the Strategic Agenda 2021 to 2026

Vinehealth Australia's key biosecurity focus areas are presented in three pillars of prevention, preparedness and response, and represent work against priority pests and diseases, with phylloxera at the core. To ensure ongoing protection of South Australia's viticultural assets, Vinehealth Australia must deliver education and awareness actions across these pillars, enhance the Register to support industry, and operate as a sustainable organisation.

EDUCATION AND AWARENESS

1. Implement communication and awareness activities and campaigns to drive biosecurity behavior change across the wine supply chain and improve understanding of regulatory obligations (2024 – 2026).
2. Provide on-demand services to industry and the South Australian government that utilise Vinehealth Australia's biosecurity expertise and assets (2024 – 2026).

PREVENTION

Minimise the likelihood of the introduction of phylloxera and other pests and diseases.

1. Ensure regulatory management of phylloxera is based on risk, science and industry insights (2024 – 2026).
2. Improve production of high-health planting material produced by the grapevine propagation sector (2025 – 2026).
3. Enhance farm-gate hygiene adoption through practical solutions (2026).

PREPAREDNESS

Being well-prepared for potential incursions.

1. Transform the Phylloxera Outbreak Plan into an effective preparedness plan for South Australia (2024 – 2025).
2. Challenge industry readiness for a phylloxera outbreak through simulations (2024 – 2025).
3. Deliver a pilot phylloxera surveillance program (2026).

RESPONSE

Responding effectively when incursions occur.

1. Undertake incident response activities that are aligned to the relative complexity, impact and type of pest incident (2024 – 2026).

A SUSTAINABLE ORGANISATION

1. Enhance the Register to handle grower records more efficiently (2024 – 2026).
2. Prudently manage contributions payable under the *Phylloxera and Grape industry Act 1995*, and ensure compliance with rules approved by the Minister (2024 – 2026).