

CLIMATE CHANGE AND GREENHOUSE EMISSIONS REDUCTION ACT

Mr BIGNELL (Mawson) (14:24): Can the Premier update the house on the progress of South Australia's first sector agreement under the Climate Change and Greenhouse Emissions Reduction Act?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:24): Of course, the honourable member has a profound interest in the industry in terms of his local representation. In May 2008, at the London International Wine Fair, I signed the first sector agreement under South Australia's Climate Change and Greenhouse Emissions Reduction Act. Obviously, a series of agreements have been signed subsequently, including with Adelaide Brighton Cement, the Anglican Church and a range of other organisations.

The agreement I signed in London was with Orlando's Chief Winemaker Philip Laffer, on behalf of the South Australian Wine Industry Association, and Jim Caddy, on behalf of the Wine Grape Council of South Australia. In that event the wine industry became the first industry group in the nation to sign an agreement to accurately track, as well as reduce, its greenhouse gas emissions.

It was an important agreement for two reasons—and I am pleased that the member for Schubert was nodding in agreement then. It demonstrated a clear commitment that the South Australian wine industry is serious about adapting to climate change and responding to the targets set by the South Australian government's climate change legislation to reduce greenhouse gas emissions by 60 per cent of 1990 levels by 2050.

It also recognises that consumers and distributors internationally are beginning to favour winemakers who are actively reducing their carbon footprint. In fact, this is a key thing. It is not only the right thing to do but also the smart thing to do, because big companies in Britain are saying, 'We will be looking at the quality of the wine and the price of the wine in terms of its being competitive with other nations in the world, and we will also look at carbon miles in terms of travel of the wine to Great Britain.' So they will be looking for companies that do the right thing by the environment, and the retailers and distributors are looking at that in Britain because they know what their consumers want to know.

The latest ABS export data for the year to August 2009 shows that wine remains one of South Australia's top export commodities. It is no longer No. 1: the mining industry in recent times has gone ahead. Despite a recent decline, the state's wine industry is valued at over \$1.5 billion and represents almost one-fifth of our total exports. It is interesting to see the change in the export mix in terms of mining and education, which is now the fourth biggest export earner. That is why we have worked so hard to build our reputation as a university city, attracting international students, and I was pleased recently with Adelaide University's announcement with the Kaplan group.

This is an extremely important sector, with the wine industry currently contributing \$2.4 billion to the state's economy. Efforts to assist the industry in positioning itself to address change in the global economy and global demand are

worth undertaking, as are efforts to address climate change. It is with this dual focus the wine industry sector agreement has moved forward with success. An interim progress report, covering the project through to June 2009, has been provided to the government. I would like to briefly summarise some of the actions that have occurred under this agreement and some of the key findings. The first stage of the project involved:

- the establishment a project steering group, including the wine industry and the state government;
- the development of a project work plan and industry database;
- the review of existing programs and information; and
- the compilation of an information package.

That information package is distributed to more than 3,600 grape growers and industry participants through wine industry newsletters, media articles and regional information sessions.

Between January and April 2009 seven regional information sessions were conducted in the Barossa Valley and at McLaren Vale, Langhorne Creek, Adelaide Hills, Coonawarra, Clare and Riverland wine regions. I am advised that these information sessions attracted 277 attendees and resulted in 97 separate businesses signing participant commitment agreements to track and report greenhouse gas emissions using the Australian wine carbon calculator. Further, I am advised that these 97 businesses represent more than 200,000 tonnes of grapes grown and more than 700,000 tonnes processed in South Australia in 2008-09. Based on figures from the Australian Wine and Brandy Corporation, this represents 28 per cent of grapes grown and 99 per cent of grapes processed in South Australia—which is a truly remarkable response from the South Australian wine industry.

As the agreement enters its second year, the next phase of the project seeks to capitalise on the networks and contacts already established; and to focus on collection, calculation and reporting of greenhouse emissions associated with the 2009 vintage. In August and September, five regional industry workshops were held and provided hands-on assistance in the use of the carbon calculator. These sessions attracted 95 attendees and secured an additional five signatories to the agreement, taking the total number of committed businesses to 102, now representing 30 per cent of grapes grown and 99 per cent of grapes processed in South Australia.

In addition to the work being undertaken on emissions reporting, the agreement also involves assistance to growers and winemakers in adapting to climate change and understanding national climate change policy initiatives; establishment of a 20 per cent by 2014 target for uptake of renewable electricity supplies; development of a participant recognition and promotion program; and demonstration of leadership for other industry sectors.

So, I commend the wine industry for its commitment, and I commend the wine industry for getting moving on making the sector agreement work. I am really pleased that it is the wine industry in South Australia that was the first industry in this state to sign up to tackling climate change.