

TRANSCRIPT

STANDING COMMITTEE ON THE ENVIRONMENT AND PLANNING

Subcommittee

Inquiry into fire season preparedness

Wodonga — 20 July 2016

Members

Mr David Davis — Chair

Mr Daniel Young

Ms Harriet Shing — Deputy Chair

Participating Members

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Witness

Mr Chris Pfeiffer (sworn), Winemakers of Rutherglen and Pfeiffer Wines.

The CHAIR — I welcome Chris Pfeiffer to the table from Pfeiffer Wines and Rutherglen Winemakers. Chris, you might want to make a short statement at the outset, and then we will follow up with some questions.

Mr PFEIFFER — Thank you, Chair, and thank you to the committee for allowing us to present to the committee. To further introduce myself, I am the managing partner at Pfeiffer Wines, which is located in the Rutherglen wine region. I am a past chair of the Winemakers of Rutherglen. I am a past chair of the Victorian Wine Industry Association, which is now Wine Victoria, and in that capacity I sat on the inaugural bush fire round table set up, I think, by Premier Brumby at the time.

I would like to put in Matt Partridge's apologies. Matt represents the Rutherglen wine region in discussions on proposed burns which are held with the department. Unfortunately he could not be here today, which I am sad for because he could have given me a bit more support.

The key points I would like to bring to the committee's attention and hopefully reinforce are, A, the susceptibility of grapes to smoke, whether it be from bushfires or prescribed burns. Veraison is when the grape changes colour and softens. The time from then to picking is the time of most susceptibility to smoke taint, so the grape absorbs the smoke and it taints it, and in most cases that makes the product unsaleable. Or if you do make wine from it, you are going to have a lot of trouble trying to find a sale for it.

The sad part about all this is that prescribed burns are favoured to occur in the autumn period and veraison occurs simultaneously, so the highest risk for the contamination of grapes is when prescribed burns are favoured. As such, it is a position that I have had that even though spring burns are not as effective as autumn burns, perhaps we should give more thought to spring burns in areas where there is a lot of grape growing occurring.

The other point I want to bring to the table's attention is that smoke moves. It is an obvious statement, but in the fires in 2003, 2007 and 2009 there were serious issues of smoke taint within the Rutherglen wine region, and I do not know how close our closest fire would have been. My suggestion is it would have been at about 30 kilometres. So smoke moves. Certainly in the 2009 fire, if you go to the Bureau of Meteorology, those great fires that occurred around Melbourne, if you map the wind movement, you can see how the winds brought the smoke up to Rutherglen, and it tends to settle in Rutherglen. We also had great issues with the Gippsland fires and fires in the alpine regions, as the smoke comes off or rolls over the mountains and Rutherglen is at the start of the plain and it tends to settle. From a personal perspective, we are still dealing with smoke-affected wine from 2003, 2007 and 2010.

The other thing is that obviously smoke taint is not highly visible, and it tends to take a back seat. It does not have the impact of property being destroyed. However, it does destroy a person's income for 12 months, and generally it has been destroyed after all the inputs have gone in. The only input that would be remaining would be to actually pick the grapes, and so it can create significant financial hardship for the vineyard owner. There are quite a few wine companies in Australia that have zero smoke tolerance, so if there is even a hint of smoke, they will not buy the grapes. That also leads to a loss of jobs, because the grapes are not going to be picked if they are contaminated, and also it makes it difficult, particularly in the time of hardship that the wine industry is going through and particularly that the grape growers are going through — any jobs that they may have they may have trouble sustaining them in the following season, having not had an income for 12 months.

The other comment I would like to make is about communications. I have had discussions with Matt and also with Paul Dahlenberg from the Glenrowan wine region, and both of them have said to me that the communications between the department in determining burns have made great progress. I guess the thing that they are hopeful will continue to be developed is the risk assessment of burns and not purely just targeting an area, so that in determining burns a risk assessment is made, and from that risk it is decided whether the burn should go ahead or not. They are very hopeful that will keep on moving forward, and they think that that has been great.

In terms of prescribed burns and their relationship to smoke taint, we had personal experience in 2010 with the prescribed burn at Lake Mokoan where we did not pick some of the fruit off that vineyard. That was a prescribed burn that got away. Also in Western Australia there was a court case which linked prescribed burns with smoke taint. That was quite a significant court case. Just to put it in perspective to our industry, the cost since 2003 has been estimated to be in the order of \$400 million to the wine industry, so it is quite a significant issue for us. Thank you.

The CHAIR — That is very interesting material that you have presented. I again see one of the challenges for our inquiry is for us to understand the balance between burning — when and how and the supports around it, so I have got a couple of questions. The first one is about that court case. Is that available? Do you have some details of that? That would be helpful.

Mr PFEIFFER — It would be available.

The CHAIR — We might communicate — —

Mr PFEIFFER — My understanding is it ultimately ruled in favour of the department because that was — —

The CHAIR — I see someone in the audience nodding.

Mr PFEIFFER — Yes.

The CHAIR — We would be interested in the details of that because — —

Mr PFEIFFER — I guess I raise that not because of the outcome, obviously, but because it creates the link between the prescribed burn and potential taint.

The CHAIR — Yes. That is one point. Wineries are also often near and impacted by large areas of vegetation and the potential to actually be burnt themselves. I am thinking of some spots in the Yarra Valley, for example, that I could point to. So how do you — —

Mr PFEIFFER — Sure. I have experienced that as well. I was running a vineyard out near Balldale, which is in New South Wales, and a fire started there, and it was the vineyard that they believe stopped it reaching Albury. So you lose your grapes; you lose the vine, or you can lose the vine. I guess our vineyard there was hard up against the full front of the fire, and we probably lost about four rows of vines along that that died. Then of course the impact of the heat went a little bit further into the vine, but we actually lost those vines. They actually did not burn; the heat ended up killing them. Obviously I did not go into the Yarra Valley that traumatic day, but obviously they lost quite a lot of vines there too. Being a permanent cultured crop that is quite an expense in itself if you are going to replace it, so it is probably — —

The CHAIR — My point in asking that is clearly vineyards, along with other landholders, have got an interest in ensuring that fires are managed — —

Mr PFEIFFER — Yes, that is quite right, Chair. I believe that the wine industry wants to be a good citizen as well, and, yes, we do have an interest in ensuring that we do not get the fires around that particular time. That is why we are pushing that consideration be given to spring burns. Western Australia has a spring burn policy down in their wine regions. This risk assessment — and from the two people I know who are regularly attending those communication programs with the department, it seems to be a great way to go because then hopefully a decision that satisfies everybody will be made.

The CHAIR — And is there a window post the harvest in the autumn?

Mr PFEIFFER — It is very seasonal. Our game is very, very seasonal. In 2016, for instance, there would have been plenty of opportunity for autumn burns because the season was so early — the season was about four weeks early — and that would have given a great opportunity for burning without there being a significant issue.

One of the problems with Rutherglen is some of the wine styles they make — the famous muscats and topaques — are some of the latest grapes that you will pick. This year we were picked by Anzac Day, which is early; normally we are picking into May. The latest I have picked grapes is 5 June — —

The CHAIR — No autumn left then.

Mr PFEIFFER — That is right. Depending on what climate change does, the new norm seems to be an early season, so in terms of that risk assessment we can potentially remove the grapes being a consideration because there will be further time beyond that picking period to do the burns.

Mr BARBER — How strong does the smoke have to be and how long does it have to hang around to do the — —

Mr PFEIFFER — There is still a lot of work to be done on smoke taint; there is still work to be done on the fuel and what impact the various types of fuel have. I guess many of us have lived with stubble burning, which happens at this time, all the time, but that is generally a very, very brief event. In the serious years, like 2003, 2007 and 2009, we were looking at a period of serious smoke over a three-day period. With visibility we could not see our next door neighbour's winery, which is about 1.4 kilometres away, and that created issues for us in the picking of the grapes. We picked the grapes but we have been trying to deal with the wine since then.

Mr BARBER — Just a second question, at what point do you give up on the crop, knowing how you have been affected versus adding more cost to the crop to make it into wine to find out it is no good?

Mr PFEIFFER — Certainly in 2003 we, along with a company, did all the initial work into the removal of smoke taint from wine. We spent a lot of money. I sold the wine to another winery, a big winery, and they found that they could get rid of it in their blend but they could not go any higher than 1 per cent, so that is how strong the taint is.

We are doing a lot of work as an industry. There is a collaboration going on between the Australian Wine Research Institute out of Adelaide and the department, which is working out of Mildura, and the government has just recently put in another \$3 million over the next three years to continue trying to pick up our knowledge in that area. Western Australia has done a lot of work as well on it. Obviously they are two of the prime regions.

Mr BARBER — If you are trying to sell the grapes to another winery or another user a long way away, is it a problem that they believe it has been affected versus how it has been affected or that they believe the whole region has been affected? Does that cause problems in terms of other users and marketing it to them?

Mr PFEIFFER — Generally what you find is no-one buys them; it is very rare that anyone will buy those grapes. We have another issue in our part of the world called phylloxera, which means you cannot move material freely out of this area — well, you cannot move unprocessed fruit out of the area at all. It just becomes another hurdle for people, the bigger companies in particular, who are not in this region to actually purchase fruit from this region. It just makes it a little bit more difficult for us. So the wine generally will be made within this region.

Mr BARBER — Can it affect the winemaking process during that processing and after it, or is it only when it is on the vine?

Mr PFEIFFER — No, it will ferment, and the fermentation process actually makes it worse. It breaks the bonds within it, and the volatile compounds that are causing the taint make it worse. In fact most people do what we call bucket ferments. We will pick grapes and we will do a very quick ferment over about three days. That is the final — I guess the quick method for doing it. You can send your grapes away to get it done out of this area, but there are issues as well. They have to be snap frozen first before they can leave the region, so it is a little bit more difficult out of this region, and of course we are close to a source where we often get bushfires.

Mr YOUNG — We get a lot of people who come to this committee to have a whine about an issue, so I am glad you have come to do it literally. Do we get that?

Mr BARBER — You are taking over the corny jokes from Damian Drum.

Mr YOUNG — In terms of input to planned burns do you have much of an input with government departments and agencies and what happens? Are you satisfied with the level of input?

Mr PFEIFFER — Yes. In terms of this region here, the communication between the department has been pretty good. Sometimes we think they are not listening to us, but that will always happen of course. But, as I said, two of our representatives, who I spoke to, who go regularly to those meetings did pass comment that they feel that with this whole risk approach things have got better and they want that to continue — for that to develop so that hopefully a decision will be made that will be acceptable to all.

Mr YOUNG — Have you got any views on how any of the processes can be improved?

Mr PFEIFFER — I personally do not. I have talked about spring burns. I would like that to be looked at again. I do not know; the figure is it is only 60 per cent is effective. So we are talking about things that are not small here. However, potentially that could be a way — in those areas which are particularly very close to vineyard areas; it may be something that could be considered.

The communication I think is very important. All my issues that have arisen in my own winery have been from events that are a long way away, and we would not have been consulted on that anyway. They would have consulted people around them, I am sure, but not us. That is the other thing I want to stress here — that smoke does move and can have an impact quite a way from where the actual fire is. How long the smoke has got to be around before it loses some of those characteristics which get absorbed has yet to be determined, so we are certainly in the infancy of knowing exactly how smoke behaves in terms of tainting grapes and therefore tainting wine.

The CHAIR — Thank you for that. Again, this is an issue that is a large one for our inquiry, and no doubt we will be having further contact. I think the secretary has already found that case, but we might actually get the transcript of it.

Mr PFEIFFER — Sure.

The CHAIR — Thank you. We appreciate it very much.

Mr PFEIFFER — Okay. Thank you very much.

Mr BARBER — Thanks for your time.

Witness withdrew.