



Welcome to our Christmas Newsletter. 2008 has been a difficult year for the industries and growers that we support with continued serious water shortages for irrigators, a slow recovery of the wine industry as the larger than expected 2008 vintage did not assist in the reduction of wine stocks, and the world economic downturn. One of the few positives is the lower value of the Australian dollar which is enhancing export prices for horticultural produce and wine.

Scholefield Robinson has again shown their flexibility in securing a wide range of consulting work, as shown by the projects mentioned in this newsletter. I thank our staff for rising to the challenges of changing circumstances.

Peter and Ben started Scholefield Robinson in January 1989 and next month we will be 20 years old. A function is being planned to acknowledge this milestone in the new year.

INDUSTRY COMMENT

Wine Industry

The 2008 vintage came in at about 1.8 million tonnes, well over the early season estimate of 1.2 million tonnes and this led to many grape growers in the warmer areas not receiving the anticipated prices for their crop after purchasing expensive water to ensure they could produce the crop. Wine stocks are still high and with the expected slowing of demand for export wine because of the general downturn in the world economy, prospects for vintage 2009 are not rosy.

It is difficult to get an accurate estimate of the size of the 2009 vintage because of the conflicting situation with the NSW Murray and Murrumbidgee regions having almost 100% water allocations and Victoria and SA only having 28% and 15% respectively in December. Many growers who purchased water to ensure the 2008 crop will not be able to afford to repeat this for the 2009 vintage.

The major wineries are also feeling the pinch and a number of their vineyards and wineries are on the market as they try and rationalise their businesses.

Water Allocations

Current seasonal allocations for Victoria, NSW and SA for High-Reliability (HR) water shares or High Security (HS) entitlements and for General Security (GS) entitlements in NSW are shown below.

River System	High Security Allocations as at 15 th Dec 2008 (% of HR/HS licence)	General Security Allocations (NSW) as at 15 th Dec 2008 (% of GS licence)
Goulburn (Vic)	23%	
Victorian Murray	28%	
NSW Murray	95%	4%
NSW Murrumbidgee	95%	12% (an additional 2% will be available after Feb 2009)
NSW Lower Darling	100%	50%
SA Murray	15%	

Irrigators in SA and Victoria are facing the prospect of having allocations below 30%. These predictions are based on an analysis of summer inflows following dry September to November conditions. For further information, contact Lauren Thompson at our Adelaide office.

PROJECT WORK

Capacity Building for the Wine Industry

Following on from our participation in the WGGA's Capacity Building Project which concluded in July, Garth Swinburn and Mary Retallack presented two regional WGGA VineBiz Workshops in early December at Wangaratta and Cowra. As a part of this workshop participants were introduced to the VineBiz Financial Ready Reckoner and contributed their operating costs and returns as part of a regional benchmarking summary.

National Vine Health Steering Committee

Prue McMichael continues to serve as the Secretariat for NVHSC - a high level committee charged with overseeing national vine health issues. Membership of the Committee has expanded to include a representative of the Domestic Quarantine and Market Access Working Group. Recent business has included review of the research submitted by California to support their application for changed table grape import conditions; updating of the National Phylloxera Management Protocols; consideration of the National Plant Health and National Fruit Fly strategies and identification of their implications for industry; and revision of the Viticulture Industry Biosecurity Plan.

Closure of CSIRO Labs at Merbein

Federal government budget cuts have led to an announcement to close the CSIRO laboratories at Merbein (near Mildura) after 90 years of operation. Scholefield Robinson Mildura has been working in conjunction with the local Economic Development Board and Council to investigate options for Merbein, including R&D funding and to look at different models for continuing the research there.

Vegetable Biosecurity Review

Prue McMichael completed the vegetable biosecurity review and gap analysis, for Horticulture Australia Ltd (HAL), in October. It revealed the complexity of biosecurity issues most horticultural industries face - pests, diseases, diagnostic capacity, chemical input security and quality assurance, residue and contamination threats, human capacity and capability limitations, historical under-investment in biosecurity and related research. 'Shared responsibility' is confronting all industries and progress to enhanced biosecurity, while crucial to market access, is difficult to implement.

Vegetable Crop Profitability

Lauren Thompson and Alison MacGregor are conducting a project funded by HAL to develop a "spreadsheet tool" for comparing the profitability of different vegetable crops or the same crop under different scenarios (i.e. higher versus lower yields, prices and costs). It is expected that the final version will be presented at the 2009 Australian Vegetable Industry Conference in Melbourne in May.

Chemical Residue Trials

Over the past 2 years Scholefield Robinson has been working in conjunction with Agronico Research to conduct spray residue trials. The data collected from these trials have been used for issuing minor use permits and registration of chemicals for various crops throughout Australia.

PROJECT WORK

Apple Nutrition Project

In conjunction with Rural Solutions SA, Ben Thomas recently completed a project that aimed to develop nitrogen, phosphorus and potassium balance sheets for apple production in South Australia. These balance sheets included allowances for inorganic and organic forms of nutrient, remobilisation of soil nutrient reserves as well as nutrient removed in the form of fruit.

Ornamental Eucalypt Development Program

Kate Delaporte is part of a team recently awarded a grant from RIRDC to continue with the development and commercial release of ornamental eucalypt varieties. Over the next three years, Kate will work closely with Drs Cas Collins, Michelle Wirthensohn and Jenny Guerin, University of Adelaide, to select, test and release 10 new varieties of eucalypt suitable for home gardens and the cut flower market.

Decision-Making During Drought

Alison MacGregor was contracted by HAL to provide a one-on-one extension service to assist growers access information to help them assess their business, look at production scenarios, budget their water and other inputs and consider their options, and access grants or other support.

Alternative Dispute Resolution (ADR)

Charles Drew has continued to be engaged in expert determinations, arbitrations and mediations. These ADR procedures are all designed to provide relatively low cost, quick and timely methods to solve commercial disputes while hopefully retaining reasonable commercial relationships between the parties. However, things don't always work out this way. Scholefield Robinson received a request to provide an expert determination regarding a price dispute between a grape grower and a winery. The grower and the winery both agreed to engage Charles to conduct the determination. However, the grower then engaged a legal firm to represent him in the process. Many issues were raised by the legal firm, resulting in the expert determination process being unable to proceed, and the grower incurring unnecessary costs.

Cotton RDC Selection Committee

Prue was the Presiding Officer of the Selection Committee for the new Directors of the Cotton Research and Development Corporation. It was a process involving a Ministerial briefing and meetings with DAFF personnel, followed by formal and confidential application assessments and interviews.

SERVICES

Environmental Management

The impact on the environment by horticultural activities is looming as a significant issue as the wider community becomes more aware of how food is produced. There are a number of environmental awareness methodologies being promoted for the Australian Horticulture Industry, including the Environmental Assurance (EA) concept developed by Horticulture Australia Limited (HAL) and the ISO 14001 Environmental Management System (EMS) Certification. Scholefield Robinson has the capacity to assist our clients to investigate their options. Contact Kate Delaporte in our Adelaide Office for more information.

Irrigation Management Support

Irrigated horticulture industries in the Sunraysia region are heading into another difficult season with the continuing drought and limited water resources for perennial crops. To assist growers in making better irrigation decisions, Yasmin Chalmers from our Mildura office has developed a fully-funded support package utilising a professional advice grant provided by the Department of Agriculture, Fisheries and Forestry (DAFF). For more information contact Yasmin at our Mildura office.

STAFF

GWRDC Directorship

Mary Retallack of Scholefield Robinson in Adelaide was appointed as a Director of the Grape and Wine R&D Corporation in September for a three year term. This acknowledges the viticultural work she has done for the industry, her recent involvement in the wine industry Future Leaders program, and her current participation in the 2008/2009 Australian Rural Leadership Program. Congratulations Mary!



California Study Tour

Ben Thomas recently visited California to attend the 5th Pistachio Short Course held at Visalia, California from 3-6 November 2008. The Course was well attended (approximately 150 growers, consultants and researchers including 4 from Australia) and covered all aspects of pistachio production including site selection, nutrition, pruning, irrigation and pest & disease management. The Course also offered the chance to establish valuable contacts with researchers and producers. Following the Course, Ben visited several growers, nurseries and researchers throughout the Central Valley of California. Apart from pistachio, many of these growers, nurseries and researchers are heavily involved in almond production and Ben was able to discuss many of the current issues facing the Australian almond industry including nutrition, rootstock selection, varieties and pest & disease management. Again, the contacts made during this process should prove to be invaluable in the future.



New Consultant

Yasmin Chalmers has recently joined the Scholefield Robinson team in Mildura after working for over 10 years with the Victorian Department of Primary Industries in viticultural research and extension, where she gained significant knowledge and experience in the area of deficit irrigation and grape quality.

PROFESSIONAL DEVELOPMENT

We have invested heavily in professional staff development this year and some of the conferences and seminars attended in the past four months are;

- International Symposium on Grapevine Physiology and Biotechnology (Adelaide), attended by Mary Retallack & Yasmin Chalmers.
- Almond Industry Conference (Barossa), attended by Peter Scholefield, Garth Swinburn, Ben Thomas and Yasmin Chalmers.
- Plant Variety Names and Trademarks in Horticulture (Melbourne), attended by Kate Delaporte.
- Grapevine Ampelography Short Course (varietal identification) (Barossa), attended by Mary Retallack.
- Water and Vine Workshops (various districts), attended by Yasmin Chalmers (presenter), Mary Retallack and Sarah Kivi.
- Workforce Development Opportunities in the Agri-Food Sector (Murray Bridge), attended by Lauren Thompson.
- Environmental Management Course (Adelaide), attended by Kate Delaporte.