



### GRAPE PRICES

After an early start with some good pricing by a number of our local wineries in late 2018 most growers should by now have a good idea as to what they can expect in terms of prices for their wine grapes this season.

The Board again requests that growers forward to it copies of these for our information. A number of wineries provide this directly to us but the majority do not which is disappointing as our role is to inform the market as to what is occurring.

Six months ago the commentary in the market place was that demand for wine grapes was high and prices would respond accordingly. The office heard of price offers around \$700 per tonne for red varieties and \$400 plus for white varieties. It appears as though a softening is occurring in the market.

Wineries that offered good prices should be held to those, particularly now that the heat has had its impacts and yields are likely to be lower than first thought. Growers need to stand firm and ensure that these wineries hold to initial offers.

We should now look at why the change is occurring in the market as it is important to understand that we are operating in a world market and the impacts of world crops and stocks have on the price offers domestically.

In December Ciatti the worlds largest buyer and seller of bulk wines wrote in its December Global Market Report (Vol 9 Issue No. 12) encompassing the world market. The headline paragraph from this report is as follows: *Due to big harvests around the world in 2018 - with crops in France, Italy and Spain not only recovering from a short 2017 but exceeding their five year averages - the global wine supply has moved from a short to a long position. Prices are being adjusted downward as a result. Only Australia's and South Africa's bulk wine prices remain higher now than this time last year: suppliers in both countries are being warned that international competition is increasing.*

Australia is in a lucky position due to continued growth into China which is now our largest market for wine sales, both packaged and bulk.

Looking around the world to Southern Hemisphere producers Ciatti has the following to say:

**Argentina:** On course for an average sized 2019 harvest. This is despite some regions being impacted from drought conditions.

**Chile:** Has good volumes of quality wines available at competitive prices, pricing of 2019 will not be set until the market is clearer but it is sure to be lower than it was on the 2018 grapes.

**South Africa:** Bulk wine stocks are expected to at their lowest level in ten years with most wine that does become available being picked up by the large domestic brand owners.

**Australia and New Zealand:** Wine prices are holding due to strong demand from China and a favourable exchange rate. Big wine harvests around the world in 2018, combined with "economic uncertainty and static consumption", mean that "of all the major wine producing countries, only Australia and (drought-affected) South Africa's bulk wine prices are still higher than this time last year".

Wine Australia has warned the Australian wine industry that international competition on wine prices is likely to increase in the medium term as supply pressures ease across the world due to bug 2018 harvest. New Zealand's wine exports continue to grow, and are currently outperforming all other countries in the UK off-trade.

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## BOARD ACTIVITIES REPORT



### Starling Trapping Program

With funding from Riverina Local Land Services the Board has constructed two traps and written procedures to humanely capture and dispatch the Common Starling (*Sturnus Vulgaris*).

These traps have been placed in the field and we are currently trialing the best and most efficient lures to attract

the pest species into the traps.



Any grower wish to find out more information about the program can contact the office.

### Variable Message Boards

The Board is again hiring message boards for the Vintage to inform and educate the regions drivers to be careful around grape trucks. The aim is to ensure that all local drivers are aware of the vintage period and slow down around trucks, not cut them off at intersections etc.

Drivers of heavy vehicles are also reminded to take care in the transport of grapes. Already this season there have been reports for grape spillage. Please report these to the relevant local government offices so that they can be cleaned up to prevent other road users being impacted.

### Chairman and Deputy Chair Reappointed

At the most recent meeting of the Board Bruno Brombal was reappointed as Chair of the organization. This is Bruno's 21st year in the role of Chair. Robert Bellato retained his position as Deputy Chair.

### Future Leaders Program

The Board has agreed to financial fund the transport and accommodation of a constituted grower to participate in the Wine Industry Future Leaders Program. **One local grower that applies and is successful would benefit from the Board funding to ensure that they are not financially disadvantaged.**

Growers interested have until 15th March 2019 to apply to be selected (*funding conditions will apply*).

The Future Leaders program is the wine community's peak personal and professional leadership program. It is designed for the next crop of those who are ready to step up and take their businesses and our sector to the next level.

<https://www.winefutureleaders.com/qa>

Tentative sessions and locations:

- 3rd-5th June: New South Wales
- 9th-10th July: Melbourne
- July - Oct: 6 virtual sessions every three weeks
- 28th-29th August: Regional South Australia
- 13th-14th November: Adelaide

### Sponsorships in 2019

The Board will again be a sponsor of the **Riverina Field Day** for 2019 (\$12,000 + GST).

This year we will be using our new name of Riverina Winegrape Growers. The new name represents our continued focus on growers.



The Board takes on for the second year in a row the highest level sponsorship for the **Riverina Winemakers Association UnWINEd** program for 2019 (\$20,000 + GST). To follow the activities and be part of this program follow us on Facebook.



For **Easter 2019 in Griffith** the Board is also funding activities of Griffith City Council (\$2,000 plus GST).

More detailed information can be obtained by calling the office.



## HOW GRAPES BREATHE

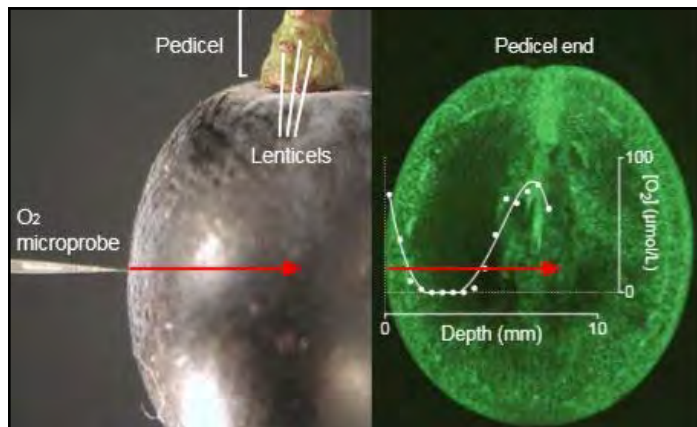
**Are berries suffocating to death under high temperature and water stress?**

Last year, researchers from the University of Adelaide, the South Australian Research and Development Institute and NSW Department of Primary Industries made headlines after their investigations revealed how grapes 'breathe', and that if subjected to a shortage of oxygen during ripening – as can happen with an increase in temperature or water stress – berries will shrivel and die. Detailing their findings, the researchers describe how Shiraz berries 'breathe' oxygen differently to Chardonnay, probably explaining why the former is more sensitive to high temperatures and a higher incidence of cell death. Their findings open the door to further research into grape varieties better suited to a warming climate.

**Introduction** Berry cell death is a developmental phenomenon that occurs late in ripening, is associated with shrivelling, and has implications for both yield and composition of berries and wine. We do not know to what extent cell death is genetically programmed, and to what extent is it a response to environmental and physiological challenges. This is important for at least two reasons. First, cell death may influence yield due to its strong correlation with berry shrivel in cultivars such as Shiraz. For example, cell death and shrivelling could be associated with yield losses of up to 30% in Shiraz. As a result, sugars are concentrated in the grapes during ripening and this could lead to high alcohol content in wine. Secondly, cell death may affect berry and wine sensory attributes due to the mixing of cell compartments and changes in biochemistry within the berry.

Shrivel in mature Shiraz berries in warm climates is likely due to a combination of several factors. The correlation between cell death and berry shrivel can be explained by the dehydration of berries mediated by changes in cell membrane permeability (Clarke et al. 2010, Tilbrook and Tyerman 2008). Berry transpiration late in ripening may continue but with decreased vascular inflow (Rogiers et al. 2004). This may be combined with backflow to the vine (Keller et al. 2006, Keller et al. 2015, Tilbrook and Tyerman 2009, Tyerman et al. 2004) through functional xylem, which is only partially blocked in the pedicel (the berry stem) (Knipfer et al. 2015). Therefore, cultivar-dependent berry shrivelling may be linked to very different behaviours of

berry water conductance late into ripening in addition to the effect of cell death (Scharwies and Tyerman 2017, Tilbrook and Tyerman 2009).



Since the significant discovery of the phenomenon of late ripening cell death (Krasnow et al. 2008, Tilbrook and Tyerman 2008) and the cultivar dependent correlation between cell death and berry shrivel (Fuentes et al. 2010), various studies have investigated its relationship to abiotic stresses in the vineyard. Some showed that Shiraz berry cell death can be accelerated by water stress and elevated temperature (Bonada et al. 2013a, Bonada et al. 2013b). There are increasing frequencies and intensities of heat waves and drought events globally and in Australia (Alexander and Arblaster 2009, Perkins et al. 2012) and the warming trend is predicted to have adverse effects on grapevines (Webb et al. 2007) and berry quality (Bonada and Sadras 2015, Caravia et al. 2016).

One of the challenges in the study of grape berry cell death is the requirement for a method to rapidly monitor it in the vineyard. Caravia et al. (2015) showed that using impedance spectroscopy, the electrical properties of grape berry flesh, can be rapidly measured and the vitality of the flesh can also be predicted using these properties. This technique has demonstrated a promising application for accurate and rapid measurement of berry composition.

### Oxygen and cell death

Recently we tested the hypothesis that cell death was associated with oxygen (O<sub>2</sub>) starvation (hypoxia) in the berry tissue based on the observation that cell death was increased at higher temperature. Oxygen is essential for living cells and their normal respiration, which also depends on temperature. In the first component of the study, berry internal O<sub>2</sub> concentration of Chardonnay, Shiraz and Ruby Seedless was

*Continued from Page 3*

measured with an O<sub>2</sub> microprobe during berry ripening. The pattern of O<sub>2</sub> concentration across the berry was found to correlate with cell vitality (Figure 1). The middle regions of the mesocarp had both the highest cell death and the lowest O<sub>2</sub> concentration. Oxygen availability in the mesocarp might be limited by a high internal respiration demand, such as may occur at high temperature and possibly contributed by seeds, and/or by restricted O<sub>2</sub> intake. A large gradient of O<sub>2</sub> concentration across the skin (Figure 1) indicates significant restriction to oxygen diffusion.

Thus, we turned our attention to the tiny gas permeable pores on the berry pedicel. These pores are referred to as lenticels and show a high density on the berry pedicel. Lower lenticel surface area in Shiraz could be indicative of a greater restriction on O<sub>2</sub> uptake compared with Chardonnay. Oxygen concentration increased towards the central axis of the berry corresponding to the presence of central air spaces visualised using x-ray micro-computed tomography. These air spaces are connected to the pedicel where the lenticels are located. Direct measurements of O<sub>2</sub> concentration in the axis of the berry while changing O<sub>2</sub> supply at the pedicel showed that most O<sub>2</sub> diffusion occurred via the pedicel lenticels. There was also increased ethanol concentration within Chardonnay berries after blocking pedicel lenticels indicating that fermentation occurred within the berry due to oxygen starvation. Thus, lenticels on the pedicel are an important pathway for oxygen uptake into the berry, and blocking or restricting these gas permeable structures can lead to decreased oxygen supply in the berry mesocarp.

High respiratory demand in the berry can also create an O<sub>2</sub> deficiency. The seeds contributed substantially to berry respiration around veraison but decreased to a negligible demand late in ripening. Both seeded cultivars (Shiraz and Chardonnay) showed substantial cell death during ripening while Ruby Seedless grapes maintained higher cell vitality as well as higher internal oxygen concentrations. The results partially explain cultivar differences in cell death due to the presence of seeds and differences in lenticel morphology and surface area.

## **Abiotic stresses and berry internal oxygen**

As ambient temperature and water stress modulate cell death and berry shrivel, we then investigated how water

stress and elevated temperature affect Shiraz berry cell death and internal O<sub>2</sub> status. Using the O<sub>2</sub> microprobe and micro X-ray CT analysis, Shiraz berry cell death was shown to be correlated with low O<sub>2</sub> concentration in the mesocarp and decreased berry air spaces within the flesh, perhaps induced by stress, that could potentially restrict the diffusion of O<sub>2</sub>, leading to hypoxia and cell death. The internal oxygen also decreased during berry ripening irrespective of growing conditions. The progression of cell death during berry ripening correlated with mean berry internal O<sub>2</sub> concentration across all growing conditions. Water stress decreased Shiraz berry internal O<sub>2</sub> concentration and increased ethanol accumulation and cell death. Total berry air space volume decreased across the ripening period independent of treatment while locule cavity (cavity around the seed) increased. This suggested that earlier in ripening, Shiraz berry internal air spaces occur as fine pores and that later in ripening, locule air space becomes larger relative to the total berry volume. Air channels connected the internal air space to the pedicels, where lenticels occur at high density, similar to that which was observed for Chardonnay berries. This further confirmed the physiological importance of pedicel lenticels in gas exchange and oxygen uptake.

## **Conclusion**

The reduced berry internal O<sub>2</sub> concentration is related to the reduction in air space and percentage of living tissue. Cell death, and by implication berry shrivel, are strongly linked to oxygen supply and demand. Potentially any stress that influences oxidative processes, including treatments that can cause oxidative stress in the berry, berry respiration or anatomy, will likely impact on cell death. Lenticels on the pedicel provide the main pathway for O<sub>2</sub> diffusion into the berry. Differences in internal O<sub>2</sub> availability of berries between cultivars could be associated with seed development and differences in lenticel surface area. Higher rates of mesocarp cell death caused by water stress was also associated with hypoxia within grape berries. This new knowledge on how grapes uptake oxygen provides the basis for further research into berry quality and cultivar selection for adapting viticulture to a warming climate.

*By Zeyu Xiao, Siyang Liao, Suzy Y. Rogiers, Victor O. Sadras, and Stephen D. Tyerman. This article was originally published in the Summer 2019 Wine & Viticulture Journal.*



## Primary production work diary requirements and exemption

### Recording work and rest requirements

All drivers of a fatigue-regulated heavy vehicle are required to ensure their work and rest hours are compliant with the Heavy Vehicle National Law (HVNL).

Drivers are not allowed to drive or work more than the maximum work hours, or rest less than the minimum rest hours, in certain periods set out by law.

Most drivers of a fatigue-regulated heavy vehicle<sup>1</sup>, who drive 100km or more, are required by law to record the time spent working and resting in a *National Driver Work Diary*. However, under certain circumstances, **primary producers** are exempt from purchasing and maintaining a work diary.

### When does the work diary exemption apply?

Depending on the distance travelled, the recording of work and rest hours is either done using your own recording mechanism (e.g. note book, NHVR template) or by using the *National Driver Work Diary*. Figure 1 show the different exemptions for deciding on the correct recording method.

#### 0 – 100km statutory exemption

Record keepers for drivers adhering to standard hours must keep a detailed written record of work and rest times in their own local area driving record. Drivers can choose to use their *National Driver Work Diary*.

#### 100 – 160km National Primary Production Work Diary Exemption Notice

The [National Primary Production Work Diary Exemption \(Notice\) 2018 \(No.1\)](#) extends the statutory exemption to work diary requirements for drivers of fatigue-regulated heavy vehicles who are carrying primary produce work within a 160km radius of their base.

If you're driving a fatigue-regulated heavy vehicle, transporting primary produce between a primary production facility<sup>2</sup> and a point of sale, processing or

distribution and are **working within a 160km radius** of your base, you are **NOT** required to keep and record information in a *National Driver Work Diary* under the work diary exemption, but are still required to keep your own records.

This exemption also covers the direct return journey after the primary produce has been offloaded.

#### More than 160km

If you're driving a fatigue-regulated heavy vehicle, transporting primary produce between a primary production facility and a point of sale, processing or distribution and are **outside the 160km radius** of your base, you are required to keep and record information in a *National Driver Work Diary*.

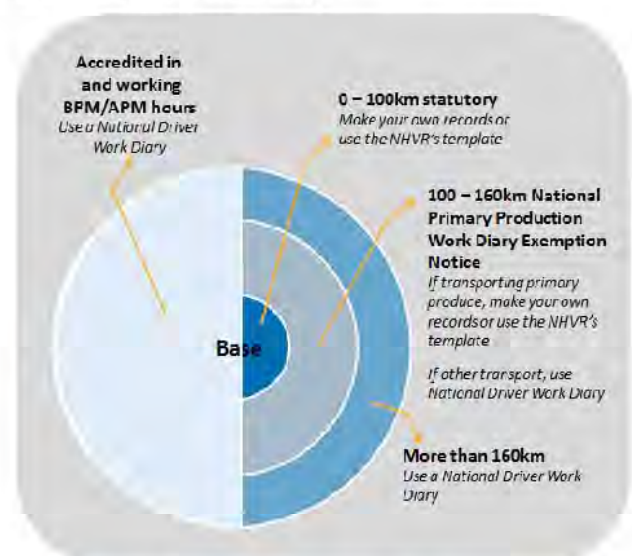


Figure 1: Primary producers work diary exemption

#### More than 100km statutory exemption

All other drivers of fatigue-regulated heavy vehicles must use the *National Driver Work Diary* for work outside the 100km radius, as required in the HVNL (unless they have a work diary exemption for another reason).

For more information about the work diary and other possible exemptions see <http://www.nhvr.gov.au/workdiary>.

<sup>1</sup> A fatigue-regulated heavy vehicle is a vehicle or combination with a gross vehicle mass (GVM) of more than 12 tonnes and fatigue regulated buses (i.e. carry more than 12 adults).

<sup>2</sup> A primary production facility is a place of production or accumulation of primary produce, such as a farm, paddock, silo, feedlot, or apiary.



## What is primary produce?

### Primary produce means:

- foodstuff intended for human consumption, including:
  - grain, fruit, fungi and vegetables
  - live animals grown or bred for food
  - apiary products
  - eggs, including fish roe
  - dairy products
- feed intended for animal consumption
- feathers and hides for the production of goods
- derivatives from animals or plants used for use in medicines or cosmetics
- fibrous by-products of plants and animals used for production of textiles.

## Questions and answers

### Do the fatigue management rules still apply when not using a National Driver Work Diary?

Although exempt drivers do not need to carry and record information in an official work diary, all other requirements of fatigue regulations still apply. Drivers must not drive while impaired by fatigue and must continue to comply with work and rest requirements.

**Record keepers must continue to record driver details, including work and rest times.**

The NHVR has put together a [Fatigue Management for Farmers](#) fact sheet which outlines which activities are deemed 'rest' and which are classed as 'work'.

### I'm exempt from keeping a National Driver Work Diary—what other records do I need to keep?

Drivers who are exempt from carrying and completing a *National Driver Work Diary* must still record, and provide details of their work and rest times to their record keeper.

Specifically, record keepers for primary producers and their transport providers must still record the:

- driver's name and contact details
- driver's current driver licence number and the jurisdiction in which the licence was issued
- dates on which the driver drives a fatigue-regulated heavy vehicle on a road
- registration number for each fatigue-regulated heavy vehicle the driver drives
- total of the driver's work times and rest times on each day on which the driver drives a fatigue-regulated heavy vehicle

- total of the driver's work times and rest times for each week during which the driver drives a fatigue-regulated heavy vehicle
- driver's rosters and trip schedules, including details of driver changeovers.

Record keepers must also keep a copy of payment records relating to the driver, including time sheet records if the driver is paid according to time at work. These records must be kept at the record location for three years.

### Is there an easy-to-use document I can use to keep records?

Yes. The NHVR has developed a [Local Work Diary Template](#).

An alternative Local Area Driving Record Template has also been developed. Both documents are available from GPSA.

### If I'm not exempt, do I need to keep a National Driver Work Diary all the time?

The statutory exemption for standard hours work **removes the requirement** to keep and complete a *National Driver Work Diary* whenever you are working within 100km, regardless of the type of load. Record keepers still have to make their own records for their drivers as per the guidelines above.

### What's the difference between a National Driver Work Diary and my own local area driving record?

The *National Driver Work Diary* is the approved form for drivers to make work and rest declaration. All required recordings must be completed on the document. If the *National Driver Work Diary* is not completed correctly or in full, it may be considered a breach of the law.

### To be eligible for the exemption, do I have to be a primary producer?

No. The exemption applies to all drivers undertaking a journey transporting primary produce as defined in the exemption notice.

### Do I have to be driving a vehicle with primary producer registration?

No.

### Do drivers have to carry a copy of the exemption?

No. Drivers working under the exemption do not have to carry a copy of the exemption notice.

For a list of other documents that must still be carried in the cab, visit [www.nhvr.gov.au/ce-bulletins](http://www.nhvr.gov.au/ce-bulletins).



### Does the work diary exemption apply to BFM or AFM?

No.

### Does the work diary exemption apply if my base is in the Northern Territory or Western Australia?

Yes. Drivers based in the Northern Territory or Western Australia who perform classes of work covered by this exemption in a participating jurisdiction are exempt from having to keep and record information in their work diary.

### Does the work diary exemption apply if I drive through the Australian Capital Territory (ACT)?

The ACT has not commenced the provisions of the national law dealing with fatigue. However, drivers operating under this work diary exemption will be compliant with current ACT laws.

### What happens if I work outside the 160km radius?

Drivers carrying out primary production work outside their 160km radius must record relevant information in a *National Driver Work Diary* or supplementary records for the entire day. This applies even if drivers have stopped work and had a major rest break during the day.

### If I do more than 160km work in 28 days, do I need to continue recording in my National Driver Work Diary or carry it with me?

There are two separate requirements in the law. The first relates to when a driver has to carry a *National Driver Work Diary*. The second relates to when a driver has to make entries in (keep) their work diary. While the two are linked, they operate independently of each other and it's possible for a driver to be required to carry a work diary without having to keep it.

A driver who has worked 160+km work in the last 28 days is required to carry their *National Driver Work Diary* with them when they work. They may not need to make records in the work diary if they are able to operate under an exemption (statutory or primary producer).

### Does the work diary exemption apply to two-up driving?

Yes. Drivers carrying out primary production work who are operating in a two-up arrangement are exempted from having to keep and record information in the *National Driver Work Diary* provided they remain within their 160km radius.

### Does this exemption apply to transport related to agricultural shows?

No.

### I drive fruit and vegetables to supermarket chains. Does this exemption apply?

No. The *National Primary Production Work Diary Exemption* does not apply to primary production transport activities after the produce is delivered to the first wholesale or processing point (e.g. a distribution centre).

### Does the work diary exemption cover me if I carry fertiliser on my return journey?

Only if your return journey is **direct** to your base, so it's unlikely grain and fertiliser logistics would allow for this circumstance. If you deliver grain to a silo, then travel to a fertiliser depot, load fertiliser and make the return journey to your base, this is no longer deemed a 'direct' return trip and as you are not carrying primary produce, you are no longer covered by the *National Primary Production Work Diary Exemption*.

### Does the return journey need to be unloaded?

No. For the direct return journey a driver can carry any load. However, if the return journey is indirect (e.g. making two or three stops on the way home) the exemption does not apply.

### What records do I need to keep if only part of my journey is exempt?

If you undertake a journey which is only partly covered by the *National Primary Production Work Diary Exemption*, you are required to keep a *National Driver Work Diary* entry for that entire day.

### Am I covered for the trip from my depot?

Yes. If you are undertaking a class of work as defined in the exemption notice, the trip from a driver's base is included.

### Does the work diary exemption apply to non-primary production transport?

No. The notice applies to transportation of primary produce on the outbound journey and direct return journeys only. Other transport tasks are not covered.

### What support is available for drivers with literacy issues?

Drivers who have problems with English literacy can contact the NHVR to apply for an individual *National Driver Work Diary* exemption permit.

### Where do I get help?

Visit [www.nhvr.gov.au/fatigue](http://www.nhvr.gov.au/fatigue) for more information on fatigue management obligations under the HVNL



# PREVENT SPILLS AND KEEP ROADS SAFE

## OVERLOADING COMPROMISES ROAD SAFETY

Spills on the road are slippery and a danger to other road users.

## ROAD DAMAGE

Over-mass vehicles can cause damage to the road surface, which is often expensive to fix.



Any vehicle detected over the 'Legal Mass' will have the breach recorded on weighbridge docket and penalties may apply in line with the seriousness of the breach.

## EMERGENCY NUMBERS

In the event of a grape spill on local roads, please call  
Griffith City Council on  
(02) 6962 8100 (during business hours)  
(02) 6969 4823 (after hours)

Leeton Shire Council

(02) 6953 0911 (during business hours)  
0407 468 214 (after hours)

Chain of Responsibility Legislation requires you to take appropriate steps to prevent mass, load restraint, dimension, fatigue and speeding laws from being breached. Everyone should take a risk-management approach for their Chain of Responsibility obligations. This approach is consistent with the management of work health and safety and the quality control of goods and services produced. Accountability for activities that affect compliance with road transport laws is the responsibility of every person. YOU may be held legally liable if you do not meet your Chain of Responsibility obligations.





## OFFICE LABORATORY OPEN FOR THE 2019 VINTAGE

Do you grow red wine grapes? Does your winery pay you based on the colour of these grapes? Perhaps you should be using the Board's independent service to see how compare how your winery is when testing for colour in red wine grapes.

The Board laboratory is now open for sampling. The laboratory will also provide you with maturity testing of white wine grape varieties.

Please call into our office to deliver your samples. For colour samples a minimum of 10 bunches are required. Samples also need to be picked during the cooler part of the day and brought into us prior to 10am for the results to be available the same day.



## IMPORTANT NOTICE RE TRUCK REGISTRATION

A reminder that all grape trucks are required to be registered.

**Important:** If you are **ONLY** using this vehicle to cart your own wine grapes you are only required to be registered as **Primary Producer General National** (currently there are concessions available on this type of registration) – you will be required to provide proof of your primary producer eligibility and make a declaration to this effect (see attached file).

**IF YOU INTEND TO CART WINE GRAPES FOR OTHERS WHETHER FOR FREE OR FEE** you will be required to register the heavy vehicle as **Business** <http://www.rms.nsw.gov.au/business-industry/heavy-vehicles/registration/renew/index.html>

For more information go to: [www.rms.nsw.gov.au/roads/registration/fees/index.html](http://www.rms.nsw.gov.au/roads/registration/fees/index.html)

Please be advised that you could be stopped by RMS inspectors at any time and all delivery dockets reviewed and/or your registration details at the point of delivery inspected by RMS staff. If they determine you are carting for other primary producers you could be fined.

### Log Book Exemptions

This applies only to Primary Producers operating within 100km on their home base. See the pull out section.

### Grape Spillage:

Please take care this season not to spill any loads. Remind all drivers of their responsibility. If you do or see spillage please report it to your local council:

Griffith City Council 6962 8100 or after hours 6964 1160

Leeton Shire Council 6953 0911 or after hours 0407 468 214



## AUSTRALIA'S WINE SECTOR COULD HIT BOTTLENECK

### Global issues could take a toll on the Aussie drop

Australian wine exports have been booming over the last few years but there are growing concerns that geopolitical issues could cork the market's growth.

Wine exports rose by 10 per cent last year, reaching more than \$2.8 billion, according to Wine Australia.

Much of the increase was largely thanks to the Chinese market. Exports to China rose by more than 18 per cent to the value of \$1.4 billion in 2018, surpassing France as China's number one import for wine.

However, trade tensions between our two biggest wine export markets – China and the US – have the potential to stump further growth of Australia's local industry.

With US-China tensions set to continue indefinitely into 2019, the International Monetary Fund (IMF) sounded the third alarm in six months on Monday, calling a Chinese slowdown the biggest threat to the global economy.

It came as China recorded that its GDP increased by 6.6 per cent in 2018 – the lowest rate in almost three decades, stirring fears that exports to our biggest trading partner would slow.

Mitchell Taylor, managing director of Taylors Wine and member of the prominent Taylor winemaking family told *Your Money Live* that it's a scenario Australian wine producers are having to prepare for.

"Us winemakers, we have to look long term and build our strategies. There are a lot of storms out there that we have to be careful of," said Taylor.

While global political and trade tensions are frequently discussed in the news, for Australia's wine industry, the

issues have a direct impact on sales.

Outside of Asia and the Pacific, European waters are proving to be even more fraught with hidden dangers.

The uncertain outcome around Brexit has forced Australia's winemakers to take action in recent weeks by stockpiling wine in Britain should a no-deal Brexit result in a falling pound and a holdup in port deliveries.

On Monday, Australia and the United Kingdom – Australia's third biggest wine importer – signed a new bilateral agreement to ensure the continued flow of trade post-Brexit.

"There's been so much uncertainty, so much indecision. So we've pushed our industry to push the government to make sure that we sign a deal," said Taylor.

"We've just recently, with the trade minister and the agricultural minister, signed a deal with their government to give us certainty through these Brexit problems."

Despite the global unrest, Taylor is positive about the year ahead and sees China as playing a big part in the future of Australia's industry.

Last year marked the final year of Chinese trade tariffs on imports of Australian wine, which had been slowly reducing over the last four years under a free trade agreement.

"China for us – the market is still very young, it's still very dynamic and there are so many opportunities if we get the marketing and strategy right."

<https://www.yourmoney.com.au/lifestyle/australias-wine-sector-could-hit-bottle-neck/>





## PROTECTING WINE GRAPES FROM SUNBURN

### CSU Research: Protecting wine grapes from sunburn

- Sunburn in winegrape berries causes economic losses to growers and wineries.
- NWGIC research, funded by Wine Australia, is investigating the impact of the timing of leaf removal on sun damage to the grapes.
- The aim is to develop guidelines to reduce the impact of sunburnt grapes.

High temperatures, harsh light and ultraviolet radiation can lead to a nasty case of sunburn – not just for people but for winegrapes – and Charles Sturt University (CSU) is investigating how to reduce the damage and financial losses.

The project by CSU postdoctoral researcher Dr Joanna Gambetta (*pictured below*) from the National Wine and Grape Industry Centre (NWGIC) has been funded by Wine Australia's Incubator Initiative.

"Sunburn can affect up to 15 per cent of winegrape berries in Australia in any given season," Dr Gambetta said.

"The browning, cracking and berry shrivelling means that yields are reduced and the fruit can be downgraded, causing significant economic losses to growers and wineries.

"On a sensitive, fully mature Chardonnay grape, symptoms of sunburn can appear within five minutes once surface temperature on the berry reaches an ambient temperature of 40–43° C."

Dr Gambetta said sunburn of grape berries was influenced by a number of factors, including grape variety, the stage of development, water stress and canopy management."

Grape growers can remove leaves from the vine to aid in disease management and my research aims to identify the optimum time for leaf removal to balance disease reduction and sunburn, as well as determining how altitude affects the degree of sunburn," Dr Gambetta said.

Experiments in vineyards in Orange, NSW are examining three different timings of defoliation of Chardonnay berries: a control group where leaves are not removed at all; a second group where leaves were removed at the end of flowering in December; and a third group of vines where the leaves will be removed at véraison (mid-January), when the sun will be at its fiercest and the grapes at their most vulnerable.

"The aim of the research is to develop a set of guidelines for growers to reduce the impact of sunburn damage to their grapes," Dr Gambetta said.

Wine Australia's General Manager Research, Development and Extension Dr Liz Waters said the research, while focussed on New South Wales, had much broader implications as sunburn was a potential problem in a number of regions.

The focus of this research through Wine Australia's Incubator Initiative was developed from the priorities identified by Wine Australia's Regional Program partners in NSW to support growers in finding locally tested solutions to industry problems.

The NWGIC is an alliance between CSU, the NSW Department of Primary Industries (DPI) and the NSW Wine Industry Association.

**Media note:** Contact NWGIC communications officer

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## SOUTH AFRICA HAS BULK WINE WOES

South Africa must stop selling bulk wine at "pathetically" low prices.

South Africa's wine industry needs to 'wake up' to the problem of selling its bulk wine at "pathetically low" prices.

This is according to Vinpro's chairman Anton Smuts, who pointed out that around 14% of South Africa's bulk wine is sold for less than R4 per litre while water sells for between R5 – R6 per litre. "This must be changed" he said earlier today at the trade body's annual conference.

**Editors Note: The South African Currency is the Rand, R4 is approximately equivalent to \$0.41 per litre Australian.**

While the state earns R6.8bn from the wine sector, producers themselves only receive around R5.8bn. Smuts urged the industry to be robust in its actions, adaptable to change, globally competitive and profitable.

"The link between low bulk prices and globally or regionally strong brands that command higher prices is what needs to be tackled," tweeted co-owner of Stellenbosch-based Rascallion Wines Ross Sleet. "You can't fix one without the other."

South Africa sells over one million bottles overseas every day, with full certification and ethical codes, and producers should "make every single bottle count as an ambassador for Brand South Africa," said Smuts.

Delegates heard that one wine producer leaves the industry every two weeks because of financial pressures – in 2001 there were 4,390 growers, and within 15 years their numbers had plummeted by 30% to fewer than 3,100 last year.

At the same time producers need to invest roughly R13bn over the next 10 years to be able to replace 50% of those vineyards that are currently older than 16 years

of age, added Smuts.

"Wine investment versus returns is still the major South African wine industry challenge," tweeted WOSA's Pippa Carter.

One of the answers, according to Mark Norrish of Ultraliquors, was for South Africa to produce more premium wines "I believe South African needs to produce more iconic or cult wines to gain further international exposure and grow awareness of South African wines.

However, despite the challenges facing the industry, growers should feel confident, said agricultural economist Wandile Sihlobo, pointing to South Africa's economic growth, the net operating income of agribusinesses, volume of exports and general agricultural conditions. "We have a confidence crisis," he said. "Business confidence is the cheapest form of stimulus to the economy."

As for the 2019 vintage, Vinpro's Francoise Viljoen reported it is "looking positive" with the cooler conditions and was expecting average to lower yields and generally healthy grapes, though vineyards will take some time to recover from the drought.



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