

2018 NATIONAL CRUSH REPORT

Australia's winegrape crush in 2018 was 1.79 million tonnes, just above the long-term average of 1.76 million tonnes, and the average purchase price for winegrapes increased by eight percent to \$609 per tonne, the highest level since 2008.

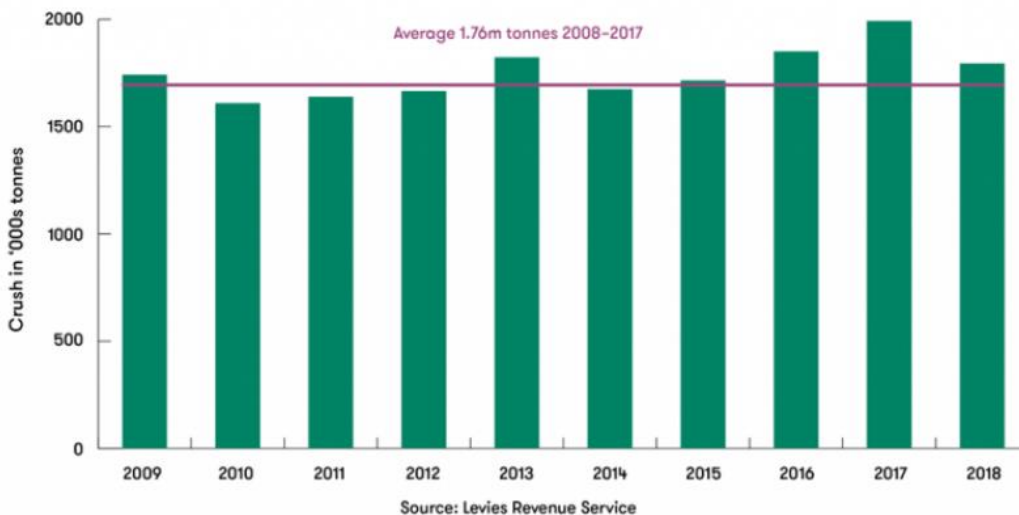
Wine Australia chief executive officer Andreas Clark welcomed the increase in the average purchase price.

"The increase in grape prices applied to both red and white grapes, with red grape prices increasing by 11% to \$768 a tonne while values for white varieties increased, on average, five percent to \$444 a tonne," Clark said.

The crush

The decline in tonnes compared with last year was greatest in percentage terms in the cool/temperate regions, which were down by 20% overall, while the warm irrigated regions (Riverina, Murray Darling-Swan Hill and Riverland) were less affected by the drier spring and summer, with yields down just five percent.

Clark said that while production of red grape varieties had decreased by 15% on 2017 figures, it had to be remembered that the above average 2017 vintage had seen tonnages increase by 12%, meaning that the 2018 vintage was effectively a return to long-term averages.



The decline in the white variety crush was only four percent compared with 2017, leading to a reduction in the red share from 55% to 52% of the crush, in line with the three year average.

Of the major varieties, Shiraz tonnes decreased by 1%, Cabernet Sauvignon by 14% and Merlot by 19%.

Chardonnay was the only major variety to go against the trend, increasing by nine percent and restoring its share of the white crush to 47% after falling to 42% last year.

(Continued on Page 3)

Winemakers' Federation of Australia chief executive officer Tony Battaglione said another good vintage was welcomed by winemakers and provided the raw materials for the quality wine required to supply our growing export and domestic demand.

The divergence between red and white average prices has increased steadily since 2011, driven by strengthening relative demand for red wine.

Despite the higher prices, the total estimated value of the crush decreased by three percent to \$1.11 billion, reflecting the ten percent reduction in total crop size from the record 2017 vintage of 1.99 million tonnes.

Editors Note: *The same occurred in the Riverina, higher prices were mostly negated by the lower yields.*

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BOARD ACTIVITIES REPORT



Riverina
WINE GRAPES
MARKETING BOARD

ERROR IN PREVIOUS VINE CHAT RELATING TO MURRUMBIDGEE IRRIGATION REGARDING DES

An error in the previous Jul-Aug edition of Vine Chat has been brought to the Boards attention by MI CEO Brett Jones.

On page 1, paragraph 6 in brackets it stated (system unconstrained) this should have said (system constrained). This error substantially altered the meaning of the report and is in error. The online version has been amended.

HACCP Report

The Board is working through the HACCP audits for the regions growers using the Board's system. A reminder to those that are using third party system. You can receive an annual reimbursement of \$150 on presentation of your completed certificate, dated after 30 June 2018.

MI Update

The Board has been meeting with other industry groups to seek responses from MI regarding the rollout of the DE's and flow rate share model they are implementing.

Board Elections

The 5 elected positions on the Board are coming up for reelection. Growers are asked to contact the office if you have changed whom the voter representative for your business is so we can amend our records.

A voter list is to be sent to the NSW Electoral Commission for the conduct of an election should one be called.

Growers are being asked to think about standing for the Board. The terms are for 3 years, are you prepared to work for your industry?

All existing members are eligible for re-election but will need to nominate again to be considered. The current elected members are:

Bruno Brombal, Chair (Hanwood) - since 1989
Robert Bellato Deputy (Beelbanger) - since 1995
Tony Baggio (Beelbanger) - since 2003
Bruno Altin - (Nericon) since 2016
Frank Alampi (Leeton) - since 2016

Board sponsors Leeton event

The Board is one of the major sponsors of Leeton Council's Chill and Grill event to be held 13th October at Leeton's No. 1 oval carpark. As a gold sponsor the Board will be promoting the entertainment stage.

Riverina Wine Show Dinner

The Board recently attended as the Diamond sponsors the wine show dinner held at the Yenda Memorial Hall. It was a wonderful evening.

The Board would like to congratulate the winners of the Riverina GI Category

Best Dry White

2012 3 Bridges Semillon - Calabria Family Wines

Best Riverina Durif

2015 Manuka Grove Durif - Nugan Estate

Best Riverina Dry Red

2017 Alternis Touriga - McWilliam's Wines

Most Successful Exhibitor of the 2018 Show

Calabria Family Wines

Levy Return for 2018

The Board moved to return to growers an amount equaling \$1 per tonne on their production for 2018. This only applies to growers that are constituted and have had the levy paid to the Board.

Letters have been sent to all growers outlining the process and seeking confirmation of the tonnes details. Thanks to those growers that have notified the Board of changes to your bank account details. Please note if you have no changes and the tonnes information that we have on record is accurate there is no need to contact the Board office.

Strategic Plan and Draft Budget for 2019-2023

The Board approved for printing the next years strategic plan. It will be mailed out to members shortly. Please note in your diary the upcoming Budget meeting, Wednesday 28th November at the Yoogali Club 7pm. Join together for a meal. If you wish to talk about the activities of the Board and the amount charged this is the most appropriate meeting at which it should be done.

MEDIA WATCH

The survey

(Continued from page 1)

The proportion of winery-grown fruit decreased from 33% of the crush in 2017 to 31% in 2018.

Winegrape prices

The calculated average purchase price of \$609 per tonne, was up by eight percent on the price of \$565 a tonne calculated in 2017.

This figure is the highest since 2008 and above the average price across the past ten years of \$508 per tonne.

It is the fourth consecutive vintage where the average purchase price for winegrapes has increased. Since hitting a low in 2011, the overall average grape price has increased by a compound annual rate of six percent over the past seven years. However, the average is still roughly two-thirds of its peak in 2001.

The overall average purchase price of red grapes increased by 11% from \$692 to \$768 per tonne, while the average price of white grapes increased by five percent from \$421 to \$444 per tonne. The divergence between red and white average price has increased steadily since 2011, driven by strengthening relative demand for red wine.

Each of the top ten red varieties showed increases, with Shiraz up by eight percent (on top of a 12% increase in 2017), Cabernet Sauvignon up by 14% and Merlot up by 18%. Among the whites, Chardonnay increased by five percent despite a significant increase in tonnes produced, Sauvignon Blanc increased by four percent and Muscat Gordo Blanco increased by three percent. The only white variety to decline in overall average price was Pinot Gris/Grigio (down one percent).

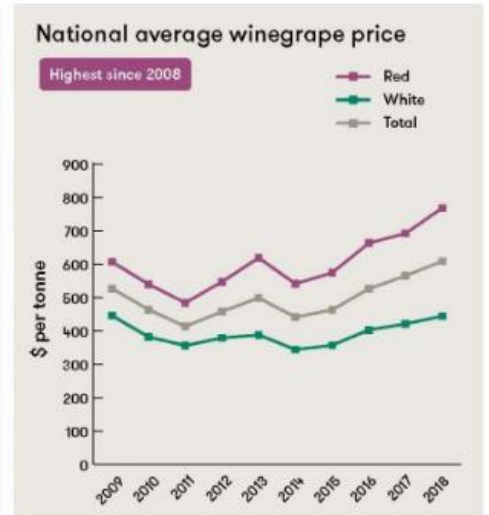
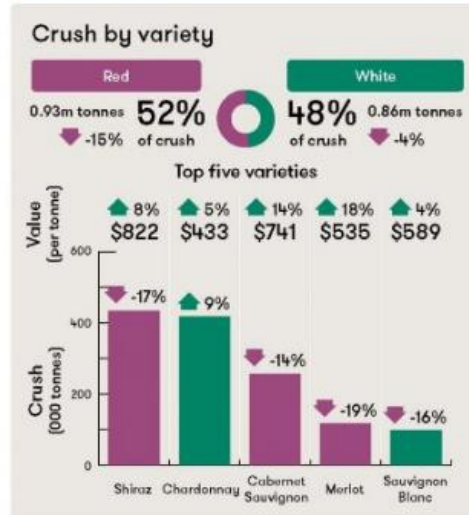
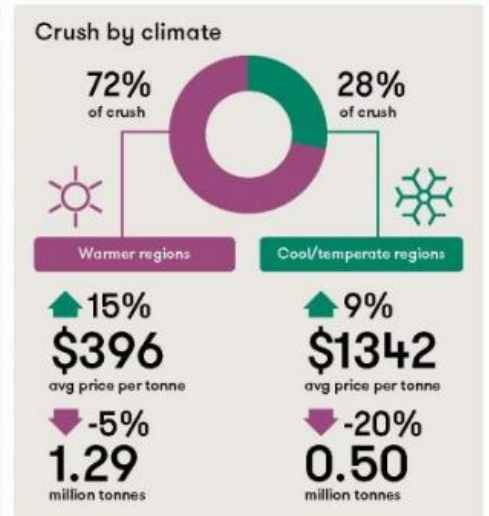
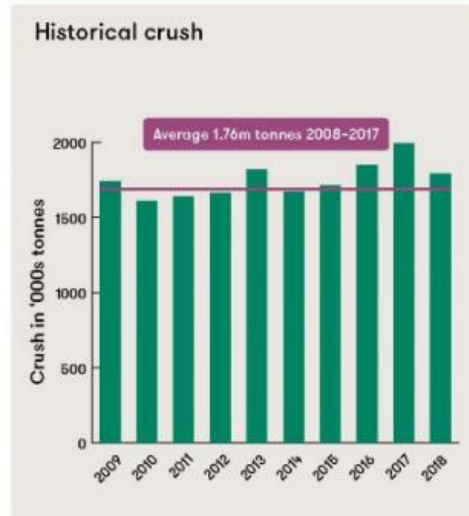
The National Vintage Report is based on a survey of winemakers conducted in May–June 2018. Responses were received from more than 400 businesses, including all wineries known to crush more than 10,000 tonnes, and they are estimated to account for 85% of all winegrapes crushed in 2018.

**It should be noted that the 2017 figures reported in this report will vary slightly from those reported last year, as they were based on last year's estimated crush figure and have now been adjusted for the actual Department*

Wine Australia



National Vintage Report 2018

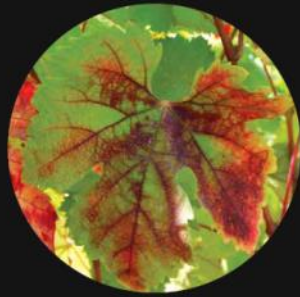


IF YOU SPOT ME, REPORT ME!

We don't have these pests and diseases in Australian vineyards. Let's keep it that way.



PIERCE'S DISEASE



GRAPEVINE RED BLOTCH VIRUS



GLASSY-WINGED SHARPSHOOTER



ANGULAR LEAF SCORCH AND ROTBRENNER



SPOTTED-WINGED DROSOPHILA



BACTERIAL BLIGHT OF GRAPEVINE



BLACK ROT



VINE MEALYBUG AND GRAPE MEALYBUG



GRAPEVINE LEAF RUST



GRAPE BERRY MOTHS



GRAPE PHYLLOXERA

For more information on these pests and diseases or if you find anything unusual, contact Vinehealth Australia on (08) 8273 0550 or the Exotic Plant Pest Hotline on 1800 084 881.

**EXOTIC PLANT PEST HOTLINE
1800 084 881**



FRUIT FLIES



www.vinehealth.com.au

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NATIONAL WINE AND GRAPE INDUSTRY CENTRE

Research to better manage grapevine trunk disease

NWGIC research focused on grapevine trunk disease aims to help develop better management strategies for growers.

Grapevine trunk diseases can significantly reduce yields.

The researchers are investigating dispersal of the fungal spores in the vineyard.

Research at the National Wine and Grape Industry Centre (NWGIC) is contributing to our understanding of grapevine trunk diseases leading to better management strategies for growers.

Charles Sturt University (CSU) Associate Professor Sandra Savocchia, from the School of Agricultural and Wine Sciences said, "Grapevine trunk diseases reduce vineyard productivity and longevity, threatening the sustainability of the wine industry."

As part of a project led by the South Australian Research and Development Institute (SARDI), the NWGIC has focussed on developing practical management strategies for grapevine trunk diseases.

Professor Savocchia said, "Grapevine trunk diseases are caused by fungi that infect vines through pruning wounds and colonise wood, causing dieback and eventually killing the vine.

"We've been investigating the dispersal of the fungal spores throughout the year, how long pruned wood is susceptible to infection, wound protection treatments and remedial surgery to control dieback."

Postdoctoral research fellow Dr Regina Billones-Baaijens is using DNA-based molecular tools to detect and quantify spores of *Eutypa dieback* (ED) and *Botryosphaeria dieback* (BD) pathogens in vineyards.



"We have found that spore dispersal patterns of ED and BD pathogens vary in wine regions with different climates," Dr Billones-Baaijens said.

"Rainfall was confirmed as the primary factor that triggers the release of spores, with as little as 0.2 mm of rain initiating spore release."

The researchers hope once more data is generated they'll be able to provide more information about the critical times of the year, and weather conditions when ED and BD spores are abundant in vineyards to help growers in making decisions about pruning to avoid infection.

The current research project 'Grapevine trunk disease management for vineyard longevity in diverse climates of Australia' is funded by Wine Australia with financial support from industry and CSU.

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

Photo caption: Dr Regina Billones-Baaijens and Associate Professor Sandra Savocchia from the National Wine and Grape Industry Centre



NATIONAL GEOGRAPHIC TO EXPLORE AUSTRALIAN WINE INDUSTRY

Kiwi actor and vigneron Sam Neill is hosting a one-hour documentary on the Australian wine industry for National Geographic channels worldwide.

Great Innovators: The Rise of Australian Wine will premiere on Nat Geo's Australian channel at 20.30 on October 18, followed by the US, UK and other international territories.

Filmed around the world over the past two years, the in-house production sees Neill and Peter Gago, the chief winemaker of Penfolds, delve into an industry built on guts, ingenuity, imagination and science.

The film also traces Penfolds innovations such as early wine stabilisation research and refrigerated harvesting used to make one of the world's most collectible wines, Penfolds Grange.

Neill said: "As a wine grower from New Zealand it was more than a privilege to spend time with a bunch of extraordinary winemakers and growers in Australia and to learn about the struggle and innovation that is such a hallmark of the story of wine in Australia."

Tim Jones, MD of Australian National Geographic, added: "The story of Australian wine is one of rich heritage and international recognition and appeal. This is a premium global opportunity to share the story of our wine pioneers, to showcase Australia's deep history and passion for winemaking and the successes of the industry around the world".

Published 02-10-18 Don Groves <https://www.c21media.net/nat-geo-uncorks-sam-neill-wine-doc/>

VINE HEALTH AUSTRALIA GIVING US THE TIPS

Looking to keep your vineyard safe and adopt Best Practice Farm-Gate Hygiene. Please check out Vine Health Australia's website which is full of great helpful information.

<http://vinehealth.com.au/industry/resources/farm-gate-hygiene/farm-gate-hygiene-posters/>

2018 NSW WINE AWARDS

The finalists of the 2018 NSW Wine Awards have been revealed, raising anticipation of who will be awarded one of the top Trophies at the 23rd annual NSW Wine Awards Presentation on 19 October at Government House Sydney.

When talking about the 2018 judging process, Chair of Judges Dave Brookes said the quality, dedication and professionalism of the chairs, judges and associates ensured this year's NSW Wine Awards went smoothly.

"The hospitality and rich history of the wonderful Southern Highlands wine region, where the judging took place from 11 to 13 September, has also made sure that the 2018 NSW Wine Awards will be a truly memorable event," he added.

The judging process, which saw 16 expert judges from across Australia taste a record number of nearly 900 wines over 3 days, has unveiled 402 medal winning wines, 51 of which are Gold Medal winners.

"The medal results shine a light on the state's diversity of wine styles and the quality of a pleasing run of excellent vintages," Brookes said.

"Current release Rieslings from Canberra and Mudgee were a highlight as were the Shiraz releases from a number of regions, from classic medium-weight Hunter Valley to funky-edged whole-bunch wines.

"Chardonnay continues to be on a roll with pristine and elegant wines on display from the Hunter Valley and Orange," he added.

Brookes said the quality and calibre of alternative red varieties, including standout Malbecs, Tempranillo, Sangiovese and Cabernet Franc, were awarded with a number of gold medals.

"These wines inherent drinkability and versatility in the food/wine matching stakes is bound to be a hit with the wine consumer and these wine styles have a bright future in the state."

The 51 Gold Medal finalists detailed below will now move on to the next stage of the Awards, where the top 2018 Trophy winners will be announced at an Awards Presentation on 19th October.

This Presentation will take place for the first time at Government House Sydney.



AUSTRALIAN
COMPETITION
& CONSUMER
COMMISSION

26 September 2018

The wine grape industry will be the focus of a new ACCC market study, announced today.

The study will examine competition, contracting practices, transparency, and risk allocation issues in the wine grape supply chain.

“We are undertaking this market study after wine grape growers raised concerns about a range of competition issues and contracting practices in the industry,” ACCC Deputy Chair Mick Keogh said.

“Growers have told us they carry too much of the risk in their contracts, and many say there is a lack of competition between buyers for their grapes.”

“Some growers have also told us that they receive limited pricing information and are subject to opaque quality standards imposed by winemakers, which can have a major impact on prices they receive for their grapes,” Mr Keogh said.

“We want to get to the bottom of these concerns and, if necessary, make recommendations to improve the competitiveness of the market.”

The ACCC has released an [issues paper](#) and is seeking submissions on:

- the level of competition between purchasers of wine grapes
- bargaining power and risk allocation across the entire supply chain, particularly in relation to growers and winemakers
- issues around price transparency and quality assessment
- the nature of contracts between growers and winemakers (including the timing of price notifications and payments)
- the effect of the existing voluntary industry Code and dispute resolution processes; and
- the use of collective bargaining by growers.

The ACCC is seeking this information through written and oral submissions in response to the Issues Paper.

The ACCC will accept submissions on a confidential or

anonymous basis, acknowledging that some stakeholders may be concerned about adverse reactions from commercial partners if they speak to the ACCC. Similarly, some firms may be reluctant to provide potentially commercially sensitive data which the ACCC needs to understand how the industry operates.

“We want to hear from anyone involved in the industry from any side who has information relevant to this study. If there are those who’d prefer to remain anonymous, our teams are used to handling sensitive, confidential information and we encourage people to get in touch – whether it is on or off the record,” Mr Keogh said.

The ACCC will hold public forums in a number of wine grape growing areas to hear directly from interested stakeholders. The dates and locations of the consultation forums will be announced on the ACCC’s website soon.

The ACCC will analyse information collected from submissions and forums and will publish draft findings for further comment, likely in the first quarter of 2019 with a final report before the end of June.

The issues paper and further information on the market study is available at: <https://www.accc.gov.au/focus-areas/market-studies/wine-grape-market-study>

Background

In July and August 2018 the ACCC invited wine grape growers across Australia to provide feedback about competition issues in their industry through an online survey.

The survey posed a range of questions to allow grape growers to share their experience. This helped the ACCC to learn how various industry players do business, and to identify any issues that require particular attention. A summary of survey results is available from the Wine Grapes Marketing Board.

Competition and consumer issues in the agriculture sector, including a focus on analysis of the wine grape industry, are current ACCC priorities.

RIVERINA REGIONAL PROGRAM UPDATE

Herbicide and fungicide resistance was the focus of three Riverina regional program workshops on 28th and 29th August in Leeton, Yenda and Hanwood.

Department of Primary Industries Development Officer – Viticulture Adrian Englefield outlined where growers can submit samples for resistance testing and delivered Riverina vineyard case study results.

Experts in resistance testing and management discussed how growers need to be aware of chemical resistance and take simple measures to minimise risks. Growers need to follow resistance management strategies (outlined in the Croplife resistance management strategies, page 15 of the Australian Wine Research Institute [Dog Book](#)) and consider alternative or non-chemical control measures.

During the 2017–18 growing season Adrian Englefield sampled a number of Riverina vineyards for Botrytis and Fleabane resistance.

Botrytis samples were sent to the South Australian Research and Development Institute (SARDI) horticultural diagnostic service. The Botrytis testing results (from five vineyards) and information from Curtin Universities Lincoln Harper indicated attention is required if applying group 9, 12 and 17 fungicides.

Fleabane samples were sent to the Charles Sturt University (CSU) herbicide resistance testing service, Wagga Wagga. Tested against a number of knockdown and residual herbicides, resistance was found against paraquat (group L) in five of the nine samples tested.

For growers interested in testing for fungicide or herbicide resistance in their own vineyard, samples can be submitted to:

SARDI – [Horticultural diagnostic services](#)

[CSU herbicide resistance testing service.](#)

Contact the Board office for more details

For further DPI project and event information [subscribe to VineWatch](#), the DPI fortnightly newsletter.

Click the link below and enter your email and regions interested in and you will receive details straight to your computer/smart phone

<https://nsw.us11.list-manage.com/subscribe?u=59ba43482b8c913efe7355823&id=d179b42dac>

Riverina regional program activities are made possible by Wine Australia, DPI (a National Wine and Grape Industry Centre partner) with support from the Wine Grapes Marketing Board.

GLOBAL HARVEST REPORT 2018

The winegrape harvest is complete in the southern hemisphere. The outcomes were:

- **Argentina** harvested an estimated 2.55 million tonnes, after three smaller-than-average vintages in a row. This sees it return to fifth place on the world wine production table, overtaking Australia.
- **Chile** may also overtake Australia, with a reported wine crush of 1.3 billion litres or around 1.85 million tonnes – 36 per cent more than in 2017.
- **Australia's** harvest of 1.79 million tonnes was 10

per cent below the 2017 harvest but slightly above the long-term average of 1.76 million tonnes.

- **South Africa's** harvest of 1.2 million tonnes was 15 per cent below last year's, after they suffered the worst drought in 100 years.

New Zealand had an increase of 6 per cent, but their harvest of 400,000 tonnes – while the third largest on record for the country – is still relatively small in global terms.

<https://www.wineaustralia.com/news/market-bulletin/issue-123>

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