

### Vintage 2024—Unsustainable

The start of the growing season showed promise over the previous season with the arrival of El Nino, however the continued oversupply did not bode well for a positive financial return to growers. Up until November growers were able to minimise chemical inputs as the weather remained favourable. This was a very welcome change

in the region as vintage was about to begin. Prices ranged from \$150 to \$320 per tonne for varieties like Shiraz and \$300 to \$400 per tonne for Chardonnay. These were some of the lowest prices on offer in over 40 years. Some growers took the stand not to deliver grapes at

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Not all fit for purpose winegrapes will make it over the weighbridge this vintage

on the previous growing season where Griffith received over twice its average annual rainfall. This all changed in November with the departing of El Nino and the return of above average rainfall, for November, December, and January and as with most summer storms some areas received more than others. Some of the larger rainfall events during this period caused some splitting of berries for growers that were unlucky enough to get the full brunt of the storm. These split berries led to disease pressure from Botrytis and Sour Rot especially in January as growers prepared for vintage. Unfortunately, some crops were rejected by wineries due to the presence of Botrytis or Sour Rot above the specified minimal levels. This coupled with prices well below the cost of production cast a sombre pall across

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# WINE GRAPES MARKETING BOARD

## BOARD ACTIVITIES REPORT



**Riverina  
WINEGRAPE  
GROWERS**

### Bruno Brombal and Robert Bellato appointed

Bruno Brombal has again been reappointed as the Chair of the Board. He has held this position since 1998. Robert Bellato was also reappointed as the Deputy Chair of the organisation.

Tony Baggio will continue to represent winegrape growers in irrigation matters, and Jeremy Cass represents the region at the NSW Wine Industry. Bruno Altin is the delegate to the Riverina Winemakers Association, Steve Barbon is the delegate to MIA Vine Improvement Society and Bruno Brombal continues as delegate to the Inland Wine Regions Alliance.

### Upcoming Events

#### *Post Vintage Grower BBQ*

To be held in the carpark of the Riverina Winegrape Offices on Wednesday 24 April 2024

#### *Murray Valley Forum*

Murray Valley Wine Growers will be holding their forum on Wednesday 12 June 2024. They are hoping to attract speakers like Murray Watt, Federal Minister of Agriculture & Mick Keogh Deputy of ACCC. Riverina Winegrape Growers are looking for growers interested in attending and are prepared to pay accommodation and travel costs involved in attending.

**Please contact Jeremy if you are interested in attending the Forum on 0427 759 094**

### Lobbying for Political Intervention

We have been lobbying very hard for some sort of political intervention into the current state of the wine industry caused by the oversupply. Unfortunately we are at the mercy of "economics 101" being supply and demand and without some political intervention we will continue to be oversupplied for some years to come. If China comes back at the end of March it will help, but won't solve the problem. Vine pull schemes are a dirty word in political circles and I read a response from the Media Officer from the Federal Department of Agriculture, Fisheries and Forestry that stated "*A vine pull scheme could have significant unintended consequences and would require careful consideration by Government.*" This suggests that making growers viable by bringing the industry back into balance was an unintended consequence. The export figures supplied by Wine Australia show clearly that over the past 12 months exports have declined by 2% in value and 3% in volume (see page 5). What is not exported is flooding the domestic market and pushing prices down for bulk wine to as low as 25c per litre. Some wineries have suggested that it costs around 40c per litre to produce. No one is a winner in this situation. We have tried to be practical

and realistic with solutions based on what we ask from Government. They have been slow to respond. We have finally seen some action in this space with the formation of Wine Industry Taskforce (WIT) (see page 5) made up of both Federal and State Agricultural Ministers. The focus of WIT is to address the oversupply and the flow on effects that it is causing the profitability of the industry and growers. The timing coincided with the announcement that a recommendation had been made internally in the Chinese Government to remove the tariffs.

**Sam Farraway MLC and the Hon.David Littleproud MP in Orange**



(Continued from Page 1)

**Vintage 2024—Unsustainable**

\$150 per tonne. Others didn't have a choice as regardless of a negative cash flow it is a way of recouping some crop growing costs.

A far cry from last year's late vintage 2024 saw an early start with most wineries accepting grapes by mid January. By the end of January vintage was in full swing, thankfully the rain eased in February allowing vintage to continue at full pace. A few growers reported having a bumper crop in the odd variety but on the whole most white varieties yields were average. The red crop ripened early with below average yields reported especially for Shiraz. Early reports from the wineries suggest that the fruit quality for vintage 2024 is good and that most expect vintage to be finalised before Easter.

Riverina Winegrape Growers are extremely worried about the mental health of our growers once they have had a chance to sit down and see how much it has cost them to grow and deliver this year's crop. Our modeling shows negative returns of up to \$2000 per hectare dependent on their variety mix. The Riverina would welcome some form of intervention by government to help bring the industry back into balance, and to this end we have been lobbying for several achievable outcomes being:

- Financial assistance to help some growers transition out of winegrapes to other crops.
- A mandatory Code of Conduct that spans from the grower to the retailer.
- Once back in balance financial assistance to remove aging substandard wine from the system to remove downward pressure from the bulk market.

Without some sort of managed approach to downsizing, not just the Riverina but all the warm inland regions, our fear is that we will see an

overcorrection in the supply of winegrapes in several years time as growers realise that they just can't keep putting their hand in their pocket to grow grapes.

The Riverina is at risk of becoming a target for water buybacks with many growers looking at this as a way of exiting the industry with some dignity. I fear that using water to grow grapes that will be harvested to the ground will not be viewed as a responsible use of water. I also worry that the low prices for both wine and grapes have the potential to damage the Sustainable Winegrowing Australia brand (SWA) as grapes or wine sourced at below the cost of production that end up on a supermarket shelf with SWA trust mark pose a huge risk of being labeled as greenwashing. Winegrape growers are not immune from the forces of inflation that have seen their input costs rise, yet wine seems to be. This is due predominantly to bulk market wine prices below the cost of production. The result of all this is that costs continue to rise, and prices continue to drop. Yet on the horizon all we can see from the Government is more pressure from proposed new costs that will all filter down to growers. These include the proposed container deposit scheme, the container tax and the biosecurity levy.

The Government focus seems to be on wineries and increasing trade. It's like they believe that if China drops its tariffs at the end of March everything will be good again. Whilst we welcome this it will not be enough to bring the market back into balance on its own. Growers need to be taken into consideration in times that are as dire as these. We welcome the announcement of a wine industry taskforce. We hope that growers get a seat at the table and the focus isn't all the about wineries.

**Are You Removing Vines?  
Let us know and we will update  
your farm maps**

**02 6962 3944 or 0401 567 449**

# WINE GRAPES MARKETING BOARD

## Welcome Dr Meena Thakur to NSW DPI

Meet Meena, the new Entomologist at Department of Primary Industries NSW. Meena is based in Yanco and is looking forward to collaborating with the grapevine growers and viticulturists in the Riverina region and gaining a greater understanding of the insect pest scenarios mainly mealybugs and scale insects and how these pests are affecting the grapevines in the region.

Born and educated in India, Meena has done her Master's



(2008) and Doctorate Degree (2011) in Entomology from Dr.Y.S. Parmar University of Horticulture and Forestry, Solan, India. She has worked in India, New Zealand and Macquarie University Australia over a wide range of insect species before joining the Department of Primary Industries, Regional New South Wales in February 2024. Meena's journey in entomology has been driven by a profound passion for understanding and mitigating the impact of insect pests on economically important

horticultural crops and urban landscapes. She has delved into diverse ecosystems utilising a multidisciplinary approach to identify, study and develop innovative strategies for effective pest control, prioritising environmental sustainability and ecosystem resilience.

Meena's experience in the pesticide manufacturing industry in New Zealand has equipped her with valuable insights into pesticide handling and safety protocols. With her expertise in insect behaviour, predator-prey interactions, the mechanisms and action of pesticides (both natural and synthetic) and integrated insect pest management (IPM) techniques. She is well positioned to develop effective and sustainable pest control strategies that prioritise safety and environmental responsibility in order to develop more effective pest management techniques tailored to the Riverina region.

Meena wants to connect directly with the wine industry to learn about and tackle scale and mealy bug problems in Riverina's grapevines. Meena has provided [survey forms enclosed](#), to gauge these pests in the region. Your input in filling out these forms would be helpful for Meena to understand the history and current status of scale and mealy bug issues in your vineyards. Meena hopes that by gathering this information she can figure out where more research is needed and come up with better ways to manage these pests specifically for the Riverina area.



## Young Growers get trip to New Zealand courtesy of NSW Wine

Peter Valeri and Jared Bianchini were selected by NSW Wine to take part in a wine industry study trip to New Zealand in December 2023. They were part of a group of 12 that were lucky enough to see what was happening on the other side of the ditch. On their return they reported to the board on what they had learnt. They told us what a great experience it was and would recommend it to any one if the opportunity came again.



Peter & Jared reporting to the board on their trip to New Zealand

## Australian Grape & Wine welcomes Wine Industry Taskforce

Australian Grape & Wine CEO, Mr Lee McLean has welcomed the formation of a viticulture and wine sector working group following a meeting of the Commonwealth, State and Territory Agriculture Ministers yesterday.

"Australian Grape & Wine has been encouraging a coordinated and collaborative approach to deal with the challenges our sector is facing and we are pleased Ministers have agreed to form this working group" said Mr McLean.

As noted in the Agriculture Ministers' Meeting Communiqué, *Ministers agreed to establish a viticulture and wine sector working group, comprising representatives of the Commonwealth, state and territory governments, Wine Australia, Australian Grape and Wine and other relevant groups as agreed by the working group, to provide recommendations to Agriculture Ministers to address the challenges facing growers.*

"We know there are a number of regions experiencing acute financial pressure as a result of supply and demand imbalances, including the Riverland in South Australia, the Riverina in NSW, and the Murray Valley in Victoria, and it's pleasing the group will focus on ways we can work together to relieve these pressures, in these regions" said Mr McLean.

"Australian Grape & Wine has put a range of options to the Albanese Government ahead of the Federal Budget, including proposals to help rebalance supply, grow demand and boost regional tourism" said Mr McLean. "These proposals are all aimed at helping Australia's grape growers and winemakers to find a pathway through the current challenges towards a sustainable and more profitable future."

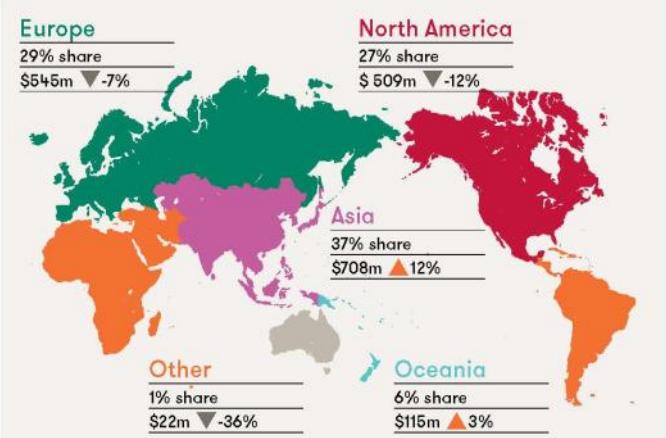
Ministers expect the working group to visit regions most impacted by the oversupply situation, with the group to report back by the end of April 2024.

### Wine Australia

## Export Report

1 January 2023 to 31 December 2023

Total value	\$1.90b	▼ -2%
Total volume	607m litres	▼ -3%
Average value	\$3.13/litre	▲ 0.2%



#### Exports by price point (value)

\$10.00 +	\$690m	▲ 11%
\$7.50-\$9.99	\$99m	▼ -18%
\$5.00-\$7.49	\$172m	▼ -19%
\$2.50-\$4.99	\$487m	▼ -8%
< \$2.50	\$450m	▼ -2%

#### Top 5 export destinations (value)

United States	\$364m	▼ -7%
United Kingdom	\$361m	▼ -3%
Hong Kong	\$290m	▲ 74%
Canada	\$143m	▼ -24%
Singapore	\$133m	▲ 1%

#### Top 5 export varieties (litres)

Chardonnay	148m	▼ -9%
Shiraz	140m	▼ -8%
Cabernet Sauvignon	87m	▲ 2%
Pinot Gris/Grigio	47m	▲ 21%
Merlot	40 m	▲ 3%

58%  
of wine produced  
is exported

112  
export  
destinations

1,298  
active  
exporters

18,024  
different products  
exported

15.5 million  
glasses of Australian wine  
enjoyed overseas each day

# WINE GRAPES MARKETING BOARD

## A message from your local Rural Financial Counsellor Bonnie Hayes

Hello Growers! I am Bonnie Hayes, your local Rural Financial Counsellor based in Griffith and servicing the Griffith and Murrumbidgee Local Government Areas.

In what is undoubtably a very hard time for the industry, I would like to let you know that we at Rural Financial Counselling Service NSW (RFCS NSW) are here to provide you with free, unbiased, confidential and professional financial counselling.

We can assist you by discussing the options available to you and your primary production business regarding accessing government assistance, bank reviews and loan applications, cashflow and budgeting, farm debt mediation, succession planning and business planning. I can assist you with the Farm Household Allowance, the Special Disaster Grants or refinancing existing debt, to name a few.

We can help you to better understand your current financial situation and the challenges and opportunities that lie ahead. By undertaking a business review with us, you can gain a clearer understanding of your financial position and the options ahead.

Everyone's situation will be unique to them, so please call me or email me to book an appointment if you would like to discuss your current situation or prepare for a situation you see coming up.

A gentle reminder - for anyone who has been approved for the Special Disaster Grant (flood grant) and hasn't submitted their tax invoices and proof of

payments to RAA, the closing date to do so is **Wednesday 8 May 2024**. Please feel free to get in touch with me if you require any assistance or have any questions.

Thanks to Jeremy and the team at the RWG, I can meet you in their office for a chat, attend your home or can host at my office in Griffith – whichever makes you feel most comfortable.

I am available for contact on 0447 479 694 or [bonnie@rfcsnsw.com.au](mailto:bonnie@rfcsnsw.com.au)



Bonnie Hayes RFC based in Griffith

## Mental Health Resources 24/7 Counselling Support

- Lifeline —13 11 14
- MensLine Australia—1300 789 978
- Beyond Blue—1300 224 636
- Brother to Brother 24– hour Crisis Line 1800 435 799
- Suicide Call Back Service—1300 659 467
- Kids Helpline—1800 551 800

## Farm Household Allowance

### Getting back on your feet

Farm Household Allowance (FHA) is an Australian Government support package for farming families doing it tough. Since 2014, FHA has helped more than 17,500 farmers and their partners to improve their situation.

### Applying for FHA

To apply for FHA, you must be a farmer or a partner of a farmer.

Call the Farmer Assistance hotline on **132 316** to discuss eligibility and ways to apply.

The hotline is open 8am to 5pm Monday to Friday.

### Help for financial hardship

**Financial hardship can happen to anyone at any time. It doesn't matter what caused it – illness, unexpected weather conditions, a change in global market conditions or anything in between – support is available.**

Farmers often tell us they didn't apply for FHA because they thought others were in a worse position.

While FHA will provide you with breathing space through income support, the money will also benefit your local community when it is spent. This helps your family and other small businesses.

**If you are unsure – don't self-assess.** Please make time to speak with Services Australia.

You can also contact the Rural Financial Counselling Service who can help work out if FHA is right for you.

**Everyone who is eligible will get paid.**

### Help for you and your family

There are five key elements of the FHA program that give farming families practical support:

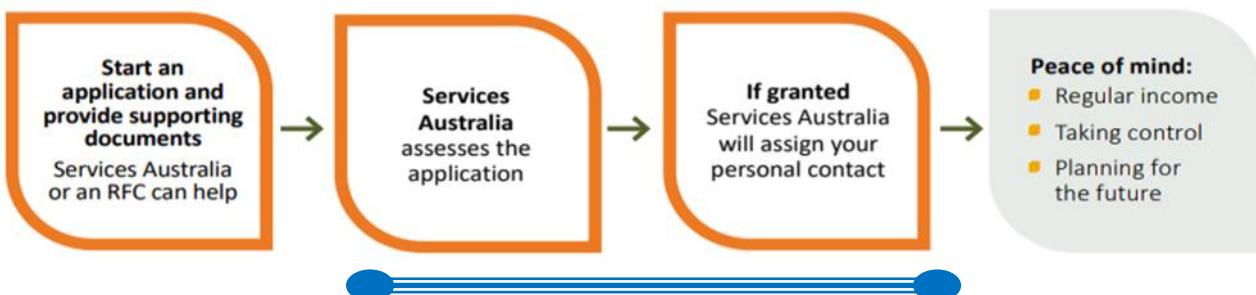
**A fortnightly income support payment** to pay for household expenses.

**\$10,000 activity supplement** to help develop skills, access training and/or pay for advice to increase financial self-reliance.

Up to \$1,500 for a **professional financial assessment** of your business to help identify opportunities for changes.

A **Health Care Card** and other allowances, to assist with costs of living.

**Tailored and practical support** from your personal contact at Services Australia, to help you achieve your goals.



# WINE GRAPES MARKETING BOARD

## Water Buybacks

National Irrigators Council held their first meeting of the year on Thursday 15 February 2024. This meeting was the first since the bill was passed by Parliament that allowed for changes to a reduction in the rules water could be purchased under, as part of the buybacks. Tanya Plibersek Federal Minister for Water and the Environment finally made it to this meeting to address the Council. Tanya spoke of the recent water buybacks and explained that this water had come from the Lachlan, Namoi, and NSW Murray, Government purchased half of what was on offer from “willing sellers”, the other half priced themselves out of the market. They are not just going to buy anything it must be value for money and the environment. Buybacks aren’t the only tool to achieve their goal, they are also looking at land and water combined purchases if it fits their needs as well as leasing water. The National Irrigators Council sent out an update recently to suggest that their calculations show that the price of these water purchases is 15-20% above market price.



The Hon.Tanya Plibersek MP addressing the National Irrigators Council Meeting in Canberra.

## Crown Gall Outbreak

Crown gall is a significant plant disease globally caused by two bacterial genera: *Agrobacterium* and *Allorhizobium*, both of which belong to the *Rhizobiaceae* family. In grapevines the disease is characterised by the formation of galls on the crown of vines, where the main roots join the trunk, and also on roots. Galls may also form on the trunk above the soil line or on shoots and canes. Peeling and cracking of bark, as well as a gradual decline in vine vigour due to girdling and root necrosis, may occur as the disease progresses. Young vines are especially susceptible, as galls can impede water and nutrient flow, potentially resulting in vine death in severe cases.

### What should you do if you observe crown gall-like symptoms in your vineyard?

Photograph and record the location of affected vines. For new vine plantings, contact your nursery supplier and the Vine Industry Nursery Association (VINA)

*Note: Information reported maybe shared with the industry bodies (AWRI, Wine Australia, Australian Grape & Wine,*

VINA, Vinehealth Australia and State Biosecurity Departments who are working together to investigate the current issue of crown gall-like symptoms but will not be revealed publicly or shared outside this group.

Contact the AWRI helpdesk on 08 8313 6600



*"I bear be turned water into wine, but it was a rather poor-quality Mesopotamian Cabernet."*

**DISCLAIMER** The content in this Newsletter “Vine Chat” has been prepared by the Wine Grapes Marketing Board (the Board).

**General Advice Warning** The information contained is general in nature and does not take into account your personal situation. You should consider whether the information is appropriate to your needs, and where appropriate, seek professional advice from your personal advisors.

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