

Wine Australia

Media Release

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Australian 2019 vintage crushes predictions

The Australian winegrape crush for 2019 is estimated to be 1.73 million tonnes, just one per cent below the 10-year average, according to the National Vintage Report 2019 released today by Wine Australia.

This figure is well above early predictions that the harvest would be 10–20 per cent down on the 2018 vintage.

Wine Australia Chief Executive Officer Andreas Clark described the announcement as welcome news for the sector.

'This is a good-sized crop that will ensure Australia can continue to supply its export and domestic markets comfortably', he said.

'It further reinforces Australian winegrowers' ability to deliver consistent winegrape harvests and mitigate the effects of difficult weather conditions such as those widely reported during the 2019 season.'

Mr Clark said many regions did suffer significant losses, including the Barossa, Adelaide Hills and Clare Valley, which were the worst affected in tonnage terms, but yields were generally not as low as originally feared.

The effects of heat and dryness were mitigated by good canopy management and irrigation regimes, while the dryer season reduced disease pressure, and the lower yields were offset by exceptional colour and flavour in the resulting wines.

The Limestone Coast regions (Coonawarra, Padthaway and Wattonbully) produced much larger crops than their low-yielding 2018 vintage, while the warm inland regions (Riverland, Riverina and Murray Darling–Swan Hill) had very similar crops to last year, demonstrating the ability of managed irrigation, where available, to offset the effects of heat and dryness.

'It needs to be remembered that Australia frequently experiences drier conditions and we have been modifying our viticultural techniques, including canopy management and irrigation, to suit our climate for decades.'

Winegrape value grows strongly

The lower yields were balanced by higher grape prices with the average value of winegrapes reaching \$664 per tonne, up by more than \$50 per tonne (9 per cent) on the 2018 average value of \$611 per tonne. This figure is the highest since 2008, making 2019 the fifth consecutive vintage where the average purchase price for winegrapes has increased.

The total farmgate value of Australian winegrapes is estimated to be \$1.17 billion in 2019, a 6 per cent increase despite the reduction in tonnage.

Mr Clark said the strong correlation between winegrape prices and average export value over the past 20 years continued in 2019. Average export value increased by 9 per cent in the year ended March 2019 to its highest level since 2009.

'Growth in export value underpins the continuing success of the Australian wine sector, with exports accounting for 63 per cent of wine production', Mr Clark said.

'It is pleasing to see the value growth in Australian wine in export markets translating to increased premiums paid for Australian winegrapes.'

The main varieties align with demand

Red varieties generally fared better than whites in terms of yield, with the red crush up by 16,224 tonnes (2 per cent) compared with 2018, while whites were down 66,949 tonnes (8 per cent). Most varieties showed only small changes overall, except Chardonnay, which was down by 47,975 tonnes (12 per cent) to 356,250 tonnes – its lowest crush in the past five years. This brought its share of the national crush down to 22 per cent, in line with its share of exports in 2018.

The Prosecco crush was up 42 per cent to 9,936 tonnes. It has increased its crush volume by an average of nearly 50 per cent each year since 2015, mirroring similar sales growth in the domestic wine market, and it is now the tenth largest white variety by production volume.

Shiraz remained the dominant variety with 418,364 tonnes – accounting for 44 per cent of the red crush and 24 per cent of the total crush – despite its crush being down by 2 per cent compared with last year. Shiraz accounts for 29 per cent of exported Australian wine and exports grew by 5 per cent in volume in 2018.

The survey

The National Vintage Report is based on a survey of winemakers conducted in May–June 2019. Responses were received from over 570 businesses, estimated to account for 88 per cent of all winegrapes crushed in 2019.

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About Wine Australia

Wine Australia supports a competitive wine sector by investing in research, development and extension (RD&E), growing domestic and international markets, protecting the reputation of Australian wine and administering the Export and Regional Wine Support Package.

Wine Australia is an Australian Commonwealth Government statutory authority, established under the *Wine Australia Act 2013*, and funded by grape growers and winemakers through levies and user-pays charges and the Australian Government, which provides matching funding for RD&E investments.

