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## MEDIA RELEASE

### **ABARES report highlights the need for increased investment in market diversification**

New economic modelling from ABARES indicates sustained downward pressure on red grape pricing across Australia's key production regions of the Riverina, Riverland and Murray Darling-Swan Hill.

"This [report](#) will help businesses to make more informed decisions in the years ahead, while also highlighting the need to increase investment in diversifying our export markets" said Lee McLean, Chief Executive of Australian Grape & Wine.

Australian Grape & Wine's [Pre-Budget Submission](#) presents a range of options for the Australian Government to consider to help drive demand at home and abroad, to innovate in the vineyard and winery, and improve sustainability in the vineyard at a very challenging time for many growers and winemakers.

"The effective closure of the \$1.2 billion China market was an economic shock to our sector and has contributed directly to the picture painted by ABARES in its report" said Mr McLean. "As we note in our Pre-Budget Submission, the challenge for industry and government now is to work together to overcome the immediate hurdles while ensuring we invest in a more sustainable future."

ABARES' quarterly winegrape market report has been made possible by the Australian Government's *Improving Market Transparency in Perishable Agricultural Good Industries* grants program, which enabled Australian Grape & Wine, the Inland Wine Regions Alliance and Wine Australia to collaborate with ABARES to help improve winegrape pricing information.

"This ABARES report is one of several responses to the recommendations that came from the ACCC Winegrape Market Study targeted to assisting growers understand how the market is performing so they can make informed decisions during the season" said Mr McLean. "This independent reporting will help level the playing field for market information along the supply chain."

Australian Grape & Wine, in collaboration with the Inland Wine Regions Alliance and regional grape and wine associations will use the forecast data to provide respective members with regular market insights and a greater perspective on grape pricing. It will complement other information available to our sector, including Wine Australia's National Vintage Survey, which will be released in early July.



Readers can find the report [here](#), and you can provide feedback directly to ABARES via email [ABARES.Commodities@agriculture.gov.au](mailto:ABARES.Commodities@agriculture.gov.au).

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#### **About Australian Grape and Wine Inc**

Australian Grape and Wine Inc is the national association of grape and wine producers. We address issues across the supply-chain that impact on the profitability and sustainability of the sector. We lead and advocate public policy that enhances the ability to responsibly produce, promote and enjoy Australian wine in moderation.

Australian Grape & Wine is recognised as a representative organisation for winegrape and wine producers under the Wine Australia Act 2013, and is incorporated under the SA Associations Incorporation Act 1985. We work in partnership with the Australian Government to develop and implement policy that is in the best interests of winegrape growers and winemakers across Australia.