



Australian Wine and Grape Industry 1994

ABS Catalogue No. 1329.0



EMBARGOED UNTIL 11.30 A.M. 15 NOVEMBER 1994

NEW ISSUE

**AUSTRALIAN WINE AND GRAPE INDUSTRY
1994**

IAN CASTLES
Australian Statistician

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PREFACE

The Australian wine industry is a dynamic and export-oriented industry. Australia, while currently producing only 1.5 per cent of the world wine production, is internationally regarded as one of the leaders of the 'New World' wine producing countries competing successfully with the 'Old World' producers such as France, Italy, Spain and Germany.

The wine industry consists of two major operational areas, wine grape growing and winemaking. The Australian and New Zealand Standard Industrial Classification (ANZSIC) includes two industry classes covering these activities. These classes are Grape Growing (0114) and Wine Manufacturing (2183). However, these activities are sometimes combined, with winemaking companies growing their own wine grape supplies, and wine grape growers joining to operate cooperative winemaking ventures. In addition, some wine grapes are grown by agricultural businesses whose major activity is another type of farming. Likewise, some wine is produced by businesses whose major activity is not winemaking. These mix of activities make it difficult to present a comprehensive view of the wine industry by relying on data presented according to a strict industry classification. This publication therefore contains a mix of industry and activity statistics.

This compendium is a summary of the statistics on the grape and wine industry collected by the ABS and other sources. It replaces *Wine Production, Australia and States* (8366.0), an annual publication containing statistics on wine and spirit production, materials used and stocks held by winemakers. Explanatory notes about these collections are available at the end of this publication. This compendium also contains preliminary data on area of vines and production of grapes for winemaking, drying and table purposes in 1993-94 previously published in *Viticulture, Australia, Preliminary* (7311.0).

Other topics include the structure of the wine and brandy industry, domestic wine sales, overseas trade, prices, consumption, wine regions of Australia, brandy sales, the workers, and world comparisons.

This is the first compendium of wine and grape statistics produced by the ABS. I welcome comments on the content and usefulness of this publication to enable improvements to be made for future editions. Comments can be provided to the Wine Statistics Unit, Australian Bureau of Statistics, GPO Box 2272, Adelaide, SA 5000 or telephone (08) 237 7626.

Australian Bureau of Statistics
CANBERRA
November 1994

IAN CASTLES
Australian Statistician



CONTENTS

		<i>Page</i>
	Preface	iii
<i>Section</i>		
1	Overview	1
2	Grape growing	3
3	Structure of the wine and brandy industry	6
4	Wine production and materials used	8
5	Wine stocks	11
6	Domestic wine sales	13
7	Overseas trade	16
8	Grape and wine prices	19
9	Wine consumption	21
10	Brandy and grape spirit	24
11	Wine regions of Australia	26
12	Workers in the wine and grape industries	27
13	World comparisons	29
	Explanatory notes for wine production and stocks	32
	Symbols and other usages	32
	Bibliography	33

INQUIRIES

- *for further information about statistics in this publication and the availability of related unpublished statistics, contact Peter Carmalt on Adelaide (08) 237 7626 or any ABS State Office.*
 - *for information about other ABS statistics and services please refer to the back page of this publication.*
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Section 1

OVERVIEW

Australian Wine Production and Grape Growing : Summary, 1993-94

Area of bearing vines	62,048 hectares
Total grape production	944,921 tonnes
Wine grapes crushed	777,373 tonnes
Beverage wine production	530.5 million litres
Wine exports	125.3 million litres
Wine imports	8.3 million litres
Domestic wine sales	319.5 million litres

Almost 780,000 tonnes of grapes were crushed in 1993-94 by those winemakers crushing more than 50 tonnes, an increase of 24 per cent on the 1993 crushing. Grapes going into wine production represent around 72 per cent of the total grape harvest, with 23 per cent dried and 5 per cent mainly table grapes.

In 1993 more than 120 varieties of grape were under cultivation in Australia with white varieties covering almost twice the area of red varieties. One quarter of all plantings were of the multi purpose sultana grape. Grapegrowers have also increased their area under vines in 1994 with the area of vines not yet bearing up by 1,000 hectares on 1993. In spite of these new plantings the total area of vines continues to be less than it was in the 1970s due mainly to the vine grubblings that took place during the 1980s.

The 1994 vintage in Australia produced an all time record volume of 530.5 million litres of beverage wine, an increase of almost 30 per cent on 1993 and up 41 per cent on the average production of the previous ten years. The increased production was substantially helped by a favourable grape harvest but it also reflects a planned upward shift in production by wineries.

Beverage wine production increased 50 per cent in South Australia between 1992-93 and 1993-94, 43 per cent in Victoria, and 72 per cent in Western Australia. In contrast production in New South Wales was down 3 per cent.

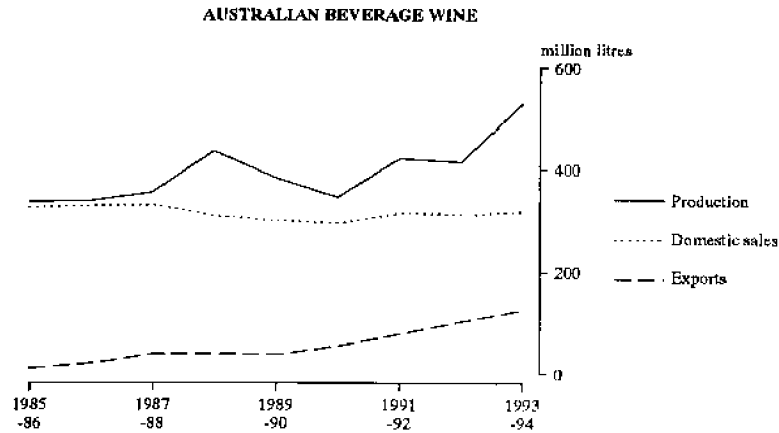
Fortified wine production in Australia increased 37 per cent to 30.5 million litres between 1992-93 and 1993-94, reversing a downward trend in production evident since 1988-89. Most of the fortified wine increase was reported by South Australian wineries while those in New South Wales and Victoria reported continued decreases in production.

Grapes Crushed and Wine Produced, 1993-94

Size	No. of enterprises	Grapes crushed	Beverage wine produced
		Tonnes	'000 litres
<i>Tonnes crushed</i>			
50 to 400	128	17,943	(b)
401 to 9,999	57	114,758	77,330
10,000 to 19,000	10	139,501	98,739
20,000 or more	8	505,171	354,465
Total	203	777,373	(a) 530,534

(a) Excludes production from those crushing less than 400 tonnes. (b) Estimated to be 12 million litres.

Australian wine production is highly concentrated. While 203 enterprises crush 50 or more tonnes of grapes just 8 enterprises produce 67 per cent of Australia's beverage wine.



Wine exports in 1993-94 were 125 million litres, a 22 per cent increase on the previous year and a threefold increase over the 39 million litres exported in 1988-89. In contrast imports of wine into Australia in 1993-94 were up only 6 per cent on the previous year and were down 14 per cent on the quantity of wine imported in 1988-89.

As wine exports continue to rise, domestic sales of Australian wine have declined with the 320 million litres sold during 1993-94 being 2 per cent less than the 325 million litres sold during 1985-86. Over a 50 year period per capita consumption of wine in Australia has risen seven fold from an average of 3 litres per person in the late 1930s to 20 litres per person in the late 1980s but stabilising in recent years at about 18 litres.

While total domestic wine sales were steady some clear changes in preference have been shown by consumers. Since 1985-86 sales of bottled wine have grown 35 per cent, soft packs (casks) by only 5 per cent and sales of flagons and wine in bulk have shrunk 76 per cent to a low 8.1 million litres in 1993-94. As well as buying increased amounts of wine in bottles, consumers are also buying increased quantities of red wine. In 1993-94 white wine sales were still three times greater than red wine sales, 193 million litres compared with 57 million litres. However since 1985-86 white wine sales have declined 8 per cent and red wine sales have increased by 54 per cent.

In recent years the prices paid for grapes used in the production of wine in Australia have fluctuated widely as demand and supply changed each year. In June 1994, the average price paid by winemakers for grapes was 33 per cent higher than the average price paid twelve months earlier. In contrast, the average price of wine produced by winemakers (wholesale price) rose by 6 per cent between June 1993 and June 1994, while the average price of wine exported from Australia rose by 1 per cent over the same period.

Section 2

GRAPE GROWING

Area of vines and production of grapes

Preliminary information from the 1993–94 Viticulture collection shows that Australia's grapegrowers had 68,000 hectares cultivated to vines of which 6,000 hectares were not yet bearing grapes. Three-quarters of Australia's grape vines were planted in South Australia and Victoria. The total area of vines remains lower than in the 1970s due to the vine grubbing that took place during the 1980s.

Area and Production of Vineyards, Australia and States, 1991–92 to 1993–94p^(a)

	Area of vines at harvest			Production: grapes used for			
	Bearing	Not yet bearing	Total	Wine-making	Drying	Table etc.	Total
	hectares			tonnes (fresh weight)			
1991–92	56,371	4,637	61,007	564,060	372,935	50,147	987,142
1992–93	58,378	4,339	62,717	544,516	197,049	49,778	791,343
1993–94p							
New South Wales	11,395	918	12,313	128,396	32,700	8,694	169,790
Victoria	20,164	1,593	21,757	174,401	168,369	27,899	370,669
Queensland	1,017	131	1,148	379	—	3,910	4,289
South Australia	26,625	2,855	29,480	368,368	9,780	2,417	380,565
Western Australia	2,515	279	2,794	13,360	1,457	2,480	17,297
Tasmania	253	99	352	1,066	—	—	1,066
Total	62,048	5,894	67,942	687,215	212,306	45,400	944,921

(a) In 1993–94, the scope of the collection was expanded to include establishments with an estimated value of agricultural operations of between \$5,000 and \$22,500. These establishments have been excluded from this collection since 1985–86. Source: *Viticulture, Australia* (7310.0), ABS Agstats database.

Grape varieties

The 63,000 hectares under vines in 1992–93 included more than 120 varieties of grape of which just over half were red grape varieties. White grape varieties covered 41,000 hectares and were almost double the area of red grape varieties. The most widely planted variety, at 16,000 hectares, was the multi purpose sultana grape representing a quarter of all plantings. Next most widely planted variety with around 6,000 hectares each, were three premium wine varieties, Shiraz, Chardonnay and Cabernet Sauvignon.

In 1993 there were 4,339 hectares of vines not yet bearing, of which the largest was Chardonnay (1,123 hectares). These young vines represented 7 per cent of all plantings. In recent years it is the premium varieties that have shown significant new plantings with 671 hectares of Chardonnay, 319 hectares of Shiraz and 251 hectares of Cabernet Sauvignon planted during 1993.

Varieties declining in area included Crouchen down 21 per cent from 1991–92, Palomino and Pedro Ximenes down 16 per cent, Waltham Cross down 13 per cent and Doradillo down 10 per cent. Riesling declined 2 per cent.

Grape yields

Variation in grape yields are influenced by region and the amount of irrigation or supplementary watering provided. The yields in tonnes per hectare for red grape varieties averaged 9 ranging from 5 for Muscat Hamburg through to 23 for Rubired. The average yields in tonnes per hectare of the major planted varieties were: 10 for Shiraz, Grenache and Currant, 8 for Pinot Noir and 7 for Cabernet Sauvignon. White grapes were more productive averaging 16 tonnes/ hectare and ranging from 5 for Early Muscat to 26 for Colombard. The yields for the major varieties were Sultana, 18 tonnes/hectare, Chardonnay 11, Riesling 10, Muscat Gordo Blanco 22 and Semillon 14.

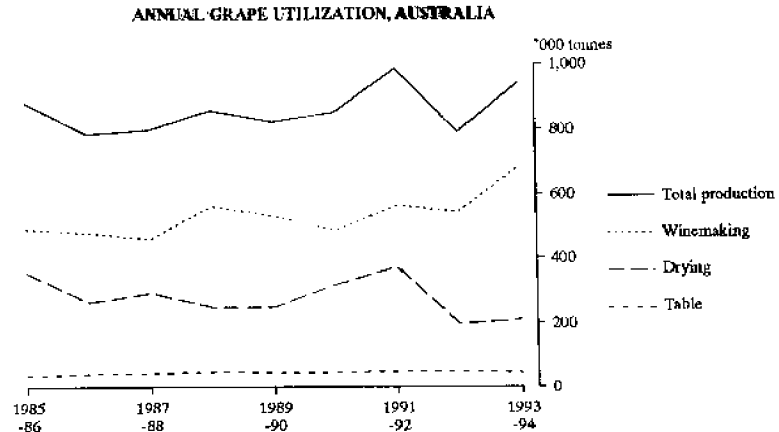
Area and Production of Grape Varieties, Australia, 1992-93

	Area of vines at harvest			Production: grapes used for			
	Bearing	Not yet bearing	Total	Wine-making	Drying	Table etc	Total
	hectares			tonnes (fresh weight)			
Red grapes :							
Cabernet Franc	399	54	453	3,244	-	-	3,244
Cabernet Sauvignon	5,155	727	5,882	37,852	-	-	37,852
Cardinal	334	14	348	121	-	2,224	2,345
Currant (Incl. Carina)	1,198	108	1,306	167	12,316	-	12,483
Flame Seedless	229	16	245	111	178	2,163	2,452
Grenache	1,909	21	1,930	19,215	-	-	19,215
Malbec	258	32	290	2,755	-	-	2,755
Mataro	616	15	631	8,519	-	-	8,519
Merlot	609	128	737	4,767	-	-	4,767
Muscat Hamburg	455	16	471	805	-	1,354	2,159
Pinot Noir	1,179	137	1,316	9,943	-	-	9,943
Red Emperor	311	7	318	96	-	3,717	3,813
Ruby Cabernet	394	73	467	5,459	-	-	5,459
Shiraz	5,499	640	6,139	56,397	-	-	56,397
Other red grapes	1,239	166	1,405	7,392	142	6,081	13,615
Total red grapes	19,784	2,154	21,938	156,843	12,636	15,539	185,018
White grapes :							
Chardonnay	4,970	1,123	6,093	55,116	-	-	55,116
Chenin Blanc	643	38	681	11,000	-	-	11,000
Colombard	837	50	887	21,695	-	-	21,695
Doradillo	644	1	645	13,125	-	-	13,125
Frontignac	327	4	331	4,764	-	-	4,764
Muscadelle	354	5	359	3,543	-	-	3,543
Muscat Gordo Blanco	3,358	44	3,402	67,838	4,415	261	72,514
Palomino and Pedro Ximenes	779	2	781	10,813	-	-	10,813
Riesling	3,546	74	3,620	34,847	-	-	34,847
Sauvignon Blanc	976	60	1,036	9,599	-	-	9,599
Semillon	2,898	162	3,060	39,622	-	-	39,622
Sultana	15,479	421	15,900	75,619	177,856	25,850	279,325
Traminer	533	14	547	6,424	-	-	6,424
Trebbiano	1,033	3	1,036	19,283	-	-	19,283
Waltham Cross	686	6	692	2,460	2,102	2,045	6,607
Other white grapes	1,531	178	1,709	11,928	40	6,088	18,053
Total white grapes	38,594	2,185	40,779	387,673	184,413	34,239	606,325
Total grapes	58,378	4,339	62,717	544,516	197,049	49,778	791,343

Source: ABS, Agstats database.

Grape utilisation

During the three years to 1993–94 about 66 per cent of grapes produced have gone into wine production, 29 per cent were dried and 5 per cent consumed as table grapes. These proportions vary year by year depending on demand from the competing users and have shifted over time. In the first three years of the 1970s the utilisation was 47 per cent to winemaking, 50 per cent to drying and 3 per cent for table use. The substitution is possible because a number of the varieties grown are multi purpose, particularly the white varieties Sultana and Muscat Gordo Blanco. The demand for table grapes, while small, has doubled in the last twenty years.



Source: ABS AGSTATS Database and Viticulture, Australia (7310.0)

All varieties of grape are used in winemaking while only four varieties, Sultana, Currant, Muscat Gordo Blanco and Waltham Cross are commonly used in drying. The principal table grape is Sultana although a range of other varieties are used.

Section 3

STRUCTURE OF THE WINE AND BRANDY INDUSTRY

Number and size of wineries

Wine commentators suggest there are 800 wineries manufacturing, blending or selling wine in Australia. Many of these are very small establishments which do not crush grapes and have their wine made elsewhere. Those that do crush grapes range in size from small family businesses without employees producing a few thousand litres of wine to large public corporations producing in excess of one hundred million litres.

For the 1994 vintage there were 234 locations around Australia which crushed 50 tonnes or more of grapes, owned by 203 enterprises. All States crushed some grapes with South Australia the largest, having one-third of all crushing locations which crushed one-half of all grapes crushed in Australia.

Number of Wine Producing Locations, Size of Grape Crush, States, Australia, 1993-94

Grape crush size	Unit	NSW	Vic.	Qld	SA	WA	Tas.	Total
50 to 400 tonnes	No.	25	32	2	29	33	7	128
More than 400 tonnes	No.	26	23	—	49	8	—	106
Total	No.	51	55	2	78	41	7	234
Proportion	%	22	24	1	33	18	3	100
Grapes crushed	Tonnes	239,204	133,546	n.p.	390,024	13,597	n.p.	777,373
Proportion	%	31	17	—	50	2	—	100

The table below gives details of the 203 enterprises crushing 50 or more tonnes of grapes. It shows that winemakers are diverse in size with the 103 smallest crushing 1 per cent of grapes, averaging about 100 tonnes each, and the 8 largest crushing 65 per cent of grapes and averaging about 63,000 tonnes each.

Wine Producing Enterprises, Size of Production, Australia, 1993-94

Size	No. of enterprises	Grapes crushed	Beverage wine produced
Tonnes crushed		Tonnes	'000 litres
50 to 99	54	3,826	n.a.
100 to 149	32	3,877	n.a.
150 to 199	17	2,957	n.a.
200 to 400	25	7,283	n.a.
401 to 999	26	16,756	12,045
1,000 to 2,999	19	34,528	22,482
3,000 to 4,999	8	29,916	18,485
5,000 to 9,999	4	33,558	24,318
10,000 to 19,999	10	139,501	98,739
20,000 or more	8	505,171	354,465
Total	203	777,373	(a)530,534

(a) Excludes production from those crushing less than 400 tonnes. This is estimated to be 12 million litres.

An alternative view of the wine manufacturing industry is available from the annual manufacturing census which covers establishments mainly engaged in the manufacturing or blending of wine or brandy and which had some employment at 30 June. This data source shows that at 30 June 1992, there were 233 establishments owned by 214 organisations mainly making or blending wine or brandy. These data will not include very small winemaking businesses run by sole proprietors and partnerships which do not employ other staff. The tables below show details from the 1991-92 census.

There were 81 establishments or 35 per cent of all wineries with fewer than 4 employees and an average of \$91,000 in turnover per employee. The biggest 10 establishments all had employment of 100 or more and averaged \$232,000 in turnover per employee.

Wine and Brandy Manufacturing Establishments, Australia, 1991-92

Employment size	Establishments at 30 June	Employment	Wages and	Turnover
		at end of June	salaries	
		persons	\$m	\$m
Less than 4	81	175	2.4	15.9
4-9	65	368	5.9	38.2
10-19	32	435	9.0	90.4
20-49	34	987	20.8	141.9
50-99	11	777	18.1	154.6
100 or more	10	2,293	64.6	532.4
Total	233	5,035	120.9	973.4

Source: ABS Manufacturing Census, 1991-92 (unpublished data).

Ranking the enterprise groups by turnover confirms the highly concentrated structure of the industry. The largest four enterprise groups had 37 per cent of employment, paid 46 per cent of total wages and salaries and contributed almost half of the industry turnover. At the bottom end, 194 enterprise groups had about the same proportion of employment (38 per cent), paid only 26 per cent of wages and salaries and contributed just 17 per cent of turnover.

Wine and Brandy Manufacturing Establishments, Concentration Ratios, 1991-92

Enterprise groups ranked by turnover	Enterprise groups at 30 June		Establishments at 30 June		Employment at end of June		Wages and salaries		Turnover	
	No.	Ratio	No.	Ratio	No.	Ratio	\$m	Ratio	\$m	Ratio
First	4	0.02	10	0.04	1,839	0.37	55.1	0.46	470.5	0.48
Second	4	0.02	6	0.03	513	0.10	14.5	0.12	148.1	0.15
Third	4	0.02	11	0.05	285	0.06	8.8	0.07	95.9	0.10
Fourth	4	0.02	5	0.02	246	0.05	6.2	0.05	58.8	0.06
Fifth	4	0.02	4	0.02	256	0.05	4.6	0.04	35.9	0.04
Remainder	194	0.91	197	0.85	1,896	0.38	31.8	0.26	164.5	0.17
Industry total	214	1.00	233	1.00	5,035	1.00	121.0	1.00	973.6	1.00

Source: ABS Manufacturing Census, 1991-92 (unpublished data).

State of location

The largest number of wine and brandy manufacturing establishments are located in South Australia followed by Victoria and New South Wales. South Australia also contains 5 of the 10 largest establishments.

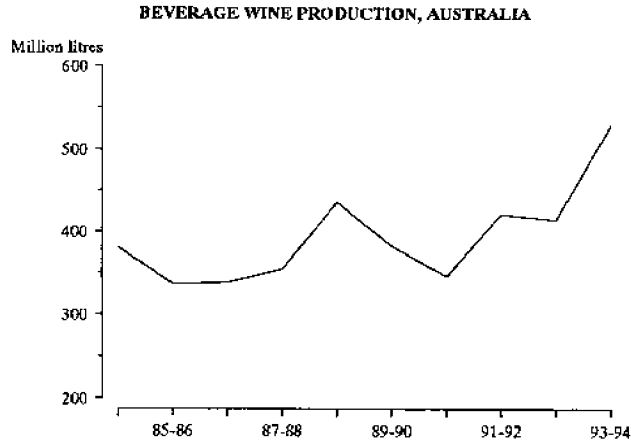
Wine and Brandy Manufacturing Establishments, States, Australia, 1991-92

Employment size at end of June	NSW	Vic.	Qld	SA	WA	Tas.	Total
Less than 4	13	29	1	28	8	2	81
4-9	10	10	3	29	12	1	65
10-19	6	9	1	13	3	-	32
20-49	7	9	-	9	8	1	34
50-99	3	4	-	3	1	-	11
100 or more	2	3	-	5	-	-	10
Total	41	64	5	87	32	4	233

Source: ABS Manufacturing Census, 1991-92 (unpublished data).

Section 4

WINE PRODUCTION AND MATERIALS USED

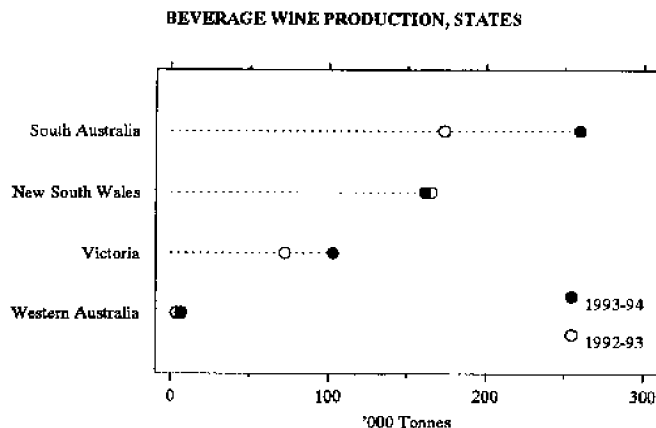
**Production**

A record volume of 530.5 million litres of beverage wine was produced in Australia in 1993-94, an increase of 28 per cent when compared with the 414.8 million litres in 1992-93. This record is due to an increase in unfortified wine production, up 27 per cent on 1992-93 to 500.1 million litres, and fortified wine production which increased by 37 per cent to 30.5 million litres. While production of fortified wine rose significantly, this is well below the record production of 68.4 million litres in 1974-75 and follows the recording in June 1993 of the lowest level of stocks held of fortified wine since 1956, when regular data were first recorded.

**Wine Production, Australia
(^{'000} litres)**

Type	1989-90	1990-91	1991-92	1992-93	1993-94
Beverage wine:					
Fortified (a)	32,904	33,817	30,776	22,264	30,458
Unfortified	349,913	312,024	390,857	392,575	500,076
<i>Total beverage wine</i>	<i>382,817</i>	<i>345,841</i>	<i>421,633</i>	<i>414,839</i>	<i>530,534</i>
Distillation wine (b)	61,767	54,068	59,138	46,998	56,842
Gross total wine	444,584	399,909	480,771	461,836	587,377
Net total wine (c)	439,019	394,030	475,586	457,799	582,213

(a) Relates only to production from unfortified wine of the same vintage. (b) For manufacturing brandy and grape spirit. Includes wine obtained from marc. (c) Excludes grape spirit used for fortifying (assumes 95.6% alcohol by volume).

State production

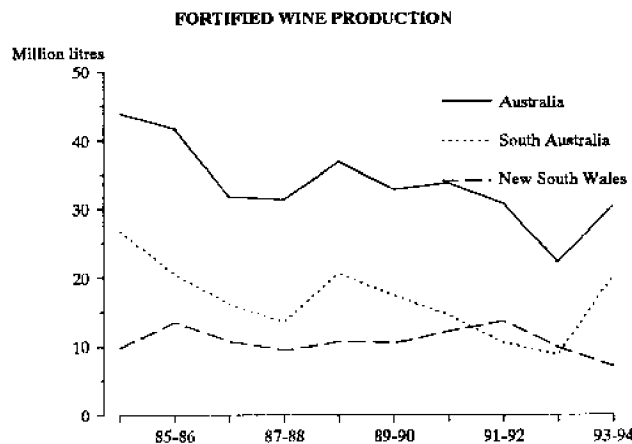
When compared with 1992-93 beverage wine production in 1993-94 rose in all States covered by this collection with the exception of New South Wales. South Australian production was up by 50 per cent to 259.7 million litres, Victoria up by 43 per cent to 103.1 million litres and Western Australia up by 71 per cent to 6.7 million litres. New South Wales production fell by 3 per cent to 161.1 million litres.

Wine Production, Australia and States, 1993-94
(*'000 litres*)

Type	SA	NSW	Vic.	WA	Australia
Beverage wine:					
Fortified (a)	20,114	7,155	3,162	26	30,458
Unfortified	239,549	153,990	99,913	6,624	500,076
<i>Total beverage wine</i>	<i>259,663</i>	<i>161,145</i>	<i>103,075</i>	<i>6,650</i>	<i>530,534</i>
Distillation wine (b)	41,444	6,936	8,463	—	56,842
Gross total wine	301,107	168,082	111,538	6,650	587,377
Net total wine (c)	297,991	166,552	111,022	6,648	582,213

(a) Relates only to production from unfortified wine of the same vintage. (b) For manufacturing brandy and grape spirit. Includes wine obtained from marc. (c) Excludes grape spirit used for fortifying (assumes 95.6% alcohol by volume).

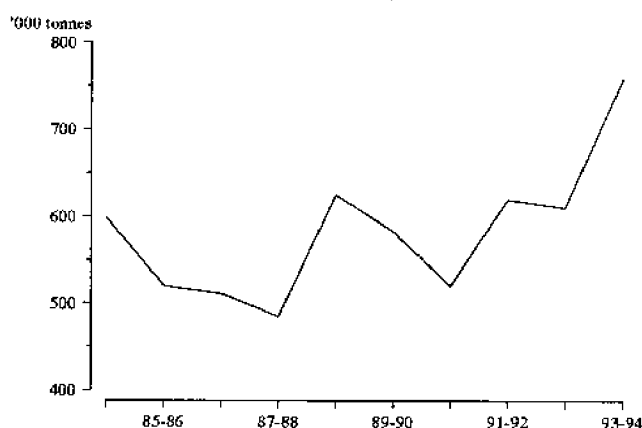
Fortified wine production, which has been mostly in decline since 1988-89, increased in 1993-94 to 30.5 million litres. South Australian producers were responsible for this increase, up 127 per cent or 11.3 million litres to 20.1 million litres. The two other major fortified wine producing states, New South Wales and Victoria, both had decreases in their production compared with 1992-93 of 28 and 10 per cent respectively.



Grapes crushed

In 1993-94 a record 777,373 tonnes of grapes were crushed by those winemakers crushing more than 50 tonnes, an increase of 24 per cent or 151,186 tonnes on 1992-93. Half of all grapes crushed were by South Australian wineries, up 36 per cent or 103,306 tonnes while Western Australia and Victoria also had significant increases in grapes crushed (36 per cent each) while New South Wales added marginally to that State's record crush reported last year, up 4 per cent.

FRESH GRAPES CRUSHED, AUSTRALIA

Wine Grape Crush, Australia and States
(Tonnes)

Fresh grapes crushed	1989-90	1990-91	1991-92	1992-93	1993-94
Enterprises crushing more than 400 tonnes:					
South Australia	313,174	270,139	318,210	282,185	384,666
New South Wales	168,740	165,999	195,685	227,356	235,943
Victoria	96,250	81,031	99,217	95,010	129,478
Western Australia	4,940	3,560	6,092	6,116	9,343
Australia	583,104	520,729	619,204	610,667	759,430
Enterprises crushing 50 to 400 tonnes:					
South Australia	7,415	5,684	5,211	4,533	5,358
New South Wales	3,300	3,243	3,125	3,070	3,261
Victoria	3,894	4,512	3,225	3,096	4,068
Western Australia	3,965	3,868	4,079	3,879	4,254
Tasmania	617	603	n.p.	654	n.p.
Queensland	296	322	n.p.	288	n.p.
Australia	19,487	18,232	16,302	15,520	17,943
Total all enterprises crushing more than 50 tonnes:					
South Australia	320,589	275,823	323,421	286,718	390,024
New South Wales	172,040	169,242	198,810	230,426	239,204
Victoria	100,144	85,543	102,442	98,106	133,546
Western Australia	8,905	7,428	10,171	9,995	13,597
Tasmania	617	603	n.p.	654	n.p.
Queensland	296	322	n.p.	288	n.p.
Australia	602,591	538,961	635,506	626,187	777,373

Quantities of grapes processed and quantities of wine made by States shown in this section should be treated with caution because of the interstate movement of unfermented grape juice.

Grape spirit use

The grape spirit used in fortifying current vintage wine is presented in the table below and year to year movements generally mirror those of fortified wine production.

Grape Spirit Used in Current Vintage Wine
('000 litres of alcohol)

	1989-90	1990-91	1991-92	1992-93	1993-94
South Australia	2,529	2,405	1,711	1,320	2,979
New South Wales	1,791	2,079	2,292	1,929	1,462
Victoria	1,000	1,134	953	610	492
Other States	-	1	-	-	2
Australia	5,320	5,620	4,957	3,860	936

Section 5

WINE STOCKS

A record 669.2 million litres of Australian beverage wine stocks were held by winemakers at 30 June 1994, an increase of 12 per cent or 70.6 million litres when compared with 30 June 1993. The significant increase in wine stocks follows a slight decline in stocks between June 1992 and June 1993 and continues the growth in wine stocks evident since 1988.

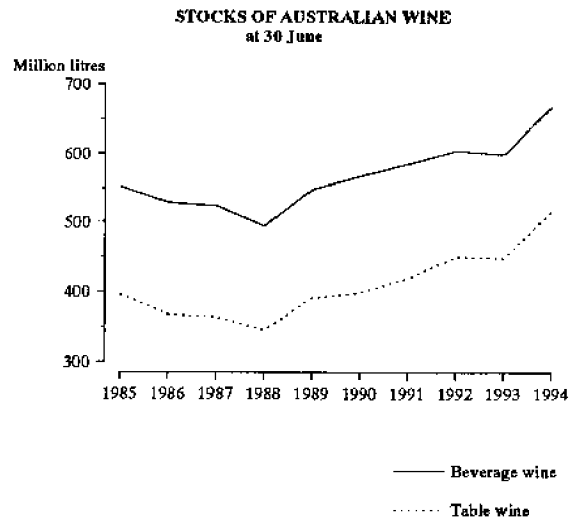
Stocks of Australian Wine and Unfermented Grape Juice held by Winemakers
('000 litres)

Particulars at 30 June	1990	1991	1992	1993	1994
Beverage wine:					
Fortified;					
Dry sherry	7,824	8,819	7,787	7,202	7,183
Medium sherry (a)	1,626	1,381	2,055	2,144	1,662
Sweet sherry	18,466	20,982	19,912	19,067	16,756
Port	65,352	58,496	58,275	55,346	55,132
Muscat	6,279	4,606	4,911	4,658	4,566
Other (b)	2,897	1,675	1,936	1,611	1,710
Total fortified wine	102,444	95,958	94,877	90,028	87,009
Sparkling wine (c);					
Bottle fermentation	58,929	53,297	50,480	54,590	59,860
Bulk fermentation	1,714	4,729	3,639	2,420	1,940
Total sparkling wines	60,643	58,026	54,120	57,009	61,800
Carbonated					
Flavoured (d)	n.p.	n.p.	n.p.	1,034	1,051
	2,495	1,677	3,240	1,947	2,189
Vermouth;					
Dry	n.p.	n.p.	n.p.	311	201
Sweet	n.p.	n.p.	n.p.	287	360
Total vermouth	n.p.	n.p.	n.p.	598	561
Table wine;					
White;					
Not exceeding 1 degree Baume	220,829	240,892	251,482	257,100	311,236
Exceeding 1 degree Baume	19,778	13,733	18,357	7,862	8,973
Red	151,886	160,677	173,733	178,619	194,513
Rosé	6,024	4,737	6,530	4,443	1,872
Total table wine	398,517	420,039	450,103	448,023	516,594
Total beverage wine	567,095	585,208	604,014	598,641	669,205
Distillation wine	1,251	935	593	343	427
Unfermented grape juice;					
Unfermented grape juice	14,689	9,372	12,622	9,686	16,228
Concentrated must (single strength)	1,225	2,605	2,434	n.p.	4,270

(a) Includes semi-sweet and medium dry. (b) Includes madeira, tokay and white port. (c) Spritzig wines are included with table wines. (d) Includes wine cocktails marsala, aperitif and tonic wines.

Wine types

Seventy-seven per cent of all wine held in stocks is table wine, 13 per cent is fortified wine while most of the remaining wine stocks are sparkling wine. Table wine stocks increased by 15 per cent to 516.6 million litres in 1993-94. Within this category dry white wine stocks increased by 21 per cent, sweet white by 14 per cent and red wine by 9 per cent. However, stocks of rosè fell by 58 per cent to 1.9 million litres. Sparkling wine stocks increased by 8 per cent due to an increase in bottle fermented stocks more than offsetting a decrease in bulk fermented stocks. Total fortified wine stocks fell by 3 per cent, continuing the decline in stocks of this type of wine now observed consistently over the last four years.



Section 6

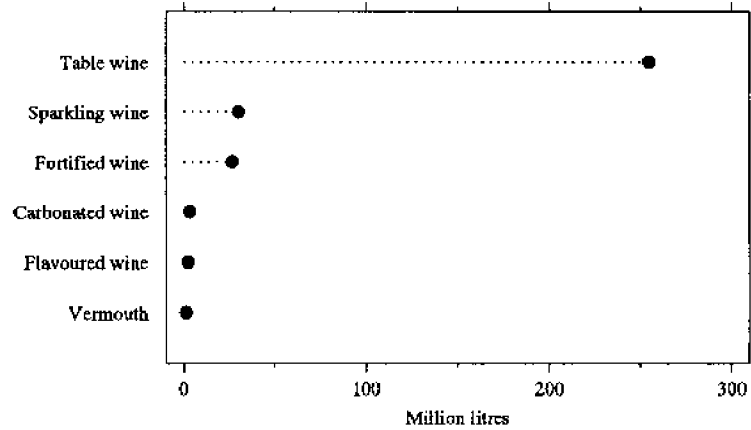
DOMESTIC WINE SALES

Information on the volume of domestic sales of Australian wine is obtained from winemaking enterprises that have annual sales of at least 250,000 litres of wine. The approximately 50 winemakers of this size account for around 97 per cent of total wine sales by winemakers.

Wine type

In 1993-94 there were 319.5 million litres of Australian wine sold by winemakers, an increase of 2 per cent on the previous year and the highest figure since 1987-88. The biggest wine type sold was table wine, with sales of 254.8 million litres, eight times the volume of sparkling wine, the next most popular, at 30.5 million litres.

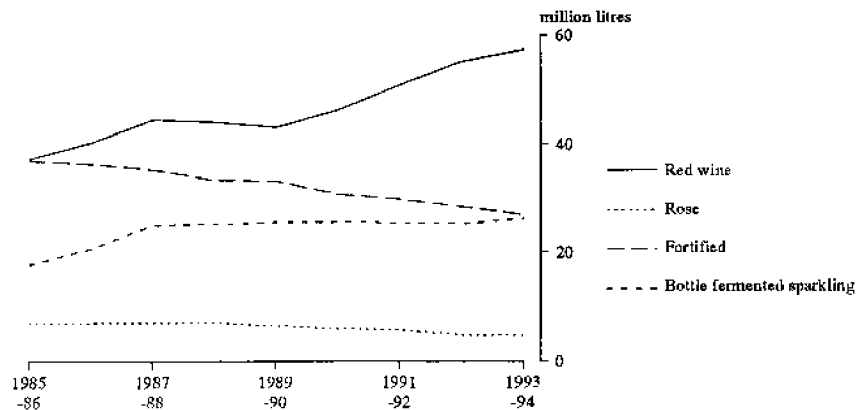
DOMESTIC SALES OF AUSTRALIAN WINE BY WINEMAKERS
WINE TYPE, 1993-94



Source: ABS, *Sales of Australian Wine and Brandy by Winemakers, August 1994* (8504.0).

In the period since 1985-86, changes in consumer preference have emerged. Total 1993-94 sales volumes are similar to those for 1985-86 and sales of table wine make up about 80 per cent of sales in both years. However, sales of white table wine have decreased by 16.3 million litres (8%) while sales of red table wines have increased by 20.2 million litres (54%).

DOMESTIC SALES OF AUSTRALIAN WINE BY WINEMAKERS
SELECTED WINE TYPES (EXCLUDING WHITE WINE)



Source: ABS, *Sales of Australian Wine and Brandy by Winemakers* (8504.0)

Decreases occurred between 1985–86 and 1993–94 in sales of rosé table wine (down 32%), fortified wine (down 27%) and vermouth (down 58%) while increases occurred in sales of sparkling wine (6%) and other wines (75%). A substantial change has occurred for sparkling wines in that the share of sales of bottle fermented types has risen from 61 per cent of all sparkling wine sold in 1985–86 to 86 per cent in 1993–94.

Domestic Sales of Australian Wine by Wine Type, 1985–86 to 1993–94
(million litres)

Year	Table wine			Sparkling wine			Vermouth	Other wine	Total wine
	White	Red	Rosé	Fortified wine	Bottle fermented	Bulk fermented			
1985–86	208.7	37.2	7.1	36.8	17.7	11.3	3.0	3.4	325.2
1986–87	210.8	40.1	7.2	36.2	20.6	6.2	2.8	3.9	329.8
1987–88	204.2	44.4	7.2	35.1	25.0	7.6	2.7	4.4	330.5
1988–89	186.7	44.0	7.1	33.3	25.3	6.3	2.2	4.3	309.1
1989–90	180.4	43.0	6.5	33.1	25.6	5.6	1.9	4.5	300.6
1990–91	176.2	46.2	6.0	30.7	25.7	3.7	1.6	6.1	296.3
1991–92	190.2	50.8	5.7	29.9	25.4	4.7	1.4	6.7	314.8
1992–93	186.4	55.1	4.9	28.4	25.3	4.7	1.3	6.1	312.1
1993–94	192.5	57.4	4.9	27.0	26.3	4.2	1.3	6.0	319.5

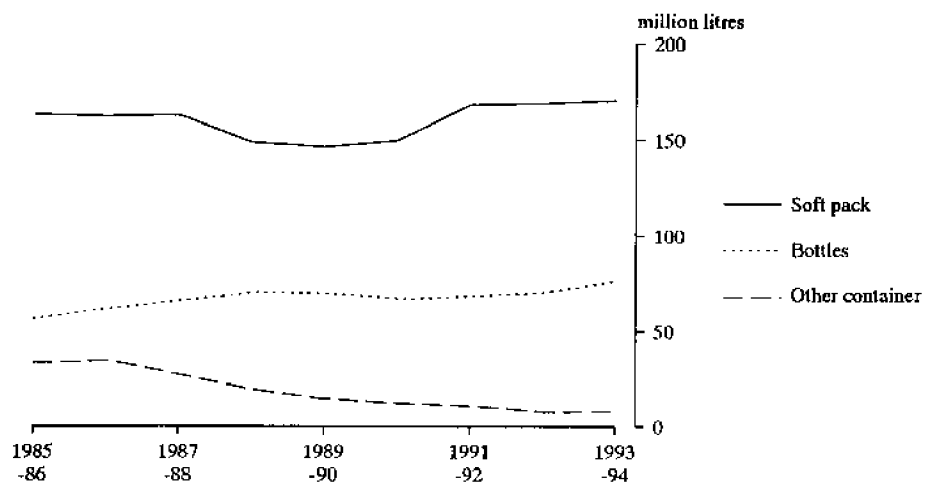
Source: ABS, Sales of Australian Wine and Brandy by Winemakers (8504.0).

Container type

Two-thirds or 170.3 million litres of the Australian table wine sold in 1993–94 was in soft packs, 76.3 million litres was in bottles (glass containers one litre and under) and 8.1 million litres in other containers (glass containers over one litre and various bulk containers). Wine sold in soft packs (the cardboard cask) outsold bottled wine by a ratio of slightly more than two to one, *i.e.* for each litre of table wine sold in a bottle there was just over two litres sold in a cask. In 1985–86 there were almost three litres sold in a cask for each litre sold in a bottle.

The proportion of wine sold in both soft packs and glass bottles has increased since 1985–86 with soft pack sales rising from 162.9 million litres to 170.3 million litres (64 per cent to 67 per cent) while bottle sales went up proportionately more from 56.7 million litres to 76.3 million litres (22 per cent to 30 per cent). Both bottles and casks increased at the expense of wine in other containers which declined from 33.4 million litres (13 per cent) to 8.1 million litres or 3 per cent in 1993–94.

DOMESTIC SALES OF AUSTRALIAN TABLE WINE
CONTAINER TYPE



Source: ABS, Sales of Australian Wine and Brandy by Winemakers (8504.0)

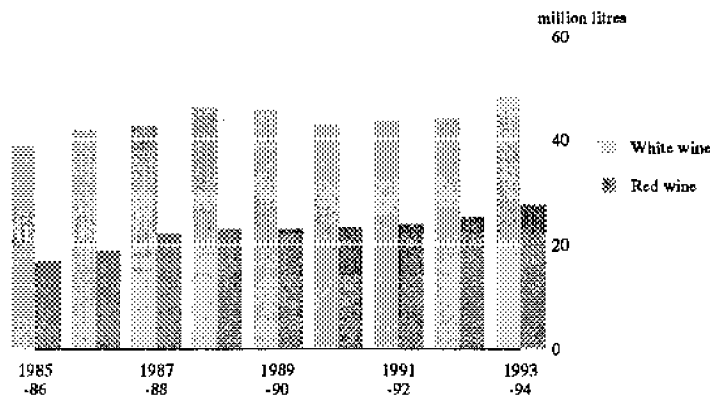
**Domestic Sales of Australian Table Wine by Container Type
(million litres)**

Year	Glass container 1 litre and under			Soft pack			Other container		
	White wine	Red wine	Rosé	White wine	Red wine	Rosé	White wine	Red wine	Rosé
1985-86	38.9	16.8	1.0	140.8	16.9	5.2	29.1	3.4	0.9
1986-87	41.7	19.0	1.1	138.8	17.7	5.4	30.4	3.5	0.6
1987-88	42.6	22.1	1.1	138.2	19.0	5.6	23.4	3.2	0.5
1988-89	46.1	22.9	1.1	124.7	18.2	5.6	15.9	2.9	0.4
1989-90	45.5	22.9	1.0	122.8	18.2	5.3	12.2	1.9	0.3
1990-91	42.9	23.2	0.9	123.4	21.2	4.8	9.9	1.8	0.2
1991-92	43.5	24.0	0.8	138.1	25.2	4.8	8.6	1.5	0.2
1992-93	44.1	25.3	n.p.	135.9	28.7	4.1	6.4	1.1	n.p.
1993-94	48.1	27.6	0.6	137.8	28.4	4.2	6.6	1.4	0.1

Source: ABS, *Sales of Australian Wine and Brandy by Winemakers* (8504.0).

The increase in both bottle and casks sales has not been evenly distributed by each wine type. In soft packs both white wine and rosé dropped in the volumes sold from 1985-86 to 1993-94. White wine was down 3.0 million litres or 2 per cent, while rosé sales in cask were down 1.0 million litres or 19 per cent. By comparison red wine in soft pack increased its sales volume by 11.5 million litres or 68 per cent and sales of red wine in bottles increased by 10.7 million litres or 64 per cent. Sales of bottled white wine increased by 24 per cent over the same period.

**DOMESTIC SALES OF AUSTRALIAN TABLE WINE
RED AND WHITE WINE IN BOTTLES**



Source: ABS, *Sales of Australian Wine and Brandy by Winemakers* (8504.0).

Section 7

OVERSEAS TRADE

Exports

Australia's trade in wine has risen substantially since the mid 1980s. Wine exports totalled 8.9 million litres in 1965–66 and were only 8.7 million litres in 1984–85. Since that time they have increased dramatically rising ten fold in the eight years between 1985–86 and 1993–94 to the present 125.3 million litres valued at \$368.3 million.



Source: ABS, Sales of Australian Wine and Brandy by Winemakers (8504.0)

Table wine was the predominant wine exported with 116.5 million litres in 1993–94 representing almost 93 per cent of the total volume. The 5.0 million litres of sparkling wine exported, while relatively small, has grown at a similar rate as table wine. Exports of fortified wine have shown growth but are small in comparison with only 2.9 million litres exported in 1993–94. A small quantity of vermouth and flavoured wine is also exported.

Exports of Australian Wine, Wine Type
('000 litres)

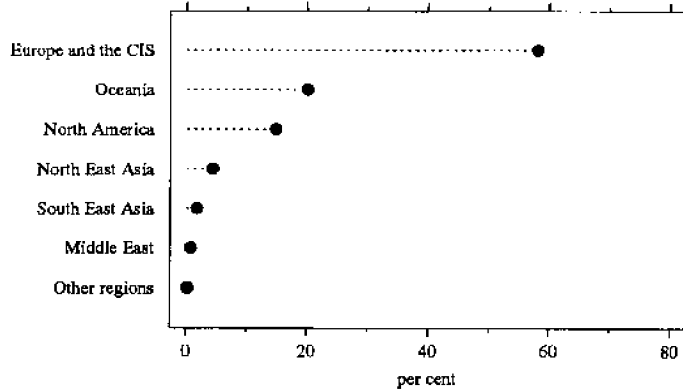
	Table wine	Fortified wine	Sparkling wine	Other wine	Total wine
1985–86	9,227	894	433	287	10,842
1986–87	18,627	1,232	826	638	21,324
1987–88	35,022	1,411	1,603	1,088	39,124
1988–89	35,873	1,106	1,764	301	39,044
1989–90	32,095	1,936	2,074	2,015	38,120
1990–91	46,890	2,765	3,180	1,321	54,156
1991–92	71,752	2,384	3,904	639	78,679
1992–93	95,468	1,851	4,730	784	102,832
1993–94	116,547	2,873	5,026	893	125,339

Source: ABS, Sales of Australian Wine and Brandy by Winemakers (8504.0)

Country of destination

Europe is the main market for Australian wine taking 73.3 million litres or over half of the total exported in 1993–94. Shares of the other regions are, Oceania 20 per cent, North America 15 per cent and Asia 6 per cent. The European market is concentrated in the United Kingdom and Sweden with the United Kingdom taking 48.2 million litres or 66 per cent of the European total, more than three times the amount sold to Sweden. The United Kingdom also represents 38 per cent of total Australian sales. The North American market is more equally divided between USA and Canada. Within Asia, Japan is Australia's largest customer with 2.6 million litres but takes only one-nineteenth of what is sold to the UK and sales to Japan are only slightly more than the 2 million litres sold to Ireland.

DESTINATION OF AUSTRALIAN WINE EXPORTS, 1993-94



Source: ABS, Sales of Australian Wine and Brandy by Winemakers (8504.0)

New Zealand is the largest customer for Australian wine in the Oceania region and is the largest customer overall for fortified wine. The United Kingdom is the largest customer for sparkling wine taking 55 per cent of the 5.0 million litre total.

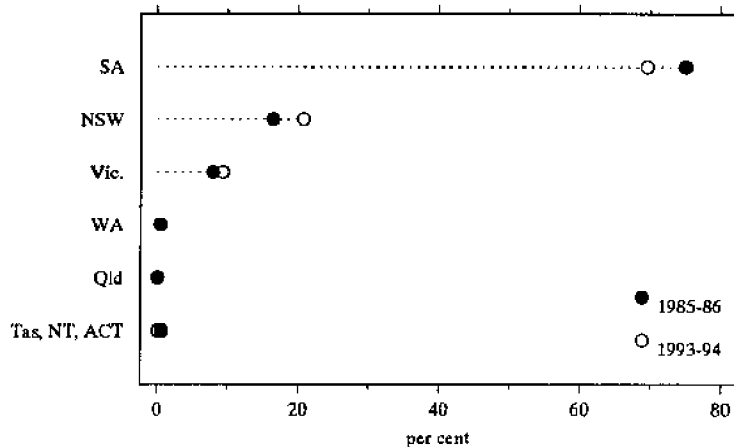
Exports of Australian Wine, Wine Type, Country of Destination, 1993-94
(*000 litres)

Principal country/region	Table wine	Fortified wine	Sparkling wine	Other wine	Total wine
New Zealand	21,395	929	734	264	23,322
Total Oceania	22,751	1,025	881	296	24,953
United Kingdom	44,655	703	2,747	133	48,238
Ireland	2,024	-	33	-	2,058
Sweden	14,937	-	302	43	15,283
Total Europe and the CIS	69,041	761	3,172	277	73,251
Total Middle East	877	8	48	10	943
Total Southeast Asia	1,778	21	131	192	2,121
Japan	2,138	111	277	44	2,570
Republic of Korea	1,569	1	2	4	1,576
Total Northeast Asia	4,448	144	590	86	5,268
Canada	6,137	701	64	12	6,914
USA	11,297	126	121	4	11,547
Total North America	17,435	826	184	16	18,462
Other regions	217	87	19	17	341
Total all countries	116,547	2,873	5,026	893	125,339

Source: ABS, Sales of Australian Wine and Brandy by Winemakers, August 1994 (8504.0)

State of origin of exports

WINE EXPORTS, STATE OF ORIGIN, 1985-86 AND 1993-94



South Australia is the predominant source of Australian wine exports supplying 87 million litres representing 70 per cent of the 1993–94 total. Next are New South Wales with 26 million litres (21%) and Victoria 12 million litres (9%). Since the mid 1980's South Australia's share of exports has declined slightly from 75 per cent of the total with New South Wales and Victoria increasing their shares.

Exports of Australian Wine, State of Origin
(*000 litres)

	NSW	Vic.	Qld	SA	WA	Tas.	NT and ACT	Aust. Total
1985–86	1,777	857	4	8,127	59	4	–	10,830
1986–87	4,194	1,211	1	15,842	75	–	–	21,323
1987–88	7,872	3,253	30	26,815	184	8	–	38,161
1988–89	5,870	5,081	2	27,990	100	1	–	39,044
1989–90	6,053	5,123	12	26,829	89	14	1	38,120
1990–91	10,088	3,387	10	40,487	194	11	20	54,197
1991–92	15,004	8,271	3	55,122	241	34	5	78,680
1992–93	19,225	10,481	51	72,605	445	20	5	102,832
1993–94	25,734	11,583	40	87,372	546	31	33	125,339

Source: ABS, Fastraces database.

Imports

Imports of wine into Australia peaked in 1984–85 at 13 million litres having grown from under one million litres in the mid 1960s. 1985–86 was the last year in which the volume of wine imported was greater than the volume exported. In the decade since, imports have settled to a level of around 8 million litres a year.

Wine Imports Cleared for Home Consumption by Wine Type
(*000 litres)

	Table wine	Fortified wine	Sparkling wine	Other wine	Total wine
1985–86	8,546	333	3,044	436	12,359
1986–87	5,106	205	1,967	389	7,667
1987–88	5,302	178	2,031	635	8,146
1988–89	6,086	311	2,264	1,076	9,737
1989–90	6,595	184	2,736	937	10,453
1990–91	5,604	191	2,285	919	8,999
1991–92	5,190	160	2,373	979	8,703
1992–93	4,710	106	2,346	669	7,832
1993–94	4,404	152	2,301	1,484	8,341

Source: ABS, Sales of Australian Wine and Brandy by Winemakers, August 1994 (8504.0).

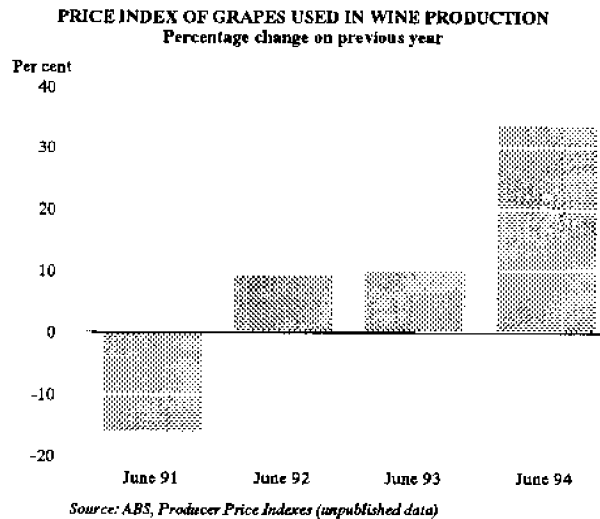
Over one-half of all wine imported is table wine with a further 28 per cent of imports being sparkling wine. Over 40 per cent of wine imports come from Italy, with France supplying a further 17 per cent, New Zealand 10 per cent and Portugal 7 per cent.

Section 8

GRAPE AND WINE PRICES

Wine grape prices

In recent years the prices paid for grapes used in the production of wine in Australia have fluctuated more widely than the prices winemakers have received for their wine. For the 1991 vintage, grape prices were on average almost 16 per cent lower than the year before while for the 1994 vintage wine grape prices were on average 33 per cent up on those for the 1993 vintage. Over the four years to June 1994 grape prices increased 35 per cent.

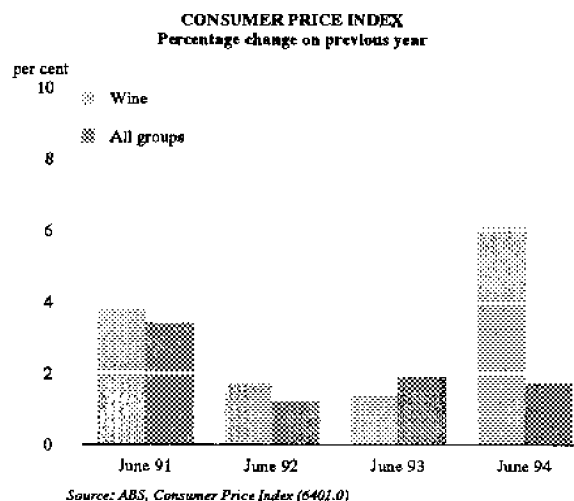


Wholesale and retail wine prices

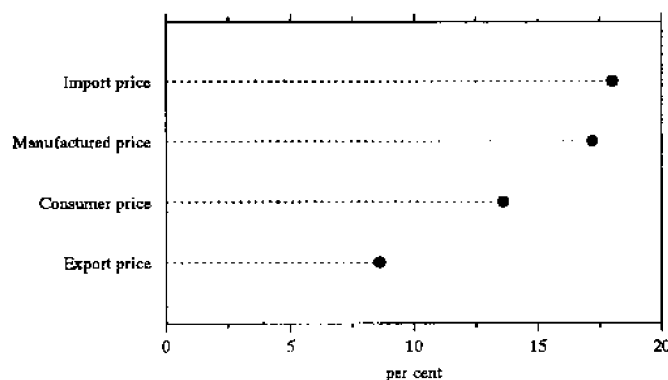
Prices received by winemakers for wine have generally shown steady growth in recent years. Between June 1990 and June 1994 wholesale prices for table wine rose by 19 per cent. The wholesale price for fortified wine rose by 9 per cent over the same period.

At the retail level, wine price rises have been more subdued than the increases received by winemakers, although in the last two years the change has been similar. For the four years to June 1994 retail prices rose 14 per cent compared with the 17 per cent increase in wholesale prices.

In the year to June 1994 however, wine prices have risen much more steeply than the general consumer price index. While the all groups CPI rose by 2 per cent between June 1993 and June 1994, wholesale prices of wine and retail wine prices both rose by 6 per cent over the same period. The impact of a significant increase in grape prices and the influence of increasing wine exports are likely to have contributed to recent increases in wine prices.



SELECTED PRICE INDEXES OF WINE, AUSTRALIA
Percentage change June 1990 to June 1994



Source: ABS, *Producer Price Indexes (unpublished)* and *Consumer Price Index (6401.0)*

Export and import prices

Export prices received for table wine have been very subdued over the last two years with a rise of only 0.5 per cent between June 1993 and 1994 following a fall of 3 per cent in the previous year. The cumulative increase over the previous four years was 9 per cent.

Average import prices for all wine products have fallen slightly over the two years to June 1994, following significant price increases in 1990–91 and 1991–92. The cumulative increase for the four years has been 18 per cent.

Grape and Wine Prices, Selected Price Indexes, June 1990 to June 1994, Australia
Percentage Change on Previous Year

	Price index of materials used in manufacturing industry	Price index of articles produced by manufacturing industry		Consumer price index		Export price index	Import price index	
		Wine grapes	Table wine	Fortified wine	Wine	Wine	All groups	Table wine
June 1991	-15.9	5.2	2.8	4.6	3.8	3.4	4.8	14.5
June 1992	9.2	4.8	-1.3	3.5	1.7	1.2	6.1	7.1
June 1993	9.9	1.9	4.6	2.4	1.4	1.9	-2.8	-1.5
June 1994	33.4	5.7	2.3	5.7	6.1	1.7	0.5	-2.3
June 1990 to June 1994	34.7	18.9	8.6	17.2	13.6	8.5	8.6	18.0

Source: ABS, *Consumer Price Index (6401.0)*, *Producer Price Indexes (unpublished data)*.

Notes

The prices of a wide range of commodities are recorded at regular intervals by the ABS for the purpose of compiling various price indexes. These indexes reflect the average movement in price of the commodities covered. Five price indexes include wine grapes or wine in their list of commodities and component indexes are compiled.

The indexes cover grapes as a material used in the production of wine, wine as a factory output, wine as a consumer item, wine as an exported item and wine as an imported item. Some of the indexes cover a combination of commodities, for example the wine component in the consumer price index represents the average movement in price of a combination of red and white bottled wine, cask wine, fortified wine (bottled port) and sparkling wine. The articles produced index also includes brandy while the export index includes only table wine.

Section 9

WINE CONSUMPTION

Broad measures of the consumption of wine in Australia are available from the imputed series, Apparent Consumption of Foodstuffs and Nutrients and from periodic surveys in which members of individual households provide information on their consumption of alcohol. Details of household spending on alcohol is also available from a periodic household expenditure survey.

Apparent consumption

Using aggregates of wine production, net change in stocks, imports and exports etc., estimates of wine available for consumption are made each year and a mean population is applied to derive average apparent consumption.

PER CAPITA CONSUMPTION OF WINE, AUSTRALIA
AVERAGE OF 3 YEARS ENDED 1938-39 TO 1988-89



Source: ABS, Apparent Consumption of Foodstuffs and Other Nutrients (4306.0)

Wine consumption per head of population in Australia has recorded strong growth since the late 1930s rising from a low 2.7 litres over the three years to 1938-39 to 20.2 litres over the three years to 1988-89. The growth in each decade of the fifty year period was interrupted only by a dip at the end of the 1950s. The sevenfold increase in wine consumption may be contrasted with the twofold increase in per capita beer consumption over the same period. In recent years per capita consumption of wine has been flat at 18.4 litres in 1989-90, 17.8 litres in 1990-91, 18.6 litres in 1991-92, 18.2 litres in 1992-93 and 18.5 litres in 1993-94. For those aged 18 years and over the 1993-94 apparent consumption was 25.1 litres per person.

In 1993-94 a total of around 328 million litres of wine was consumed in Australia, an increase of 3 per cent on the previous year.

Apparent Per Capita Consumption of Alcohol, Australia, 1938-39 to 1993-94p

	Average 3 years ended						Current year
	1938-39	1948-49	1958-59	1968-69	1978-79	1988-89	1993-94p
BEVERAGE (litres)							
Wine	2.7	5.9	5.0	8.2	14.7	20.2	18.5
Beer	53.2	76.8	99.7	113.5	133.2	111.6	99.0
ALCOHOL (litres of alcohol)							
Wine	0.35	0.77	0.87	1.15	1.98	2.35	2.13
Beer	2.55	3.58	4.79	5.45	6.40	5.04	4.35
Spirits	0.50	0.80	0.74	0.89	1.21	1.23	1.28
Total alcohol	3.40	5.15	6.40	7.49	9.59	8.62	7.76

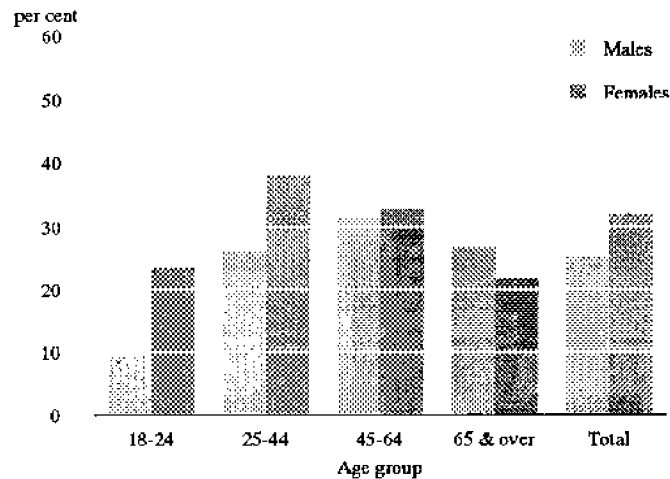
Source: ABS, Apparent Consumption of Foodstuffs and Nutrients Australia (4306.0).

ABS, Apparent Consumption of Selected Foodstuffs, Australia, 1993-94, Preliminary (4315.0)

Profile of wine drinkers

From a May 1994 survey it is estimated that approximately 3.6 million people, or 29 per cent of the population aged 18 years and over reported they had drunk some wine during the week. Those interviewed were asked whether they drank any alcohol during the week and if so what type of alcoholic drink. Nearly one-third of all females reported drinking wine compared with one-quarter of males. The 1994 result suggests a rise in the proportion consuming wine. In 1977, 20 per cent of the adult population reported consuming wine, while in 1989-90 the proportion was 26 per cent. However, there appears to be a decline in the proportion of younger adults (18 to 24 years) drinking wine from 21 per cent in 1977 to 18 per cent in 1989-90 to approximately 16 per cent in 1994.

**PROPORTION OF PERSONS AGED 18 YEARS AND OVER WHO DRANK WINE
AUSTRALIA, MAY 1994**



Source: ABS, Population Survey Monitor

White wine was more likely to have been consumed by females than males. Twenty-three per cent of females reported drinking white wine compared with 13 per cent of males. The reverse was true for red wine consumption – 12 per cent of males compared with 9 per cent of females. Sparkling wine was consumed by 4 per cent of the adult population, the same as the proportion who drank fortified wine in May 1994.

Expenditure on wine

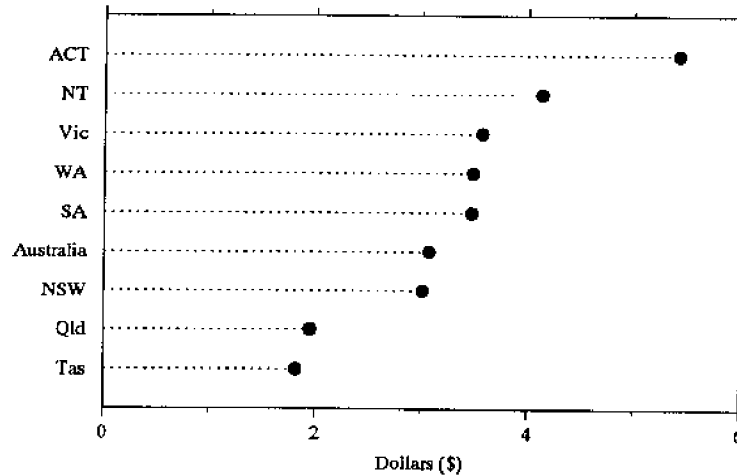
**Average Weekly Household Expenditure, Alcoholic Beverages, States, Australia, 1988-89
(Dollars)**

	NSW	Vic.	Qld	SA	WA	Tas.	NT(a)	ACT	Australia
Wine	3.01	3.56	1.95	3.47	3.48	1.82	4.13	5.42	3.07
Beer	9.93	8.58	11.19	8.48	10.97	8.01	18.64	8.41	9.74
Spirits	2.82	2.79	3.51	2.59	3.38	1.69	3.86	4.22	2.96
Total (b)	16.82	16.12	18.02	15.67	18.56	12.67	30.48	18.80	16.90

(a) Darwin and environs and Alice Springs only. (b) Including other alcoholic beverages.
Source: ABS, Household Expenditure Survey, Australia, Detailed Expenditure Items, 1988-89 (6535.0)

During 1988-89 Australian households spent an average of \$3.07 per week on wine. Households in the Australian Capital Territory spent the most with \$5.42 and those in Tasmania the least at \$1.82. Australian Capital Territory households also had the highest proportion of their total expenditure on alcohol directed to wine (29%) while Queensland households allocated only 11 per cent of total weekly expenditure on alcohol to wine.

AVERAGE WEEKLY HOUSEHOLD EXPENDITURE ON WINE, 1988-89



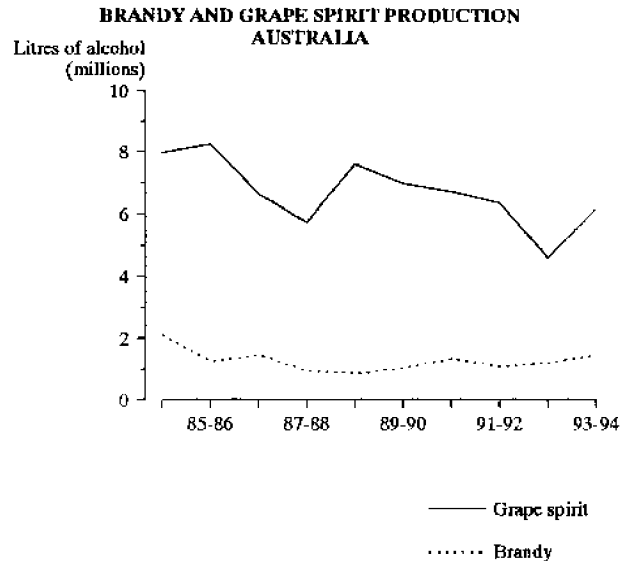
Source: ABS, Household Expenditure Survey, Australia Detailed Expenditure Items, 1988-89 (6535.0)

SECTION 10

BRANDY AND GRAPE SPIRIT

Production

Brandy production recorded an increase in 1993–94, rising by 20 per cent to 1.5 million litres of alcohol. Grape spirit production also increased in 1993–94 by 34 per cent to 6.2 million litres of alcohol. This follows four years of declining production from 1988–89. South Australia was the main producer of both these products with 94 per cent (1.4 m litres of alcohol) of all brandy made and over two-thirds of all grape spirit made.



Stocks

Total stocks of brandy in bond increased by 19 per cent in 1993–94 while stocks of rectified grape spirit and grape spirit unused fell by 6 per cent.

**Stocks of Australian Brandy and Grape Spirit
('000 litres of alcohol)**

<i>Particulars at 30 June</i>	1990	1991	1992	1993	1994
Brandy in bond by age:					
Under 1 year	1,268	1,361	1,143	1,307	1,560
1 year and under 2	1,390	1,409	1,602	1,268	1,607
2 years and under 3	1,491	1,068	1,348	1,727	1,385
Over 3 years	1,651	1,974	1,331	883	1,576
Total brandy in bond	5,800	5,812	6,424	5,185	6,127
Rectified grape spirit for fortifying wine and grape spirit unused	3,241	3,378	3,748	3,577	3,370
Spirit held in work in progress (feints and low wine)	1,113	779	944	815	812

Brandy sales

Domestic sales of brandy continued to decline in 1993-94, extending an unbroken trend since 1980-81. The volume of imported brandy has remained steady over the last few years while exports of Australian brandy are relatively small and tend to fluctuate from year to year.

Domestic Sales, Imports and Exports of Brandy
(**'000 litres of alcohol**)

	1989-90	1990-91	1991-92	1992-93	1993-94
Australian brandy:					
Domestic sales	1,613	1,444	1,380	1,312	1,301
Exports	52	39	74	73	36
Imported brandy	793	636	662	629	634

Source: ABS, Sales of Australian Wine and Brandy by Winemakers (8504.0).

Section 11

WINE REGIONS OF AUSTRALIA

Up to 30 major winemaking areas have been identified in Australia. Many contain small or boutique wineries. While grape growing data are available for smaller areas (vines are cultivated in more than 260 local government areas across Australia) the following table contains details of regions for which comprehensive statistical information is often available.

Regions may obtain some of their grape supply from outside their area e.g. grapes crushed by Barossa Valley wineries may also be sourced from the South Australian Riverland while New South Wales wineries may also source from Victoria Sunraysia and South Australian Riverland.

Area of Vines, Grape Production, Grapes Crushed, Wine Produced, Australia

Region	Area of vines at harvest (hectares)		Grape production (fresh weight tonnes)		Grapes crushed (tonnes)		Beverage wine produced ('000 litres)
	Bearing	Not yet bearing	Wine-making	Other	1992-93	1993-94	1993-94
	1992-93	1992-93	1992-93	1992-93	1992-93	1993-94	1993-94
Adelaide and Fleurieu Peninsula	3,361	352	30,507	31	22,639	35,571	30,174
Barossa and Eden Valley	5,332	424	39,386	9	100,815	133,103	121,330
Riverland	9,618	775	158,896	10,955	121,374	162,332	75,302
Northern	1,748	119	10,045	285	7,073	9,817)
South Eastern	3,923	481	36,021	-	30,284	43,843) 32,858
Total South Australia	23,983	2,070	274,856	11,281	282,185	384,666	259,663
Murrumbidgee	4,601	220	85,808	113	119,308	117,511	90,772
Hunter Valley	2,595	146	20,524	13)))
New South Wales-Sunraysia	3,012	155	20,264	34,209) 108,048	118,432	70,373
Other New South Wales	1,874	171	14,080	1,196)))
Total New South Wales	12,082	691	140,676	35,531	227,356	235,943	161,145
Victoria-Sunraysia	12,028	547	72,309	152,548)))
Kerang-Swan Hill	4,177	146	27,234	39,061)))
Other Victoria	2,844	318	18,900	677)))
Total Victoria	19,049	1,012	118,444	192,286	95,010	129,478	103,075
Swan Valley-Perth Hills	582	22	2,092	2,544)))
Margaret River	648	62	3,113	10)))
Other Western Australia	1,042	171	4,962	1,121)))
Total Western Australia	2,272	254	10,167	3,675	6,116	9,343	6,650
Total Queensland	907	119	593	4,143	n.a.	n.a.	n.a.
Total Tasmania	177	112	1,087	-	n.a.	n.a.	n.a.
Total Northern Territory and Australian Capital Territory	80	27	534	623	n.a.	n.a.	n.a.
Total Australia	68,560	4,368	646,457	247,539	610,667	769,430	530,534

Source: ABS, *Viticulture, Australia, 1992-93* (7310.0)

The two largest wine regions in terms of volume of wine produced are the Barossa/Eden Valley region in South Australia and the Murrumbidgee region in New South Wales.

Section 12

WORKERS IN THE WINE AND GRAPE INDUSTRIES

The Population Census of 6 August 1991 identified 4,358 persons whose main job was in grape growing and 5,628 persons whose main job was in the manufacturing or blending of wine or brandy. This excludes casual workers such as grape pickers and other seasonal workers not working in those industries in August. Of the grape industry workers 49 per cent were farmers and farm managers, 35 per cent were farm hands and 3 per cent were plant and machine operators and drivers. For the wine and brandy industry 16 per cent were farm hands, 15 per cent were packaging operators, 12 per cent clerks, 6 per cent farmers and farm managers and 7 per cent 'other professionals' which includes research workers.

As well 4,433 persons were employed in establishments mainly engaged in wholesaling beer, wine and spirits and a further 8,251 persons were employed in retail liquor stores.

Labour Force, Selected Characteristics of Employed Persons, Australia
(Per cent)

	Grape growing	Wine and brandy manufacturing	All industries
Status of worker:			
Wage or salary earner	49.7	91.5	81.7
Self employed	32.3	3.9	10.6
Employer	15.4	4.1	6.8
Unpaid helper	2.6	0.6	0.9
Full-time	74.3	77.6	68.9
Part-time	23.8	21.2	25.8
Not stated	1.9	1.2	5.2
Annual individual income:			
\$0-\$12,000	33.6	16.9	18.6
\$12,001-\$25,000	46.0	52.5	39.1
\$25,001-\$50,000	13.6	23.5	33.2
Over \$50,000	3.1	4.6	5.8
Not stated	3.7	2.5	3.4

Source: ABS, 1991 Census of Population and Housing (unpublished data).

Forty-eight per cent of all persons employed in the grape growing industry were self employed persons and employers compared with 8 per cent in wine and brandy manufacturing and 17 per cent across all industries.

At the time of the Census, the proportion of persons working full-time in the grape growing and wine and brandy industries was slightly higher than for all industries.

There was a higher proportion of low income earners, (workers with an annual income of less than \$12,000) in the grape growing industry (34%) than in wine and brandy (17%) and for all industries (19%). At the upper end only 17 per cent of workers in the grape growing industry earned over \$25,000 compared with 28 per cent in the wine and brandy industry. Both figures are significantly lower than that for all industries (39%).

**Social Characteristics of Employed Persons, Australia
(Per cent)**

	<i>Grape growing</i>	<i>Wine and brandy</i>	<i>All industries</i>
Level of highest qualification:			
Degree or higher	3.6	8.2	11.4
Other qualification	14.7	20.1	25.5
No qualification	75.6	64.5	54.3
Inadequately described or not stated	6.1	7.2	8.8
Sex:			
Male	66.0	62.3	57.4
Female	34.0	37.7	42.6
Age (years):			
15-24	12.2	16.3	19.5
25-34	20.9	29.7	26.5
35-44	26.3	27.6	26.7
45-54	21.2	16.7	17.8
55 or more	19.4	9.7	9.5
Birthplace:			
Australia	79.1	84.0	74.2
Overseas main English speaking countries	5.4	9.7	11.7
Southern Europe	12.0	2.2	4.5
Other Europe	2.1	2.6	2.8
Other	1.5	1.5	6.9
Marital Status			
Married	71.6	63.3	60.3
Never married	21.2	27.6	30.2
Separated, divorced, widowed	7.2	9.2	9.5

Source: ABS, 1991 Census of Population and Housing (unpublished data).

Educational qualifications were less common among workers in both the grape growing and wine and brandy manufacturing industries than in all industries. Only 4 per cent of grape growers had a degree or higher and 8 per cent in wine and brandy manufacturing compared with 11 per cent across all industries.

The grape growing and wine industries have a slightly higher male:female ratio than for all employed persons. Grape growing workers tend to be older with 41 per cent being more than 45 years of age compared with 26 per cent of wine and brandy workers.

The grape growing and wine manufacturing industries have a higher proportion of Australian born workers compared with all industries. However, of those grape growing workers born overseas, the incidence of southern Europe is strong. In fact the proportion of grape growing workers born in southern Europe was more than four times that of wine manufacturing and more than twice that of all industries.

Section 13

WORLD COMPARISONS

Vine area, grape production and yield

By world standards the Australian wine industry is young and while comparatively small it is reported as being at the forefront of world practices in grape growing and wine making techniques. On the latest international data available Australia ranked twenty first on area of vine and sixteenth on total grape production.

The 61,000 hectares under grapevines in Australia is less than one per cent of the world total while Spain the largest cultivator has a vineyard area twenty two times the size of Australia's. Total grape production in Australia is only 1.6 per cent of the world total. In Italy, France and Spain, the three largest producers of grapes, over 90 per cent of all grapes produced are used for making wine. In Australia in 1991-92, 57 per cent of all grapes grown were used for winemaking, with the balance being used for drying or as fresh fruit.

Another distinguishing feature of Australian viticulture is its relative high yield which at 16.2 tonnes of grapes per hectare in 1991-92 (averaging 14.8 over three years) is behind only the USA and Germany. The largest cultivator, Spain, had a yield of 3.9 tonnes per hectare in 1991-92.

Area of Vines, Grape Production, Yield, Countries of the World, 1992

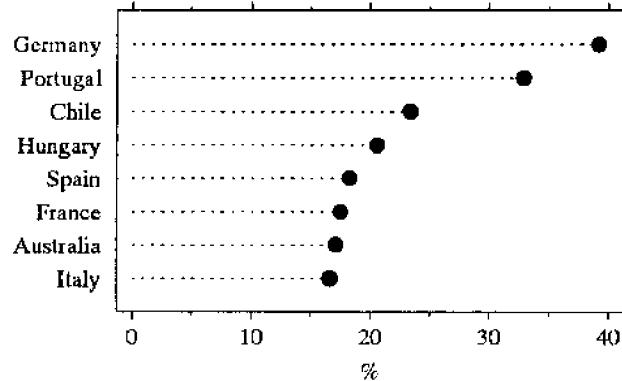
Country	Area of vines '000 hectares	Production		Yield/hectare tonnes
		Wine grapes '000 tonnes	Total grapes '000 tonnes	
Spain	1,360	4,942.0	5,356.1	3.9
Italy	1,008	9,013.6	10,178.4	10.1
France	943	8,394.2	8,513.9	9.0
USSR	813	n.a.	4,545.0	5.6
Turkey	580	90.0	3,450.0	5.9
Portugal	370	974.6	1,060.3	2.9
USA	301	2,041.2	5,490.0	18.2
Roumania	252	802.2	905.4	3.6
Iran	232	n.a.	1,650.0	7.1
Argentina	209	2,072.3	2,126.6	10.2
Yugoslavia	201	n.a.	1,271.8	6.3
China	160	n.a.	1,125.0	7.0
Bulgaria	149	587.0	670.7	4.5
Greece	138	600.5	1,300.0	9.4
Hungary	135	n.a.	662.0	4.9
Chile	121	452.2	1,140.7	9.4
South Africa	116	1,111.0	1,406.3	12.1
Syria	109	n.a.	533.0	4.9
Germany	107	1,805.6	1,805.6	16.9
Algeria	100	60.0	317.9	3.2
Australia	61	564.1	987.1	16.2
Brazil	60	n.a.	798.8	13.3
Iraq	58	n.a.	470.0	8.1
Austria	58	336.5	346.5	6.0
Other countries	594	n.a.	4,544.4	7.7
World total	8,235	n.a.	60,585.3	7.4

Wine production

Australia ranks eleventh in volume of world wide wine production. The three largest producers, Italy, France and Spain, contributed 57 per cent of total production in 1992. By comparison Australia produced less than two per cent of the world total and Italy, the world's largest producer in that year, produced fifteen times more wine than did Australia.

Exports and imports

WINE EXPORTS AS A PROPORTION OF WINE PRODUCTION
Principal countries of the world



In 1991-92 Australia exported 78.5 million litres of wine and ranked eighth among wine exporting countries in terms of volume of exports. France leads the world with export volumes of 1,142.6 million litres in 1991-92. Australia ranked seventh on the basis of exports as a proportion of total production. Germany exported 39 per cent of production while Australia exported 17 per cent. South Africa exported barely two per cent of its production. For 1993-94 Australia's export proportion increased to 21 per cent.

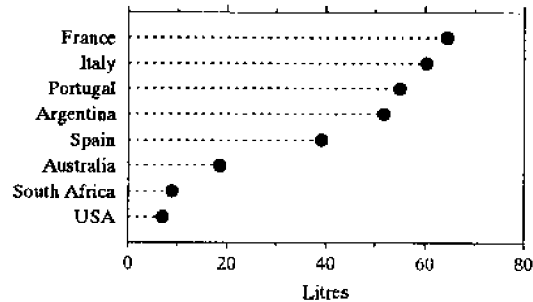
Wine Production, Exports and Per Capita Consumption, Principal Countries of the World, 1992

Country	Wine production	Share of world production	Wine exports	Share of world exports	Exports as a proportion of production	Per capita consumption
	million litres	per cent	million litres	per cent	per cent	litres
Italy	6,868.6	22.9	1,136.9	25.1	16.6	60.3
France	6,540.1	21.8	1,142.6	25.2	17.5	64.5
Spain	3,703.6	12.3	676.1	14.9	18.3	39.1
USSR	1,800.0	6.0	15.0	0.3	0.8	n.a.
USA	1,562.0	5.2	120.1	2.6	7.7	7.1
Argentina	1,435.1	4.8	42.7	0.9	3.0	51.6
Germany	1,340.0	4.5	525.7	11.6	39.2	22.8
South Africa	999.8	3.3	22.0	0.5	2.2	8.9
Portugal	755.5	2.5	248.6	5.5	32.9	55.0
Roumania	750.0	2.5	16.1	0.4	2.1	21.3
Australia	458.5	1.5	78.5	1.7	17.1	18.6
Yugoslavia	456.2	1.5	70.0	1.5	15.3	n.a.
Greece	405.0	1.3	62.1	1.4	15.3	31.5
Hungary	387.8	1.3	80.0	1.8	20.6	30.0
Brazil	358.4	1.2	4.4	0.1	1.2	1.8
Chile	316.5	1.1	74.0	1.6	23.4	29.5
China	310.0	1.0	4.1	0.1	1.3	0.1
Austria	258.8	0.9	17.9	0.4	6.9	33.1
Other countries	1,245.8	4.1	118.7	2.6	9.5	n.a.
World total	30,051.7	100.0	4,535.4	100.0	15.1	n.a.

Consumption

Average per capita wine consumption in Australia is modest in comparison generally with that of other major wine producing countries with our per capita consumption of 19 litres being less than one-third that of France with 65 litres per person.

PER CAPITA CONSUMPTION OF WINE, 1992
Selected countries of the world



The Office International de la Vigne et du Vinn (OIV) reports that measures are being taken in many countries to decrease road accidents and reduce alcoholism, a rebirth of prohibitionism in some places and changes in lifestyles are contributing to a global decline in wine consumption. World consumption for 1992 was 22,918 million litres, 18 per cent down from the average of 1981–85. Over the same period, world wine production fell by 10 per cent resulting in surpluses increasing from 15 per cent of production in 1981–85 to 24 per cent or 7,134 million litres in 1992. The OIV sees a need for awareness of the potential for development in the sector of non-fermented vine products (i.e. table grapes, raisins and grape juice based products).

Since the 1980s Australia's total wine consumption has remained steady and in 1992 was 324 million litres. Against the background of global constraint Australia has increased production by 14 per cent largely due to an eightfold increase in exports.

Source

The international comparisons in this section are sourced from the Office International de la Vigne et du Vin (OIV) and are subject to revision. The Australian figures used in this world comparison have been revised in the earlier sections of the compendium, *i.e.* Section 2, Grape Growing, and Section 4, Wine Production, but the original figures are shown here to enable a world comparison to be made.

EXPLANATORY NOTES FOR WINE PRODUCTION AND STOCKS

Introduction

1. Most of the data used in this publication are obtained from various ABS collections for which publications with appropriate Explanatory Notes are already available. The Bibliography contains a list of these publications. However, much of the data contained in Sections 4, 5, 10 and 11 are only available in this publication and the following notes are provided to assist users.

2. Sections 4, 5 and 10 contain information on commercial production of wine, materials used in winemaking and stocks of wine, brandy, grape spirit and unfermented grape juice classified according to end use. Section 11 has a table showing small area data on wine production for South Australia and New South Wales. Small area data for other States may be available on request.

Scope and coverage

3. Production data are collected only from enterprises which crush more than 400 tonnes of grapes. These wineries account for approximately 97.7 per cent of total crushings by all enterprises crushing 50 or more tonnes. Limited information on the quantity of grapes crushed and domestic wine sales are also obtained from enterprises crushing between 50 and 400 tonnes. The main purpose for this supplementary collection is to establish the scope and coverage of both the main production collection and the monthly wine sales collection.

4. Details on stocks of wine by wine type are collected at 30 June from Australian winemakers with wine sales of 250,000 litres or more in the previous year. All data are collected on an Australia-wide basis only and State figures are therefore not available.

5. The number of enterprises which fall within the scope of the wine stocks collection (*see* paragraph 4 above) may vary from year to year as sales vary and individual wineries are included in, or excluded from, the collection. It is possible that stock data may vary slightly each year as new wineries, with either large or small stocks, come into the scope of the collection. In particular, the published (*i.e.* closing) stocks figures for any one year may not equate with the opening stocks for the following year.

6. The wine content of products consisting of a mixture of wine and fruit juice, commonly known as 'coolers', is included in the appropriate wine category of the wine from which it is made, which is generally table wine.

SYMBOLS AND OTHER USAGES

n.a.	not collected
n.p.	not available for separate publication (but included in totals where applicable)
p	preliminary
-	nil or rounded to zero

Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

BIBLIOGRAPHY

ABS data

Much of the ABS data used in this compendium are sourced from various ABS publications and in some cases unpublished data are used. In the list of ABS publications below a catalogue number is quoted whenever possible to enable users to access explanatory information about various collections, even if the specific data used in this compendium are not published.

1991 Census of Population and Housing, Basic Community Profile (2722.0)
 AgStats database (small area agricultural commodity data)
Apparent Consumption of Foodstuffs and Nutrients, Australia (4306.0)
Apparent Consumption of Selected Foodstuffs, Australia, Preliminary (4315.0)
Consumer Price Index (6401.0)
Export Price Index (6405.0)
 Fastraccs database (foreign trade data)
Household Expenditure Survey, Australia: Detailed Expenditure Items, 1988–89 (6535.0)
Import Price Index (6414.0)
Manufacturing Industry, Australia (8221.0)
Population Survey Monitor, May 1994 (4103.0)
Price Indexes of Materials Used in Manufacturing Industries (6411.0)
Price Indexes of Articles Produced by Manufacturing Industries (6412.0)
Sales of Australian Wine and Brandy by Winemakers (8504.0)
Viticulture, Australia (7310.0)

Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (1101.0). The ABS also issued on Tuesdays and Fridays, a *Publications Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

Other publications

The State of Vitiviniculture in the World and the Statistical Information in 1992, Office International de la Vigne et du Vin, extract of the Bulletin de l'O.I.V., 753–754, November–December 1993.



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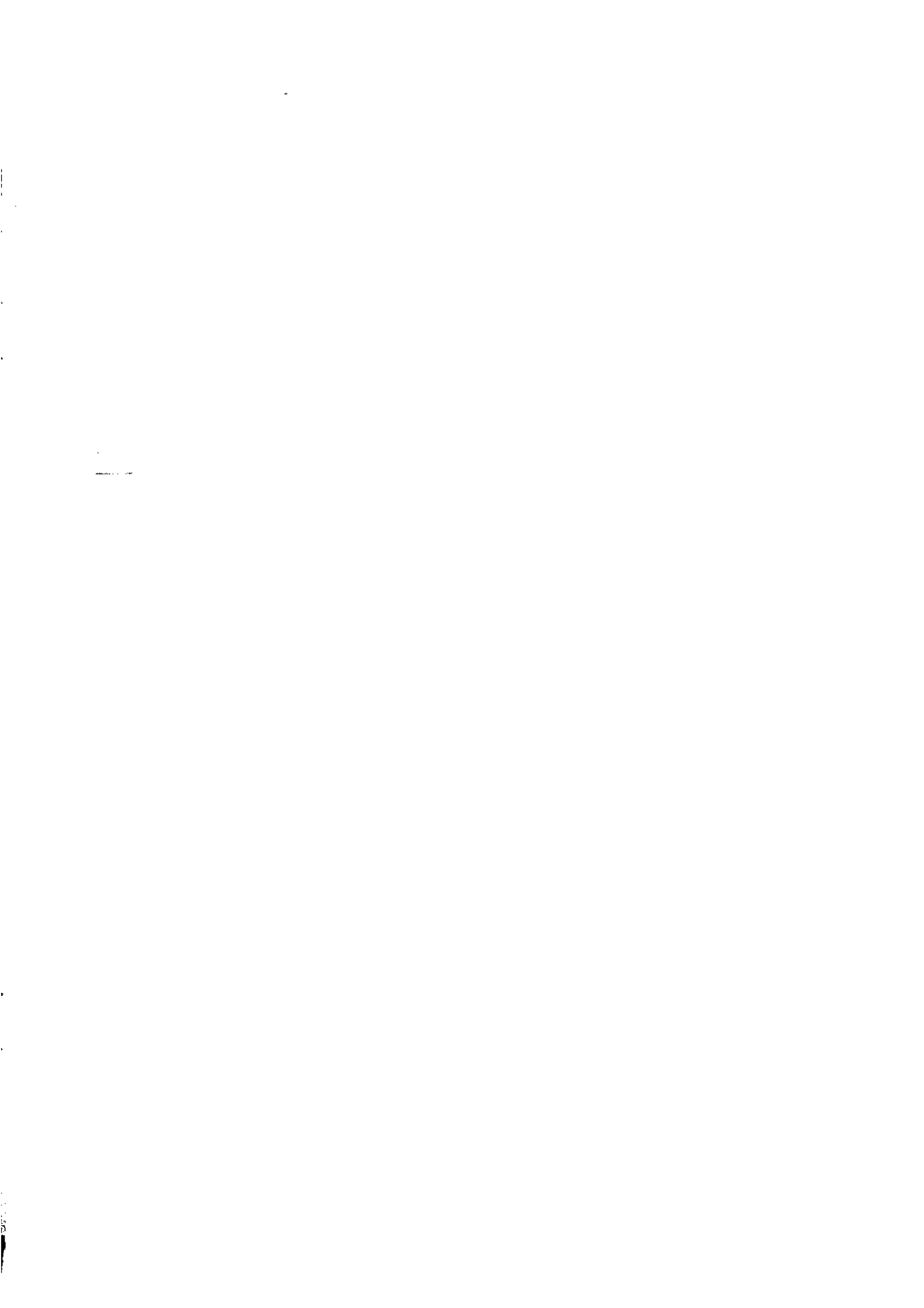
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ISSN 1320-6486

