

Submission
No 33

INQUIRY INTO WINE GRAPE MARKET AND PRICES

Name: Name suppressed

Date received: 27/09/2010

Partially Confidential

To the Director and Standing Committee,

I write this as a young farmer disillusioned with the current conditions and future of the grape farming industry. In writing this I hope it will bring some attention to the plight of us farmers and you in turn bring us some hope so that I and my fellow farmers can continue to do what we do best, supply great quality grapes so that you and the rest of the world can sit down and enjoy that fine glass of wine!

We need a mandatory code of conduct so that wineries are required to adhere to rules and regulations that ensure a fair result to growers.

Wineries should be required to buy at agreed prices, under a negotiated price regime. This would replace the free-for-all in place at the moment, in which wineries have a take it or leave it attitude to negotiating prices. This has also seen huge price discrepancies across a number of wineries in our area. With a perishable product and no storage, we growers have no choice but to take whatever price we are offered.

In the last few years, these low prices have not been consistent with all the over-the-top demands placed upon us by wineries. Strict spraying and computer recording rules, photos, detailed mapping, water usage accounts are all extra time and costs placed on us, not to mention increases in electricity prices. All these alongside our normal property and maintenance costs mean most farms are running at a loss with no relief in sight, particularly with wineries allowing huge plantings of more grapes in an already over-supplied industry.

These are just some of the main concerns I have as a grower who is trying to stay optimistic in uncertain times.