

**Submission
No 50**

INQUIRY INTO WINE GRAPE MARKET AND PRICES

Name: Name suppressed

Date received: 1/10/2010

Partially Confidential

CONFIDENTIAL

29th September 2010

The Director – Standing committee on state development
Parliament House
Macquarie St
Sydney NSW 2000

To Standing Committee members,

I am a grape grower in the Riverina and am concerned about the future of the wine industry under the current structure. Please keep this submission confidential as I fear retribution from my contracting winery.

The current pricing of wine grapes is not sustainable, with at least the past 3 years payments being less than the cost of production. The added concern is there is a significant price variation between wineries adding to the disappointment for growers.

The WET tax rebate is causing for unfair trading practices for non-genuine wineries. Growers that do not have a winery are gaining a vigneron licence and crushing their grapes and selling it bulk to earn WET rebate. This causes for a flooding of the bulk wine market which means wineries can buy it in bulk cheaper than they can purchase fresh grapes from growers not profiteering from the WET rebate system.

The Wine Grape Marketing Board needs to be able to set a minimum price and continue to have terms of payment. Without these features the board would be powerless to protect the growers from unfair trading from wine grape buyers.

I thank you for making this inquiry into our industry,

Kind Regards,