

1972 "While the wine industry's growth rate was an infinitesimal 0.2 pc in 1970-71, the soft drink industry in Australia showed an increase of 1,320,000 gallons, beer consumption rose by 11,185,000 gallons and there was no marked interruption to the growth rate for spirits." Mr J Penfold-Hyland, president of the Federal Wine and Brandy Producers Council of Australia, said this in his report to the council's annual meeting in Perth. He was discussing the effect on the wine industry of the 50c-a-gallon wine excise imposed by the Federal Government in August, 1970.

1973 "The mark-up on wines in some SA restaurants is completely exorbitant," the Premier of South Australia, Mr Dunstan, said recently. He said the Commissioner for Prices and Consumer Affairs, Mr LH Baker, had been asked to make a full investigation some months ago and had already provided a preliminary assessment.

50 years of grapegrowing – and *Grapegrower*

Lawrie Stanford, executive director Wine Grape Growers Australia

IN 1963, WHEN the first *Grapegrower & Winemaker* appeared, the Australian national vineyard was around 54,000 hectares and the winegrape crush just 310,000 tonnes.

Since then the area has increased 2.7 times and, demonstrating technical advances over the period, tonnages have grown about five times and the *Grapegrower & Winemaker* has gone from just a few pages to more than 100 a month.

Fifty years ago, the industry was much smaller, domestically focused, growing mainly grapes for fortified wine.

Wine regions such as the Limestone Coast, Orange, King Valley and Great Southern weren't on the statistical record.

Pedro and Doradillo were in demand, while Riesling and Semillon were the only white table wines.

The reds were largely restricted to the core varieties of Shiraz, Cabernet Sauvignon, Mataro and Grenache.

Chardonnay was only in NSW and Victoria because of phylloxera-related quarantine restrictions in SA and it wasn't until 1990 SA Chardonnay tonnages approached the rest of Australia.

TURBULENT CHANGE

In the '60s, wineries were family owned or cooperatives. In the 1970s, international companies bought Australian wineries. Philip Morris bought Lindemans and Heinz bought Knappstein, but they didn't hang around long. Then the Allied Brewery swapped Wynns winery for Tooth's brewery with the Adelaide Steamship Company, which already owned Penfolds – and we know the rest.

After a period of massive consolidation, we now have 20 wineries accounting for more than 80 per cent of the crush, while the Australian wine industry is the fifth largest wine producer in the world with a strong export focus and an international reputation for quality, innovation and education.

In an interesting reflection on the past 50 years, the chair of WGGGA, Vic Patrick, started his career in the grapegrowing industry exactly 50 years ago. He has seen MIS schemes; reform agendas and government inquiries come and go –



along with one vine pull and one boom.

He remembers 2004 as the one year in all that time when everyone made a profit.

Winegrape growing has changed a lot in technical terms over the past 50 years. In the 1960s vineyard size was limited by the number of vines you would prune. But three big changes advanced productivity.

INDUSTRY PROGRESS

The late 1970s saw the introduction of mechanical pruning, drip irrigation opened up new areas such as Coonawarra and Padthaway in the early 1970s and the third major change in grapegrowing was mechanical harvesting – halving labour costs since the 1960s.

Despite the technical changes, there are some things that haven't changed a lot. SA data shows more than half the grapegrowers in business now are over 60 years of age. This means there would have been no more than one generational

change in most family owned vineyards in the past 50 years.

Progress is measurable in technical terms. Growers can now set and check their irrigation from 100km away using a mobile phone – opening up new life/work balance options for many. Tractors drive themselves and harvesters can sort fruit in the vineyard.

On the other hand we still don't have an objective system for measuring the quality of grapes, a universally accepted Code of Conduct between winegrape purchasers and grapegrowers or a national vineyard register.

The market place is relatively unsophisticated compared to other commodities that have a strong futures market, interactive market intelligence and far better trading terms. Profitability is arguably at its lowest level – at least since the time of the vine pull. To add to the technical advances of the past 50 years, perhaps commercial innovation will be the next big advance over the next 50 years.

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