

# Industry Release

22 March 2011

## **WGGA Harvest Update – February/March 2011 – Trends and Issues**

With the harvesting of white winegrapes well underway in most districts across Australia, but with the red harvest yet to start, an upward trend in tonnages has been reported in a new harvest update conducted in late February/early March by Wine Grape Growers Australia (WGGA) and Wine Grapes Council of South Australia (WGCSA).

After a brief reprieve from earlier wet, cool conditions, a period of generally dry and warmer conditions in late December/early January, suggests that tonnages from the 2011 harvest have edged up from the 1.4 million tonnes reported from a similar survey in late December. Quality expectations are high for the white fruit that has survived the ravages of disease over the course of the season. The reds that are yet to be harvested will face continuing challenges and uncertainty.

Commenting on this phenomenon, Lawrie Stanford, Executive Director of WGGA, said “In an interesting trade-off, the season has produced strong flavours and good acidity for crisp, aromatic whites. This will maintain the quality and interest despite some dilution of these characters by a good dose of water” Reflecting on factors that can, and can't be controlled, he commented that “While we have ways to manage disease, it's hard to turn off the water when it comes from the sky”.

In sum, the harvest thus far has been characterised by cooler than normal conditions, plus prolonged wet and then humid conditions – all of which led to early disease pressures. This was associated with practical as well as financial difficulties in management and considerable pessimism about the crop's welfare.

Despite the challenges, successful management appears to have predominated although there still appears to be some variability influenced in part by the existence of abandoned and financially stressed vineyards. The reprieve from the wet conditions in late December/early January allowed some finishing-off for the white crop that is exhibiting good expression of character because of strong vine growth and the relative coolness of the season.

Variability is once again the key and region-by-region reports will be vital to gaining a complete picture.

It is apparent that the prevailing moisture levels this season have led to bigger fruit and higher tonnages per hectare that have more than offset losses from disease. Adding to this affect has been the relaxation of yield limits by some winemakers because of earlier pessimism about available production due to observed disease losses.

With the cooler nature of the season so far, the vintage is 3 to 4 weeks behind last year. The red harvest is generally about 2 to 3 weeks away at the time of writing. “Continued sporadic rain events in different parts of Australia nevertheless serve to remind us that the harvest is at best, half way through and there is much that can happen yet” said Mr Stanford. “If there is further rain in some regions the red harvest could end up being very different from current expectations.”

As the red harvest is about to commence, an additional challenge is expected to emerge – that of the red crop’s ripening. Some concern about this has been reported due to the lateness of the season and the damage caused by disease on leaf functionality.

While there were indications that tonnages were edging up from earlier estimates, Mr Vic Patrick, WGGGA Chair, stated that a credible estimate was not possible. “It is regrettable that the industry is not collecting harvest intelligence in a timely fashion – industry stakeholders want and need to know” said Mr Patrick. “To the extent that these estimates rest in some part on knowledge about the actively maintained vines in the industry, it is puzzling why more industry resources are not assigned to understanding this component of the industry’s production equation.”

In recent years, on the back of massively increased charges sought by the Australian Bureau of Statistics to collect viticulture data through the *Vineyard Survey*, the regular collection of this data has been disrupted. Nevertheless, WGGGA notes that GWRDC will invest more than \$670,000 of levy funds on a full vineyards census in 2012 but a gap year exists for 2011. The Australian Bureau of Statistics’ Agriculture Census will cover events in 2011 but on standard timelines, the data will not be available until April 2012.

Even in the best of circumstances, the currently vital vine removals data comes with a lag. This lag leaves the industry blind to up-to-date adjustment that is occurring. The latest national intelligence available to the industry on vine removals is for 2009 – which primarily influenced outcomes in the 2010 harvest.

Despite some informal attempts by WGGGA and WFA to measure removals leading into the 2011 harvest, nothing is clear. “At a time when the industry is going through supply adjustment that is vital to the industry’s future, the industry is not reliably informed as to what is happening”, said Mr Patrick.

At last count, for the 2010 vintage, 13 000 hectares or about 8% of the industry’s total area, was left unharvested or the fruit was dropped at harvest. Mr Patrick commented that “We also don’t know what has transpired with these vines leading into the 2011 harvest. Such gaps in industry knowledge can be costly to both grape growers and winemakers in terms of prices and orderly logistical handling of the harvest. The industry needs to develop systems to capture this data in a timely way.”

WGGGA and WFA, together with the Grape and Wine Research and Development Corporation (GWRDC) and Wine Australia Corporation (WAC), are committed to the creation of a national vineyard database, along the lines of the SA database administered by the Phylloxera Grape Industry Board of South Australian. However, due to the requirement of legislation, this is a medium-term solution.

While acknowledging limitations on industry planning funds in the current operating conditions, WGGGA views the industry’s service bodies, the GWRDC and WAC as bearing the greatest responsibility for the funding and analysis of such critical intelligence until the national vineyard database is in place.

**For further information please contact WGGGA Executive Director Lawrie Stanford on 0417 859 282 or Chair Vic Patrick on 0408 849 533.**

## FURTHER NOTES ON HARVEST TRENDS AND INFLUENCES

- The white harvest is all but complete in the more northerly Australian winegrowing latitudes such as Queensland and the Hunter while it is largely complete in the middle latitudes in which the bulk of the harvest is taken and finally, the white harvest is yet to commence in the southerly latitudes such as the South Australian Limestone Coast and Tasmania.
- In the eastern parts of Australia have been under the influence of La Nina which has defined the season. The dominant seasonal influences have been relative coolness accompanied with a wet winter and spring. These conditions even dragged into December. As the months became warmer (although still relatively cooler than the average) the wetness was progressively associated with humidity.
- Late December/early January then saw a period of general reprieve with warmth and dryness allowing the crop to develop normally. With ample moisture and healthy vines the white crop finished well.
- Sporadic rain episodes nevertheless resumed and continued into February albeit on a less protracted basis than earlier in the season. In this period, the hope was that the moisture would evaporate quickly because withholding periods in spray schedules meant spraying for mildew was not possible in many instances.
- Inaccessible, saturated vineyards and in the extreme, even flooding, were the starkest expressions of this season's wet conditions. Vineyard inaccessibility added to the challenges of disease management. While flooding was relatively rare, it was reported in the tropical-storm devastated areas of Queensland, isolated blocks in Leeton of the Riverina while extensive inundation has been reported in the Murray Darling-Swan Hill districts which appears to be the worst hit area among the warm inland districts that produce the largest part of the national winegrape crop.
- In complete contrast, Western Australia, distant from the La Nina influences, experienced a dry winter, dry spring, some refreshing rain in January and, without any heat spikes as the summer progressed, consistent heat. Quality, balanced fruit development is reported to be in abundance.
- As reported by WGGA earlier in the season, the costly management of widespread disease pressure has meant disease management has been variable depending on access in vineyards, access to sprays, the sales prospects of the crop and the financial reserves of vineyard operators.
- It appears that effective management has nevertheless been possible for the majority of the crop.
- Ample moisture has meant strong vine and canopy growth and the relative coolness is widely reported to have allowed good flavour development, lower sugar and higher natural acidity. For whites, this means the season will be good for the aromatic flavours that have met with consumer approval over recent years.
- On the other hand, ample moisture has enlarged the berries and placed upward pressure on tonnages. As a result, tonnages are likely to be higher than they were thought to be earlier in the season when disease pressure was at a peak.
- A further influence on the upward trend in tonnages has been added by the prolonged wet and uncertainty about continued rain which lead to some fruit to be taken off early, without full sugar development. This occurrence lead to the poorer, disease-affected tonnages that would have otherwise been rejected, being taken by wineries for the purpose of producing concentrate that can be added back to achieve required sugar.
- Without the lashings of water in the west, character development of the whites that are done so well in that state, have been intensified. A great, if not necessarily an ample year, results in the west.
- Thoughts now turn to the red harvest. Reports of the prospects are, as for the whites, variable. The red crop also faces the uncertainty of rain but in addition, faces challenges of ripening. Risks to full ripening are posed by the lateness of the season which could mean vine shutdown before ripening is completed. There are already some reports of reddening and yellowing leaves. Moreover, deterioration of leaf functionality through the ravages of this season's downy attacks is affecting ripening ability.
- Enlarged fruit due to this year's moisture levels pose a risk to colour intensity.
- If rain continues further into the vintage, there will be a contest between botrytis rot and ripening - continued wet favouring the former and drier, warmer conditions favouring the latter.
- From the outset, the tonnages per hectare of the dominant red varieties, Shiraz and Cabernet, were thought to be lighter than last year, reflecting a rest year after last year's big crops. The current risk to ripening adds to the production risks for reds.
- In contrast to most other parts of Australia, the red harvest in Hunter Valley is complete due to its more northerly location and earlier maturing. Perhaps consistent with the increasing risk, the longer the fruit hangs out there in a season such as this one, the Hunter Shiraz has been reported as 'awesome'.