



Wine Grape Grower Survey

Results report

September 2018

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Introduction

The ACCC wine grape grower survey was open to wine grape growers across Australia from 20 July 2018 to 20 August 2018. The survey was promoted through relevant news outlets and with the assistance of local, regional and national industry associations.

This report summarises grower responses to most survey questions. Demographic information has been removed to protect the identity of respondents.

Interpretation of the results

This report presents several charts illustrating the responses to each qualitative survey question. For most questions, the charts compare:

1. Responses from warm climate regions and cool climate regions
2. Responses from each of the three warm climate regions
3. Responses from each of the cool climate regions.¹

For questions where there were significant differences across different states (such as questions relating to the Australian Wine Industry Code of Conduct) we have also included a state-by-state breakdown.

A small number of respondents did not provide answers to all questions. Unless otherwise indicated, the percentages shown in each charts are a percentage of the respondents who answered the question.

Response rates

According to the Australian Bureau of Statistics, there are approximately 5000 wine grape growers in Australia.² We received responses from 262 growers (about five per cent of the total number of growers) from across Australia. While the overall response rate was good relative to other recent surveys of the industry, it is important to note that response levels varied across different regions, as shown in Table 1.

Previous consultation indicates that industry concerns are most prevalent in the three warm climate wine grape growing regions of Australia: Riverina (NSW), Riverland (SA), and Murray Valley (which includes the Murray Darling (NSW/Vic) and Swan Hill (NSW/Vic) regions). According to industry groups, the number of wine grape growers is about 320 in the Riverina, 340 in the Murray Valley and 900 in Riverland. As shown in Table 1, we received 31 responses from the Riverina (10 per cent response rate), 58 responses from the Murray Valley (across both NSW and VIC) (17 per cent response rate), and 12 responses from the Riverland (1 per cent response rate). The response rate also varied across the cool climate regions.

Growers could choose whether or not to respond to the survey. Therefore, participants do not represent a random sample of the industry.

¹ Regions from which we received less than seven survey responses are omitted from this chart. The responses omitted are those from Gippsland (6 respondents), Queensland (2), Western Victoria (2), Northern Slopes (1), Perricoota (1), South Coast (1) and region not specified (2). Responses from Greater Perth and South West Australia are grouped into one category (Western Australia) due to the low number of responses from Greater Perth (3) and its proximity to South West Australia. In addition we have omitted some regions in some charts where less than seven respondents from a region responded to a particular question.

² Australian Bureau of Statistics, 2015: <http://www.abs.gov.au/ausstats/abs@.nsf/mf/1329.0.55.002>

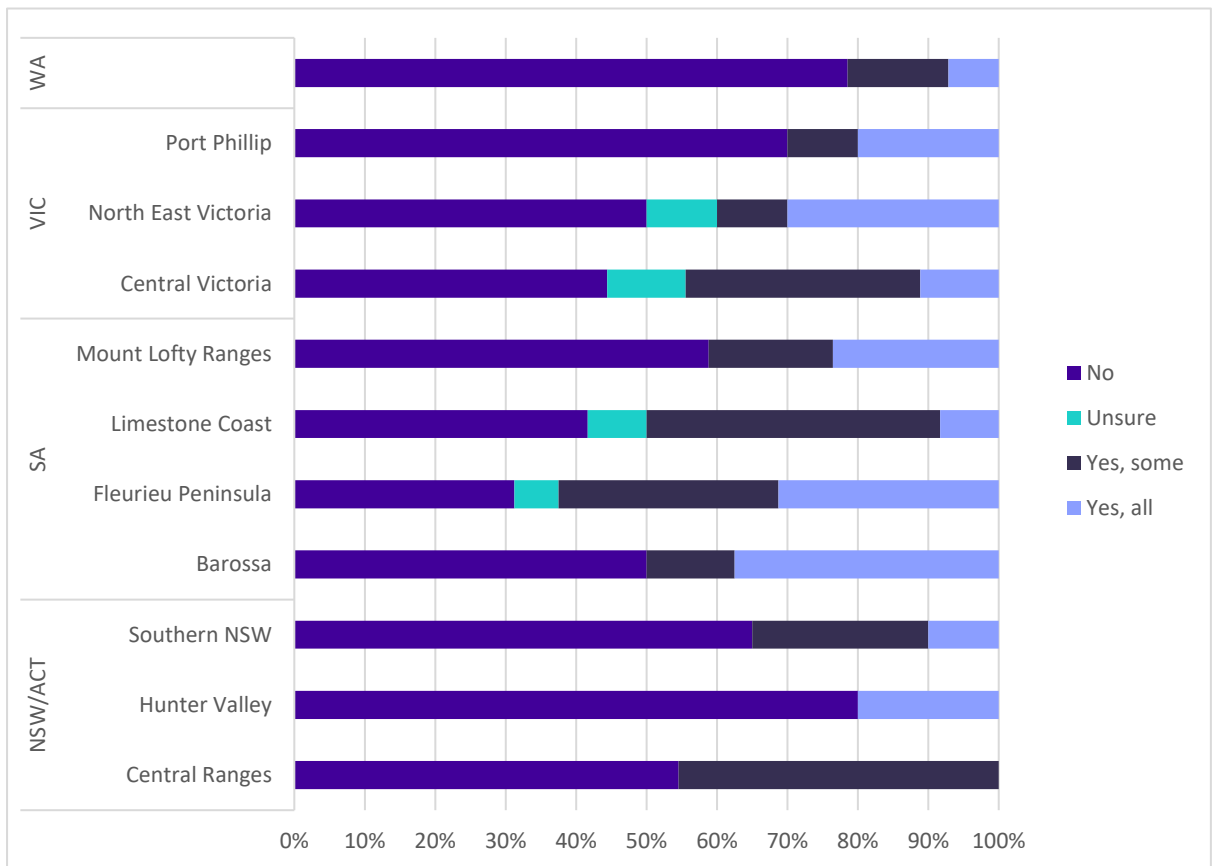
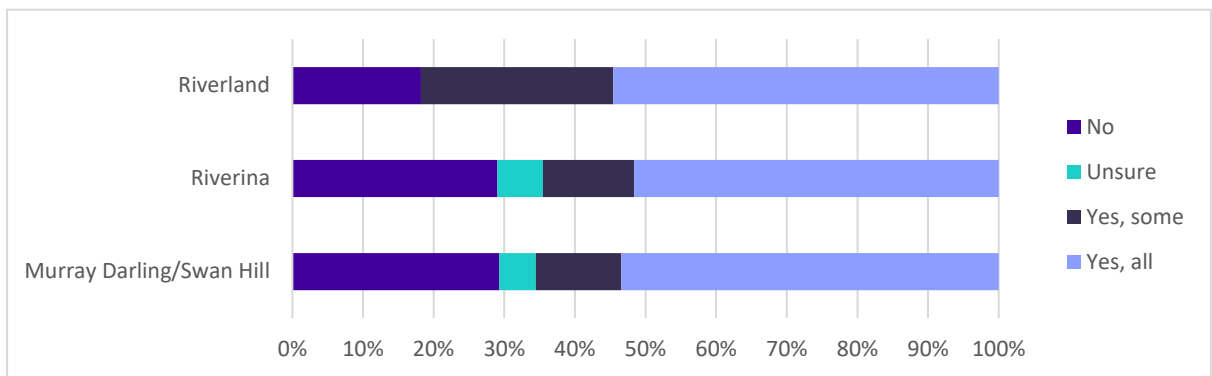
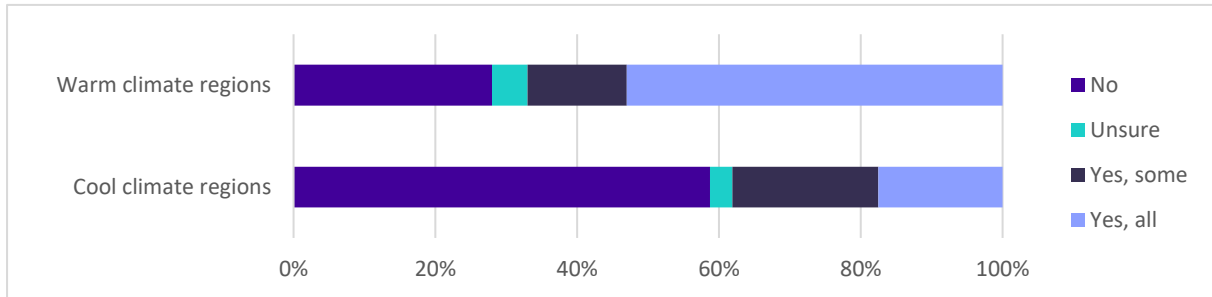
Table 1: Number of survey respondents by state/region

State / region	Number of responses
New South Wales/Australian Capital Territory	92
Central Ranges (Cowra, Mudgee, Orange)	11
Hunter Valley (Hunter)	10
Murray Darling/Swan Hill (Mildura, Sunraysia)	16
Northern Slopes (New England Australia)	1
Perricoota	1
Riverina	31
South Coast (Shoalhaven Coast, Southern Highlands)	1
Southern NSW (Canberra District, Gundagai, Hilltops, Tumbarumba)	20
Unspecified	1
Queensland	2
Unspecified	2
South Australia	73
Barossa (Barossa Valley, Eden Valley)	16
Fleurieu Peninsula (Currency Creek, Kangaroo Island, Langhorne Creek, McLaren Vale, Southern Fleurieu)	16
Limestone Coast (Coonawarra, Mount Benson, Mount Gambier, Padthaway, Robe, Wrattenbully)	12
Mount Lofty Ranges (Adelaide Hills, Adelaide Plains, Clare Valley)	17
Riverland/Lower Murray	12
Victoria	80
Central Victoria (Bendigo, Goulburn Valley, Heathcote Ranges, Strathbogie, Upper Goulburn)	9
Gippsland	6
Murray Darling/Swan Hill (Mildura, Sunraysia)	42
North East Victoria (Alpine Valleys, Beechworth, Glenrowan, King Valley, Rutherglen)	10
Port Phillip (Geelong, Macedon Ranges, Mornington Peninsula, Sunbury, Yarra Valley)	10
Unspecified	1
Western Victoria (Grampians, Henty, Pyrenees)	2
Western Australia	15
Greater Perth (Peel, Perth Hills, Swan District)	3
South West Australia (Blackwood Valley, Geographe, Great Southern (Albany, Denmark, Frankland River, Mount Barker, Porongurup), Manjimup, Margaret River, Pemberton)	12
Grand Total	262

Results

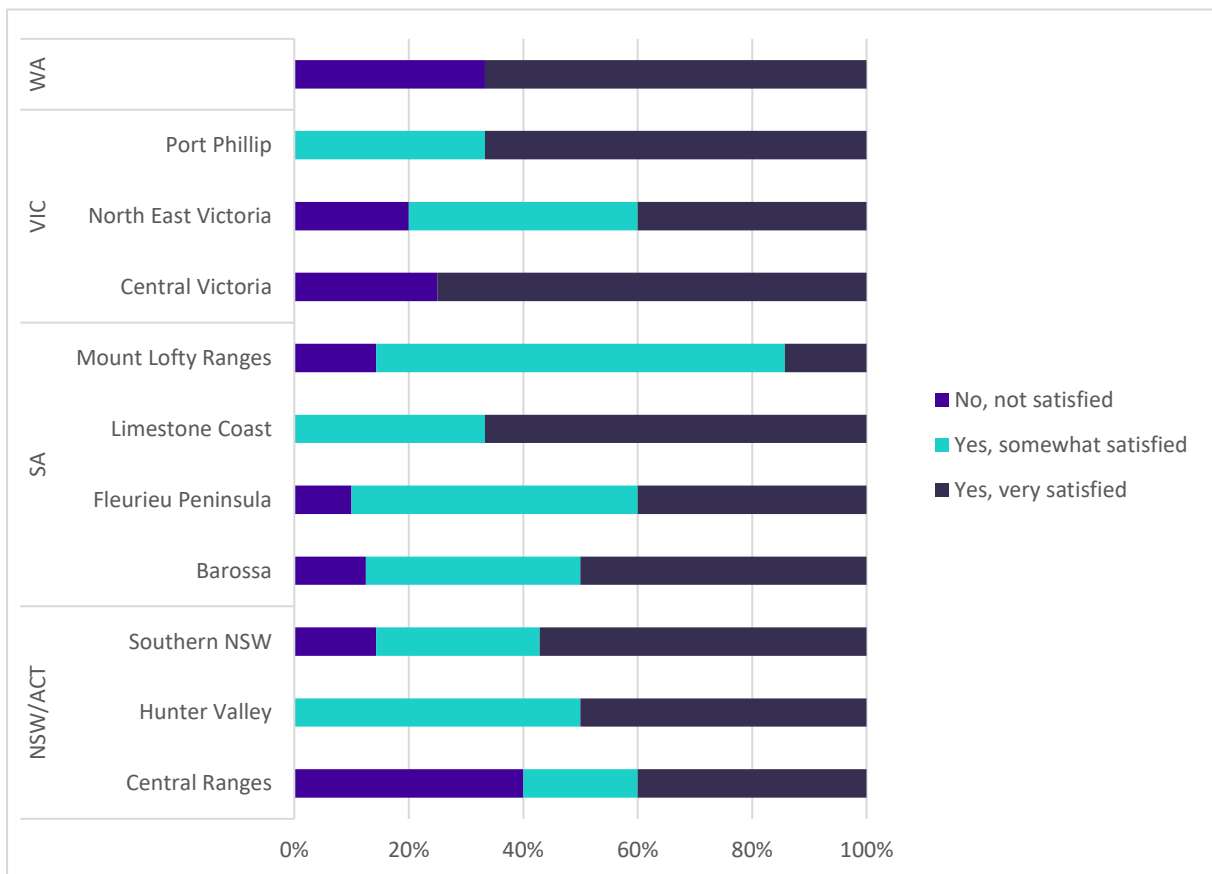
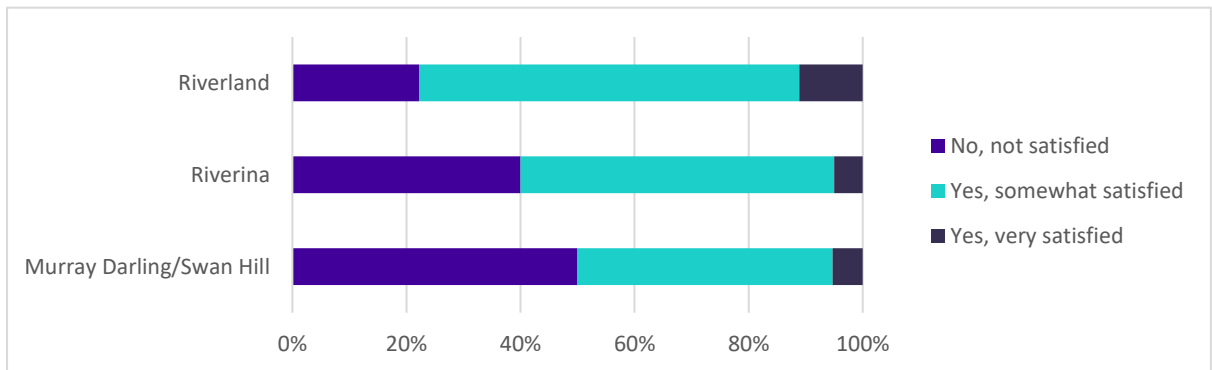
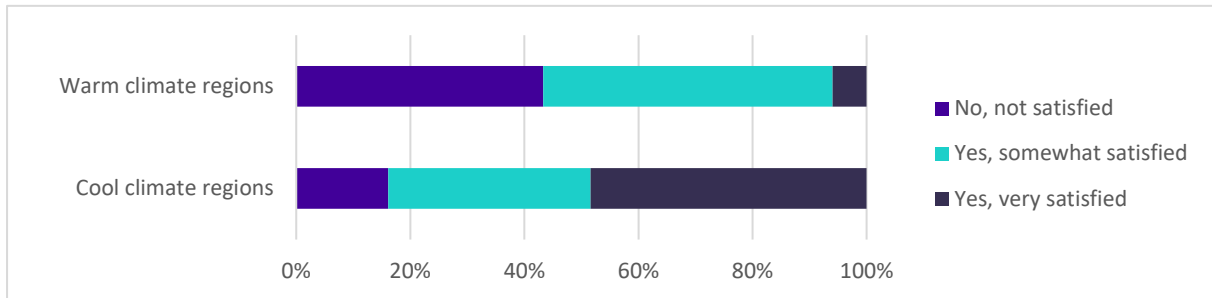
1. Exclusive supply arrangements

1.1. Do you have an exclusive supply arrangement?



1.2. Are you satisfied with the exclusive supply arrangement you have?

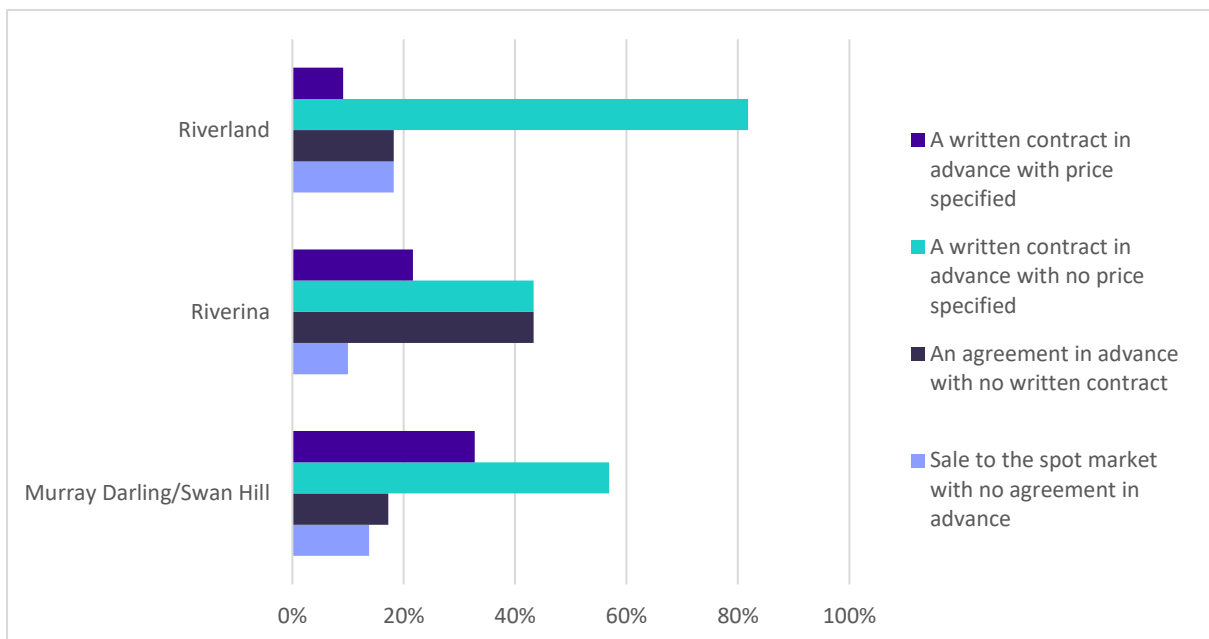
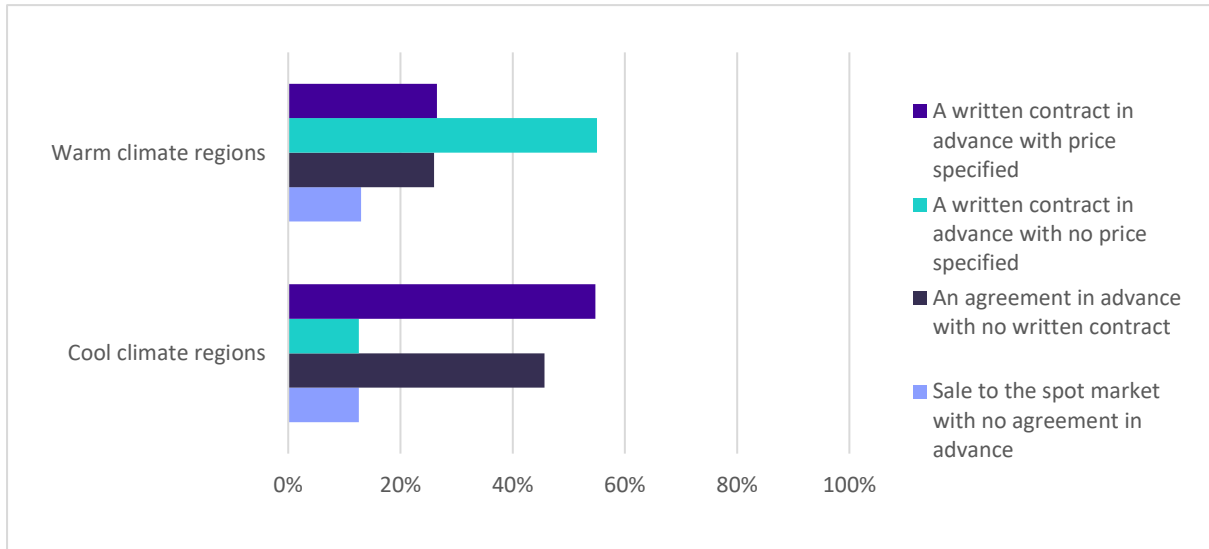
Note: This question was asked only to growers who said they have an exclusive supply arrangement.

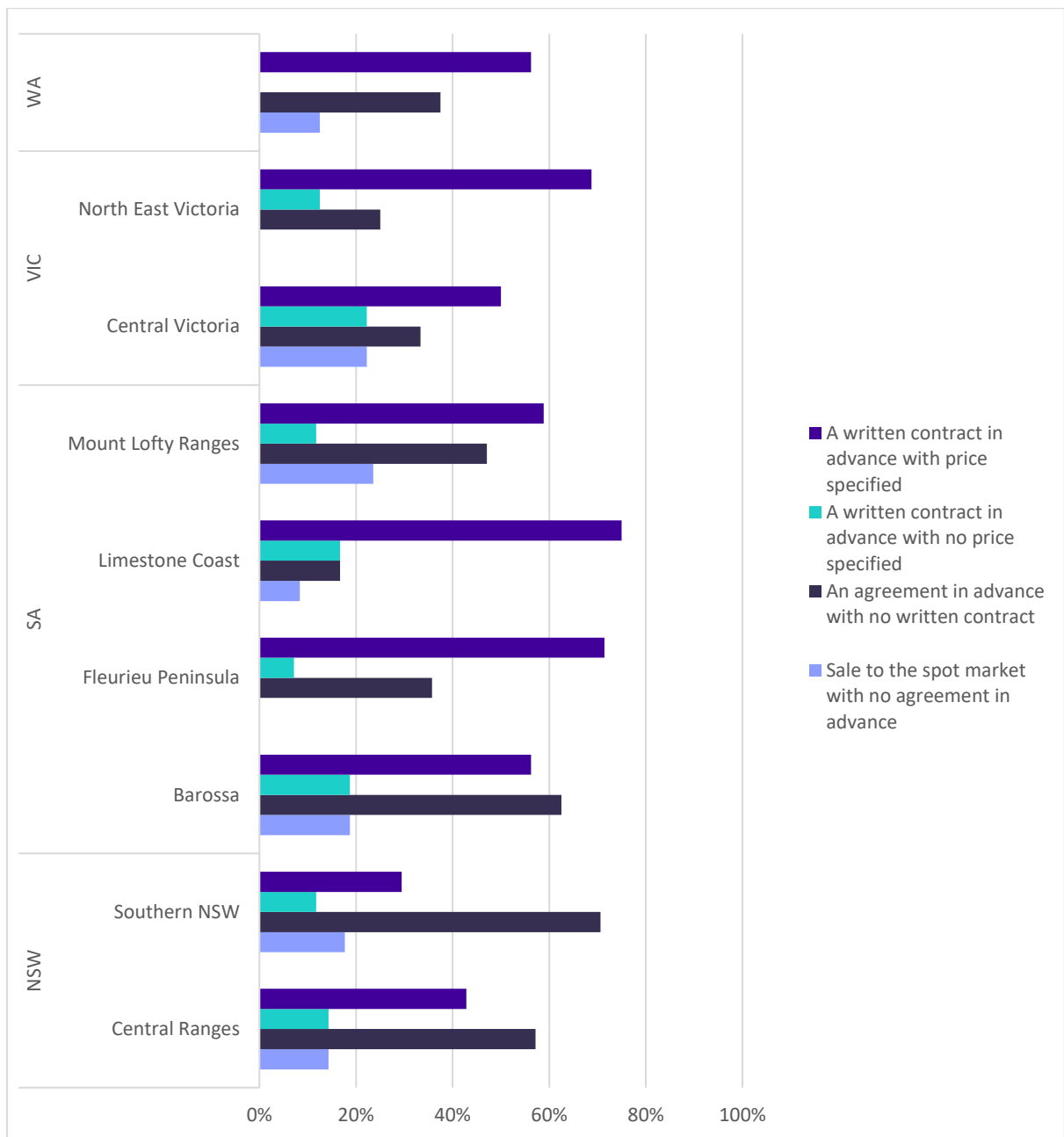


2. Contracts

2.1. Of the grapes your business sold to others from the 2018 vintage, what percentage was sold under the following arrangements?

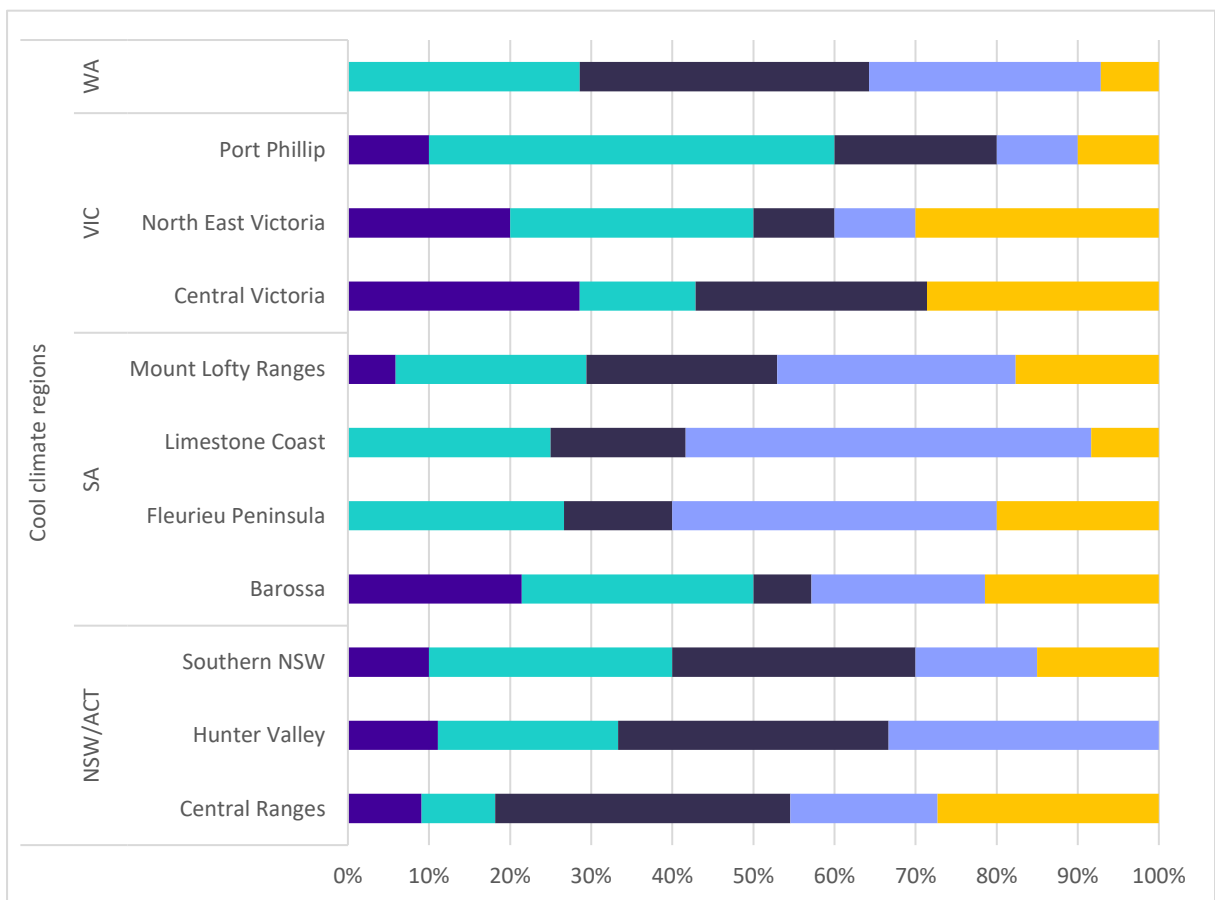
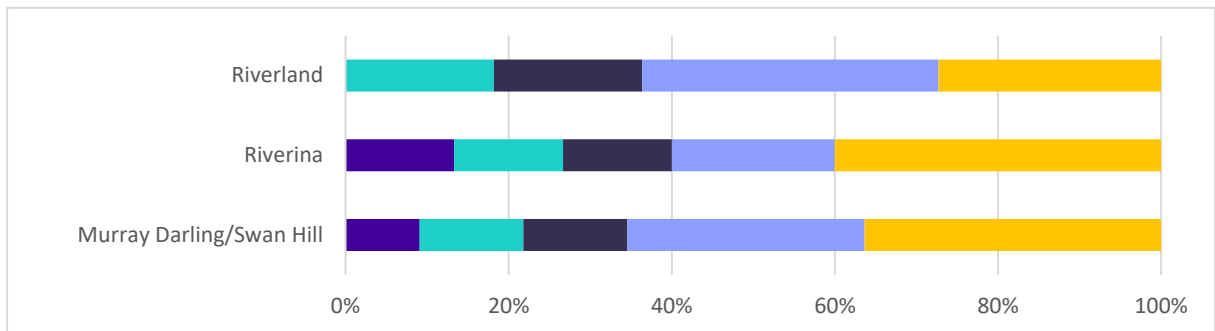
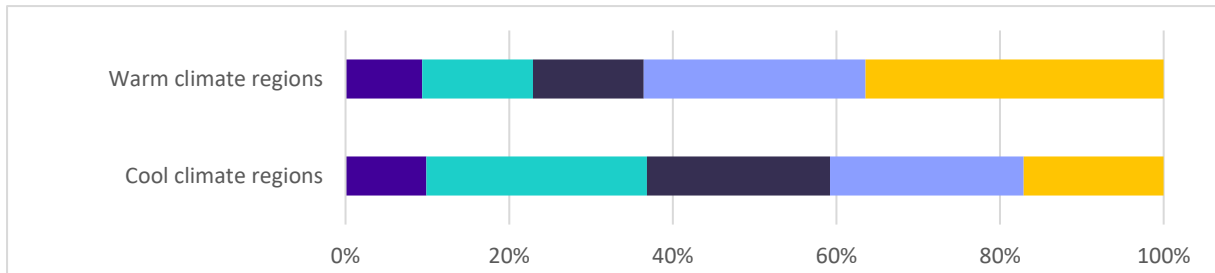
Note: For this survey question, respondents could select one or more arrangements by which they sell their grapes to others (if applicable). The figures given for each arrangement type are the percentage of respondents who used that arrangement type to sell at least some of their grapes, of the total number of respondents who sold grapes.





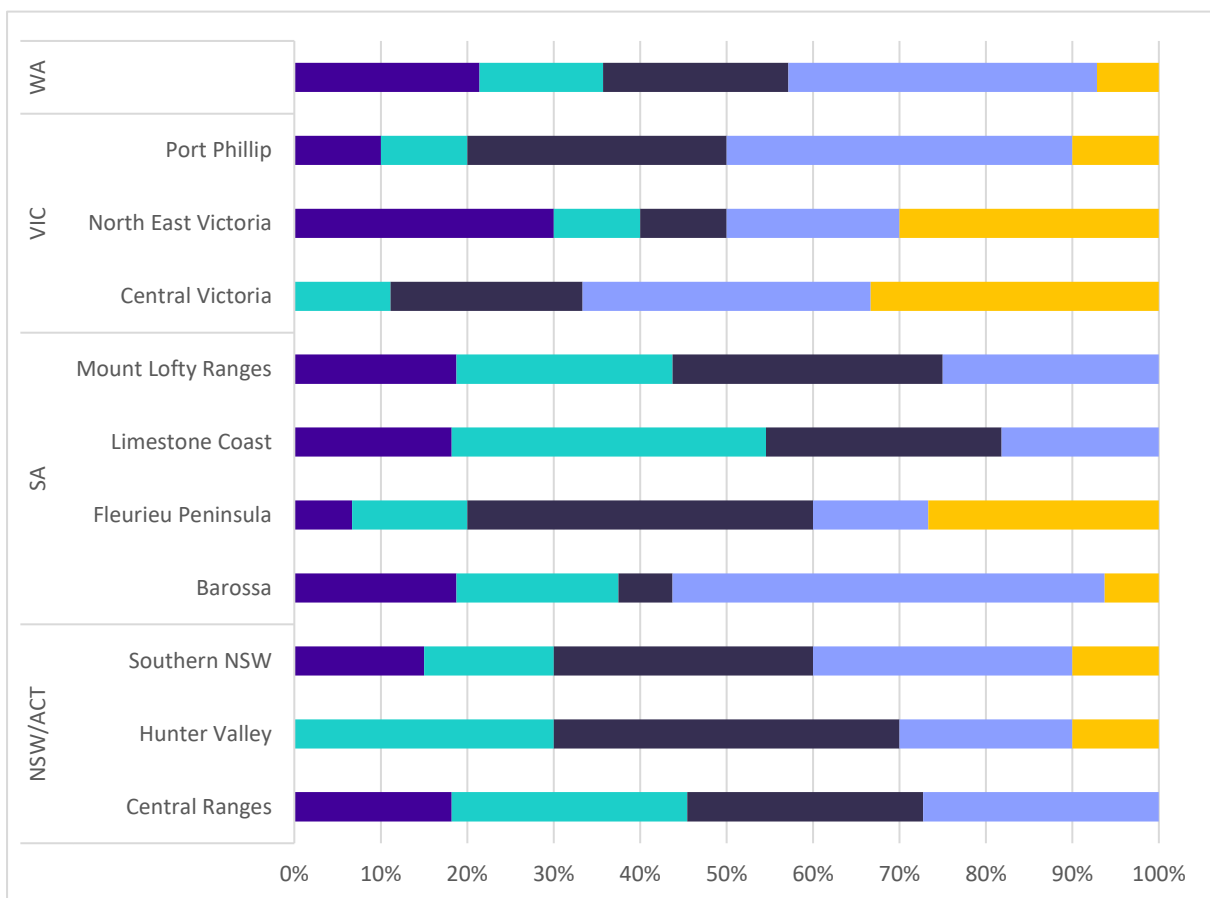
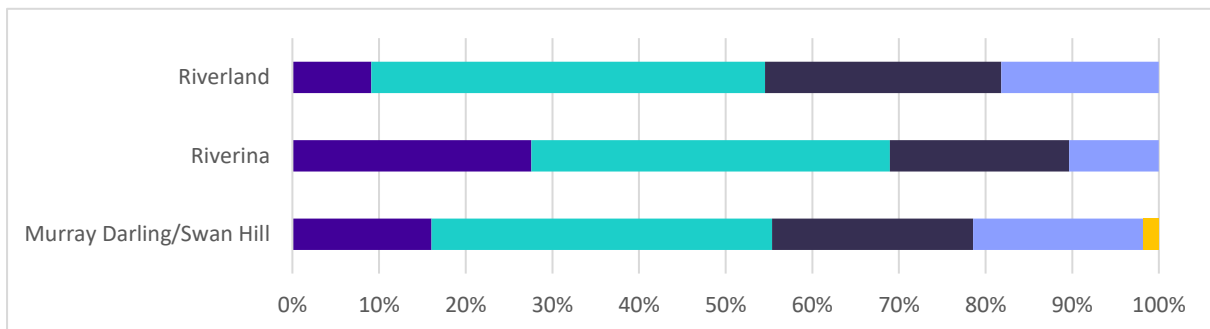
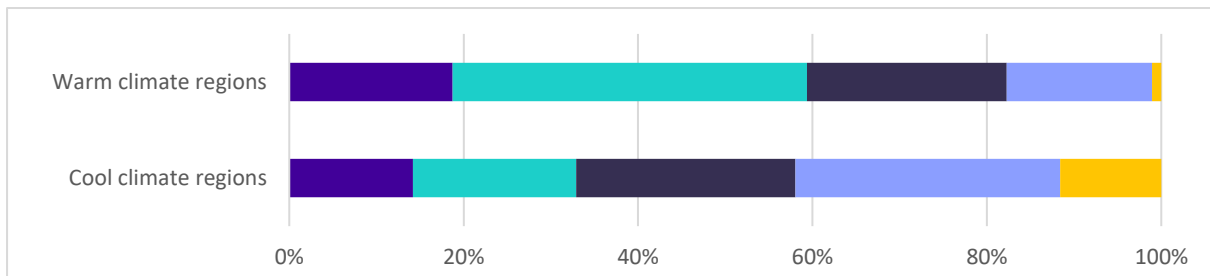
2.2. Contracts with wine grape purchasers are offered to my business on a take-it-or-leave-it basis, with no opportunity to negotiate the terms.

[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]



2.3. Contracts between my business and wine grape purchasers provide a fair balance between the rights and obligations of each party.

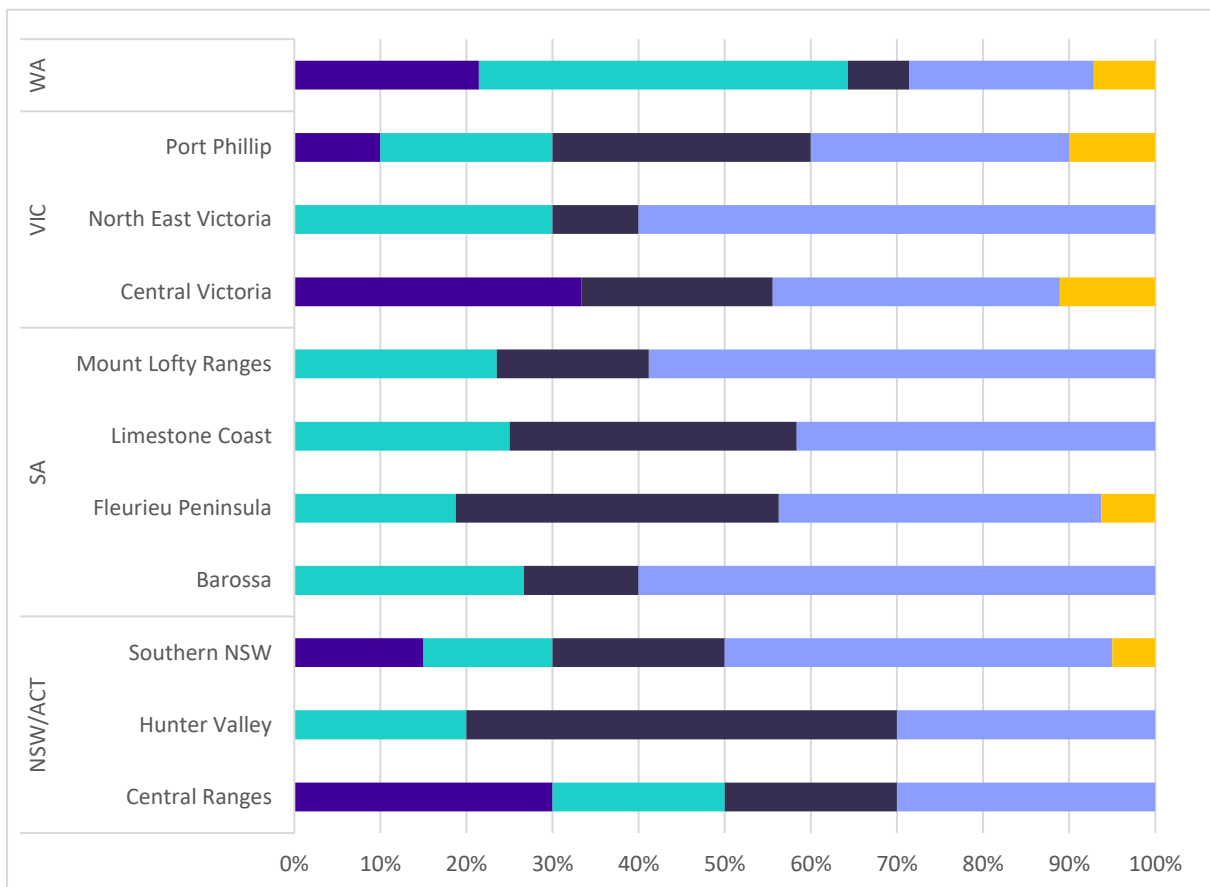
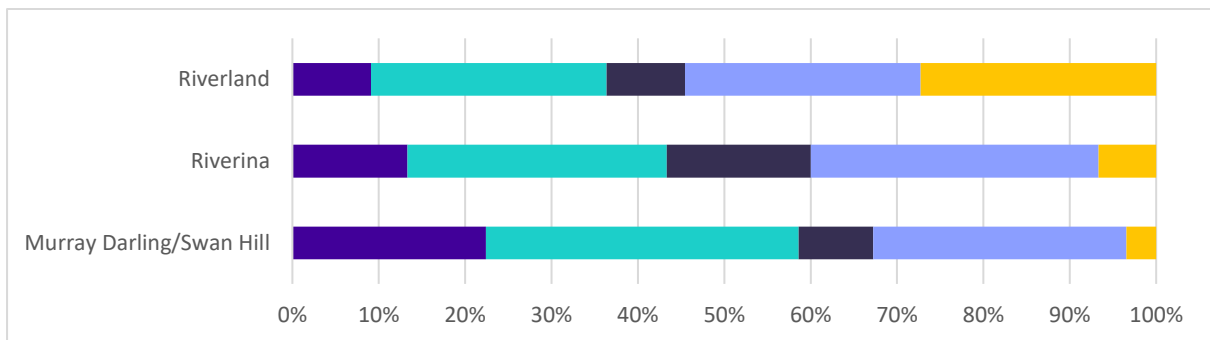
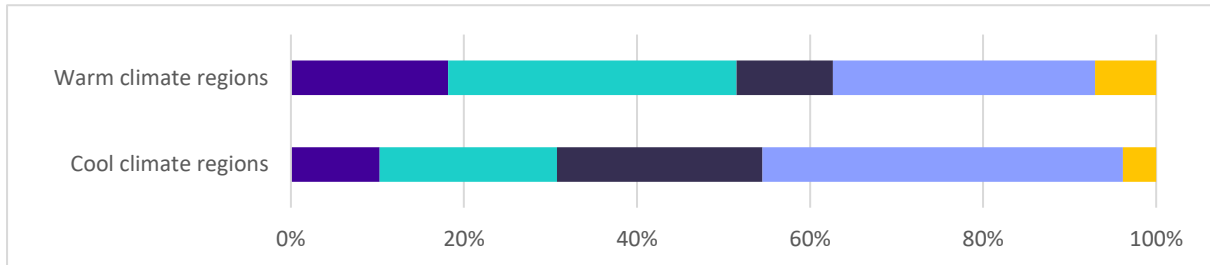
[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]



3. Competition

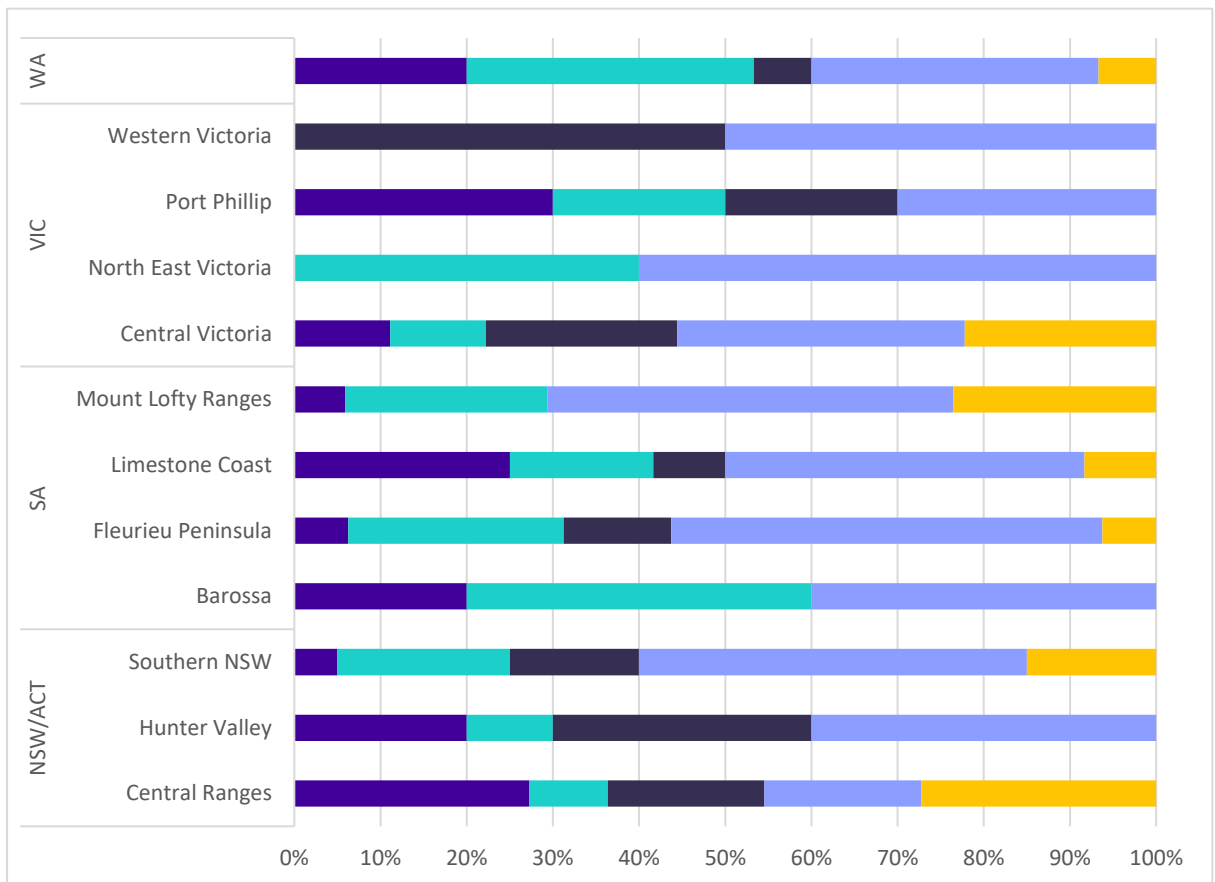
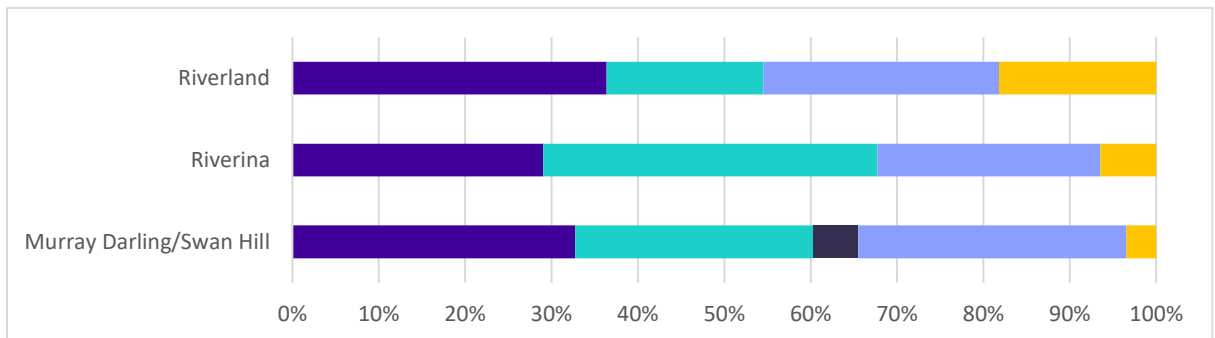
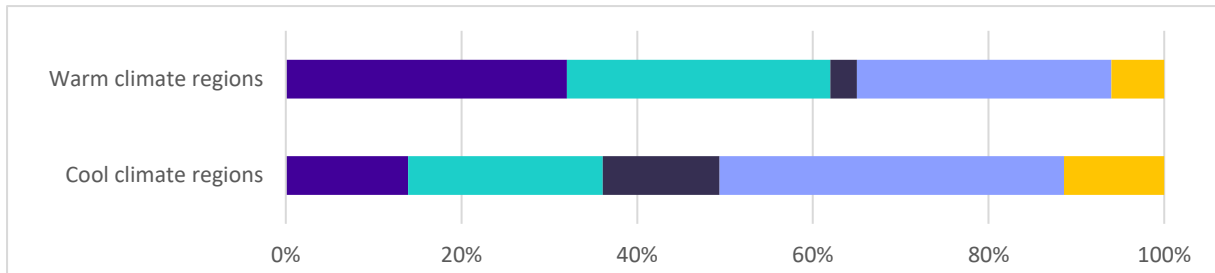
3.1. There is competition between wine grape buyers for my grapes

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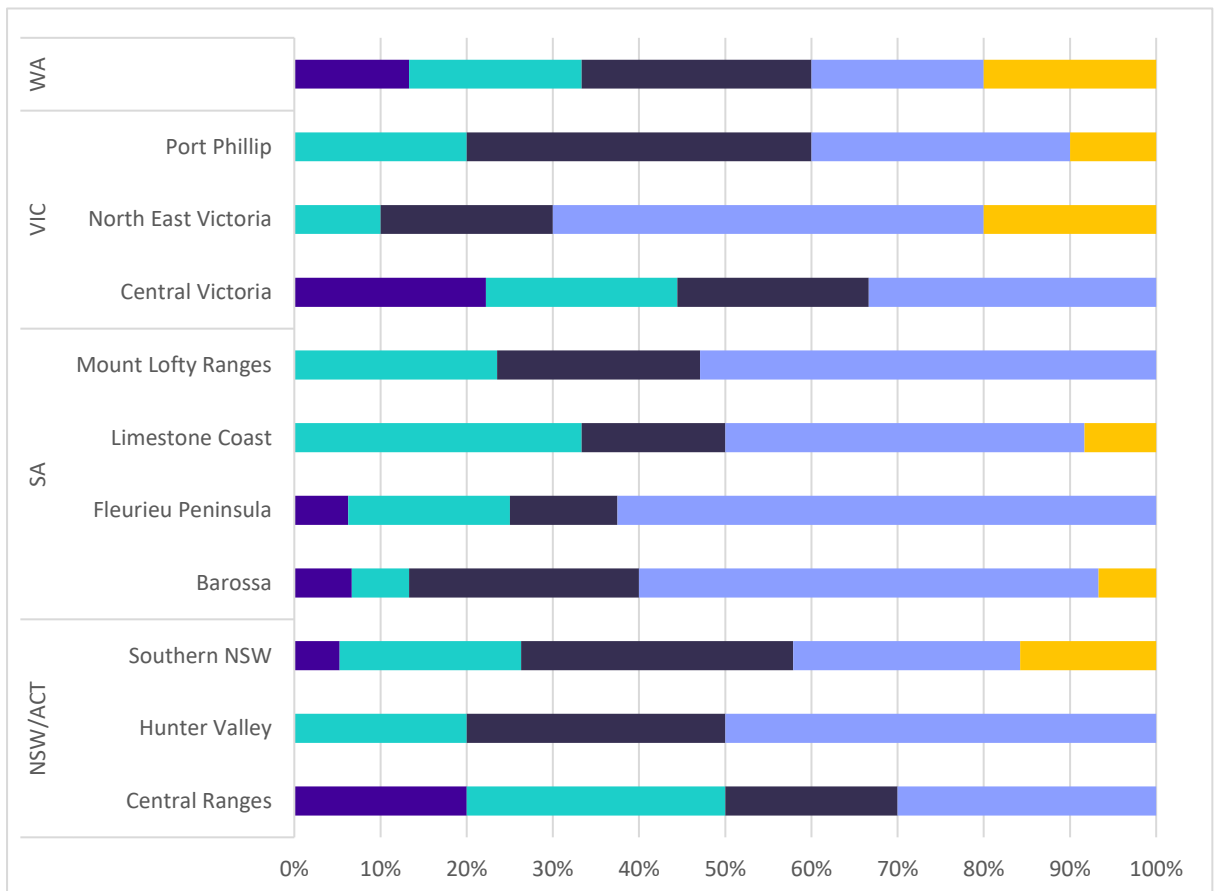
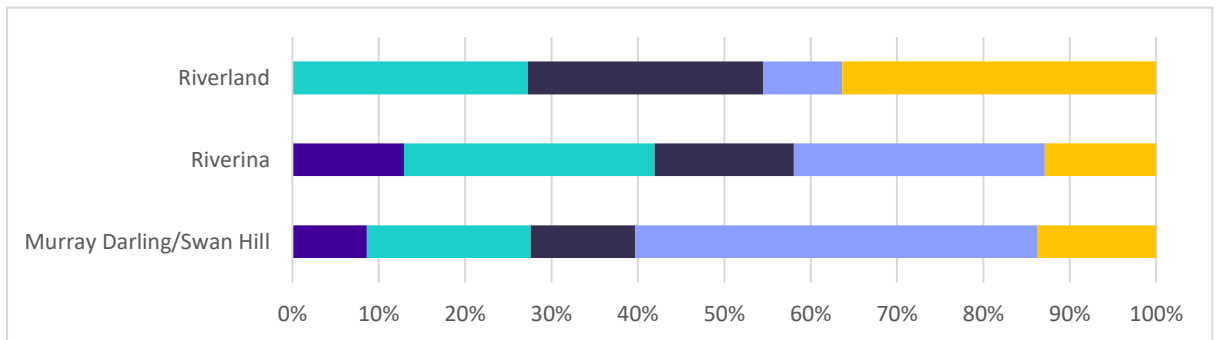
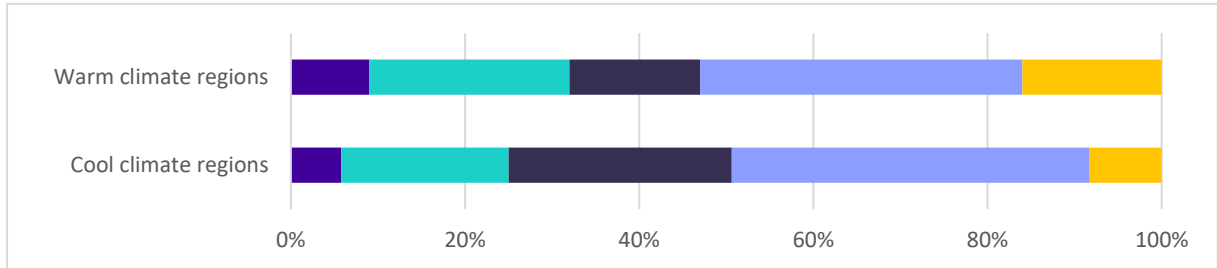
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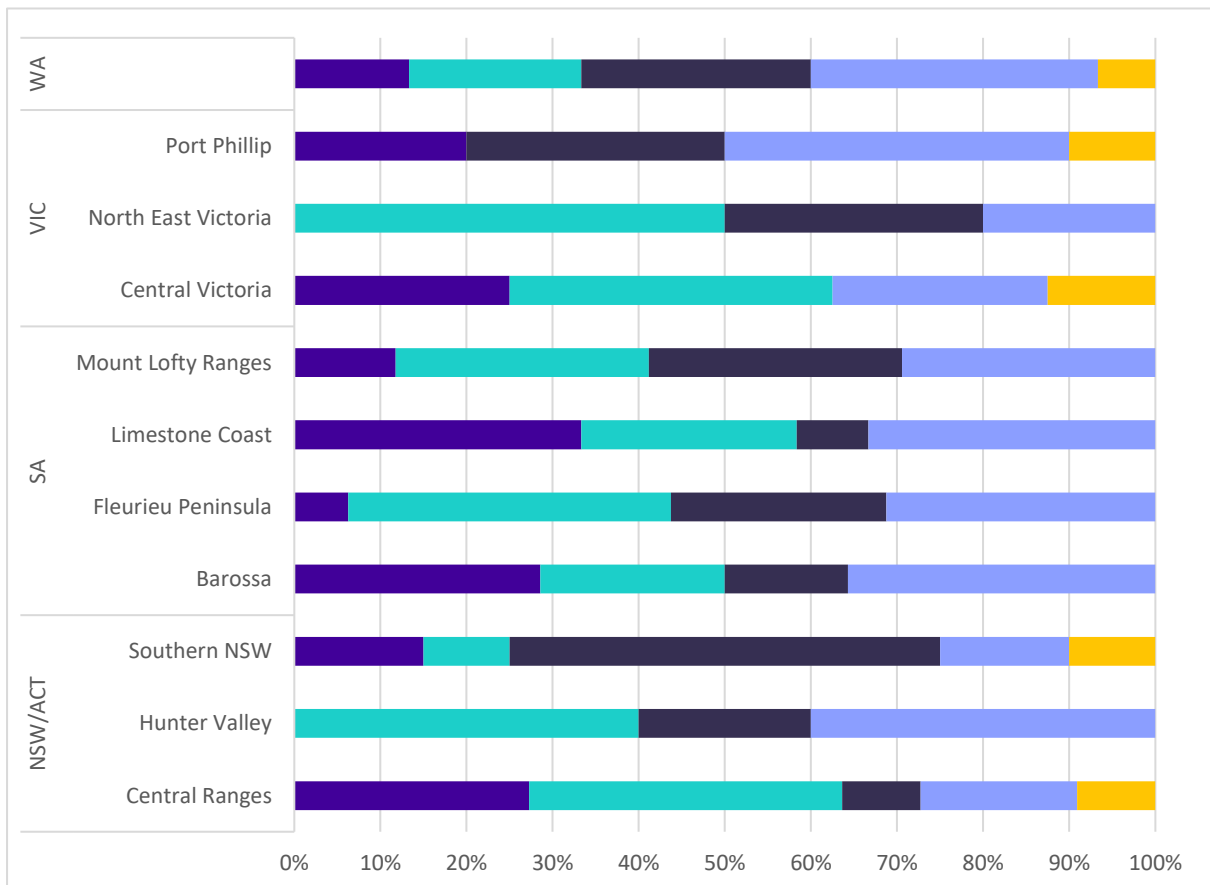
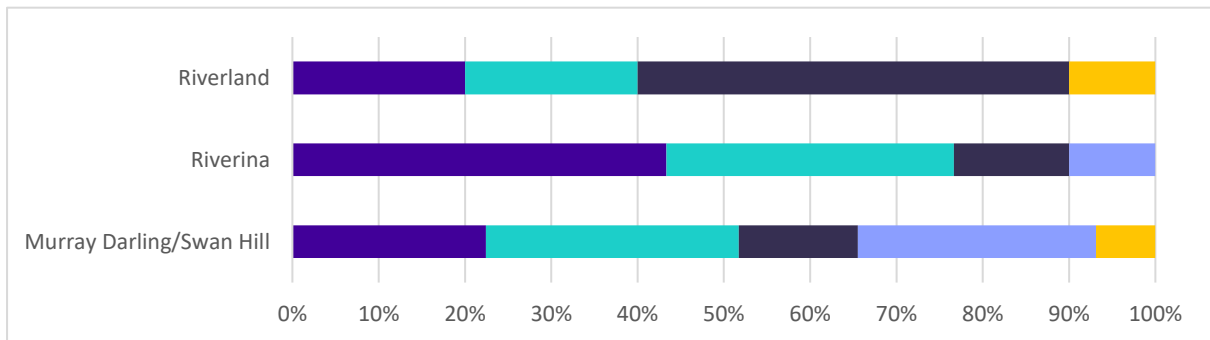
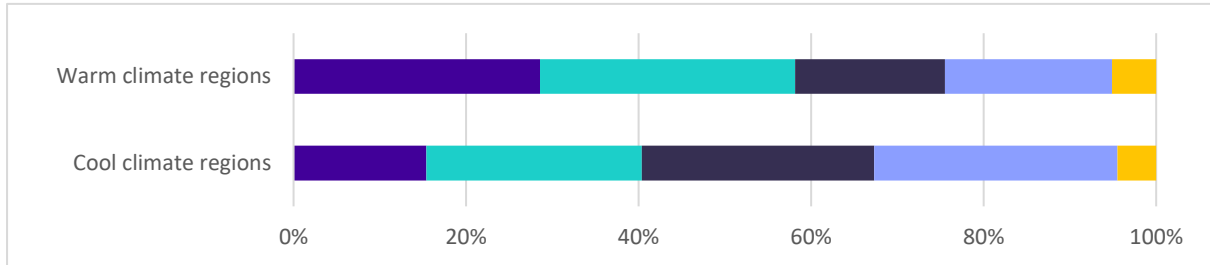
3.3. When considering entering a new contract (either term or spot contract), I consider several buyers before deciding who my business will sell each variety of wine grapes to.

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3.4. I can choose to sell to different wine grape buyers from year to year, without suffering adverse treatment (assuming I am not bound by an existing contract)

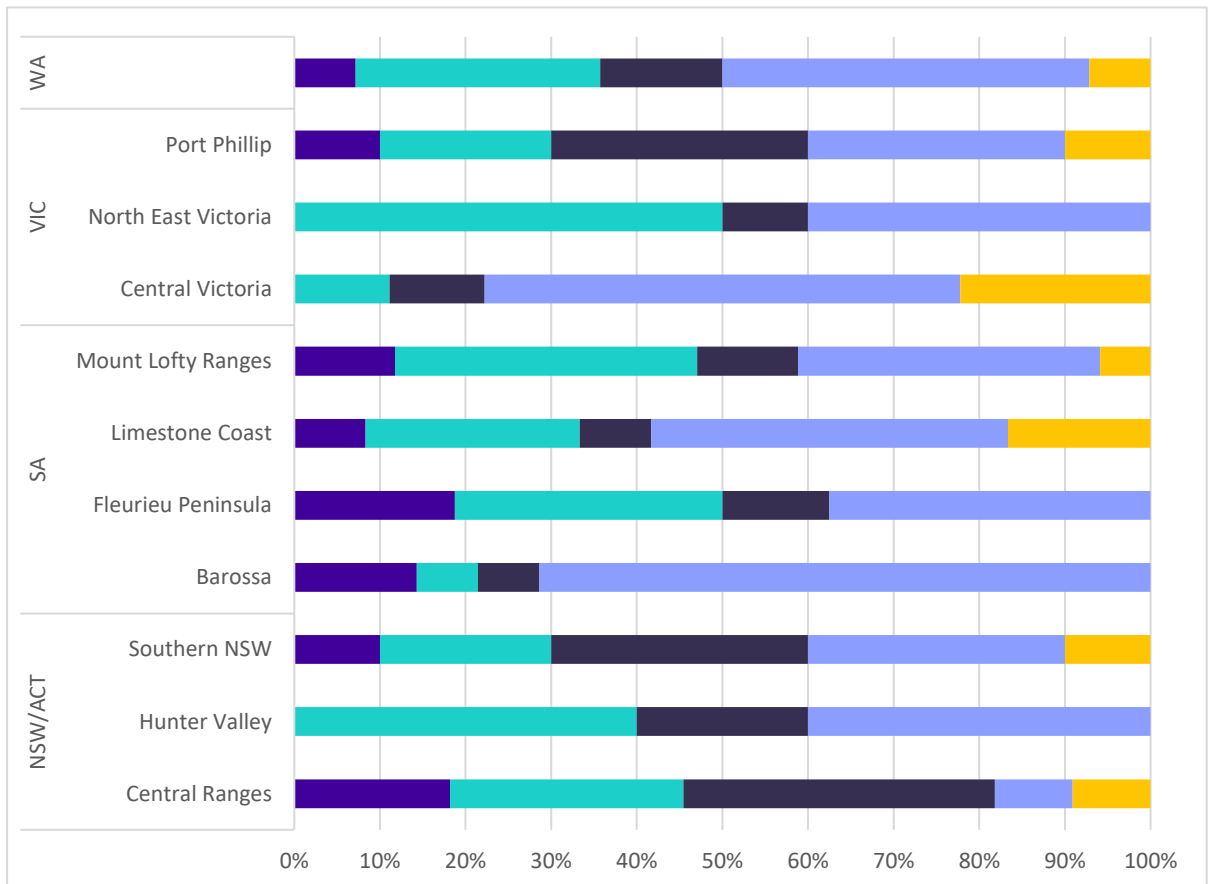
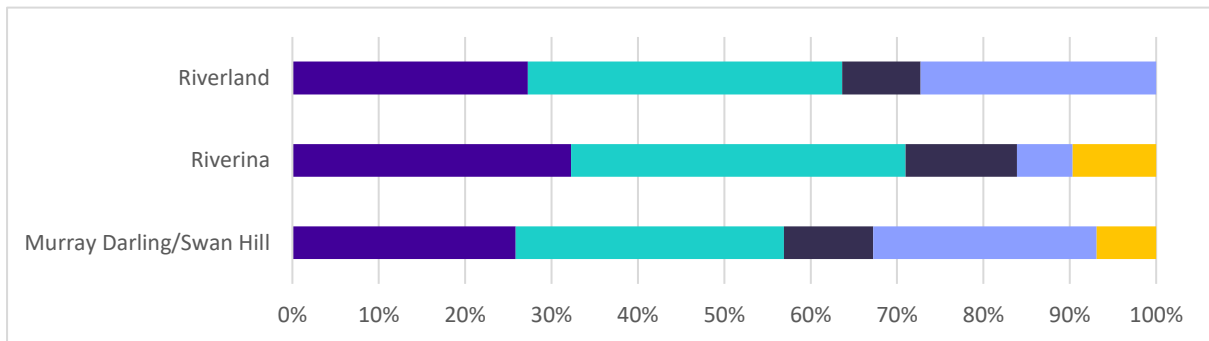
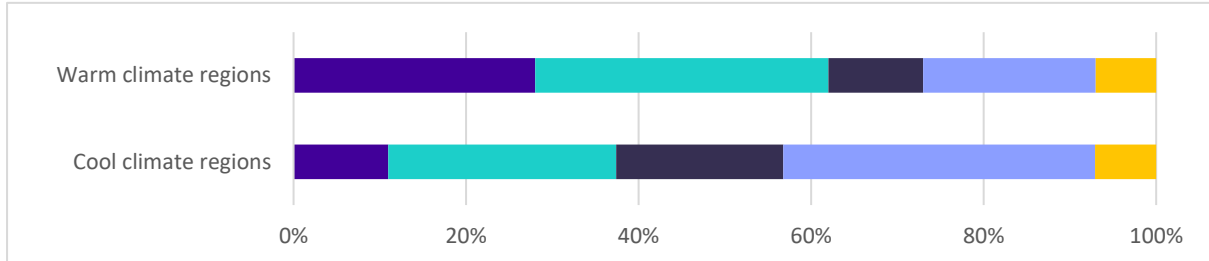
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4. Pricing

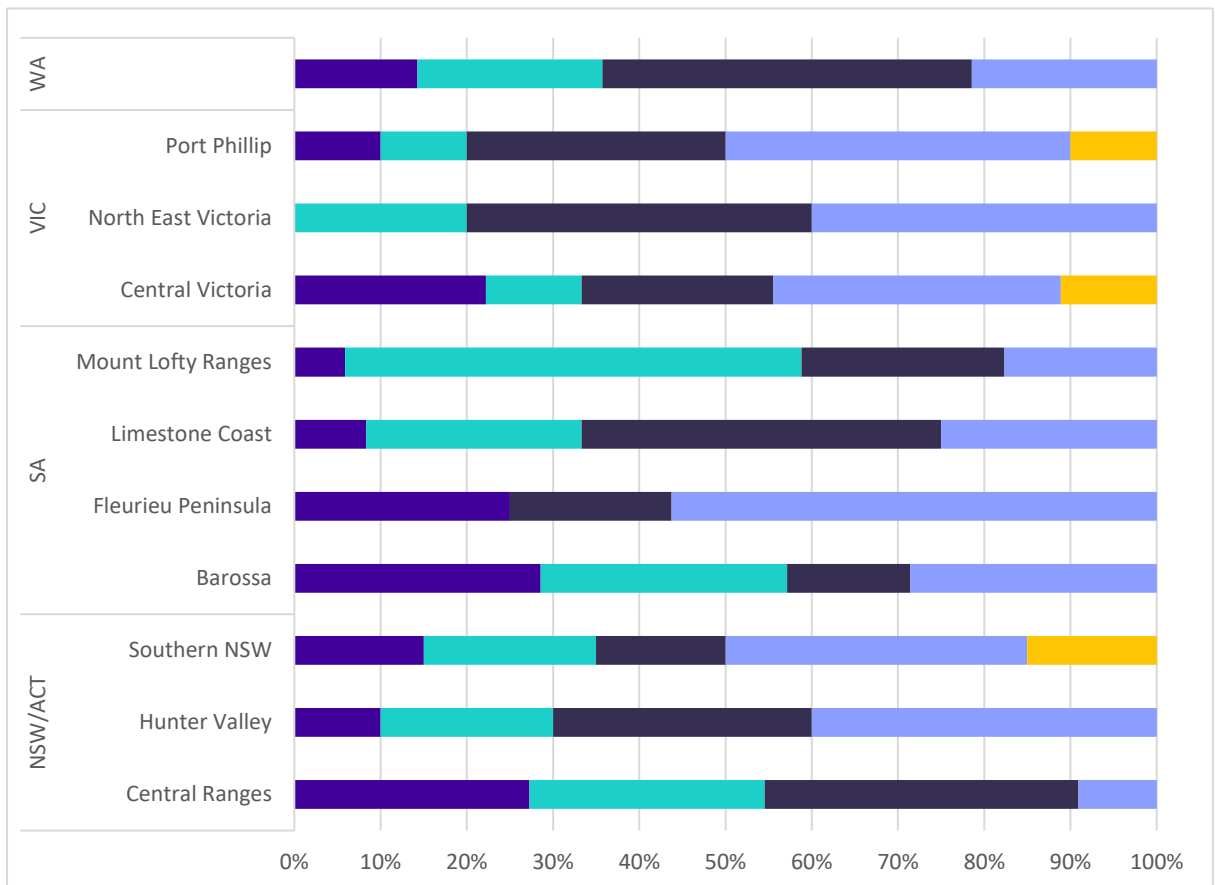
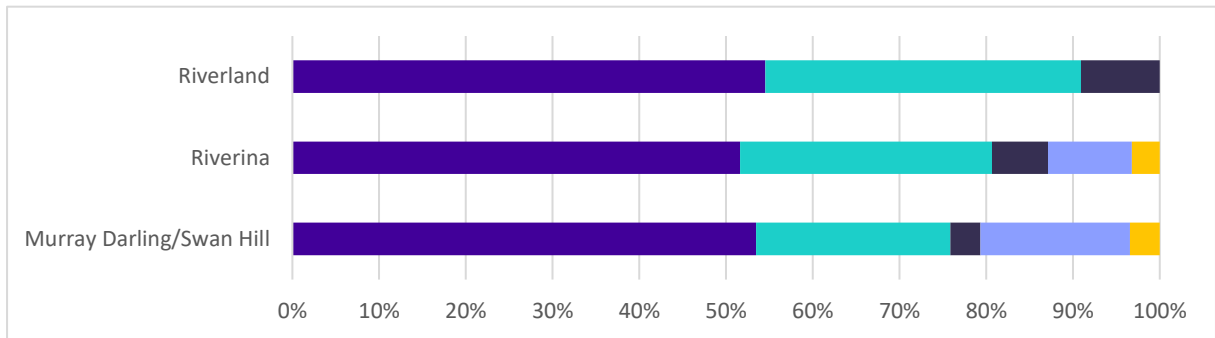
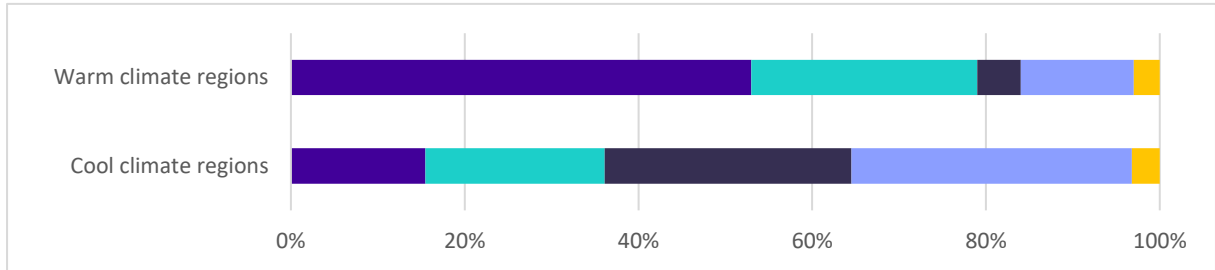
4.1. My contract(s) or agreements with wine grape buyers contain a clear formula or mechanism for determining the price I will ultimately be paid (including how grape quality will be assessed).

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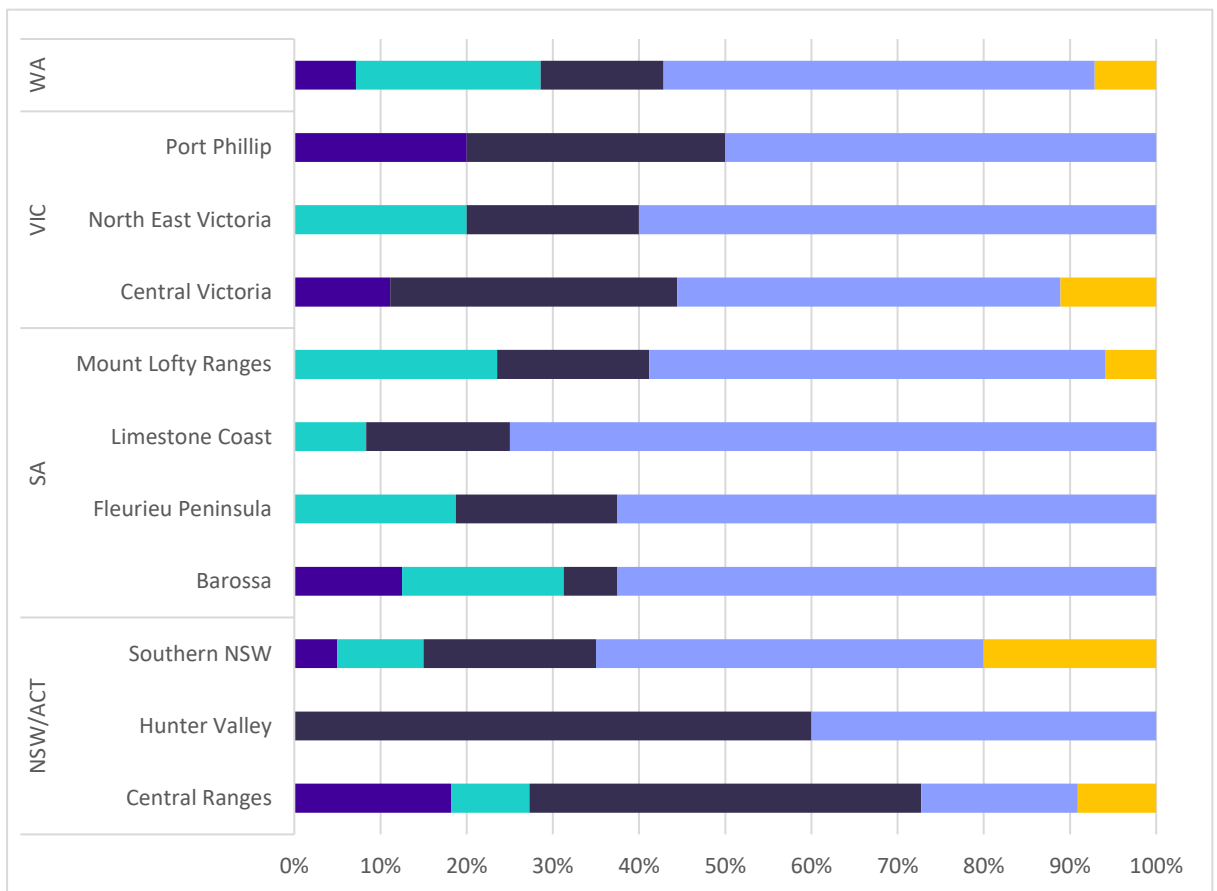
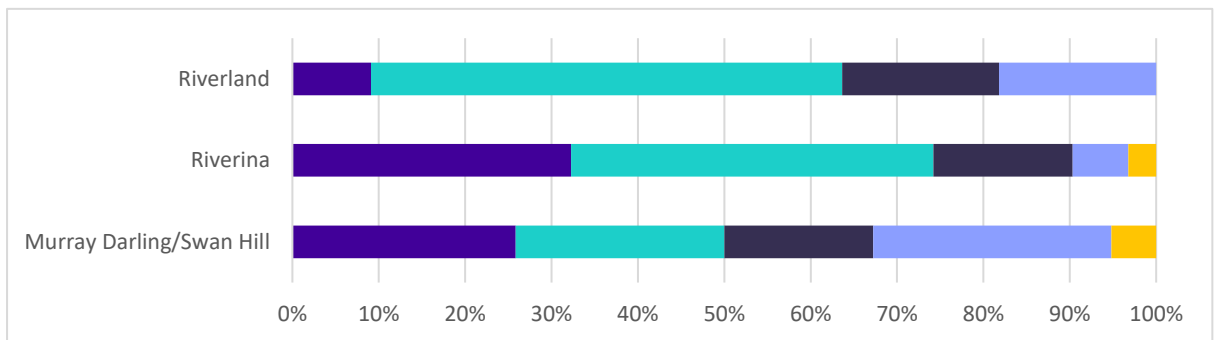
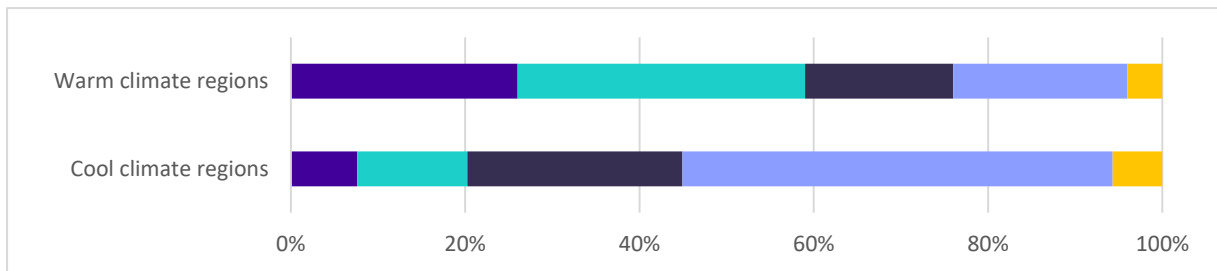
4.2. I receive wine grape pricing information early enough in the season in order to give me time to make informed decisions about production inputs and strategies.

[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]



4.3. The pricing information I receive before committing to sell my grapes to a buyer is reliable and does not significantly change.

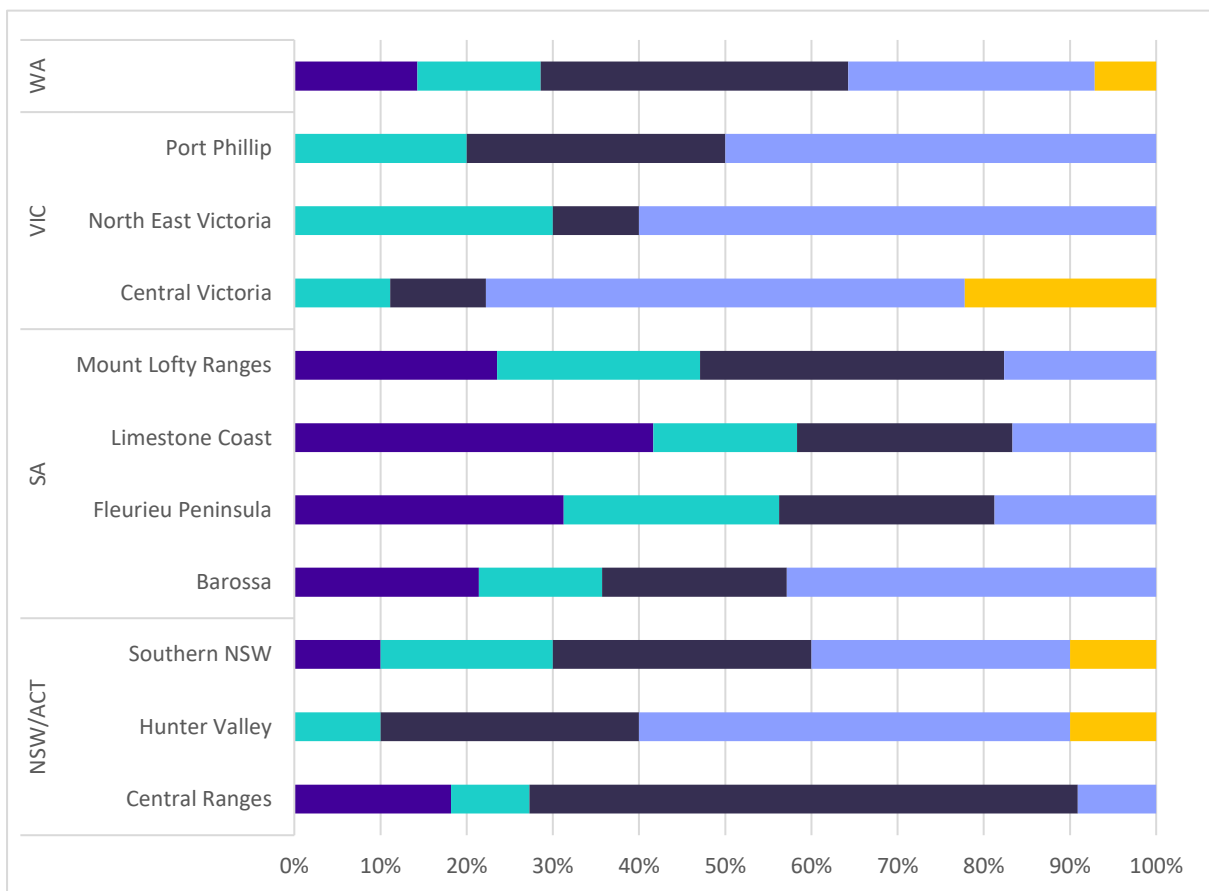
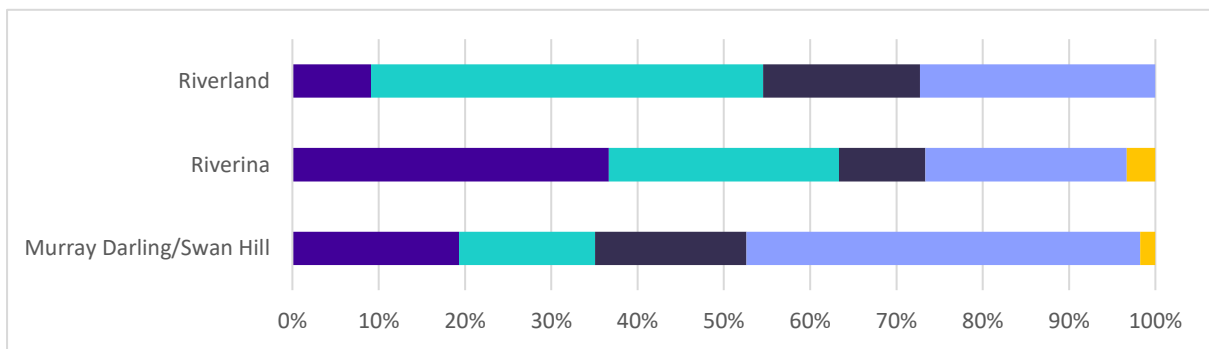
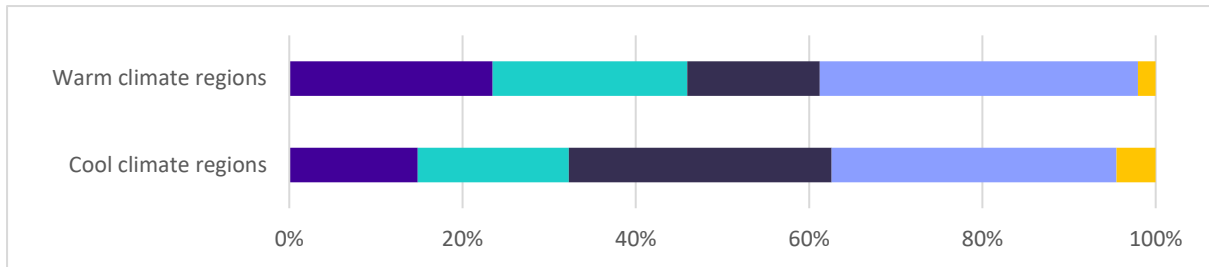
[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]



5. Quality

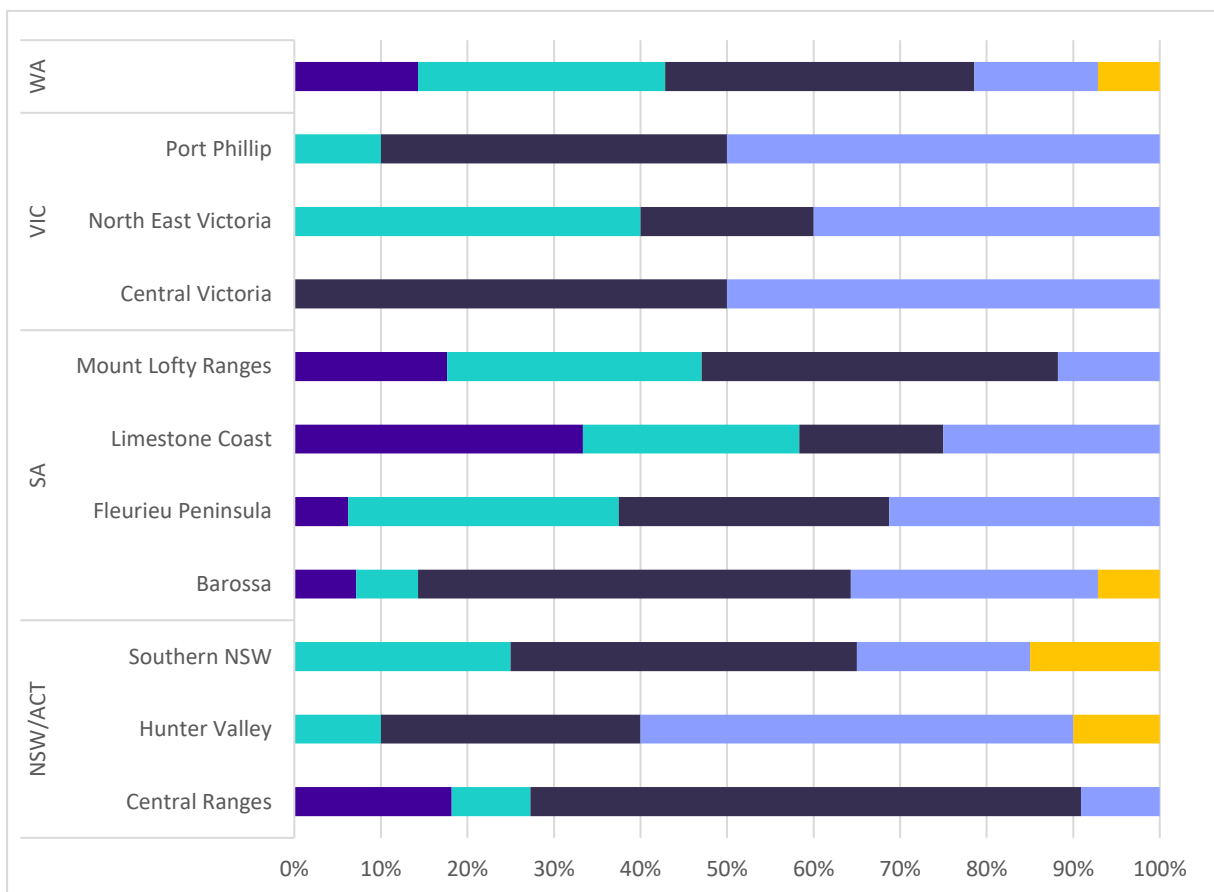
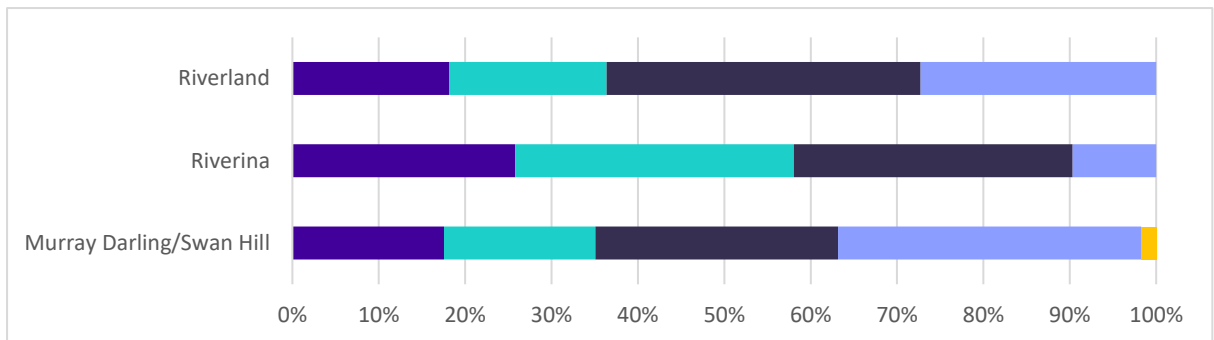
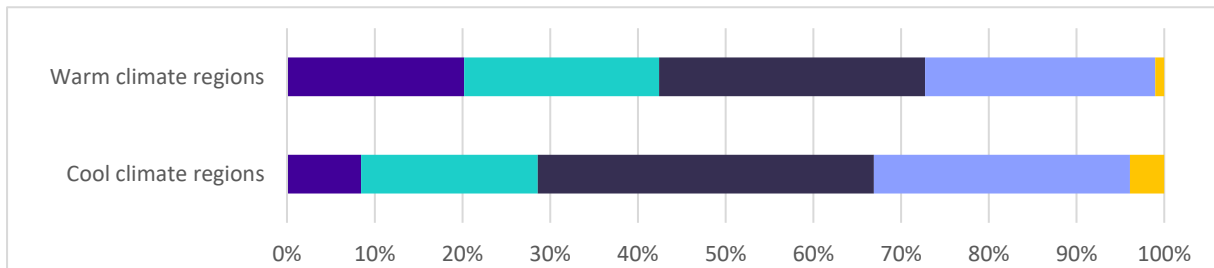
5.1. The buyers' quality assessment of my wine grapes is transparent and well understood.

[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]



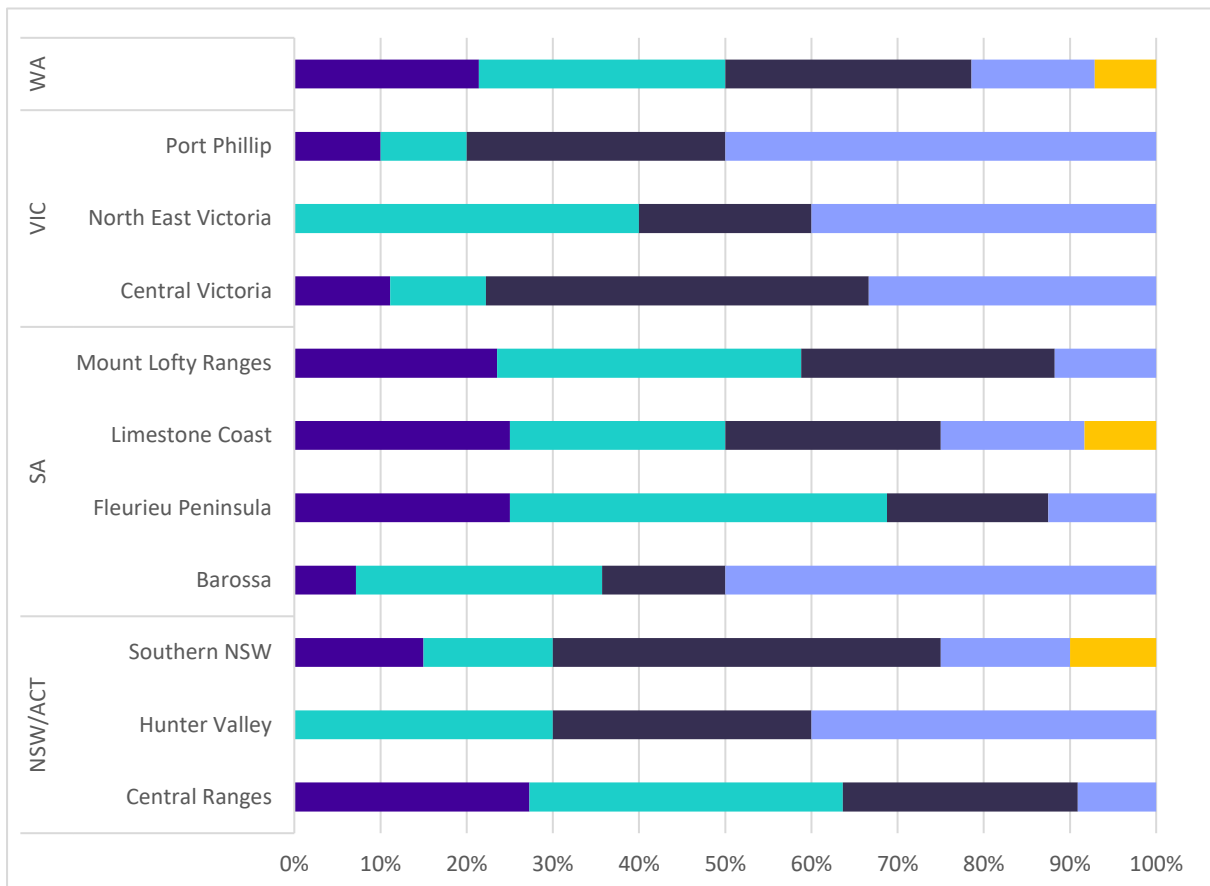
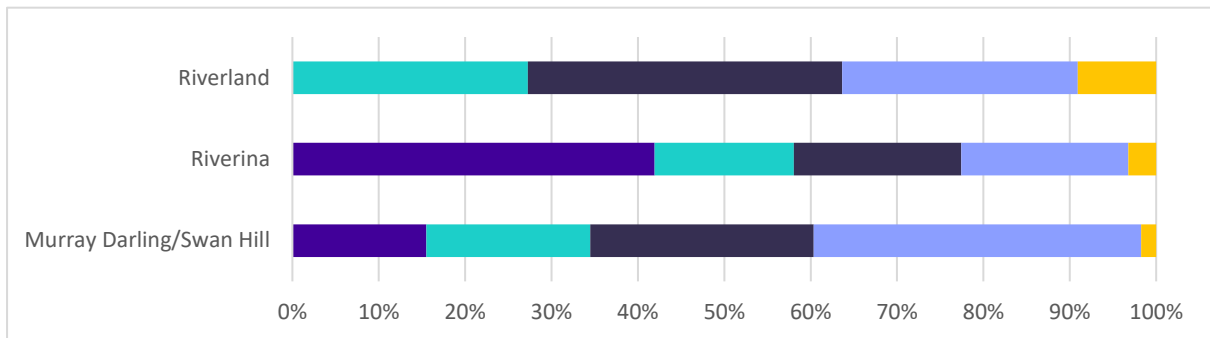
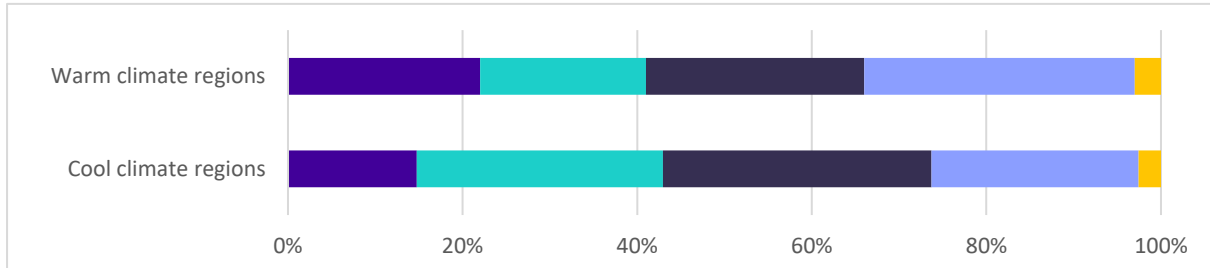
5.2. The purchasers' quality assessment of my wine grapes is objective.

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5.3. If I don't agree with the quality assessment of my grapes, I have available an effective process to query this and have any dispute resolved.

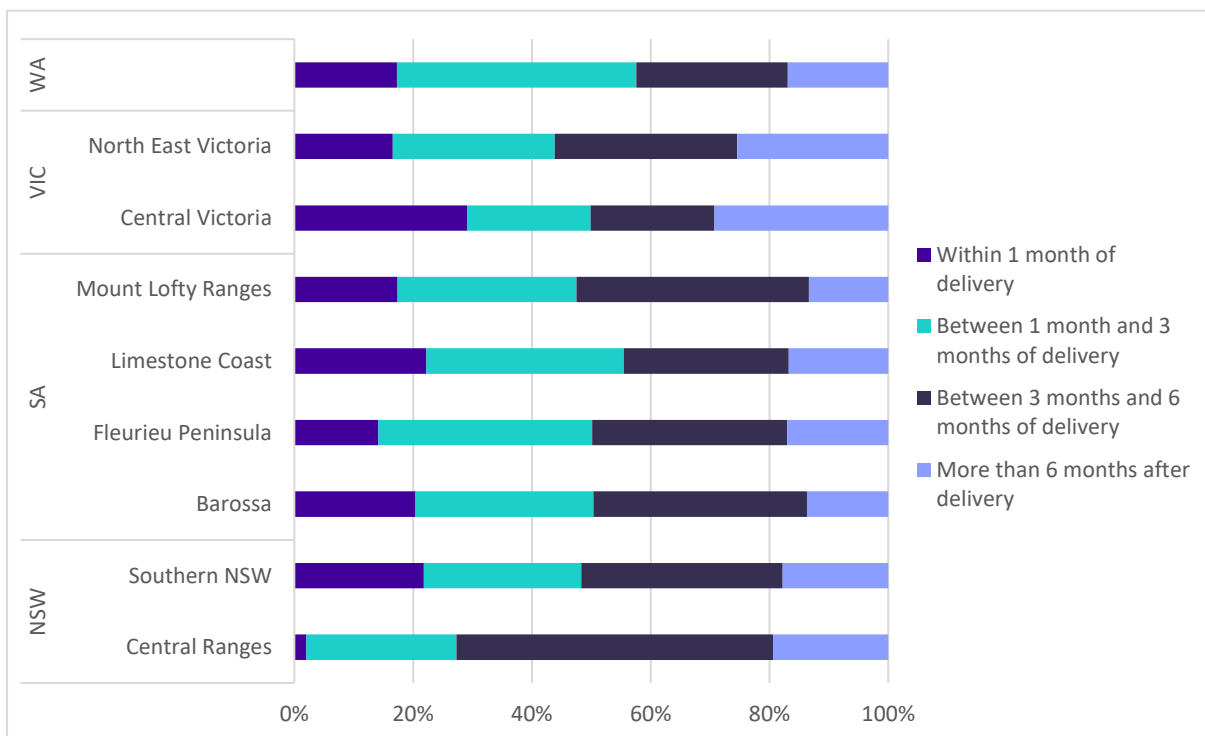
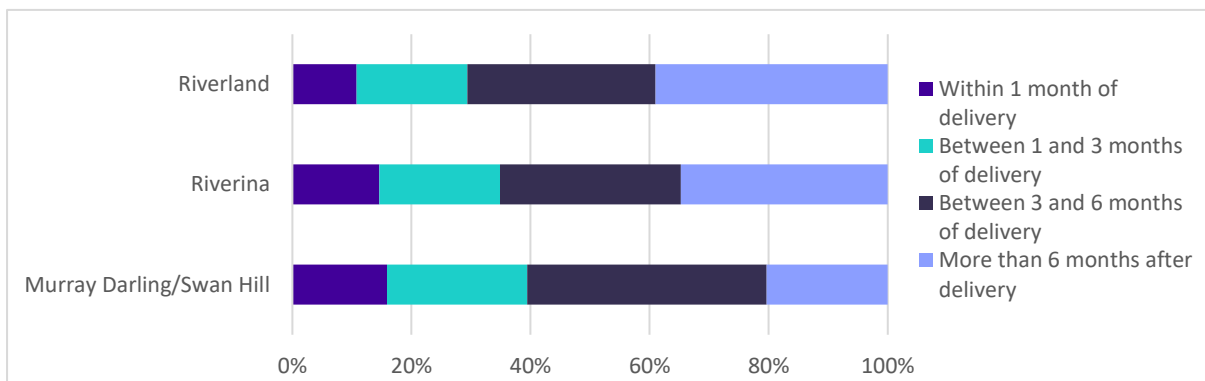
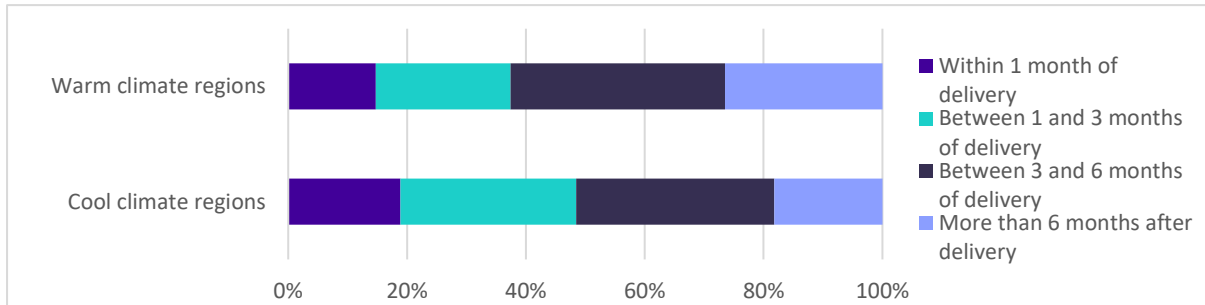
[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]



6. Payment timing

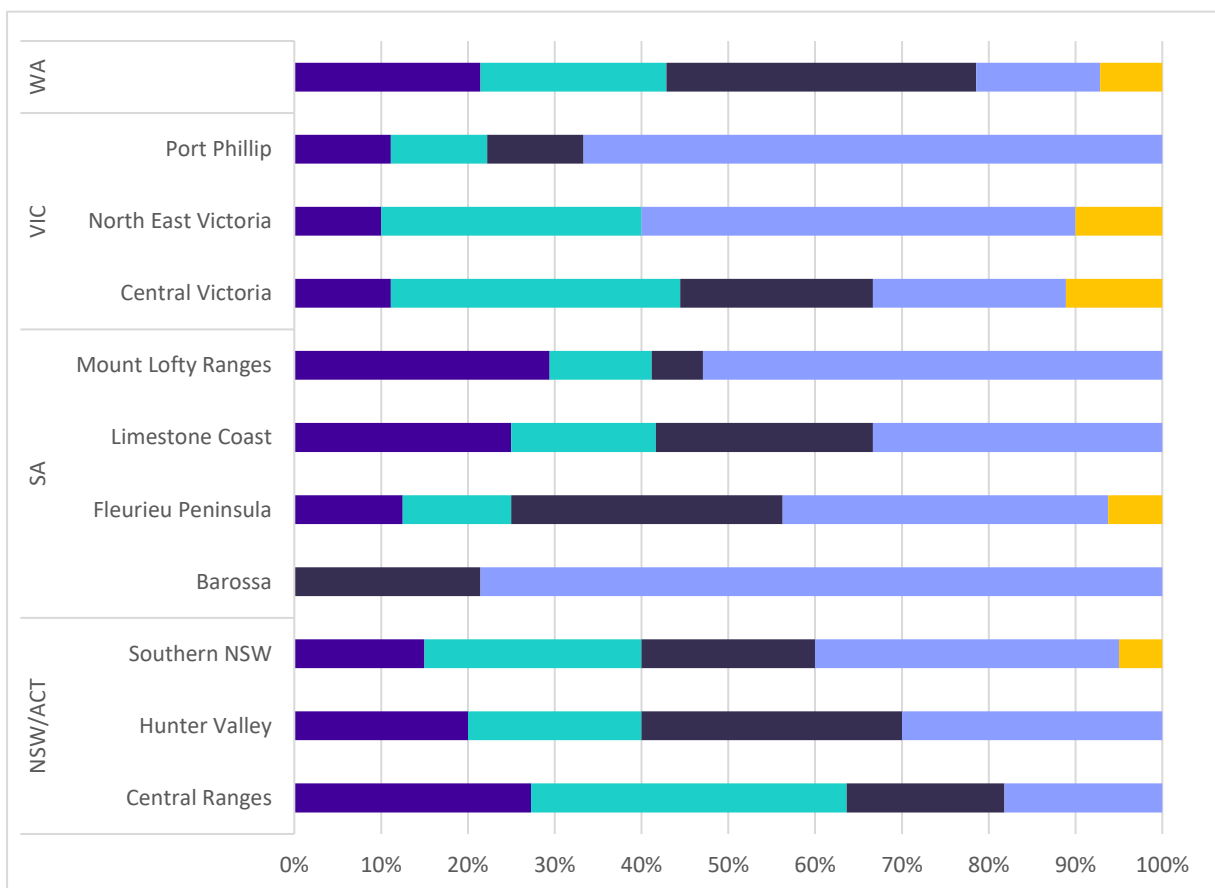
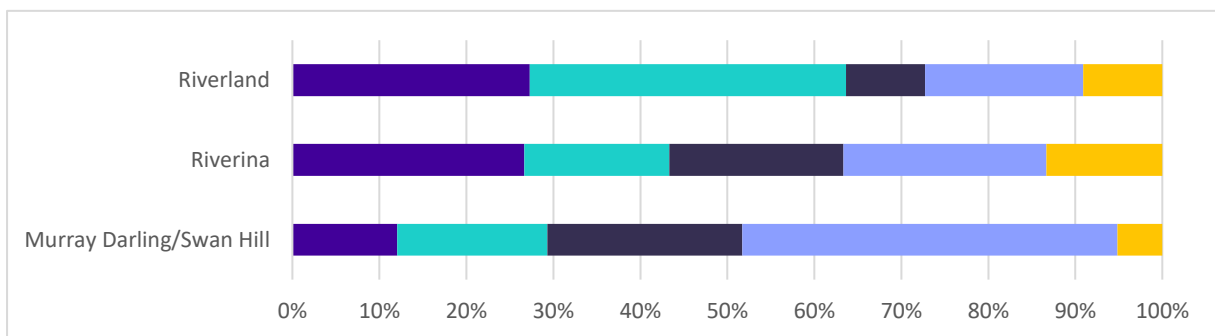
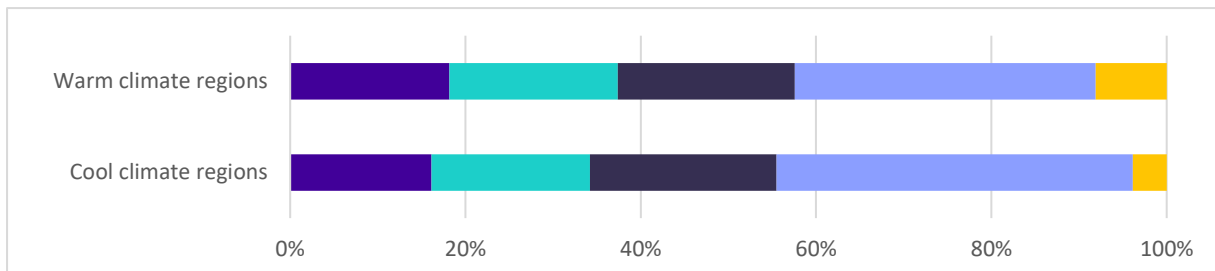
6.1. Of the grapes your business supplies, what percentage of the total payment do you expect to receive within the following timeframes?

Note: For this survey question, respondents could allocate percentages of the payment they expected to receive among four specified timeframes. In the graphs below, the figure given for each timeframe is the average percentage of total payment that respondents expected to receive within that timeframe.



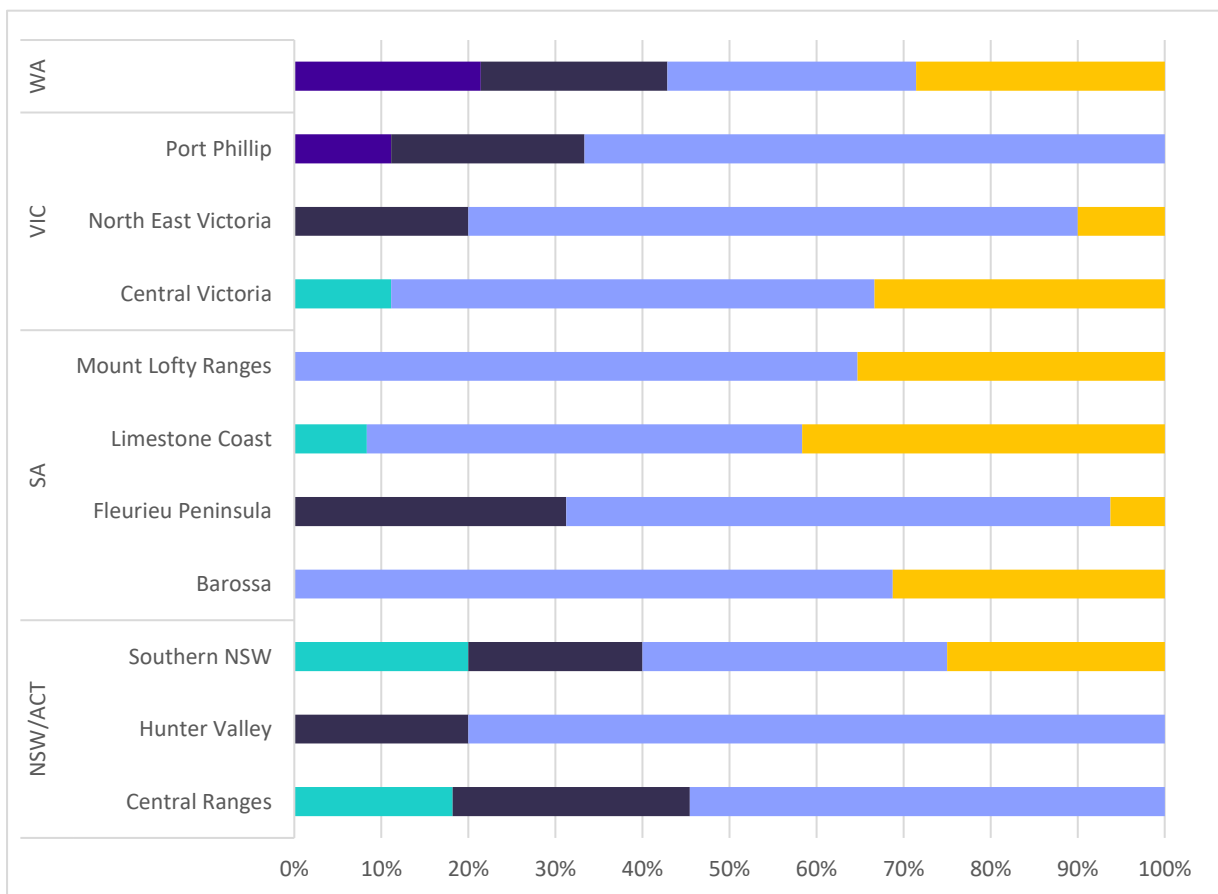
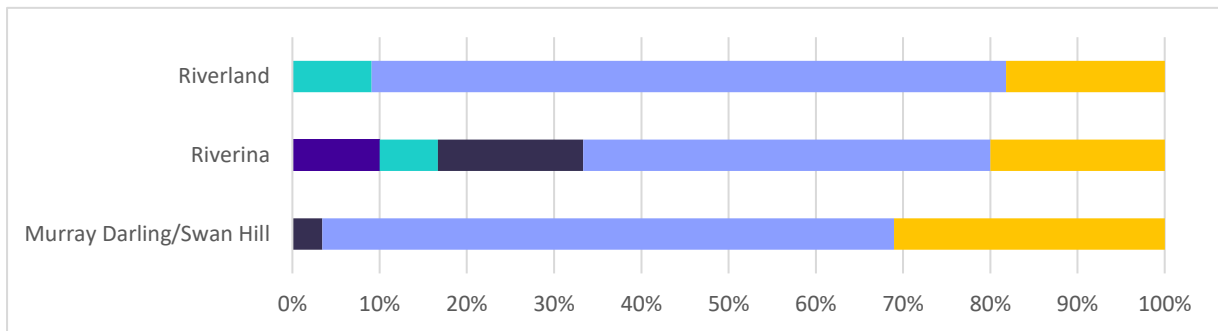
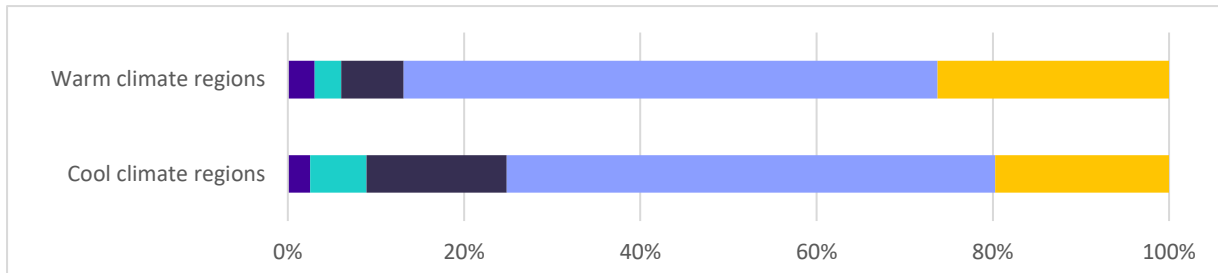
6.2. The timing of payment enables me to effectively manage cash flow and the costs of running my business.

[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]



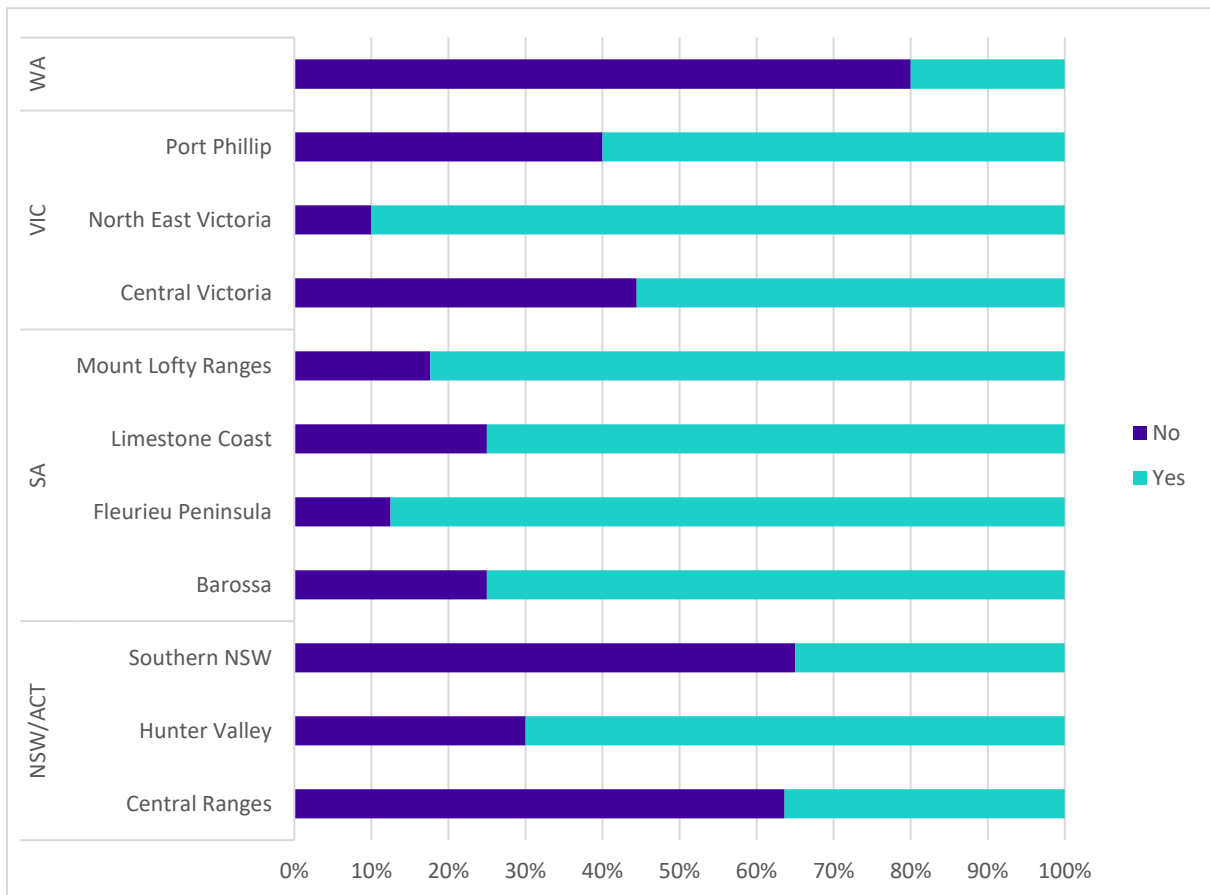
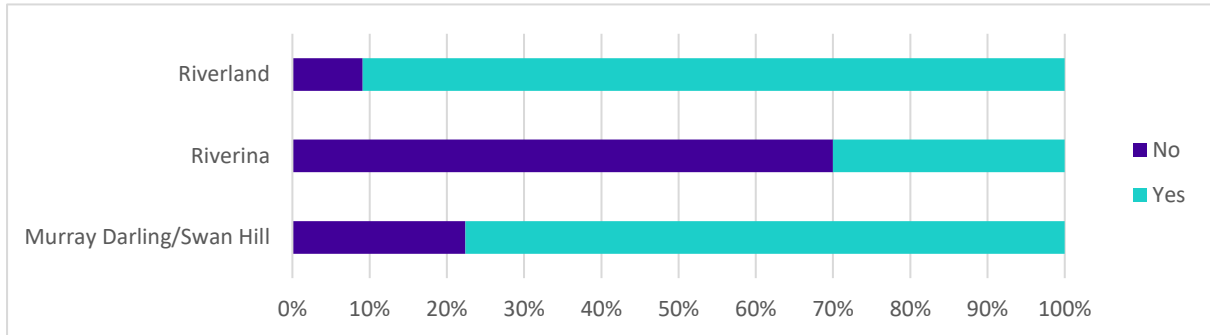
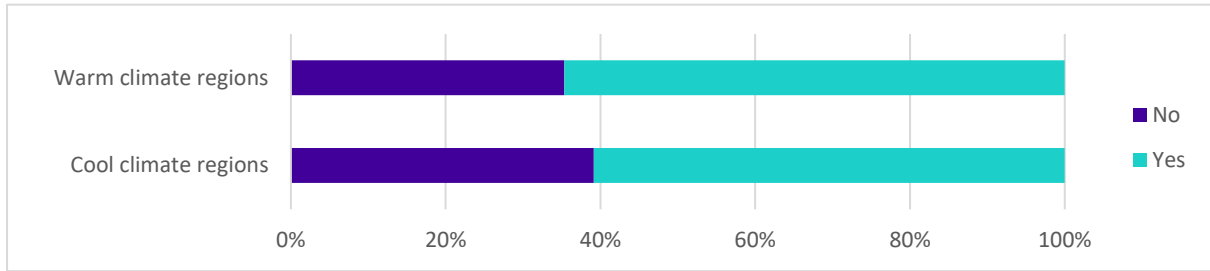
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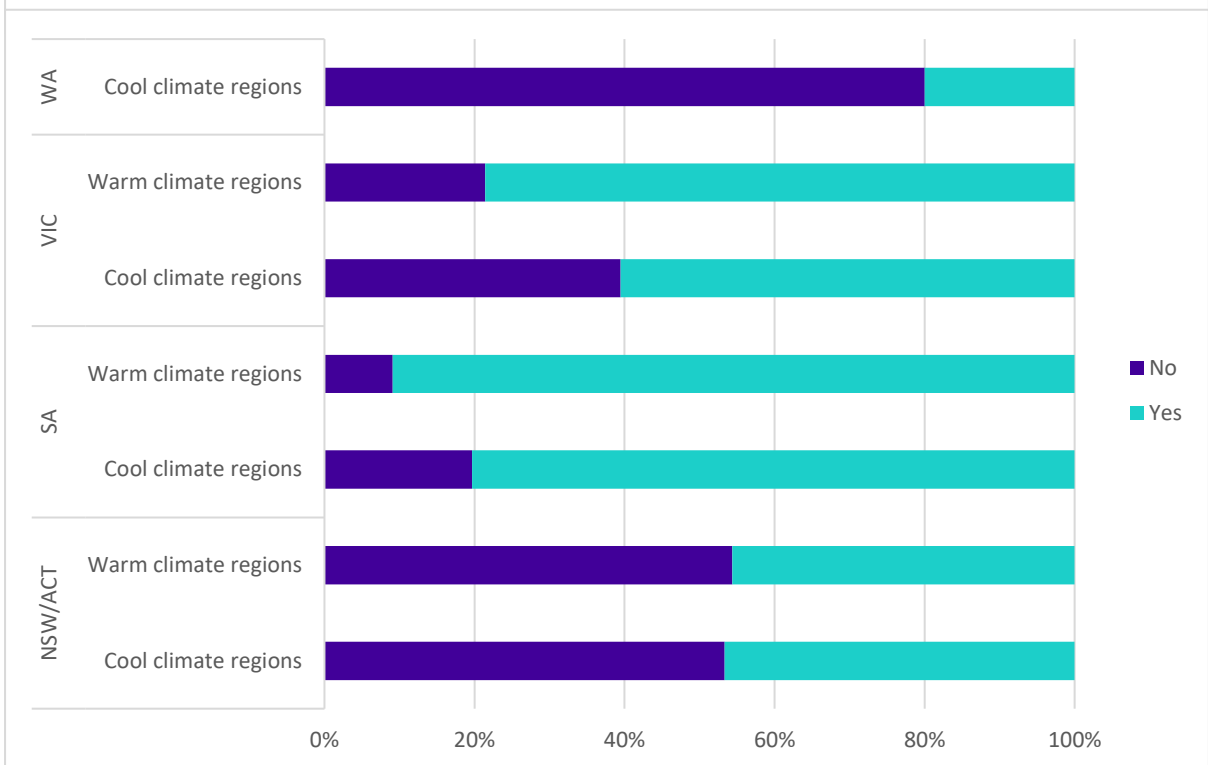
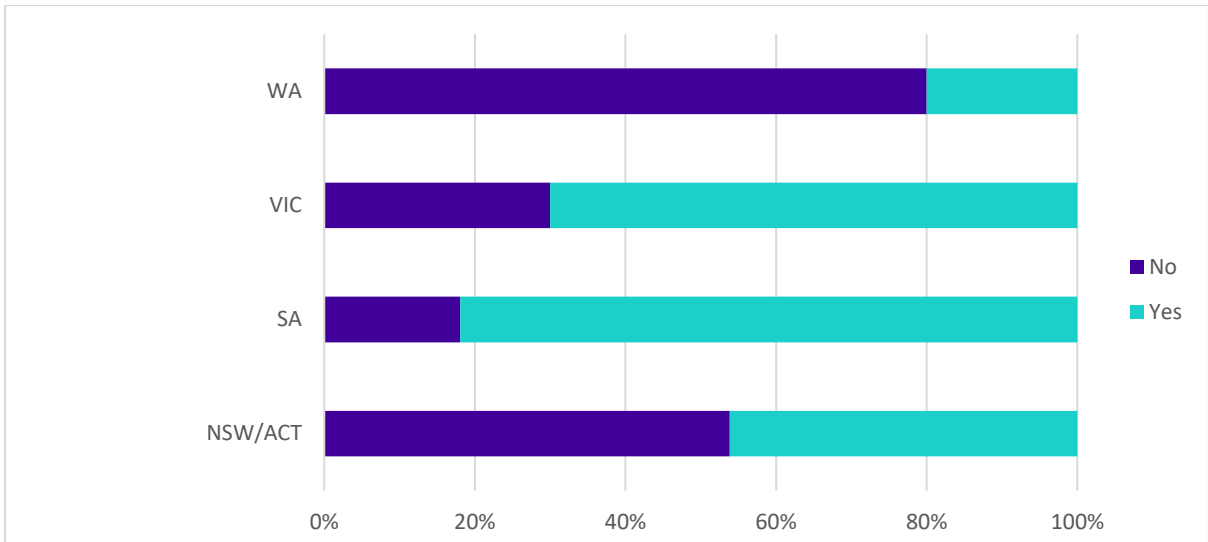
[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]



7. Wine Industry Code of Conduct

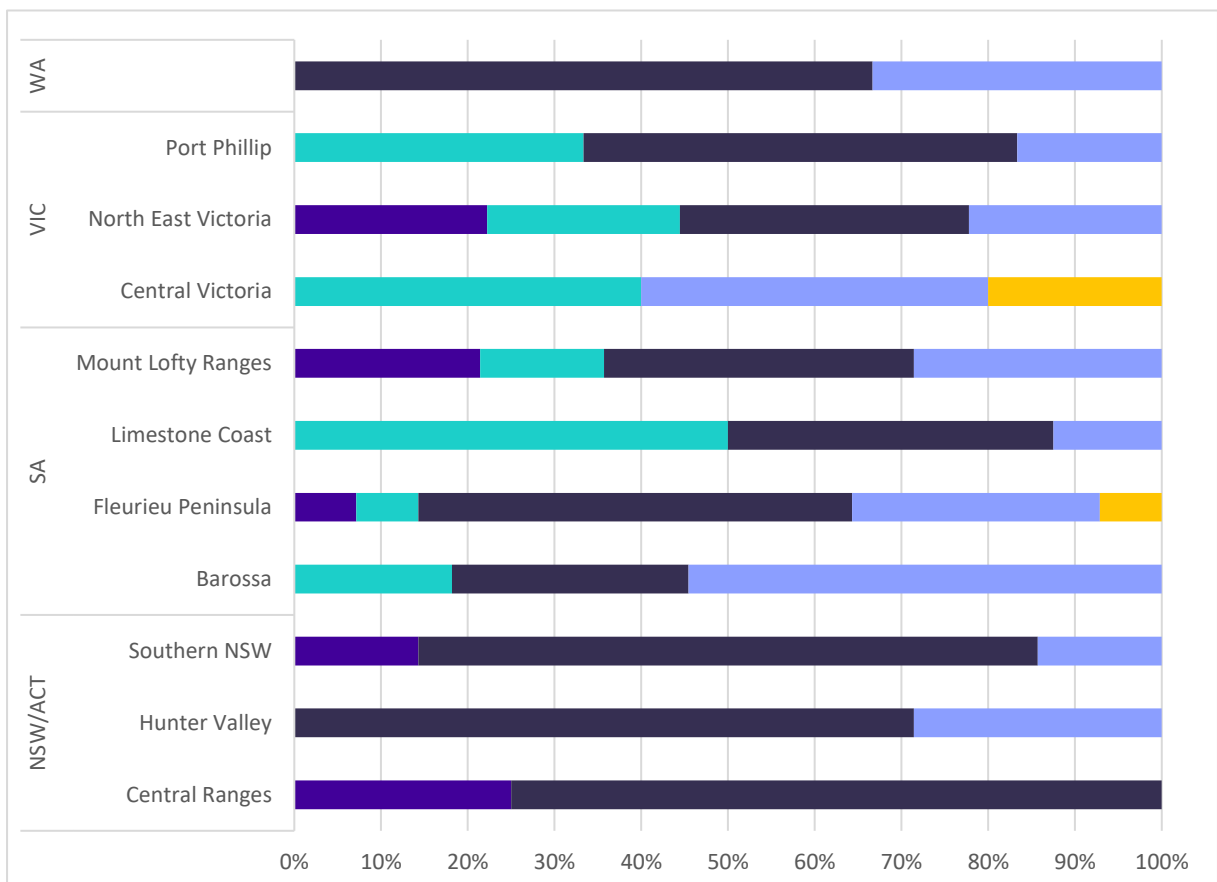
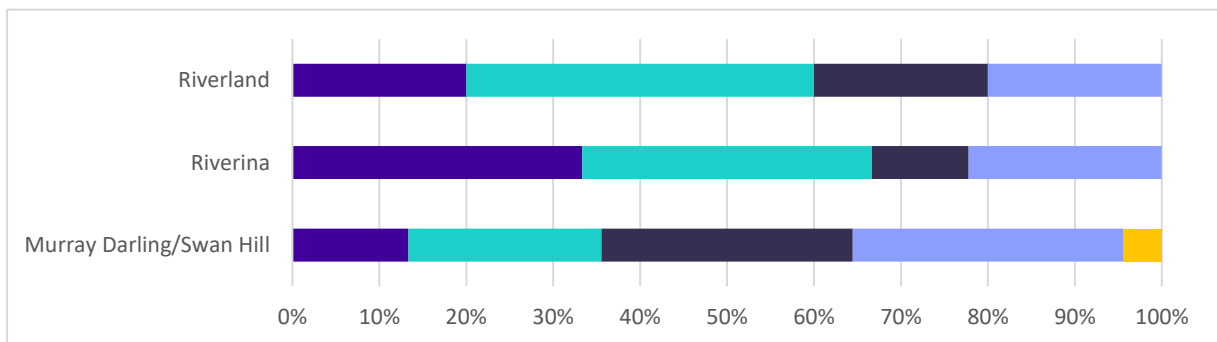
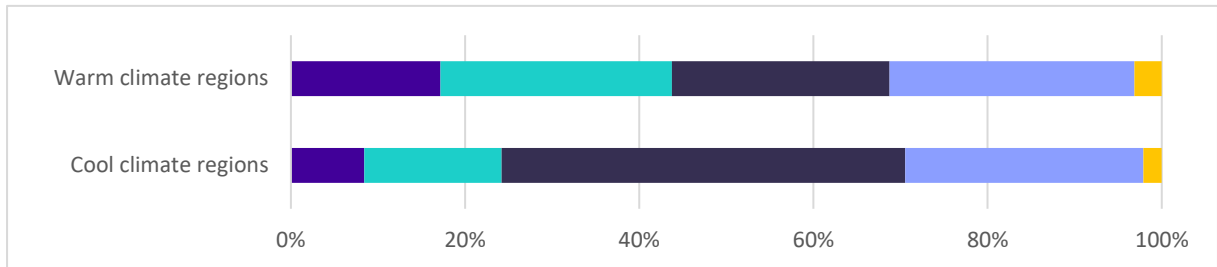
7.1. I am familiar with the Australian Wine Industry Code of Conduct

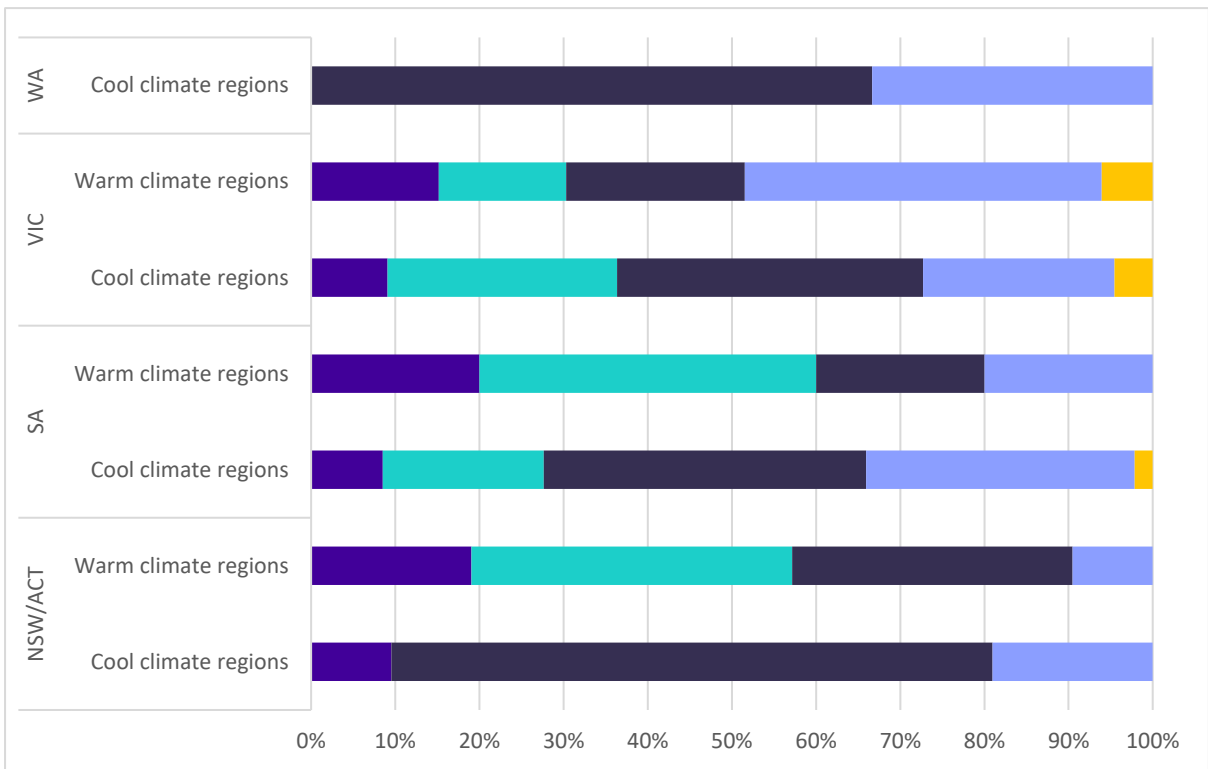
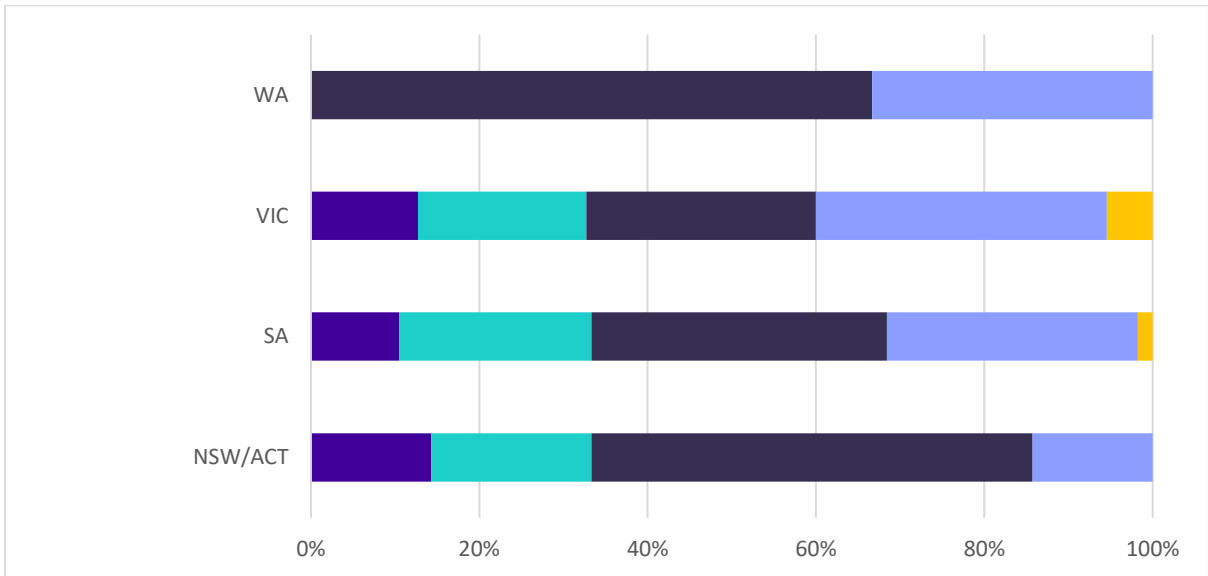




7.2. The Australian Wine Industry Code of Conduct helps to provide wine grape growers in my region with enough price certainty to manage their business effectively.

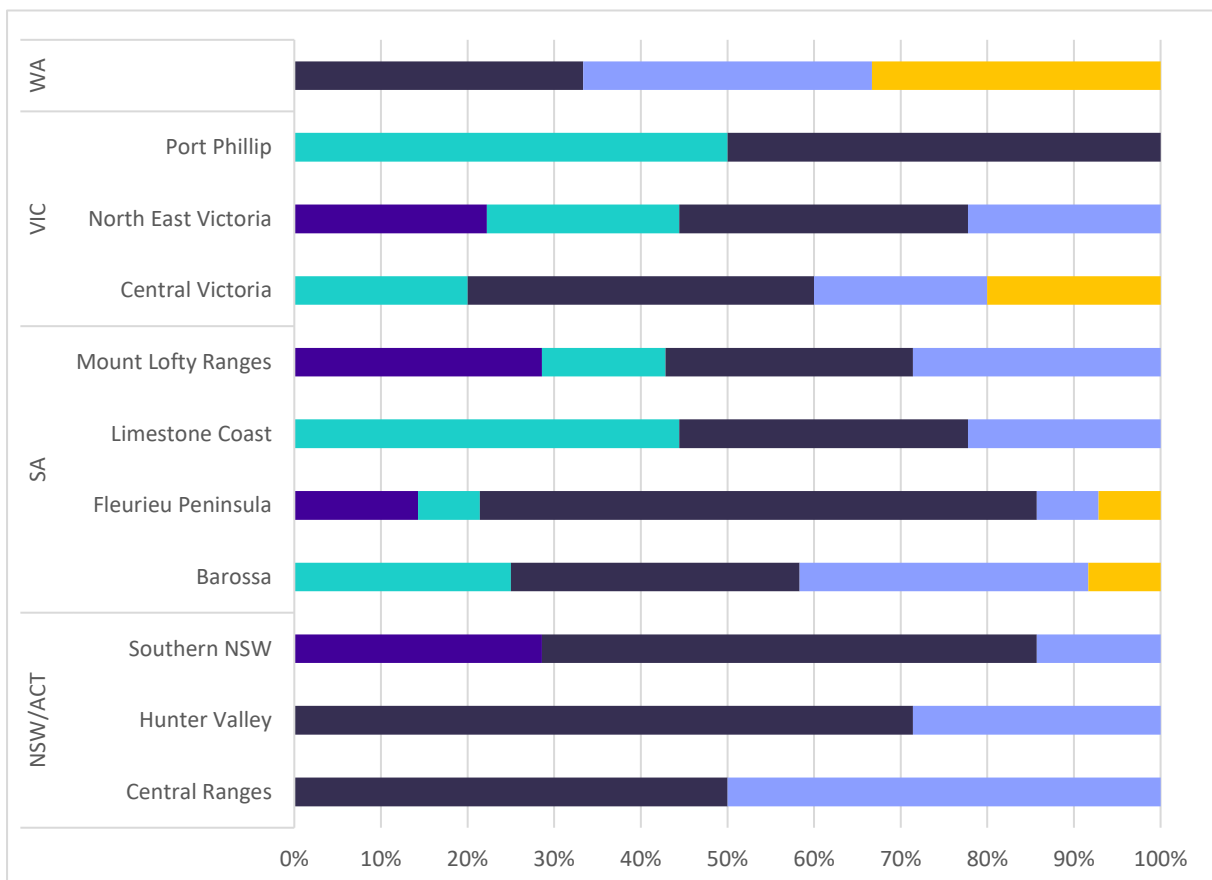
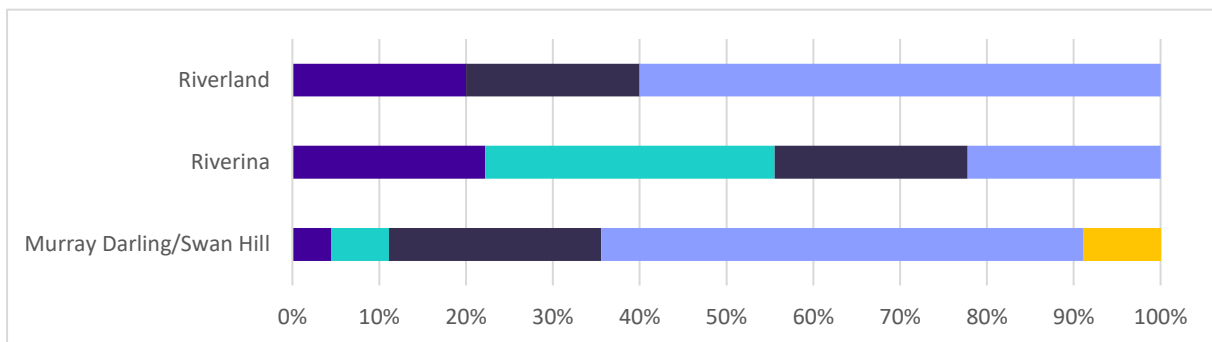
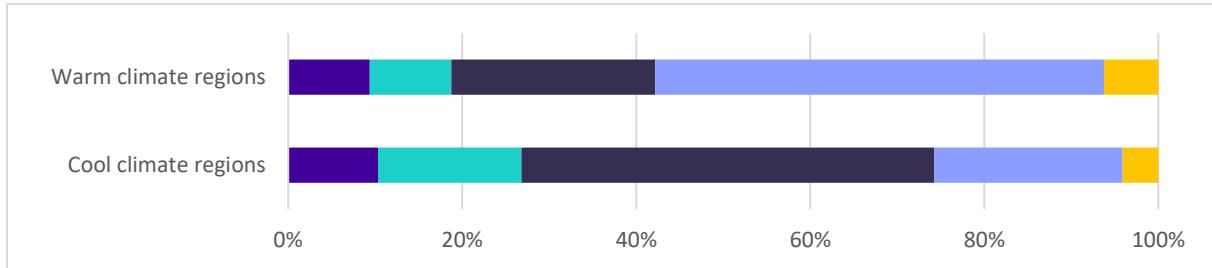
[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]

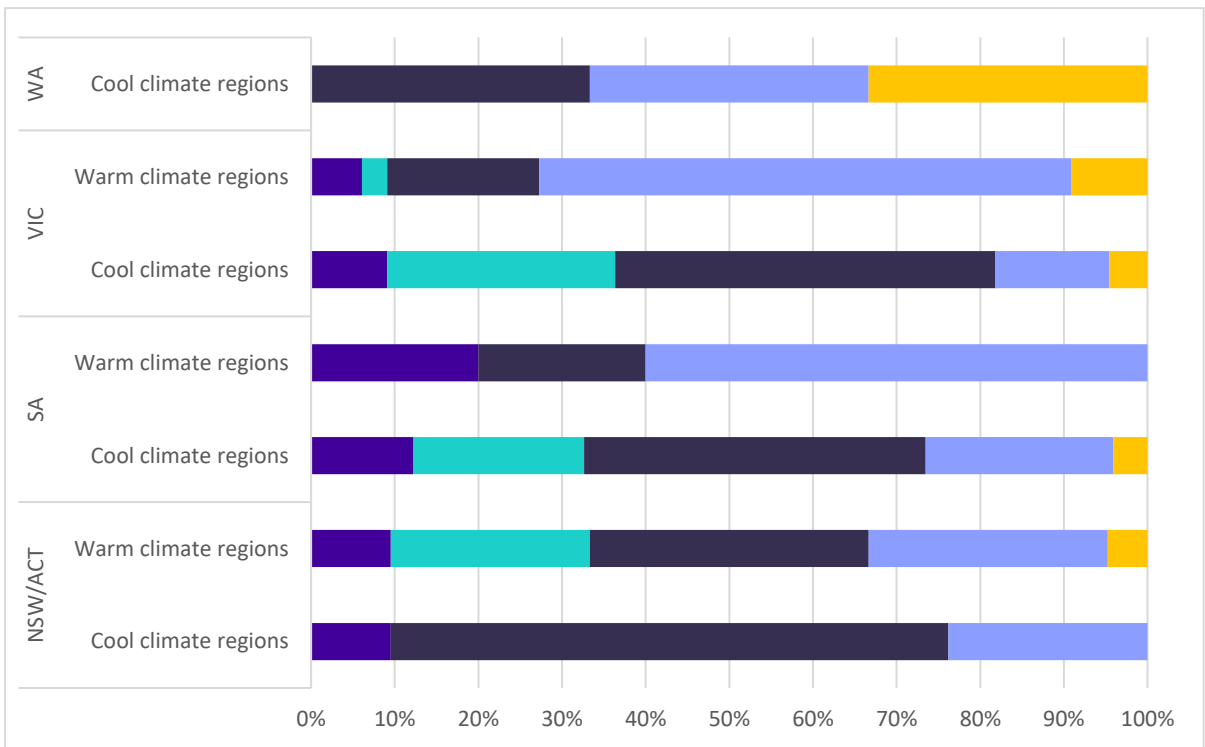
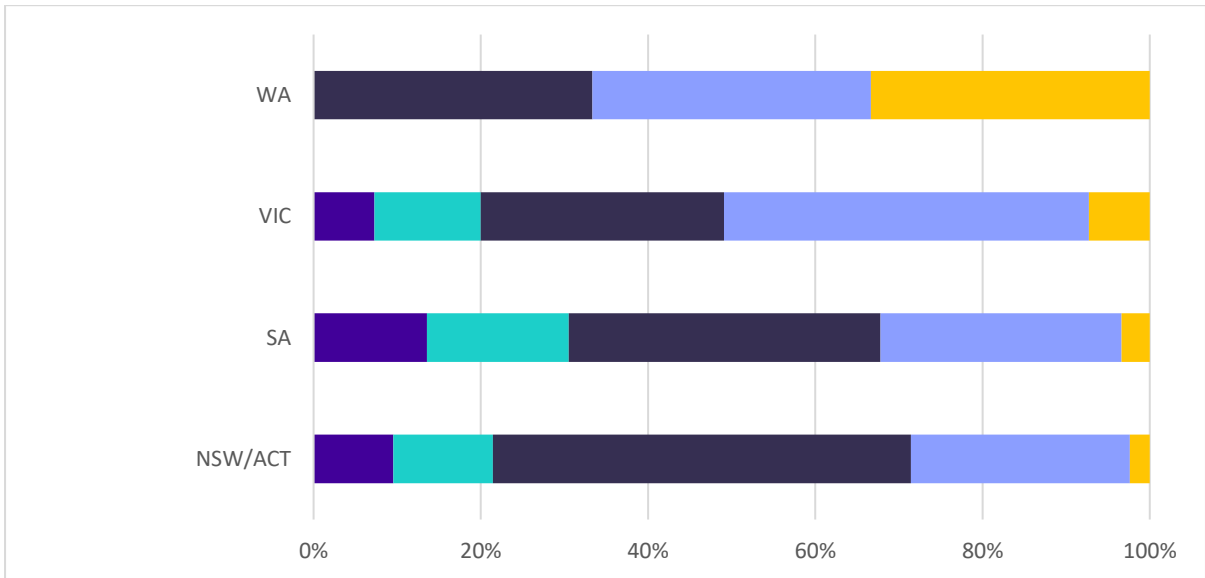




7.3. The Australian Wine Industry Code of Conduct helps wine grape growers in my region to effectively resolve disputes with wine grape purchasers.

[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]

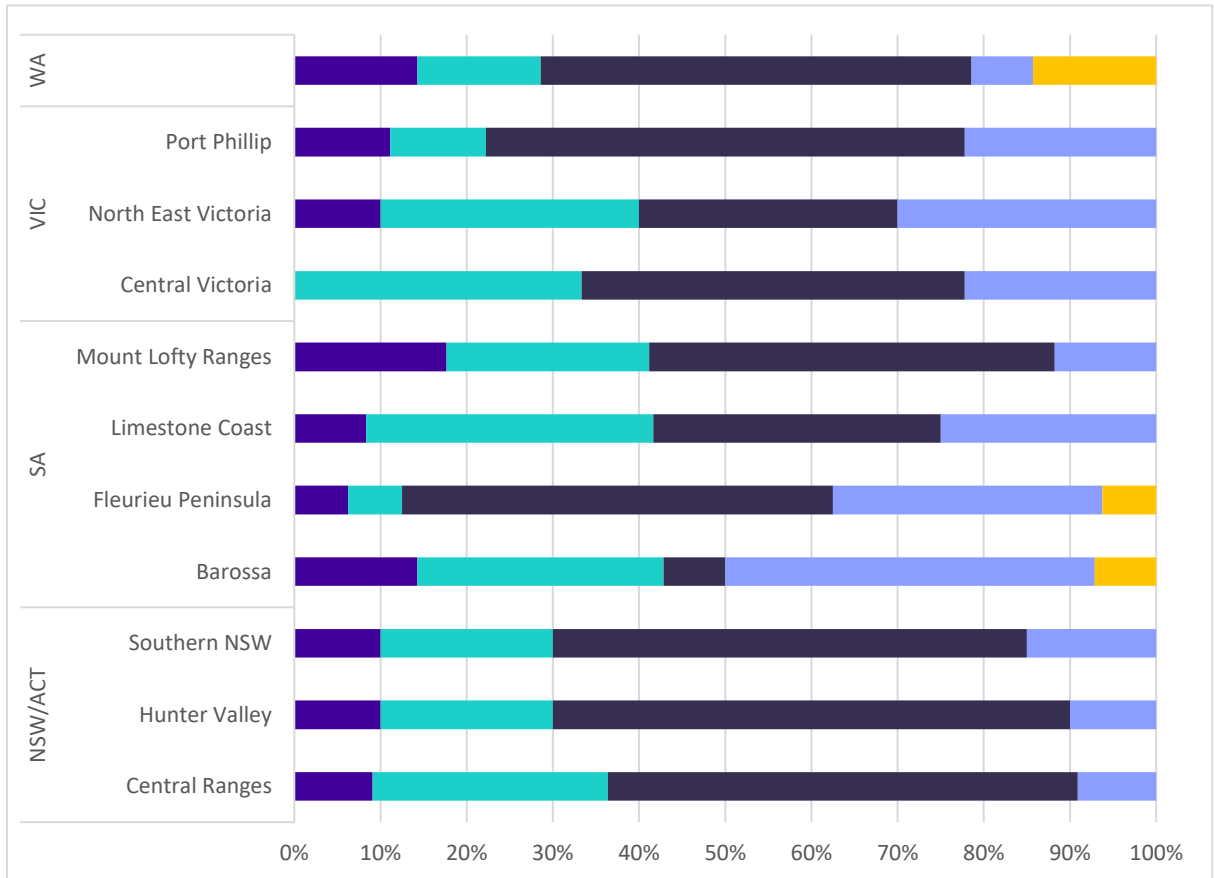
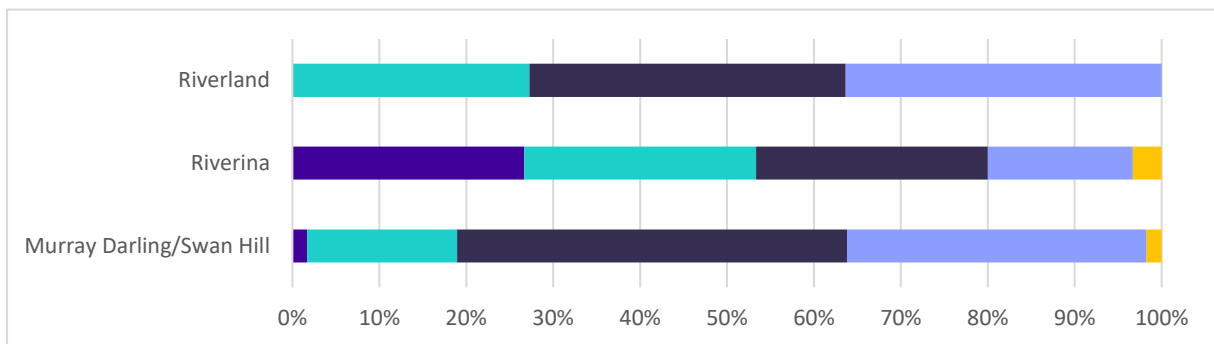
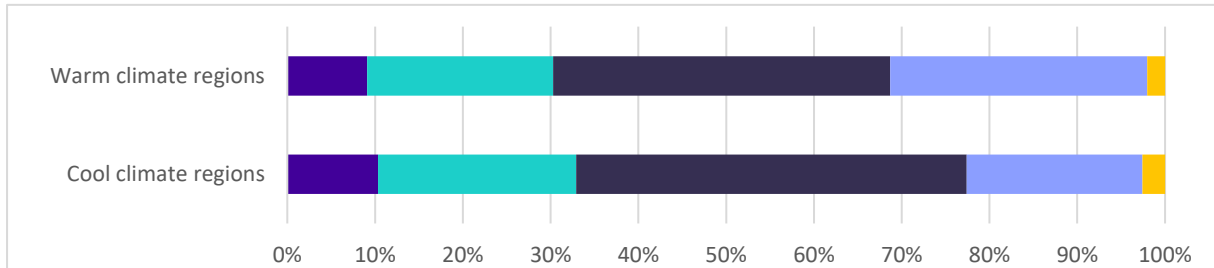


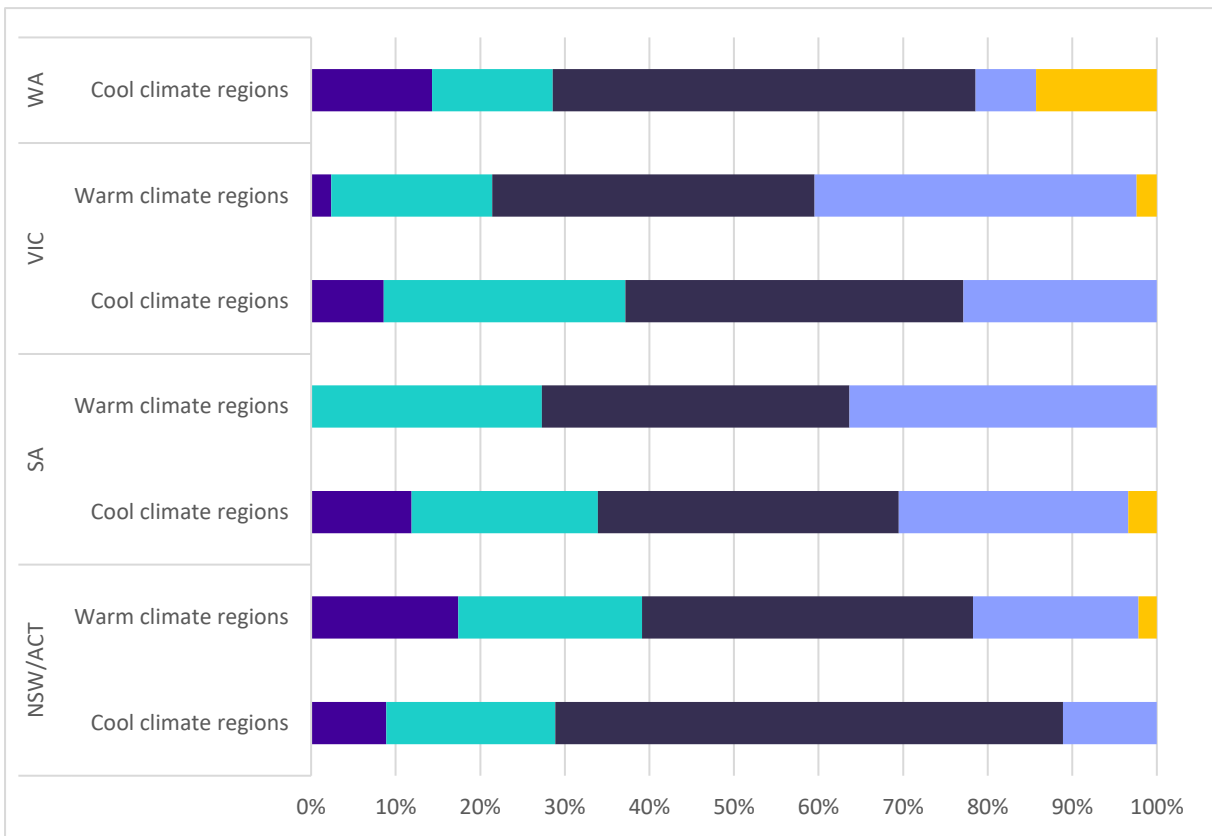
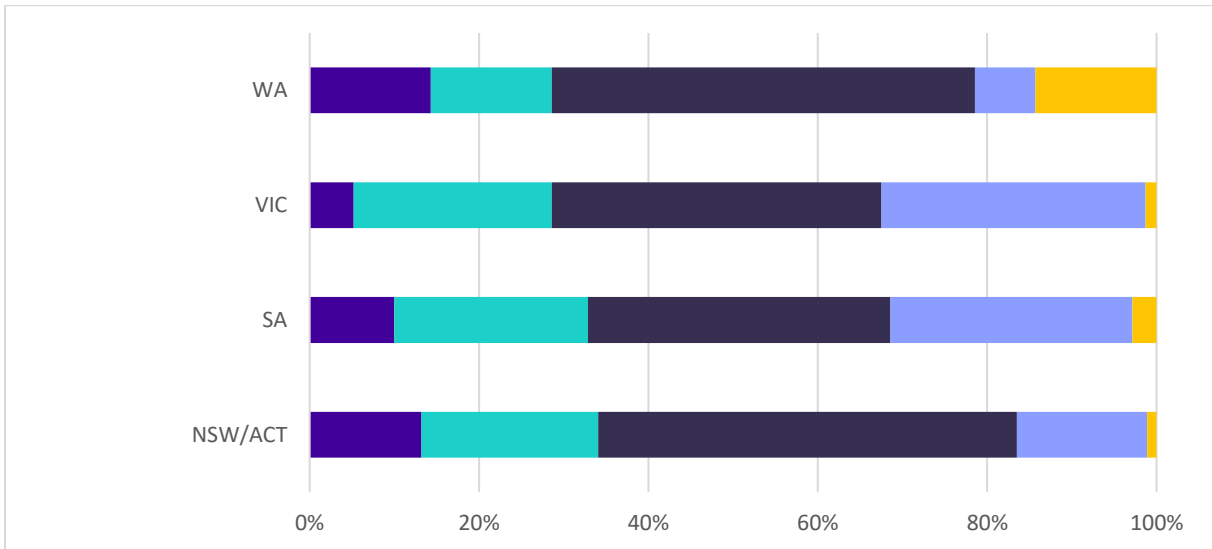


8. Dispute resolution

8.1. If my business has a dispute with a wine grape buyer (other than concerning grape quality), there are effective avenues available to assist with resolving the dispute.

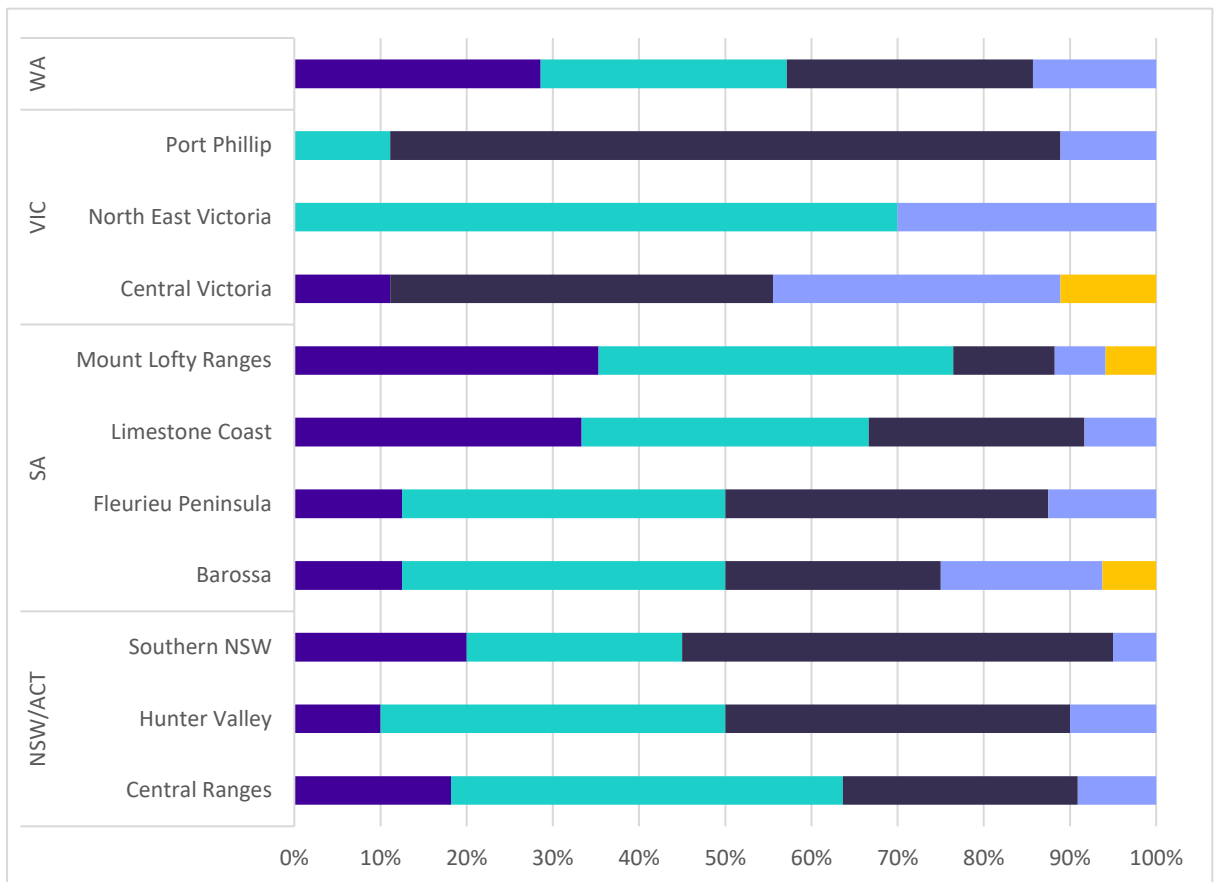
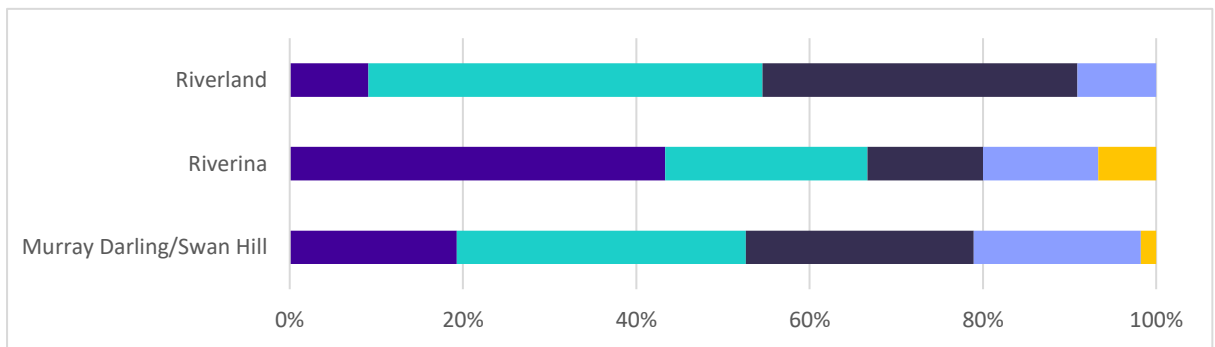
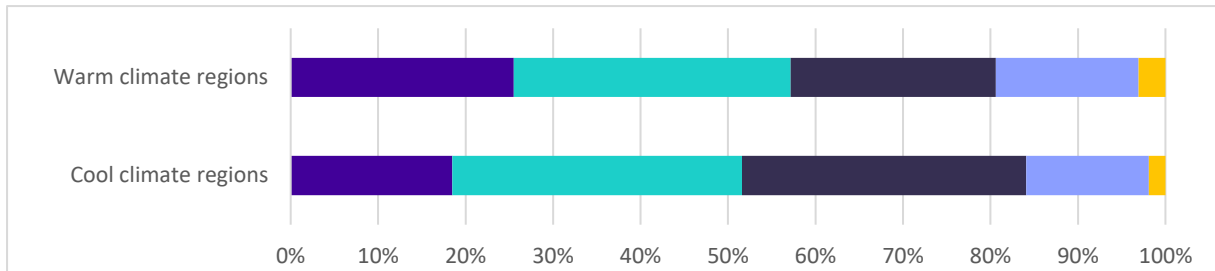
[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]

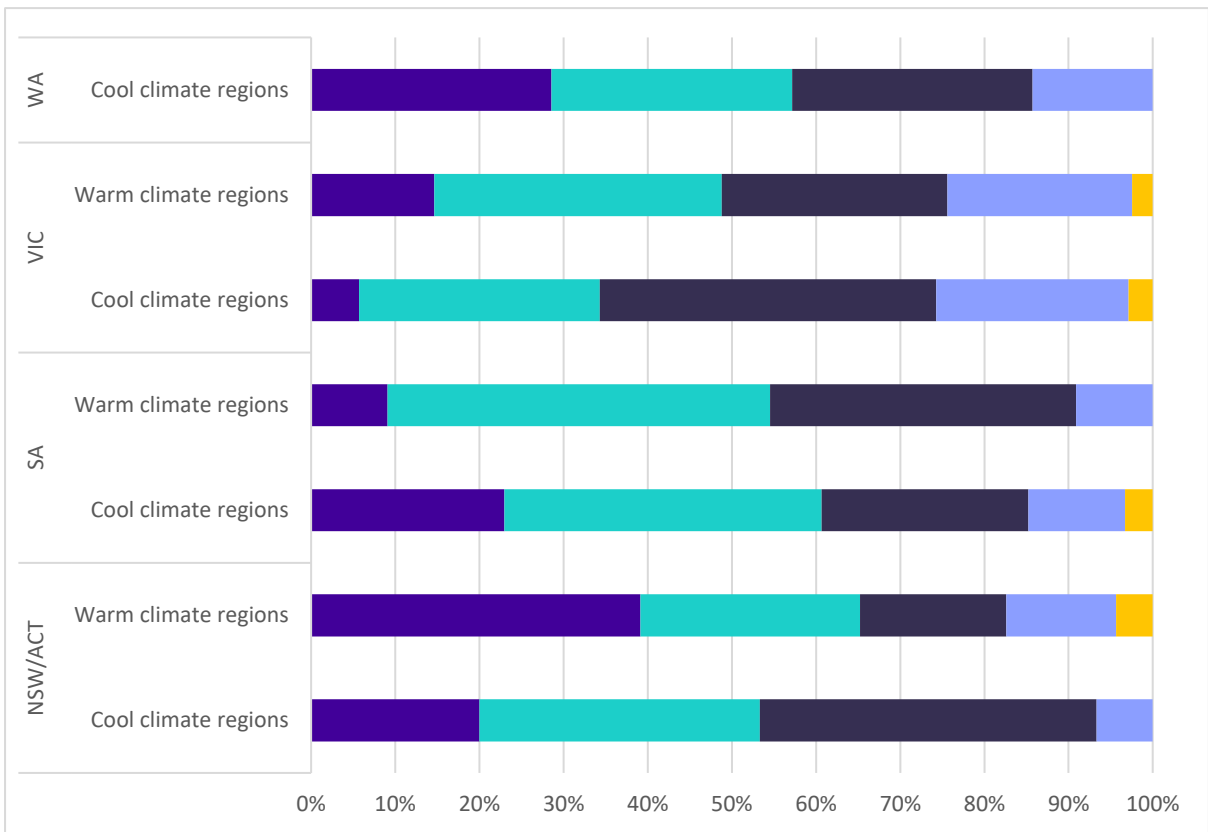
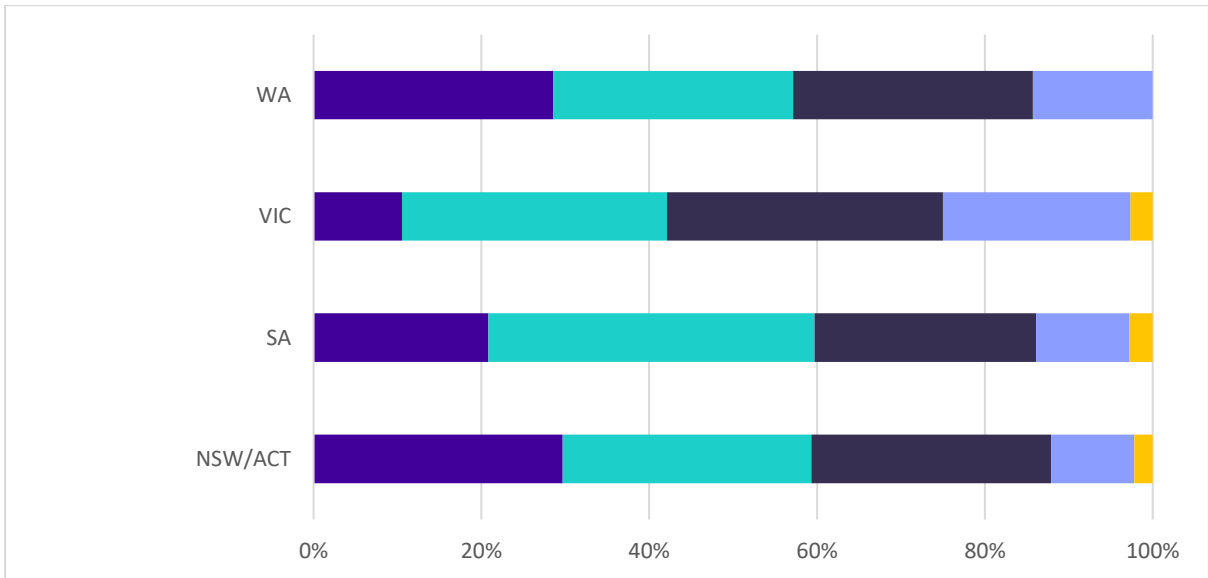




8.2. Engaging in a dispute resolution process would not harm my business' future dealings with wine grape buyers.

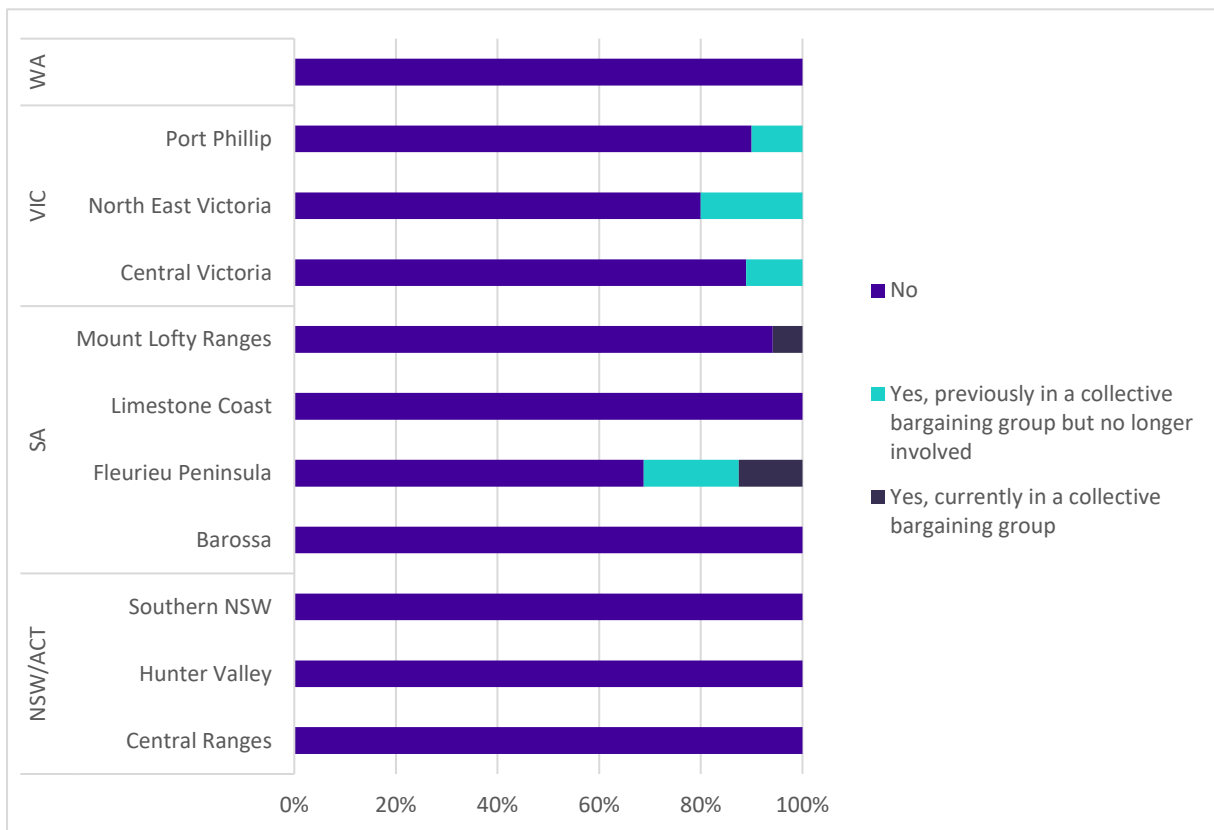
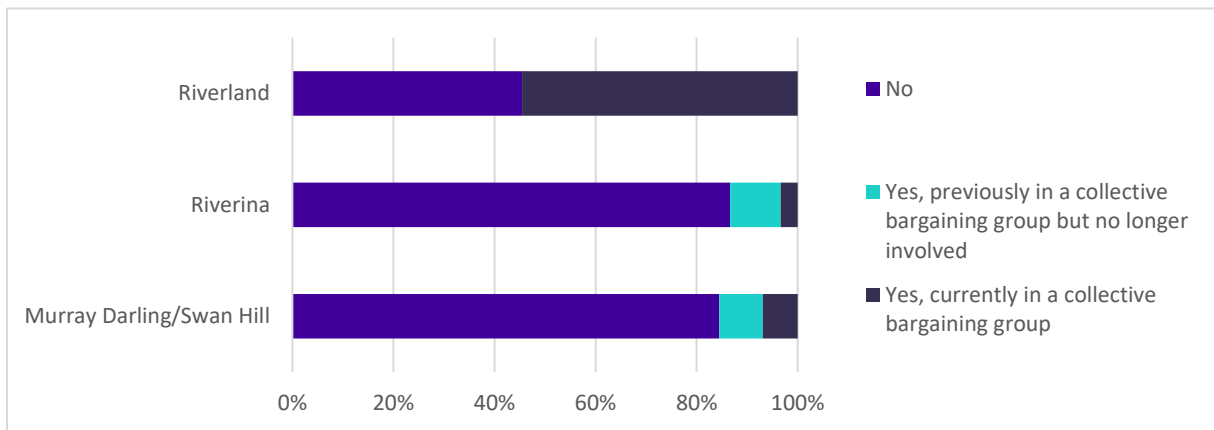
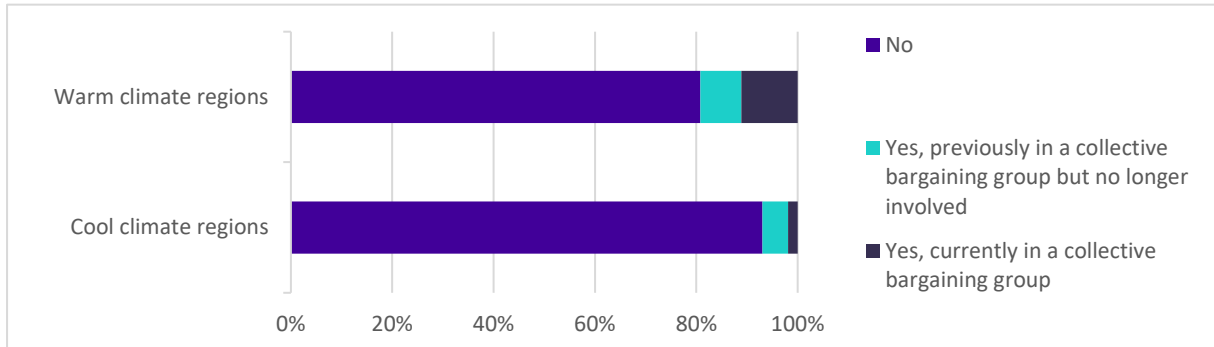
[Strongly disagree] [Disagree] [Neither agree nor disagree] [Agree] [Strongly agree]





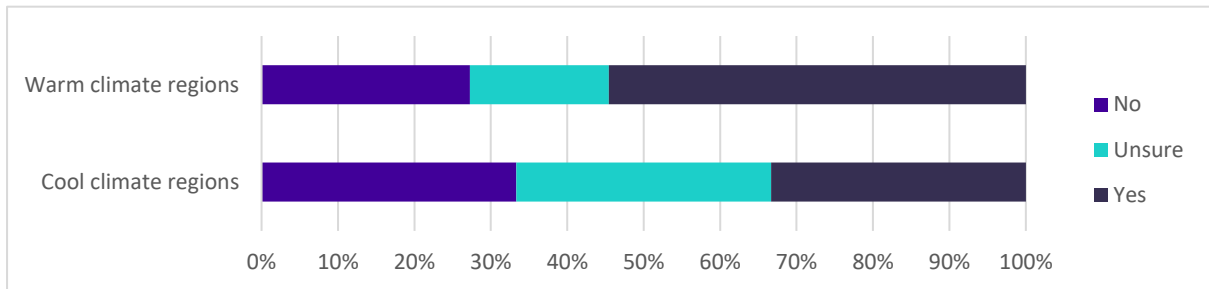
9. Collective bargaining

9.1. Has your business engaged in collective bargaining?



9.2. Was your business able to negotiate better terms as a result of engaging in collective bargaining?

Note: This question was only asked of growers who said they had engaged in collective bargaining.



9.3. Which of the following statements apply to collective bargaining in your region?

Note: For this survey question, respondents could tick the statements they agreed with. Some respondents ticked several statements, and some ticked none. The figures given for each statement are the percentage of respondents who ticked the statement, of the total number of respondents who answered the survey.

