

WINE GRAPES MARKETING BOARD

For the City of Griffith and the local government areas of
Leeton, Carrathool and Murrumbidgee



MEDIA RELEASE

24 February 2009

Grower Meeting Develops Many Options

Many concerned and disappointed growers attended the urgent meeting of the Wine Grapes Marketing Board held in Griffith on Sunday afternoon the 22nd February 2009. Growers are frustrated at low price offers and are concerned that there are major differences in grape price offers between major wineries in the region.

Brian Simpson Chief Executive Officer of the Board, "It was great to see that so many growers attend as they are obviously focused on ensuring the viability of the industry in the future and are rightly concerned. At the same time it is disappointing that the growing industry has to endure these matters constantly."

The Board used the opportunity to advise growers of what was occurring in the market place for both wine and winegrapes. Price offer concerns are also present in the other major grape producing regions of the Murray Valley and the Riverland.

The Board advised growers that it had written to a number of wineries that have prices that are not acceptable to growers this season and it is waiting on a response, suggesting that wineries do have it within their power to review and amend winegrape prices regularly.

A major part of the meeting was to seek grower's ideas on how productively resolve the current issues. Brian Simpson Chief Executive Officer with the Board stated "There were some interesting ideas that the Board will be investigating."

Some of the options raised at the meeting were:

Wineries to be pressured to publish minimum grape prices earlier than in previous years so that growers can make business decisions without actually expending capital on their business.

"If growers were aware of the prices that were to be offered this season they would have made management decision about how to prune and manage their production better. The market lacks a great deal of transparency and this needs to be resolved." stated Mr Simpson.

Growers are also interested into addressing how legislation may be able to assist them in a form of minimum price for their production just as workers are provided with a minimum wage.

Altering the terms and conditions of payment to enable the single payment for grapes that are being paid at less than \$300 per tonne.

The Board will now be taking these matters to the NSW Government to enable a rapid response back to industry.

END

ENQUIRIES:

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