



Wine
Australia

**Australian Wine:
Production, Sales
and Inventory 2021–22**

November 2022

Summary

Wine Australia's Wine Production, Sales and Inventory Survey 2022 (PSI Survey) forms the basis of the data used within this report. Wine Australia received responses to the survey from 31 wineries, including 23 of the top 30 by volume, accounting for an estimated 75 per cent of the total grape crush in 2022. While the data accounts for a substantial share of the Australian wine production and sales, it is not representative of smaller wine business models and is likely to under-state the average sales value for the whole wine sector.

The Australian winegrape crush in 2022 was estimated to be 1.73 million tonnes, 2 per cent below the 10-year average of 1.78 million tonnes and 14 per cent below the record crush of 2.01 million tonnes recorded in 2021.

Based on responses to the PSI Survey, total Australian wine production in 2021–22 is estimated to be just over 1.3 billion litres, or 145 million 9-litre case equivalents – a 12 per cent reduction compared with 2020–21, but 4 per cent above the 10-year average.

Red wine is estimated to hold a 55 per cent share of production compared with 58 per cent in 2020–21.

Responses to the PSI Survey indicate that total sales volume of Australian wine in 2021–22 can be calculated to 1.06 billion litres (118 million 9-litre cases), this would be a reduction of 100 million litres (9 per cent) compared with 2020–21, and 14 per cent below the national average for the past 10 years of 1.23 billion litres. Domestic sales were reported to make up 41 per cent of total sales but declined by 7 per cent in volume. Exports declined by 10 per cent.

Production is estimated to exceed sales in 2021–22 for the second year in a row.

Responses to the survey suggest the inventory of Australian wine as at 30 June 2022 can be estimated at 2.3 billion litres, an increase of 167 million litres (8 per cent) compared with the same time last year, and above the 10-year average of 1.84 billion litres.

The survey results show the national stocks-to-sales ratio for white wine has likely remained static compared with 2021 at 1.52, which is above the 10-year average of 1.33. The national average stocks-to-sales ratio for red wine is reported to have increased by 35 per cent in 2021–22 to 2.77, also above the 10-year average of 1.64.

Ongoing transportation issues have caused reported difficulties in getting wine to market. Compounding this was the further impact of a reduction in sales that added to wine production capacity constraints for wineries.

Market conditions continued to be challenging in 2021–22 and producers may face further headwinds in 2022–23. Rising inflation and interest rates may depress consumer demand and could increase costs for producers and growers.

The global harvest is anticipated to be stable, down 1 per cent in 2022, which is a small positive for Australian wineries, as is the continuing decline in the Australian to US Dollar exchange rate and improvements in shipping costs and schedule reliability.

Overview

Production Vintage 2022



1.73m ↓ -14%

TONNES OF GRAPES CRUSHED



1.31b ↓ -12%

LITRES OF WINE PRODUCED

Sales 2021-22



\$5.28b ↓ -10%

TOTAL VALUE (AUD)



1.06b ↓ -9%

LITRES OF WINE



\$2.1b ↓ -19%

EXPORT VALUE (AUD)



\$3.2b ↓ -4%

DOMESTIC VALUE (AUD)



625m ↓ -10%

EXPORT VOLUME (LITRES)

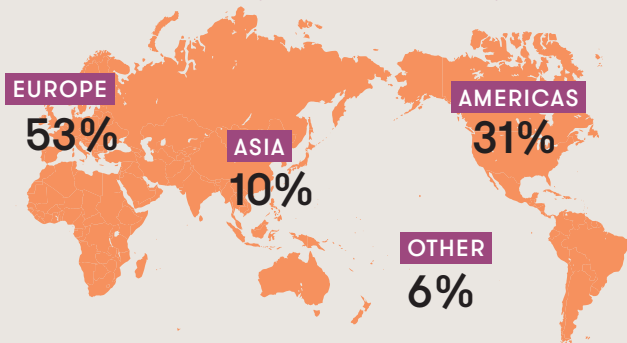


441m ↓ -7%

DOMESTIC VOLUME (LITRES)

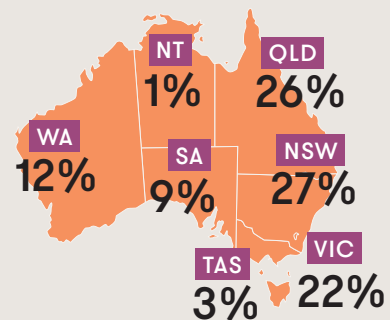
59%

EXPORTED VOLUME (SHARE OF EXPORTS)



41%

DOMESTIC VOLUME (SHARE OF OFF-TRADE SALES)



Inventory 30 June 2022



2.27 billion ↑ 8%

LITRES OF WINE

Key statistics

Table 1: Grape crush by colour (thousand tonnes)

	2021	2022	Change	10-year average	Change
Red grapes	1155	959	-17%	925	4%
White grapes	851	775	-9%	850	-9%
Total grape crush	2006	1734	-14%	1775	-2%

Table 2: Wine production by colour (million litres)

	2020-21	2021-22	Change
Wine from red grapes	854	713	-16%
Wine from white grapes	628	594	-6%
Total wine production	1482	1307	-12%

Table 3: Extraction rates (litres of wine per tonne)

	2020-21	2021-22	Change	10-year average	Change
Red	734	743	1%	718	4%
White	727	766	5%	699	10%
Total	731	753	3%	709	6%

Table 4: Wine inventory by colour (million litres)

	2020-21	2021-22	Change
Red and rosé wine	1242	1440	16%
White wine	706	690	-2%
Total still wine	1948	2130	9%
Sparkling	71	49	-31%
Fortified and other	85	92	9%
Total wine inventory	2103	2271	8%

Table 5: Stock-to-sales ratios (years)

	2020-21	2021-22	10-year average
Red	2.05	2.77	1.64
White	1.53	1.52	1.33
Total	1.80	2.13	1.50

Table 6: Domestic wine sales by wine style (million litres)

	2020-21	2021-22	Change
Red and rosé	194	176	-9%
White	199	185	-7%
Sparkling (inc carbonated)	62	62	0%
Fortified	19	18	-7%
Total	474	441	-7%

Table 7: Domestic wine sales value

	2020-21	2021-22	Change
Total value (\$ million)	3333	3197	-4%
Average value (\$/litre)	7.03	7.25	3%

Table 8: Export wine sales by wine style (million litres)

	2020-21	2021-22	Change
Red and rosé	412	343	-17%
White	263	268	2%
Sparkling (inc carbonated)	17	14	-17%
Fortified and other	0.75	0.78	4%
Total	693	625	-10%

Table 9: Export wine sales value (A\$ million FOB)

	2020-21	2021-22	Change
Export sales	2559	2082	-19%

Table 10: Total sales volume (million litres)

	2020-21	2021-22	Change
Red and rosé	607	519	-14%
White	463	453	-2%
Sparkling (inc carbonated)	78	74	-4%
Fortified	20	18	-7%
Total sales	1167	1064	-9%

Table 11: Total sales value (A\$ million)

	2020-21	2021-22	Change
Total sales	5892	5279	-10%



Production

Winegrape crush

The 2022 Australian winegrape crush was estimated to be 1.73 million tonnes, 2 per cent below the 10-year average of 1.78 million tonnes and 14 per cent below the record crush of 2.01 million tonnes recorded in 2021 (see Figure 1).

The estimated yield was just under 12 tonnes per hectare, slightly lower than the 10-year average of 12.55 tonnes per hectare.

Figure 1: Australian winegrape crush and average yield 2012–2022



The estimated reduction in crush compared with 2021 is likely to be due to a combination of seasonal influences and adjustments made by winemakers to market conditions and winery production capacity limitations.

After a record high vintage in 2021, a lower yield in general was expected due to reduced cropping potential. This natural variation was likely compounded by a number of significant seasonal events – in particular heavy widespread spring and summer rainfall and a number of significant hailstorms.

Apart from seasonal effects, the 2021–22 season was challenging as a result of reported winery production capacity limitations going into vintage. This was due to additional wine in storage following the record harvest in 2021, as well as COVID-19-related labour shortages, reduced exports to mainland China, and shipping disruptions, delays and escalating costs.

The crush of red grapes in 2022 is estimated to have decreased by 17 per cent compared with 2021, but this would still be 4 per cent above the 10-year average, as the tonnage of red winegrapes has been on a generally upward trend for the past 10 years.

The white crush is estimated to have decreased by 9 per cent compared with 2021 and was also 9 per cent below the 10-year average. The smaller decrease in the white crush compared with red meant that whites would have increased their share to 45 per cent after falling to 43 per cent in 2021. This was still below the 10-year average share of 48 per cent, reflecting the continuing trend towards red varieties that has been occurring over that timeframe (Figure 2).

Figure 2: Australian winegrape harvest by colour (historical)



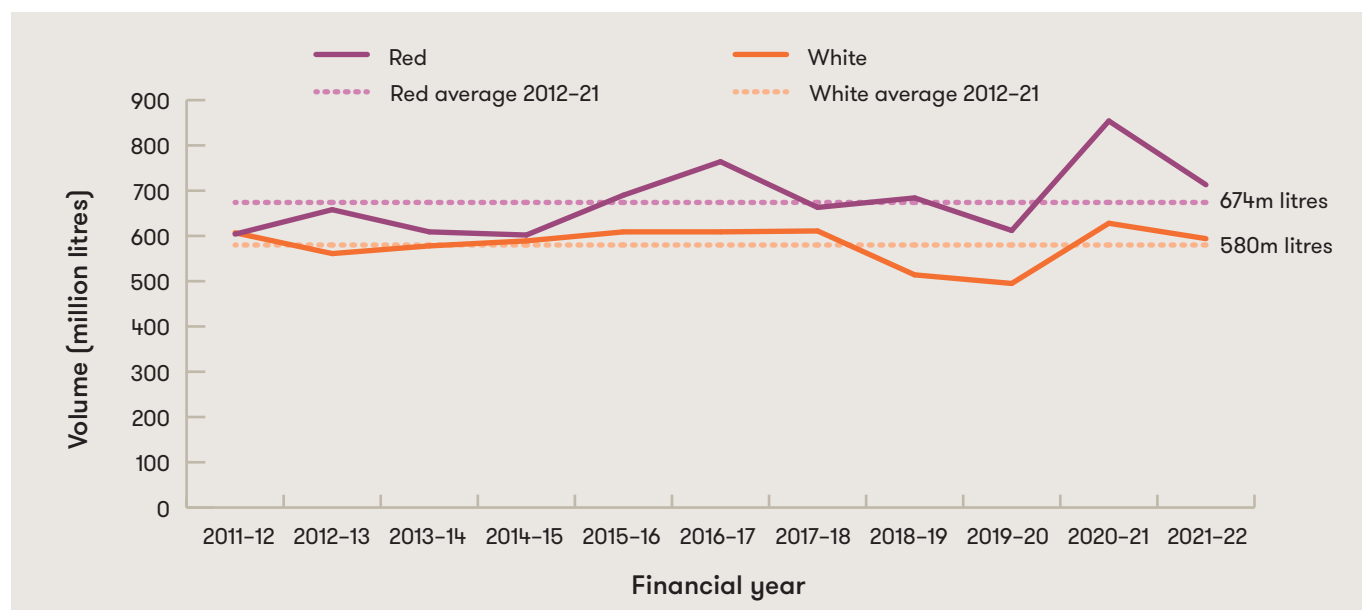
Wine production

Based on responses to the PSI Survey, total Australian wine production in 2021–22 is estimated to be just over 1.3 billion litres, or 145 million 9-litre case equivalents¹. This was a 12 per cent reduction – the equivalent of approximately 190 million litres (21 million cases) – compared with the record wine production in 2021, but was 4 per cent above the 10-year average of 1.25 billion litres.

Red wine production is reported to have decreased to an estimated 713 million litres – 16 per cent below last year but 6 per cent above the 10-year average. White wine production² was estimated to be 594 million litres, 6 per cent lower than in 2021 but still 2 per cent above the 10-year average (see Figure 3).

The smaller reduction for whites compared with reds is likely a result of a higher extraction rate, which increased by 5 per cent to 766 litres per tonne. The extraction rate for reds was very similar to that in 2021 at 743 litres per tonne.

Figure 3: Australian wine production by colour (historical)



The smaller relative decrease in reported white wine production compared with reds led to the share of white wine increasing from 42 per cent in 2020–21 to 45 per cent in 2021–22.

According to the PSI Survey responses, sparkling wine production³ in 2021–22 is estimated to be 49 million litres, of which 82 per cent was white. Fortified wine production⁴ is estimated to be 12 million litres, of which 11 per cent was white. Sparkling and fortified volumes are not included in the total wine production figures as the base wine would have been included in the 2021 or earlier figures. Sparkling wine production is estimated to have decreased by 14 per cent compared with last year, while fortified wine production decreased by 24 per cent.

It is estimated that a total of 38 million litres of ‘other products’⁵ was made from the 2021 crush in addition to wine. This represents a decrease of 52 per cent compared with the 2021 survey responses.

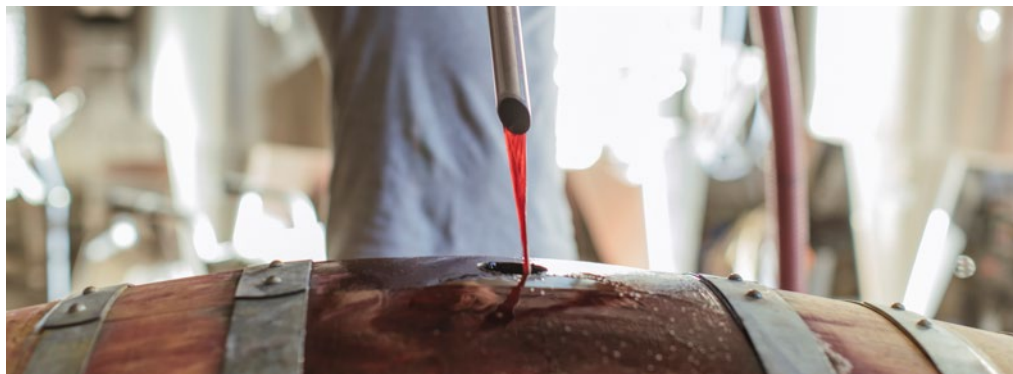
¹ Estimate based on the annual *Wine Production, Sales and Inventory Survey* – see Method section page 24.

² This figure actually refers to wine made from white grapes. The amount of white wine may in fact be slightly higher, as white wine can be made from red grapes – e.g. Pinot Noir for sparkling base.

³ Bottled and bulk fermented sparkling wine that underwent second fermentation in the 2021–22 financial year.

⁴ also includes earlier vintage grapes

⁵ Juice, concentrate, wine products and wine-based beverages. Estimate is of the total volume including other ingredients.

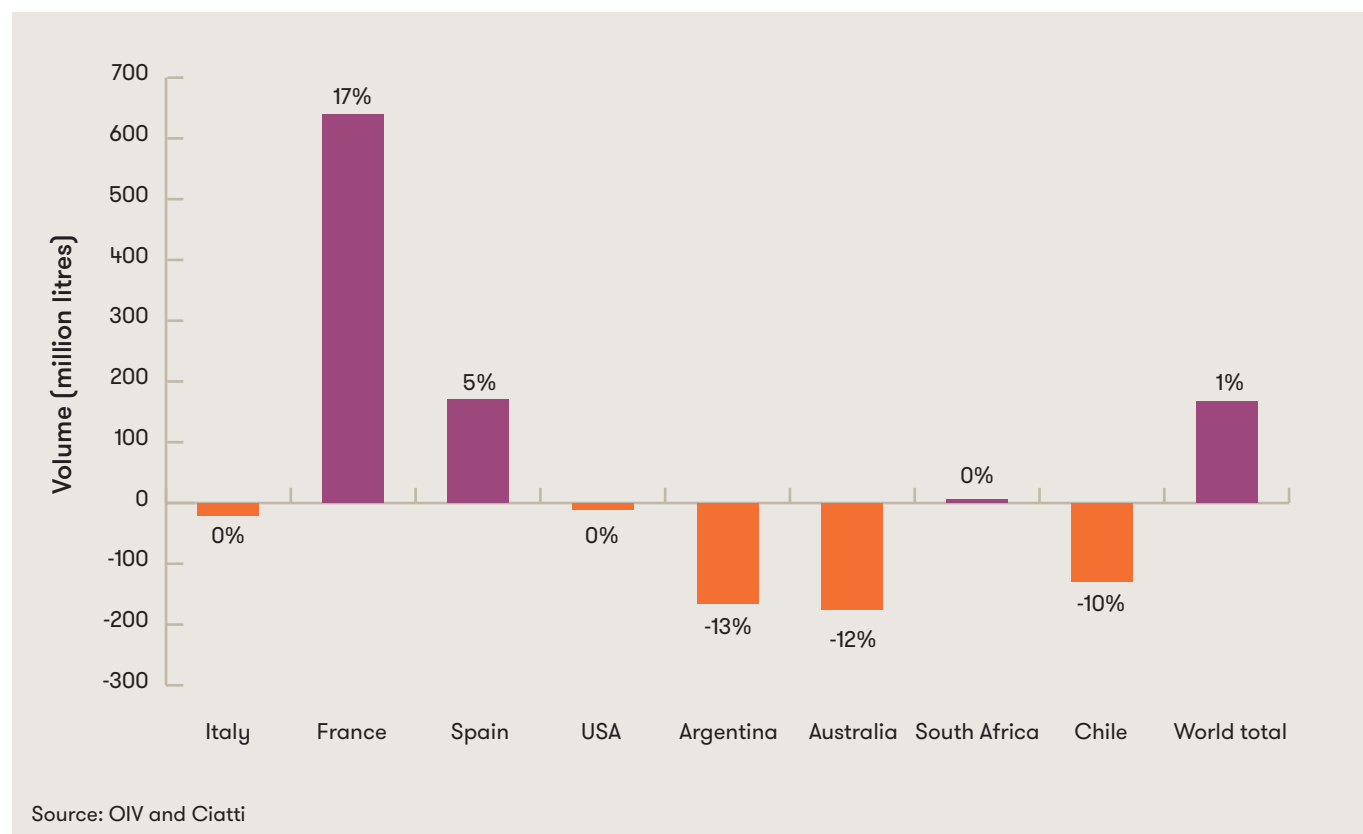


The global context

Global wine production in 2022 is estimated to be just over 26 billion litres (based on preliminary country reports from the OIV and Ciatti). This is relatively steady at 1 per cent above the 2021 harvest and 1 per cent below the 5-year average.

The overall expected near-average result has been driven by reported reductions in harvests from the major southern hemisphere producers after record or near-record harvests in 2021, counter-balanced by increases in France and Spain after each had low harvests the previous year (Figure 4). Italy is expected to have a near average crop of 5 billion litres. New Zealand has reported a record production of 383 million litres of wine – a 44 per cent increase on 2021, while the US is expected to have a third successive short crop, after continuing drought conditions.

Figure 4: Changes in wine production by country and globally in 2022 (preliminary estimates)



Based on these preliminary figures, Italy would retain its position as number one global wine producer with a 19 per cent share of global production. Australia would remain fifth with a five per cent share of the total.

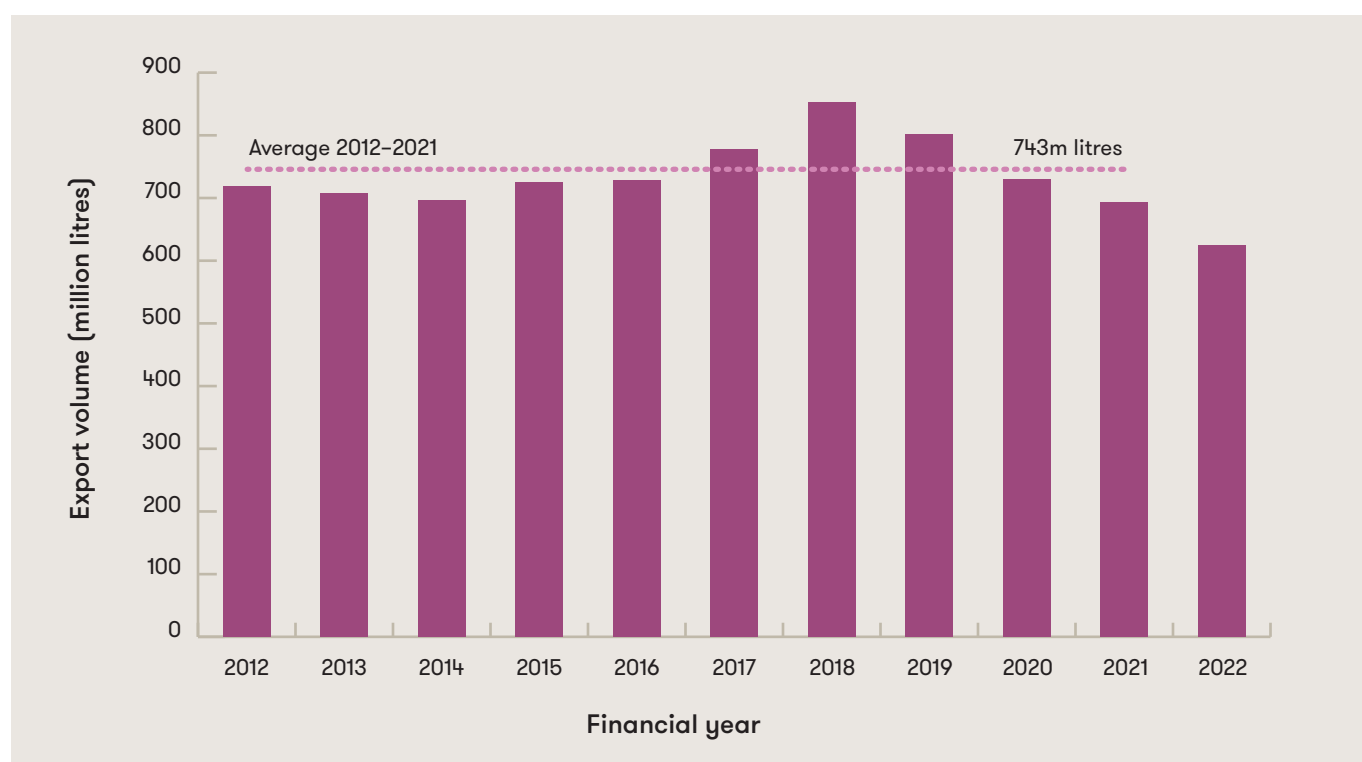
Sales

Exports

Wine Australia data shows the volume of Australian wine exported in 2021–22 was 625 million litres (69 million 9-litre case equivalents), a decrease of 10 per cent compared with 2020–21⁶. Export volume has declined for four successive financial years, primarily a result of supply limitations in 2018, 2019 and 2020 – followed by the significant decline in exports to mainland China from late 2020 following the introduction of a significant deposit tariff, and global shipping challenges.

The export volume in 2021–22 was 118 million litres (16 per cent) below the 10-year average of 743 million litres (Figure 5).

Figure 5: Exports of Australian wine over time



The decline in 2021–22 was primarily still red wine⁷, which declined by 17 per cent in volume to 343 million litres. This result was driven by the reduction in exports to mainland China, which was almost entirely for red wine (see Figure 6).

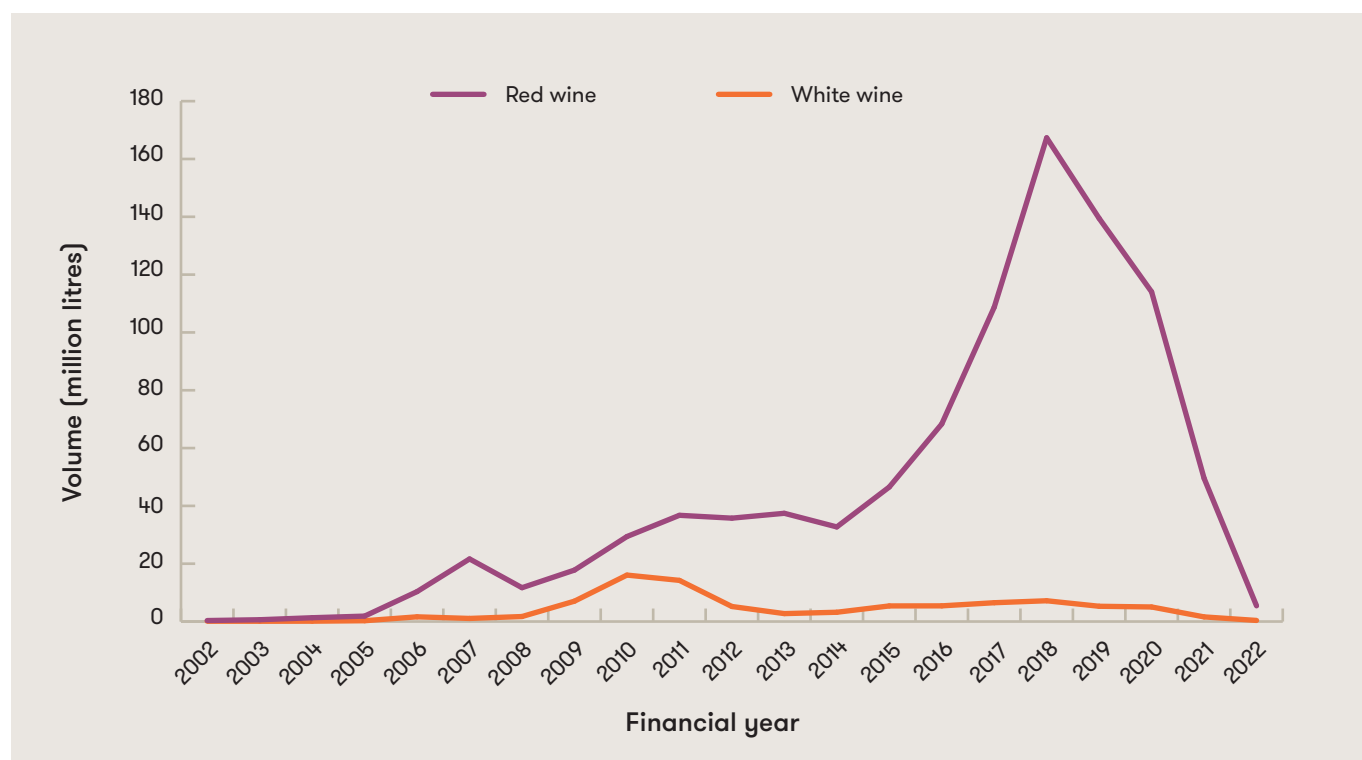
Australia's exports of still white wine grew by 2 per cent to 268 million litres as supply became available after the 2021 vintage, mainly driven by growth in exports to the United States of America (US).

Red wine's share of still wine exports fell from 61 per cent in 2020–21 to 56 per cent in 2021–22, while the white wine share increased correspondingly from 39 per cent to 44 per cent, the highest it has been since 2013–14.

⁶ Export data extracted from the Wine Australia Licensing and Approval System.

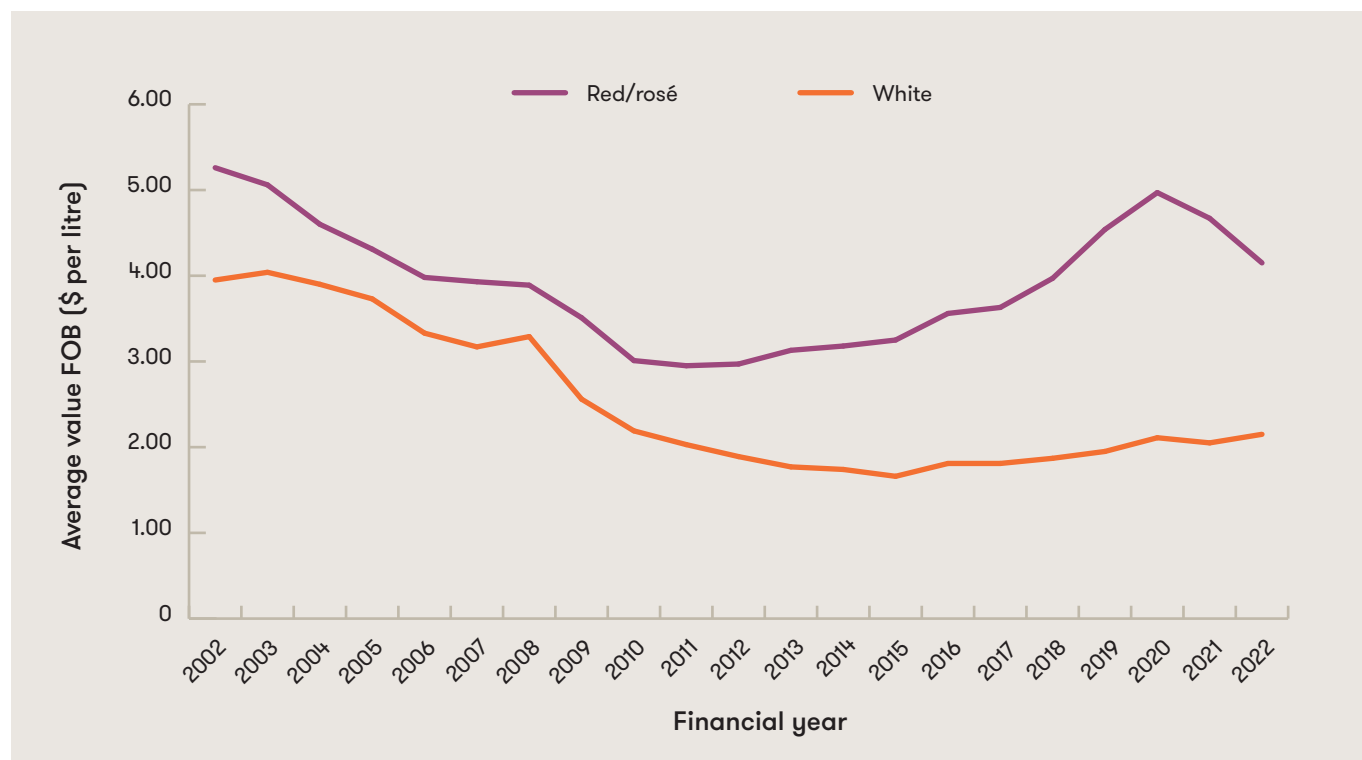
⁷ All references to red wine export volume include rosé, which accounts for approximately 4 per cent of the combined category

Figure 6: Australian wine export volume to mainland China by colour



The change in demand was reflected in the average value of exports. The average value of still red wine exports decreased by 11 per cent in 2021–22 to \$4.15 per litre, while the average value of still white wine grew by 5 per cent to \$2.15 per litre (Figure 7).

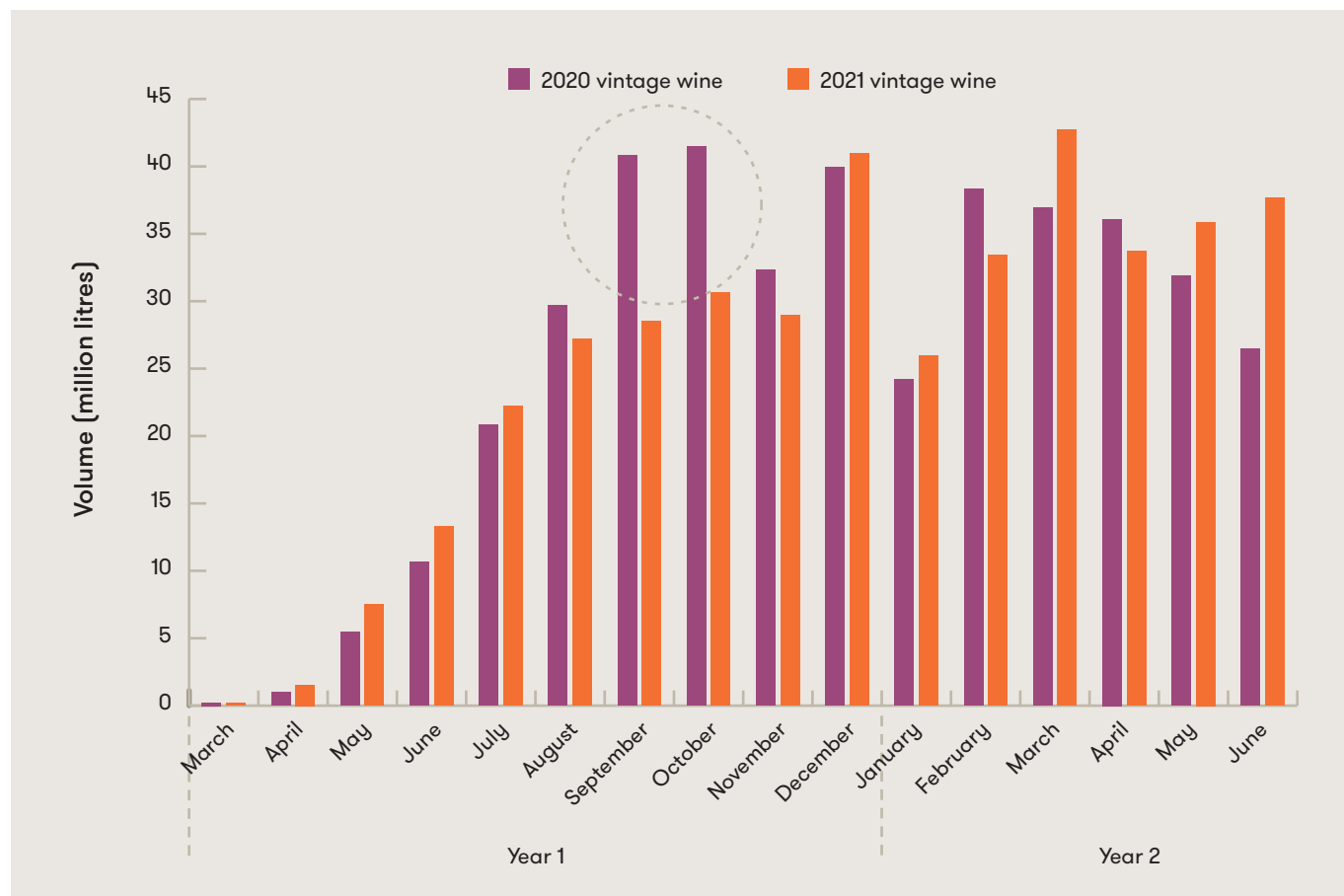
Figure 7: Australian still wine average FOB value by colour over time



Sparkling wine (including carbonated) accounted for 2 per cent of total exports (14 million litres) and declined by 13 per cent in 2021–22. Fortified and ‘other’ wine products accounted for less than 1 million litres (0.1 per cent) and declined by 6 per cent.

A major issue affecting wine exporters in 2021–22 was the difficulty in securing freight, together with greatly increased costs of shipping. This made it difficult to get products to market, even with contracts secured. This difficulty is illustrated by comparing shipment volumes of 2020 vintage wine in 2020–21 with shipments of 2021 vintage wine in 2021–22 (Figure 8). The chart shows that the volume of 2020 vintage wine shipped in September to December 2020 was considerably higher than the volume of 2021 vintage wine shipped in September to December 2021, even though the 2021 vintage was 34 per cent larger than the 2020 vintage.

Figure 8: Volume of wine shipments by vintage and shipment month/year



As at 30 June 2022, the volume of 2021 wine that had been shipped was 410 million litres, compared with 416 million litres of 2020 wine as at 30 June 2021. While this is a similar volume, it is a much lower percentage of the total production for that vintage (28 per cent compared with 38 per cent) and means that approximately 400 million litres more current vintage wine remained unshipped at that point than at the same time the previous year.



Domestic sales

The Australian domestic wine market is the largest single market for Australian wine, accounting for more than 40 per cent of all Australian wine sales by volume.

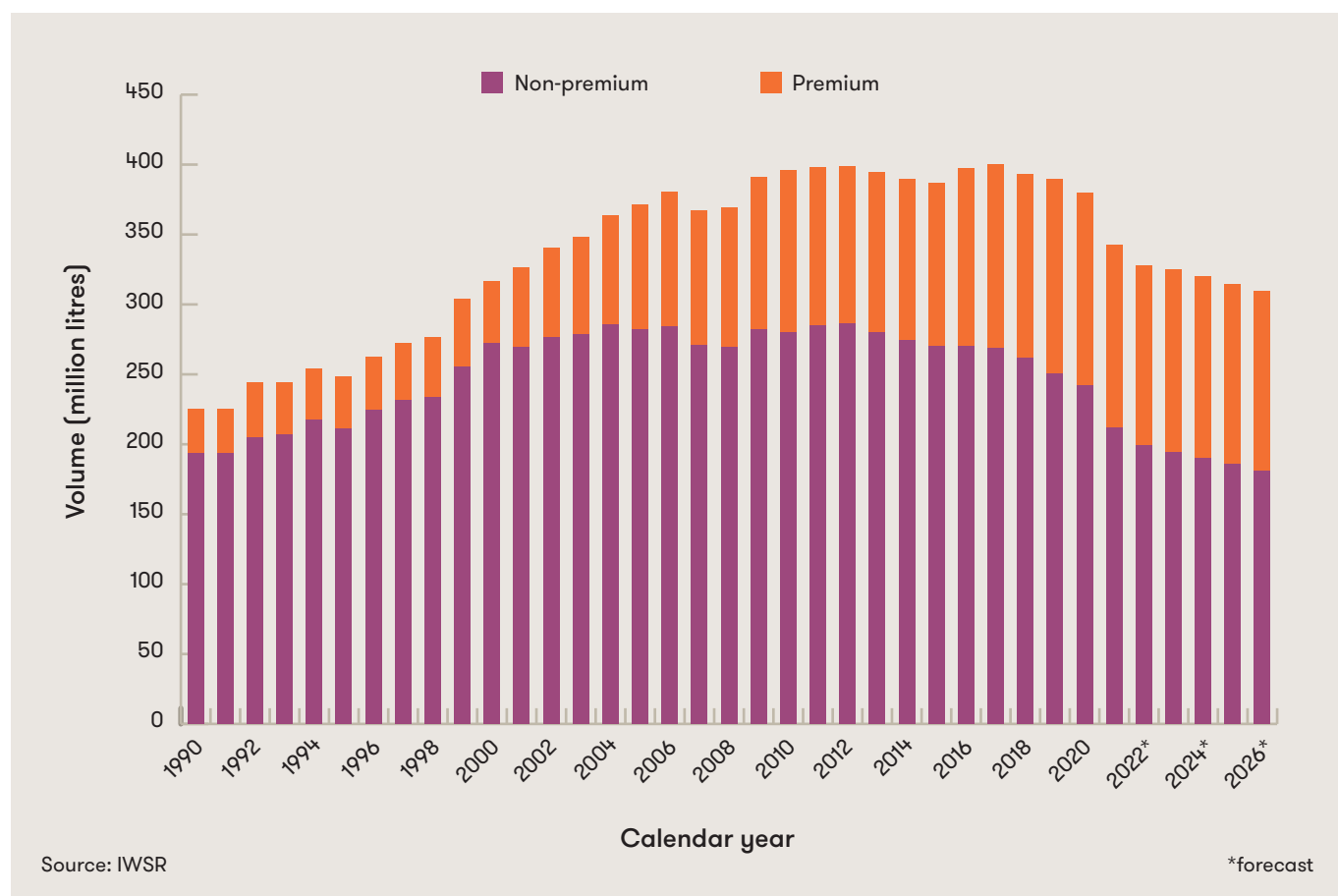
The responses to the PSI Survey indicate that the volume of Australian wine sold domestically in 2021-22 declined by 7 per cent, from an estimated 474 million litres the previous year to 441 million litres (49 million 9-litre cases).

This decline is consistent with the IWSR-reported decline of 8 per cent in the 2021 calendar year, and reflects a combination of long-term consumption changes, short-term COVID-related disruptions and increased competition from imported wines and other alcoholic beverages.

The IWSR estimates consumption of Australian still wine grew steadily in Australia from 1990 to around 2012, after which it plateaued for 5 years and then began to decline, falling by a total of 15 per cent between 2017 and 2021 (Figure 9).

During that time, IWSR reports the share of premium wine increased from 14 per cent in 1990 to 38 per cent in 2021, meaning that non-premium wine (below \$10 per bottle off-trade retail) declined more over the past five years – down by 21 per cent, while premium wine consumption declined by only 1 per cent.

Figure 9: Consumption of Australian wine in Australia by price segment (historical)



These trends are also reflected in the off-trade sales data. According to IRI MarketEdge data, Australian off-trade wine sales declined by 5 per cent overall in the 2021-22 financial year, with the lowest price segments declining the most both in volume and in percentage terms⁸ (Figure 10).

Figure 10: Change in off-trade retail sales of Australian wine by price segment in 2021-22

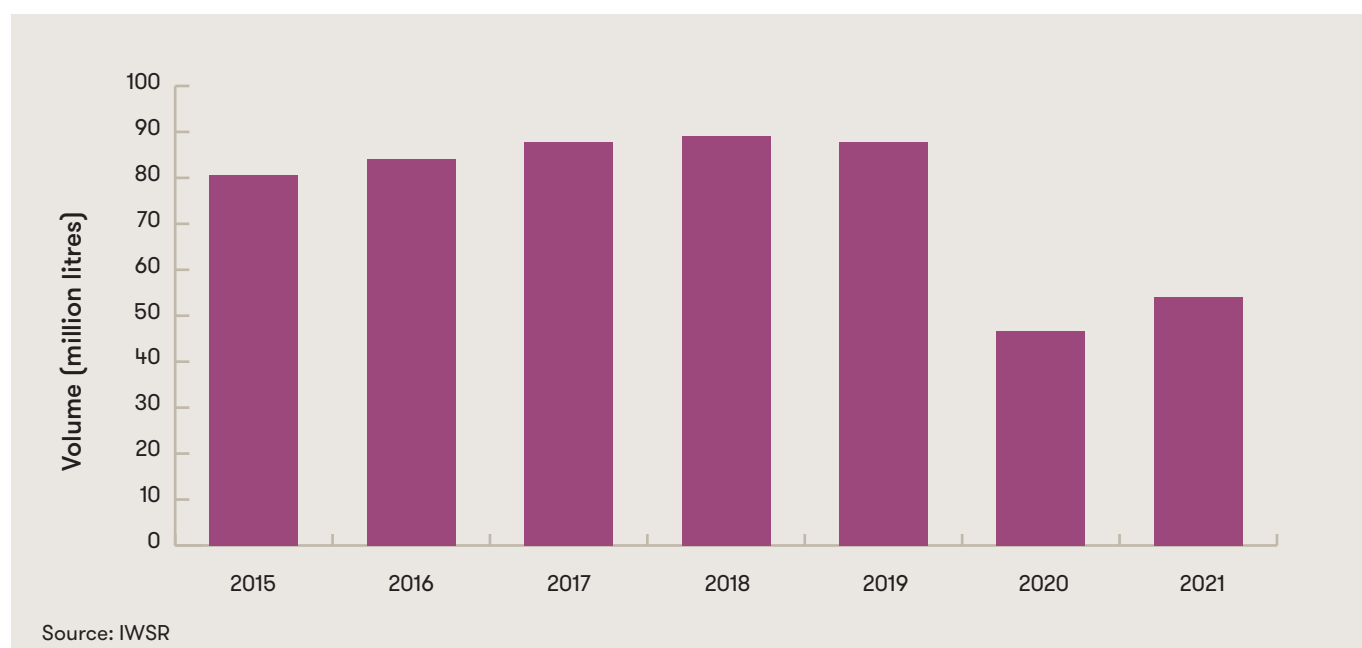


Falling overall consumption and premiumisation are broad global trends. It is believed this is driven by demographic changes, an increasing interest in health and wellness/moderation, as well as increased competition for wine from other alcohol categories, particularly RTDs and spirits.

Ongoing COVID-related disruptions particularly affected the on-premise channel (restaurants, hotels, pubs and clubs). IWSR estimates that the on-premise saw only a slight increase in its share [by volume] from 8 per cent to 10 per cent of Australian wine domestic sales in 2021-22 and remained at less than two-thirds of its pre-pandemic volume (Figure 11).

8 With the exception of the >\$100 category, which declined the most in percentage terms but from a very small base

Figure 11: On-premise sales on the domestic market (historical)



The *Direct-to-Consumer Impact Report 2022* released by Enolytics and WineDirect reports that direct-to-consumer (DTC) sales⁹ increased by 7 per cent in volume and 10 per cent in value in 2021–22. The results are based on transaction data from approximately 100 wineries using the WineDirect platform to record sales. These reported growth rates were lower than those of 2020–21, when lockdowns, closed borders and the shift to online purchasing favoured DTC growth relative to other channels.

Australian wine on the domestic market is facing competition from imported wine. In 2021–22, this pressure eased, as wine imports decreased by 6 per cent to 96 million litres according to the ABS reporting of customs data, reverting to the same volume as the 2019–20 financial year after reaching a peak of 103 million litres in 2020–21. It is possible that the increase in 2020–21 was at least partly driven by a shortfall in local supply following the third consecutive below average vintage in 2020; however, over the longer term, imports have grown consistently, increasing by 15 per cent overall across the past 10 years and now accounting for an estimated 18 per cent of total domestic consumption. While New Zealand wine accounts for the largest share of imports by volume (42 per cent in 2021–22), recent growth is being driven by wines from France and Italy, particularly Champagne and Prosecco.

The results of the PSI Survey 2022 indicate that red wine domestic sales declined by 9 per cent and white decreased by 7 per cent. Sparkling wine (including carbonated) was static, while fortified decreased by 7 per cent.

Based on the survey results, the average value of domestic sales is estimated to have increased by 3 per cent to \$7.25 per litre in 2021–22. This amount is a mix of wholesale and retail value. The increase in average value is partly offset the estimated 7 per cent overall decline in sales volume, producing a net decrease of 4 per cent in overall estimated domestic sales value to Australian winemakers, from \$3.3 billion in 2020–21 to \$3.2 billion.

⁹ Wine clubs, cellar door, wineries' own websites, events and telesales

Total sales

PSI Survey responses indicate the total sales volume of Australian wine in 2021–22 can be estimated at 1.06 billion litres (118 million 9-litre cases), a reduction of 100 million litres (9 per cent) compared with 2020–21, and 14 per cent below the average for the past 10 years of 1.23 billion litres (Figure 12). Domestic sales are estimated to have made up 41 per cent of total sales, the same as last year and 4 percentage points higher than in 2017–18, when exports were at their peak.

Domestic sales are projected to have remained generally static for the past 10 years, before starting to decline in 2019–20. Exports have been more variable over time.

Figure 12: Total sales of Australian wine by destination (historical)



It is estimated that red and rosé wine accounted for a total of 519 million litres, a reduction of 88 million litres (14 per cent) compared with 2020–21, this led to its reduced share of total sales – from 52 per cent to 49 per cent.

White wine is estimated to have accounted for 453 million litres (43 per cent of total sales volume), a decrease of 10 million litres (2 per cent). Sparkling wine (including carbonated) sales accounted for an estimated 7 per cent and decreased by 4 per cent, while fortified and ‘other’ accounted for 2 per cent and decreased by 7 per cent.

The national combined revenue to Australian wine producers from export and domestic sales is estimated to be \$5.28 billion, a decrease of 10 per cent compared with the previous year. The decrease reflects the combination of the reduced overall volume and lower average value for export sales.

Inventory

Current stock levels

Responses from the PSI Survey suggest the inventory of Australian wine as at 30 June 2022 is estimated to be 2.27 billion litres, an increase of 167 million litres (8 per cent) compared with the same time last year, and 23 per cent above the 10-year average of 1.84 billion litres. Stocks of still red wine increased by 16 per cent to 1.44 billion litres. Stocks of still white wine decreased by an estimated 2 per cent to 690 million litres.

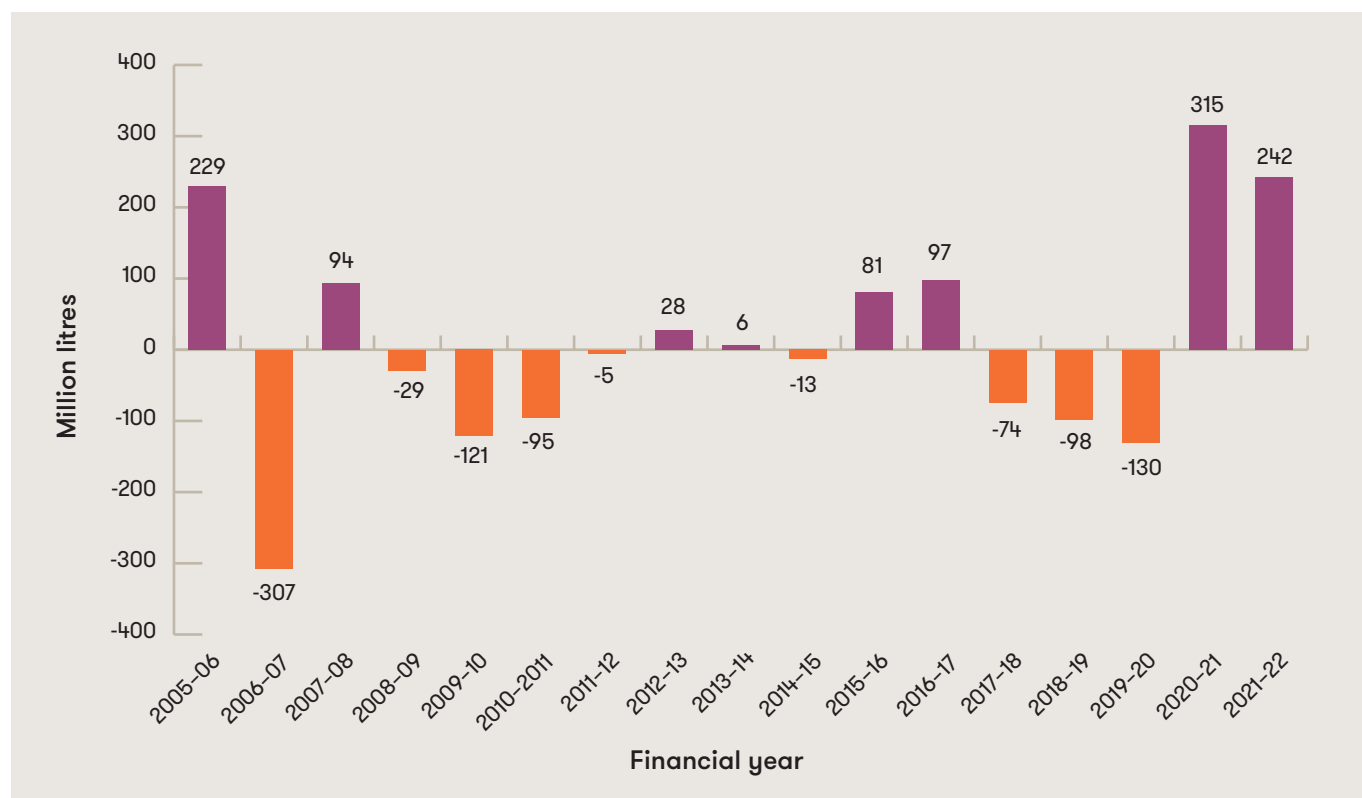
After being below its long-term average for five years, the national stocks-to-sales ratio (SSR) for reds is estimated to have exceeded 2.0 for the first time in 2020–21 and increased by a further 35 per cent in 2021–22 to 2.77, compared with a 10-year average of 1.64, according to the survey results.

The national stocks-to-sales ratio (SSR) for white wine is estimated to have remained static compared with 2020–21 at 1.52, which was above the 10-year average of 1.33.

Supply–demand balance

Historically, Australian wine supply and demand have been well-balanced. Over the past 16 years, total wine sales have exceeded production in the same year more times than the reverse (Figure 13).

Figure 13: Annual difference between production and sales (historical)

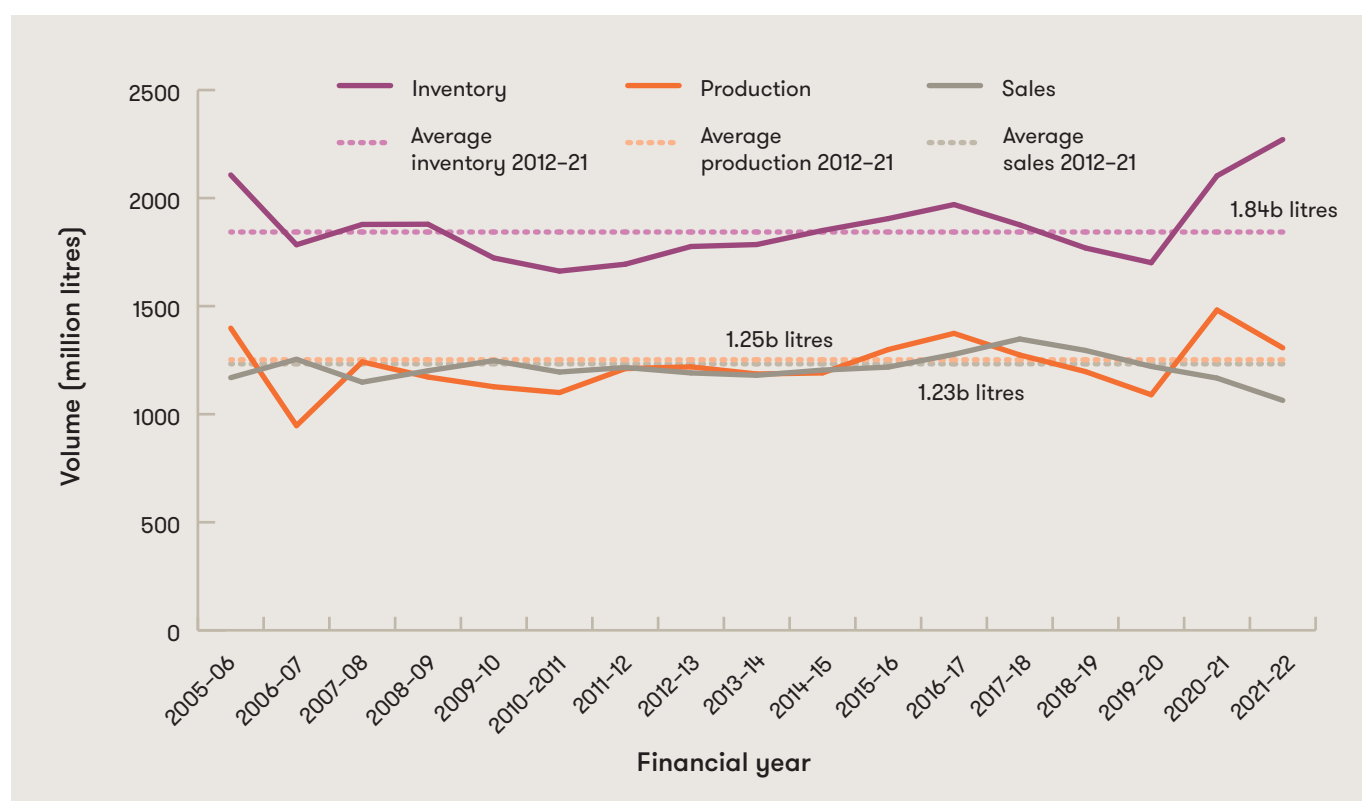


In 2021-22, production is estimated to have exceeded sales. While some of this is necessary to replace stocks drawn down over the previous years, the national inventory is now estimated to be above its long-term average (Figure 14).

Inventory fluctuates during the year, generally being at its maximum just after the new vintage and before any of that vintage has been sold, then depleting over the next 12 months as wine is sold, to be at a minimum just before the next vintage. In 2021-22, the transportation challenges have caused difficulties in getting wine to market, which has a flow on effect in causing wine production capacity constraints for wineries.

Inventory fluctuates during the year, generally being at its maximum just after the new vintage has come into the winery and before any of that vintage has been sold, then depleting over the next 12 months as wine is sold, to be at a minimum just before the next vintage. In 2021-22 the transportation challenges have caused reported difficulties in getting wine to market, which has a flow-on effect in causing wine production capacity constraints for wineries ahead of the 2023 vintage.

Figure 14: Production, sales and inventory of Australian wine (historical)

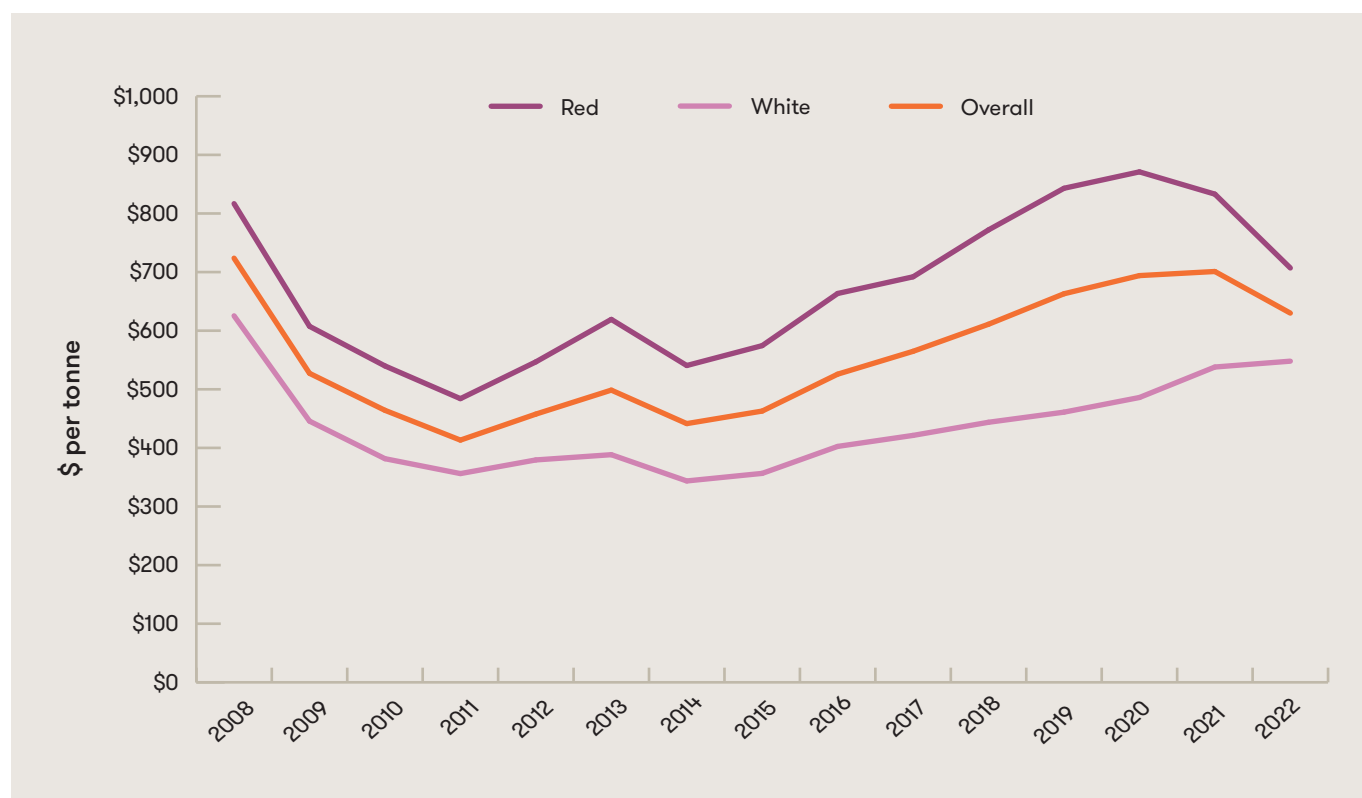


Outlook

Wine and grape prices

The national average value of winegrapes in 2022 is reported in the National Vintage Survey 2022 to have decreased by 10 per cent from \$701 per tonne to \$630 per tonne. The overall decrease was driven by a 15 per cent decline in the average value of red winegrapes. The average value of white winegrapes is reported to have increased by 2 per cent and the average value price – which has been increasing every year since 2014 – was the highest since 2008 (Figure 15).

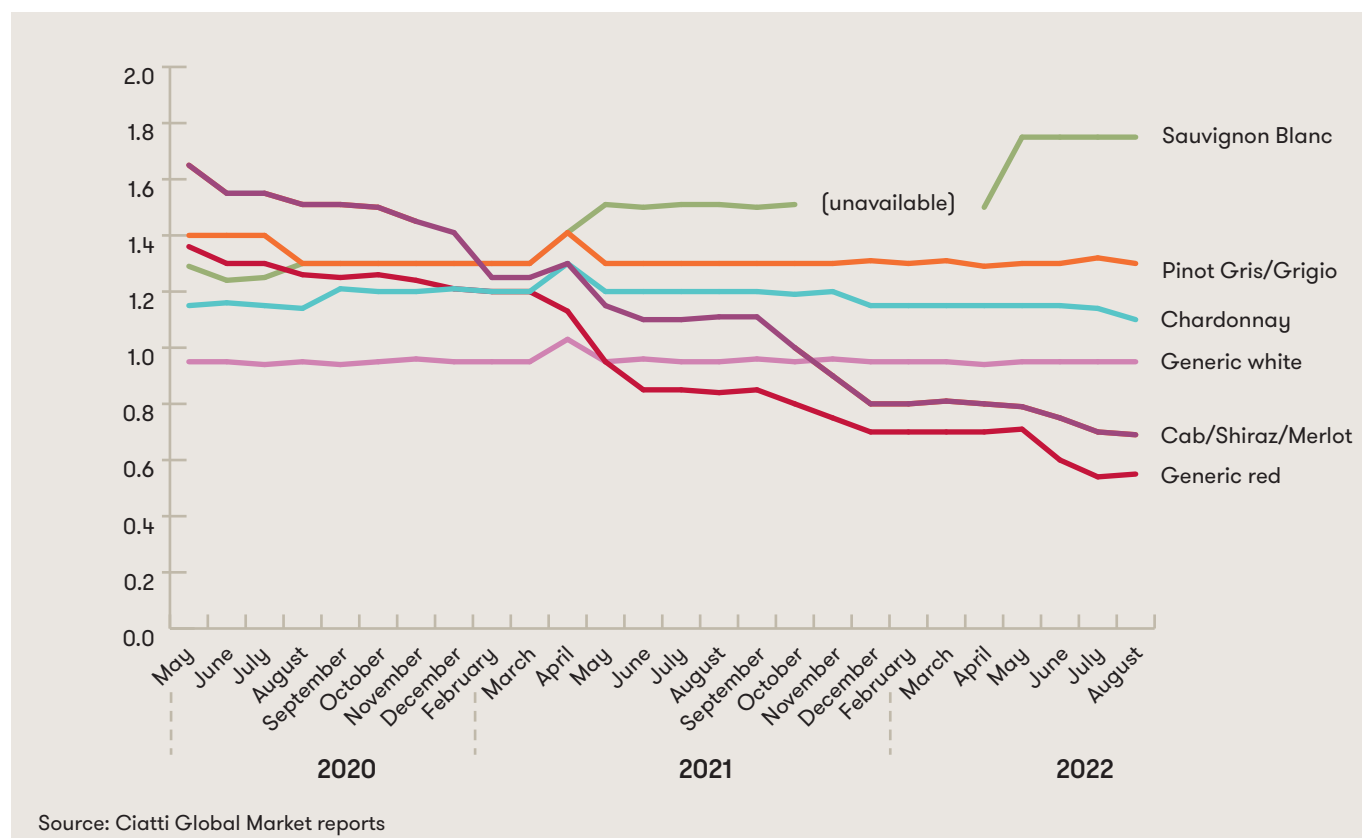
Figure 15: Average value of winegrapes by colour (historical)





Prices for Australian wines on the global bulk wine market reflect the prevailing demand conditions for red and white wines. According to Ciatti, the offer price for Shiraz/Merlot/ Cabernet Sauvignon bulk wines in August 2022 was around A\$0.69 per litre compared with A\$1.10 for Chardonnay. By comparison, two years ago in August 2020 the average offer price for red varieties was A\$1.51 per litre compared with A\$1.14 for Chardonnay (Figure 16).

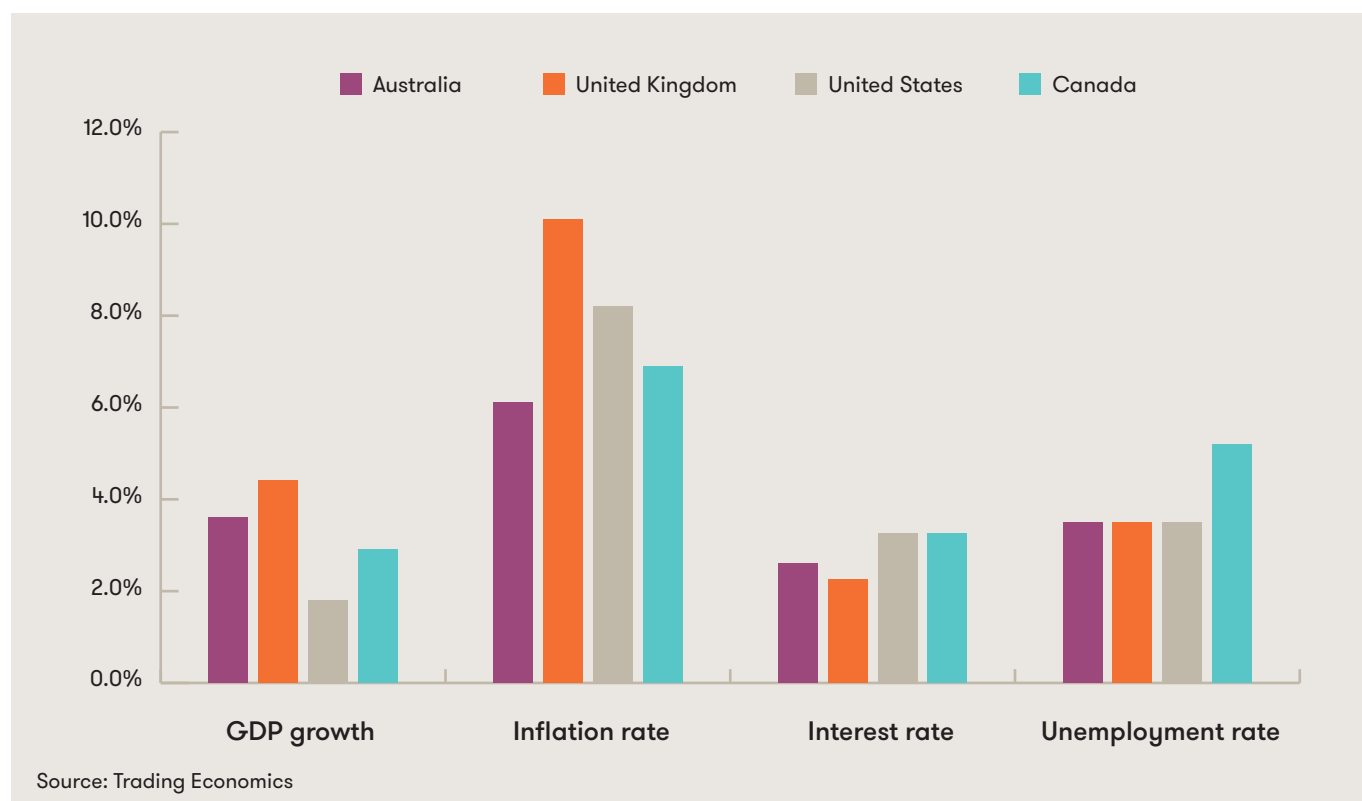
Figure 16: Global bulk wine offer prices for Australian varieties 2020–22



Market conditions

Market conditions continued to be challenging in 2021–22 and producers will likely face further headwinds in 2022–23. Rising inflation and interest rates may depress consumer demand and could increase costs for producers and growers. In September 2022, inflation had reached at least 6 per cent in Australia’s four largest markets, while annual GDP growth is on a downward trend (Figure 17). One positive factor is that unemployment remains low in Australia, the UK and the US.

Figure 17: Economic indicators for key markets (September 2022)



A near-average global harvest in 2022 is a small positive for Australian wineries. However, the record New Zealand harvest in 2022 is likely to reduce demand for Australian Sauvignon Blanc on global markets.

Shipping costs have reduced compared with their peak in 2020, and schedule reliability has improved, according to Hillebrand¹⁰. The Drewry World Container Index (US\$ / 40ft container) had reduced from over \$10,000 in October 2021 to just over \$4000 in September 2022, and global schedule reliability is reported to have improved from 30 per cent in late 2021 to 40 per cent in July 2022. However, Hillebrand reported in September that space remains a significant issue particularly from Adelaide, with 4-week delays in confirming bookings.

¹⁰ Hillebrand Trade Dashboard and Oceania Freight Procurement Update September 2022

Another positive for exporters has been the decline in the Australian Dollar to US Dollar exchange rate. This has been below US\$0.70 since mid-2022 and below US\$0.65 since October 2022 (Figure 18).

Figure 18: AUD/USD exchange rate monthly average (2018–2022)



Over the medium term, IWSR forecasts indicate that wine consumption in Australia could fall by a further 10 per cent between 2021 and 2026, while the premium share of the market is forecast to increase to 41 per cent by 2026 (see Figure 9).

Opportunities for export growth exist particularly in Southeast Asian markets where wine consumption is growing especially as the on-premise and international tourism numbers recover from the effects of the pandemic, and in North American markets, where exports have shown recent growth in both premium and commercial price segments. As at 30 June 2022, the number of exporters to the US was its highest since 2007–08.

Looking ahead to Vintage 2023

A third La Niña has dominated weather patterns since winter 2022, causing generally good winter and spring rains, but also record rainfall and flooding in some wine regions. The effect on crop potential is difficult to determine. High rainfall can produce large crops, but crop losses could occur as a result of wet conditions preventing spray applications to manage disease pressure.

Capacity limitations have been reported in large wineries. More than half of the respondents to the PSI Survey 2022 indicated that their estimated available tank capacity for the 2023 intake was less than their 2022 intake. Overall, the total reported available capacity is estimated to be 2 per cent higher than the 2022 vintage but it is unevenly distributed and could limit intake in vintage 2023.

Historic wine production sales and inventory statistics

		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Red												
Crush	(thousand tonnes)	778	870	832	861	958	1100	920	934	849	1151	959
Extraction rate	(litres per tonne)	728	733	703	703	715	697	717	726	720	734	743
Wine production	(million litres)	604	658	609	602	690	764	663	684	612	854	713
Red share of total production	(percentage)	50%	54%	51%	51%	53%	56%	52%	57%	56%	58%	56%
Inventory	(million litres)	899	987	1014	1027	1010	1085	990	990	997	1242	1440
Exports (still wine)	(million litres)	435	406	385	406	424	465	530	483	440	412	343
Domestic sales (still wine)	(million litres)	186	182	182	183	191	202	208	212	206	194	176
Total sales (still wine)	(million litres)	621	588	567	589	615	667	738	695	646	607	519
SSR	(years)	1.48	1.70	1.82	1.78	1.64	1.63	1.34	1.42	1.54	2.05	2.77
White												
Crush	(thousand tonnes)	887	953	843	854	892	898	849	777	694	855	775
Extraction rate	(litres per tonne)	733	659	725	693	692	680	715	653	713	727	766
Wine production	(million litres)	607	561	578	589	609	609	611	514	495	628	594
Inventory	(million litres)	629	633	615	677	743	739	731	643	544	706	690
Exports (still wine)	(million litres)	268	286	297	304	292	296	307	306	280	263	268
Domestic sales (still wine)	(million litres)	235	230	230	223	225	224	215	208	210	199	185
Total sales (still wine)	(million litres)	503	511	526	527	518	520	522	515	490	463	453
SSR	(years)	1.30	1.29	1.20	1.33	1.44	1.42	1.40	1.25	1.11	1.53	1.52
Total												
Crush	(thousand tonnes)	1665	1823	1674	1715	1850	1998	1769	1711	1543	2005	1734
Extraction rate	(litres per tonne)	730	697	713	698	704	690	716	691	717	731	753
Wine production	(million litres)	1211	1219	1186	1191	1299	1374	1274	1197	1090	1482	1307
Inventory (table wine)	(million litres)	1528	1620	1629	1704	1752	1824	1721	1633	1541	1948	2130
Inventory (total*)	(million litres)	1694	1776	1785	1850	1905	1970	1876	1769	1701	2103	2271
Exports (table wine)	(million litres)	703	693	682	710	716	761	837	789	719	675	610
Exports (sparkling, fortified)	(million litres)	16	15	14	14	13	17	15	12	11	18	15
Domestic sales (still wine)	(million litres)	421	412	411	406	416	426	423	420	416	394	362
Domestic sales (sparkling, fortified)	(million litres)	77	76	75	74	73	74	74	74	75	81	79
Total sales	(million litres)	1217	1196	1182	1204	1218	1278	1349	1295	1221	1167	1064
SSR	(years)	1.39	1.49	1.51	1.56	1.56	1.54	1.39	1.37	1.39	1.80	2.13

* includes fortified, sparkling and wine products

Explanatory notes

Survey method

Wine Production, Sales and Inventory Survey 2022

Wine Australia's *Wine Production, Sales and Inventory Survey 2022* was sent to the largest 46 wineries based on grape crush size in 2022. The survey was conducted in August–September 2022.

Wine Australia received responses from 31 wineries, including 23 of the top 30 by volume, accounting for an estimated 75 per cent of the total grape crush in 2022. While the data accounts for a substantial share of the Australian wine production and sales, it is not representative of smaller wine business models and is likely to under-state the average sales value for the whole wine sector. Estimates of production relating to sparkling wine, fortified wine and other products are considered to be less reliable than estimates of total still white and red wine production.

Other data sources

In addition, a number of other data sources are used to inform the final figures, including: Australian Bureau of Statistics, IRI MarketEdge, IWSR, Levies Revenue Service and Wine Australia.

Notes on calculations

Grape crush and wine production

The grape crush figure is obtained from Wine Australia's *National Vintage Survey 2022* and is used as the basis for calculating wine production. The proportion of the crush accounted for by the survey respondents to the *Wine Production, Sales and Inventory Survey* is used to raise the wine production figure reported by these respondents to obtain a national figure.

Extraction rates

Extraction rates are calculated as beverage wine produced divided by total tonnes crushed. Wine-based beverages and other grape products are excluded from the calculation of extraction rates.

Domestic sales value

Domestic sales value is based on winemaker receipts comprising mostly wholesale transactions but also cellar door and direct sales and is therefore a mix of wholesale and retail prices (excluding GST and WET). Total domestic sales value has been estimated by multiplying the average value per litre (calculated from the survey results) by the total estimated sales volume.

Exports

Export sales figures are obtained from the *Wine Australia Licensing and Approval System*, which records the volume and value of all exported shipments of Australian wine over 100 litres.

Inventory

The inventory figures published in this report are obtained from the survey, with a raising factor applied based on the respondents' share of the crush.

The calculated figure has been validated by checking the balance calculation (*production minus sales equals change in inventory*). While the alignment is not perfect due to a number of variables such as change in use of red grapes to white wine, production of sparkling and fortified from different vintage grapes and allowance for process losses and wastage etc., it is within 5 percent of the reported figure.

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