

TASMANIAN WINE

GROWING SUCCESS TOGETHER.



The Tasmanian wine sector known and respected by wine lovers around the world is:

- **VALUED AT \$374.2 MILLION ANNUALLY** (plus wine tourism)
- **\$420 MILLION WINE PRODUCT {12 MILLION BOTTLES}** produced annually
- **3,600 JOBS (& GROWING)**
Tasmania's grape growing workforce grew by 74% between 2011-2022
(Australia's reduced by 29%)
- **98-115% INCREASE IN FEMALES**
(2011-2021 & the only state where females in grape growing roles increased)



• TOP CONTRIBUTOR TO THE TASMANIAN ECONOMY:

- #3 – agricultural sectors
- #6 – by value of output across all sectors (7.28%)
- #7 – by value added across all sectors
- #8 – by total employment



How We Stack Up

TASMANIA		AUSTRALIA
895,000 dozen	Bottles of wine produced	110,000,000 dozen
\$3,377 per tonne	Average value of wine grapes (2023)	\$642 per tonne
100%	Wine sold ABOVE \$15 per bottle (2013)	7%
0%	Wine sold BELOW \$15 per bottle (2013)	93%

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(2022-2023)	ALL VISITORS	VISITORS TO CELLAR DOORS
Visitors to Tasmania	1,280,000	301,019 (24%)
Average Spend	\$3,010	\$4,352

By 2040 the Tasmanian wine sector will be the Tasmanian economy's *highest contributor*, producing approximately *\$2B in wine value annually* and *outperforming all other sectors*.

THE TASMANIAN WINE SECTOR IS A TASMANIAN SUCCESS STORY.

From small beginnings in the mid 1950s, the sector now produces \$420 million worth of wine annually.

And it's not just a major economic contributor. It is critical to the national and global reputation of our state. It is an integral part of the Tasmanian experience, the Tasmanian brand.

The wine sector is at the heart of the Tasmanian story, founded on hard work, perseverance, aspiration and innovation.

Nearly every community in Tasmania is directly or indirectly linked to the wine sector. It attracts new arrivals to our island, young families who enrich our regional communities. It maintains the multi-generational, seasoned growers and makers, who support and mentor as well as continue to produce the premium wine for which our island is renowned.

Its reputation for quality and innovation is a magnet for investment, which further adds to growth in the longer term. Growth in our regional communities where it is often challenging to attract investment.

The Tasmanian wine sector families and their teams of 3,600 FTE staff are a major contributor to our state's prosperity. They pump dollars into our many small regional communities, from the Huon Valley to the Tamar Valley, from the East Coast to the North-West Coast, and beyond.

The next decade will be one of accelerated growth. Our wine is in such high demand, by 2040 annual production is projected to soar by between 127-392%.

That means the wine sector by 2040 will proudly become the Tasmanian economy's leading contributor across agriculture (vineyards), manufacturing (wineries) and wine tourism (cellar doors and national and international visitors).

The Tasmanian wine sector and the State Government have a shared aspiration for Tasmania to continue to be a global leader through high quality products, service and sustainable growth.

Sharing that aspiration – so well-founded on the extraordinary success of the wine sector to date – means building a strong partnership with government. Together we can continue to grow, delivering more jobs, more investment, more innovation, more excellence while burnishing the hard-won Tasmanian brand.

This is an exciting phase for the wine sector and for Tasmanians who are positively impacted by our high quality and high value product.

The success, consistent growth and shared aspiration will require shared investment and a targeted approach to maximise value and mitigate the risks of growth. These risks are many but not insurmountable, with an unwavering and targeted focus.

For Tasmania, we must continue to focus on quality, driving demand ahead of supply and our strong brand differentiation. It will require a more strategic, planned approach. Growth without sector-wide investment may risk the foundations we have worked so hard to build.

Through research and consultation, our sector has the evidence base to understand the opportunities and challenges between now and 2040. We understand the potential we can unlock and the strategic priorities to ensure we do it well. As a sector we have built to this level of Tasmanian, national and global success with our hard work and our own investment, now is the time to share our aspiration and the investment to set Tasmania up for further success as we work towards 2040.



Growth in the Tasmanian wine sector is being driven by:

- **Tasmania's brand** – strength and unity across a single wine region, with a distinct and premium reputation separate to the Australian mainland
- **Low barriers of entry** – affordable and available arable land, water security, relative pest and disease freedom
- **A changing climate** – with Tasmania's viticultural landscape to benefit more than most other wine regions
- **Consumer preferences** – towards authentic, socially responsible, sustainable, premium and lower alcohol wines
- **Global demand for Tasmanian wine** – becoming an essential part of a premium wine retailer / restaurant portfolio

BY 2040 THE TASMANIAN WINE SECTOR WILL ...

- Be the Tasmanian economy's **highest contributor** across agriculture (vineyards), manufacturing (wineries) and wine tourism (cellar doors and inbound visitors)
- **Outperform** all other sectors
- Increase its annual wine production by between **127-392%**
- Produce up to an additional **3.36 million dozen** bottles of wine annually
- Increase total vineyard area by up to more than **8,000 hectares**
- Require approximately **\$180 million** in annual inputs
- Require at least an additional **1,000 full time equivalent employees**

What success looks like:

- **Economic contribution** – the Tasmanian wine sector becomes the most significant contributor to the state's economy
- **Visitor economy** – wine tourism is one of the most significant drivers, supporting hospitality, events, attractions, accommodation and more
- **Sustainable and market-led growth** – quality and scarcity of Tasmanian wine is rewarded through increased value, global reputation, recognition of provenance and high quality
- **Business profitability & collaboration** – collaboration and diversity of business models are maintained, increased scale supports efficiencies, access to labour and suppliers
- **Regional employment** – a skilled workforce is attracted to the sector and supplier businesses
- **Social responsibility** – the Tasmanian wine sector is recognised as a leader in sustainability and social responsibility
- **Investment** – high profile global wine businesses invest, supporting reputational, value and market growth



STRATEGIC PRIORITIES TO ENSURE SUSTAINABLE GROWTH IN THE TASMANIAN WINE SECTOR

Wine Tasmania has undertaken an extensive research and consultation process over the last eighteen months to secure the evidence base to underpin these priorities. They are based on comprehensive research, data

analyses of current and projected demand, and a scan of other national and international markets to identify enablers and barriers to growth.

Further details including the background research and sector consultation is available on request.

Wine Tasmania's extensive research and consultation has secured the evidence base to underpin the following three key strategic priorities:

MARKET DEVELOPMENT

Drive the global demand, value and differentiated positioning of Tasmanian wine in the domestic and key export markets based on consumer and market research, with an expanded wine tourism offering and visitor attraction, supported by a vibrant wine culture among customer-facing staff

SUSTAINABLE WINE PRODUCTION

Demonstrate the highest sustainability credentials, include a carbon positive sector, facilitate access to labour and targeted skills, provide technical support and resources, create a specialist cool climate wine research hub

LEADERSHIP & REPRESENTATION

Support the achievement of high levels of state-wide sector profitability and business capabilities, maintain collaboration across diverse business models

The focus for Tasmanian wine producers:

“ continued focus on **quality** over quantity, sustained growth of **demand** not supply ”

“ strong brand **differentiation** with a **luxury quality** focus in the global wine market ”

“ attracting **young, talented, motivated** people to the island ”

“ more cellar doors that create a **world class** destination ”

“ collection of **premium** small to medium producers working together to create a regional **reputation for excellence** ”