

The perfect location for producing premium cool-climate wines

Tasmania is Australia's finest cool-climate wine producing region, already recognised for award-winning Pinot Noir, sparkling wine, Chardonnay and Riesling.

With a focus on market-led growth, Tasmania's wine sector has been steadily growing over the past ten years. It currently represents 1% of Australia's wine production by volume but more than 4% of its total value. The Tasmanian wine industry is small and dynamic with great potential for growth. The state has a well-earned reputation, both nationally and internationally, for producing premium cool-climate wines. This is reflected in the average value of Tasmanian wine grapes which in 2021 was \$3,146 per tonne compared to \$701 per tonne for the total of Australian grown grapes.¹

With a cool climate and long, sunny and dry autumns, Tasmania has ideal growing conditions for premium wines. Pinot Noir and Chardonnay in particular have done well, although other early ripening varieties have proven suitable for planting.

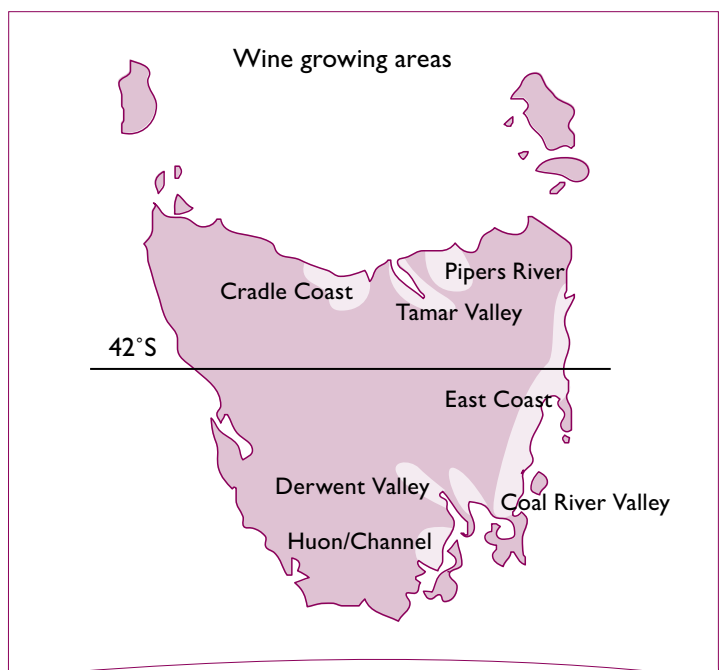
1. Wine Tasmania, *Why is Tasmania so awesome?*, 2021



Tasmania's wine industry is enjoying solid and sustainable growth, with recent investments and awards confirming the state's position as a premium cool-climate wine region.

Despite demonstrable geographic and style variations in viticultural areas across the island, Tasmania remains the only Australian statewide zone in its own right. This single Geographical Indication (GI) gives Tasmanian producers the advantage of a united marketing approach, and the wide recognition of Tasmania as a brand in national and international markets.

The wine industry has excellent growth prospects with vineyard plantings expanding by 25 per cent over recent years, thus creating further wine processing and wine tourism developments. The Tasmanian Government is eager to work with potential investors to secure value-adding investment for the wine industry within the state. Through the Office of the Coordinator-General, the government will tailor assistance to suit the specific requirements of potential investors.



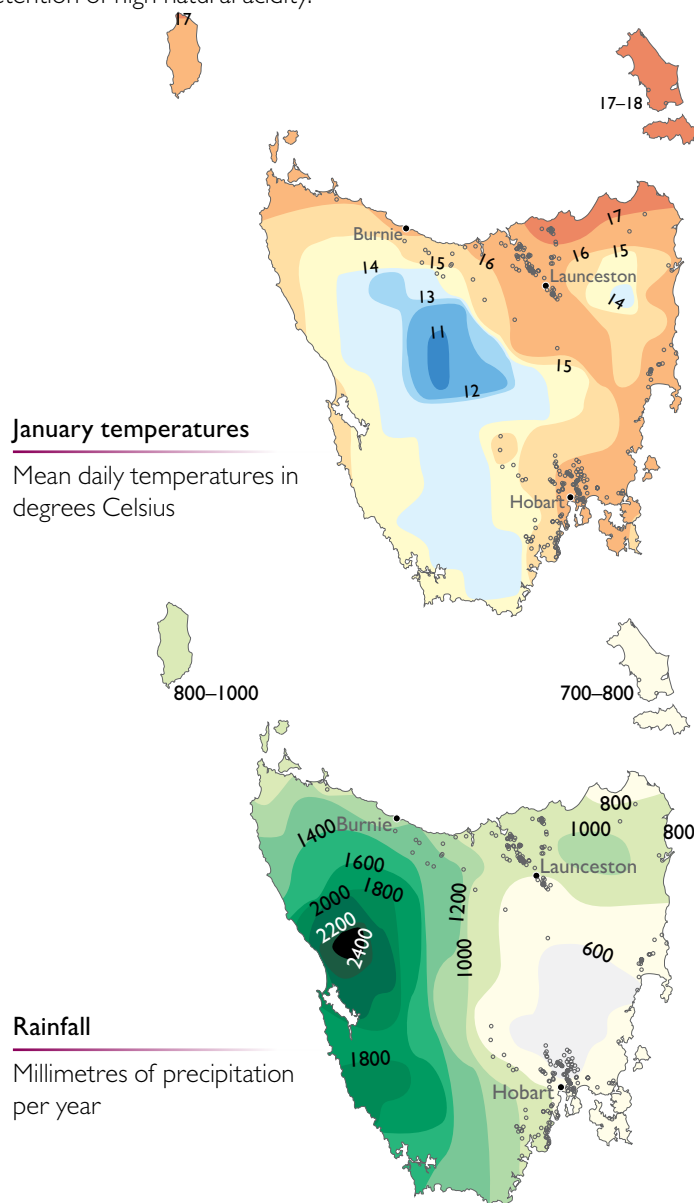
Key reasons for investing in the Tasmanian wine industry

- » Tasmania enjoys a temperate maritime climate, perfect for production of naturally elegant, premium cool-climate wines.
- » Demand is increasing for cool-climate wines, particularly Pinot Noir. The market-led approach by the Tasmanian wine sector has ensured demand continues to outstrip supply.
- » Both Tasmanian bottled wine and Tasmanian wine grapes consistently generate much higher average values than other Australian wine regions.
- » Land prices are lower than those in other Australian wine regions.
- » In addition to the state's natural water resource advantage, the Tasmanian and Australian Governments are co-investing with industry to establish a number of large-scale irrigation development projects.
- » Tasmania has an opportunity to further build on its reputation as a producer of premium cool-climate wines, and to further develop the wine industry's links with the state's tourism sector and the Tasmanian brand.
- » There is an opportunity to further develop the domestic market, with a focus on interstate trade and increasing brand recognition, and also to explore emerging international markets.
- » Tasmania's climate is not predicted to change as rapidly as other Australian regions and the forecast temperature changes are not likely to impact significantly on the state's suitability for grape growing.
- » Tasmania has a reputation for producing premium food products such as salmon, dairy, fruit, vegetables and red meat. The wine industry complements this production. There is an excellent opportunity to leverage the Tasmanian brand profile and continue to build links between the state's gourmet food and wine industries.
- » The state enjoys relative freedom from pests, diseases and weeds.

Why choose Tasmania?

Cool-climate advantage

Mild spring and summer temperatures, with warm autumn days and cool nights, allow the grapes to ripen slowly on the vine, resulting in maximum varietal flavour development and the retention of high natural acidity.



Source: 'Tasmania Wine and Gastronomy Map' ©2009 Martin von Wyss, vW Maps Pty Ltd. Vineyard locations (represented by dots) provided by VineFinders

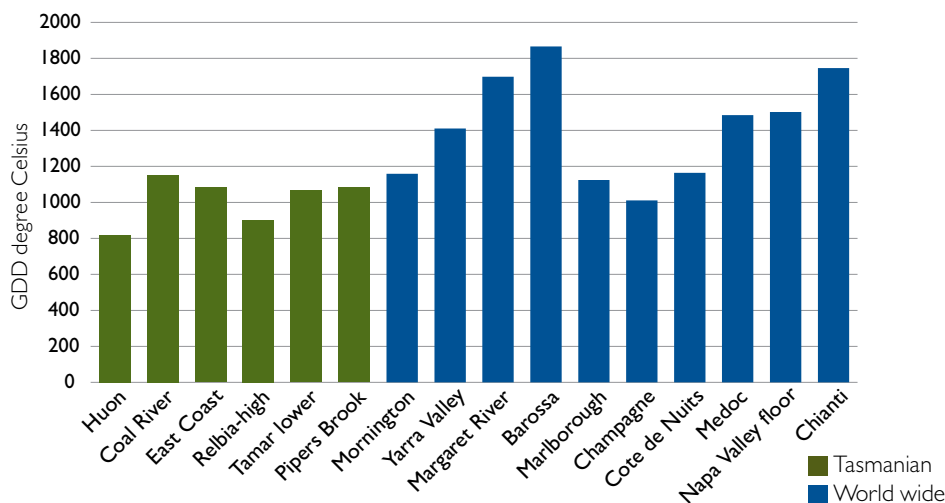
Growing days

This graph provides a comparison between growing degree days (GDD) for Tasmanian wine growing areas and a range of the world's wine regions. GDD is defined as a seven-month sum above 10 degrees Celsius base temperature, October to April inclusive in the southern hemisphere, and April to October in the northern hemisphere.

The graph shows the GDD similarity between Tasmanian wine producing areas and world-renowned cool-climate regions such as Champagne and Marlborough.

Data shown in the graph was prepared by Dr Andrew Pirie, M ScAgr PhD.

Wine growing areas / regions





Adaptive, flexible and innovative workforce

Not only are Tasmania's premium wines in growing demand, so too are positions in the sector's workforce. The island continues to attract bright, passionate and knowledgeable winemakers from across the country, as well as training and developing its own world-class winemakers.

A new breed of winemakers is reinforcing Tasmania's reputation for outstanding wine quality and innovation. These winemakers are drawn by Tasmania's natural advantages, which help them produce top wines, and by the lifestyle the island state offers.

Accessibility

In most instances, Tasmanian business operations will be located less than 100 kilometres from plant to port, providing fast access to distribution channels. Airports in Hobart, Launceston, Devonport and Burnie provide quick and easy access to mainland Australia. Air-freighted produce can arrive at interstate and overseas markets within 48 hours of dispatch, and there are frequent, efficient freight shipping services from Tasmania's major ports.

The Tasmanian Freight Equalisation Scheme provides financial assistance to Australian businesses shipping eligible freight across Bass Strait.

Disease freedom

As an island, Tasmania has a clear biosecurity advantage. Tasmania's biosecurity system is at the very core of the Tasmanian brand, as its natural environmental values and quality produce rely upon the state's relative freedom from pests, diseases and weeds.

Integrated pest management systems are commonly implemented by Tasmanian viticulturists. This ensures effective spray regimes, with applications kept to a minimum. Tasmania is free from grape vine phylloxera.

Strong trade

Tasmania's wine producers have had proven success in key domestic and international markets such as China, Hong Kong, the United Kingdom, the United States of America and Canada.

Tasmanian wine producers have successfully grown both domestic and global demand for premium cool-climate wines that exceeds current supply. Growth in this high-value category is in contrast to general market trends.

Sustainable water supply

The key to sustainable viticulture is the availability of a reliable water supply at key phases in the growing season. Tasmania's most significant natural resource advantage is water. Tasmania receives 13 per cent of the nation's annual rainfall run-off. This is more than twice the run-off of the entire Murray Darling Basin in South Eastern Australia. Tasmania does not have the water supply issues experienced in other parts of Australia and much of the world.

The Tasmanian and Australian Governments are establishing a number of large-scale irrigation development projects to deliver water with a reliability of at least 95 per cent to Tasmanian farming communities. This will enable the amount of irrigable land to double for production purposes.

More information is available at: tasmanianirrigation.com.au

Terroir

Tasmania's diverse landscape offers great potential for viticulture development. It is dominated by dolerite-capped mountains that shelter the state's wine regions from prevailing winds and rainfall.

Most successful viticulture development in Tasmania has been on the brown and red soils developed from both dolerite and basalt. The soils on dolerite offer stony, shallow, free-draining and warm soils suitable for long ripening. These soils are widespread in the state and offer a range of viticulture opportunities for investors.

Vintage

The Tasmanian vintage usually extends from mid-March, at the peak of the dry autumn when ripening occurs, to early May before the risk of frost and rain.

Due to its true cool climate and steady ripening conditions over an extended period, the Tasmanian vintage finishes later than the majority of Australian wine regions.



Quick facts

- » Tasmania is currently home to over 230 vineyards and 160 licensed wine producers.
- » Tasmania has a long viticultural history with records dating from 1823.
- » Principal varieties include Pinot Noir, Chardonnay, Sauvignon Blanc and Riesling.
- » Tasmania is widely recognised as the home of premium Pinot Noir and sparkling wine in Australia.
- » Tasmania enjoys a temperate maritime climate.
- » Tasmania is one GI, but has seven wine-growing areas around the state.

Explore the opportunities

The Office of the Coordinator-General is Tasmania's principal entity to attract and support investment in the state. It provides free confidential services and professional advice to investors, including:

- » providing information on Tasmania's industry capabilities and strengths, specific business opportunities, investment regulations and government assistance
- » assisting to identify and select the best Tasmanian site for a business
- » facilitating visits to Tasmania and arranging appropriate meetings and introductions
- » providing introductions to local industry, government departments and potential joint-venture partners
- » introductions to the government's trade team to assist access to export markets.

Useful contacts

AgriGrowth Tasmania Department of Primary Industries, Parks, Water and Environment

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