Wine Australia

Market Insights

Australian wine production, sales and inventory 2024–25

November 2025

Summary

- The 2025 Australian winegrape crush was 1.57 million tonnes, an increase of 11 per cent (155,000 tonnes) compared with 2024 but 8 per cent below the 10-year average of 1.71 million tonnes.
- Total Australian wine production from the 2025 vintage is estimated to be 1.13 billion litres, or 126 million 9-litre case equivalents. This is 9 per cent higher than in 2024 but 7 per cent (89 million litres) below the 10-year average of 1.22 billion litres.
- The production of red wine increased by 15 per cent, while the production of white wine increased by 2 per cent. Red wine returned to having the larger share of production (52 per cent) after falling below white in 2023–24. The difference in production volume between red and white was the second-smallest since 2014–15.
- The total volume of Australian wine sold in 2024–25 is estimated to be almost unchanged from the previous year at 1.08 billion litres (120 million 9-litre cases). Export sales accounted for 59 per cent of sales by volume – an increase of one percentage point year-on-year, while domestic sales accounted for 41 per cent.
- After total sales had exceeded production for the previous two years, in 2024–25 production exceeded sales by around 52 million litres or 6 million 9-litres cases (5 per cent).
- The national inventory of Australian wine as at 30 June 2025 is estimated to be 2.06 billion litres – 5 per cent higher than both the 2024 figure and the 10-year average (both 1.96 billion litres).
- After declining from a record high for the previous two years, the national stock-to-sales ratio (SSR) increased by 4 per cent in 2024–25 to 1.9, 15 per cent above the 10-year average of 1.66. Based on sales in 2024–25, this means an excess 262 million litres of wine in stock compared with the inventory required for the average SSR of 1.66.
- The white wine SSR was up by 19 per cent to 1.59 – taking it 15 per cent over its 10-year average of 1.38. This was due to the decline in white wine sales combined with the increase in production.
- The outlook for Australian wine has deteriorated in the past 12 months. Global consumption has continued to decline and remains lower than global production, despite reported adjustments occurring to vineyard areas in some countries.
- Over the past three vintages, the size of the Australian crush has been reduced from its potential seasonal maximum by temporary interventions rather than by reducing vineyard area. These measures can save costs for growers and avoid adding to inventories in the short term, but without significant vine removals, grape prices are unlikely to improve. Similarly, wine prices are unlikely to improve while Australia (and the world) has so much excess wine available compared with demand.
- An accurate understanding of the area of vineyards in Australia by variety and region is essential as a foundation for a sustainable grape and wine sector.

Overview

Production Vintage 2025

1.57m ▲ 11%
TONNES OF GRAPES CRUSHED

1.13b ▲ 9%
LITRES OF WINE PRODUCED

Sales 2024–25

$6.02b ▲ 5%
TOTAL VALUE (AUD)

1.08b ▲ 0.5%
LITRES OF WINE

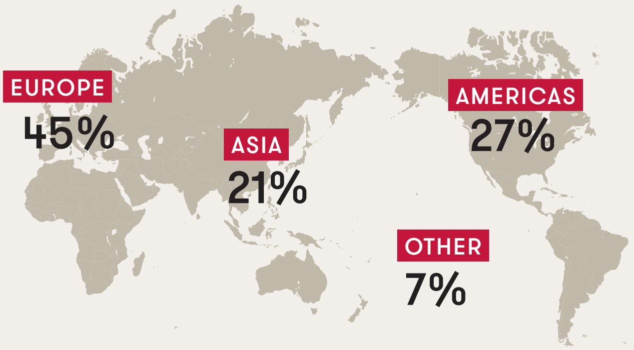
$2.5b ▲ 13%
EXPORT VALUE (AUD)

$3.5b ▶ 0%
DOMESTIC VALUE (AUD)

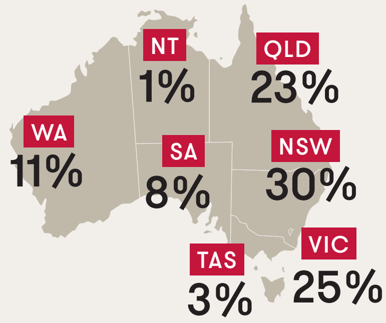
638m ▲ 3%
EXPORT VOLUME (LITRES)

443m ▼ -3%
DOMESTIC VOLUME (LITRES)

59%
EXPORTED VOLUME (SHARE OF EXPORTS)



41%
DOMESTIC VOLUME (SHARE OF OFF-TRADE SALES)



Inventory 30 June 2025

2.06 billion ▲ 5%
LITRES OF WINE

Key statistics

Table 1: Grape crush by colour (thousand tonnes)

	2024	2025	Change	10-year average	Change
Red grapes	697	836	20%	914	-9%
White grapes	713	729	2%	791	-8%
Total grape crush	**1410**	**1565**	**11%**	**1705**	**-8%**

Table 2: Wine production by colour (million litres)

	2023–24	2024–25	Change
Red wine	511	590	15%
White wine	531	544	2%
Total wine production	**1042**	**1133**	**9%**

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

	2023–24	2024–25	Change	10-year average	Change
Red	724	705	-3%	721	-2%
White	736	745	1%	711	5%
Total	**730**	**724**	**-1%**	**716**	**1%**

Table 4: Wine inventory by colour (million litres)

	2023–24	2024–25	Change
Red and rosé wine	1112	1145	3%
White wine	621	714	15%
Total still wine	1734	1859	7%
Sparkling	68	67	-1%
Fortified and other	160	130	-19%
Total wine inventory	**1961**	**2056**	**5%**

Table 5: Stock to sales ratios (years)

	2023–24	2024–25	Change	10-year average
Red	2.13	2.12	-1%	1.88
White	1.34	1.59	19%	1.38
Total	**1.82**	**1.90**	**4%**	**1.66**

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

	2023–24	2024–25	Change
Red and rosé	177	168	-5%
White	200	195	-3%
Sparkling (inc carbonated)	59	62	5%
Fortified	19	18	-6%
Total	**455**	**443**	**-3%**

Table 7: Domestic wine sales value

	2023–24	2024–25	Change
Total value ($ million)	3542	3538	0%
Average value ($/litre)	7.75	7.99	3%

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

	2023–24	2024–25	Change
Red and rosé	343	373	9%
White	263	253	-4%
Sparkling (inc carbonated)	12	12	-5%
Fortified and other	0.67	0.73	8%
Total	**619**	**638**	**3%**

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

	2023–24	2024–25	Change
Export sales	2188	2479	13%
Average value ($/litre FOB)	3.53	3.88	10%

Table 10: Total sales volume (million litres)

	2023–24	2024–25	Change
Red and rosé	522	541	4%
White	463	448	-3%
Sparkling (inc carbonated)	72	74	3%
Fortified and other	20	19	-6%
Total sales	**1077**	**1081**	**0.5%**

Table 11: Total sales value (A$ million)

	2023–24	2024–25	Change
Total sales	5730	6017	5%

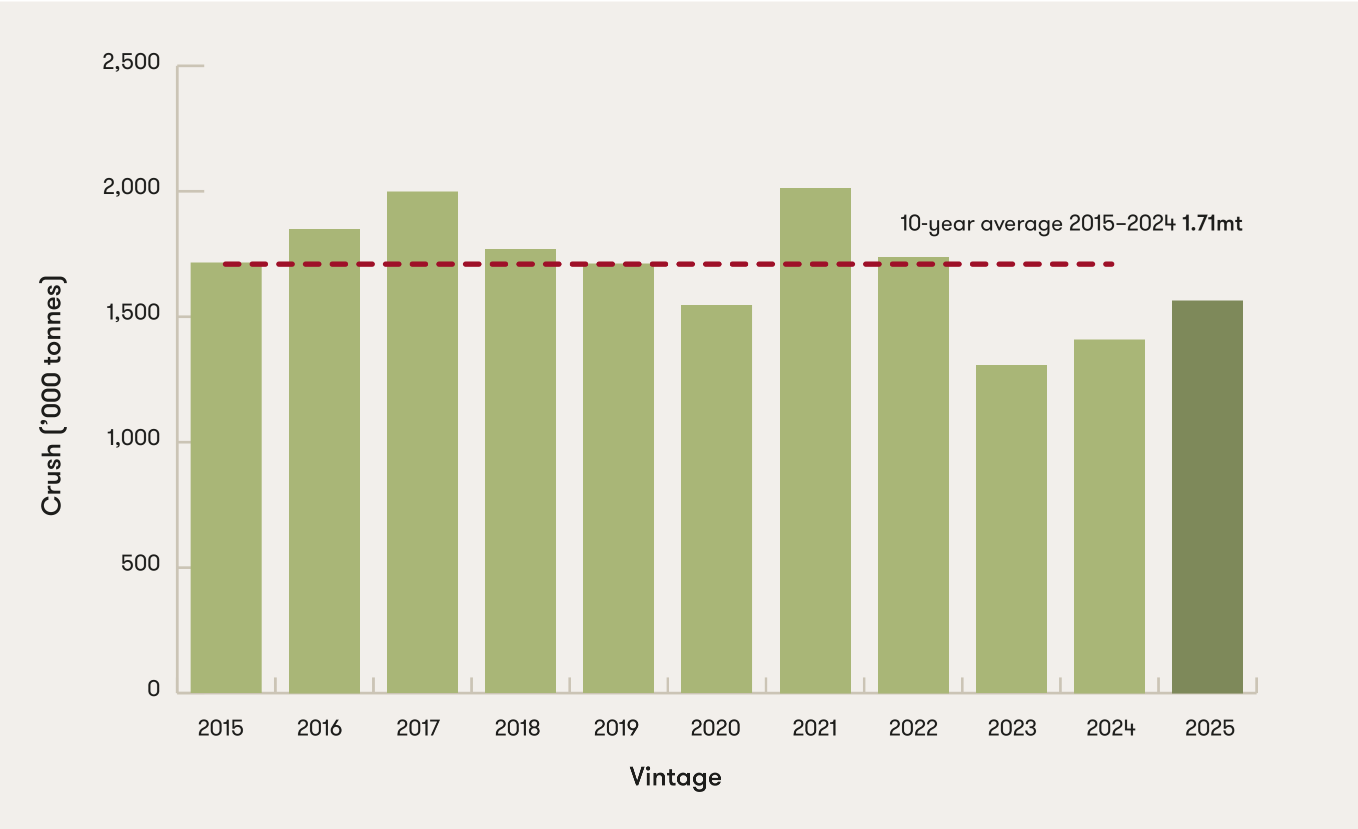
Production

Winegrape crush

The 2025 Australian winegrape crush was 1.57 million tonnes, an increase of 11 per cent (155,000 tonnes) compared with 2024 but 8 per cent below the 10-year average of 1.71 million tonnes.

The 2025 crush was the third vintage in a row to be below the long-term average, but was very close to the latest 5-year average (2020–2024) of 1.6 million tonnes, after producing the second successive increase since the 20-year low crush in 2023 (Figure 1).

Figure 1: **Australian winegrape crush 2015–2025**

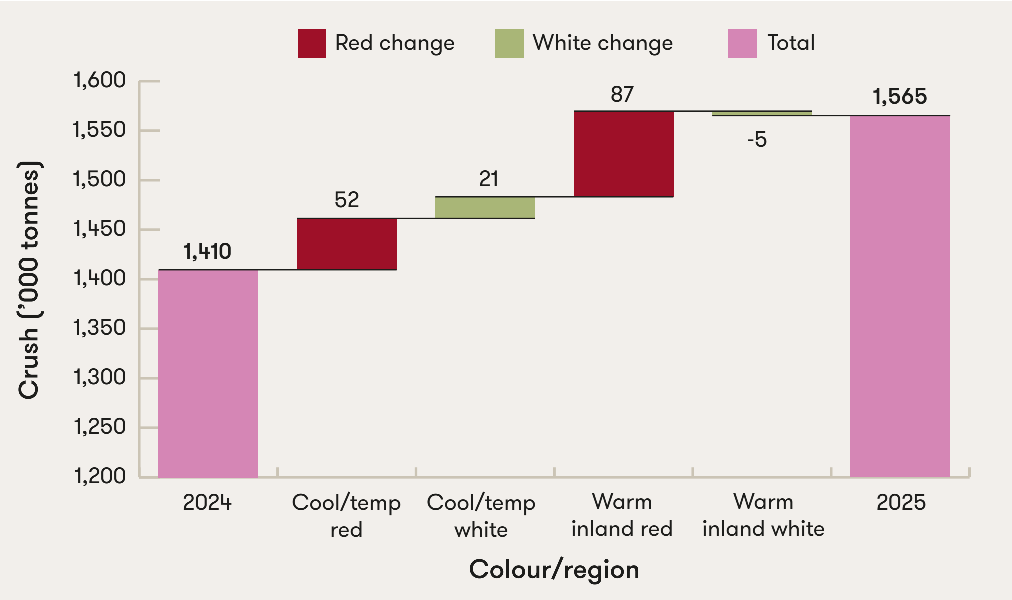


Source: Wine Australia National Vintage surveys

Most regions recorded an increased crush compared with the previous year, but smaller than the 10-year average.

Reds accounted for 89 per cent of the 155,000 tonne increase compared with the previous year, reversing the experience in 2024 when the overall increase was driven entirely by white varieties. The crush of red grapes increased by 20 per cent, with most of that coming from the warm inland regions. Conversely, the increase in whites came entirely from the cool-temperate regions (up 16 per cent) while the white crush from the warm inland regions decreased by 1 per cent, driven by a big reduction in Chardonnay (down 13 per cent) and Colombard (down 21 per cent). These varieties were heavily impacted by major spring frost events and had reductions across all the warm inland regions.

Figure 2: Change in crush by colour and location in 2025



Source: Wine Australia National Vintage Report 2025

After briefly overtaking reds to hold the majority share of the crush (51 per cent) in 2024, the different results for reds and whites in 2025 led to red's share jumping back up from 49 per cent to 53 per cent, while whites decreased their share back to 47 per cent. These percentages were close to the 10-year average, which is 54 per cent red and 46 per cent white.

For more details on the 2025 vintage, including details of the crush by region and variety, see the National Vintage Report or the National Vintage Survey dashboard on the Wine Australia website.

Wine production

Total Australian wine production from the 2025 vintage is estimated[1] to be 1.13 billion litres, or 126 million 9-litre case equivalents. This is 9 per cent higher than in 2024 but 7 per cent (89 million litres) below the 10-year average of 1.22 billion litres.

The increase in production was smaller than the increase in the crush, as a result of the slightly reduced overall extraction rate (down from 730 litres per tonne to 724 litres per tonne). This might reflect the diversion of more grapes to other products such as juice, concentrate or wine-based beverages, rather than an actual reduction in the amount of liquid derived per tonne of grapes crushed.

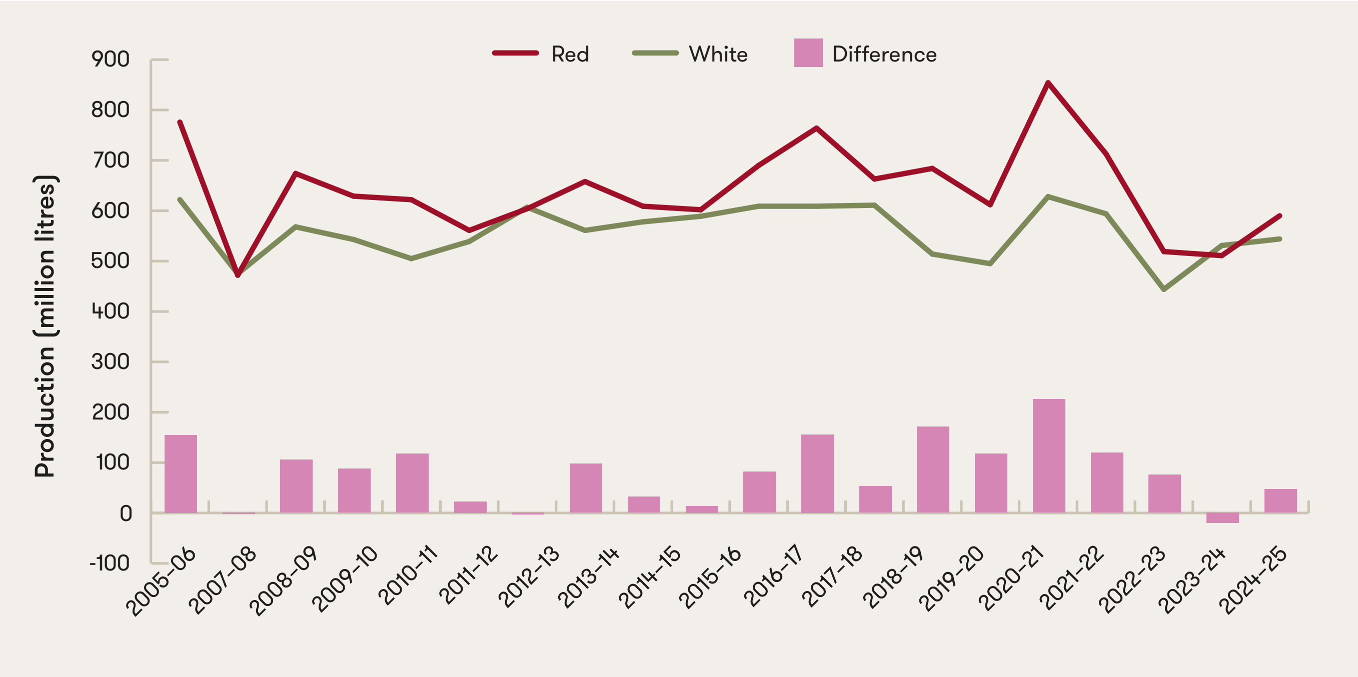
The production of red wine increased by 15 per cent, which was less than the increase in the crush of red grapes (20 per cent). The production of white wine increased by 2 per cent, in line with the increase in the crush of white grapes.

The extraction rate for red wine reduced by 3 per cent to 705 litres per tonne – 2 per cent below the 10-year average. Conversely, the extraction rate for white wine increased by 1 per cent to 745 litres per tonne (5 per cent above the 10-year average). These two results may be linked; i.e. some red grapes may have been diverted to make white wine, thus effectively reducing the red wine extraction rate and increasing the white wine extraction rate at the same time.

1 Estimate based on the annual Wine Production, Sales and Inventory survey – see Method section page 22

These differences in extraction rate had the effect of slightly increasing the share of white in total wine production compared with white's share of the grape crush (48 per cent compared with 47 per cent). However, the most notable aspect of the 2024–25 wine production was the fall in white wine's share of the total – decreasing from 51 per cent in 2023–24 (the first time it had exceeded red wine production since 2011–12) to 48 per cent, as red returned to having the larger share (52 per cent). The difference in production volume between red and white was the second-smallest since 2014–15 at 46 million litres (Figure 3).

Figure 3: Wine production by colour 2005–06 to 2024–25



Source: Wine Australia Production, Sales and Inventory surveys

Production by winestyle

Still wine accounted for an estimated 94 per cent of the total wine production reported above. Sparkling wine production[2] in 2024–25 is estimated to be 49 million litres (4 per cent of total production), of which 90 per cent was white. Carbonated wine production is estimated to be 11 million litres (1 per cent of total production), of which 97 per cent was white. Fortified wine production[3] is estimated to be 8.5 million litres (0.8 per cent), of which 25 per cent was white[4].

In addition to wine, it is estimated that a total of 42 million litres of 'other products'[5] was made from the 2025 crush. This is the same as was estimated last year[6]. Approximately two-thirds of 'other' production was white, which reflects the greater use of white grapes in wine products and wine-based beverages.

2 Includes all sparkling wine produced in the 2024–25 financial year

3 also from earlier vintage grapes

4 These wine styles are difficult to report accurately, as the volumes are relatively small, and they may not be able to be identified at the point that wine production is measured, if the end use is not known – or not recorded – at that time. The survey respondents may also not be representative of all wine businesses in terms of production of these winestyles.

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

6 based on the results of the Production, Sales and Inventory Survey 2024

Sales

Exports

The volume of Australian wine exported in 2024–25 was 638 million litres (71 million 9-litre case equivalents), 3 per cent higher than the 2023–24 figure of 619 million litres, but 11 per cent below the 10-year average of 717 million litres[7].

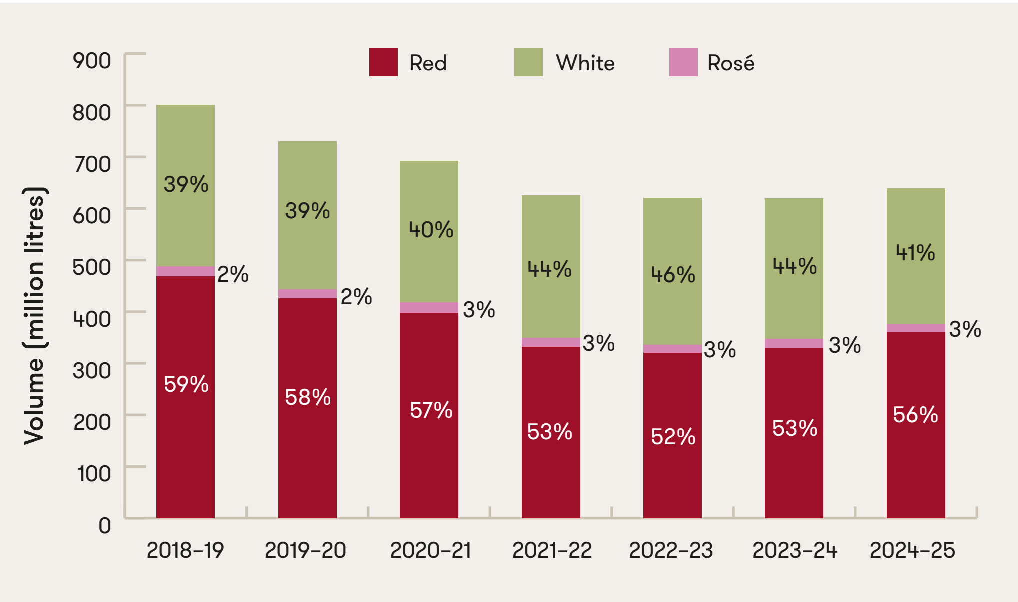
Exports of Australian wine have declined by 20 per cent in volume since 2019. This decrease equates to over 160 million litres – the equivalent of approximately 230,000 tonnes of grapes.

The increase in volume compared with 2023–24 was driven by exports to China, which grew by 53 million litres to 85 million litres in the latest 12-month period. Tariffs were removed from Australian packaged wine imports to China in March 2024, meaning that the 85 million litres represents the first full year of normal trading since the tariffs were imposed in late 2020. The volume exported to China was less than half what it was at its peak in 2017–18, representing a reduction that equates to approximately 130,000 tonnes.

The year-on-year increase in exports to China was partly offset by a decrease of 33 million litres to the rest of the world. Exports declined to all the other top 5 destinations (the United Kingdom, United States, Canada, Germany and New Zealand) – reflecting the global trend of declining wine (and alcohol) consumption across mature markets.

As a result of the increase in exports to China, which consisted of 88 per cent red wine, the amount of red and rosé still wine exported increased by 9 per cent to 373 million litres. Still white wine exports decreased by 4 per cent to 253 million litres as exports to other markets declined. The share of white wine decreased from 44 per cent in 2023–24 to 41 per cent, after having been 44 per cent or higher in the previous three years in the absence of the mainland China market (Figure 4).

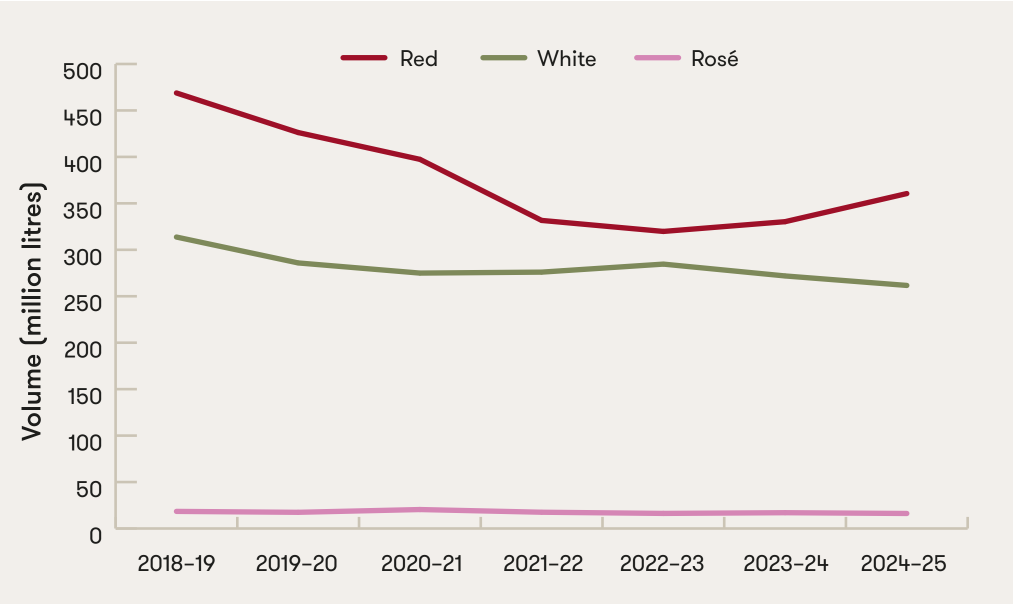
Figure 4: Volume and share of exports by colour 2019–2025



7 Export data extracted from the Wine Australia Licensing and Approval system.

Since 2019, red wine exports have shown a sharp decline, while white wine exports have remained relatively stable. Red wine exports have increased over the past 2 years but are still significantly lower than in 2019, when exports to China were at their peak (Figure 5).

Figure 5: Exports by colour 2019–2025



Source: Wine Australia Licensing and Approval System

The top three red varieties – Shiraz, Cabernet Sauvignon and Merlot – have all declined by more than the overall decrease in export volume over that time period, dropping from an 86 per cent combined share in 2019 to an 82 per cent share in 2025. Within the white varieties, Chardonnay also decreased by more than the overall and lost share from 57 per cent to 53 per cent. Sauvignon Blanc has shown a smaller overall decline, while the only major white variety to have grown since 2019 is Pinot Gris/Grigio. With most varieties being flat or showing small rates of growth or decline, the one contradictory trend is that the volumes of Shiraz and Cabernet Sauvignon used in *white* wine have increased significantly – each up more than 50-fold (5000 per cent) but from very low bases and each still accounting for only one per cent or less of exports of white wine.

These trends mean that the demand for the major six varieties in general has declined, both in absolute amounts and relative to other varieties.

Sparkling wine (including carbonated) accounted for just 2 per cent of total exports (12 million litres) and decreased by 5 per cent in 2024–25. 'Other' exports – ie fortified and dessert wine plus vermouth – accounted for less than 1 million litres (0.1 per cent of exports) and increased by 8 per cent in volume.

In addition to the above categories, wine products and wine-based beverages accounted for around 2 million litres of exports in 2024–25, a 30 per cent reduction since last year and less than 0.5 per cent of total exports.

Domestic sales

Based on the results of the Wine Production, Sales and Inventory (PSI) survey 2025, it is estimated that the volume of Australian wine sold domestically in 2024–25 was 443 million litres (49 million 9-litre cases), 3 per cent lower than in 2023–24 and 7 per cent below the 10-year average of 479 million litres. It was the second lowest volume since 2007–08.

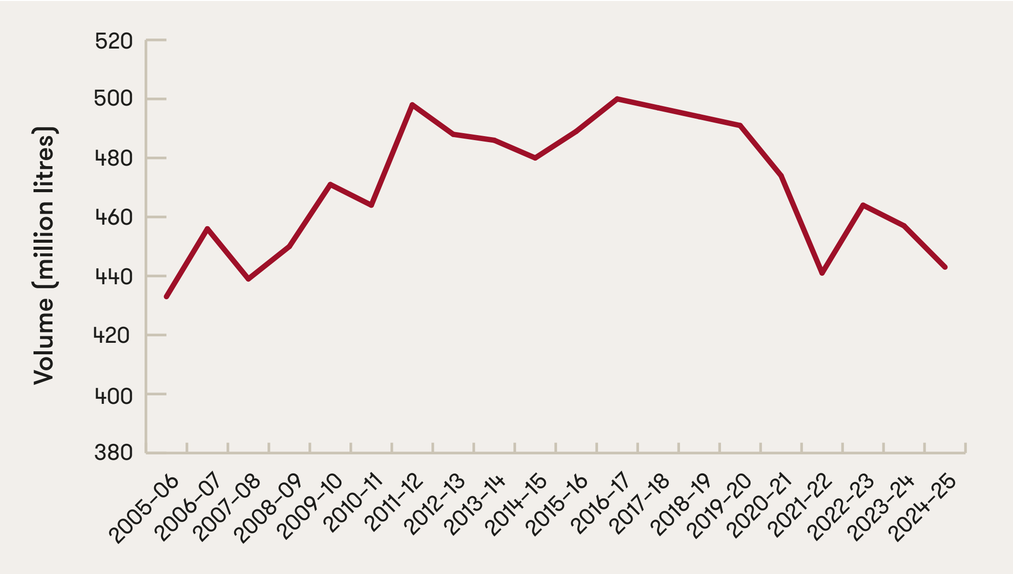
The Australian domestic wine market remained the largest single market for Australian wine, accounting for 41 per cent of total sales in 2024–25. This was one percentage point lower than in 2023–24, but still one percentage point above the 10-year average share, due to the greater decline in export sales volume.

Still red and rosé wine sales on the domestic market totalled 168 million litres in 2024–25, a decrease of 5 per cent compared with 2023–24, and 13 per cent below the 10-year average. Since reaching a peak of 212 million litres in 2018–19, sales of Australian red and rosé wine in Australia have decreased by an estimated 44 million litres (5 million cases). Red and rosé wine's share of total domestic sales has decreased from a peak of 43 per cent in 2018–19 to 38 per cent in 2024–25 – the lowest for 10 years (since 2014–15).

Still white wine sales were 195 million litres, 3 per cent lower than in 2023–24 and 6 per cent below the 10-year average. Still white wine accounted for 44 per cent of domestic sales, the same as last year, while sparkling, carbonated, fortified and 'other' wine products increased their share to 18 per cent. Sparkling and carbonated wine sales grew by an estimated 5 per cent, while fortified and other winestyles decreased by 6 per cent.

After growing fairly consistently for 10 years between 2006–07 and 2016–17, sales of Australian wine in Australia have been gradually declining for most of the last decade. Based on the PSI survey time series, sales of Australian wine on the domestic market have decreased by 11 per cent since peaking in 2016–17 (Figure 6). The decrease is around 57 million litres, or just over 6 million 9-litre case equivalents. Total volume of sales is now estimated to be only around 10 million litres more than it was nearly 20 years ago (in 2005–06). During that time, the population has grown by 7 million (35 per cent).

Figure 6: Sales of Australian wine on the domestic market over time



Source: Wine Australia Production, Sales and Inventory surveys and ABS surveys (pre-2015)

The declining trend found in the PSI survey results is consistent with findings from other related data sources. According to the IWSR, total consumption of wine in Australia declined by an annual average of 3 per cent each year between 2019 and 2024, while the Australian Institute of Health and Welfare calculated that per capita wine availability in Australia[8] in 2023–24 decreased by 6 per cent year-on-year, to be its lowest since 2015–16.

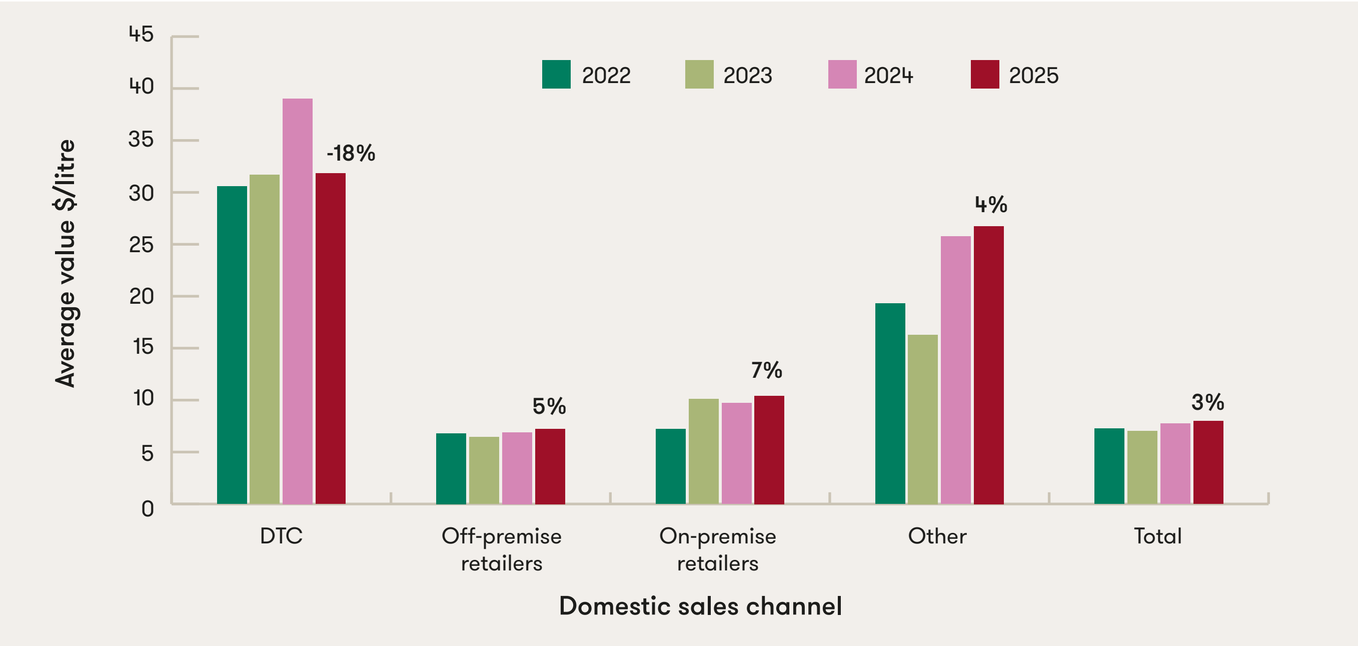
Looking at sales by channel, the results of the PSI survey indicate that sales to off-premise retailers accounted for 93 per cent of domestic sales by volume, with sales to on-premise retailers (i.e. restaurants, wine bars, hotels and clubs etc.) accounting for 5 per cent and direct-to-consumer sales (DTC) accounting for 2 per cent. 'Other' was less than 1 per cent of sales and could include a number of different types of sales such as events, trade tastings, specialist online retailers etc.

It should be noted that the survey respondent group consists entirely of wineries producing over 1 million litres (over 150,000 cases) and therefore these shares of sales by channel may not be representative of smaller wine businesses. Previous research conducted by Wine Australia[9] has shown that DTC makes up an increasing share of sales as business size gets smaller, with DTC sales accounting for over 50 per cent of total sales volume for businesses producing fewer than 5000 cases.

For the survey respondent group[10], DTC sales grew by 15 per cent in volume in 2024–25, while off-premise sales declined by 7 per cent and on-premise declined by 19 per cent. Conversely, average value declined for DTC sales but increased for the other channels (Figure 7). Overall, the average value of domestic sales for Australian winemaking businesses increased by 3 per cent to $7.99 per litre or $5.99 per 750 ml equivalent. Note: this figure is made up of a mix of wholesale and retail sales but is dominated by wholesale sales to off-premise retailers.

The increase in average value was offset by the decrease in sales volume, resulting in almost no change to the overall estimated value of domestic sales to winemakers ($3.54 billion).

Figure 7: Average value of sales by channel and year plus YoY percentage change in 2024–25



Source: Wine Australia Production, Sales and Inventory surveys

8 Calculation based on Wine Equalisation Tax (WET) paid and estimates of average alcohol content produces a measure of the amount of wine 'available for consumption' per person in Australia

9 Wine Direct-to-Consumer Survey Report 2021

10 Matched responses only – i.e. wineries that responded in both 2023–24 and 2024–25 – accounting for around 50 per cent of total estimated domestic sales by volume

Total sales

The total volume of Australian wine sold in 2024–25 is estimated to be almost unchanged from the previous year at 1.08 billion litres (120 million 9-litre cases).

The near-identical overall result was a combination of an increase of 19 million litres (4 per cent) in still red (including rosé) wine sales, driven by exports, while still white wine sales decreased by 15 million litres (3 per cent), with both export and domestic sales declining. Export sales accounted for 59 per cent of sales by volume – an increase of one percentage point year-on-year, while domestic sales accounted for 41 per cent.

Still white wine's share of total sales fell from 43 per cent in 2023–24 to 41 per cent, while red and rosé wine increased their combined share from 48 per cent to 50 per cent in 2024–25. Sparkling and fortified made up the remaining 9 per cent.

The total revenue to Australian wine producers from export and domestic sales in 2024–25 is estimated to be $6.02 billion, an increase of 5 per cent compared with the previous year, driven by a 13 per cent increase in export value.

After total sales had exceeded production for the previous two years, in 2024–25 production exceeded sales by around 52 million litres or 6 million 9-litres cases (5 per cent).

Inventory

Current stock levels

The national inventory of Australian wine as at 30 June 2025 is estimated to be 2.06 billion litres[11]. This is 5 per cent (94 million litres) higher than both the 2024 figure and the 10-year average (both 1.96 billion litres).

After decreasing by 13 per cent in 2023–24, the inventory of still wine increased by 7 per cent to 1.86 billion litres – 3 per cent above the 10-year average.

Most of the increase was in white wine, which increased by 92 million litres (15 per cent) to 714 million litres, 5 per cent above the 10-year average and the highest since 2017–18.

Red wine inventory increased by 3 per cent (33 million litres) to 1.15 billion litres, bringing it closely in line with the 10-year average (1.12 billion litres).

Stocks of sparkling/carbonated, fortified and other products decreased overall, after increasing last year. These figures are harder to estimate reliably but tend to remain around 150-200 million litres (10 per cent of total inventory).

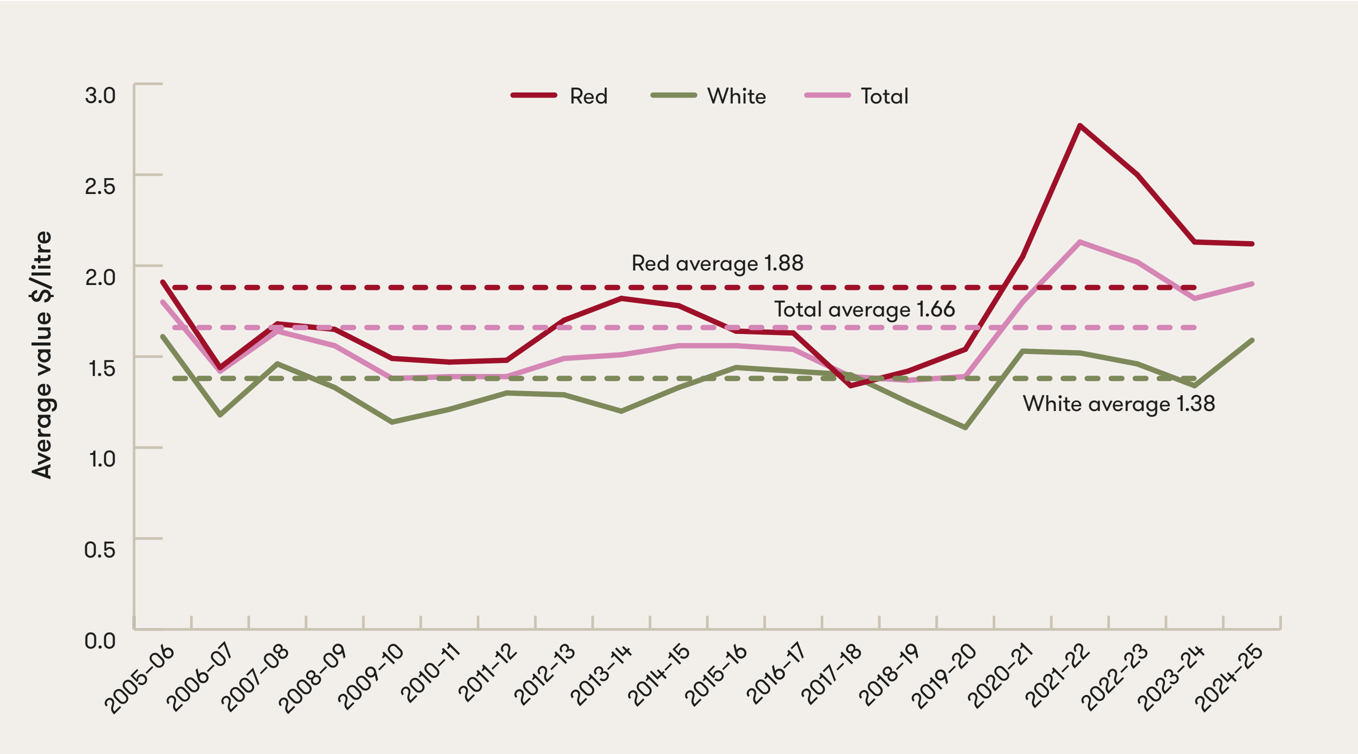
11 Based on responses to the Production, Sales and Inventory Survey 2025.

Stock-to-sales ratio

The stock-to-sales ratio (SSR) is the amount of wine held in stock relative to a year of sales. An SSR of 1.5 means the amount of wine held in stock is the equivalent of 1.5 years' worth of sales. An 'ideal' SSR depends on an individual winery's business model, but is generally higher for red than for white wine due to longer maturation times.

The SSR for Australian wine at a national level was relatively stable at around 1.49 between 2005–06 and 2019–20. However, since then it has jumped significantly, to be above 1.8 for each of the past five years and peaking at a record 2.13 in 2021–22 (Figure 8).

Figure 8: **Stock-to-sales ratio for wine by colour 2006–2025 and 10-year averages**



Source: Wine Australia Production, Sales and Inventory surveys

After declining from this record high for the previous two years, the national SSR increased by 4 per cent in 2024–25 to 1.9, which is 15 per cent above the 10-year average of 1.66. Based on sales in 2024–25, this means an additional 262 million litres of wine in stock compared with the inventory required for the average SSR of 1.66.

The overall increase was driven by the white wine SSR, which was up by 19 per cent to 1.59 – taking it 15 per cent over its 10-year average of 1.38.

On the other hand, the SSR for red wine decreased slightly to 2.12 – still well above its 10-year average of 1.88.

Outlook

Demand

The consistent theme of declining alcohol consumption around the world, particularly affecting wine, has continued this year.

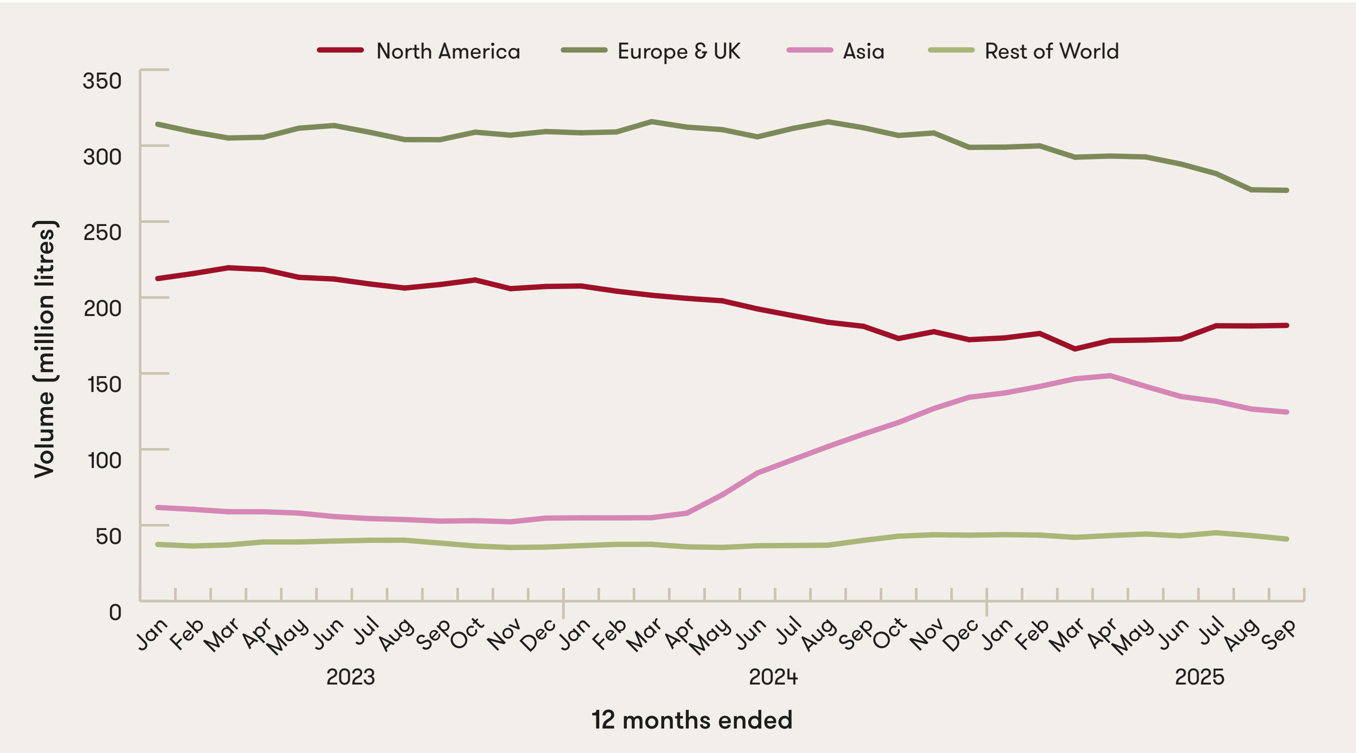
The OIV[12] estimates that world wine consumption in 2024 was 21.4 billion litres – a decrease of 3.3 per cent compared with 2023, and representing the lowest level since 1961. While people were drinking far more wine per person back then, the population was much smaller.

After growing steadily since 2000, OIV figures show that wine consumption has declined fairly consistently since 2017, apart from a small rebound in 2021 when COVID-19 restrictions ended in many countries. Consumption is now estimated to be about 1 billion litres less (5 per cent) than it was in 2000, during which time the global population grew by 33 per cent from 6 billion to 8 billion people.

Between 2021 and 2024, the number of wine drinkers around the world fell by 5 million. The decline was particularly pronounced in some of Australia's key wine markets. For example, the number of wine drinkers in Japan fell by 2.6 million, in China by 2.4 million, in the UK by 1.7 million, and in Australia by 1.6 million[13].

The decline in global demand for wine is reflected in Australia's export figures. Since the period reported in this report (the 2024–25 financial year) exports have seen a further decline, with the total exports for the 12 months ended September 2025 being 3 per cent lower than for the 12 months to June 2025. Since the year ended January 2023, despite a doubling in exports to Asia following the removal of tariffs on exports to China, overall wine exports have declined by 1 per cent, driven by a 15 per cent decline to North American markets and a 14 per cent decline to European markets (including the UK) – see Figure 9.

Figure 9: **Rolling 12-month volume of exports by destination region**



12 International Organisation of Vine and Wine
13 IWSR 2024

Declining global wine consumption is the result of both short-term and long-term factors. Global economic and geopolitical disruptions have led to increased production and distribution costs and higher wine prices, while consumers have less disposable income due to higher general inflation. Most recently, the tariffs introduced in the US have added further uncertainty and reduced demand among consumers and global bulk wine buyers. In mid-2025, Ciatti reported that 'the quietness in the bulk wine market is more fundamental [than just the Northern Hemisphere summer holiday]'. Meanwhile, changes in taste preferences and social behaviours particularly among younger consumer cohorts, health and wellness concerns, and more competition from other alcoholic products have reduced demand for wine, particularly in mature markets. This gradual structural shift, exacerbated by short-term economic pressures, has resulted in a 'perfect storm' negatively affecting demand for wine.

While the economic and geopolitical climate may improve in the next few years, the structural changes are unlikely to reverse. Any upswings in demand are unlikely to reach the previous peaks. Wine consumption in China, in particular, is not expected to recover to pre-2020 levels. Although pockets of opportunity exist for Australian wine, particularly in emerging markets and for premium and/or lighter style wines, these are not on a scale to replace the losses in sales volume from mature markets, particularly for commercial wine.

IWSR forecasts that global wine consumption will decrease by a total of 8 per cent in the next five years. This equates to a total reduction of approximately 1.5 billion litres of wine. Two-thirds of this reduction is forecast to be in commercial wines (i.e. those that retail for less than US$10 or equivalent in other currencies). If the IWSR forecasts eventuate, then the global wine market will have shrunk by 20 per cent over the decade. The total loss in wine consumption would be more than four times the size of Australia's annual wine production volume.

Domestically, Australia is showing the same trends as other mature markets. IWSR forecasts that Australia as a wine market will decline by an average of around 0.4 per cent per year over the next five years. While this is not a large decline, it still represents a further contraction in an already shrinking market and one faced with increasing pressure from imports.

Supply

Globally, wine production has also decreased in the past few years, with the 2023 and 2024 global vintages being historically low, according to the OIV. However, the OIV attributes most of the decrease to seasonal factors, which severely impacted harvest volumes across major wine-producing regions in both the northern and southern hemispheres, rather than vine removals that would reduce total supply potential. Vineyard area is reported to have declined by less than 1 per cent in 2024 compared with 2023. In the past 24 years it has only decreased from 7.8 million hectares to 7.1 million hectares – a total decrease of 9 per cent over the period or less than 0.5 per cent on average per year.

Anecdotally, there have been reports of more extensive recent vine removals in some countries – particularly Chilé, where Ciatti[14] reports that up to 20 per cent of vineyard area has been removed in the past 2 years (2023 and 2024). In good news for the local industry suggesting that supply adjustments are having a positive impact, Ciatti also reported in November 2024 that Chilean wine is in short supply, with expectations of a shorter crop in 2025 due to vine removals leading to upward pressure on bulk wine pricing.

In California, a recent report commissioned by the California Association of Winegrape Growers[15] assessed that 38,000 acres (16,000 hectares) of vineyards were removed in the preceding season. This amounts to around 7 per cent of the total area. Some growers have reportedly taken the opportunity to replace unproductive vines and/or unpopular varieties while demand for grapes is down.

In France, over €100 million in subsidies has been allocated to remove 30,000 hectares of vineyards, most notably in Bordeaux, a predominantly red grape growing region.

While the reduction in vineyard area globally should reduce oversupply, the total vintage in 2024 was still higher than consumption by around 1 billion litres, and this was in spite of the significant seasonal factors ‘dramatically impacting vineyard productivity’ according to the OIV.

There is no evidence of a meaningful tightening in supply that would lead to a global shortage of wine occurring within the next five years. Recently released first global wine production estimates from OIV for 2025 estimate world production in 2025 to be 23.2 billion litres – an increase of 3 per cent compared with 2024. While this is still low by historical standards, it is likely to exceed consumption, which was 21.4 billion litres in 2024 and is forecast to decline further in 2025[16].

In Australia, there has been no measure of total national vineyard area since 2019. There have been anecdotal reports of significant areas of vineyard being removed in some regions in the past 2 years, but no accurate, complete information is available either on removals or on new plantings or replacements. In South Australia, which accounts for approximately half of the supply base, total vineyard area decreased by just 2 per cent (less than 1500 hectares) between 2021 and 2024[17].

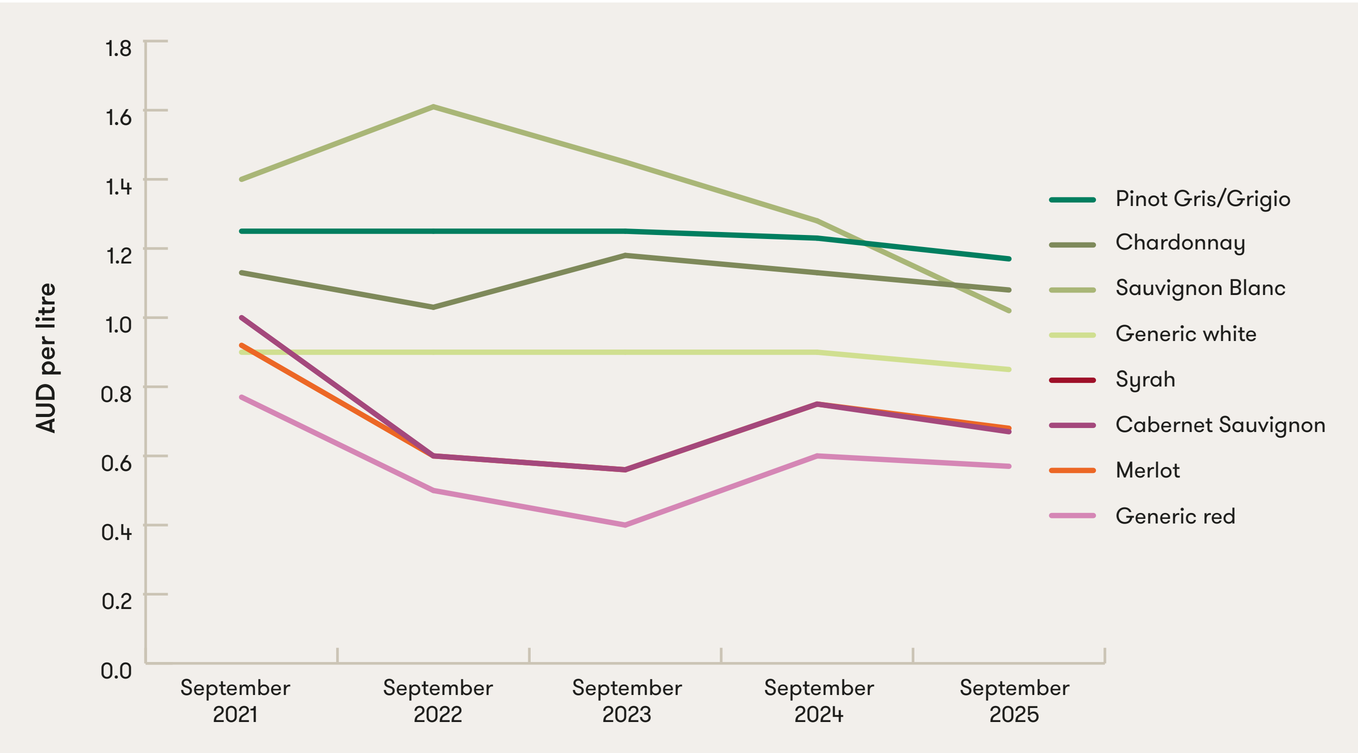
14 Global Market Reports
15 2025 Standing Winegrape Acreage report, November 2025
16 IWSR forecast 2024
17 Vinehealth Australia South Australian Vineyard Register

Looking ahead to Vintage 2026

Irrespective of seasonal factors, the market conditions as described above set a backdrop of low demand and low prices for grapes in vintage 2026. These unfavourable market conditions are compounded by the high stock levels carried forward from the 2025 vintage.

While Australian wine stocks remain above desired levels and the wine market both locally and internationally is oversupplied, there is little opportunity for wine prices to increase. The current oversupply of commercial Australian wine is reflected in the fact that the offer prices for all major Australian wine varieties on the global bulk wine market are lower than they were four years ago (Figure 10), and lower than the prices for any of Australia's main competitors (Chilé, Italy, South Africa and Spain).

Figure 10: Bulk wine offer prices for Australian wine by month and year



The current global bulk market offer prices for Australian red wine varieties equate to around $245 per tonne, if 30c per litre is deducted to allow for processing – and nothing allowed for any other costs such as freight or overheads. It is clear that this price is not sustainable for grapegrowers or winemakers.

After small positive improvements in the stock-to-sales ratios were made in the previous two years, better aligning intake with demand, 2024–25 saw production exceed sales, adding to stock levels. The intake of red grapes from inland regions in 2025 increased by nearly 87,000 tonnes, despite the SSR at the end of June 2024 being over 2.0. Production of red wine in 2024–25 exceeded sales by around 28 million litres (5 per cent), and production of white wine exceeded sales by around 23 million litres (4 per cent)[18].

Given that sales are not likely to increase significantly in 2025–26, this means that a vintage in 2026 of a similar size to 2025 would still be more than required to meet demand and would add further to stock levels. Instead, it is more likely that intake will be cut back in 2026, and/or grape prices reduced further if wineries are required by contracts to take the unwanted fruit.

Meanwhile, water costs are likely to be higher in the upcoming season due to declining water storage levels, low forecast streamflows for much of southern Australia and low general security water allocations.

Over the past three vintages, the size of the Australian crush has been reduced by temporary interventions such as not growing, not harvesting or not crushing grapes (as well as by seasonal impacts) rather than by reducing vineyard area. These measures can save costs for growers and avoid adding to inventories in the short term, but without significant vine removals, grape prices are unlikely to improve. The excess *potential* supply means that there is no shortage of grapes for winemakers to purchase and therefore no upward pressure on grape prices. This is impacting both red and white grapes, but most acutely reds due to the high stock overhang. The increase in SSR for whites in 2024–25 is likely to worsen the situation for white varieties compared with last year, particularly since the global market no longer has a shortage of white grapes.

Until vineyard removals reduce the available supply of winegrapes in Australia to match the amount of Australian wine that can be sold at a sustainable price, the profitability of both growers and winemakers will continue to be undermined. Determining what that sustainable amount is, and how many hectares of vineyards are needed to sustain it (by variety and region) is a pressing challenge currently being addressed by the wine sector. In the meantime, any business – winemaking or grapegrowing – that is not currently sustainable is unlikely to see any improvement.

18 Sales figures include allocating sparkling and fortified into red and white

Historic wine production sales and inventory statistics

		2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25
Red											
Crush	(thousand tonnes)	958	1100	920	934	849	1151	959	710	697	836
Extraction rate	(litres per tonne)	715	697	717	726	720	734	743	729	724	705
Wine production	(million litres)	690	764	663	684	612	854	713	519	511	590
Red share of total production	(percentage)	53	56	52	57	56	58	55	54	49	52
Inventory	(million litres)	1010	1085	990	990	997	1242	1440	1295	1112	1145
Exports (still wine)	(million litres)	424	465	530	483	440	412	343	331	343	373
Domestic sales (still wine)	(million litres)	191	202	208	212	206	194	176	188	177	168
Total sales (still wine)	(million litres)	615	667	738	695	646	607	519	519	522	541
SSR	**(years)**	**1.64**	**1.63**	**1.34**	**1.42**	**1.54**	**2.05**	**2.77**	**2.50**	**2.13**	**2.12**
White											
Crush	(thousand tonnes)	892	898	849	777	694	855	775	604	713	729
Extraction rate	(litres per tonne)	692	680	715	653	713	727	766	734	736	745
Wine production	(million litres)	609	609	611	514	495	628	594	444	531	544
Inventory	(million litres)	743	739	731	643	544	706	690	689	621	714
Exports (still wine)	(million litres)	292	296	307	306	280	263	268	277	263	253
Domestic sales (still wine)	(million litres)	225	224	215	208	210	199	185	195	200	195
Total sales (still wine)	(million litres)	518	520	522	515	490	463	453	472	463	448
SSR	**(years)**	**1.44**	**1.42**	**1.40**	**1.25**	**1.11**	**1.53**	**1.52**	**1.46**	**1.34**	**1.59**
Total											
Crush	(thousand tonnes)	1850	1998	1769	1711	1543	2005	1734	1315	1410	1565
Extraction rate	(litres per tonne)	704	690	716	691	717	731	753	732	730	724
Wine production	(million litres)	1299	1374	1274	1197	1090	1482	1307	964	1042	1133
Inventory (table wine)	(million litres)	1752	1824	1721	1633	1541	1948	2130	1984	1734	1859
Inventory (total*)	(million litres)	1905	1970	1876	1769	1701	2103	2271	2190	1961	2056
Exports (table wine)	(million litres)	716	761	837	789	719	675	611	608	606	626
Exports (sparkling and fortified)	(million litres)	13	17	15	12	11	18	15	13	13	12
Domestic sales (still wine)	(million litres)	416	426	423	420	416	394	362	383	379	363
Domestic sales (sparkling and fortified)	(million litres)	73	74	74	74	75	81	79	81	78	80
Total sales *	(million litres)	1218	1278	1349	1295	1221	1167	1066	1085	1076	1081
SSR	**(years)**	**1.56**	**1.54**	**1.39**	**1.37**	**1.39**	**1.80**	**2.13**	**2.02**	**1.82**	**1.90**

* includes fortified, sparkling and wine products

Explanatory notes

Survey method

Wine Production, Sales and Inventory Survey 2025

Wine Australia's Wine Production, Sales and Inventory survey 2025 was sent to the top 50 wineries based on grape crush size in 2025. The survey was conducted in October 2025.

Wine Australia received responses from 38 wineries, including all of the top 20 by volume, accounting for an estimated 81 per cent of the total grape crush in 2025 (but only an estimated 50 per cent of domestic sales). 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 the smaller categories of 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 to the survey results, a number of other data sources are used to inform the final figures, including: Australian Bureau of Statistics, Circana (formerly IRI MarketEdge), Growth Scope, IWSR, Dept of Agriculture, Fisheries and Forestry (Levies Revenue Service), OIV and Wine Australia.

Notes on calculations

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.

Wine production

Wine production is estimated by calculating the share of the total crush[19] represented by the survey respondents, and raising the reported wine production figure for the survey respondents by the remaining share, i.e. the respondents are assumed to account for the same share of production as they do of the crush.

Domestic sales volume

The method used in this report for estimating domestic market consumption relies on combining survey results with external data from market research companies IWSR and Circana relating to retail sales (because the survey results only provide around 50 per cent coverage of domestic sales and are weighted towards larger wineries and commercial retail sales).

Domestic sales value

Domestic sales value is based on winemaker reported sales value in the PSI survey 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.

19 as reported in the *National Vintage Survey 2025*

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., overall it is within 2 percent of the reported figure.

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Further information on this report can be obtained from the Market Insights team at Wine Australia on 08 8228 2000 or market.insights@wineaustralia.com.