



HD **Chinese** eye Down Under for **wine**
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HUNTER VALLEY: It is harvest time in Australian vineyards and grape pickers are working round the clock to take advantage of favourable weather conditions.

In recent days, much of Australia's premium **wine** is **sold** to **China** -- Australia's second largest export market in terms of value -- and other parts of Asia.

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China's growing love affair with **wine** has also prompted many of its countrymen to put their money where their mouth is, with more and more Australian vineyards being **purchased** by **Chinese business** interests.

Hunter Valley is one of Australia's most recognised **wine** regions. Grapes have been picked in the region since the early part of the 19th century. Although it is only responsible for about three per cent of the country's total production, the quality of the **wine** means it punches well above its weight.

Chris Tyrrell is a fifth generation winemaker. His great, great grandfather settled in the Hunter Valley in 1858 and the **company**, Tyrrell's Wines, is now one of the Hunter's best-known.

He said: "I think the lucky thing about the Hunter is we are not producing those hugely **commercial** low-end price wines. We are more at the premium end here so we have always had a pretty strong footing in the premium side of the market."

It is the height of the grape picking season in the Hunter Valley and the race is on to complete the harvest before any deterioration in the weather, as even a few showers can have an impact on the final quality of the **wine**.

Harvest time is always a worry. In the past few years, bad weather has damaged the grapes in the final weeks of production, so viticulturists are keeping their fingers crossed there would not be any heavy rain.

"Because of our growing season, we haven't had the disease pressure we often have so the grapes are of really good quality. The sugar levels are great and they are now starting to get the flavor that winemakers really look for," said viticulturist Ken Bray.

Roughly 25 per cent of Hunter Valley **wine** is exported, mainly to **China** and other parts of Asia.

In the past decade, **wine** sales to **China** have soared. In terms of value, Australia is now the second largest exporter of **wine** to **China** after France with annual sales worth more than \$250 **million**.

China's growing love for the grape has also encouraged many **Chinese** to **buy** their own vineyards in Australia. In the Hunter, nearly 20 vineyards are now under **Chinese** ownership. Honeytree **estate** at nearby Polkoben was recently **sold** to a **Chinese company** for \$1.7 **million** dollars.

Many also see vineyards as a good long-term investment.

"I think everyone has always viewed the **Chinese** as very astute **business** people and I think they (the **Chinese**) are seeing the appeal of **wine** to the **Chinese** palate," said Gus Maher from the Hunter Valley **Wine** Association.

"Also the view is as a nice plaything to have. If they've got money, they also want to be involved in the **wine** industry."

In truth, there are other motivations as some **Chinese** are looking to **buy** vineyards for immigration purposes, with particularly strong interest from investor visa applicants.

Cain Becket, a real **estate** agent said: "There are a number of different reasons why they are interested... -- predominantly the **Chinese** fascination with **wine** and the growing **wine** market in **China** -- but also because of the associated residency and visa options that are associated with a **property** like this."

The lower value of the Australian dollar is also boosting interest. It makes vineyards cheaper for overseas buyers and also makes **wine** export sales more profitable. If the weather holds, the Hunter harvest looks like producing a bumper crop.

Mr Tyrrell said: "It's shaping up to be one of the best in many, many years. I know that sounds a little cliched but we have had a few difficult years with weather and this year is really looking for both reds and whites to be an excellent vintage." - CNA/ec

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