

Thursday, July 24, 2014

## **Winemakers' Federation, Wolf Blass Foundation to build case to end rebate going to New Zealand**

The Winemakers' Federation of Australia (WFA) and the Wolf Blass Foundation have announced a strategic partnership to support local winemakers.

"Thanks to the generosity of Wolf and his Foundation, the Federation will commission critical analysis to strengthen the case to government to remove the eligibility of New Zealanders and other foreigners from claiming the Wine Equalisation Tax rebate," Chief Executive Paul Evans said.

"Currently foreign entities can access a rebate of up to \$500,000 for wine sold in Australia in direct competition to local producers," he said.

"This is completely at odds with the original intent of the rebate which was introduced to support small and medium sized Australian producers and the regional communities they operate in."

Wolf Blass AM agreed, the rules must be changed once and for all.

"I am very pleased that the Trustees of the Foundation have agreed to support the Federation's important work in this area," Mr Blass said.

"There is no justification for extending the rebate to New Zealanders and other foreign producers and the Foundation's support will enable the Federation to undertake the further analysis we need to strengthen the case with politicians in Canberra," he said.

The rebate eligibility has been utilised predominately by New Zealand producers since 2005 to help take share and margin from local winemakers. It is estimated the volume of New Zealand wine imported into Australia has since grown by over 139%.

The Wolf Blass Foundation's support for this work follows last year's funding for an expert review into the profitability of the Australian wine industry and a resulting Action Plan to help lift returns for Australian producers. One of the Action Plan's key recommendations was removing New Zealand and other foreign entities' entitlement to the WET rebate.

"Once again Wolf and the Foundation have made an important contribution back to the Industry and the Federation wishes to recognise this significant support as an investment in the future of the Australian wine industry," said Mr Evans.

**The Wolf Blass Foundation:** The Foundation was established in 1994. It has supported the wine industry since then with over \$1m in distributions across a broad range of industry activities to support research and development, wine education, wine and health and policy development aimed at the recovery of the sector. Key past initiatives include the International Riesling Challenge and the commissioning and publication of a comprehensive history of the Australian wine industry.

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Wolf Blass AM BVK with his Foundation's Trustees. From Left, Guenter Prass AM, Paul Evans, Paul Clancy OAM, Stephen Millar AM, David Robinson, Brian Walsh and Peter Perrin.