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## **MEDIA RELEASE**

### **WFA May Budget submission update**

The Australian wine industry has come together in an unprecedented demonstration of unity to ask Government for one-off funding in next week's Budget to help open global markets and grow demand for Australian wine.

On the back of favorable exchange rate changes, Free Trade Agreements and an upturn in consumer demand – especially in important North American markets – industry has made a request for \$25 million over four years to boost the marketing activities undertaken by its statutory authority.

The Winemakers' Federation of Australia proposal for additional funding to grow demand has the backing of Wine Grape Growers Australia, Wines of Western Australia, South Australian Wine Industry Association, Wine Tasmania, Wine Victoria, the New South Wales Wine Association and Queensland Wine Industry Association, as well as wine regions including Riverland, Riverina and Murray Valley.

“Together we are saying we need government's urgent help to seize the market opportunity and to help reengage global wine buyers,” Federation Chief Executive Paul Evans said.

On the Federation's other Budget proposals, the Federal Government has referred proposed reforms to the WET rebate to a specific discussion paper process which will be expedited ahead of its broader Tax Review. These proposed changes also have the backing of the wine organisations listed above and include the abolition of the separate New Zealand rebate scheme and the phasing out of rebate eligibility for bulk and unbranded wine.

Mr Evans said constructive discussions with Government on WET rebate reform would continue. These reforms are required to ensure the rebate continues to support regional wine businesses and communities and will provide significant savings to the Government that will offset the additional funding required for marketing.

“While there will be industry disappointment that our WET rebate reforms will not be part of next week's Budget, we have highlighted a compelling case for structural reform and Government is listening,” Mr Evans said.

“We also note that Government has acknowledged in yesterday's announcement the strong push from industry for reform.

“Government has also noted our arguments on the urgency of reform and agreed to bring forward options for consideration before the Tax White Paper concludes which is an important development.”

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