Winemakers' Federation of Australia

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Winemakers' Federation rejects FARE's tax bid

The Winemakers' Federation of Australia has again rejected the Foundation for Alcohol Research and Education's (FARE's) call to increase wine taxes.

Federation Chief Executive Paul Evans said FARE's claims come around like a broken record and are based on incomplete analysis on the impact a tax hike would have on regional communities.

"Not only is Australian wine heavily taxed already when compared to our global competitors, in fact we are among the highest taxed in the world today, but the tax rates reflect that alcohol industries are not all the same and this continues to be missed by health lobbyists like FARE," Mr Evans said.

"The reason why wine is taxed differently and preferentially to other alcohol types is clear cut.

"Wine is different when it comes to our socio-economic input into regional Australia, employment footprint, contribution to export earnings, profitability and access to capital compared to the vastly different brewing and spirits industries and it's only fair that alcohol tax arrangements reflect this.

"The Federation believes wine must continue to be taxed within the existing WET legislative framework and that any future changes to wine tax arrangements are done so within this framework and not shifted to an excise-based approach as is the case for beer and spirits. The Federation does not advocate how the WET should be calculated.

"Speculative reports in the meantime such as those pushed again and again by FARE, need to be seen for what they are – headline grabbers that will hurt the local industry and must continue to be ignored by Government."

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