

## **MEDIA RELEASE**

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### **Not-so-FARE attacks on wine sector outrage the industry and regional Australia**

The Winemakers' Federation of Australia (WFA) is deeply disappointed with allegations that Australian Winemakers are deliberately rorting the Australian Taxation system. This is the latest in a series of recent attacks by the anti-alcohol lobby group, FARE.

The Australian wine industry is a significant economic contributor, particularly in rural and regional areas. The Australian Wine Industry Contributes \$40.2 billion in gross output to the Australian economy. Gross output includes \$19.7 billion in value (value-added) and \$10.4 billion in wages and salaries from full and part time employment. It also supports 172,736 full and part time jobs, most of which are located in regional Australia<sup>1</sup>.

The Australian wine sector has been instrumental in the current Wine Equalisation Tax (WET) Reforms and is working closely with the Federal Government to achieve a fairer and tighter tax system for wine.

Tony Battaglione, Chief Executive of WFA, responded 'These allegations are outrageous and insulting to the 170,000 workers who rely on the wine sector for a living. The wine industry takes corporate governance seriously, and plays a significant role in Australia's regional economies. It is disappointing that an anti-alcohol lobby group once again slurs the whole industry and regional Australia.'

The rather superficial analysis does not reflect the reality of either Australian wine businesses or tax law. A company paying lower levels of tax than the headline rates, reflects that either this year or in an earlier year they made a loss which they can apply to current profits. The wine sector, mostly family owned businesses, have weathered difficult trading conditions but remain long term and consistent providers of jobs and economic growth in regional Australia.

'Our industry pays its way, with some of the highest tax rates in the world. We have also recently worked closely with the government to tighten the current Wine Equalisation Tax System. I would encourage FARE to look at the facts for once, and acknowledge the recent reforms undertaken by the government, and the importance of the wine sector to Australia's economy.'

-ENDS-

**MEDIA NOTE: Available for interview - WFA Chief Executive Tony Battaglione – 0413 014 807**

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<sup>1</sup> Australian Grape and Wine Authority Economic Contribution of the Australian Wine Sector Report: 18 December 2015