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## MEDIA RELEASE

### **Wine industry tax relief will save businesses, jobs and regional communities.**

Australian Grape & Wine is calling on the Australian Government to give Australian wine businesses a temporary break from paying the Wine Equalisation Tax (WET) to make sure there's enough money in the bank to pay wages and suppliers and give them some hope for the future.

"2020 has seen drought, fire, smoke and now COVID-19 place unprecedented pressure on the profitability of Australian grape and wine businesses" said Tony Battaglione, Chief Executive of Australian Grape & Wine.

"Any one of these issues has the potential to send a business to the brink, but taken together, the impacts will likely be too much to bear for many businesses, unless there is swift and decisive government intervention".

"Removing the requirement to pay the WET, even for 12 months, would be a game changer for many businesses currently looking at how they can retain their staff, pay suppliers and stay afloat in a what is likely to be a very difficult environment" said Mr Battaglione.

In the absence of immediate relief, Australian Grape & Wine fears a large portion of Australia's 2,500 wine businesses and 6,000 grape growers will exit the sector. This would have enormous flow-on effects in rural and regional communities across Australia.

"As I said yesterday, we're deeply worried that an increase in the restrictiveness of COVID-19 measures could shut down the 2020 vintage" said Mr Battaglione. "And on top of this, businesses are staring down the barrel of tourism, winery events and cellar door sales drying up completely."

"We need to act right now to keep these businesses up and running, and giving business owners a tax break is a quick and effective way to do this".

"If we do not act now, we fear Australia's world-renowned and celebrated grape and wine sector will change drastically in the coming three years. We need to fight to secure the future of grape and wine businesses right across Australia" said Mr Battaglione.

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### **About Australian Grape and Wine Inc**

Australian Grape and Wine Inc is the national association of grape and wine producers. We address issues across the supply-chain that impact on the profitability and sustainability of the sector. We lead and advocate public policy that enhances the ability to responsibly produce, promote and enjoy Australian wine in moderation.

Australian Grape & Wine is recognised as a representative organisation for winegrape and wine producers under the Wine Australia Act 2013, and is incorporated under the SA Associations Incorporation Act 1985. We work in partnership with the Australian Government to develop and implement policy that is in the best interests of winegrape growers and winemakers across Australia.