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## **MEDIA RELEASE**

### **Wine Industry Supports Shut Down of 'Alcopops' Rort**

The Winemakers' Federation of Australia (WFA) has labelled the latest action by the Distilled Spirits Industry Council of Australia (DSICA) in delivering look-alike alcopop products to Government Members and Senators, as nothing more than a cynical media stunt.

The WFA continues to support the closing of the loophole that allows the overseas practice of manufacturing so called 'wine-pops' and 'malternatives' by using alcohol stripped from wine or beer and selling them at a reduced rate of tax.

Following a Board decision earlier this year, the WFA wrote to the Federal Treasurer and Minister for Health highlighting opposition to this practice by alcopops manufacturers.

On 17 June this year, WFA put out a joint media release with the Australasian Associated Brewers condemning the practice of manufacturing these types of products and stating our commitment to work with the Government to ensure any loopholes are closed as soon as possible.

The latest action by DSICA does nothing more than highlight their hypocrisy. On the one hand the alcopops industry calls for increases of tax on these products while at the same time profiting from their production and sale.

WFA Chief Executive, Mr Stephen Strachan, said "Wine, beer and spirits are taxed at different rates in almost every jurisdiction in the world and there has never been any evidence presented to suggest this has a detrimental impact in terms of public health."

"That alcopops are taxed at the same rate as spirits in Australia is a matter for the alcopops manufacturers, but to use this as an excuse for calling for a tax increase on wine is disingenuous," Mr Strachan said.

A change to the way wine is taxed and a tax increase on wine would impact thousands of jobs in regional Australia. Wine is a product and an industry that is fundamentally different to that of spirits. It is produced to be consumed in moderation with food and the industry is the backbone of many regional communities around Australia with a strong tourism affiliation.

The Australian wine sector acknowledges that some consumers abuse their products and is committed to making sure we do everything we can to produce, promote and sell our products in a responsible manner.

"Our members are proud local producers of quality wines – we are not in the business of manufacturing alcopops. The alcopop manufacturers should focus on their own products and leave the wine sector to its business," Mr Strachan concluded.

#### **For media inquiries:**

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