

**8 May, 2012**

## **Winemakers welcome Budget initiatives**

Winemakers have welcomed Budget initiatives they say will assist the sector to restructure and focus on new export opportunities in Asia.

“We see maintaining the integrity of the Wine Equalisation Tax rebate as important and support the Budget measure of redefining the criteria to rule out multiple claims on blended wines,” said the President of the Winemakers’ Federation of Australia, Tony D’Aloisio.

“We need to ensure the rebate is used, as intended, to support the small wineries that are a vital part of the economy in many parts of regional Australia.

“At the same time we need to support wineries of all sizes looking to move into new markets and the Government’s allocation of \$2.1 million over two years to undertake new marketing activities by the Wine Australia Corporation and help industry’s own funding commitments to market development is much needed.

“There is huge potential in our region, but also a lot of competition from big spending competitor nations.

“The Australian wine sector is battling a significant oversupply challenge and this has been recognised by the Government with funding support to the Bureau of Statistics and ABARES to help inform decision making and financial performance of the wine grape growers.”

Mr D’Aloisio said WFA was disappointed that the FarmReady scheme, which assists with training, was being wound up and that no increases had been provided for the Export Market Development Grants program, as both had been well utilised by wineries.

However, he welcomed the Government’s commitment to maintain dollar-for-dollar matched funding for wine sector R&D and the decisions on loss carry-back provisions announced just before the Budget.

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