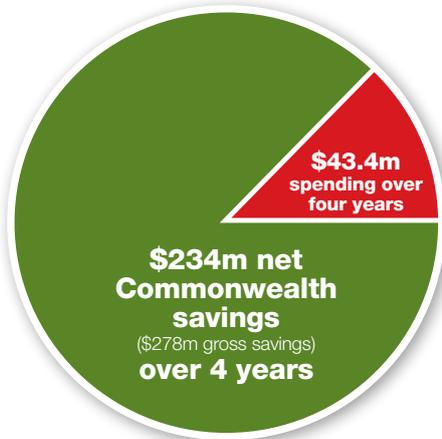


WFA Industry Recovery Plan: Budget Impacts

\$

Grow the demand for Australian wine



Spending Proposal \$43.4m over four years
(fully offset by savings)

\$6m to **rebuild** Australian Grape & Wine Authority's core budget.

\$13m to **grow demand** across multiple markets through impactful marketing campaigns.

\$12.6m to **re-launch** Australian wine in the USA.

\$11.8 to **maximise** Asian FTA export opportunities.



Capitalise on recent AUD decline, FTAs in Asia and early signs of strengthening offshore consumer demand in key markets.



Recapture market share and margin for Australian winemakers and grape growers.



Reform Proposal

Keep the Wine Equalisation Tax (WET) rebate for grape and wine businesses **but reform it** so that it supports only those businesses that:

- Have business premises in Australia;
- Hold an Australian liquor licence; and
- Produce branded product.

Restore integrity by **stopping** the rebate going to **unintended recipients** and **shut down the schemes**.



Better aligns the WET rebate with the original policy intent of supporting local Australian grape and wine businesses and the regional communities they support.



Returns the WET rebate scheme to a more sustainable fiscal basis.



Consequential Savings over four years
(consistent with our reform proposal of the WET rebate).

\$45m. Abolish the **separate NZ producers' WET rebate** arrangements and **replace with a level playing field for all claimants**, irrespective of nationality.



Let's create a level playing field for all claimants, irrespective of nationality.

\$202m. Remove rebate eligibility **for bulk, unpackaged and unbranded wine**; to be **phased out** at 25% p.a. over **four years**.



The future of the industry is with strong brands that command consumer loyalty and generate stronger grape prices, retailer margins and producer profits – for reinvestment back into Australian regional communities.

\$31m. Introduce transitional rebate measures so that, following a merger of two WET rebate eligible businesses, the merged entity can continue to claim the second rebate, **phasing out** at 25% per year over four years. Once/finite only entitlement.



To encourage industry consolidation.

\$45m

\$202m

\$31m

\$278m
gross