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MEDIA RELEASE

Key questions remain on eve of expanded Queensland Container Refund Scheme

Australian Grape & Wine CEO Mr Lee McLean holds grave concerns about the impact of Queensland's expanded Container Refund Scheme (CRS) on thousands of Australian wine businesses as key questions remain unanswered with the scheme commencement tomorrow.

"This ill-conceived, ill-thought-out scheme is due to commence tomorrow despite numerous concerns and questions remaining unanswered by the Queensland Government.

"The Government states that 98 per cent of Queenslanders are in favour of this scheme, but the Government has not told Queenslanders that this scheme will result in fewer wine choices, increased prices and based on other states' cost benefit analyses, no significant increase in recycling of wine bottles or meaningful environmental benefits. It just doesn't add up," said Mr McLean.

New Queensland legislation makes it unlawful for wine businesses to sell wine into Queensland unless they have registered with Container Exchange (COEX), executed a Container Recovery Agreement (CRA) and registered each of their bottles by 1 November 2023.

"The consultation and engagement process in relation to this change has been nothing short of shambolic and large swathes of the wine producing, wine distribution and wine retail sectors are simply unaware that this change is happening. The result is that only about a quarter of wineries have registered to participate in the scheme, and only a fraction of these registrations has been transitioned to an agreement to enable wineries to legally sell their wines into Queensland as of tomorrow," said Mr McLean.

"The Palaszczuk Government refuses to release the cost benefit analysis to support their claims that the scheme will result in a significant increase in recycling of wine bottles and meaningful benefits to the environment. They are attempting to repurpose a litter reduction scheme in a cynical attempt to win votes ahead of next year's election.

"The Queensland Government still can't provide confirmation to wineries whether the Wine Equalisation Tax (WET) also applies on top of the schemes 13.9 cent per bottle tax. GST is also added on top of the 13.9 cent charge to wineries, resulting in the Queensland government putting a tax on a tax on a tax. This is all despite the Palaszczuk Government's commitment to introduce no new taxes at the last election," Mr McLean concluded.

The Australian wine industry remains strongly committed to increasing the recovery and recycling of wine packaging and creating a circular economy for wine bottles that is based on a shared responsibility model across the whole production chain.

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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.