

27 February 2025

## MEDIA RELEASE

### Winemakers welcome tax relief, but urge further action on sector recovery

Australian Grape & Wine welcomes the Albanese Government's announcement to increase the Wine Equalisation Tax (WET) producer rebate to \$400,000, and boost Austrade's support for wine exporters.

However, Australian Grape & Wine's Chief Executive, Lee McLean, has cautioned that while these measures provide some relief to those who are eligible, more targeted action is needed to rebalance supply and demand and drive a sustainable recovery.

"Increasing the WET rebate will help eligible businesses under pressure," said Mr McLean. "However, the ongoing oversupply of red wine continues to have a crippling impact on grape prices, wine prices, and the viability of businesses along the supply chain."

In its Pre-Budget Submission, Australian Grape & Wine has outlined a suite of measures to help the sector recover by addressing the supply-demand imbalance, including:

- \$78 million over three years for an export market stimulus to increase global market presence and reduce oversupply;
- \$30 million in sustainability support to prevent vineyard abandonment, mitigate biosecurity threats, and protect long-term land values; and
- \$20 million for a domestic marketing campaign to boost food and wine tourism, increase domestic sales, and support regional economies.

"The Australian Government has an opportunity to deliver bold, industry-led solutions to some of the toughest challenges grape growers and winemakers have ever faced," Mr McLean said.

"By directly supporting sales growth at home and abroad, and providing growers viable pathways to sustainability and profitability, we can drive recovery and secure the sector's future. These measures would complement the Prime Minister's recent announcements and help reset the industry for long-term success."

Australian Grape & Wine urges the Government to prioritise these investments in the 2025 Budget to ensure the sector to recover, adapt, and grow. Ongoing support for trade, market diversification, sustainability, and regional development will be key to securing a strong future for Australian wine businesses.

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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.