

Media Release

Andrew Broad

Member for Mallee

Thursday 17 August 2017

SMALL WINE PRODUCERS IN RURAL AND REGIONAL AUSTRALIA BETTER OFF UNDER PROPOSED REFORMS TO THE WINE EQUALISATION TAX REBATE

Federal Member for Mallee Andrew Broad has welcomed proposed reforms to the Wine Equalisation Tax (WET) that are set to see local wine producers far better off.

Off the back of extensive consultation within the industry the new reforms will improve the integrity of the WET rebate and be better targeted to small wine producers like those in the Wimmera Mallee and Mildura regions.

Mr Broad spoke in Parliament on the reforms this week, stating the rebate had been upsetting things for a while, had been open to rorting and it was time for a change.

“We want people who are growing their own grapes, producing their own wine, and having cellar-door sales to receive some additional benefit,” he said.

“Unfortunately the wine equalisation tax as it stands before this proposed reform, has allowed the wine rebate to be claimed on bulk and unbranded. That’s putting pressure on the viability of the take-home price for wine grape growers across the Wimmera Mallee and Australia.”

If passed, the new reforms will mean as of 1 July 2018 in order to be eligible for the rebate, wine producers will need to own at least 85 per cent of the grapes used throughout the wine making process, their wine must be branded with a trademark and packaged in a container not exceeding five litres.

The rebate cap will also be reduced from \$500,000 to \$350,000 from 1 July 2018 and remain at that level.

“As well as lowering the rebate cap, we have re-invested \$50 million for the Australian Grape and Wine Authority to promote Australian wine. I’d like to see more invested into growing our industry,” Mr Broad said.

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Mr Broad identified the need for the wine industry to expand the market to overseas exports.

“When we have our trade fairs overseas and when we are helping a grower to move into the export market, it is important we are assisting them to promote the product that we produce,” he said.

“We want to see an export industry that continues to grow so the products we produce are marketed all over the world, and back home we want viable places where people can come and spend tourism dollars and enjoy wonderful wine and food.”

Mr Broad commended both sides of parliament for coming together on the important bill.

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