

**Media Release – 3 May 2016**

## **Leading winemakers welcome Government action on WET Rebate Reform**

Two of Australia's leading winemakers, Treasury Wine Estates (TWE) and Pernod Ricard Winemakers (PRW) today welcomed the reforms to the Wine Equalisation Tax (WET) Rebate announced in the Federal Budget.

TWE and PRW believe the reforms are a positive step towards addressing the distortionary impacts and rorting of the current WET Rebate, which has adversely impacted the sustainability and profitability of the Australian wine industry.

Angus McPherson, Managing Director for ANZ, Treasury Wine Estates said:

“TWE welcomes the Government's decision to reform the WET Rebate and to strengthen the integrity of the tax. These reforms are consistent with the Rebate's original intent and will help address the distortionary aspects of the current system which have done so much damage to the Australian wine industry.”

“The increased marketing funds to grow international demand for Australian wine is timely, with exports of premium wine growing at record rates, supported by recently signed Free Trade Agreements (FTAs). However, this is an area where the devil really is in the detail, and we look forward to working with Government to ensure the principle of tighter eligibility for the Rebate is delivered in practice,” said Kate Thompson, Legal, Corporate Affairs and Communications Director for Pernod Ricard Winemakers.

TWE and PRW urge the Government to implement the reforms as soon as practically possible, so that changes to the Rebate can flow through to industry almost immediately.

“Having waited several years for meaningful change on the WET Rebate it is crucial that we now get on with the job of implementation. Whilst a short transition period makes sense, we encourage the Government to move quickly to enact these reforms” said McPherson.

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