



# MEDIA RELEASE

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## Senate Inquiry into the Wine Industry agrees that change is needed

The recent Senate Inquiry represented an opportunity for the Australian wine industry to put its best foot forward and advocate in a united manner to government the requirements to bring the industry back to a position of profitability, and then propel it into prosperity. Instead, the report revealed much conflicting evidence from disparate entities with an inability to consider the wellbeing of the industry as a whole. However, it is heartening that despite the dissenting reports, there was a shared sense of urgency for industry-wide change. Andrew Weeks, Executive Director of WGGA says, "Time is of the essence if reform is to take place in the Australian Wine Industry, and if we are to take advantage of recent improvements in trading conditions. Wine Grape Growers Australia remains committed to working for the benefit of grape growers and the Australian Wine Industry".

WGGA has long advocated for improvement in commercial practices in the industry and has already fielded several complaints from growers who are concerned not only about poor returns due to low prices for their fruit; but also about what they describe as unfair business practices. WGGA supported the inception of the voluntary industry Code of Conduct and will continue to advocate for an improvement in commercial practices along the entire supply chain, with a focus on whole of industry improvement. This is an issue that cannot be ignored.

It is understandable that political leaders have found it difficult to interpret the best course of action with regard to taxation of wine and the WET rebate given the deep divisions in evidence reported. The lack of support for the WGGA and WFA shared position with regard to WET rebate reform requires further clarity from government about the reasons why; and commitment from all to ensure timely resolution of this issue and a return to profitability.

It is also pleasing that the Senate committee recognized the vital importance of research and development in building innovation and competitiveness in the wine industry, and that support was given to a continuation of the matching of industry R&D funds. WGGA has long supported the efficient collection of foundation data and anticipate positive results from current work being undertaken by Wine Australia to address this.

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