

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2016 - 2017

Department/Agency: Treasury

Question: BET326

Topic: Wine industry - Notification of Budget Decision

Reference: Hansard page no. 91 - 6 May 2016

Senator: Chris Ketter

Question:

"CHAIR: Was the industry calling for these changes? Continuing Senator Ketter's theme of questioning: if there was going to be a negative impact, you would think that the industry bodies, group, and growers and makers around Australia would be protesting on the front steps of Parliament House, if they did not like this. Did they actually come to you with this policy position?

Mrs Purvis-Smith: There has been a lot of consultation with industry in the lead-up to the policy, including the consultative group last year that Treasury chaired. This measure does pick up some of the recommendations that they put forward. The wine industry has been looking at and asking for changes of some kind in the industry—that is correct. This measure picks up on some of those issues that the industry has raised.

CHAIR: But it is pretty quiet, considering it is such a dramatic change. Is it fair to say that the industries—I have read the media since Tuesday night—have accepted this policy change with open arms?

Mrs Purvis-Smith: I would not like to make a comment on how the industry is accepting it.

Senator KETTER: I think I might have missed this before—and I think Senator Edwards knows much more about this than I do—but when did the industry find out about this budget decision? Did they get any advance notice about it?

Mrs Purvis-Smith: I would have to take that on notice. I am not sure."

Answer:

The industry was aware the Government was considering changes to the WET rebate. On 3 February 2016, Minister O'Dwyer committed publicly that the Government would announce a decision before the election.