To The Honourable Minister, Assistant Minister for Agriculture Anne Rushton,

I thank you for the opportunity you have afforded members of the Wine industry to voice their concerns regarding the effects of the proposed changes to the WET rebate. I Rex Hayes of Downderry Wines understand the necessity to review various means to balance the budget, however to alter the WET tax to all Wine establishments including the small and medium produces would create a decline in the number of legitimate businesses supplying a niche market within the tourism industry Australia wide. I say legitimate because most small and medium producers are the family concerns who are growing the grapes, then producing the wine and marketing to the public and these are the people who are meeting the public 7 days of the week. We foot all the costs to get our products onto the shelves and currently we are not making the money that our work deserves but that is our choice of lifestyle we have chosen. To have the WET removed from people like us would basically cause closure which in turn would mean no labour requirement and tourism loss for the district. As I understand that the real problem that requires fixing is the organizations who are so big with many labels that are in fact are rorting the WET rebate system because of loopholes. Many of the businesses do not grow grapes, they buy the juice, bottle it under some non meaningful estate name, sell it cheaper to the public and then so I am lead to believe claim WET. If this is the reason the treasurer wishes to change the WET then target those that are responsible for the rorting not everyone please.

Could I also ask that the criteria about eligibility not require smaller grape growers to invest in buildings and equipment to produce wine. I believe that if small producers cannot use the modern Wineries that quality of Australian wine will deteriorate. As it is now I contract my grapes to a large winery with staff who are up to date with latest technology and trends but if we were forced under eligibility criteria to own a share of such a Winery it could not be afforded and then alternative arrangements would effect quality.

I also agree with the presentation forwarded by Peel Wine Association and Wines of W A .

Thank You for your time and seek your support.

Rex Hayes,

Downderry Wines.

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