

# MEDIA RELEASE

25 February 2005

## AUSTRALIAN BRANDY INDUSTRY THREATENED

The Australian wine industry has expressed extreme disappointment to today's announcement by the Australian Government to discontinue the countervailing duty on bulk imported brandy.

Chair of the Winemakers' Federation of Australia Brandy Committee, John Angove, said that the decision put at risk the \$108 million Australian brandy industry.

"Continuation of the countervailing duty on bulk brandy from France is critical to the existence of a viable Australian brandy industry", he said.

"Removal of this duty will result in a large increase in the importation of heavily subsidised bulk French brandy."

"This will be bottled in Australia and distributed into the Australian market in direct competition with the Australian brandy industry."

"It is hard to believe that the Government has chosen to remove this measure when the level of support in the European Union for the distillation of surplus wine grapes has increased", he said.

The current level of subsidy on French bulk brandy has been estimated at more than \$1 per litre.

"The impact of this decision will extend beyond Australian brandy producers to grapegrowers in the Riverland who provide the majority of grapes for the Australian brandy industry", said Mr Angove.

"The Australian wine industry urges the Government to reassess the serious impact on the Australian brandy industry and to reverse its decision."

### ***For further information***

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*The Winemakers' Federation of Australia is the peak industry body representing the interests of winemakers across all national issues*

**WINEMAKERS' FEDERATION OF AUSTRALIA**  
INCORPORATED

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