

Deputy Premier of Western Australia Minister for Health; Tourism

Our Ref: 25-46907

Hon Barry House MLC Member for the South Wet Region 157 Bussell Highway MARGARET RIVER WA 6285

Email: Barry.House@mp.wa.gov.au

Dear Mr. House

Thank you for providing a copy of your letter dated 10 June 2015 to the Hon Colin Holt MLC, Minister for Racing and Gaming, regarding the withdrawal of the Cellar Door Rebate.

I and Tourism Western Australia have also received a number of representations from industry groups and tourism operators about the matter, which has prompted me to write to Minister Holt in similar terms to your correspondence.

Attached, for your information, is a copy of my letter.

Yours sincerely

Dr Kim Hames MLA
DEPUTY PREMIER

MINISTER FOR TOURISM

Attached

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MINISTER FOR RACING AND GAMING

WINE EQUALISATION TAX - CELLAR DOOR SUBSIDY

Since the announcement of the withdrawal of the Cellar Door Subsidy from 1 July 2015, I and Tourism Western Australia (Tourism WA) have received a number of representations from Western Australia's (WA) wine industry and tourism operators outlining their concerns about this decision. These concerns relate to the lack of consultation with effected stakeholders and the potential unintended consequences for tour operators that currently include vineyards in their itineraries.

Correspondence received from key industry bodies, including Wines of Western Australia (WWA) and the Augusta Margaret River Tourism Association suggests that a 12 month moratorium should be placed on this decision. This would enable industry to assess the implications of the change and provide informed advice to Government. I understand that WWA, along with representatives of a number of wineries and tourism operations have met with you to discuss this.

I am advised by Tourism WA that the agency sees merit in this suggestion, noting that the wineries affected include major tourism attractions such as Leeuwin Estate and Voyager Estate. Both attract visitors and encourage dispersal to smaller boutique venues as key elements of the Margaret River tourism experience. It is important for the tourism industry that this role is maintained.

While it is acknowledged that removal of the subsidy represents a budget saving to Government, this decision should be fully informed by all the issues and consequences. It is also unclear what the implications of this change are in relation to the Government's response to the recommendations of the *Liquor Control Act 1988 - Report of the Independent Review Committee*, which includes an increase in the flexibility associated with cellar door sales.

In this context, I support the need for further investigation and consultation regarding the implications of this change prior to it being implemented.

Dr Kim Hames MLA
DEPUTY PREMIER

MINISTER FOR TOURISM