

## Cellar Door Rebate

The Victorian Government Cellar Door Subsidy is a 15% wholesale subsidy on cellar door and mail order sales to eligible producers in recognition that cellar doors are a key driver of regional tourism and employment.

## Importance of the Cellar Door Subsidy

Cellar doors generate activity and stimulate job creation throughout the local community, attracting customers to not only their own establishments but to the wider tourism region.

Cellar door facilities generate benefits to smaller wineries, local tourism operators and service providers (motels, hotels, restaurants and service stations). A significant portion of the 12,000 people employed in the wine industry are located in regional and rural Victoria.

Iconic cellar doors require considerable long-term investment. It is no longer enough for these producers merely to provide their wines for tasting: culinary tourism experiences are now essential to attract tourists to the region, necessitating continuous innovation and investment. To continue to attract investment in these facilities, constant visitation is required.

Equally the Victorian and Australian Governments both have tourism strategies that rely on regional visitation as well as quality and diverse wine tourism offerings. Cellar door visitations are a key component of both strategies. Tourism Victoria's Regional Tourism Strategy 2013-16 lists Food and Wine with distinct wine regions and cellar door experiences as the strategy's number one key product strength.

"The cellar door rebate is claimed by medium-tolarge-sized wineries that generally have sophisticated cellar door operations and employ large numbers of staff.

Due to this offering they act as anchors for attracting regional tourists."



As the cellar door rebate provides a discount at the cellar door this provides a clear reason to purchase directly from the winery. This reduces the risks for wineries when they are deciding on investments in their cellar door infrastructure and encourages diversity in Victoria's wine regions' product offering.

## Recommendations

Wine Victoria recommends that the current Cellar Door Subsidy, accessed by eligible wine producers, is retained to ensure consumers see the benefit in directly purchasing from wineries and to ensure that visitation increases regional tourist attractors through iconic cellar door investment.

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