

EXCISE SUPPORT CAMPAIGN



**BREWERS
GUILD**
OF NEW ZEALAND

INTRODUCTION

The Brewers Guild of New Zealand is planning a campaign to ask the Government to consider an excise support package for breweries in New Zealand.

An excise support package (rebate scheme) is NOT about reducing the price of alcohol, it is about enabling breweries to reinvest excise spent, back into their businesses. This will create substantial opportunities for businesses & their local communities, like allowing businesses to invest in staff, expand operations, explore export opportunities, diversify, and grow and support their local markets.

The brewing sector already supports downstream job creation in agriculture, hospitality, and tourism, and a rebate scheme will also have a positive impact on those industries, as well as the wider supply chain. BGNZ members span the width and length of New Zealand, so the regional impact will be seen nationwide.

We are asking all members & partners to support & participate in this campaign by engaging with MP's and stakeholders to tell the story of NZ's brewing industry, the business owners, the communities they support, the potential they have and the far reaching positive impact an excise rebate scheme will have.

WHAT DOES AN EXCISE SUPPORT PACKAGE LOOK LIKE?

We are proposing a similar package to the Australian Excise Support Package. This is a rebate of up to \$350,000 and has been proven to be beneficial to both small and large brewers by providing much needed capital while also providing an economic benefit to the government.

We are asking the New Zealand Government to consider introducing an 'Excise Support Package' that comprises of up to \$350,000 NZD excise rebate per brewery per year. An Excise Support Package will leave breweries with a greater margin., enabling businesses to expand operations, employ more people, support businesses throughout the supply chain, and to consider their export potential.

WHO WOULD BE ELIGIBLE?

BREWERIES WOULD NEED TO:

- hold a manufacturer licence to manufacture alcoholic beverages at specific premises
- have manufactured an alcoholic beverage and entered it into the New Zealand domestic market
- have fermented or distilled at least 70% of the alcohol content by volume of the alcoholic beverage
- be legally and economically independent of any other entity that would be eligible
- if not legally and economically independent of any other entity, only one manufacturer is entitled to the rebate.

EXCISE SUPPORT CAMPAIGN



BREWERS
GUILD
OF NEW ZEALAND

THE OPPORTUNITIES

The opportunities and growth potential for the industry and the wider supply chain are extensive.

The New Zealand brewing industry, is often compared to the NZ wine industry - 20 years ago! With that in mind, and seeing what the NZ wine industry has achieved, now is the time for New Zealand's brewing industry to get the support it needs to take it to the next level. Brewing is a \$3.3b industry in New Zealand, and our breweries have little to no Government support. We do know that an excise support package will have far reaching positive effects for brewery business owners, employees, local communities as well as other sectors like tourism, hospitality, agriculture and manufacturing.

One opportunity is that of 'Beer tourism', a growth market that NZ has not yet tapped into, and the potential is extensive. \$43.7 billion is spent on leisure and entertainment in New Zealand annually and, increasingly, people are willing to spend more on unique or special experiences. The excise support package will allow our breweries to reinvest and to help grow and develop brewing from 'industry to an attraction'.



NEXT STEPS

We need the buy in of you - our members and our corporate partners to give us the best chance possible. We are working alongside our friends at Distilled Spirits Aotearoa, who have the same goal - **TO GET GOVERNMENT SUPPORT FOR OUR INDUSTRY, TO HELP REINVEST IN BUSINESSES, CREATE EMPLOYMENT, REALISE POTENTIAL AND SUPPORT AND GROW OUR SUPPLY CHAIN.**

- Stage 1: We will identify MP's and stakeholders that we need to engage with - we will contact members individually who have key people in their regions and help you make the connection.
- Stage 2: We will provide you with the information you need to help make this process easier, plus message consistency is key.
- Stage 3: We mobilise the industry to tell your story. We want to see as many MP's as possible visiting breweries and tap rooms over the coming months.

We will be in touch with further information. What is important is that this is a co-ordinated effort, both in messaging and the meetings. Should you have any connections that can help our efforts please get in contact with Mel in the first instance.