



Canada's Agriculture, Food and Beverage INDUSTRY

● Canada's ● Alcoholic ● Beverages Industry

The great success of the Canadian alcoholic beverages industry can be attributed to a ready supply of high-quality raw ingredients, innovative processing and brewing techniques, and the right climate.

Canada's distilled spirits industry is perhaps best known internationally for Canadian whisky, or rye, our most popular domestic and exported distilled spirit. Canadian distillers manufacture spirits using readily available Canadian grains and potatoes and, in the case of liqueurs, fruits and nuts.

In 2002, Canada exported \$941.5 million in distilled spirits, beer and wine. Distilled spirits exports totalled nearly \$488 million, beer exports were valued at over \$351 million, and wine exports totalled more than \$102 million. Of the wine exports, over \$90 million included products other than grape wines, such as fermented beverages, cider, fruit wines, perry, mead and hard lemonades.

From 1992 to 2002, shipments of alcoholic beverages increased significantly for all three industries. Shipments of spirits increased by almost 52% from a value of \$834.2 million in 1992 to a value of \$1.3 billion in 2002. Shipments of beer increased 41% from a value of \$2.9 billion in 1992 to a value of \$4.1 billion in 2002. Finally, wine shipments totalled \$290.9 million in 1992 and almost doubled in 2002 to a value of \$577.4 million.

Canadian wines are gaining a strong reputation in Canada and abroad. Canadian Icewine, for example, is a sweet dessert wine that is celebrated around the world for its quality and has won several of the highest and most prestigious awards at international competitions.



Canadian Icewine relies on high-quality grapes grown in a cool climate to produce its unique characteristics.

Wines produced under the Vintners Quality Alliance (VQA) banner must meet strict quality standards. Canadian vintners grow primarily quality *Vitis Vinifera* and hybrid grape varieties. Many of the *Labrusca* grapes have been replaced with the *Vinifera* varieties (such as Chardonnay, Riesling, Merlot, Pinot Noir, Cabernet Sauvignon), allowing Canadian wineries to compete successfully with European wines in terms of quality.

Canadian malting barley, which is very high in quality, is in demand by brewers around the world.

Canada supplies about 30 per cent of the world's barley.

Innovative products, such as low-alcohol beverages, wine coolers, fruit wine coolers and hard lemonade, and ales, are gaining in popularity, both in Canada and abroad.



Additional information

There are 691 domestic spirit brands and 3,154 imported spirit brands available in Canada, excluding coolers.

In 2001, the brewing industry spent about \$680 million on domestic materials and supplies, including barley malt, bottles, cans and kegs, cartons and labels, and other materials and supplies. Nearly 93 per cent of the beer consumed in Canada is produced in Canada—a testament to its taste and quality and to the sector's success in establishing licensing agreements with foreign beer companies. In 2001, on a volume basis, Canada was the 5th largest exporter of beer in the world.

Agriculture and Agri-Food Canada supports Canada's alcoholic beverages industry through research into the development of new varieties of grain, and new methods, tests and procedures to improve production. Health Canada regulates the contents of all alcoholic beverages through the Food and Drugs Act, while the Canadian Food Inspection Agency monitors domestic and imported alcohol products for compliance with net quantity, label and container regulations.



For more detailed information

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Further information on products, suppliers and investment opportunities in the Canadian agri-food industry is available on the Agri-Food Trade Service Web site at: <http://ats.agr.ca>.

Canada's food and beverage industry is recognized internationally as being among the best in the world, both in terms of ensuring food safety and quality, and in providing a trade friendly environment. Consumers are more aware of food security, safety and quality, and are demanding more information about how their food is produced. More than ever, consumers want to know that their food is safe and that it has been produced in an environmentally responsible manner.

Canada's objective is to be the world leader in food safety, innovation, and environmentally responsible production and to be the best at meeting the needs of consumers at home and abroad.