



Voluntary Report - Voluntary - Public Distribution

Date: June 05, 2024

Report Number: CA2024-0021

Report Name: Ontario Fast Tracks Allowing Sales of Wine and Beer in Retail Stores

Country: Canada

Post: Ottawa

Report Category: Wine, FAIRS Subject Report, Policy and Program Announcements

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Report Highlights:

On May 24, 2024, the Ontario provincial government announced an accelerated plan to allow sales of wine, beer, cider, and ready-to-drink alcoholic beverages in grocery and convenience stores by the end of October 2024. The initial timeline provided for implementation to begin in January 2026.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY The Ontario government <u>announced</u> a fast-tracked, phased rollout, of the <u>previously released</u> initiative to allow the sale of wine, beer, cider, coolers, seltzers, and other low-alcohol ready-to-drink beverages in grocery and convenience stores. While initially, the intent was to implement the new measure beginning in January 2026, the updated accelerated timeline provides for the following:

- On August 1, 2024, the 450 grocery stores that are currently licensed to sell beer, cider or wine will also be able to sell ready-to-drink beverages and offer large-pack sizes (for instance 24- or 30-pack beer cases currently only available in Beer Store outlets).
- After September 5, 2024, all eligible convenience stores will be able to sell wine, beer, cider, and ready-to-drink alcoholic beverages.
- After October 31, 2024, all eligible groceries and big-box stores will be able to sell wine, beer, cider, and ready-to-drink beverages, including in large pack sizes.

Additionally, an interim wholesale discount of 10 percent from the Liquor Control Board of Ontario's (LCBO) basic retail price for retailers, will apply until 2026; while a post-2026 wholesaler price, consistent for all retailers, will be determined by a future formula which adds taxes, mark-ups, and fees to a supplier's set price.

More details on these Ontario alcohol sale measures are included in GAIN Report CA2023-0059.

With the May 24, 2024, announcement the Ontario government also provided updates to the following relevant provincial regulations, under the <u>Ontario Liquor License and Control Act, 2019</u>:

- <u>O. Reg. 746/21: LICENSING</u>
- <u>O. Reg. 745/21: GENERAL</u>
- <u>O. Reg. 747/21: PERMITS</u>

In 2023, the United States exported over \$420 million in wine, and over \$50 million in beer, to Canada. Ontario is Canada's largest province and market for alcoholic beverages accounting for nearly 50 percent of the country's beer imports, and close to 30 percent of its wine imports in 2023.

Attachments:

No Attachments.