



FOR IMMEDIATE RELEASE

Ontario Wine and Grape Industry Contributes \$5.49 Billion in Economic Impact to Ontario's Economy

Vineland, ON – August 9, 2022 - Wine Growers Ontario (WGO) are pleased to release the findings of the most recent research study conducted on the Ontario wine and grape industry, which reveals that the economic impact of the Ontario grape wine industry has grown by 64.5% to \$5.49 billion over the period 2011-2019.

Commissioned by Wine Growers Canada, Wine Growers Ontario, Wine Growers British Columbia, and Wine Growers Nova Scotia, the report entitled *Ontario's Wine Economy – Growth and Innovation Through Global Challenges* illustrates the magnitude of the Ontario grape and wine industry's contribution to the overall Ontario economy.

"Making wine is the number one value-added agricultural industry in Ontario. The Ontario wine industry's impact on the Ontario economy has grown over 60 percent since 2011. Our industry supports over 23,000 Ontario jobs in hospitality, tourism, manufacturing, transportation and retail", said Aaron Dobbin, President & CEO, Wine Growers Ontario.

Ontario winemakers support a broad network of related industries in rural and regional centres across Ontario ranging from laboratory research, vineyard operations through to distribution, retail and hospitality. The number of Ontario grape wineries increased from 130 in 2011 to 186 in 2019 contributing to a 55.7% increase in the number of full time employees and over 104% increase in total wages paid by the industry.

The Economic Impact of the Wine and Grape Industry in Ontario's 3rd edition is the most comprehensive study conducted on the Ontario wine and grape industry and aims to increase our understanding of how Ontario's wine and grape industry benefits the national and regional economies.

Despite the significant increase in the number of Ontario wineries and total wine production, profitability in the sector continues to be suppressed by increased operating costs and lower sales prices established by heavily subsidized imported wines.

"COVID-19 presented significant challenges to our industry. Sales were off significantly, visits to the winery fell away and exports and sales to restaurants practically disappeared. Our industry is working hard to recover from the pandemic while competing against heavily subsidized imports in our own backyard", added Mr. Dobbin.

According to the report the effects of COVID-19 in 2020 reduced the industry's economic impact on the Ontario economy by an estimated -16.5%, wine-industry related jobs contracted by as much as 24.1%,

especially in the retail, tourism and hospitality segments due to border closures, travel and indoor-dining/activity restrictions.

Ontario Wine and Grape Industry Economic Impact 2019 Key Findings:

1. The Ontario wine industry's **\$5.49 billion** economic impact is a significant driver to the Ontario economy, an increase of **64.5%** since 2011.
2. The wine and grape industry is responsible for more than **23,000** jobs in Ontario from manufacturing, agriculture, tourism, transportation, research, restaurants and retail.
3. Wine-related tourism welcomes more than **2.6** million visitors each year, generating more than **\$1.04 billion** annually in tourism revenue and employment.
4. The Ontario wine and grape industry contributed to the Ontario economy business revenue of **\$3.57 billion**, tax revenues of **\$706 million** and wages of over **\$1.21 billion**.
5. The wine industry generates **\$970 million** in federal and provincial tax revenue and liquor board markup.
6. An average bottle of wine produced in Ontario generates approximately **\$31.82** of business revenue, **\$6.29** of tax revenue and **\$10.79** of wages.
7. For every \$1 spent on Ontario wine in Ontario, **\$3.29** in business revenue is generated across the province.

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About Wine Growers Ontario

Wine Growers Ontario members include all sizes of wineries in Ontario as well as commercial grape growers. Our members produce over 80% of all of the wine made in Ontario including Vintners Quality Alliance (VQA), 100% Ontario and International-Domestic Blend (IDB). WGO is committed nurturing a grape and wine industry that reflects consumer demand and is sustainable and profitable for all.

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