

August 1, 2023

CL 11- 2023, July 20, 2023

DISTRIBUTION LIST

SENT ELECTRONICALLY

Support for Ontario's Wine Industry

Regional Council, at its meeting held on July 20, 2023, passed the following recommendation:

WHEREAS Niagara is Ontario's largest wine growing region responsible for over 90% of Ontario's grape production and home to the only specialty crop area in the Province;

WHEREAS the Province promised that economic viability and long-term sustainability would be a key commitment to farmers when the Greenbelt legislation was passed;

WHEREAS the Ontario wine industry supports directly and indirectly over 18,000 full-time equivalent jobs in Niagara;

WHEREAS, Niagara's wine sector has been a leader in developing a world class experiential tourism destination, with 2.4 million annual visitors to the region;

WHEREAS no other wine producing countries tax domestic wines as imports;

WHEREAS British Columbia has created a retail environment where their local VQA wines thrive and flourish;

WHEREAS COVID-19 shone a light on the importance of local economies; and it is essential that we unlock the potential of Ontario's grape and wine industry to build back stronger;

WHEREAS the recently released *Uncork Ontario* report from Deloitte details the numerous ways that support for Niagara's wine industry will ensure continued economic growth in areas such as tourism, culture and entertainment, hospitality, development and constructions and manufacturing;

WHEREAS Deloitte's report found that under the proper conditions, the future economic uplift could amount in \$8 billion in Niagara's GPD in a generation;

WHEREAS the same report found that Niagara's grape and wine industry experiences a higher tax burden than comparator jurisdictions such as British Columbia, the United States, France, Spain and New Zealand;

WHEREAS Regional Council passed a similar motion in February 2021 and March 2022 and the issues still remain unresolved.

NOW THEREFORE BE IT RESOLVED:

1. That the Regional Chair **BE DIRECTED** to send correspondence to the Province of Ontario that includes the following:
 - i. An expression of thanks for their ongoing support of Niagara's wine industry and the meaningful difference it has made;
 - ii. A request to create an environment that supports Ontario's wine industry and its farmers, providing more opportunities for investment in innovation and job creation while providing consumer choice and convenience for the purchase of Ontario wines;
 - iii. A request to eliminate the 6.1% wine basic tax applied to VQA wines (100% Ontario-grown) on sales at onsite winery retail stores;
 - iv. A request to establish a permanent uncapped VQA wine support program that remedies the treatment of local wines like imports at the LCBO, through the Ontario Ministry of Agriculture, Food and Rural Affairs;
 - v. A request that the LCBO be called upon to create an environment where VQA wines flourish; and
2. That this motion **BE CIRCULATED** to Niagara Local Area Municipalities, Local Members of Parliament, Local Members of Provincial Parliament, the Premier of Ontario, Minister of Finance, Minister of Agriculture, Food and Rural Affairs, Wine Marketing Association of Ontario, Ontario Craft Winery Association, Wine Growers of Ontario, Grape Growers of Ontario, and Ontario Wine Appellation Authority (VQA).

Yours truly,



Ann-Marie Norio
Regional Clerk

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Distribution List:

- Local Area Municipalities
- Local Members of Parliament
- Local Members of Provincial Parliament
- Premier of Ontario
- Minister of Finance
- Minister of Agriculture, Food and Rural Affairs
- Wine Marketing Association of Ontario
- Ontario Craft Winery Association
- Wine Growers of Ontario
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