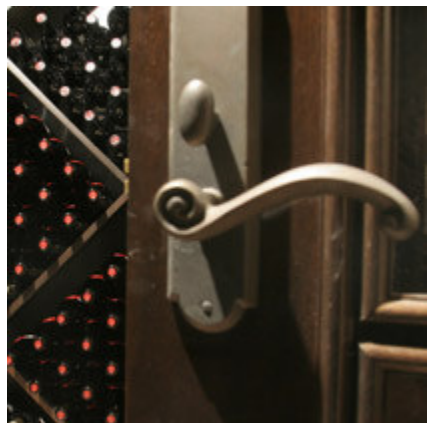




## Beer on the decline as more Canadians choose wine

While beer remains our drink of choice, more and more Canadians are turning to wine to slake a thirst for alcohol that poured \$18 billion into the coffers of liquor sales authorities last year, according to new Statistics Canada research released Monday. <br>

BY CANWEST NEWS SERVICE JUNE 9, 2008



OTTAWA - While beer remains our drink of choice, more and more Canadians are turning to wine to slake a thirst for alcohol that poured \$18 billion into the coffers of liquor sales authorities last year, according to new Statistics Canada research released Monday.

In 1997, beer accounted for 52 per cent of alcohol sales, spirits 27 per cent and wine 21 per cent. Fast-forward 10 years and, in 2007, beer sales had dropped five percentage points to 47 per cent, spirits were down to 25 per cent, while wine jumped seven percentage points to steal 28 per cent of the \$18-billion alcohol market.

In 2006-2007, \$5-billion worth of wines were sold across the country - an increase of 9.5 per cent in just one year. That translates into more than 400 million litres, up 7.1 per cent from the year before.

As Canadians become wine connoisseurs, reds seem to be hitting the spot. The agency said red wine sales accounted for 61 per cent of the total volume of wine sold across the country. In fact, red wine sales have increased 130 per cent since 2000, compared to a 33 per cent hike in white wine sales over the same period.

"I think it's a natural evolution," said Canadian wine expert Anthony Gismondi. "Canadians are discovering wine and having fun with wine."

Prince Edward Island and New Brunswick were the only two provinces to report higher volumes of white wine sales than reds, according to the study.

"(Years ago) everybody was drinking white, then they moved to red and now the early adopters are moving back to white," he explained.

"People have more interest in flavour and taste today in their food and their drink, so wine gives them a great outlet for that," Gismondi added.

For Canadians aged 15 and over, per-capita wine sales amounted to \$187 in 2006-2007 - up almost \$14 from the previous year. But, by a huge margin, Quebecers bought more wine than most Canadians. Per-capita wine sales in the province surpassed the national average by nearly \$83. Statistics Canada uses the age of 15 and over for adult surveys.

Gismondi isn't surprised by the latest wine drinking figures, he believes it reflects the growing knowledge of Canadians when it comes to wines. He also sees a trend in more young people drinking wine because it's more affordable.

"People are also very very concerned (about) where their products come from (and) what they consume. Wine has always been focused on telling them it comes from a certain origin, from a certain spot, and made by a certain person, with very little added ingredients. It's a fairly pure product."

It's not all bad news for beer lovers, though, considering that \$8.4 billion worth of the suds were sold in 2006-2007. That's a two per cent increase from the previous year. That translates into 2.3 billion litres of ales, lagers and other brews, up 1.6 per cent from 2005-2006.

Even so, though, per-capita beer sales have declined by a whopping 27 per cent from their peak in 1976.

And, on a provincial level, people in Quebec, Ontario and the Northwest Territories were quaffing less beer in 2006-2007 compared to the year before.

Imported brews also continue to gain in popularity over domestic brands, doubling their market share in the past decade, Statistics Canada says. In 2006-2007, foreign brands captured 11.4 per cent of the beer market in Canada, up from 4.8 per cent in 1996-1997.

Meanwhile, a 10 per cent spike in vodka sales has led an increase in the consumption of spirits.

Liquor stores and agencies sold \$4.5 billion worth of spirits in 2006-2007, up 5.8 per cent from the year before. Whisky, scotch and bourbon accounted for almost 30 per cent of all spirits sales that year.

All those booze sales are lifting the spirits of provincial and territorial liquor authorities, which saw their net incomes rise by 5.2 per cent, to \$5 billion, in just one year.

There were revenue boosts in all jurisdictions except Nunavut, with the largest increases (around 10 per cent) reported in Yukon, Alberta and Saskatchewan.

© (c) CanWest MediaWorks Publications Inc.