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For Immediate Release

**PRESS RELEASE**

**More brewers and more choice in a fiercely competitive beer market**

**OTTAWA, ONTARIO – May 13, 2019** – Beer Canada has released its 2018 *Industry Trends* update. The remarkable growth in the number of breweries in Canada is a clear sign of a vibrant and fiercely competitive domestic beer scene.

*Industry Trends* data for the beer industry covering the most recent five years is now available for all provinces and territories.

The number of licensed brewing facilities operating in Canada increased to 995 in 2018, more than double the number in operation just 5 years ago. Alberta led the way with 42 breweries added to its landscape last year alone. Ontario was the runner up with 40 facilities that started up last year. The density of breweries was highest in New Brunswick, with eight brewing facilities for every 100,000 drinking age residents. The national average was 3.4 for every 100,000 drinking age residents.

The growth in breweries far outpaced the growth in domestic beer sales, which inched up just 0.3% in 2018. Imported beer sales declined for the first time, down 3.4%. The decline in imported beer sales resulted in the overall beer market contracting by 0.3%. More brewers selling into a slightly smaller market translates into an intensely competitive environment for Canada's brewers.

The consumer price index for beer saw store prices shift upward 1.9% on average across Canada in 2018. Saskatchewan, home to some of the highest beer taxes in the country, saw the biggest climb in beer prices with its store-price index pushing up 5.3%. Government tax on beer makes up 47% of the price on average in Canada. It's 51% in Saskatchewan.

Upward pressure on beer prices is expected to continue as a result of the federal Government's annual excise escalator tax brought in under Budget 2017. The federal escalator tax has a knock-on effect - every annual increase drives up provincial beer markups and all sales taxes, making beer less and less affordable for the average beer drinker.

**QUICK FACTS**

- Canadian beer continues to out-perform imported beer by a ratio of almost 6 to 1.
- Glass bottles are no longer the dominate packaging format for beer as cans make up 62% of sales.
- Per capita beer drinking slid to 74.6 litres from 80.9 litres five years ago.
- Saskatchewan had the sharpest year-over-year decline in beer sales, down 4.1%.
- Four out of 10 provinces saw beer sales increase in 2018, with New Brunswick ranking #1.

The sale of beer supports 149,000 Canadian jobs, generates \$14 billion in Gross Domestic Product and \$5.7 billion in government tax revenues. In 2018, Canada hit an all-time high in the number of breweries in operation, giving beer drinkers an unprecedented number of beers to choose from. It is an exciting and vibrant time for beer in Canada, but high taxes and flat growth make the beer market intensely competitive.

#### **ASSOCIATED LINKS**

[2018 Industry Trends](#)

#### **ABOUT BEER CANADA**

Beer Canada is the voice of the people who make our nation's beers. Beer Canada is a voluntary industry trade association with members accounting for 90% of the beer produced in Canada. Beer Canada has represented Canadian brewers since 1943 and offers the most comprehensive and timely statistical overview of monthly and annual trends in the beer industry.

#### **FOR MORE INFORMATION**

Brittany Burden  
Director, Communications & Engagement  
Beer Canada  
613-232-9601 x225  
[bburden@beercanada.com](mailto:bburden@beercanada.com)