



Brussels, 12 February 2019

**The Honourable John Horgan
Premier
Government of British Columbia
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Victoria BC V8W 9E1
CANADA
E-mail: Premier@gov.bc.ca**

Dear Premier Horgan,

We are writing to you on behalf of several industry associations representing the spirits producers around the world.

The purpose of our letter is to follow-up with you with regards to the commitment in the United States/Mexico/Canada Trade Agreement on measures from British Columbia governing the sale of wine in grocery stores. The elimination of the preferential measure would be effective from November 1, 2019 as confirmed by your government recently.

While the authorities in British Columbia are considering the way forward in consultation with a number of stakeholders, we would like to respectfully call for your attention on some important elements of the trade to ensure that the government's policy response would be the most beneficial to local consumers and to the provincial treasury:

- The net revenue generated to the provincial Treasury per retail dollar spent on imported spirits is in excess of 40% higher than on imported wine;
- The majority of adults who choose to drink, consume each of beer, wine and spirits depending on the occasion and circumstances;
- Consumers do increasingly value the convenience of buying their products in groceries and this is the key factor driving their purchase;
- Beer, wine and spirits compete in the market. Effective policy should seek to create a level playing field and treat consumers with respect and not unfairly interfere in the market;
- Providing equal retail access opportunities for imported spirits as provided to imported wines will maximize global investment in the domestic B.C. alcohol market.

Based on the above, we respectfully suggest that permitting these grocery stores to offer a full range of imported wine and spirits would provide the greatest benefit to consumers,

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while maximizing industry investment and provincial revenues from the sale and distribution of alcohol.

The international spirits sector is dynamic, with craft distilleries abundant in many countries and are looking to expand their export opportunities, including within Canada. We strongly believe that consumers today wish to be allowed to access their preferred products in a fair and open market, where they have access to a wide range of choices.

Dear Premier, many thanks for your consideration and we look forward to continuous engagement as the discussion progresses. We naturally stand ready to provide any additional clarification.

Yours sincerely,



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Director General
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Karina Ley Parra
Directora General
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c.c.

Minister Bruce Ralston
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