Ontario History

The 1988 "Niagara Accord" in Perspective
The Ontario Wine Industry in Six Historical Phases

Patrice Dutil

Volume 116, Number 1, Spring 2024

URI: https://id.erudit.org/iderudit/1110094ar
DOI: https://doi.org/10.7202/1110094ar

See table of contents

Publisher(s)

The Ontario Historical Society

ISSN

0030-2953 (print)
2371-4654 (digital)

Explore this journal

Cite this article

Dutil, P. (2024). The 1988 "Niagara Accord" in Perspective: The Ontario Wine Industry in Six Historical Phases. *Ontario History*, *116*(1), 3–21. https://doi.org/10.7202/1110094ar

Article abstract

The purpose of this article is to document the measures adopted in the late 1980s in response to the trade situation, to propose an understanding of the history of the winemaking industry in Ontario in six phases shaped by policy responses and to reflect on the forces of change. Were the challenges to the status quo external or internal? To what degree were changes simply incremental? Were the salient forces entrepreneurial, political, or bureaucratic? To what degree were key policy entrepreneurs important? Finally, this article examines the evolution of instrument choices that were made by the provincial government to protect and promote the winemaking industry, both as a product and as a destination.

The 1988 "Niagara Accord" in Perspective

The Ontario Wine Industry in Six Historical Phases

by Patrice Dutil

In 1988, the government of Ontario, led by Liberal Premier David Peterson, announced a series of measures to protect the wine industry in the province. The Grape and Wine Industry Agreement, informally known as the Niagara Accord, united the wine industry, grape growers, and the province. There was urgency: the vintners had been struggling to find a sustaining market at home, and the new Free Trade Agreement with the United States threatened unbridled competition before the turn of the millennium. Together, the government and the sector gambled on a strategy that was to improve the quality of the province's wine to compete head-on with imports not on price but on the quality of products grown in the most frigid part of the Americas not known for its *terroir*.

The purpose of this article is fourfold. First, to document the measures adopted in the late 1980s in response to the trade situation. Second, to propose an understanding of the history of the winemaking industry in Ontario in six phases shaped by policy responses. The third objective is to reflect on the forces of change. Were the challenges to the status quo external or internal? To what degree were changes simply incremental? Were the salient forces entrepreneurial, political, or bureaucratic? To what degree were key policy entrepreneurs important? Finally, this article examines the evolution of instrument choices that were made by the provincial government to protect and promote the winemaking industry, both as a product and as a destination.

Scholars and experts examining this field of activity have essayed various theories to explain change but almost all of them have focused on the period from 1988 to today, thus losing sight of the institutional habits acquired over three generations. They have pointed to emerging structures that drew intensely on industrial development theory, mostly focused on cluster models (Wilder and

Abstract

The purpose of this article is to document the measures adopted in the late 1980s in response to the trade situation, to propose an understanding of the history of the winemaking industry in Ontario in six phases shaped by policy responses and to reflect on the forces of change. Were the challenges to the status quo external or internal? To what degree were changes simply incremental? Were the salient forces entrepreneurial, political, or bureaucratic? To what degree were key policy entrepreneurs important? Finally, this article examines the evolution of instrument choices that were made by the provincial government to protect and promote the winemaking industry, both as a product and as a destination.

Résumé: *L'objectif de cet article est de documenter les mesures adoptées à la fin des années 1980 en réponse à la situation commerciale, de proposer une compréhension de l'histoire de l'industrie vinicole en Ontario en six phases façonnées par les réponses politiques et de réfléchir aux forces du changement. Les défis posés au statu quo étaient-ils externes ou internes ? Dans quelle mesure les changements ont-ils été simplement progressifs ? Les forces dominantes étaient-elles entrepreneuriales, politiques ou bureaucratiques ? Dans quelle mesure les principaux entrepreneurs politiques ont-ils joué un rôle important ? Enfin, cet article examine l>évolution des choix d>instruments faits par le gouvernement provincial pour protéger et promouvoir l>industrie vinicole, à la fois en tant que produit et en tant que destination.*

Hira, Mytelka, Mytelka and Goertzen) and international trade imperatives (Migone, Cattell). Some have looked at government policy (Jaeger, Rannie, Carew). Others have examined consumers (Jaeger, Cho). And a few have focused on policy entrepreneurs (Rannie, Aspler, Bramble, Jarrell, Cecillon, Doloreux) who provided the intellectual capital and the capacity for innovation.[1]

---

[1] Matt Wilder and Andy Hira, "Institutional Stickiness and Coordination Issues in an Idiosyncratic environment: The grape and Wine industry in Ontario, Canada," *Prometheus: Critical Studies in Innovation,* 31:4 (2013), 345-267. Lynn Mytelka, "Local Systems of Innovation in a Globalized World Economy," *Industry and Innovation* 7:1, 33-54. Lynn Mytelka and H. Goertzen in David A. Wolfe and Matthew Lucas (eds.) *Clusters in a Cold Climate: Innovation Dynamics in a Diverse Economy* (Montreal: McGill-Queens University Press, 2004), 43-71. Andrea Riccardo Migone, "Developing the Canadian Wine Industry: A Contested Success" in Michael Howlett, Evert Lindquist, Grace Skogstad, Geneviève Tellier and Paul t'Hart (Eds.) S*uccessful Public Policy in Canada* (Oxford: Oxford University Press, 2021). Hudson Cattell, *Wines of Eastern North America* (Ithaca: Cornell University Press, 2014) makes the case that innovation in this section of the continent was rapid all through the 1970s onwards and that American winemaking became highly competitive. Sharon A. Jaeger, "From Control to Customer Service: Government Control of Liquor in Ontario" (Ph.D. thesis, University of Waterloo, 2000). William F. Rannie, *Wines of Ontario: An Industry comes of Age* (Lincoln: Self-published, 1978). R. Carew and W.J. Florkowski, "Regulatory and institutional developments in the Ontario wine and grape industry," *International Journal of Wine Research*, 4 (2012), 34-45. D.I. Cho, M. Permyakov, and T. Ogwang, "Structural changes in the demand for wine in Canada," *International Journal of Wine Business Research*, 19:4 (2007), 311-26. Tony Aspler, "Afterword" in Michael Ripmeester, Phillip Gordon Mackintosh and Christopher Fullerton (eds.) *The World of Niagara Wine* (Waterloo: Wilfrid Laurier Press, 2012). See also Aspler's *Vintage Canada: The*

In various stages of its evolution, the winemaking sector was shaped by several combinations of private sector operators (grape growers, winemakers) and government agents (public servants and politicians) who improvised coalitions to find solutions to help an industry that was incapable of fending for itself. It was not an easy partnership, and often, winemakers and grape growers fought each other and protested government inaction. The government (both in legislation and through the actions of its monopolistic alcohol retailing agency, the LCBO) often deserved the opprobrium. All the same, I argue these partnerships led to a co-production of a policy mix that made use of a wide variety of policy instruments.

While external events over the past century certainly punctuated policy practices, the ease by which the reform package was adopted in 1988 can be best understood as the synthesis of adaptive measures that had been in place since the mid-1960s. Using a deeper telescope, it could also be seen as an expression of the informal alliance between government, the grape-growing sector, and the wine industry that had evolved since the days of the First World War. The government of Ontario was involved in four key nodes of decision making: supply, marketing, regulation, and innovation. In other words, the policy choices of 1988 were the expression of an evolution of practices, far more than a revolution.

Phase 1: Laissez-Faire, Beginnings to 1916

Unlike the distilling industry, which was regulated from its very beginnings and subject to taxation soon afterwards, successive governments in Upper Canada and Ontario neither encouraged winemaking nor impeded it.[2] The growth of the winemaking business in the province had grown steadily through the nineteenth century and, by the 1870s, it was possible to say that a few entrepreneurs were actually profiting from their sales. All the same, until 1916, the production of wine appears to have been considered an adjunct to

Complete Reference to Canadian Wines 3rd edition (Toronto: McGraw-Hill, 1999) and *The Wine Atlas of Canada* (Toronto: Random House Canada, 2006). Linda Bramble, "The History of the VQA" in Michael Ripmeester, Phillip Gordon Mackintosh and Christopher Fullerton (eds.) *The World of Niagara Wine* (Waterloo: Wilfrid Laurier Press, 2012). Richard A. Jarrell, "Justin de Courtenay and the Birth of the Ontario Wine Industry," *Ontario History*, 103:1 (2011), 81-104. Jack Cecillon, "The World of Jules Robinet: Pioneer Winemaker," *Ontario History*, 110:1 (2018), 9-34. D. Doloreux, "Use of internal and external sources of knowledge and innovation in the Canadian wine industry," *Canadian Journal of Administrative Sciences / Revue Canadienne des Sciences de l'Administration,* 32:2 (2015), 102-12.

[2] Alun Hughes dissects many of the myths around winemaking in the first half of the nineteenth century in "The Early History of Grapes and Wine in the Niagara Region," in Michael Ripmeester, Phillip Gordon Mackintosh and Christopher Fullerton (eds.) *The World of Niagara Wine* (Waterloo: Wilfrid Laurier Press, 2012), 3-27. Richard A. Jarrell, "Justin de Courtenay and the Birth of the Ontario Wine Industry," *Ontario History*, 103:1 (2011), 81-104. De Courtenay wrote two important pamphlets on winemaking in Canada: *The Culture of the Vine and Emigration* (1863) and *The Canadian Vine Grower: How Every Farmer in Canada My Plant a Vineyard and Make his Own Wine* (1866).

agriculture rather than an industrial pursuit, and was left to succeed or fail on its own.[3] There were only six functioning wineries in the province by the time the First World War broke out: Barnes (est. 1873), T.G. Bright (founded as the Niagara Falls Wine Company, 1874), Jules Robinet and Sons (est. 1882), the National Wine Company (est. 1894), the Turner Wine Co. (est. 1885), and Stamford Park Wines (est. 1890).

The emerging industry in Ontario was shaped by the fruit used. The grapes of choice were indigenous to the land (and sometimes crossbred with stalks from the American eastern seaboard). *Vitis labrusca* (Fox) and *Vitis riparia* (Frost) and their variants (the best known was the Concord) dominated crops because they were hardy in cold climates and could mature relatively quickly, typically yielding abundant crops. They also lent themselves to a wide variety of consumption, from table grapes to juice, to wine, and to dried raisins.[4] Because they were not particularly sweet varietals, winemakers typically added substantial amounts of sugar to their fermentation to raise the alcohol level and then added water. Wineries in the late nineteenth century extracted a remarkable 2,600 litres of wine from one ton of grapes (1,000 kg). The Ontario "vintages" did not enjoy a good reputation as they typically featured a "foxy" taste. They attracted few enthusiasts, but people purchased what suppliers offered, and given a market that for much of this period was racked by strong sentiments of alcohol prohibition, there was little incentive for any winemaker to produce anything much better.

The only exception to the general laissez-faire attitude was the government of Ontario's creation of fifteen Fruit Experiment Stations in the Niagara peninsula in the 1890s. They were consolidated into the Horticultural Experiment Station in the village of Vineland Station in 1906, and it occasionally lent its expertise to the grape growers by experimenting with different varietals. The first cross-breeds not involving Concord grapes were done in 1923, and the initial experiments with vinifera were done during the Depression.[5] By the 1960s, the horticulturalists at Vineland Station were wholly dedicated to experimenting with "near vinifera" plants that could withstand the cold. One estimate is that 80,000 seedlings were planted and evaluated during the twentieth century, but that only 400 plants were re-tested. Most of them were crossbreeds with grapes that were successful in the Eastern US.[6]

---

[3] The Robinet winery in Essex County is certainly an example of this. See Jack Cecillon, "The World of Jules Robinet."

[4] See the excellent discussion of *Labrusca* and *Riparia* grapes in Anthony B. Shaw, "The Niagara Peninsula Appellation: A Climatic Analysis of Canada's Largest Wine Region" in Michael Ripmeester, Phillip Gordon Mackintosh and Christopher Fullerton (eds.) *The World of Niagara Wine* (Waterloo: Wilfrid Laurier Press, 2012), 147-50.

[5] See Jim Warren, *When Concord Was King!* (Victoria: TellWell Talent, 2018), 121.

[6] The development of the Horticultural Research Institute of Ontario is well documented in Hudson Cattell, *Wines of Eastern North America,* 122-25.

Phase 2: Prohibition and the Provincial Wineries, 1916-1926

The first regulation of Ontario wines came with the *Ontario Temperance Act* on 15 September 1916, which criminalized the manufacturing, importing, or serving of alcohol in a public establishment. The law was crafted not to apply to wine in part because few people in Ontario actually reached inebriation on the relatively low-alcohol drink and because it was widely perceived as a health tonic. There is reason to speculate that significant pressures exerted by grape growers (the same forces that ironically led to the election of the prohibitionist United Farmers of Ontario to government in 1919) would have ensured that native wines be exempted.[7] There were no government investigations as to competence or licenses to operate wineries.

Prohibition in Ontario was thus the state's gift to the grape growers and the wine industry in those years. The net effect of official prohibition was that it actually boosted Ontario wines, and the industry grew dramatically through the war and in the decade that followed, partially triggered by the soldiers returning from France after the Great War with wine-drinking habits. By the late 1920s, there were fifty-one wineries operating in the province.[8] The price for grapes shot from \$23 a ton in 1916 to over \$80 in 1929. In 1920-21, 221,985 gallons were sold in all of Canada. By 1931, more than 2.2 million gallons had been purchased in Ontario alone, in part for illicit export to the prohibitionist United States.[9] Temperance advocates were sometimes successful in banishing the sale of alcoholic drinks (including wine) in local areas following a vote, but the rules were notoriously difficult to enforce, and citizens in those areas usually managed to purchase what they needed without too much effort.[10]

Phase 3: The Age of Regulation and Expansion, 1927-1964

The active regulation of the wine industry really started in 1927 when

[7] On the evolution of state policies to control liquor, see Dan Malleck, *Liquor and the Liberal State: Drink and Order Before Confederation* (Vancouver: University of British Columbia Press, 2022); Gerald A. Hallowell, *Prohibition in Ontario* (Willowdale: Ontario Historical Society, 1972). On how the Conservative Party of Ontario was torn on the prohibition issue, see Peter Oliver, "Sir William Hearst and the Collapse of the Ontario Conservative Party," *The Canadian Historical Review*, 53:1 (March 1972), 21-50.

[8] Jaeger, "From Control to Customer Service," 43; Rannie, *Wines of Ontario,* 151.

[9] Rannie, *Wines of Ontario,* 67, 68.

[10] Dan Malleck, "Niagara Wine and the Influence of Government Regulation, 1850s to 1944" in Michael Ripmeester, Phillip Gordon Mackintosh and Christopher Fullerton (eds.) *The World of Niagara Wine* (Waterloo: Wilfrid Laurier Press, 2012), 34. The *Dunkin Act* of 1864 had allowed any municipality or county in the province of Canada to hold a vote on the matter. Laws passed in Ontario in 1906 also reaffirmed that municipalities could hold referenda on allowing the sale, transport, and consumption of alcohol within their boundaries.

the *Ontario Temperance Act* was annulled, the *Liquor Control Act* came into force, and the Liquor Control Board of Ontario (LCBO) was created as the sole retailer of wine and spirits in the province. The LCBO's mandate also included the monitoring of wine quality. The province appointed R.A. "Bert" Bonham of the provincial Health Department to the new post of Winery Superintendent. He was responsible for ensuring that the industry followed best practices regarding sanitary conditions and preparation. He issued a report in 1928 that revealed that Ontario wineries were not living up to accepted standards. The gravest revelation was that the use of preservatives, including carcinogenic urea (as a yeast nutrient), was pervasive.[11]

There were other state supports for the industry. In early 1929, the province established a small part-time winemaking school in Toronto. As the Depression hit, the government removed a 50-cent/gallon tax on Ontario wine. Perhaps, the most important policy decision, however, was a 1931 regulation banning the use of imported grapes. Again, the Ontario government acted to support farmers. For the many winemakers who depended on grapes imported from the United States, the impact of this ban, in combination with the Depression, was devastating. In November 1933, the Ontario Minister of Agriculture urgently called for a meeting of ministry officials, grape growers, wineries, as well as chemists and members of the LCBO "for the purpose of making full inquiries into the condition of the native wine industry in this Province, with the object of improving the qualities of our wines"[12] and established an Ontario Wine Standards Committee within months. Alcohol consumption tripled from 1932 to 1937, but it was too late to save the province's wineries from financial ruin.[13] By 1936, only a dozen commercial winemakers were in business in the province, back to pre-war levels.[14] In 1940, they created the Canadian Wine Institute to promote their product, especially with governments.[15]

Government actions, both at the national and provincial level, also mobilized the grape growers. To concert their efforts, they founded the Ontario Grape Growers' Marketing Board in 1947 with a key mandate to set base price for grapes sold to winemakers. At this juncture,

---

[11] Some of the winemaking techniques of the era are described in Jim Warren, *When Concord Was King!* 118. For a discussion of the LCBO's regulation of public consumption of alcohol, see Dan Malleck, *"Try to Control Yourself": The Regulation of Public Drinking in Post-Prohibition Ontario, 1927-44* (Vancouver: UBC Press, 2012).

[12] Archives of Ontario, Department of Agriculture, RG 4-32; Barcode: B740914, S.H.H. Symons to S. McClenaghan, 6 November 1933, RE Ontario Grape and Wine Committee.

[13] The sums the LCBO paid to the Ontario Treasurer more than doubled, reaching over $100,000, though much of that revenue came from liquor (not wine) sales. Jaeger, "From Control to Customer Service," 103, 104.

[14] Malleck, "Niagara Wine and the Influence of Government Regulation," 42.

[15] Wineries from British Columbia were added to the roster in 1965. Rannie, *Wines of Ontario,* 168.

there were 15,000 acres devoted to producing grapes in the province: a yield of 36,000 tons. About sixty percent of the crop was still *Labrusca*, but commercial harvests of French hybrids were also being collected.[16] But there was an important change: henceforth, the price paid would be based on the grape's *brix* (sugar content): the higher the brix (and suitability for winemaking), the more farmers would be paid for their crops. The hope was that farmers who were more careful in their crop maintenance and in choosing higher-sugar grapes would be rewarded. Noticeably, it was the Ontario Grape Growers Marketing Board that began to lobby for more wine stores, in an attempt to find more markets for their products, but it was turned down.[17]

At roughly the same time, the Ontario Wine Institute was created.[18] The industry was growing again, with ten of the small wineries that had gone moribund during the depression revived. There were now twenty-two wineries in the province, but the industry knew it had to become more competitive and responsive to consumers who were looking for new tastes. By the mid-1950s, it was apparent that Ontarians were increasingly turning to table wines, and the wineries responded fairly quickly. They were selling more wines in their fifty-two shops than the LCBO could in its 202 outlets. The first sign of some sympathy from the government was very slow in coming. It came from its agent, the LCBO, which in 1959 started displaying Ontario wines (behind glass, of course) in three of its Toronto shops—there would be eighty-three wine displays in the province by 1963.[19] Prohibition had died relatively early in Ontario, but its puritan roots were very much alive. It was only in March 1960 that the Ontario government decriminalized the giving of a bottle of liquor as a present.[20]

Phase 4: The World Knocks on Ontario's Door, 1964–1986

A policy challenge shook the world of Ontario wine in 1964, a record year as sales of Canadian wine in LCBO stores had increased by 229,000 gallons, and there were indications that the industry still had room to grow. A survey conducted the year before revealed that only seventy percent of adults drank alcohol, the same as previous polls of 1948 and 1954.[21] Ontario wineries pro-

[16] *The First 50 Years of the Ontario Grape Growers' Marketing Board, 1947-97* (Vineland: Ontario Grape Growers' Marketing Board, 1997), 1, 5, 8.

[17] *The First 50 Years of the Ontario Grape Growers' Marketing Board, 1947-97* (Vineland: Ontario Grape Growers' Marketing Board, 1997), 10.

[18] No specific date of establishment is evident. There are no archives for the Ontario Wine Institute and the organization is only mentioned in passing in various documents.

[19] *Ibid.*, *The First 50 Years of the Ontario Grape Growers' Marketing Board, 1947-97*, 9; Jaeger, "From Control to Customer Service," 310.

[20] Jaeger, "From Control to Customer Service," 242.

[21] *Idid.*, 313.

duced over 6.7 million gallons of wine in 1964,[22] and as the oldest "baby-boomers" reached maturity in the mid-1960s, the industry experienced a boom of its own: Ontarians were now reporting drinking about 11.5 litres of alcohol per capita, up from 7.3 litres in 1950, and ranked third behind British Columbia and Alberta.[23] Because the population of the province was growing rapidly, however, the industry had reason to feel optimistic. That enthusiasm was punctured when the French *Institut national d'appelations d'origine des vins et eaux-de-vie* and fifteen Champagne-region producers launched a lawsuit in Quebec courts against Chateau-Gai, arguing that its "champagne," a product the winery had first introduced in 1949, was an infringement of its trademarked appellation. The ruling caused consternation in the wine industry, and many vintners criticized Chateau-Gai for its marketing errors. Faced with such hostility, Chateau-Gai even temporarily withdrew from the Ontario Wine Institute, citing "internal dissention over policy."[24] Hostilities between the Grape Growers and the vintners also grew tense to the point where Ontario government ministers offered to mediate.[25]

The Canadian Wine Institute issued a brief to the Canadian Tariffs and Trade Committee in June 1964, asking that no concessions be made. While it did not ask that the importation of foreign wines be reduced, it did ask for a tariff increase on those bottles and that the same excise tax imposed on Canadian wines be applied to foreign products.[26]

The vintners were well aware they would be losing market shares to imports. They sought to attract a new clientele by marketing light-alcohol wines, now known as "Duck" wines (blends of red and white wines developed in Germany that had become very popular in the United States).[27] However, the success of these wines was not to all tastes. The Ontario wine industry was reminded of its reputational problem when, in the winter of 1965, the Ontario Department of Economics and Development refused to commit to serving Ontario wine exclusively at the upcoming Expo '67 in Montreal.[28] (That department was in charge of managing the Ontario presence, including the building of the provincial pavilion.) The outrage and pressure mounted on the John Robarts administration and the government of Ontario relented, ensuring that Ontario wines were served plentifully (though

[22] Rannie, *Wines of Ontario,* 135 (footnote).

[23] Jaeger, "From Control to Customer Service," 383.

[24] Archives of Ontario, RG16-1, Correspondence of the Minister of Agriculture and Food, Barcode 362575, G.F. Perkin to W.A. Steward, 20 February 1964.

[25] *Ibid.*, Robert Welch to John Yaremko, 11 March 1964.

[26] *Ibid.*, J.K. Couillard to W.A. Steward, 17 June 1964. The brief is dated 10 April 1964.

[27] See Cattell, *Wines of Eastern North America*, 86-87.

[28] Archives of Ontario, RG16-1, Correspondence of the Minister of Agriculture and Food, Barcode 362575, R.K. Matthie to W. A. Stewart, 14 March 1965.

not exclusively) at the pavilion. (It also promised to "promote" all the province's food products.)[29] The wineries also put pressure on the government of Canada agencies, such as Air Canada and the Canadian National Railways (CNR), to feature Ontario products in their cab service. Secondly, the vintners turned to the growers. "There is increasing pressure being put upon growers to plant newer wine varieties whether they have suitable land or not [...]," declared the Canadian Wine Institute.[30] The grape growers were planting 300,000 new vines each year as grape popularity continued to climb. In 1969, the wineries bought 38,400 tons of grapes, including close to 10,000 tons of French hybrids and 300 tons of *vinifera*. The remainder of the crop was *Labrusca*.[31]

The problem was that there were not enough quality grapes to sustain wine production. Under pressure from the vintners and the growers, the Ontario government introduced an Ontario Wine Industry Assistance Program in 1969 to help the grape growers uproot *Labrusca* and plant either hybrids or *vinifera*. More importantly, following a disastrous grape harvest in the fall of 1972 (only 39,500 tons), the government of Ontario agreed to allow vintners to include up to twenty-five percent foreign content in their bottles, and soon, fruit was arriving from parts of Europe, Chile, and Australia. In 1980, that percentage was raised to thirty percent.[32] Importantly, these wines could still be labelled as "Ontario Wine."

Another state actor, the LCBO, was activated. Led by Major General George Kitching, it allowed self-service in the stores (pilots had been done in Toronto in 1969) and increased the number of LCBO outlets to 500 by 1976. Kitching also introduced a "Rare Wine and Spirits" store in St. Lawrence Market in Toronto to cater to more sophisticated palates.[33] Kitching knew that government regulations and contributions would not go far in helping the industry revitalize itself unless it had new blood. In early 1974, he issued the first new licences for commercial winemaking since the 1920s. One went to Karl Podamer, and the other to the duo of Donald Ziraldo and Karl Kaiser (who had secured a $50K loan from the Ontario Development Corporation).[34] The LCBO also committed not to delist any Ontario wines (on account that the production was too small) and to give more shelf space to the domestic product.

Yet, there was discomfort. The indus-

---

[29] *Ibid.*, S.J. Randall to Robert Welch, 10 June 1965; see also W.A. Stewart to Everett Biggs, 11 June 1965; Everett Biggs to W.A. Stewart, 9 June 1965.

[30] Grape Growers Marketing Board, *Annual Report*, March 1965.

[31] *The First 50 Years of the Ontario Grape Growers' Marketing Board, 1947-97,* 12.

[32] Linda Bramble, "The History of the VQA" in Michael Ripmeester, Phillip Gordon Mackintosh and Christopher Fullerton (eds.) *The World of Niagara Wine* (Waterloo: Wilfrid Laurier Press, 2012), 82.

[33] Jaeger, "From Control to Customer Service," 410.

[34] Rannie, *Wines of Ontario,* 133.

try, dominated by a short list of survivors including Barnes, Brights, Chateau-Gai, Jordan, London, and Andres Wines, needed more innovation and protection, so the LCBO created the Wine Council of Ontario (WCO) in 1974 to organize and spearhead its lobbying, but it was fragile. The province created a Wine Advisory Committee (WAC), which in turn generated a substantive report in the summer of 1974 that recommended extending the permissions allowing vintners to include even more imported grapes in their bottles in order to improve quality. The aim was to enhance the offer to the public and even to develop "a new category of wines." The WAC also asked that the LCBO add the products of smaller Ontario wineries to its listings, that the wineries be allowed to sell their products at a lower price than the LCBO, and that the Ministry of Agriculture and Food help fund marketing campaigns to expand markets for Ontario grapes. Most importantly, it wanted the imposition of a limit of 225 gallons of wine from each ton of grapes.[35] The Ontario Grape and Wine Assistance Program was revised in 1975 and offered interest-free loans to growers so they could uproot their *Labrusca* and plant hybrids and *vinifera* instead.

The Ontario government also brought its regulatory support to bear. A *Wine Content Act* was passed in 1976 to strengthen the wineries' ability to meet changing consumer tastes while the conversion of the grape crop was slowly executed (half the crop that year—9,740 tons—was still Concord grapes). Conversion of grape crops from the traditional *Labrusca* to vinifera and hybrid varieties was originally expected to take four to seven years, but the process actually took much longer. By 1980, the harvest of grapes, such as Chardonnay, Riesling, Gamay, the Cabernets, and Merlots, amounted to 800 metric tons. The Wine Council of Ontario proposed to the LCBO that it reduce its seven percent sparkling wine markup to promote sales.[36] To encourage market consumption, the Ontario government accepted the industry's argument and reduced its markup on all wines except those designated as "dessert wines."[37] Finally, the *Wine Content Act* that was to sunset in 1980 was, instead, extended to 1984 and then again to 1986.

For the Wine Council of Ontario, the best solution was improved marketing, especially in the province, and so the government had to help pay for it. "If the Ontario Government wishes to have an

---

[35] Archives of Ontario, RG 31-2 Correspondence of the Deputy Minister of Consumer and Commercial Relations, Ontario Wine Council—general, Barcode: B335803. A. Gordon Cardy to J.T. Clement, 17 July 1974.

[36] Archives of Ontario, RG 31-2, Correspondence of the Deputy Minister of Consumer and Commercial Relations; Ontario Wine Council—general. Barcode: B139846, E.S. Arnold to W.J Bosworth, 4 August 1978. The wine industry suffered a $300,000 loss in profit in 1977 and was eager to make it up. See *Ibid.*, E.S. Arnold to L. Grossman, 15 June 1978.

[37] *Ibid.*, I. C. Kennedy to "All Members of the Wine Council of Ontario," 27 September 1976.

Ontario-based grape growing and wine industry, a buoyant market for Ontario wines must be created for a healthier financial position for the industry must be established," it argued. The WCO also pleaded for a more sustained dialogue between industry and government. The lack of understanding at Queen's Park had "led to misconceptions on the relative strengths and future prospects of our industry," it claimed. The moment was propitious and urgent, and the Wine Council was sounding the alarm on the "longer term economic viability of key industry participants."[38]

The market was also changing and expanding rapidly, making new marketing campaigns all the more urgent. The 1980s swept in new popularity for wine, likely due to the maturation of increasingly well-travelled baby boomers, but many observers felt that the industry was flagging. The Progressive Conservative Party, which had governed Ontario since 1943, was favourable to the wine industry, established a Wine and Industry Taskforce under the leadership of Jack W. Tanner, a professor of agriculture at the University of Guelph. The government's last gesture of support before it was defeated in 1985 was the LCBO's new strategy: the "Innovate, Merchandise & Generate Enthusiasm" programme (IMAGE).

From the GATT challenge right through to the end of the 1970s, the concerns of the grape growers gradually became secondary to those of the wineries. It was in good health: the growers found markets for their grapes (still mostly *Labrusca*) on the table in juicing or jellies. The wine industry, however, was facing tough competition. The market share for Ontario wines fell from 52 percent in 1983 to 47 percent in 1987. Ontario wine sales had dropped more than 5 percent in 1987 alone, and the cost of domestic grapes had simultaneously climbed by almost 20 percent. Even though provincial vintners were selling over $94 million worth of products and per capita consumption of wine in the province was rising steadily, the consumer taste for products from France, the United States, South America, and Australia was evident. There were twenty-one wineries in the province employing 1,584 full-time and part-time employees. The province's grape growers worked 24,000 acres of land (ninety percent of it in the Niagara region), and grapes had become the second largest fruit crop in Ontario (apples were still first), with annual sales of over $32 million. It was calculated that the wine/grape industry supported almost 21,000 full and part-time jobs in the province, including over 18,000 in the Niagara peninsula alone.

Phase 5: The Response to the Free Trade Agreement with the United States, 1986-1989

The Ontario Wine/Grape Industry Committee was mobilized in 1986. In August, the cabinet agreed to support the wine and grape industries to

[38] *Ibid.*

make them more competitive. Premier David Peterson asked that the Ministries of Corporate and Consumer Relations (MCCR) and the Ministry of Agriculture and Food (MAF) collaborate to create a strategy to respond to the vintners and, at the same time, to seize intelligence on what the Government of Canada was contemplating in terms of international trade initiatives. A new pricing formula was forged whereby charges on Ontario wines would be reduced from 58 percent of value to one percent, a drop of 57 percentage points. The markup on imported wines would be reduced from 123 percent to 66 percent—57 percentage points also. The handling charges imposed by the LCBO would become uniform ($13.50 per case of twelve 750ml bottles) regardless of the wine's origins.[39] It made Ontario wines competitive in price, but Ontario was still imposing hurdles on wines made abroad at much lower costs.

The policy equilibrium between laissez-faire and some intervention in favour of grape growers and vintners was punctured twice in the early fall of 1987. On 3 October 1987, the GATT agreed with the European Economic Community's complaint that provincial liquor board practices in Canada discriminated against their products. Coincidentally, on the next day, Canadian and American negotiators reached an agreement in principle on a free trade agreement. The new arrangement committed Canada to eliminate discriminatory practices concerning the listing, pricing, and distribution of wine. The combination of events prompted the industry and the Deputy Ministers of MCCR and MAF to accelerate their discussions. On 22 November 1987, they agreed that an Ontario Wine/Grape Industry Committee would be appointed to examine how the sector could survive in the new trade environment.

The Ontario wineries decided that their future would be based on quality, not price competitiveness. The winemakers had also seen the writing on the wall, and the industry had to modernize. As the provincial staff were elaborating on the government's policy options to help the long-term competitiveness of both the winemakers and the grape industries, it regularly consulted with the new Vintners Quality Alliance, taking full advantage of its momentum. Coupled with updates to past policies of direct government support, tax incentives, and uprooting programs, a new proposal was presented to the cabinet. It involved the removal of 8,250 acres of *Labrusca* from production within five years. The *Wine Content Act* was amended to impose punitive measures against any vintner who did not adhere to rules aimed at rebranding Ontario wine to dispel any notions of poor quality.

On 2 January 1988, President Ronald Reagan and Prime Minister Brian Mulroney signed the Free Trade Agreement between Canada and the United States. The hard-fought negotiations be-

[39] Hansard of the Ontario Legislature, Session: 33:2, 28 April 1986; <http://hansardindex.ontla.on.ca/hansardeissue/33-2/l004.htm>, 227.

tween the two countries, which had taken well over a year, promised changes to the wine trade. The deal would become effective a year later but provided for a ten-year period of adjustment. Chapter 8 of the FTA was devoted to wine and spirits, with the opening paragraph strangely promising that "Canadians will, as a result, enjoy greater access to a wide variety of California wines at competitive prices."[40] It would allow Canada to levy a protective tariff on US wines until 1999. The deal committed provincial liquor boards to eliminate any discriminatory pricing measures immediately and provided a seven-year period to eliminate progressively any discriminating handling charges on imported American wines (by the end of 1995).

Through the winter of 1988, consultations multiplied between officials in the Department of Consumer and Commercial Relations and industry representatives, and briefings with politicians escalated. On 21 April 1988, the Ministries of Consumer and Commercial Relations and Agriculture and Food submitted their recommendations to the Cabinet Committee on Economic Policy. This document detailed the Ontario Wine/Grape Industry Committee's comprehensive industry strategy and framework. The policy document asked that financial assistance to the grape industry be provided to assist with acreage removal, grape price support, development of alternate markets and uses of grapes, grape quality, and productivity improvements. It also recommended that the markups on Ontario wines be increased gradually until 2000 to practically eliminate the differences between domestic wines and imports. It asked that taxes levelled at the winery shops be reduced from five percent to two percent and that wineries be allowed to set up shops through 1988. Marketing and promotion were key, and the working group suggested that a campaign be jointly funded by industry and government—including promotions abroad—to encourage the consumption of Ontario wines. The problem was that American products had dramatically improved through the 1970s and '80s and had become increasingly aggressive in their marketing strategies in the province. New records for imports were set in 1988, and orders for 1989 shipments of US table wine to the LCBO increased more than 300 percent over 1988.

The cabinet sub-committee was receptive and agreed to a number of principles. The key consideration was that the new law could designate and authorize a "body" to establish new restrictions—and for that, the VQA was ready. Under the proposed regulations, Ontario wineries were expected to purchase a minimum of 25,000 tons of Ontario grapes annually—of which at least 20,000 tons had to be hybrids or *vinifera*. Wineries would be allowed to import any quantity of grapes once they had demonstrated to the LCBO that they had purchased their committed quantity of Ontario grapes. There could be no *Labrusca* grapes or

[40] *Canada-US Free Trade Agreement* (Ottawa: Government of Canada, 1988), 135.

derivatives. The total volume of wine from one ton of grapes would be limited to no more than 180 imperial gallons, in line with international standards. A second category captured coolers, sherries, ports, and other products, with no limit on wine yield from a ton of grapes and no restriction on the grape varieties that could be used. This provided a general category where wineries would have the flexibility to meet changing consumer tastes. A third category would include the grandfathered wines that exclusively used Ontario grapes and fruits.[41]

The VQA, now incorporated, designated four Viticultural Areas: Niagara, Pelee Island, Lake Erie North, and Prince Edward County, and stipulated that only *vinifera* and thirteen specific hybrids could be harvested for wine in these areas. Most importantly, the new organization would have the right to propose "classes of wine and the standards to be met for the prescribed classes."[42] Bottles sold as varietals had to include eighty-five percent from the particular grape. Vineyard-designated and estate-bottled wines had to be made from one hundred percent owned areas in the viticultural region. Minimum sugar levels were also specified. Ontario thus followed a practice codified in France in 1935, Italy in 1963, the USA in 1978, and Germany in 1981.

The proposal was tabled in the Ontario legislature in late June 1988.[43] The cost for the twelve-year reform program was estimated within a range of $189.5 to $216.5 million and assumed that Ottawa would finance it because it was "responsible for 100 percent of the costs of programs provided in the agreement with the grape and wine industries" and thus be responsible for the acreage removal and alternative uses for grapes.[44] The province of Ontario's cost would thus range between $81 to $94.5 million.[45] The agreement was accepted on 27 April 1988, and the Office of the Premier insisted on being consulted on the negotiations with Ottawa.[46] Treasury staff

[41] Archives of Ontario, Cabinet Documents, CS 6326/88 April 27th, 1988, Minute NO: 10-17/88 Re: Agenda Item: V. 4. Economic Policy Committee 21 April 1988, Consumer and Commercial Relations.

[42] Archives of Ontario, Cabinet Documents, CS 6326/88, Wine Content Standards (Draft), Ministry of Treasury and Economics Comments On: Ministry of Consume and Commercial Relations, 14 April 1988.

[43] Hansard of the Ontario Legislature, Session 34:1, 29 June 1988; <http://hansardindex.ontla.on.ca/hansardeissue/34-1/l087.htm>, 187.

[44] Archives of Ontario, Cabinet Documents, 6328/88, Cabinet meeting of 27 April 1988, Minute NO: 9-17/88. V. 4. Economic Policy Committee 21 April 88. Consumer and Commercial Relations/Agriculture and Food, Ontario's Agreement with the Grape and Wine Industries.

[45] Archives of Ontario, Cabinet Documents, CS 6328/88 Rev. 21 April 1988, Management Board Secretariat Report Confidential To: Cabinet Committee on Economic Policy Subject: Ontario's Agreement with the Grape and Wine Industry Ministry: Consumer and Commercial Relations and Agriculture and Food.

[46] Archives of Ontario, Cabinet Documents, 6328/88, Cabinet meeting of 27 April 1988, Minute NO: 9-17/88. V. 4. Economic Policy Committee 21 April 88. Consumer and Commercial Relations/Agriculture and Food, Ontario's Agreement with the Grape and Wine Industries.

noted that the cost of the program was extremely expensive in relation to industry size compared to the Tobacco Producers Assistance Program (provincial contribution of $15 million in 86/87). It also noted that the program would be prohibitively expensive if the federal government did not share the cost. There was also concern that this proposal could set a precedent for other market sectors with poor market conditions.

In late July 1988, MAF, MCCR, and Treasury started negotiations with the federal government for a cost-shared adjustment package[47] because the Mulroney government had given commitments that it would help.[48] Finally, on 5 August 1988, Robert Nixon, the Minister of Finance, unveiled the Grape and Wine Industry Agreement to the cabinet, which showed a commitment to work with the industry. It committed the government to further negotiations with Ottawa to improve its offer and, specifically, to ensure that industry representatives were informed of the negotiations. A new communications strategy was devised to announce the assistance program.[49]

The Ontario government was successful. In December 1988, Ontario, the federal government, and the Ontario Grape Growers' Marketing Board agreed to implement a twelve-year, $100-million, cost-shared grape and wine adjustment program. The components agreed upon included assistance for acreage reduction, crop price support, grape quality and productivity, wine promotion, wine store tax credit, and the federal purchase of surplus grapes. It also cemented the notion that Ontario vintners would pay the "California Price" for their better-quality grapes, and the governments would supply compensation for any gap between the two.[50]

Ten months later, in September 1989, the Management Board of Cabinet approved the Wine Industry Adjustment Program, and nineteen of the twenty-one wineries submitted their business plan to the Ontario Development Corporation. Again, the LCBO helped. In December 1989, Cabinet agreed that winery retail stores be permitted to remain open on Sundays and that credit card purchases be permitted. Cabinet also agreed, in principle, to allow Ontario wineries to bottle one hundred percent imported product (to be known as "cellared in Canada"), as long as the interests of the Ontario grape growers were not affected. The Ontario industry continued to be protected in that no wines bottled by the Société des Alcools du Québec (SAQ)

---

[47] Archives of Ontario, Cabinet Documents, 6328/88 July 27th 1988, Minute NO: 7-29/88, Agenda: IV. Policy, Hon. J. Riddell/Hon. W. Wrye.

[48] Hansard of the Ontario Legislature, Session 34:1, 9 November 1987, 211 <http://hansardindex.ontla.on.ca/hansardeissue/34-1/l004.htm>.

[49] Archives of Ontario, Cabinet Documents, 6328/88, Cabinet meeting of 21 April 1988, Minute NO: 1-29/88, IV. Policy, Hon. R. Nixon, (a) Grape and Wine Industry Agreement.

[50] Hansard of Ontario Legislature, Session 34:1, 2 March 1989, <http://hansardindex.ontla.on.ca/hansardeissue/34-1/l156.htm>, 178.

would be allowed on LCBO shelves, nor would any bottles of Canadian wine by a foreign manufacturer.[51]

A new package of $145 million (to which the government of Canada contributed $11 million) reinvigorated the Wine Assistance Program that the Ontario government had created in 1969. One hundred million dollars was dedicated to removing up to 19,700 acres of *Labrusca* and hybrids by 1995 and provided an incentive (a "sugar bonus") to plant vinifera. New legislation outlawed the use of *Labrusca* grapes for winemaking, and the production of fortified wines was ended. Over the next twelve years, the government converted another 7,000 acres of *Labrusca*. The 1988 Ontario Wine Assistance Program aimed at uprooting 19,700 acres of *Labrusca* by 1995. The rest of the money ($56 million) was dedicated to loans to help vintners improve their infrastructures. They collectively erected impressive buildings for production and sales purposes. There was flexibility in the funding. For instance, Chateau des Charmes, the Paul Bosc company, had long pulled out *Labrusca* from its lands. It received assistance to build its chateau to showcase its products in a tourist-friendly atmosphere in 1994.

The task of uprooting *Labrusca* proved slow. In 1982, 300,000 labruscas vines were removed and replaced with 500,000 hybrids and viniferas.[52] From 1987-1989, 6,190 acres had been removed from production, about seventy-five percent of the stated goal. The initiative would cost $45 million. Other initiatives included an aggressive tourism promotion effort to encourage travel to the Niagara region, the marketing of Ontario wines abroad, particularly to help the ice-wine industry, promoting VQA standards with the public, encouraging the LCBO to experiment with different ways of displaying wines (e.g. shelving them by variety rather than region), encouraging cost-reduction practices among wineries (joint bottling and warehousing, for instance) through tax credits, researching the possibility of retailing Ontario wines in grocery stores, examine grape-market diversification (e.g. vinegars, organic growth), a price-support program for grape growers, enhancing the Ontario Wine Assistance Program, and even establishing new sorts of wine-based drinks that would not fall within the guidelines of the GATT.[53]

Phase 6: Expansion, Consolidation, and Marketing, 1989-Today

The wine industry lived through difficult years in the late 1980s as tastes increasingly turned to wines from the

[51] Archives of Ontario, Cabinet Documents, 6849/89 January 10th, 1990, Minute NO: 12-1/90, V. 2. Economic and Environmental Policy Committee 21 Dec 1989, Consumer and Commercial Relations, 2. Policy in Support of the Grape and Wine Competitiveness Strategy.

[52] *The First 50 Years of the Ontario Grape Growers' Marketing Board, 1947-97*, 29.

[53] Archives of Ontario, Cabinet Documents, CS 6849/89 23 November 1989, Appendix 1, Long Term Strategies, Wine and Grape Industries Competitiveness.

United States. Annual sales of Ontario wine declined by an average of 13 million litres a year, even though the quality of the harvest was among its best.[54] The industry's profile was raised in 1989, when the whole Ontario industry when celebrated when the Inniskillin winery won the Grand Prix d'Honneur at Vinexpo, and all signs gave reason for optimism. The industry had been seized with the ambition to provide a quality product; it would do so in a free trade environment that still allowed for government assistance, at least for the foreseeable future. The transition to the new context was manageable. More programs were installed. The *vinifera* harvest in 1990 amounted to 4,000 tons, more than a four-fold increase over a decade. By 2000, the vinifera harvest reached 20,400 tons.

The LCBO continued to enhance the capacity of the Quality Assurance Laboratory that had been established in 1989 and, in 1993, launched *Food & Drink,* a splashy magazine that promoted Ontario wines distributed at no cost to LCBO outlets. By 1994, seventeen percent of LCBO shelf space was allotted to Ontario wines and progressively sought to promote smaller wineries on its shelves through a "craft program."[55] Ontario wineries were also aggressively responding to consumer tastes. In 1994, they bought 6,200 tons of vinifera and 16,200 tons of hybrids. The Ontario government continued its contribution to promoting Ontario wines and moved it into regional and tourist development. In 1991, the new $5 million marketing and promotions tourism campaign was launched. It went towards creating a "Wine Route" and a Wine Visitor and Education Centre in Niagara that was ready to celebrate when, in 1994, the first Ontario Wine Awards were given out. The effort to institutionalize innovation and to prepare a specialized workforce for the industry led to the government-funded creation of specialized viticulture programs at Niagara College and a Cool Climate Oenology and Viticulture Institute at Brock University in 1996.[56]

The partnership with industry was paying off, yet vintners declared in 1998 that it be stabilized even more.[57] The industry approached the Ontario government to enhance the VQA's regulatory authority. The Progressive Conservative Government of Mike Harris, contrary to its every intuition, agreed, and the *Vintners Quality Alliance Act* was approved in 1999; the government issued its first

[54] *The First 50 Years of the Ontario Grape Growers' Marketing Board, 1947-97*, 38.

[55] In 2002, a Joint Industry-Ontario $20M marketing campaign "Wonderful Ontario Wines" (WOW) was funded. The industry played up its collaboration with foreign wine suppliers by marketing its bottling as "Cellared in Canada." In 2009, the practice was renamed "International-Canadian Blends."

[56] The Horticultural Research Station at Vineland which had been so instrumental in conducting research on vines was renamed the Horticultural Research Institute of Ontario (HRIO) in 1966. In 1997, the Institute became part of the University of Guelph and is now a division within the Department of Plant Agriculture.

[57] Archives of Ontario. Title: Wine Industry-Grapes; RG 16-1, Correspondence of the Minister of Agriculture and Food; Barcode: B352565, Sectorial Partnership Meeting, 26 February 1998.

regulations in 2000. The VQA assumed legal authority to enforce the appellation of origin system[58] and wine-making and labelling standards. Though accountable to the provincial government, it could also invoke sanctions, impose penalties and lay criminal charges. By 2004, there were seventy-four wineries operating in Ontario that fully lived up to VQA standards, a more than nine-fold increase since Kitching had increased the number of wineries to eight in 1974. In 2006, the VQA created ten sub-appellations and called for more authentic labelling. Names such as Bourgogne, Burgundy, Chablis, Champagne, Porto, Port, Rhin, Rhine, Sauternes, and Sherry were phased out within three years. In 2012, 64,439 tons of wine grapes were produced, with *Vinifera* accounting for sixty-seven percent of the total grapes sold to wineries during regular harvest. That year, there were 123 wineries registered with the VQA, and they shipped 1,600 wines. In 2021, 183 wineries were registered as participants in the VQA program.

Conclusion: The Institutionalization of Policy Co-production

The provincial government, the winemakers, and the grape growers relaunched the wine industry in Ontario in the late 1980s on the basis of high-quality production, but their accord was built on decades of mutually reinforcing policy-making. The collaborative process mostly protected a status quo but was often challenged by factors over which the actors had no control: trade problems shaped two key responses, as did evolving public tastes and, in 1972, the climate that ruined Ontario crops.

Industry leaders, many of whom were recent immigrants (or the children of immigrants), played a critical role. From the late nineteenth century to today, clever businesspeople and tastemakers have shaped the industry and kept it innovative and market-savvy. Their insistence on maintaining communications with the Ontario government paid off. Their willingness to police themselves and then to pass the regulation to the government was likely a positive move. The government of Ontario was involved in all four key nodes of decision-making: supply, marketing, regulation, and innovation. The key ingredients were interested public sector leaders and chief political executives who listened to the strong and eloquent leaders in the private sector.

The persistent presence of the Ontario government certainly lends support to the notion that historical institutionalism can shed light on the development of the industry in a manner consistent with the protectionism of government in agricultural policy.[59] The constant pres-

[58] Bramble, "The History of the VQA," 67-86.

[59] The province of Ontario chose this policy of support in various industries. See the classic treatment by H.V. Nelles, *The Politics of Development: Forests, Mines and Hydro-Electric Power in Ontario, 1849-1941* (Toronto: MacMillan of Canada, 1975).

ence of its paternalistic and incremental approach to helping to manage the industry made it overwhelmingly the most important policy agent. Using its key position (nodality) in the knowledge chain, its treasury, and its very presence in the public mind through the LCBO is undeniable, but it did so in a familiar policy frame—what some call path dependence. Regulations, for instance, bent to market will. "Pull-out" campaigns began in the 1960s. History shows that this policy subsystem was always determined by an iron triangle that included government, bureaucracy, and industry (both growers and winemakers).

Today, there are 17,000 acres of vineyards in Ontario, almost the same as sixty-five years ago. But the kind of grapes grown is now dramatically different and the industry has evolved and achieved its status as an internationally acclaimed grape and wine region. In the past sixty-five years, the farm gate value of grape sales has risen from $2.5 million to more than $88.6 million. Many of the grapes grown in the province are dedicated to winemaking. Table grapes, as well as grape juice and raisins, are now imported. There are now over 180 wine producers in the province spread across four *terroirs*. The industry includes multinationals as well as small artisanal producers. Ontario wine has become a big business and a commercial success among both Canadian and international consumers, mostly in Ontario but also abroad, especially where icewine is favoured. In the fiscal years 2018-19, Ontario consumers devoted a quarter of their wine-consuming budget to Ontario wines ($505 million of a total purchase of $2.1 billion). The loyalty of Ontarians to their local wines is a testament to an industry that has innovated brilliantly, stubbornly defying the notion that quality products could not be grown in frozen soil.