ONE YEAR. STILL OFF THE SHELVES.
THE COST OF CANADIAN BANS ON U.S. WINE

American wineries caught in the crossfire of a trade dispute they didn't start — and still haven't escaped.

March 4, 2026 marks one year since U.S. wines were removed from Canadian store shelves in retaliation for U.S. tariffs.[1] American alcohol remains the only product completely barred from import in nearly all Canadian provinces. Full-year 2025 data now confirms this is the most catastrophic single-year trade disruption in the history of U.S. wine exports.

THE NUMBERS SPEAK: A YEAR OF HISTORIC LOSS [2]

78%
Drop in U.S. wine exports to Canada (2024 → 2025)

$357M
Lost in export value to Canada ($460M in 2024 → $103M in 2025)

35%
Total U.S. wine exports decline globally in 2025

81%
Of ALL global U.S. wine export losses in 2025 caused by Canada bans

U.S. ALCOHOL: SINGLED OUT WITH UNPRECEDENTED TREATMENT

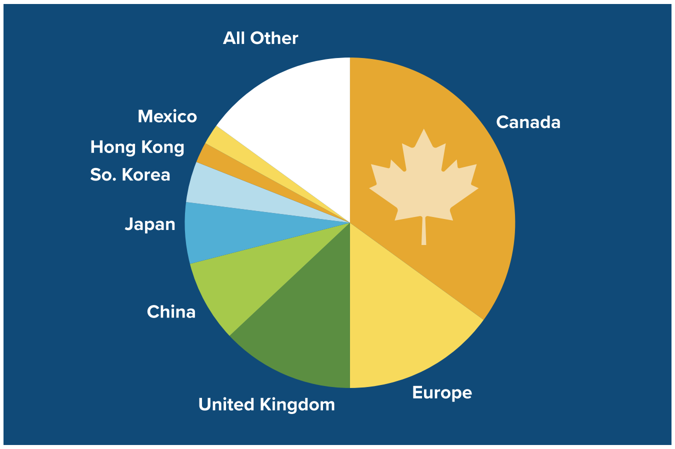
A DISPROPORTIONATE RESPONSE
Canadian provinces banned U.S. wine, spirits, and beer over tariffs that are unrelated to agriculture. The alcohol industry had nothing to do with this dispute.

UNPRECEDENTED AND INEFFECTIVE
These bans are historic in breadth and duration. One year in, they they have not moved the needle on broader U.S.-Canada trade relations and have inflicted harm on both sides of the border.

THE ONLY U.S. EXPORT SINGLED OUT
Every other American industry can still do business in Canada. U.S. alcohol alone has been completely barred from nearly every province.

A HISTORIC RECORD BROKEN
A decades-long trade surplus flipped to a trade deficit — the most significant market disruption in decades. The 2024 $254 million surplus turned to a $90 million trade deficit in one year.[2]

CANADA WAS AMERICA'S #1 WINE EXPORT MARKET



IN 2024, CANADA REPRESENTED

- 36% of all U.S. wine exports worldwide[2]
- $460 million in shipments[2]
- CAD$1.1 billion in Canadian retail sales[3]
- More than the EU, UK, and China markets COMBINED

In 2025, Canada fell to just 12% of exports — a market that once anchored the entire U.S. wine export industry.[2]

HARM ON BOTH SIDES OF THE BORDER

HARM TO U.S. WINE

- $357M+ in lost export value to Canada in 2025[2]
- ~95% of affected wineries are family-operated small and medium-sized businesses.
- U.S. wineries are sitting on 1M+ cases of Canadian-labeled wine — inventory that can't be absorbed by the U.S. market or shifted to other export markets.
- Regulations make Canadian-labeled wine unsellable without costly relabeling.
- Competitors from EU, Australia and New Zealand are filling vacant shelf space.
- U.S. wine is produced in all 50 states and generates more than $323 billion in total economic activity.[4]

HARM TO CANADA

- The British Columbia Liquor Distribution Branch (LBD) alone is forecasting a CAD$77.2 million budget shortfall from its target for fiscal 2025/26 — a 13.2% decrease in net income compared to the prior year.[5]
- The BC LDB cites the removal of U.S.-made alcohol products from its stores as a contributing factor.
- U.S. wineries report laying off Canadian sales reps and employees while Canadian importers and retailers suffer revenue loss.
- Canadian consumers have lost access to popular, familiar American wine brands.

THE BOTTOM LINE: A YEAR IS LONG ENOUGH

One year in, the damage is undeniable and mounting every day. American wineries are losing their most important export market. Canadian governments are losing hundreds of millions in tax revenue. The ban on U.S. wine is harming both nations while benefiting only our global competitors. Wine Institute stands ready with a plan to return U.S. wine to Canadian shelves — immediately and permanently. The time for a resolution is now.

Sources: 1. USDA Foreign Agricultural Service (FAS), Canada Implements Retaliatory Measures in Response to United States Tariffs, Voluntary Report (Public Distribution), Report No. CA2025-0015 (Ottawa: FAS Post, March 5, 2025). | 2. Official U.S. merchandise trade statistics (U.S. Census Bureau) 2024-2025 HTS 2204, 2205, 2206. | 3. Association of Canadian Distillers, 2024 data on retail sales of U.S. wine in Canada (CAD$1.1 billion). | 4. Wine America, "Economic Impact Study 2025 of the American Wine Industry." | 5. BC Liquor Distribution Branch (BCLDB), 2026/27–2028/29 Service Plan (February 2026).