

[Picaroons, Grimross owners call for removal of booze trade barriers](#)

Sean Dunbar says the largest obstacle for craft brewers is provincial monopolies on retail liquor

By David Bartlett, [CBC News](#) Posted: Jul 26, 2016 12:39 PM AT



Stephen Dixon, the owner of Grimross Brewery and the president of the New Brunswick Craft Alcohol Producers Association, says he wished this province wasn't the one who asked that beer and alcohol be taken off the table during interprovincial trade talks last week. (CBC)

The New Brunswick government needs to tear down the trade barriers that it has built up around booze over the decades and allow companies to export freely across the country, according to two craft brewers.

The issue of inter-provincial trade barriers around alcohol has jumped onto the national radar screen following a New Brunswick judge's decision to [dismiss charges against a Tracadie man](#) for bringing in a large amount of alcohol into the province from Quebec.

The premiers talked about the issue at their annual meeting last week in Whitehorse, Yukon, last week [but didn't agree to any changes](#).

- [New Brunswick judge throws out cross-border booze limits](#)
- [NB Liquor implements new policies for craft beer producers](#)
- [Craft beer brewing industry growing in New Brunswick](#)

Sean Dunbar, the owner and operator of the Northampton Brewing Company, which makes Picaroons, said his beer is sold in other provinces, but getting it out there wasn't easy.

The major obstacle, he said, was not finding customers in other provinces, who wanted his beer.

"The major obstacle is going through the monopolized retail liquor jurisdictions that exist in most provinces of Canada," he said.

"Locally, in Atlantic Canada, we have a little bit more ability, I guess, to interact directly with consumers, and consumers place a bit of demand on their liquor jurisdictions for the product."

Dunbar said, otherwise Northampton keeps applying to other liquor corporations in the hope its product will get listed in stores in their provinces.

Policies date from prohibition era



Sean Dunbar of Northampton Brewing Company, which makes Picaroons, says while the province wants his company to export its beer, a new taxation regime punishes small breweries for doing so. (CBC)

But Dunbar said it's time to bring down the booze barriers.

"I can't believe we still have this, sort of, anachronism that is the monopolized retail systems and distribution systems in each province," he told *Information Morning Fredericton*.

"It's amazing that in this day and age that the barriers are put up around booze."

He said most of those rules came from the post prohibition era and it's about time they were changed.

Stephen Dixon, the owner of Grimross Brewing and the president of the New Brunswick Craft Alcohol Producers Association, said his company is only available in New Brunswick and two places in Nova Scotia.

Dixon said he wished New Brunswick wasn't the government asking for alcohol to be taken off the trade-talk table when the premiers sit down to talk about these policies.

"Small breweries, a lot of our issues are trying to grow and our growth is often funded by our revenues," he said.

"So if we're allowed to keep a little bit of our own money, we're going to reinvest that in to growing our businesses [and] employing more people."

Because other provinces have more favourable mark ups that allow companies to keep more of the money, Dixon suggested brewers in this province are not competing on a level playing field.

Provincial strategy needed



Canada's premiers talked about the issue of inter-provincial alcohol trade at their annual meeting last week in Whitehorse, Yukon, but they didn't agree to any changes. (Jonathan Hayward/Canadian Press)

Dunbar said the province needs a defined strategy for our craft breweries and our export strategy.

He said if there were guidelines outlining the role craft breweries play in the provincial economy, it would help small companies understand where they stand.

"It could be, we're better off not exporting," said Dunbar.

"But, I think as a small province we have to be free traders and we have to do what we can to open the borders."

He said as it stands now there's confusion because Northampton gets calls from the province almost weekly encouraging the company to export more of its beer.

Meanwhile, he said, a new taxation structure for craft breweries is punishing his company from exporting.

"It's very frustrating to have a phone call in one ear saying 'Please, please export, the province needs you to export, that's the only way we can make money is to have our manufacturers export goods and services,'" he said.

"And then in the other ear saying, 'If you export you're going to enter a new tax level and you're going to get dinged for it.'"

He said exporting cost his company a fortune last year.

Dixon said the association has had no consultations with the province on interprovincial trade so far.