An Economic Analysis of Wine Production in Québec

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Abstract:

Wine producers in Québec? It is not a question to make you smile. The number of producers increased from five in 1985 to ten times more in 2008. The wine consumption in Quebec over this period has also grown rapidly with an increased interest for wines. Wine production in Québec can be part of this quest for diversified products in terms of quality and price.

Grapes have been cultivated in Quebec for centuries and production draws its roots from the first experiments tried under climatic conditions quite different from those in other countries. It is only in 1985 that the first wine growers obtained the right to sell their production. In this paper we will describe wine production in Quebec and the growth of supply during the last twenty years.

The growth of supply is related not only to the number of producers but also to the increased varieties of wines proposed. Everything else being equal, we demonstrate that prices by product type have remained relatively stable over the period under study because of strong supply growth.

The Québec wine sector remains an internal phenomenon in Québec and practically does not generate any income outside the province. However, the implications on the development of tourism activities are important and make it possible to partly understand the growth in the number of producers in some regions of Québec province.