



Corporate Affairs and Communications

INDUSTRY POLICY

6.15 Local Beer Production Policy

February 12, 2020

1. Policy Statement

To ensure fairness amongst all local beer producers, it is the policy of the Corporation that beer produced within the province by commercial, craft, and nano breweries, shall be subject to the same markup structure.

2. Definitions

Local Beer Producer: a manufacturer, or group of manufacturers under common ownership, located in the province, for the manufacturing of beer.

All other definitions are as defined in the Manufacturer's Policy, Corporate policy 6.12

3. Directives

3.1 All local beer producers, as defined in this policy, are subject to a reduced markup on beer sold to the NSLC:

Beer: 40% Beer in Keg: 30%

3.2 The reduced markup shall be applied up to the first 15,000 hectolitres sold overall in a fiscal year, capped at a \$750,000 in benefit per local beer producer. The benefit is calculated based on sales volumes and the margin difference between the reduced markup up and the NSLC's standard markup on beer.

3.3 The reduced mark-up shall be applied based on total landed costs, minus the difference in excise tax per unit.

3.4 All beer sold to the NSLC, after the initial 15,000 hectolitre threshold is reached or \$750,000 in benefit obtained (whichever comes first), is subject to standard NSLC beer mark-up.

4. References

[Manufacturers' Policy](#)

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