



TO: Chair and Members of the Board of Health

FROM: Graham L. Pollett, MD, FRCPC  
Medical Officer of Health

DATE: 2011 April 14

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## CHANGES TO ONTARIO'S ALCOHOL REGULATORY SYSTEM – LIQUOR LICENCE ACT

### **Recommendation**

*It is recommended to send the following resolutions for consideration at the upcoming June 2011 Association of Local Public Health Agencies (alPHA) Annual Conference:*

- A) to petition the Ministry of Health Promotion and Sport, Ministry of Health and Long Term Care and the Ministry of the Attorney General to conduct a formal review of the health and economic impact of alcohol in Ontario and thereafter develop a provincial Alcohol Strategy (Appendix A).*
  
- B) to recommend to the Honourable Chris Bentley to defer all proposed changes to the Liquor Licence Act (LLA) until the formal review has been completed (Appendix B).*

### **Background**

The research community (Appendix C) has consistently found that increased availability and access to alcohol is associated with increases in consumption and alcohol-related harms. Furthermore, researchers have agreed that regulating the physical availability of alcohol, including restrictions on sales, is one of the top alcohol policy practices in reducing harm (World Health Organization, 2009 and Barbor et al., 2010).

Today, alcohol continues to be a prominent concern as it contributes to both economic and health impacts in our community. In 2002, the annual costs in Canada for health care, directly related to alcohol consumption was \$3.3 billion, and the total direct and indirect costs was \$14.6 billion (Rehm et al., 2009). Alcohol is associated with increased levels of health and social costs in Ontario and is causally related to over 65 medical conditions including injury (impaired driving, drowning, falls, fires, suicide, homicide, sexual assault and other violence) and chronic disease (liver disease, cancers, high blood pressure, mental health problems, and stroke) (Barbor et al., 2010; Rehm et al., 2009; Roerecke et al., 2007). Locally, alcohol consumption rates are higher than the provincial average and pose a significant risk to our community:

- The 2009 Ontario Student Drug Use and Health Survey indicates that general alcohol use in the last year, binge drinking, and hazardous drinking, among students Grades 9-12 was higher in the South West Local Health Integration Network (LHIN) area (82.3%, 46.5%, and 35% respectively) than the provincial average (69.4%, 32.9% , and 27.5% respectively).
- Adult alcohol use in the South West LHIN area (2007) was also higher than the province in general alcohol use in the last year (84% vs. 81%), exceeding drinking guidelines (26% vs. 23%), hazardous drinking (18% vs. 16%), and weekly binge drinking (13% vs. 11%).

Currently access to alcohol in Ontario is readily available with 7-day a week sales and at a wide variety of buying venues. As of 2009/2010 there were 611 Liquor Control Board of Ontario (LCBO) stores, 436 The Beer Store (TBS) locations, and 216 agency stores (independent local retailers authorized to sell LCBO and TBS products in smaller towns across Ontario) with a total of 188 million store transactions. In addition to these stores, as of 2008/2009 there were 16,663 Liquor Licensed Establishments (bars and restaurants) and a

further 56,143 Special Occasion Permits Issued in Ontario (LCBO, TBS, and Alcohol & Gaming Commission of Ontario [AGCO] Annual Reports).

Although alcohol revenue from taxes is often touted as a financial benefit to the province, it is important to understand the countering health and economic costs associated with alcohol use. In 2002-2003, alcohol cost the province \$456 million more in direct health care and law enforcement costs than the net revenue and sales tax brought in from LCBO as indicated by Gerald Thomas, senior research and policy analyst at the Canadian Centre on Substance Abuse (CCSA) in September 2010. Above and beyond these direct costs there are also billions of dollars spent in indirect costs related to alcohol including lost productivity, absenteeism, victim assistance, and addiction/preventative services.

Boards of Health play a key role in a comprehensive approach (prevention, harm reduction, treatment, criminal justice, and advocating for healthy public policy) to reduce risk of injuries and chronic disease related to alcohol. This Board of Health has proven its commitment to responsible action in regards to healthy alcohol policy and supportive environments through the endorsement of the April 2008, alcohol related resolutions sent to the 2008 aPHa's Annual Meeting (Report No. 026-08).

### **Current Public Health Issues**

Attorney General Chris Bentley announced in February 2011 that the Ontario government would be exploring changes to the alcohol regulatory system, the Liquor Licence Act (LLA) of Ontario, in the areas of licensing and enforcement (see Appendix D). Of greatest concern, are those proposed modifications that increase access/availability to alcohol such as the amendment "*giving the public more freedom to circulate in festival areas including the retail area with drinks*", "*extending the hours that alcohol can be served at special events*" and "*allowing all-inclusive vacation packages to be sold in Ontario*". Changes like these to the LLA will weaken existing healthy public policy in the province of Ontario and thereby endanger its residents.

Risks associated with these proposed changes to the LLA include:

- decreases in the opportunity for servers/bar tenders to monitor the number of drinks bought and consumed thereby increasing the risk of over-service and over-consumption;
- increases in opportunities for underage youth to access alcohol because of the increased difficulty of monitoring people at an event without designated drinking areas;
- extending hours of operation has been proven to increase consumption and alcohol-related harms such as violence and impaired driving; and
- unlimited amounts of alcohol, such as with all-inclusive vacation packages, increases the chances of overconsumption and thus harm. It is important to remember that under the *Liquor Licence Act*, it is illegal to serve customers to intoxication.

Thus the proposed changes to the current LLA will lead to overall greater access to alcohol leading to the potential negative implications for health, safety and social costs to the province as a whole.

### **Conclusion**

In closing, alcohol policies play a vital role in the health and safety of communities. While such policies can reduce harm and health risks when effectively researched and implemented, they can likewise increase harm and health risks when weakened by unsounded changes. It is imperative to acknowledge that any changes to existing alcohol policies have potential negative implications and should be reviewed along with an health and economic impact analysis prior to formalizing any changes.

This report was written by Mary Lou Albanese, Manager Healthy Communities and Injury Prevention and Melissa Rennison, PHN, Healthy Communities and Injury Prevention.

Graham L. Pollett, MD, FRCPC  
Medical Officer of Health

<p><b>This report addresses</b> the following requirement(s) of the Ontario Public Health Standards: Prevention of Injury and Substance Misuse and Chronic Diseases and Injuries</p>
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- TITLE Conduct a formal review and impact analysis of the health and economic effects of alcohol in Ontario and thereafter develop a provincial Alcohol Strategy
- SPONSOR Middlesex-London Board of Health
- WHEREAS There is a well-established association between easy access to alcohol and overall rates of consumption and damage from alcohol; and (Barbor et al., 2010)
- WHEREAS Ontario has a significant portion of the population drinking alcohol (81.5%), exceeding the low risk drinking guidelines (23.4%), consuming 5 or more drinks on a single occasion weekly (11.2%), and reporting hazardous or harmful drinking (15.6%); and (CAMH Monitor)
- WHEREAS Ontario youth (grades 9-12) have concerning levels of alcohol consumption with 69.4% having drunk in the past year, 32.9% binge drinking (5 or more drinks), and 27.5% of students reporting drinking at a hazardous level; and (OSDUHS Report)
- WHEREAS Each year alcohol puts this province in a \$456 million deficit due to direct costs related to healthcare and enforcement; and (G. Thomas, CCSA)
- WHEREAS Billions of dollars are spent each year in Canada on indirect costs associated with alcohol use (illness, disability, and death) including lost productivity in the workplace and home; and (The Costs of Sub Abuse in CAN, 2002)
- WHEREAS Nearly half of all deaths attributable to alcohol are from injuries including unintentional injuries (drowning, burns, poisoning and falls) and intentional injuries (deliberate acts of violence against oneself or others); and (WHO – Alcohol and Injury in EDs, 2007)
- WHEREAS Regulating the physical availability of alcohol is one of the top alcohol policy practices in reducing harm; and (Barbor et al., 2010)
- WHEREAS The World Health Organization (WHO, 2011) has indicated that alcohol is the world’s third largest risk factor for disease burden and that the harmful use of alcohol results in approximately 2.5 million deaths each year. Alcohol is associated with increased levels of health and social costs in Ontario and is causally related to over 65 medical conditions; and

NOW THEREFORE BE IT RESOLVED that the Association of Local Public Health Agencies (ALPHA) petition the Ontario government to conduct a formal review and impact analysis of the health and economic effects of alcohol in Ontario and develop a provincial Alcohol Strategy.

TITLE	Maintain the Current Liquor Licence Act (LLA) of Ontario
SPONSOR	Middlesex-London Board of Health
WHEREAS	Removing designated alcohol areas at events jeopardizes the ability of servers/bar tenders to monitor the number of drinks one person has consumed and as a result, increases the possibility of over-service, over-consumption and alcohol-related harms; and (Barbor et al., 2010)
WHEREAS	Removing designated alcohol areas at events increases the risks that underage youth would be able to sneak into the event either with their own alcohol or may have access to alcohol purchased by someone of legal drinking age; and (Barbor et al., 2010)
WHEREAS	Alcohol consumption affects a person's judgment, coordination and reflexes and thus allowing for tiered seating is likely to increase the amount of injuries at events; and (Barbor et al., 2010)
WHEREAS	There is strong and consistent evidence from a number of countries that changes to hours or days of sale have significant impacts on the volume of alcohol consumed and on the rates of alcohol-related problems; and (Barbor et al., 2010; Vingilis et al., 2007; Vingilis et al., 2005; Stockwell & Chikritzhs, 2009)
WHEREAS	Research shows that the provision of alcohol at reduced or no cost increases overall alcohol consumption; and (Barbor et al., 2010; Giesbrecht et al., 2008; Mann et al., 2005)
WHEREAS	Allowing the public with alcohol into areas of a restaurant, such as the kitchen, raises concerns regarding food safety and sanitation; and
WHEREAS	Allowing tourist operators to offer fixed price packages that include liquor makes it difficult for servers/bar tenders to monitor the number of drinks one person has consumed and as a result, increases the risk of over-service, over-consumption and alcohol-related harms. Under the Liquor Licence Act, it is illegal to serve customers to intoxication. In an "all-you-can-drink" environment, this law is severely compromised; and (Barbor et al., 2010; Thombs et al., 2009)

NOW THEREFORE BE IT RESOLVED that the Association of Local Public Health Agencies (alPHA) petition the Ontario government to maintain the current Liquor Licence Act (LLA) of Ontario as is currently written until a formal review and impact analysis of the health and economic effects of alcohol in Ontario is completed.

April 27, 2011

The Honorable Chris Bentley  
Ministry of the Attorney General  
720 Bay St., 7<sup>th</sup> Floor  
Toronto, ON M7A 2S9

Dear Minister Bentley,

Thank you for your response to Dr. Gardner's letter of March 21, 2011. In your letter you identify the intent of the changes to the Liquor Licence Act (LLA) is to boost tourism and make it easier for the hospitality industry to operate competitively. An additional outcome, even if not intended, will be to increase access of Ontarians to alcohol. Given the irrefutable evidence that increasing access to alcohol results in increased violence, crime, injury and chronic disease (Babor et al, 2010), to increased harm, we urge the McGuinty government to focus on the protection and promotion of health over the economic aspects of this issue. The Simcoe Muskoka District Health Unit's (SMDHU) vision of the 21<sup>st</sup> century and beyond is one in which its residents are healthy and where public policy supports health. As it relates to alcohol, a thorough understanding of the economic and health related costs and benefits are critical considerations in informing public policy.

Towards this end, on April 26, 2011 the Simcoe Muskoka District Health Unit Board of Health passed the following motion:

That the SMDHU Board of Health endorse the following resolutions coming forward for consideration at the June 2011 Association of Local Public Health Agencies (ALPHA) Annual Conference from the London Middlesex Board of Health:

- A) to petition the Ministry of Health Promotion and Sport, Ministry of Health and Long Term Care and the Ministry of the Attorney General to conduct a formal review of the health and economic impact of alcohol in Ontario and thereafter develop a provincial Alcohol Strategy
- B) to recommend to the Honourable Chris Bentley, Attorney General, to defer all proposed changes to the Liquor Licence Act (LLA) until the formal review has been completed

Attached is a copy of the London Middlesex Board of Health motion and resolution of the London Middlesex Board of Health. The SMDHU Board of

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<input type="checkbox"/> <b>Barrie:</b> 15 Sperling Drive Barrie, ON L4M 6K9 705-721-7520 FAX: 705-721-1495	<input type="checkbox"/> <b>Collingwood:</b> 280 Pretty River Pkwy. Collingwood, ON L9Y 4J5 705-445-0804 FAX: 705-445-6498	<input type="checkbox"/> <b>Cookstown:</b> 2-25 King Street S. Cookstown, ON L0L 1L0 705-458-1103 FAX: 705-458-0105	<input type="checkbox"/> <b>Gravenhurst:</b> 2-6 Pineridge Gate Gravenhurst, ON P1P 1Z3 705-684-9080 FAX: 705-684-9887	<input type="checkbox"/> <b>Huntsville:</b> 34 Chaffey St. Huntsville, ON P1H 1K1 705-789-8813 FAX: 705-789-7245	<input type="checkbox"/> <b>Midland:</b> B-865 Hugel Ave. Midland, ON L4R 1X8 705-626-9324 FAX: 705-626-1513	<input type="checkbox"/> <b>Orillia:</b> 12-575 West St., S. Orillia, ON L3V 7N6 705-325-9565 FAX: 705-325-2091
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Health supports the need for a formal review of the health and economic impact of alcohol and subsequent development of a strategy that will provide a framework for future decision making and public policy development as it relates to alcohol. We urge you to defer all proposed changes until such a review can occur.

Sincerely,

**Original signed by**

Barry Ward, Chair  
Board of Health

Att. (2)

C Premier McGuinty  
Minister of Health Promotion and Sport  
Minister of Health and Long Term Care  
Linda Stewart, Executive Director, alpha  
Ms. Connie Uetrecht, Executive Director OPHA  
Ontario Boards of Health  
North Simcoe Muskoka LHIN  
Central LHIN  
Simcoe Muskoka MPPS  
Simcoe Muskoka MPs

Babor, et. al. (2010) Alcohol: No Ordinary Commodity, 2<sup>nd</sup> edition