



TO: Chair and Members of the Board of Health

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2014 April 24

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## EXPANSION OF ALCOHOL SALES IN ONTARIO

### *Recommendation*

*It is recommended that the Board of Health:*

- a. Forward a copy of this report and appendices to the municipalities of Middlesex County and the City of London; and*
- b. Send a letter to the Minister of Finance endorsing the Centre for Addiction and Mental Health (CAMH)/Ontario Public Health Association (OPHA) recommendations to proceed cautiously with the sale of VQA wines within Farmer's markets; and*
- c. Indicate to the Minister of Finance that the Board shares the concerns expressed by the Association of Local Public Health Agencies (ALPHA) regarding the addition of LCBO Express kiosks in grocery stores.*

### **Key Points**

- Availability of alcohol is related to amount of consumption and in turn the number of alcohol related harms and deaths.
- The costs of alcohol-related morbidity and mortality exceed the government revenue generated from alcohol sales by \$500 Million.
- The provincial government has approved the sale of Vintner's Quality Alliance (VQA) Ontario wines at farmer's markets on a pilot basis for two years; municipalities have the option to opt out of this pilot through local bylaws.
- The provincial government has also announced that 10 LCBO Express outlets will be opened in grocery stores across the province.

### **Background**

After tobacco, alcohol is the leading cause of illness in high-income countries. In 2011, 19% of Canadians reported consuming sufficient alcohol to have chronic health effects such as liver damage, and 13% of Canadians reported binge-drinking to levels associated with acute effects such as alcohol poisoning.

On December 16<sup>th</sup>, 2013, Premier Wynne announced the renewal of Ontario's Wine and Grape Strategy to continue to support Ontario's wine industry. Changes were made to the *Liquor License Act* to permit a pilot project allowing the sale of VQA wines at farmer's markets across Ontario. The preliminary project proposal recognizes the need to carefully consider potential negative impacts and contains several safeguards, including an opportunity for municipalities and farmer's markets to 'opt out' of the pilot project if they choose. The Centre for Addiction and Mental Health (CAMH) and the Ontario Public Health Association (OPHA), in their March 21, 2014, joint submission to the Ministry of the Attorney General ([Appendix A](#)), commended the government on this balanced approach and made recommendations for further safeguards.

On April 1<sup>st</sup>, 2014, Premier Wynne announced that 10 LCBO Express outlets will be opened in grocery stores across the province. London has been selected as a designated site for one kiosk. The Association of Local Public Health Agencies (alPHA) expressed serious concerns ([Appendix B](#)) about this decision and the lack of consultation with public health organizations.

### **Public Health Implications of Increased Alcohol Availability**

Current research indicates that increasing the availability of alcohol increases the amount of consumption and in turn the number of alcohol related harms and deaths from both chronic disease and acute health hazards. While alcohol sales generate revenue for the province, alcohol-attributable health and social costs due to increased morbidity and mortality, law enforcement demands and lost productivity exceed the generated revenue by approximately \$500 million.

Alcohol and substance misuse prevention is a key component of the Ontario Public Health Standards. The 2011-13 Accountability Agreements between public health units and the Ministry of Health and Long Term Care include “% of adults exceeding the Low Risk Alcohol Drinking Guidelines” as a performance indicator. To meet this performance indicator, public health units work to promote a culture of moderation and to minimize excessive alcohol consumption. In 2009/10 the proportion of those aged 19 and older, in Middlesex-London who exceeded the low risk drinking guidelines was 33.4%, which was significantly higher than the proportion for Ontario as a whole, at 28.0%.

### **Access to Alcohol**

Research has demonstrated that when availability restrictions are in place, alcohol use and associated problems decrease. Regulating the availability of alcohol is among the most effective ways to control harm and costs at a population health level. At this time, residents living in the City of London and Middlesex County have access to approximately 51 retailers ([Appendix C](#)) that offer an assortment of VQA wines, spirits and beer. They are as follows:

- 16 LCBO stores ( over 500 VQA wines available),
- 5 Agency stores (licenced by AGCO and supported by the LCBO),
- 13 Independent wine stores,
- 17 Beer Stores.

The province of Ontario has 1,200 alcohol retailers serving 13.3 million people - approximately 1 store for every 11,000 people. In comparison, the 51 alcohol retailers in Middlesex-London serve 366,151 people - approximately 1 store for every 7,200 people. The Middlesex-London region has a higher alcohol outlet density than the province as a whole. Selling VQA wine at local farmer’s markets will increase alcohol outlet density, resulting in greater alcohol availability (See Appendices [D](#) and [E](#)).

### **Different Settings and Product Mixes**

The risks associated with the misuse of alcohol differ between the types of locations where alcohol is sold. Off-premise retailers, such as the LCBO, The Beer Store, and wine outlets, tend to be associated with violent crimes and assaults due to increased consumption of alcohol in the home. On-premise outlets such as bars, nightclubs, and restaurants, are associated with increased binge drinking, underage drinking, and drinking and driving incidents.

There is limited research regarding farmer’s markets and wine-only alcohol outlets. It is unclear whether the data relating alcohol outlet density to harms associated with problem drinking would apply in the same way to this setting and product mix. However, there is ample reason to be cautious with the introduction of new alcohol outlets in a community that is already over-served relative to the Ontario average. The recommendations in this report aim to balance this lack of specific evidence with the need for caution.

## Conclusion

Although these changes in the availability of alcohol may appear to be relatively minor, expansion in the availability of alcohol has the potential to lead to negative public health consequences and must therefore be carefully considered. It is notable that the VQA farmer's market project was followed shortly thereafter by the announcement that LCBO Express kiosks will be opening in grocery stores. This may indicate that the provincial government will expand availability in more significant ways in the near future.

Endorsing the recommendations made by CAMH and OPHA in their submission of March 21, 2014, would demonstrate the Health Unit's support for a careful and measured approach to balancing the economic benefits of the VQA project with the health and social consequences associated with increased alcohol availability. In addition, showing that the Health Unit shares the concerns expressed by The Association of Local Public Health Agencies (alPHA) re-enforces MLHU's position that alcohol is no ordinary commodity and decisions about how it is regulated, promoted and sold must be made carefully with due consideration of its known and measureable societal harms.



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**This report addresses** the following requirement(s) of the Ontario Public Health Standards: *Prevention of Injury and Substance Misuse and Chronic Diseases and Injuries*