The mission of OPHA is to provide leadership on issues affecting the public's health and to strengthen the impact of people who are active in public and community health throughout Ontario.

Ontario Public Health Association
l'Association pour la santé publique de l'Ontario
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Minister Peter Bethlenfalvy, Ministry of Finance of Ontario
Minister Sylvia Jones, Minister of Health
Sent by email to: peter.bethlenfalvy@ontario.ca and sylvia.jones@ontario.ca

May 31, 2023

Dear Minister Bethlenfalvy and Minister Jones,

Re: Modernizing alcohol marketplace and product sales

On behalf of the leaders and members of the Ontario Public Health Association (OPHA), we are writing to you to express our serious concerns about the impact that increasing alcohol availability and affordability will have on the health of Ontarians. We were recently invited to participate in closed door consultations by the Ministry of Finance, but were unable to given that the non-disclosure agreement would have prevented us from letting our members know about our participation or the kinds of input we would provide. Given that the government is conducting consultations regarding potential continued "modernization" of the alcohol marketplace, we are writing to highlight the inevitable consequences of illnesses, deaths and social harms to our citizens that will follow with increased sales and consumption of alcohol in Ontario. We implore the Government of Ontario to not increase access, availability or affordability of alcohol in light of the evidence below.

Research and real world evidence shows that when alcohol becomes more available and cheap, the following increases: street/domestic violence, chronic diseases, sexually transmitted infections, road crashes, youth drinking and injury (1) and suicide. (2,3) Along with increased costs from healthcare, lost productivity, criminal justice and other direct costs also increase. (4)

OPHA recommends that the government implement the following policy measures to mitigate these harms:

1. Reduce retail density, especially in low socio-economic status (SES) neighbourhoods.
2. Maintain or decrease hours of sale, with no exceptions.
3. Strengthen Ontario's alcohol pricing policies including taxation, minimum pricing or other means.
4. Stop further privatization of alcohol sales.
5. Apply a whole of government, health-in-all-policies approach to alcohol modernization.

The final report on Canada's Guidance on Alcohol and Health states that alcohol contributed to 18,000 deaths in Canada in 2017. (5) The evidence overwhelmingly proves that less is better when it comes to drinking alcohol. (5) Alcohol consumption causes 200 health and injury conditions, (6) and is identified by the World Health Organization (WHO) as a class 1 carcinogen in the same class as tobacco smoke and asbestos. (7) Most Canadians are not aware of this fact, which is concerning given that there are 7,000 cancer deaths due to alcohol consumption each year in Canada. (5) Not only does alcohol cause a high burden of disease, it also has significant social and economic consequences. Furthermore, impairment by alcohol is strongly associated with increased risk of unintentional injuries, violence and other second-hand effects, which impacts not only those consuming alcohol but also persons who have not decided to drink alcohol, including children. (5)

While the cost and harms of tobacco are decreasing for the first time, alcohol costs and harms are increasing. In Canada, the per-person healthcare costs attributable to alcohol rose from $117 to $165, increasing by 40.5% between 2007 and 2020, compared to tobacco, the per-person healthcare costs decreased from $167 to $143 during the same time. This fact helps create context to policy decisions being made; while tobacco has had increasing restrictions placed on it, such as increased taxes, product labelling and advertising bans/restrictions, alcohol has no such policies. The current alcohol policies are staying stagnant or being dismantled. (8)

We are asking for the government to strengthen its policy on alcohol. We must implement high standards to protect the people of Ontario from the harms alcohol contributes to and to ensure the businesses that perpetuate these harms do not obtain commercial gains or profits at the expense of Ontarians' health.

1. **OPHA recommends reducing retail density, especially in low socio-economic status (SES) neighbourhoods.**

Restrict the number and location of alcohol outlets to reduce alcohol related problems, and/or enable municipalities to do so. Proof of strong effectiveness and a large breadth of research exist to support this fact. (1) Changes involving increased access through a greater number of alcohol outlets, such as permitting sales in supermarkets, influence both alcohol consumption and harm. (1) This is concerning, being that Ontario increased access in 2015, where the number of locations authorized to sell beer increased by 450 stores. (9) Since that time, the government has expanded sales of beverage alcohol further to more than 270 new retail outlets across Ontario since 2018, including 191 LCBO convenience outlets and 87 grocery stores. (10)

Research shows that once Ontario started selling alcohol in grocery stores in 2015, there were over 24,000 more alcohol related emergency room visits than in the two years before. (11) Alcohol availability in the province increased by 22% between 2007 and 2017. (12) Changes to rules that made it easier to buy alcohol during the COVID-19 pandemic have become permanent and have increased alcohol availability. (13)

A recent analysis using the Cancer Risk Factors Atlas of Ontario documented that in Toronto, higher alcohol intake was found in areas where residents lived within 500 m of off-premise alcohol retailers, compared with areas with retailers over 1 kilometre away. Regardless of neighbourhood socio-economic status, access to off-premise alcohol retailers was related to excess alcohol consumption in Toronto neighbourhoods. (14) Despite what this analysis found, a health equity lens should be applied in alcohol policy changes as people of lower socio-economic status and other priority groups (e.g., youth) (1,15) are typically disproportionately affected by policies that increase alcohol access in their neighbourhoods. (1,16)

The CAPE report cards are a research project that provides assessments of provincial, territorial and the federal governments in Canada implementing policies proven to reduce harms due to alcohol. (17) Ontario's report card was recently (December 2022) downgraded to an F for this alcohol policy area. The previous report cautions against expansion of alcohol availability in corner stores and more grocery outlets. (17) The current report advises the following for alcohol availability:

- Strengthen and reduce existing density limits for off-premise outlets and introduce density limits for on-premise establishments. (17)
- Introduce placement limits for all premises (17)
- Prohibit on-premise alcohol takeout. (17)
- Prohibit alcohol home delivery from all premises. (17)

2. OPHA recommends maintaining or decreasing hours of sale, with no exceptions.

Similar to the Centre for Addiction and Mental Health, OPHA has concerns around increasing hours of sale. (18) Extensions of as little as one to two hours have been observed to result in increased harms. (19) (20) Extended hours of sale attract a younger drinking crowd and result in higher blood alcohol content (BAC) levels for males. (21) Controls on retail hours and days of sale have been shown to be effective in reducing consumption and alcohol-related harms (22) and evidence suggests a potential direct effect of policies that regulate alcohol sales times in the prevention of heavy drinking, injuries, motor vehicle incidents, alcohol-related hospitalizations, assaults, homicides and violent crime. (23,22,24,25)

Furthermore, research for on-premise outlets (e.g., licensed establishments) show that extended hours of alcohol service are associated with increased alcohol consumption and increased alcohol-related harms. (1) (17) Evidence indicates a higher risk of ambulance calls for trauma in areas with highest density of on-premise licensed alcohol establishments (26) with alcohol-related violence most likely occurring between 22:00 and 2:00 hours. (27) It has also been suggested that emergency calls for injury and intoxication may be reduced by limiting the hours of operation of licensed alcohol establishments. (26)

In Germany, banning sale of alcohol between 10 pm and 5 am in retail settings resulted in a significant decrease in alcohol-related hospitalizations among adolescents and young adults, as well as hospitalizations due to violent assault. (28)

The 2023 CAPE report card rated Ontario with an F for this alcohol policy area and recommended the following:

- Reduce and legislate maximum trading hours allowed per week.
- Implement the following hours of sale: 11 am to 8 pm for off-premise and 11 am to 1 am for on-premise with no extensions. (2)

3. OPHA recommends strengthening Ontario's alcohol pricing policies.

Alcohol pricing policy is a highly cost-effective intervention which is underutilized by governments. Decades of international and Canadian research show that raising the price of alcohol is one of the most cost-effective approaches for reducing consumption and thereby alcohol-related health and social harms. This is done through policy actions such as excise taxes, minimum pricing, and regularly adjusting alcohol prices for inflation. (2) Another innovative action would be to implement a dedicated, earmarked, or surcharged tax on alcohol to help cover the health and social costs. (29)

There have been eight meta-analyses that have systematically reviewed the results of applicable econometric studies. It was consistently reported in all eight reviews that a price increase leads to decreases in consumption. (1) This can also be corroborated by research on tobacco pricing, which has the same mechanism of action, only for a different substance. (30) Higher prices on alcohol encourages less consumption by drinkers and hinders non-drinkers to start drinking. (1)

The above was demonstrated in British Columbia where a 10 per cent increase in minimum alcohol prices was associated with a 32 per cent drop in alcohol-related deaths. (31) In Saskatchewan, a 10 per cent increase in minimum prices significantly reduced consumption of all types of alcoholic beverages by almost 8.5 per cent, thereby decreasing harms as well. (1,32) A recent major international study found that, on average, a 1 per cent increase in overall alcohol prices was associated with a 0.5 per cent reduction in alcohol use and resulted in increases in both industry profits and government revenues. (33)

Pricing controls have been demonstrated to be particularly effective for susceptible populations, such as young people, and heavy drinkers. (1,15) For young people, a price increase leads to reduced rates of suicide, traffic injuries and sexually transmitted diseases with the opposite effect with price decrease. (1) Alcohol harms that are typically attributed to long term heavy drinking are also found to change in response to tax changes. (1) Generally, research proposes that alcohol taxes have a greater fiscal impact on lower income people than those with higher income. (1)

It has been identified that corporations, such as those involved with Big Alcohol, create narratives to interfere with policy decisions. This practice is referred to as **argument-based discursive strategies**, where corporations, for example, stress the crucial role that the industry plays in the economy, or promote industry-preferred solutions such as education and voluntary initiatives. (34) It is not surprising then that the story created around increasing alcohol prices is that it will have negative impacts on the economy and employment.

This narrative has been challenged with the argument that if people buy less alcohol, they will spend more money on other goods, which will create jobs elsewhere in the economy. (29) It is also wise to be cautious when relying on employment estimates from the alcohol industry research stating how many jobs are involved with alcohol production - similar industries have exaggerated these estimates in the past. Research for the World Bank revealed that numbers reported to be employed by the tobacco industry were three times the actual number of FTEs. (29)

The 2023 CAPE report card rated an F for this alcohol policy area, and recommended improvement through the following:

- Increase minimum prices to a price per standard drink (e.g. 17.05 mL pure alcohol) of at least $2.04* for alcohol sold at off-premise stores and $4.07* for alcohol sold at on-premise establishments, after taxes (*2023 price). (17)
- Include on-premise alcohol and beer sold off-premise to automatic indexation. (17)
- Set minimum prices by ethanol content (e.g. $/L ethanol). (17)
- Tax alcohol at a higher rate than consumer goods, update general alcohol prices yearly to reflect Ontario specific inflation rates, and increase alcohol sales taxes. (17)
- Set off-premise minimum retail markups to be at least 100% of the landed cost across all beverage types and set on-premise markups at or above the off-premise retail price. (17)

The World Health Organization has a resource tool on alcohol taxation and pricing policies to inform the above actions. (29)

4. OPHA recommends against further privatization of alcohol sales.

Government retail monopolies are an effective way to limit alcohol consumption and harm at the population level. (1,2) Proof of strong effectiveness and a large breadth of research exist to support this fact. (1) In Canadian jurisdictions where government retail monopolies have been dismantled and partial or full privatization have been introduced, increases in alcohol consumption and harms have been observed. (2) With governmental monopolies, the priority can be given to public health and public safety goals rather than a focus on profits and increasing sales. Not only does government monopolies on alcohol support population health it also provides governments with a means of income. (1)

In Sweden, modelling was done to predict the potential impact of privatizing Sweden's alcohol monopoly, along with other policy impacts. Stockwell et al. (2018) estimated that privatization could lead to increases in consumption of between 20% and 31% and in mortality of up to 80%. (1) Evidence from Finland demonstrates that removing even a single beverage from government monopoly control can have dramatic impacts. (1) The positive effects of re-monopolization cannot be ignored as well. Re-monopolization is associated with a decrease in alcohol-related harms including suicides, falls and motor vehicle collisions. (2)

The 2023 CAPE report card rated an F for this alcohol policy area for the province and recommended that Ontario:

- Maintain the present network of government-owned and government-run LCBO retail stores with a mandate to protect health and safety. (17)
- Ensure that new legislation/regulations do not further privatize alcohol sales (e.g. convenience stores, more grocery stores and big box stores). (17)

5. OPHA recommends applying a whole of government, health-in-all-policies approach to alcohol modernization.

Bring all government ministries together when developing new public policy or making changes to existing policies to ensure health and safety implications are considered. Establish baselines, monitor, measure and review the impact of changes to alcohol policy to other government priorities and goals. To illustrate, policing costs were ranked as the second biggest cost caused by alcohol at 11.1% of the total costs of alcohol. (35) The Ontario Government is increasing police funding to deal with violent crime, as quoted by Premier Ford: "As crime continues to rise in communities across Ontario, we're taking action to get more boots on the ground…to address crime and keep people safe." (Twitter) If the Ontario Government is looking to decrease crime, increasing access to alcohol would be in direct opposition to this goal. (36,37) Having better collaboration and understanding among Ministry areas would help with aligning goals and decrease competing priorities.

In summary, the Ontario Public Health Association recommends the following:

1. Reduce retail density, especially in low socio-economic status (SES) neighbourhoods.
2. Maintain or decrease hours of sale, with no exceptions.
3. Strengthen Ontario's alcohol pricing policies including taxation, minimum pricing or other means.
4. Stop further privatization of alcohol sales.
5. Apply a whole of government, health-in-all-policies approach to alcohol modernization.

The people of Ontario deserve communities that support, not undermine their health and well-being. When it comes to alcohol sales, the government must forego the objectives of "expanding choice and convenience for consumers" in favour of the health of Ontarians. The majority of the public does not yet recognize or know the extent of the harms that alcohol causes (38), and the government has an obligation to protect people. OPHA has previously provided the government with the information needed to make informed and balanced decisions regarding alcohol policy and we trust that the enclosed information and our recommendations will end further "modernization" of the alcohol market.

Government spending to meet the growing costs from alcohol-related harms is not sustainable. Industry interests support greater access and increased consumption. The Government of Ontario's legacy can be one that puts the health of Ontarians first, and over the interests of industry. We urge the government to work across ministries and in close collaboration with employers, healthcare providers and community stakeholders to strengthen alcohol policies or at least prevent further erosion. We would welcome the opportunity to meet with you and/or your ministries to discuss our recommendations further and the government's move towards progressive alcohol control policies.

Sincerely,

John Atkinson
Executive Director

Cc: Dr. Kieran Moore, Chief Medical Officer of Health
Fausto Iannialice, Director, Alcohol Policy and Strategic Initiatives Branch
Dr. Eileen DeVilla, Chair, Council of Medical Officers of Health (COMOH)

More about the Ontario Public Health Association

OPHA has established a strong record of success as the voice of public health in Ontario. We are a member-based, not-for-profit association that has been advancing the public health agenda since 1949. OPHA provides leadership on issues affecting the public's health and strengthens the impact of those who are active in public and community health throughout Ontario. OPHA does this through a variety of means including advocacy, capacity building, research and knowledge exchange. Our membership represents many disciplines from across multiple sectors.

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