

Liquor Policy Review



**PRESENTATION
TO
VICTORIA CITY COUNCIL
JUNE 12, 2014**

Overview

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- Report Recommendations
- Implementation Status
- Recommendations of Interest to Local Government

Report Recommendations

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- Health, safety and social responsibility (18 recommendations)
- Retail and convenience (4 recommendations)
- Economic growth, jobs, tourism and marketing(11 recommendations)
- Licensing and cutting red tape (38 recommendations)
- Change management (2 recommendations)

Health and Safety

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- Report's goal was to balance the access and convenience consumers were looking for with appropriate policies and controls that government and health and safety advocates were looking for.
- Key health and safety recommendations:
 - Increased public education (6 recommendations).
 - Requiring training of everyone selling and serving alcohol. (3 recommendations including on *Serving it Right*)
 - More closely linking the price of liquor to alcohol content.
 - Stricter enforcement of existing legislation and regulations (3 recommendations).

Retail and Convenience

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- Liquor in grocery stores drew more public interest and comment than any other topic
- Key retail recommendations:
 - 2 part model:
 - ✦ Store in Store
 - Continue to restrict total number of retail outlets
 - Require separation of grocery products and liquor
 - Require controlled access points
 - ✦ VQA wine products on shelves
 - Limited number of stores
 - ✦ Adopt a phased in approach

Retail and Convenience

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- The model is still being developed but government has already announced some elements
 - 1 km rule for LRS's will continue, and will be expanded to include distance between LRS's and GLS's
 - 5 km rule for LRS's will be eliminated, allowing an LRS to relocate anywhere within the province
 - local governments can control number and location of stores through zoning and LCLB will not issue a licence until zoning is in place
 - LRS moratorium will remain

Economic Growth, Jobs and Tourism

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- Report looked at ways to better showcase B.C. product and increase flexibility around sales and sampling
- Key retail recommendations:
 - Liquor manufacturers to sell at farmer's markets and temporary stores at liquor and food festivals
 - Allow manufacturers to sell liquor they did not produce in their on-site lounges
 - Develop a VQA-like quality assurance program for brewers and distillers

Licensing and Cutting Red Tape

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- Report recommended substantial changes to Liquor-Primary, Food-Primary and Special Occasion Licences to remove outdated restrictions and develop a streamlined licence approval process
- Key licensing recommendations:
 - Streamlined liquor application process (3 recommendations)
 - Minors in LPs until a certain time
 - Allow FPs to transition to LPs at a certain time with local govt input
 - On-line SOL application process/ Whole-site SOL licensing if there are no public safety concerns
 - Expand the types of businesses who can sell liquor to clients

Special Occasion Licences

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- **SOL recommendations already implemented:**
 - Allow mixed drinks at public SOL's
 - Permit whole site licensing and eliminate beer gardens, except where it is not suitable because of public safety risk

Special Occasion Licences

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- Other SOL recommendations include:
 - Move the system online
 - Create an annual SOL for organizations that hold occasional meetings or activities throughout the year
 - Remove the regulation that requires non-profit organizations to apply for an SOL for concerts and event
 - Allow pop-up stores at food and beverage festivals so festival goers can purchase bottles of liquor that are showcased.

Implementation Status

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- Government accepted all 73 recommendations in the Liquor Policy Review report;
 - Over 70% of the 73 recommendations will be completed by the end of fiscal 2014/15 – including all high priority items
 - Most of the recommendations will require consultation with stakeholders
 - Legislative amendments to enable key aspects received Royal Assent on May 30, 2014

Legislative Plan: LCL Act

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The Liquor Control and Licensing Act requires a complete rewrite to fully modernize, implement all recommendations, and provide a flexible legislative platform for future evolution of the industry

Required legislative work will be completed in 2 phases

- **Phase 1 (Fast Action): Spring 2014**
 - Proceed with priority amendments to the existing Act
 - Allows faster implementation of key LPR recommendations
- **Phase 2 (Final Changes – Flexible Act for Future): 2015**
 - Current Act restricts most changes by law. The new Act will enact flexible regulation making powers to make future changes easier in order to keep pace with industry change and changing societal values
 - Final LPR changes will be incorporated during the full repeal and rewrite
 - Policy work associated with these amendments can be done prior to spring 2015

Role of Local Government

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- Report contained several recommendations that affect local government processes or the way LCLB and local government interact including:
 - Liquor in grocery
 - Farmer's markets
 - Allow manufacturers to sell their products at additional off-site locations (e.g., permanent tasting rooms)
 - Allow FPs to transition to LPs at a certain time with local govt input
 - Expand the types of businesses who can sell liquor to clients

Role of Local Government

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- Consult with local govt on streamlining the liquor application process including seeking input from local govt before or at the same time as it applies to LCLB
- Local govt to determine how best to assess liquor licence applications in their community
- Local govt councils could delegate licence application input to staff

Role of Local Government

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- Local governments know their community and play a critical role in the licensing approval process – this will continue
- We will also continue to seek input from local government on proposed changes via the UBCM Liquor Policy Working Group (of which Victoria is a member)

Questions

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