



ONTARIO RESTAURANT HOTEL & MOTEL ASSOCIATION

**Submission to the  
Standing Committee on General Government**

**Bill 96: An Act to Amend the Liquor License Act, 2004**

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Good afternoon Mr. Chair, Members of the Committee:

My name is Terry Mundell, and I am the President & CEO of the Ontario Restaurant Hotel & Motel Association. It is my pleasure to have the opportunity to speak with you this afternoon regarding Bill 96, *An Act to Amend the Liquor License Act*.

The Ontario Restaurant Hotel & Motel Association (ORHMA), is a non-profit industry association that represents the foodservice and accommodation industries in Ontario. With over 4,100 members province-wide, representing more than 11,000 establishments, the ORHMA is the largest provincial hospitality industry association in Canada. Ontario's hospitality industry is comprised of more than 3,000 accommodation properties, and 22,000 foodservice establishments, 17,000 of which are licensed to serve alcohol.

Bring Your Own Wine has been a challenging issue for our industry, with some strong supporters and some adamant opposition, as well as differing opinions about appropriate implementation models and risk management strategies. But there is some general consensus on Bring Your Own Wine and Take Home the Rest. A survey of our members province-wide revealed that the majority of our members do not intend to offer either of these services to their clientele. Our members strongly indicated their belief that neither Bring Your Own Wine nor Take Home The Rest will result in increased sales, and that both policies will result in increased liability insurance rates.

Mr. Chair, although many of our members have a variety of concerns regarding Bring Your Own Wine, the Association does support the Government's proposal to make this enabling legislation, to permit operators the opportunity to choose the services that best serve their establishment and their clientele. The ORHMA does

continue to have concerns with the impact Bring Your Own Wine will have on operator liability and liability insurance costs.

As the ORHMA also has some concerns with the Government's proposal to allow patrons to take home partially consumed bottles of wine, and as the ORHMA expects that many of our concerns will be addressed in regulation, we urge the Government to consult with the industry when developing regulations, regulations that will clarify an operator's obligations and mitigate their liability. For example, rather than simply requiring a licensee to re-cork a partially consumed bottle of wine, the Government may compel operators to place a seal over the re-corked bottle, or to place the re-corked bottle in a sealed bag, similar to those used by courier companies.

While the ORHMA understands it is the Government's intention to allow only commercially produced wines, and to prohibit homemade wines, the Association respectfully suggests that consideration be given perhaps to a marking system, so licensees can clearly identify appropriate bottles. The ORHMA further recommends that the Government meet its earlier commitment that corkage fees not be regulated.

The ORHMA also requests that the Government design and implement a formal education and training process so licensees, servers, consumers, and alcohol inspectors enforcement community have a clear and common understanding of their obligations, responsibilities and rights under the *Liquor License Act*.

This Bill however is about more than Bring Your Own Wine and Take Home the Rest. It also includes three other amendments to the *Liquor License Act*. I will briefly address each of these three amendments.

- (i) First, the Bill proposes to give the Registrar of the Alcohol and Gaming Commission the power to issue immediate interim suspensions of licenses

when it is deemed “in the public interest”. The safety of our patrons, responsible service and community safety are vital concerns to our operators. The ORHMA recommends clarity in the wording of the legislation to define the types of circumstances and conditions that would lead to or permit the Registrar to issue an interim suspension, such as an immediate risk to community and individual safety. The ORHMA recommends that the AGCO be required, when requested by a licensee under this provision, to hold a hearing within 48 hours to determine if that interim suspension should continue. The Association also recommends that operators not be held responsible for incidents that happen outside of their establishments.

- (ii) Second, the ORHMA has no concerns with the amendment to create an offence for failing to leave a licensed premise when required by a police officer to do so, or for returning the same day after being asked to leave, save and except when that person is the licensee; and
- (iii) Thirdly, the Bill also proposes to increase the minimum fines for licensees and non-licensees for the provision of alcohol to minors. This includes the minors who consume alcohol. The issue of underage drinking is very serious and a matter of increasing concern for our industry, as the technology to produce fraudulent identification becomes more sophisticated and more readily accessible. The ORHMA respectfully suggests that a small monetary fine is not a sufficient deterrent for our youth, and true and meaningful deterrents and consequences must be put in place. Also, the ORHMA recommends that the Government help mitigate operators’ and servers’ liability by clearly articulating steps an operator or server must undertake to

fulfill their due diligence in preventing underage drinking. This will help to move the yardsticks forward on both the government's and the industry's efforts to prevent underage drinking.

However, beyond Bill 96, the ORHMA is more specifically concerned with broader reforms to the *Liquor License Act*.

The ORHMA believes broader reforms to the legislation are necessary to bring about real and meaningful change to the licensing, enforcement, and hearings processes. The ORHMA was pleased recently to have had the opportunity to meet with the Minister of Consumer and Business Services and to present him with some specific recommendations for amendments.

The ORHMA understands that the Government is considering introducing legislation next year that will bring about reforms to the industry. The ORHMA believes a comprehensive review of the *Liquor License Act* is warranted immediately, and looks to the Government for their support in making broader reforms to the *Liquor License Act* that will bring about positive changes. Our areas of concern include but are not limited to the disintegration of the relationship between licensees and AGCO inspectors, as well as inconsistencies in interpretation and inspection standards among inspectors, wholesale pricing, escalating costs, gallonage fees, cross subsidization of retail promotions, and taxation policies. These matters are significant, and the ORHMA urges the Government to address them as soon as possible, and to include the industry in those discussions.

Operators, sommeliers, bartenders, and servers bring a wealth of experience to the table and respectfully request, and deserve, a voice.

Members of the Committee, thank you for your time.