

## Message from the Chair



There are big changes coming to the way beer – and eventually, wine – is sold in Ontario. Regrettably, most of these changes are not for the better.

We learned last week, courtesy of the Ed Clark panel, that the provincial government will allow grocery stores to sell six-packs of beer starting as early as this coming Christmas holiday season. By 2017, up to 450 grocery stores will be licensed to sell beer.

The changes don't stop there. Here are some other major changes coming our way.

- The sale of wine in grocery stores is scheduled to start in 2017.
- The LCBO will be allowed to start online sales with customers.
- The LCBO will be able to open “boutique” retail outlets for speciality spirits.
- Twelve-packs of beer will be introduced to the LCBO at 10 pilot locations. Eventually as many as 60 LCBO stores will carry 12-packs.

Overall we take a dim view of what promises to be a steep increase in the availability of alcohol. That, as all the experts agree, leads to higher health care and social impact costs to society from the abuse of alcohol.

OPSEU President Smokey Thomas summarized our position best when, in response to the recommendations of the Clark panel, he said: “This report displays profound ignorance of the relationship between alcohol, society and government budgets ... ‘Drink more beer’ is bad social policy that will cause direct harm to Ontarians and their families, and on top of that, government will actually lose money as sales expand.”

Despite all the big news, there are plenty of unanswered questions.

The biggest unknown is what impact this change in retailing will have on the LCBO. Over time, and with privatized wine sales, it could drive down revenue thereby affecting retail hours available to employees.

We have other concerns. OPSEU members working retail are trained to enforce social responsibility. We keep alcohol out of the hands of those who shouldn't have it. Last year alone we contacted local police 426 times when a customer was refused service and then drove off in their automobile.

Will grocery stores enforce the same level of social responsibility? Kathleen Wynne, Ed Clark and the grocery industry won't say. In fact, there is scarcely a mention of social responsibility in the Clark report.

We can't wait for answers. We need to act now. The public needs to know that handing over the sale of beer and wine to private retailers is irresponsible.

Before this week's announcement OPSEU's executive board approved Phase I of a push back campaign. With that money we've done an extensive public opinion survey that confirmed social responsibility is a public concern. Phase I also paid for three telephone-town halls.

On March 31 Smokey Thomas, myself and the members of the anti-privatization committee met with several organizations which share our concern about the expansion of alcohol retailing, including the Ontario Nurses Association, MADD, Arrive Alive, the Canadian Breast Cancer Foundation, and Canadian Doctors for Medicare, among others. We have agreed to form a working group on a move forward basis.

By a conference call organized by NUPGE we also spoke with our counterparts from other provincial liquor board components about the challenge facing Ontario today and how best we can fight back against the changes.

Each of us has a role to play. Spread the word to your family, friends and neighbours that expanding alcohol availability is a bad move. We need to keep sales inside the LCBO. Please participate in our efforts. It may one day save our jobs – and the lives of people.

**Denise Davis**

*Chair, Liquor Board Employees Division*

# MPP lobby training for LBED members at OPSEU convention

Liquor Board Employee Division members who are planning to attend OPSEU's annual convention in Toronto next month should be prepared to attend a short afternoon training session at the end of the convention, Saturday May 9, starting at 2 p.m.

The meeting will take place in room 204 at the Metro Convention Centre from 2 p.m. to 5 p.m. Any LBED Delegate, Alternate, Observer and Committee members are invited to attend this meeting.

The purpose of the training session will be to provide LBED members with the tools to lobby their MPPs against the expansion of beer and wine sales to private grocery stores.

OPSEU staff will lead the training sessions. Information will be shared on the best methods and most strategic ways you can influence your local MPP. Written materials will be available for distribution to MPPs during your visit to their offices.

## Questions and Answers

### Why is it a bad thing to allow 450 retail grocery stores to sell beer (and eventually wine)?

Experts agree that the greater the availability of alcohol the greater the health care and social impact costs associated with its abuse. Ontario already carries an "alcohol deficit" whereby we spend more on treating the harmful effects of alcohol than we do in alcohol-associated revenues. This gap will only grow by adding 450 retail locations to the 1,700 current locations where consumers can buy spirits, wine, beer and cider.

### Instead of the government's plan, what would OPSEU like to see?

Like MADD, OPSEU wants to see a "store-inside-a-store" model where the LCBO would operate kiosks able to sell beer and wine inside the stores. This would ensure the highest levels of social responsibility by refusing sales to minors, the inebriated and third-party purchasers.

### When will grocery stores be able to start selling beer and wine?

According to the plan proposed by Ed Clark, as many as 150 grocery stores could begin to sell six-packs of beer by the end of this year. Eventually that number

will grow to 450. Privatized wine sales are projected to be introduced starting in 2017.

### Which grocery stores will be able to sell beer and wine?

According to reports in the media, the government will implement an auction of licences. No one grocery chain will be permitted to acquire more than 25 per cent of the 450 licences.

### What impact will this change have on the LCBO? Will there be job losses?

It's not clear what impact the change will have on the LCBO. If revenues to the LCBO fall as more and more beer and wine sales give way to grocery stores, it's possible there could be a reduction in hours for retail staff.

### What sort of social responsibility training will grocery store workers receive?

No details about social responsibility training have been released by either the government or the grocery stores. However, it is doubtful grocery store employees will receive the same rigorous training that LCBO workers are required to have. This should be very worrisome to the public.

## Is it true, like the government says, that more revenue will flow into the public treasury by privatizing beer and wine sales in grocery stores?

The government may say that more revenue will come in, but it has not provided any financial details. What seems certain is that if the LCBO suffers a hit to its bottom line because of privatization, it will not be able to return the same high dividend – \$1.7 billion in the last fiscal year – as it has done in the past.

## Will privatized beer and wine sales help Ontario's craft brewers and wineries?

According to the Clark panel, craft brewers stand to gain the most from the changes. Grocery stores will be obligated to reserve 20 per cent of shelf space to Ontario-brewed craft beer. They will also be allowed to buy into ownership of The Beer Store which is currently monopolized by three, off-shore breweries. At this time it is not clear what impact the changes will have on Ontario's wine industry, but to be NAFTA compliant the grocery stores chains will likely need to allow foreign-made wines to compete alongside Ontario wines on their shelves.

## Does the Clark report have anything to say about the sale of spirits?

Yes – and it's not good. Clark floats the idea of "spirits retailing" similar to what he foresees as the future of "wine retailing." In other words he seems open to the concept of privatizing the sale of some spirits. He gives no timelines and very few details, but Clark speaks of how spirits might be sold in some vague "future direction."

# MADD wants to see LCBO inside grocery stores

MADD Canada wants beer and wine sold by the LCBO inside grocery store – and not by the grocery store industry itself.

"Selling alcohol in grocery stores without the oversight of the LCBO amounts to privatization of alcohol sales, and that carries a whole host of serious

## Will the price of beer and wine go down?

Not likely. The provincial government will impose minimum pricing levels which will prevent the grocery chains from engaging in price wars. In fact, since Alberta privatized its entire alcohol retailing system 22 years ago, the overall average price of spirits, wine and beer in that province is higher than in Ontario.

## What is OPSEU doing to fight back against this expanded retailing plan?

Plenty. OPSEU's executive board approved Phase I of a campaign to draw public attention to the drawbacks of expanded alcohol retailing. Among the measures taken in Phase I:

- extensive opinion testing that confirmed public support for expanded alcohol sales drops when people are told of the health care and social impacts caused by alcohol abuse;
- three telephone town-hall meetings;
- a "partners" meeting, organized by OPSEU, in which eight public interest groups came together and agreed to form a working group to heighten public awareness of the shortcomings in the government's plan;
- extensive media appearances by OPSEU President Smokey Thomas;
- An April 1 conference call with NUPGE liquor board components to share ideas on ways to fight back against privatization.

public health and safety risks," the anti-drunk driving organization said in an April 10 news release.

MADD Chief Executive Officer Andrew Murie said: "International and Canadian research has consistently shown that privatized systems typically result in increased access to alcohol (ie more

locations, longer hours of sale etc) which leads to increased consumption and increased alcohol-related problems in society.”

MADD’s position on the issue mirrors that of OPSEU’s. The union has consistently favoured having the LCBO operate in-store sales of beer and wine – a position which the provincial government first floated about 18 months ago. It has since abandoned the plan in favour of allowing private grocery store chains to sell alcohol.

OPSEU President Smokey Thomas lauded MADD’s influential support for the LCBO-first plan.

“In the rush to increase revenue from expanded alcohol sales the government appears to have scratched the word ‘responsibility’ from its vocabulary,” said Thomas, in an April 13 news release. “MADD is timely with its reminder that alcohol-related harms – including a link to more than 65 medical conditions – costs the public treasury billions of dollars every year.”

## Let Kathleen Wynne know what you think about privatized alcohol sales

The Liberal government of Kathleen Wynne is steam-rolling ahead with plans to allow private retail grocery stores to sell beer, and eventually, wine. No matter what all the evidence points to in respect to the harmful impacts caused by expanded availability, this government is clear that the status quo isn’t part of the future of alcohol retailing.

They haven’t bothered consulting with the public, either.

You can let the premier know what you think of her plan, simply by calling her office or sending her an email.

To let Kathleen Wynne know what you think about beer and wine in grocery store, call her at 416-325-1941. A friendly and courteous receptionist will take your call and pass along your thoughts to the premier’s staff. You can also email the premier at: [premier@ontario.ca](mailto:premier@ontario.ca)

## Stay informed!

Kathleen Wynne and her government are moving ahead with their plan to introduce beer and wine sales to the private grocery industry. That means OPSEU members who work at the LCBO need to be nimble and ready to respond as the new alcohol retailing model takes shape.

You can do your part by staying informed. We will be publishing and distributing more issues of the Echo newsletter. Be sure to read them as they come

out. OPSEU’s website is another good source of information. Please visit it regularly at [www.opseu.org](http://www.opseu.org) and follow the links to the LBED pages.

If you have questions or want to make suggestions on how we can fight back against the government plans, please contact your executive members at the email addresses provided in this edition of Echo.

# Thousands participate in OPSEU-LBED telephone-town meetings

March 31 and April 1 saw more than 3,800 OPSEU members who work at the LCBO participate in three special telephone-town hall meetings. The town halls were organized (before the Clark panel came down with its report) to share information about what changes to alcohol retailing might mean to LCBO workers. Dozens of callers were able to speak to OPSEU President Smokey Thomas, LBED Chair Denise Davis and to members of the anti-privatization committee (Chair Rick Woodall and members Don

Colleymore and Anne Makela). There was plenty of discussion and good ideas put forward on how OPSEU can mount an effective fight-back campaign that would take our anti-privatization messages to elected officials and the public. Following on the good idea of several callers, OPSEU issued a press release on April 2 in which we called on the Premier to spend a day working inside an LCBO retail outlet to get a good idea of the work our members do and the challenges we face.



LBED Telephone-Town Hall - OPSEU Head Office - March 31, 2015

**Proudly brought to you by the LBED Education & Communication Committee**

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*We encourage thoughtful discussion of all related issues and reserve the right to edit for libel, length, clarity and to reply to those that seem to reflect a misunderstanding of the union and its policies.*

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