Alcohol etc. (Scotland) Bill

Alberta Gaming and Liquor Commission (AGLC)

Thank you for the invitation to provide a written submission in regard to your recently introduced Alcohol etc. (Scotland) Bill. I am pleased to provide you with information on social reference pricing from the perspective of the Alberta Gaming and Liquor Commission (AGLC), on behalf of our CEO, Gerry McLeman.

AGLC does not have minimum prices for our off-premises licensees (retail stores, off-sales, delivery services), however we have a minimum drink price policy which currently only applies to licensees with on-premises consumption. The policies are listed in the Liquor Licensee Handbook which is available online at: http://www.aglc.ca/pdf/handbooks/liquor_licensee_handbook.pdf

Minimum drink prices are rules designed to make Alberta's drinking establishments safer for staff and patrons. These rules eliminate cheap drink specials, regulate the duration of 'happy hours' and limit last-call drink orders in licensed premises. These rules are not meant to interfere with responsible patrons - they are designed to limit the liquor consumption of those drinkers who don't wish to set their own limits.

Beginning 1 August 2008, the following minimum drink prices were enacted:

- Spirits and Liqueurs Minimum Price: $2.75 per 1 oz. or portion thereof
- Wine Minimum Price: $0.35/oz. ($1.75/5 oz. glass)
- Draught beer Minimum Price: $0.16/oz. ($3.20/20 oz. pint)
- Beer, cider or coolers Minimum Price: $2.75/12 oz. bottle or can

In addition to the minimum drink prices, during happy hours, licensees may reduce the regular menu price of drinks, but after 8 p.m. drinks can not be sold for less than the regular menu price. At no time, even during happy hours, can a drink be sold for less than the new minimum price.

AGLC has also set a limit to the maximum number and size of drinks that may be sold or served after 1 a.m. to a patron. The limit is two standard servings per order - one standard serving is one ounce per highball or one bottle or can of beer. Also, after 1 a.m., a patron can't have more than two drinks in their possession.

In regard to wholesale pricing, the AGLC calculates a wholesale price using the supplier's price then adding federal customs and excise taxes and duties, a recycling fee, a container deposit and the provincial mark-up. Mark-up rates depend on product type and alcohol percentage. They are assigned according to an approved rate schedule that is established by policy and reviewed regularly.
The AGLC views pricing as a strategy to reduce alcohol related harm, over-consumption and violence in and around bars, as a blunt measure. En tackling the issue, the Commission has adopted a broader approach that includes social marketing, public education and awareness campaigns, industry staff training for serving staff and security personnel, collaborative partnerships such as the Alberta Safer Bars Council and Barwatch, enhanced licensing requirements and enforcement, and provincial level harm reduction and minimization strategies.

I hope that this information that is useful to you. If I can be of further assistance, please don't hesitate to contact me.

Kent Verlik
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Alberta Gaming and Liquor Commission (AGLC)
19 January 2010