



June 9, 2010

The Honourable Dalton McGuinty, Premier
Main Legislative Building, Room 281
Queen's Park
Toronto, ON M7A 1A1

Dear Premier McGuinty,

I am writing in my role as Chair of the Peterborough County-City Health Unit regarding your government's decision to assess the possible privatization of the Liquor Control Board of Ontario (LCBO). I strongly urge the provincial government not to privatize the LCBO. There is considerable evidence that privatization will negatively impact both individual and community health and is not fiscally beneficial for the Province.

Our Health Unit works locally to combat the negative impacts of alcohol use including injuries, impaired driving, chronic disease, suicide, violence and social problems. The adult heavy drinking rate in our region is 11% higher than the provincial average (we are tied for 5th highest out of 36 health unit areas). Research shows that the availability of alcohol is directly linked with high-risk drinking, overall consumption and drinking-related issues.^{1 2}

We are very concerned that privatization of the LCBO will likely lead to increased availability of alcohol through expanded store locations, store hours, etc., which in turn will lead to increased consumption. We know that alcohol consumption in British Columbia increased 16% after their liquor control board was semi-privatized.³ In Alberta, the privatization of their liquor control board led to increases in alcohol consumption and documented increases in suicide and criminal activity such as break-ins.^{4 5}

The cost of the harmful alcohol use in Ontario is currently estimated at over \$5.3 billion per year.⁶ It is projected that the privatization of alcohol sales will generally lead to a 10% increase in alcohol use, a 17% increase in mortality, 8% increase in years of life lost, and an 8% increase in acute care hospital days.⁷ Full-cost accounting of privatization is expected to show a net financial loss to the Province as the health, social and other costs of alcohol misuse are much higher than revenues from alcohol sales, and are only projected to grow over time. Any consideration of privatization of the LCBO must include a full health and social impact assessment as this issue cannot be viewed only through an economic lens.

The research is clear that public control over alcohol sales and distribution is one of the most effective and important tools available to curb deaths, injuries, illness and social costs that result from alcohol misuse.⁸ Public control also ensures limits on advertising and promotion, and more consistent monitoring by staff to ensure alcohol is not sold to minors. For the health, safety, and security of Ontarians, it is imperative that the sale of alcohol remain clearly within public control.

Thank you for your consideration of this matter.

Sincerely,

Original signed by

Jim Embrey
Chair, Peterborough County-City Board of Health

Cc: The Honourable Dwight Duncan, Minister of Finance, Chair of Treasury Board, and
Chair of the Management Board of Cabinet
The Honourable Deb Matthews, Minister of Health and Long-Term Care
The Honourable Margaret Best, Minister of Health Promotion
Ontario Boards of Health

¹ Babor, T., et al. (2003, 2010). *Alcohol: No Ordinary Commodity: Research and Public Policy*. Oxford Press: World Health Organization.

² Edwards, G., et al. (1994). *Alcohol Policy and the Public Good*. Oxford University Press, New York.

³ Statistics Canada. (2008, etc.) *The control and sale of alcoholic beverages*. Ottawa.

⁴ Zalcman, F. and Mann, R. (2007) Effects of privatization of alcohol sales in Alberta on suicide mortality rates. *Contemporary Drug Problems*, 34: 589-605.

⁵ Laxer, G., et al. (1994) *Out of Control: Paying the price for privatizing Alberta's Liquor Control Board*. Canadian Centre for Policy Alternatives, Ottawa.

⁶ Rehm, J., et al. (2006). *The Costs of Substance Abuse in Canada 2002*, Canadian Centre on Substance Abuse: Ottawa. Costs included direct health care, law enforcement, corrections, prevention, research, lost productivity (due to injury, disability and death), and other direct costs (e.g., EAP and workplace health promotion programs).

⁷ Rehm J., et al. (2008). *Avoidable Costs of Alcohol Abuse in Canada 2002 – Highlights*. Centre for Addiction and Mental Health: Ontario.

⁸ Babor, et al. (2003, 2010). *Alcohol: No Ordinary Commodity*. World Health Organization.