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May 25, 2010

The Honourable Dalton McGuinty
Premier of Ontario
Office of the Premier
Legislative Building
Queen's Park
Toronto ON M7A 1A1**RECEIVED****JUN 11 2010**

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Dear Premier McGuinty:

On behalf of Toronto Public Health, I am writing to strongly urge you to oppose any form of privatization (i.e. full or partial sale) of the Liquor Control Board of Ontario (LCBO). Furthermore, in considering any form of privatization, I urge you to take a control-oriented (vs. market-oriented) system for alcohol sales in order to balance any limited, short-term economic gains with the serious public health problems and costs associated with a partially or fully privatized LCBO.

Alcohol is no ordinary commodity. It is the most widely used psychoactive drug in Ontario and it remains a leading risk factor for and a significant cause of injuries, diseases, deaths, and disabilities in Ontario and globally.^{1,2,3} The health and social costs associated with its use in Ontario are substantial (the quantifiable costs alone were estimated to be over \$5 million in 2002).⁴

Any form of privatization of the LCBO would exacerbate overall harms and costs by increasing access to and the availability of alcohol -- largely as a result of the erosion of government alcohol sales controls.^{5,6} This, in turn, will increase the per-capita consumption of alcohol as well as alcohol-related problems and harms.^{7,8,9} Although full or partial privatization is expected to bring in short-term revenues, a full-cost accounting (i.e. including various health and social costs) is expected to show increases in total costs as well as a decrease in alcohol sales revenues.^{10,11,12,13} Furthermore, once any aspect of the system is privatized, evidence indicates that it would be extremely difficult to return to the previous system due to requirements of the North American Free Trade Agreement.¹⁴

The current publicly controlled LCBO system works and Ontarians are satisfied with this system (a majority opposes privatization).¹⁵ The LCBO provides Ontarians with high levels of service and a wide selection of quality products in clean and convenient stores that are staffed by trained and knowledgeable staff. In addition, the LCBO's "challenge and refusal" techniques effectively prevent sales to minors and intoxicated persons; more than 2.4 million potential customers were challenged and 148,886 were refused service in 2007-2008.¹⁶ From a financial standpoint, the LCBO provides the provincial government with a lucrative and on-going revenue source (about \$1.345 billion in 2007-08 alone).¹⁷

Given the substantial, serious, and preventable health and social costs associated with any form of privatization of the LCBO, I strongly urge you to ensure that the Province of Ontario maintains full public control of the LCBO. Furthermore, I urge you to enhance various controls that limit the availability of, access to, and consumption of alcohol including increasing alcohol pricing and taxation; limiting the number, density and location of alcohol retail outlets; restricting the hours and days of sale; increasing the minimum drinking age; requiring mandatory server training; and placing stronger restrictions on marketing and promotion.

I look forward to continuing to work together to promote the health, safety, and well-being of people living and working in Ontario.

Sincerely,



Dr. David McKeown
Medical Officer of Health

Copies: The Honourable Sophia Aggelonitis, Minister of Consumer Services
The Honourable Margaret Best, Minister of Health Promotion
The Honourable Dwight Duncan, Minister of Finance
Dr. Vivek Goel, President and CEO, Ontario Agency for Health Protection and Promotion
Dr. Arlene King, Chief Medical Officer of Health
The Honourable Deb Mathews, Minister of Health and Long-Term Care
Mr. Bob Peter, President & CEO, Liquor Control Board of Ontario
The Honourable Sandra Pupatello, Minister of Economic Development and Trade
Ms. Linda Stewart, Executive Director, Association of Local Public Health Agencies
Dr. Catherine Zahn, President and CEO, Centre for Addiction and Mental Health

¹ Adlaf, E., et al. (2001) *CAMH Monitor 1997-2007*. Centre for Addiction & Mental Health (CAMH): Ontario.

² Babor et al. 2003. *Alcohol: No Ordinary Commodity: Research and Public Policy*. Oxford Press. WHO.

³ Rehm, et al. (2006). The Costs of Substance Abuse in Canada 2002, Canadian Centre on Substance Abuse.

⁴ Ibid.

⁵ Trollidal, B. (2005). An Investigation Of The Effects Of Privatization Of Retail Sales Of Alcohol On Consumption And Traffic Accidents In Alberta, Canada. *Addiction*, 100: 662-671.

⁶ Stockwell, T., Chikritzhs, T. (2009). Do Relaxed Trading Hours For Bars And Clubs Mean More Relaxed Drinking? A Review Of International Research On The Impacts Of Permitted Hours Of Drinking. *Crime Prevention and Community Safety*. 11(3): 153-170.

⁷ Popova, S., et al. (2009). Hours and Days of Sale and Density of Alcohol Outlets: Impacts on Alcohol Consumption and Damage: A Systematic Review. *Alcohol and Alcoholism*. 44(5):500-516.

⁸ Babor, T. et al. (2010) *Alcohol: No Ordinary Commodity – Research and Policy – Second Edition*. Oxford: Oxford University Press.

⁹ Rehm, J. et al. (2006) Estimating Chronic Disease Deaths and Hospitalizations Due to Alcohol Use in Canada in 2002: Implications for Policy and Prevention Strategies. *Preventing Chronic Disease*. October 3(4): A121.

¹⁰ Chisholm, D., Rehm, J., Van Ommeren, M. and Monteiro, M. (2004). Reducing the global burden of hazardous alcohol use: a comparative cost-effectiveness analysis. *Journal of Studies on Alcohol and Drugs*, 65(6):782-93.

¹¹ Cook PJ. (2007) *Paying the Tab: The costs and benefits of alcohol control*. Princeton, NJ: Princeton University Press.

¹² Rehm J., Gnam W.H., Popova S., Patra J. and Sarnocinska-Hart, A. (2008). *Avoidable Costs of Alcohol Abuse in Canada 2002 – Highlights*. Centre for Addiction and Mental Health

¹³ Anderson, P., Chisholm, D. and Fuhr, D. (2009) Alcohol and Global Health 2. *Effectiveness And Cost-Effectiveness Of Policies And Programmes To Reduce The Harm Caused By Alcohol*. *Lancet*, 373: 2234-46.

¹⁴ Giesbrecht, N. (1995) *Proposed privatization of retail alcohol sales in Ontario: Health, social, economic and safety implications*. Report. Toronto: Addiction Research Foundation.

¹⁵ Giesbrecht, N. (2007) *Public opinion on alcohol policy and its relation to alcohol policy debate and decisions*. Presented at the Alcohol Research Conference, Sweden, April 26-27, 2007.

¹⁶ *Today's LCBO. Balancing Profitability and Social Responsibility*. Retrieved May 7, 2010, from the Liquor Licence Board of Ontario Web site: <https://www.lcbo.com/aboutlcbo/todayslcbo.shtml>

¹⁷ *Responsible Retailing Paying Dividends LCBO Annual Report 2007-08*. Retrieved May 10, 2010, from the Liquor Licence Board of Ontario Web site: <http://www.lcbo.com/aboutlcbo/annualreport2008.shtml>