December 12, 2011

Rodger Evans
Senior Assistant Clerk
Health and Sport Committee
healthandsport.committee@scottish.parliament.uk

Dear Mr. Evans:

Thank you for the opportunity to provide input regarding the Scottish Parliament’s Alcohol (Minimum Pricing) Bill. Minimum prices for on-site liquor drinks were introduced in Alberta in 2008. Accordingly, I would like to take this opportunity to share with you the Alberta experience.

In response to repeated concerns expressed by Albertans regarding alcohol-related violence in and around licensed premises, on August 1, 2008 the Alberta Gaming and Liquor Commission (AGLC) introduced policy changes concerning minimum prices for on-site liquor drinks, limits on the duration of Happy Hours and limits on the number of liquor drinks sold or served after 1:00 a.m.

Prior to the development of a minimum drink price policy, the AGLC partnered with the Alberta Solicitor General and Ministry of Public Security to host two roundtable sessions on the issue of violence in and around licensed premises. The first session was held in November 2005 and the second was held in March 2006. The sessions included representation from police and municipal agencies, other government departments, and the liquor industry.

The roundtables explored the issue of violence within the context of bars, nightclubs, and other licensed premises. Its purpose was to gather input, information, and advice from stakeholders on the frontlines – from the people who work in, own, manage, regulate, and protect the province’s licensed premises. One of the many suggestions stemming from the roundtable was to limit the duration of “Happy Hours.”

Following the roundtables, in-depth research on best practices was undertaken. Among the many findings in the research, a strong correlation was found between price, consumption and harms associated with over-consumption.
The minimum liquor prices were based on a number of factors including discussions with the various stakeholders, the minimum prices established in other Canadian provinces and the cost of the liquor.

The impact of the implementation of the policy has been positive. Numerous stakeholders have indicated that the policy has been effective in eliminating predatory pricing. As well, police have indicated that the policy is working as they are seeing a reduction in violence and other alcohol-related harms.

Thanks again for the opportunity to provide input.

Yours truly,

[Signature]

Kent Verlik
Executive Director, Corporate Strategy and Social Responsibility

Attachment: Section 5.2 – Liquor Pricing of the AGLC's Licensee Handbook
5.2 LIQUOR PRICING

POLICIES

5.2.1 The amount of liquor in a drink (i.e., # of ounces or millilitres) and the price must be specified on a menu or price list.

5.2.2 Licensees may set their own liquor prices, subject to the minimum prices specified below.

5.2.3 Class A, B, and C (except canteen or adult residence) licensees, as well as Commercial Public Special Event licensees, may not sell, or offer to sell, liquor less than the following minimum prices:

- Spirits and liqueurs: $2.75 / 28.5 ml (1 oz) or less;
- Wine: $0.35 / 28.5 ml (1 oz);
- Draught beer: $0.16 / 28.5 ml (1 oz); and
- Bottled/Canned Beer, Cider or Coolers: $2.75 / 341 ml bottle or 355 ml can.

Note: GST is not included in above prices.

5.2.4 If a serving of spirits or liqueurs exceeds 28.5 ml, the minimum price of the drink must be based on the single serving menu price and increase in direct proportion to the volume served based on the minimum price of $2.75. For example, if a single serve drink has a menu price of $5.00, the following minimum prices apply to similar drinks containing more than 28.5 ml of spirits or liqueurs:

a) drinks containing 43 ml (1.5 oz) of spirits or liqueurs – the minimum price required is $6.37 ($5.00 + $1.37);

b) drinks containing 57 ml (2 oz) of spirits or liqueurs – the minimum price required is $7.75 ($5.00 + $2.75); and

c) drinks containing 85.5 ml (3 oz) of spirits or liqueurs – the minimum price required is $10.50 ($5.00 + $2.75 + $2.75).

5.2.5 "Happy hours" refer to periods of time where a licensed premises:
a) reduces the regular price of liquor posted in the liquor menu; or
b) offers specific brands or types of liquor at reduced prices.

5.2.6 "Happy hours" must end by 8 p.m.

5.2.7 "Happy hour" pricing must not be below the minimum prices specified in Sections 5.2.3 and 5.2.4.

5.2.8 A licensee is not allowed to offer:

a) free liquor specials;
b) more than one (1) drink for a single price (e.g., "2 for 1" specials, or "triples for the price of a single"); and

c) "all you can drink" specials for a fixed cost.

5.2.9 "Buckets of Beer" pricing are permitted under the following conditions:

a) the price of a single beer is posted and available for consumption;
b) the price of the "bucket" is equal to the total price of the singles (i.e., a bucket of 4 beer is $12.00 and the singles are $3.00 each); and

c) prices are not below the minimum prices specified in Section 5.2.3.

5.2.10 Liquor sale activities must not promote intoxication.

5.2.11 Gift certificates may only be redeemed for liquor if they are purchased at face value (for example, in order to redeem a $10 gift certificate for liquor, the gift certificate must be purchased for at least $10).

5.2.12 Discount liquor coupons are only permitted if:

a) the selling price after redemption of the coupon does not fall below the minimum prices specified in Sections 5.2.3 and 5.2.4; and

b) they are only accepted prior to 8:00 p.m.