



**Canadian Restaurant
and Foodservices
Association**

March 15, 2007

VIA E-MAIL

Mr. Paul Gordon
Manager, Agency Liaison, Sector Liaison Branch
Policy and Consumer Protection Services Division
Ministry of Government Services
College Park, 5th Floor, 777 Bay Street
Toronto, Ontario
M7A 2J3

Dear Mr. Gordon:

I am writing on behalf of the Canadian restaurant and Foodservices Association (CRFA) in response to the proposed Reforms to the *Liquor Licence Act (LLA)*, and the proposal to provide wine and beer manufacturers with an opportunity to apply for a liquor sales licence that would be limited in scope to allow them to sell single servings of their wine or beer. Thank you for providing CRFA with the opportunity to comment.

CRFA is Canada's largest hospitality association, representing over 35,000 members across the country, including 10,000 members in Ontario. Ontario's \$19.5 billion foodservice industry represents 3.6% of GDP and is one of the province's largest private-sector employers with 374,000 people on the payroll.

CRFA supports the idea that wineries and brewery operations be permitted to add an endorsement to their licence to allow them to sell and serve wine or beer by the glass, only at their on-site retail store for the purposes of promoting their product. This liquor sales licence would have to include the conditions of holding a manufacturer's licence; selling only when the manufacturer is open for public tours and events and not before 11am or after 6pm; selling only the manufacturers own products; identifying the areas where the liquor would be permitted, which may include the vineyard, barrel cellar, retail store and deck/patio but not public areas; and providing a municipal resolution in support of each manufacturer selling single servings of wine or beer on-site. In addition, the number of servings sold to any customer must be restricted to ensure tasting and product promotion are the primary purpose of charging a fee. Minimum pricing restrictions must also be applied to any by-the-glass product offering.

CRFA's support for the change is contingent on the fact that the critical requirements for liquor sales licensees in the LLA and Regulation 719 must continue to apply. Critical requirements include requiring server training; ensuring social responsibility; making available non-alcoholic beverages; and maintaining sales records.

CRFA operators compete with wineries and brewery operations in tourist regions for business. Indeed the restaurant and foodservice industry is an integral part of the tourism experience. When introducing new wine and beer by the glass regulations in Ontario, in order to ensure a level playing field, CRFA recommends that the government also allow licensed operators to offer for sale unopened cases of beer and bottles of wine and spirits to their customers for home consumption.

Many communities in Ontario provide unique opportunities to tourists visiting a region to sample wines not available in LCBO stores across the province. Restaurant and foodservice operators structure their food and wine pairings to highlight the regions best and secure the return of the client to the region. Since many rural Ontario residents have limited access to LCBO store or Beer Store, allowing licensees to sell beverage alcohol to their patrons for home consumption, the government would further its commitment to improve customer service and improve the tourist experience while insuring a level playing field with wineries and foodservice establishments operating in the same region, with the same customer base.

Currently, the provinces of British Columbia, Alberta, Saskatchewan and Manitoba all permit liquor "off-sales" at licensed establishment. With Ontario's current licensing system, a similar program could be implemented through an endorsement on an existing liquor sales license similar to what is being implemented for the BYOW program. All background checks and security measures will have been completed during the liquor licence application process, and the AGCO would retain control of the licensing process.

Licensees and their staff are already properly trained in the responsible service of beverage alcohol and would apply these same skills to this new type of sale. This type of program would give operators in tourism-dependent and rural areas an opportunity to increase their customer base and to offer a service that is necessary to remain competitive and/or lacking in their community.

With a new emphasis on culinary tourism as an economic generator for many rural regions and for the restaurant and foodservice industry itself, CRFA also recommends that changes be made to permit a restaurant operator with a BYOW endorsement to store and decant a bottle of wine purchased at the LCBO or local winery without the patron remaining on-premises. For example, today it is illegal for a patron returning from a wine-tasting to bring a bottle of wine that requires chilling into an establishment that offers BYOW, unless they plan to stay through to it being served. They are unable to leave the premises to change before dinner and have their bottle of wine appropriately stored or begin the necessary decanting process before they return for their meal. As tourist regions attempt to become more sophisticated in their customer offering, it is essential that restaurants be able to provide the service that knowledgeable wine-drinkers demand. This type of change would leverage the increased promotional activity at local wineries, and help create a better overall experience for visitors.

CRFA looks forward to working with you as you continue your review of the Liquor Licence Act. Please do not hesitate to contact me if you have any comments or questions about any of the points in this submission. Thank you again for the opportunity to provide these comments to you.

Yours truly,



Stephanie Jones
Vice President, Ontario