



## In This Issue

### Chair's Column

Holiday Season: maintaining compliance with the law

#### COVER

A smooth ride into the Holiday Season

New Compliance Branch Changes to Smart Serve

AGCO executive appointed as Honourary Superintendent

#### PAGE 2

Changing drink prices during the day

Planning to offer an "all you can drink" package on New Year's Eve?

#### PAGE 3

Liquor Delivery Service

Service by the bottle and beer buckets

Wine, beer and cider sales in grocery stores

#### PAGE 4

Holiday Season (cont'd)

#### PAGE 5

Decision Summary

Chair's Column (cont'd)

AGCO website has lots of information!

#### PAGE 6

*"...to all of our stakeholders, associates and others, we wish you all, and your families, the very best for a happy, healthy and successful New Year."*

## Holiday Season: maintaining compliance with the law

- New Year's Eve hours of operation
- Clearing signs of service and consumption
- Responsible service
- Overcrowding/capacity
- Checking ID/serving minors
- Smart Serve certification/training required
- Sandy's Law
- Maintaining order

### Holiday Season

As we come to the close of another busy year and the Holiday Season approaches, licensees and their staff are reminded that while it is a great time for customers and patrons to revisit old acquaintances and meet new friends, it is also very important to ensure that even during celebratory events, the focus remains on public safety, and the responsible sale and service of beverage alcohol.

The following are some things to keep in mind:

#### ✓ New Year's Eve hours of operation

Licensed establishments can serve alcohol until 3:00 a.m. on New Year's Eve (December 31), one hour later than normal service time (this does not apply to licensees



who have a condition on their licence restricting the hours of alcohol sales service). For those who hold Special Occasion Permits (SOPs), the eligible hours for New Year's Eve service are also extended to 3:00 a.m.

#### ✓ Clearing signs of service

Licensees and SOP holders are reminded they must remove all signs of alcohol service (including all glasses and bottles, whether empty or only partially consumed) within 45 minutes of closing time. On New Year's Eve this means 3:45 a.m. Failure to adhere to this regulation may lead to administrative action including, for example, a monetary penalty of up to \$4,000.00.



Continued on page 5 See *Holiday Season*



ELEANOR MESLIN

## FROM THE CHAIR...

*For our last edition of Licence Line in 2016, we highlight a number of items that are very relevant as we approach the Holiday Season.*

*We remind all licensees of their responsibility to ensure compliance with the province's liquor regulatory requirements, while still enjoying the heightened activity and celebratory nature that takes place during this time of year.*

*Of special interest are hours of operation for New Year's Eve. We provide information on changing drink prices and "all you can drink packages."*

*Also included are articles on the Last Drink Program, the sale of wine, beer and cider in grocery stores and information for liquor delivery services.*

### Board members retiring

*At this time, I would like to very sincerely thank three members of our Board who have recently completed their terms:*

*Beryl Ford, Brampton, Ontario and Brian Ford, Ottawa, Ontario (not related) who both joined the Board in 2004, and Bruce Miller, Eagle Lake, Ontario, who joined the Board in 2008. All three of these members carried out their responsibilities to our organization, and served the people of Ontario with integrity and in an exemplary fashion. We deeply appreciate their distinguished public service and wish them well for the future.*

Continued on page 6 See *Chair's Column*

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## The AGCO Last Drink Program

### A Smooth Ride into the Holiday Season

Since its creation in 2011, the AGCO's Last Drink Program (LDP) has been a valuable year-round program, and is especially important during the holiday season. LDP addresses the sale and service of alcohol at licensed establishments that contributes to alcohol related driving offences.

#### Inspector visit

When the AGCO receives such information, an AGCO inspector visits the establishment and educates the licensee about their responsibilities.

Through education under LDP, the AGCO works with licensees

to help them better meet their regulatory obligations under the *Liquor Licence Act (LLA)*.

Working together with licensees to keep the streets safe for everyone is the main focus of the program.

#### Patron safety

Remember that as a licensee, you have a responsibility to ensure the safety of your patrons. This includes ensuring that patrons are not over-served at your establishment. If you have any questions related to your responsibilities as a licensee or about LDP, please contact your local AGCO inspector.

Let's work together to keep our roads safe this holiday season! ■

## New Compliance Branch



Rob McKinney

As a result of an ongoing modernization strategy, the AGCO has put in place a new Liquor and Lottery Compliance Branch designed to create a more unified, flexible and efficient

organizational structure. The Branch will be responsible for liquor inspections and a number of gaming and lottery regulatory activities. The new Branch is headed up by Rob McKinney, who spent 20 years with the OPP and, prior to joining the AGCO, was Deputy Director of the Ontario Racing Commission. The new Branch will be staffed by AGCO Inspectors and OPP Officers and have responsibility for enforcement and compliance issues under the *Liquor Licence Act* and regulations, as well as gaming matters. ■

## Changes to Smart Serve:

### New server training module for alcohol retail store staff

Ontario law requires all individuals involved in the sale, service or sampling of liquor, or who are involved in taking orders for liquor from customers, to complete a server training course approved by the Board of the Alcohol and Gaming Commission of Ontario. This requirement includes staff at authorized grocery stores, on-site and off-site manufacturer retail stores, and staff selling wine at farmers' markets, as well as those who sell or serve in a liquor sales licensed establishment.

Since 1995, Smart Serve® has been the primary server training course in Ontario approved by the Board of the AGCO. Recently, the AGCO Board approved a new module to be added to the Smart Serve training program, designed specifically for staff involved in the retail sale of alcohol. The inclusion of new retail-specific content is intended to ensure that staff working in the alcohol retail sector have the necessary knowledge, skills and training to sell and serve alcohol responsibly in a retail environment.

Going forward, those looking to obtain their server training certification must complete the enhanced new Smart Serve

program, which includes the pre-existing content as well as the new retail training.

For those who are already Smart Serve certified, the new retail module is available at no extra cost and can be completed on a standalone basis.

- Designated employees working in a retail environment who were previously certified under Smart Serve before November 2016 are expected to complete this new training module.
- Staff working in the hospitality industry who are already Smart Serve certified have the option of taking this new retail training on a voluntary basis, at no additional cost.

To learn more about the Smart Serve program and the new training module, please visit [www.smartserve.ca](http://www.smartserve.ca). ■



## AGCO executive appointed as Honourary Superintendent



Tom Mungham

Tom Mungham, the AGCO's Chief Operating Officer, was recently appointed Honourary Superintendent of the Ontario Provincial Police. During his 12-year career with the OPP, Mr. Mungham held a series of key administrative positions with the police force, including Chief

Financial Officer, Business and Financial Services Director, Chief Learning Officer, Information Technology Manager and Bureau Commander. On October 5, 2016, he was recognized by the OPP for his contribution in helping to shape the OPP into a strong and diverse organization, and for developing partnerships with many colleges and universities to increase learning opportunities for members of the police community. We congratulate Mr. Mungham on his well-deserved appointment as Honourary Superintendent! ■

**Minimum price is required**

**Changing drink prices during the day**



Licensees have a lot of flexibility when it comes to being able to change drink prices throughout the business day, including the holiday season. There is no limit on the number of times licensees can change drink prices in their establishments, however there are some important things to remember.

The cost of the liquor itself must remain at or above the minimum price of \$2 per serving, including taxes. This minimum price is required whether the drink is offered at a specific time of the day or in combination with food or other goods or services, such as “beer with wings”, “wine with dinner” or “a cocktail with a spa treatment”.

The size of the serving of liquor will change the minimum price. A serving is defined as: 341 ml (12 oz) of beer, cider or cooler; 29 ml (1 oz) of spirits; 142 ml (5 oz) of regular wine; or 85 ml (3 oz) of fortified wine. If the drink contains more than a serving, the price must be adjusted upwards accordingly. If the drink contains less than a serving of alcohol, the price can be adjusted downwards accordingly.

**Price changes must be posted**

Temporary drink price changes must be posted. Whether served alone or in combination with food or other goods or services, licensees must post or provide a notice specifying the change and make it visible or available to all patrons attending the premises while the change is in effect.

Posting and advertising of prices and promotions must be responsible in nature. Postings or ads that may promote immoderate consumption are not permitted. For example, the use of the terms “Happy Hour” or “Cheap Drinks”, or something similar, is prohibited.

Drink prices must be the same for all patrons. Promotions that target certain parts of the population, such as women or students, are not permitted. All customers must be treated equally.

Prices may not be based on the purchase of other drinks. Promotions such as “2 for 1 drinks”, “2<sup>nd</sup> drink is ½ off” or “every 3<sup>rd</sup> drink is \$2” are not permitted.

For easy reference, the following chart provides some examples of the minimum price for various common sizes in which liquor is served.

Beer	284ml (10 oz)	455ml (16 oz)	568ml (20 oz)	1.7l (60 oz)
Minimum Price	\$1.67	\$2.67	\$3.33	\$10

Regular Wine	170ml (6 oz)	500ml (18 oz)	750ml (26 oz)	1l (35 oz)
Minimum Price	\$2.40	\$7.20	\$10.40	\$14

Spirits	14ml (0.5 oz)	43ml (1.5 oz)	57ml (2 oz)	85ml (3 oz)
Minimum Price	\$1	\$3	\$4	\$6

For more detailed information on pricing and promotion of liquor sales in licensed establishments, please refer to the AGCO's Liquor Advertising Guidelines: Liquor Sales Licensees and Manufacturers, on our website at [www.agco.on.ca](http://www.agco.on.ca) or contact AGCO Customer Service at (416) 326-8700 or toll free in Ontario at 1-800-522-2876. ■

**Limited circumstances**

**Planning to offer an “all you can drink” package on New Year’s Eve?**

Many licensees assume they are permitted to offer “all you can drink” packages on New Year’s Eve. This is not the case. The law only allows packages under limited circumstances. For example, a licensee may offer a package of food and liquor at a fixed price when:



- a) the licence holder and event organizer have entered into a written contract that sets out separately the price of the food component and the price of the liquor component of the package.
- b) the price of the food component is the fair market price and represents more than 50 per cent of the total price of the package;
- c) the event is intended only for the invited guests of the event organizer, is not advertised or open to the general public;
- d) attendees are not charged a fee for admission to the event or for liquor or food;
- e) the event organizer or the organizer’s delegate remains on the premises at all times during the event;
- f) the time for which alcoholic drinks may be provided to attendees without charge to the attendee does not exceed eight hours;
- g) the licence holder, the employees and managers of the licence holder and the security personnel other than paid duty police officers acting as security personnel at the event have completed a server training course approved by the Board of the AGCO; and
- h) the licence holder keeps all contracts relating to the event for at least one year after the event takes place. ■

## Some Reminders

### Liquor Delivery Service (LDS)

#### Report relocation

Liquor delivery service operators are reminded that any relocation of a business must be reported immediately to the AGCO. Failure to report a change may lead to administrative action, which may include, for example, a monetary penalty or suspension/ revocation of the liquor delivery licence.

#### Lottery tickets

LDS operators are also reminded that their employees are not permitted to purchase lottery or quick-pick lottery tickets on behalf of a customer. If an LDS employee purchases these items, the ticket belongs to the driver and not the customer.

#### Server training

All LDS personnel involved in taking a liquor sales order and/or the delivery of liquor products to customers must complete a server training program and hold the appropriate server training certificate.

For details regarding LDS, please refer to the AGCO website [www.agco.on.ca](http://www.agco.on.ca) or contact AGCO Customer Service at 416-326-8700 or toll free in Ontario 1-800-522-2876. ■

### Wine, beer and cider sales in grocery stores



Ontario has selected the first grocers that are now able to sell both domestic and imported wine in up to 70 grocery store locations province-wide. Sales began on October 28 at selected stores. Store locations that are authorized to sell wine must also sell beer and can also sell cider. This is in addition to the 57 grocery stores across the province that are currently authorized to sell beer and cider.

#### Competitive process

The successful grocers from across Ontario were selected via a competitive bidding process and were required to obtain authorization from the Alcohol and Gaming Commission of Ontario prior to offering wine, beer or cider for sale.

#### Compliance with the law

Authorized grocery store operators have a responsibility to operate their stores and sell beer and wine (including cider) responsibly in compliance with the *Liquor Licence Act*, the *Liquor Control Act* and their Regulations and any terms and conditions attached to their authorization. These requirements fall within the oversight of the AGCO and include, for example, designated hours for sale, limitations on package sizes and alcohol content, and requirements for Smart Serve certification by all grocery store staff involved in the sale or sampling of alcohol.

For more information on the regulatory requirements for selling wine, beer and cider in a grocery store, please see **Ontario Regulation 232/16 – Sale of Liquor in Government Stores** or visit the AGCO's website.

To learn more about wine, beer and/or cider sales in grocery stores in Ontario, please see the **Ontario Government's news release**. ■

### Service by the bottle and beer buckets

Licensees are permitted to serve liquor by the bottle on New Year's Eve as well as any other time during regular licensed operating hours.

Also, the sale of "beer buckets" is permitted provided that the liquor licence holder does not permit drunkenness or disorderly behaviour on the licensed premises.

The prohibition against engaging in practices that may tend to encourage immoderate consumption remains in place at all times.

Should a licensee be found advertising or holding an "all you can drink" function, on New Year's Eve, or any other time during regular operating hours, such promotions may be cited for several violations under the *Liquor Licence Act* and Regulations. ■



Continued from page 1 *Holiday Season: maintaining compliance with the law*

## Holiday Season

### ✓ Responsible service

While New Year's Eve is a traditional time to celebrate and have fun, licensees and staff are reminded that permitting intoxication and promoting immoderate consumption are contrary to the *Liquor Licence Act* and can lead to administrative action against your establishment including, for example, a monetary penalty of up to \$6,000, or a proposal to suspend or revoke the liquor sales licence.



### ✓ Holiday season crowds: check capacity

The capacity of a liquor licensed establishment has been set for the safety and health of staff and patrons. Exceeding that limit can jeopardize the safety of everyone inside, especially if there is an emergency.

With the busy holiday season underway, licensees should take extra care to ensure that the number of persons on the licensed premises does not exceed the capacity as stated on the liquor licence. This number includes all staff and management. Overcrowding infractions may lead to administrative action against your establishment including, for example, a monetary penalty of up to \$10,000.

### ✓ Checking ID

The legal drinking age in a liquor sales licensed establishment in Ontario is 19. If there is any doubt about a person's age, staff should ask for an acceptable form of identification. Valid ID must be current, government issued and include a photo and the birth date. More information is available in the AGCO's **Responsible Tip Sheet: Checking ID**.



### ✓ Mandatory server training

All managers, licensed security personnel and employees must complete a server training course approved by the AGCO Board. The current Board-approved server training course in Ontario is Smart Serve. For information on this program, please visit the Smart Serve Ontario website at [www.smartserve.ca](http://www.smartserve.ca).

### ✓ Sandy's Law

The LLA requires liquor sales licensed establishments to post signs warning women that drinking alcohol during pregnancy can cause Fetal Alcohol Spectrum Disorder (FASD). The warning sign must be at least 8 ins. by 10 ins., and displayed in a prominent location. The sign can be downloaded from the AGCO website at [www.agco.on.ca](http://www.agco.on.ca) or ordered from our Customer Service Centre at **1-800-522-2876**.



### ✓ Maintaining order

Liquor licensed establishments must be operated in an orderly fashion. Disorderly and unruly behaviour is not permitted. Do not allow drunkenness, illegal gambling, illegal drugs, weapons or fighting on the premises. Ensure the area outside your establishment is well lit, and order is maintained in parking lots and on sidewalks around the licensed operation. ■

## Decision Summary

The following establishments requested a hearing before the Licence Appeal Tribunal regarding compliance issues and received suspensions of 14 days or more and revocations for the period beginning August 1, 2016 ending November 15, 2016. Sanctions for similar infractions may vary in length according to the specifics of each case. For details on the Licence Appeal Tribunal visit [www.lat.gov.on.ca](http://www.lat.gov.on.ca).

None for this period

### Other Suspension/Revocations

Suspensions of 14 days or more and revocations where the licensee did not request a hearing.

Establishment	Infraction	Sanction
HIGH-5KTV, Scarborough	Serving minors; failure to inspect identification; permitted drunkenness; permitted narcotics on premises; operated business without licence transferred by the registrar; carried on business under a name other than the name set out on the licence; failure to clear signs of service; failure to post sign in a conspicuous place concerning suspension; breach of condition of the establishment's liquor licence	30 days
Patricia Inn Bar (The), Dryden	Liquor sold to person who appears to be intoxicated; permitted drunkenness, quarrelsome, violent and disorderly conduct	45 days
SVG Bar & Grill, Toronto	Permitted drunkenness; permitted narcotics on premises; overcrowding; non-compliance with <i>Fire Protection and Prevention Act</i> ; failure to post licence in a conspicuous place	21 days
Turntable Restaurant & Lounge, Mississauga	Overcrowding	18 days

Continued from page 1 *Chair's column*

#### Happy New Year!

As another year draws to a close, it is a real pleasure for me to once again thank our clients and stakeholders for their encouragement and support as we continue to modernize the province's liquor regulatory practices. At the same time, I want to thank all members of the AGCO Board, the management team and employees of the AGCO for a busy and very productive year of change, that will allow us to better deliver our strategic and business plan objectives.

So, to all of our stakeholders, associates and others, we wish you all, and your families, the very best for a happy, healthy and successful New Year.

Season's Greetings!



Eleanor Meslin  
Chair

### AGCO website has lots of information!

If you are looking for general information on the regulation of beverage alcohol, how to apply for a liquor sales licence or other liquor licensing matters, please visit our website at [www.agco.on.ca](http://www.agco.on.ca).

You can download and fill out on screen liquor-related forms such as liquor licence applications, renewals, transfers, etc.



Licence Line is published by the Alcohol and Gaming Commission of Ontario to provide licensees and interested parties with information regarding alcohol legislation and related issues. Reader comments are welcome. This newsletter is available free of charge to all holders of a liquor sales licence in Ontario.

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