



From
the
Chair...

G.R. (RANDY) BARBER

This is my first column for *Licence Line* since assuming my duties as Chair of the AGCO.

As you will note from the stories in this edition, there is a lot of activity taking place in our shop. Substantial changes to the *Liquor Licence Act* regulations that affect licensees and other clients, a new minister and ongoing activity around improving business operations.

I am particularly pleased to welcome our new minister, *The Honourable Tim Hudak*. Aside from our responsibility for liquor laws, we also regulate casino and charity gaming. Mr. Hudak brings a good knowledge of the gaming industry from his previous portfolio, the Ministry of Tourism, Culture and Recreation, where he had responsibility for the operational side of gaming through the Ontario Lottery and Gaming Corporation.

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Changes made to Ontario's liquor licence regulations

The Ontario government has announced changes to the province's liquor licence regulations.

Effective **August 29, 2002** the following revisions took place.

- **Eliminate the 90 day 'grace' period on licence renewal**

This change eliminates the three (3) month *grace* period for renewal of licenses.

This change will eliminate licensee confusion and reduce enforcement problems where establishments continue to operate even when their licence has expired.

- **Reduce requirement for partitions for licensed and non-licensed areas**

The requirement for a 1.06 metre (42 inch) high partition to separate licensed premises from unlicensed areas is changed to 0.9 metres (36 inches). This change has been made to reduce conflicts with/and accommodate municipal bylaws, and help reduce construction costs.

- **Permit banquet halls more leeway to package banquet events**

Banquet hall facilities licensed under the *Liquor Licence Act* may now offer packages of food and beverage alcohol—a common practice at banquet facilities, but one that was technically prohibited under the regulations until this amendment. There are certain conditions: such as, food must be a major part of the sales package, a time limit on the open bar and an organizer or delegate must be on the premises. As always, the licensee is responsible for ensuring there is no "over service".

Continued page 2 See Liquor Law Changes

New minister in charge of liquor policy

Premier Ernie Eves has appointed **Tim Hudak MPP** for the Niagara region riding of Erie-Lincoln as the Minister of Consumer and Business Services(MCBS).

As minister of MCBS, Mr. Hudak will have responsibility for the province's liquor policy and the regulatory regime around the *Liquor Licence Act* and Regulations.

He was previously Minister of Tourism, Culture and Recreation. Mr. Hudak was first elected to the Ontario Legislature in 1995 and re-elected in 1999.



Tim Hudak
MPP Erie-Lincoln

New Parliamentary Assistant

Premier Ernie Eves has also appointed **Joe Tascona MPP** for the central Ontario riding of Barrie-Simcoe-Bradford as Parliamentary Assistant to the Minister. Mr. Tascona has a law degree from Queen's University and an MBA from Hamilton's McMaster

University. He was previously the PA to the Education Minister. He was first elected to the Ontario Legislature in 1995 and re-elected in 1999.

Norm Sterling MPP Lanark-Carleton, who served as minister of the Ministry of Consumer and Business Services since February 8, 2001, has been appointed Minister of Transportation.



Joe Tascona MPP

Continued page 3 See New Minister

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20 Dundas Street West, 10th Floor
Toronto, Ontario
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continued from page 1 Liquor Law Change

- **Changes to the pre-approval of advertising by the AGCO**
The new regulation eliminates pre-approval by the AGCO for advertising. In place of the current procedure, the onus is placed on the advertiser/manufacturer to comply with AGCO Advertising Guidelines.
Broadcast ads will continue to be pre-approved by Advertising Standards Canada. Advertising found not in compliance with the guidelines will still be subject to disciplinary action that could include fines, revocation or suspension of licenses.
- **Allow manufacturers to donate product to charities holding a “special occasion permit”**
This change will allow manufacturers to make donations of product to eligible charities. Currently, the manufacturer makes a cash donation to the charity and the charity then purchases the liquor from the LCBO or The Beer Store.
- **Standardize the alcohol content of liquor servings at stadiums**
Present liquor regulations permit the serving of beer to not exceed 5.6 % alcohol content and wine not exceeding 12% a/c. This regulation excludes coolers from being offered for sale. In order to provide equal access to liquor products, specifications for alcohol content and serving sizes have been removed.
- **Allow liquor as a prize at licensed raffle events**
The revised regulation will now permit charitable and religious organizations to award liquor as a prize. These organizations would need a required municipal or provincial lottery raffle licence; and ensure that only those over the age of 19 years would receive such a prize with this condition disclosed on all ticket sales. *(The following new regulations came into effect on October 2, 2002)*
- **Permit a brewery to operate a liquor sales licence premise (Tied House) at the location of the manufacturing site.**
Brewery manufacturers are now permitted to operate a liquor sales licensed facility at their manufacturing site. This regulation change is consistent with wineries and distilleries that are allowed to operate a tied house.
- **Permit a brew on premise facility licensee to re-locate their business without filing a new application.**
In an effort to eliminate red tape and reduce costs to licensees, licensed brew on premise facility operators may relocate their business without having to submit a new brew on premise application. Brew on premise facility operators must notify the Alcohol and Gaming Commission of Ontario in writing of their intention to relocate 30 days prior to the proposed relocation.
- **Allow manufacturers to provide samples of their liquor products.**
Manufacturers’ sampling of beverage alcohol to liquor sales licence-holders and individuals was restricted to new brands only. This change eliminates the restriction and allows manufacturers to sample both new and existing brands.
Requirements on sampling, set out in the Liquor Advertising Guidelines for Liquor Sales Licensees and Manufacturers to ensure moderate and responsible service and consumption of beverage alcohol continue, including
Sample size for a liquor sales licensee does not exceed an annual total of:
(a) 48 (355 ml) bottles of beer or cooler, or equivalent,
(b) 10 (750 ml) bottle of wine, or equivalent,
(c) 3 (750 ml) bottle of spirits, or equivalent.



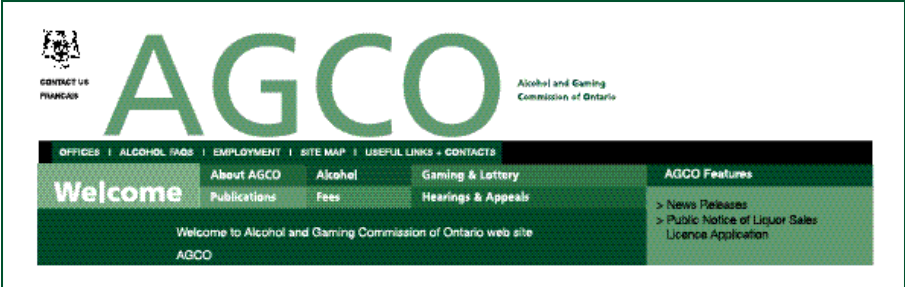
Sample size for any one individual does not exceed an annual total of:

- (a) 6 (355 ml) bottles of beer or cooler, or equivalent,
- (b) 1 (750 ml) bottle of wine, or equivalent,
- (c) 1 (375 ml) bottle of spirits, or equivalent.

- **Permit a manufacturer’s representative or a Liquor Control Board of Ontario employee to provide samples of beverage alcohol to a liquor sales licensee on the premises of the licensed establishment.**
Manufacturer’s representatives and LCBO employees are now permitted to bring liquor samples onto a liquor sales licensed premise for sampling purposes only. Once the sampling session is complete, the representative or LCBO employee must properly seal and remove the bottle from the premises.
- **Permit winery, brewery and distillery retail stores, and The Beer Store to provide samples of liquor products to consumers.**
This change facilitates a manufacturer’s marketing efforts by continuing to permit sampling of beverage alcohol to consumers at manufacturer retail stores authorized by the Registrar of Alcohol and Gaming. Prior to July 2001, sampling at retail stores was permitted when the Liquor Control Board of Ontario was responsible for authorizing the outlets.
Requirements to ensure moderate and responsible service and consumption of beverage alcohol have been maintained.
Consumer and Business Services Minister, **Tim Hudak** said the revisions are intended to eliminate unnecessary regulations and update and modernize laws relating to the licensing, sale and service of beverage alcohol in the province.
While many of the changes eliminate unnecessary red tape, the minister said all revisions remain subject to the regulatory regime under the *Liquor Licence Act* and Regulations.
For more details on these changes see Questions and Answers on page 10 or contact our Head Office at (416) 326-8700 or toll free 1-800-522-2876. For additional information on Ontario’s beverage alcohol licensing system, please refer to our website at www.agco.on.ca

AGCO website has lots of information

If you are looking for general information on beverage alcohol, how to apply for a liquor sales permit or other liquor licensing matters, please visit our website at www.agco.on.ca. You can download, and fill out on screen, liquor related forms such as liquor licence applications, renewals, transfers, etc.



The Executive Council of Ontario *



The Honourable Ernie Eves
Premier and President of the Council
Minister of Intergovernmental Affairs

Elizabeth Witmer
Deputy Premier
Minister of Education

Norman Sterling
Minister of Transportation

Robert Runciman
Minister of Public Safety and Security

Jim Wilson
Minister of Northern Development and Mines

Chris Hodgson
Minister of Municipal Affairs and Housing

Dianne Cunningham
Minister of Training, Colleges and Universities
Minister Responsible for Women’s Issues

David Tsubouchi
Chair, Management Board of Cabinet
Minister of Culture

Janet Ecker
Minister of Finance

Tony Clement
Minister of Health and Long-Term Care

James Flaherty
Minister of Enterprise, Opportunity and Innovation

Frank Klees
Minister of Tourism and Recreation

Chris Stockwell
Minister of Environment (with responsibility for water safety) and Government House Leader

Tim Hudak
Minister of Consumer and Business Services
(responsible for beverage alcohol policy)

Brenda Elliott
Minister of Community, Family and Children’s Services

Bradley Clark
Minister of Labour

David Young
Attorney General
Minister responsible for Native Affairs

Helen Johns
Minister of Agriculture and Food

Carl DeFaria
Minister of Citizenship
Minister responsible for Seniors

Jerry Ouellette
Minister of Natural Resources

David Turnbull
Associate Minister of Enterprise, Opportunity and Innovation

John Baird
Minister of Energy
Minister Responsible for Francophone Affairs

Doug Galt
Minister Without Portolio
Chief Government Whip

Dan Newman
Associate Minister of Health and Long-Term Care

Brian Coburn
Associate Minister of Municipal Affairs and Housing

Tina Molinari
Associate Minister of Municipal Affairs and Housing

• *as of October 3, 2002

continued from page 1 Chair

He is also the elected member of the Ontario Legislature for the Niagara area riding of Erie-Lincoln. Because of his base in the heart of the province’s grape growing and wine making region, we look forward to his knowledge, advice and input relating to this important Ontario economic sector.

At the same time, I also want to welcome our new **Parliamentary Assistant to the Minister, Joe Tascona MPP** for the Riding of Barrie-Simcoe-Bradford. He brings a wide variety of legal experience and business knowledge that will be of great assistance to the Ministry of Consumer and Business Services.

I also want to draw attention to the changes to liquor regulations as outlined in this edition.

Like all organizations in the public sector, we face very real challenges created by an ever changing environment. Because of this we must continue to look for opportunities to enhance customer service and stakeholder liaison.

To this end, our CEO, **Duncan Brown** has created a new Sector Liaison Branch, under the direction of **Kathy Klas**, to provide a coordinated focus for monitoring emerging trends and preparing the AGCO responses to an evolving marketplace.

We look forward to working closely with our licensees and stakeholders to ensure the province’s liquor laws are enforced in an evenhanded manner and within the overall environment of promoting moderation and responsible service.

At the same time, we want to encourage a supportive business climate emphasizing front line activities making client service and satisfaction an integral part of our operations.

Randy Barber

continued from page 1 New Minister

His first appointment to the Cabinet was as Minister of Northern Development and Mines.

Mr. Hudak is a 1990 graduate of the University of Western Ontario with a Bachelor of Arts in economics. He also has a Master of Arts degree in economics from the University of Washington (1993). His career experience includes retail management, freelance newspaper writing and Canada Custom Border Inspection service.

Bar fined \$93,000

A northern Ontario licensed establishment has been fined \$93,000 for convictions under the *Liquor Licence Act*. A provincial court judge levied the fines against the hotel for two counts of permitting drunkenness on the licensed premises. The charges resulted from an investigation by the Alcohol and Gaming Commission of Ontario and Ontario Provincial Police.

Decision Summary		
The following establishments were recently brought before the Board of the AGCO for disciplinary hearings. Suspensions for similar infractions may vary in length according to the specifics of each case. Details about these decisions are now available on QUICKLAW.		
ESTABLISHMENT	INFRACTION	SUSPENSION
2000 Bar, Hamilton	Serving minors, service outside prescribed hours, overcrowding, permitted drunkenness and disorderly conduct	18 days
7th Wave Bistro, Toronto	Altered boundaries of licensed premise, failed to have a defined partition making the premises readily distinguishable from adjacent premises, overcrowding, failure to comply with conditions of the endorsement, caterer endorsement used at premises that were not in compliance with regulation, sale not under licence	30 days
A & B Restaurant, Toronto	Past conduct, failure to clear signs of service, permitted drunkenness, liquor sold to person who appears to be intoxicated, permitted removal of liquor from premises	Licence revoked
After Dark Restaurant & Banquet Hall (aka Club Orady’s), Toronto	Permitted unauthorized persons behind bar, permitted drunkenness and disorderly conduct, permitted narcotics on premises	21 days
Anarchists’ Cocktail, Toronto	Obstructing an inspection, overcrowding, permitted drunkenness	14 days
Apollo Lounge, Markham	Serving minors, service outside prescribed hours, permitted drunkenness	17 days
Army, Navy & Air Force Veteransin Canada, Unit 259, Toronto	Serving minors, permitted drunkenness, permitted removal of liquor from premises	14 days
Bamboo Restaurant, Toronto	Overcrowding, permitted narcotics on premises	14 days
Blue Agave, Toronto	Failure to clear signs of service, service outside prescribed hours, permitted drunkenness	14 days
Blue Sea Restaurant, Toronto	Illegal liquor, permitted drunkenness	30 days
Breadspreads Restaurant, Toronto	Service outside prescribed hours, illegal liquor, failure to clear signs of service, permitted drunkenness, permitted narcotics on premises	28 days*
Brunswick Hotel, London	Serving minors, permitted removal of liquor from premises, permitted drunkenness	14 days*
Cactus Coyote, Windsor	Liquor sold to person who appears to be intoxicated, permitted drunkenness, riotous, quarrelsome, violent or disorderly conduct, no light meals available, permitted removal of liquor from premises	14 days
Central Hotel (Pub & Patio), Aylmer	Permitted narcotics on premises	17 days
Centrepont Sports Bar & Lounge, North York	Overcrowding, permitted removal of liquor from premises, permitted disorderly conduct	45 days
Charm’s Restaurant, Bar & Nitely Entertainment, Woodbridge	Illegal liquor, overservice	30 days
Churrasqueira Nova Lisboa, London	Illegal liquor	14 days
Circle B Restaurant, Toronto	Failure to clear signs of service, overcrowding, permitted removal of liquor from premises	21 days
City Hotel, Belleville	Adulterated liquor	14 days
Club 477, Kingston	Permitted drunkenness and disorderly conduct	14 days
Club Epiphany Restaurant & Lounge, North York	Failure to clear signs of service	14 days
Club Polo Lounge, Ottawa	Past conduct, permitted narcotics on premises	Licence revoked
Club Sandos, Toronto	Failure to clear signs of service, overcrowding	30 days
Club Social Gabella, Toronto	Breach of condition, illegal liquor, no light meals available, failure to post prices	25 days
Crews, Toronto	Sale not under licence, overcrowding	18 days
Diamonds Cabaret, Mississauga	Permitted removal of liquor from premises, failure to ensure variety of non-alcoholic beverages available at moderate price, obstructing an inspection, failure to facilitate inspection	21 days
Disco Club Le Zoo, Cochrane	Liquor sold to person who appears to be intoxicated, permitted removal of liquor from premises, permitted drunkenness	21 days
Elemo Restaurant, Toronto	Past conduct, serving minors, liquor sold to person who appears to be intoxicated, permitted drunkenness	Licence revoked
Extravaganza (aka Kitty Katz Lounge), Brampton	Permitted narcotics on premises	30 days
* All managers and servers must take Smart Serve responsible server training program.		

Decision Summary continued from page 4

ESTABLISHMENT	INFRACTION	SUSPENSION
Fantastic Donuts, Toronto	Illegal liquor	21 days
Fantasy Club, Fournier	Permitted narcotics on premises, failure to ensure sale and service of alcohol supervised by authorized employee, experienced food and beverage supervisor not on premises	40 days
Fezbatik, Toronto	Overcrowding, permitted narcotics on premises	14 days
Genosha Hotel, Oshawa	Public interest	Interim Suspension
Genosha Hotel, Oshawa	Liquor sold to person who appears to be intoxicated, permitted drunkenness	21 days
Golden Garden Restaurant, Toronto	Breach of condition, illegal liquor, failure to retain records of sales and purchases of food and liquor	14 days
Golden Griddle Restaurant, Toronto	Breach of condition, illegal liquor	14 days
Gordy’s Beach Club, Grand Bend	Past conduct, overcrowding, obstructing an inspection, failure to facilitate inspection, permitted removal of liquor from premises, permitted drunkenness, serving minors, failure to inspect identification	30 days*
Green Dolphin Restaurant, Toronto	Liquor sold to person who appears to be intoxicated, permitted drunkenness and disorderly conduct	14 days
Green’s Barbecue Bar, Nester Falls	Liquor sold to person who appears to be intoxicated, permitted drunkenness, permitted narcotics on premises	14 days
Hageray Sports Bar & Restaurant, Toronto	Past conduct, obstructing an inspection, failure to facilitate inspection, illegal liquor, failure to retain records of sale and purchases of food and liquor, failure to clear signs of service	Licence revoked
Helena Tavern, North York	Illegal liquor	21 days
Hiawatha Horse Park & Entertainment Centre, Sarnia	Illegal liquor, permitted removal of liquor from premises, permitted drunkenness, liquor sold to person who appears to be intoxicated	19 days
Homesteader Country Inn, Smiths Falls	Breach of condition	14 days
Hooterville Station, Brampton	Serving minors, liquor sold to person who appears to be intoxicated, failure to inspect identification, permitted drunkenness	14 days
Hot Pot Restaurant & Bar (The), Toronto	Failure to retain records of sales and purchases of food and liquor	14 days
Houlihan’s & Rosie O’Grady’s, Ottawa	Permitted drunkenness and disorderly conduct, overcrowding	30 days
Houlihan’s & Rosie O’Grady’s, Ottawa	Past conduct, not financially responsible in conducting its business due to Retail Sales Tax Act	Licence revoked
Inntowner Tavern, Thunder Bay	Liquor sold to person who appears to be intoxicated, serving minors, permitted drunkenness	42 days
International Restaurant & Tavern, Toronto	Contracted out sale and service of liquor, service outside prescribed hours, liquor not in original container, no light meals available, permitted unauthorized persons behind bar, failure to post prices	21 days
International Sports Bar Bar-B-Q & Grill, Brampton	Liquor sold to person who appears to be intoxicated, substituted liquor without customer’s consent, illegal liquor, permitted drunkenness	21 days
It, Toronto	Overcrowding, permitted removal of liquor from premises, failure to clear signs of service	14 days
J.R. Shooters, North York	Past conduct, liquor sold to person who appears to be intoxicated, serving minors, permitted unauthorized persons behind bar, permitted drunkenness and disorderly conduct, substituted liquor without customer’s consent, permitted free liquor	Licence revoked
Jaffer’s Bar And Grill, Concord	Liquor sold to person who appears to be intoxicated, illegal liquor	30 days*
Jaguar Billiards and Lounge, Newmarket	Liquor sold to person who appears to be intoxicated, knowingly serving minors, serving minors, failure to facilitate inspection, illegal liquor, overcrowding, permitted drunkenness, failure to retain records of sales and purchases of food and liquor	35 days
Jenny Place Restaurant, Toronto	Illegal liquor	14 days
Joe Roti & Bar, Scarborough	Service outside prescribed hours, overcrowding	21 days
Jolly Restaurant, Toronto	Breach of condition, overcrowding, permitted drunkenness	Licence revoked
K G’s Family Restaurant, London	Liquor sold to person who appears to be intoxicated, service outside prescribed hours, permitted removal of liquor from premises	15 days*

* All managers and servers must take Smart Serve responsible server training program.

Decision Summary continued from page 5

ESTABLISHMENT	INFRACTION	SUSPENSION
Kensington 73 Café, Toronto	Illegal liquor	14 days*
Key Place, Toronto	Breach of condition, obstructing an inspection, failure to facilitate inspection, service outside prescribed hours, failure to clear signs of service, permitted removal of liquor from premises, permitted drunkenness, permitted narcotics on premises	60 days
Kin Ming Restaurant, Newmarket	Illegal liquor	21 days
Kitchener Hotel, Parry Sound	Permitted narcotics on premises	21 days
Kramers Bar And Grill, Toronto	Service outside prescribed hours, failure to clear signs of service, no light meals available, permitted a contest involving liquor	14 days
Lasalle Hotel, Earlton	Illegal liquor	14 days
Last Resort, Sesekinika	Permitted drunkenness	30 days
Lee Garden Restaurant, Toronto	Illegal liquor	45 days
Legacy Restaurant & Nite Spot, Scarborough	Breach of condition, substituted liquor without customer’s consent, overcrowding	14 days
Liquid Nightclub, Whitby	Breach of condition, overcrowding, permitted drunkenness	14 days
Mad Hatter Olde British Pub, Mississauga	Liquor sold to person who appears to be intoxicated, permitted drunkenness, illegal liquor, failure to post prices	14 days
Mercury Lounge, Ottawa	Obstructing an inspection, failure to facilitate inspection, failure to clear signs of service, liquor sold to person who appears to be intoxicated, permitted drunkenness or riotous, quarrelsome, violent or disorderly conduct, overcrowding, not financially responsible in conducting its business due to Retail Sales Tax Act	Licence revoked
Milbat Café, Toronto	Breach of condition, past conduct, obstructing an inspection, service outside prescribed hours, failure to clear signs of service, experienced food and beverage supervisor not on premises, illegal liquor, permitted drunkenness, failure to retain records of sales and purchases of food and liquor	Licence revoked
Mingles Bar & Grill, Sudbury	Serving minors, overservice, service outside presecrbed hours, permitted removal of liquor from premises, overcrowding, permitted drunkenness	21 days
Moments Sports Bar, Toronto	Illegal liquor, received material benefit	21 days
Mr. Biggs Sports Bar & Eatery, Belle River	Serving minors, permitted drunkenness and disorderly conduct, permitted removal of liquor from premises, overcrowding	35 days
Nasa Pub, Toronto	Overcrowding	14 days
National Tavern, Sudbury	Permitted drunkenness	21 days
Neighbourhood Pub Restaurant, Toronto	Liquor sold to person who apears to be intoxicated	21 days
Neptune’s Bar & Bistro, Lagoon City	Overservice, permitted free liquor, permitted drunkenness, liquor sold to person who appears to be intoxicated	14 days
New Buffalo Restaurant (The), Toronto	Liquor sold to person who appears to be intoxicated, failure to give access, failure to retain records of sales and purchases of food and liquor	14 days
New Leaf Sports Bar, Toronto	Failure to clear signs of service	14 days
New Plaza Restaurant, Cobourg	Liquor sold to person who appears to be intoxicated, permitted drunkenness	18 days*
Oasis On The Lake, Toronto	Permitted drunkenness and disorderly conduct	14 days
O’Farol - The Lighthouse Seafood Restaurant, Hamilton	Serving minors, illegal liquor	28 days
Official Time Out Sports Bar & Grill, St. Catharines	Liquor not in original container, illegal liquor	14 days
One On One Wineries, Timmins	Operated a brew on premise not under licence	35 days
Palm Grove Restaurant, Mississauga	Illegal liquor, liquor not in original container, permitted drunkenness	45 days
Panini Italian Sandwiches, Woodbridge	Breach of condition, past conduct	14 days
Peel Pub Toronto, Toronto	Past conduct, liquor sold to person who appears to be intoxicated, permitted removal of liquor from premises, overcrowding, permitted drunkenness	Licence revoked
Peel Pub, Toronto	Public interest	Interim Suspension
Platinum Grill And Sport Bar, Scarborough	Breach of condition, illegal liquor, permitted drunkenness, riotous, quarrelsome, violent or disorderly conduct	Licence revoked
* All managers and servers must take Smart Serve responsible server training program.		

Decision Summary continued from page 6		
ESTABLISHMENT	INFRACTION	SUSPENSION
Porto Wine Juice, Toronto	Sale not under licence, produced on the licensed premises liquor which was sold or exchanged, permitted someone other than a customer to make liquor on the licensed premises, failure to provide and prepare an invoice setting out the required information, failure to ensure that each carboy being used for making beer or wine had attached to it the required tag	60 days
Red Spot Bar & Lounge (The), Toronto	Service outside prescribed hours, failure to clear signs of service, overcrowding	14 days
Ruscom Restaurant, Ruscom	Not financially responsible in conducting its business due to Retail Sales Tax Act	Licence revoked
Saigon City Restaurant, Mississauga	Sale not under licence, failure to post sign concerning suspension, failure to post sign in a conspicuous place concerning suspension	14 days
Salty Dawg Roadhouse Restaurant, Woodbridge	Permitted drunkenness and disorderly conduct	14 days
Second Last Call, Orillia	Failure to clear signs of service, liquor not in original container, liquor sold to person who appears to be intoxicated	17 days
Shallow Groove, Toronto	Overcrowding	30 days
Sioux Hotel, Sioux Lookout	Liquor sold to person who appears to be intoxicated, serving minors, overservice, permitted removal of liquor from premises, failure to inspect identification, permitted drunkenness	21 days
Sportsman Hotel, Chapleau	No light meals available, permitted drunkenness, service outside prescribed hours, alcohol content over prescribed maximum, failure to post prices, liquor sold to person who appears to be intoxicated	Licence revoked
St. Lawrence College of AA& Technology, Cornwall	Past conduct, liquor sold to person who appears to be intoxicated, permitted drunkenness	Licence revoked
Stoney Point Tavern, Stoney Point	Breach of condition, past conduct, not financially responsible in conducting its business due to Retail Sales Tax Act	Licence revoked
Sunny’s Cavern, Thunder Bay	Permitted removal of liquor from premises, permitted drunkenness	35 days
Supreme Restaurant & Tavern, Toronto	Public interest	Interim Suspension
System Soundbar, Toronto	Failure to clear signs of service, permitted removal of liquor from premises, permitted narcotics on premises	14 days
T.J.’s Roadhouse, Kitchener	Liquor sold to person who appears to be intoxicated, permitted drunkenness, permitted removal of liquor from premises	30 days*
Tarentorous Sports Rec. Facility, Sault Ste. Marie	Permitted drunkenness and disorderly conduct, permitted removal of liquor from premises	14 days
Thanh Thanh Café, Toronto	Failure to clear signs of service, service outside prescribed hours	21 days
Tommy Cook’s, Scarborough	Overcrowding, permitted drunkenness	14 days*
Tommy John’s Lake View Tap & Grill, Kincardine	Liquor sold to person who appears to be intoxicated, service outside prescribed hours, failure to clear signs of service, permitted removal of liquor from premises, permitted drunkenness	14 days
Tommy’s Grill & Bar, Toronto	Liquor sold to person who appears to be intoxicated	14 days
Tonys Roti Shop & Restaurant, Scarborough	Illegal liquor, permitted drunkenness, failure to retain records of sales and purchases of food and liquor	30 days*
Trader Sam’s Roadhouse, Port Perry	Liquor sold to person who appears to be intoxicated	35 days
Trudeau Park Restaurant, Tweed	Permitted drunkenness	21 days
Tweedsmuir Tavern, Tweed	Serving minors, failure to inspect identification, overservice, liquor sold to person who appears to be intoxicated	17 days
Yumei Sushi, North York	Illegl liquor, liquor sold to person who appears to be intoxicated, serving minors, failure to inspect identification, permitted drunkenness	45 days
The following is a list of suspensions/revocations where the licensee did not request a hearing.		
ESTABLISHMENT	INFRACTION	SUSPENSION
Allegria Bar Café, Vaughan	Illegal liquor - did not contest	14 days
Beaver Bar & Grill (The), London	Past conduct, not financially responsible in conducting its business due to Retail Sales Tax Act - did not contest	Licence revoked
Black Forest Bar & Grill, Toronto	Illegal liquor - did not contest	14 days
* All managers and servers must take Smart Serve responsible server training program.		

Police seize illegal video gaming machines from bars, restaurants and corner stores

Correction

In the last edition of **Licence Line** on page 3, we published the location of the Centre Inn as Homepayne, Ontario. This, of course, should have been Hornepayne, Ontario. ■

A ten month cross border investigation by a joint force of Ontario and Quebec police forces has lead to the seizure of 175 illegal video gaming machines with an estimated value of \$250,000, a number of firearms and \$13,000 in cash.

The police activity took place in the Ottawa area and resulted in the arrest of 30 people charged with 46 gambling related criminal code offences. A further 13 persons are facing an additional 22 gambling related offences.

Police executed 35 search warrants at various business establishments including several Ottawa area bars and restaurants.

OPP Organized Crime Section and Illegal Gaming Unit in conjunction with the **Ottawa Police Service** initiated the investigation that revealed establishments had placed illegal gaming machines in their premises. Players would pay to play the machines, accumulating enough credits to exchange the credits for cash.

The investigation, with the help of Quebec police, led to a distributor of video machines located in Laval and Boisbriand, P.Q.

Licensees are once again reminded that it is against the ***Liquor Licence Act and Regulations*** to operate illegal video machines in licensed premises. The penalties can be charges under the **Criminal Code of Canada and/or the LLA** leading to a possible suspension or revocation of the liquor licence. ■

Decision Summary continued from page 7

ESTABLISHMENT	INFRACTION	SUSPENSION
Boathouse Tavern, Rockport	Overcrowding, permitted removal of liquor from premises, illegal liquor - did not contest	14 days
Bubba’s Texas Dance Hall & Grill, Ingleside	Past conduct, public interest, provided false information - did not contest	Licence revoked
Café Bar Argyle, Toronto	Serving minors, failure to inspect identification - did not contest	14 days
Cotter Street Eatery, Oshawa	Breach of condition, past conduct, not financially responsible in conducting its business due to Retail Sales Tax Act - did not contest	Licence revoked
Ditto Live Café, Toronto	Breach of condition, illegal liquor, experienced food and beverage supervisor not on premises - did not contest	21 days
Double Double Pizza & Chicken, Barrie	Breach of condition, past conduct, not financially responsible in conducting its business due to Retail Sales Tax Act - did not contest	Licence revoked
European Nights, Toronto	Breach of condition, serving minors, failure to inspect identification, liquor sold to person who appears to be intoxicated, permitted drunkenness or riotous, quarrelsome, violent or disorderly conduct, service outside prescribed hours, failure to clear signs of service, permitted unauthorized persons behind bar - did not contest	Licence revoked
Federick Restaurant, Scarborough	Illegal liquor - did not contest	30 days
Focus Cellars Inc., Woodbridge	Past conduct, provided false information, sale not under licence, exceeded storage capacity of 180 litres, failure to have copy of purchase order attached to liquor, the licence holder failed to use a purchase order pursuant to regulations - did not contest	Licence revoked
Friendly Table Restaurant (The), Concord	Illegal liquor - did not contest	14 days
Kelly’s , Cornwall	Liquor sold to person who appears to be intoxicated, permitted drunkenness and disorderly conduct - did not contest	14 days
La Rick’s Bar, Cornwall	Breach of condition, past conduct, not financially responsible in conducting its business due to Retail Sales Tax Act - did not contest	Licence revoked
Life, Toronto	Past conduct, failure to clear signs of service, permitted narcotics on premises, liquor sold to person who appears to be intoxicated, permitted drunkenness - did not contest	35 days
Maple Pepper Garden Restaurant, Richmond Hill	Breach of condition, illegal liquor - did not contest	14 days
Mind Bomb Café Bar And Grill (The), St. Catharines	Serving minors, failure to inspect identification - did not contest	14 days
Peel Pub, Toronto	Past conduct, contracted out sale and service of liquor - did not contest	Licence revoked
Rong Hua, Toronto	Illegal liquor, failure to post licence in a conspicuous place - did not contest	21 days
Studio 9 Restaurant, Woodstock	Breach of condition, past conduct, not financially responsible in conducting its business due to Retail Sales Tax Act - did not contest	Licence revoked
Windsor Tavern, Larder Lake	Past conduct, permitted drunkenness and disorderly conduct - did not contest	Licence revoked

* All managers and servers must take Smart Serve responsible server training program.

continued from page 10 Questions

Regulation that prohibits, for example:

- serving minors
- over serving
- encouraging immoderate consumption
- overcrowding
- illegal liquor
- drunkenness, riotous, disorderly behaviour

Q2. Why were the restrictions on alcohol content and serving size eliminated?

A2. The alcohol content restrictions were put in place prior to the introduction of new products such as “coolers”. Consequently stadium owners were prohibited from providing their patrons with coolers. The elimination of these restrictions provide for a fair market place and more choice for the consumer.

Change the existing rule that the partition between licensed and non-licensed areas must be 1.06 metres (42”) to 0.9 metres (36”).

Q1. The partition I have is 42”. Do I now have to make changes to comply with the 36” requirement?

A1. No. The requirement for a 36” partition between licensed and non-licensed areas is a minimum.

Q2. If the Building Code or Fire Code requires a higher partition does the 36” requirement in this regulation allow me to erect only a 36” partition?

A2. No. A licensee is required to comply with the Building Code and Fire Code at all times. The 36” partition requirement is strictly a minimum requirement.

Eliminate prohibition on awarding liquor as a prize for licensed raffle events.

Q1. Does this mean anyone can raffle off liquor as a prize?

A1. No. Liquor can only be raffled off as a prize under a lottery licence issued by a municipality or the AGCO. Lottery licences are issued to religious or charitable organizations. To qualify for a lottery licence as a “charitable organization”, the organization must have a demonstrated charitable or religious mandate.

Eliminate prohibition on offering an unspecified number of servings of beverage alcohol at a fixed price as part of a sales package at banquet events.

Q1. If this applies to all licensed establishments, does this mean I can now hold mega parties with all-you-can-drink events?

A1. No. The regulation applies in situations where the licensee offers banquet packages, where food represents the majority of the package, to event organizers. The event must be for invited guests of the event organizer. The event cannot be open to or advertised to the general public and is for a restricted time frame.

Permit a brewery to operate a liquor sales licensed premise at the location of the manufacturing site.

Q1. Do I need to make application for the liquor sales licence or does my brewery manufacturer's licence provide authority for the liquor sales licence?

A1. A licensed brewery manufacturer will be required to submit an application for a liquor sales licence along with the licensing fees. For additional information on how to obtain a liquor sales licence visit the Alcohol & Gaming Commission of Ontario's web site at www.agco.on.ca/en/b.alcohol/b6.1.tiedhouses.html or contact our customer service at 416-326-8700 or toll free at 1-800-522-2876.

Permit a licensed brew on premise facility operator to re-locate their business without filing a new application.

Q1. What process must I follow to relocate my brew on premise facility?

A1. A licensed brew on premise facility operator must notify in writing the Licensing & Registration Branch of the Alcohol and Gaming Commission of Ontario of their intention to relocate their premises 30 days prior to proposed date of relocation. As part of the approval process for a re-location a pre-inspection will be conducted.

Q2. Is there a fee associated with the relocation of my brew on premise facility?

A2. No.

Allow manufacturers to provide samples of their liquor products.

Q1. Has the restriction on the size of the sample a manufacturer can provide a holder of a liquor licence or their patrons been changed?

A1. No. Requirements on sampling, set out in the Liquor Advertising Guidelines for Liquor Sales Licensees and Manufacturers, to ensure moderate and responsible service and consumption of beverage alcohol have been maintained.

Manufacturers providing samples of their liquor products to liquor sales licence-holders:

Sample size for a liquor sales licensee does not exceed an annual total of:

- (a) 48 (355 ml) bottles of beer or cooler, or equivalent,
- (b) 10 (750 ml) bottle of wine, or equivalent,
- (c) 3 (750 ml) bottle of spirits, or equivalent.

Manufacturers providing samples of their liquor products to individuals:

Sample size for anyone individual does not exceed an annual total of:

- (a) 6 (355 ml) bottles of beer or cooler, or equivalent,
- (b) 1 (750 ml) bottle of wine, or equivalent,
- (c) 1 (375 ml) bottle of spirits, or equivalent.

Q2. If the liquor sales licensee currently stocks a brand of liquor, may I still provide him/her with a sample?

A2. No Only brands that the licensee has not stocked in the past twelve months can be sampled by the licensee.

Permit a manufacture's representative and a Liquor Control Board of Ontario (LCBO) employee to provide samples of beverage alcohol to the licensee on the premises of the licensed establishment.

Q1. Aholder of a liquor sales licence may only have on the premises liquor that is purchased under the liquor sales licence. Does this mean I can now have liquor on my premise that has not been purchased on my liquor sales licence?

A1. No. A manufacturers' representative or an LCBO employee may now bring a bottle on the premises for sampling purposes. Once the sampling session is complete, the representative or LCBO employee must properly seal and remove the bottle from the premises.

Permit winery, distillery and brewery retail stores and The Beer Store to provide samples of product to consumers.

Q1. Has the restriction on the size of the sample a manufacturer can provide been changed?

A1. No. Prior to July 2001, sampling at retail stores was permitted when the Liquor Control Board of Ontario (LCBO) was responsible for authorizing the outlet. Requirements to ensure moderate and responsible service and consumption of beverage alcohol have been maintained.

Court Ruling on Claw Machines

In the Volume 1 Issue 1-2001 edition of **Licence Line**, we published an article from the Ontario Illegal Gaming Enforcement Unit of the **Ontario Provincial Police** relating to crane or “claw” machines.

The position of the OPP was that the operation and possession of these devices is illegal. The article included references from recent court decisions supporting the machines illegality. In this regard, licensees were cautioned that “any licensee/person permitting use of such devices may be subject to charges under the **Criminal Code of Canada** and/or administrative sanctions pursuant to the **Liquor Licence Act**.”

At a hearing before the Court of Appeal for Ontario on January 8, 2002, the court ruled that the games were illegal unless every player got a prize.

The ruling said the games require “an overwhelming degree of chance and merely a dash of skill”.

In making the decision to dismiss the appeal launched by the Toronto-based crane game distributor Balance Group International Trading Ltd, the court said, “ In our view, the amount of control exercised by the ordinary player was so minimal that the game operated as one of chance or at best mixed chance and skill.

The evidence established that the average player simply could not exercise sufficient skill to compensate for the other elements of the game that were wholly beyond the power of the player to influence. The ability of the player to control the crane's lateral movement gave the appearance of an element of skill. In reality, however, as a matter of common sense the game would be played as a game of chance”.

The court went on to say, “There were too many other variables that were far more important than the positioning of the crane that would overcome what little skill the operator might bring to the game”.

This was not a case where there were some unpredictable elements that might occasionally defeat the player's skill, but the systematic resort to chance, the court concluded.

Said **Detective Inspector Larry Moodie, OPP**, “ They are not as innocuous as they may seem....we look at them as slot machines that are targeting children”.

Questions
& Answers

About Liquor
Regulation Changes

Eliminate the three-month “grace” period on renewal of licence.

Q1. Why was the three-month “grace” period on renewals of liquor sales licences eliminated?
A1. The three-month grace period did not permit licensees to sell or serve alcohol with an expired licence. However, a licensee was permitted to submit a renewal application within the three-month grace period i.e., three months after the expiry date on the licence. The AGCO would be required to accept and process the renewal application. This has caused confusion in the industry, and administrative and enforcement issues for the Alcohol and Gaming Commission of Ontario (“AGCO”). The elimination of the three-month grace period streamlines licensing processes and facilitates enforcement.

The three-month grace period is unique to the **Liquor Licence Act**. By making these changes, the Act is in line with other statutes.

Q2. If I apply for my renewal prior to the expiry, will I still be able to continue to operate my licensed establishment before the renewal is approved even if this extends beyond the expiry date?
A2. Yes, unless you are in default of filing a return to the Minister of Finance or of paying any tax, interest or penalty assessed under the **Retail Sales Tax Act** (pursuant to section 13(2) of the **Liquor Licence Act**).

If the AGCO receives your renewal application along with the renewal fee on or before the expiry of the licence, the licence will be deemed to continue (provided you are not in default of RST) until such time as the Registrar of Alcohol and Gaming grants the renewal of the licence or your renewal application is refused. If a Notice of Proposal is issued to refuse your renewal, you will be entitled to a hearing before the Board of the AGCO.

As a courtesy, the AGCO sends out a reminder notice 60 days prior to the expiry date indicating that your renewal is due. Responsibility for ensuring that the licence remains valid rests with the licensee.

Q3. What if my renewal application is late by only a few days?
A3. The licensee may not sell, serve or permit consumption of liquor on premises if the licence has expired. The AGCO will expedite applications received within 30 days after the licensee’s expiry date provided the file is problem free and the application is accurately completed. Applications reinstated are valid for two years.

Q4. If I failed to submit my renewal before the expiry date, how soon after I file the application to reinstate my licence will I be able to sell and serve liquor?
A4. A licensee cannot sell or serve liquor until the application has been reviewed by the AGCO and the licence has been issued.

Q5. Does outstanding retail sales tax still prevent me from renewing my liquor sales licence?
A5. Yes. Your application to renew your liquor sales licence will **not** be accepted if your establishment owes money to the Ministry of Finance (retail sales tax). It is your responsibility to contact the Ministry of Finance to resolve any outstanding monies owing **prior** to the cancellation of your liquor licence.

Please contact the Ministry of Finance toll free @ 1-800-263-7965.

Eliminate requirement for pre-approval of liquor sales licensees’ and manufacturers’ liquor advertisements.

Q1. Will the AGCO still play a role in regulating liquor advertisements?
A1. Yes. The requirements for advertising are now in regulations for liquor sales licensees and manufacturers. The AGCO also has accompanying guidelines. Licensees must comply with the guidelines and regulations or face administrative action or prosecution.

Q2. Will there be a complaints process in place?
A2. Yes. Complaints regarding non-compliance with the regulations may be submitted to the AGCO. Your complaint must be submitted on the form supplied by the AGCO. The form is available on line at www.agco.on.ca/or you can request a copy of the form from our Customer Service at (416) 326-8700 or Toll Free 1-800-522 2876.

Q3. Will the AGCO continue to monitor liquor advertisements?
A3. Yes. The AGCO will monitor liquor advertisements on an ad hoc basis as well as reviewing all complaints received.

Q4. Without the requirement for prior approval, what deterrent is in place to ensure licensees will comply with the regulations and not stretch the interpretation.
A4. Licensees are required to comply with the regulations. Non-compliance with the regulations could result in prosecution, suspension of advertising

privileges and/or suspension or revocation of their licence.

Q5. Do licensees have to obtain pre-approval for promotions and in pack premiums?
A5. No. However, licensees must ensure their promotions and in pack premiums are in compliance with the Liquor Licence Act, regulations and guidelines.

Q6. Can licensees rely on the CRTC Alcohol Code or Advertising Standards Canada’s approval of liquor advertisements?
A6. Although a licensee may use the CRTC Alcohol Code or Advertising Standards Canada’s approval as a guide, licensees must ensure that their advertisements comply with the regulations under the Liquor Licence Act since there are some variations with requirements.

Q7. Why do licence holders of Liquor Delivery Service and Brew on Premises still have to submit certain advertisements for pre-approval?
A7. These are new industries that offer different services to the public. Regulations state the type of advertising that is permitted without pre-approval of the Registrar. Any advertising that extends beyond the criteria permitted in the regulations requires prior approval. Advertising should relate to the services being provided under the licence and not the general availability of liquor.

Q8. Do I need pre-approval of my advertising if I am holding a Special Occasion Permit event?
A8. Yes.

Allow manufacturers to donate product to registered charities and SOPholders.

Q1. Is there a cap on how much liquor a manufacturer can donate to a charity?
A1. No. However, manufacturers will be required to maintain records of all donated product and make them available for AGCO review as required.

Q2. What charitable organizations may accept donated liquor by a manufacturer?
A2. Charitable organizations holding Special Occasion Permit events that are registered under the Income Tax Act (Canada) or non-profit associations and organizations for the advancement of charitable, educational, religious or community objects are eligible. For detailed guidelines, please refer to our web site at www.agco.on.ca or contact the AGCO’s Customer Service at (416) 326-8700 or Toll Free at 1-800-522-2876.

Q3. Will the manufacturer still have to pay levies and taxes on donated product?
A3. Yes.

Q4. Can all Special Occasion Permit holders accept donated product?
A4. No, only holders of a Special Occasion Permit at a fundraising event for the advancement of charitable, educational, religious or community objects.

Q5. What measures are in place to ensure that the potential increased availability of liquor at Special Occasion events does not lead to over-service?
A5. It is expected that the donation of product will not result in an increase in the amount of liquor made available to consumers but instead will result in improved fundraising opportunities for charities. The holder of a Special Occasion Permit must comply with all responsible sale and service requirements under the Liquor Licence Act and regulations that prohibits, for example:

- serving minors
- over serving
- encouraging immoderate consumption
- overcrowding
- illegal liquor
- drunkenness, riotous, disorderly behaviour

Eliminate controls on the alcohol content and serving sizes on liquor sold at stadiums.

Q1. What measures are in place to ensure responsible service?
A1. Eliminating the stated restrictions on the alcohol content and serving size is not anticipated to impact on responsible service. Licensees are still required to comply with the responsible service provisions under the Liquor Licence Act and

Continued page 9 See Questions