



AGCO

Alcohol and Gaming
Commission of Ontario

Licence Line

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**August/September
2010 Edition**



DAVID C. GAVSIE

From the Chair...

In this edition of Licence Line, we review risk-based licensing (RBL) after two years in operation. Generally, the verdict appears to be that the program is working very well, and we appreciate that most licensees have been helpful and patient in adapting to the new process. We will continue to closely monitor the program and make adjustments where necessary to improve efficiencies and introduce other measures to strengthen this initiative.

AGCO redesigned internet site

I want to draw particular attention to the story relating to the AGCO website. After several months of consultation and testing, on July 30, 2010, we launched a totally redesigned website featuring one-stop access to liquor information and mini-sites for key stakeholders. These improvements are all aimed at making information easily and quickly available to our stakeholders and others interested in liquor-related matters. This is an ongoing project, and we will continue to make improvements, so visit our website at www.agco.on.ca often for all your information regarding Ontario's Liquor Licence Act and Regulations.

Free educational seminars

From all reports, the AGCO Educational Seminars have gotten off to a very good start and feedback from licensees and their staff has been very positive. We are once again publishing the Seminar Calendar in this edition of Licence Line.

Continued on p. 8 See *Chair's column*

Two years in operation

An Update on Risk-Based Licensing: How is it working?

It has been two years since the Alcohol and Gaming Commission of Ontario introduced risk-based licensing (RBL) as part of its liquor sales licensing process. Here's an overview on how it's been working so far.

RBL resolves issues before they become problems

RBL is one component of an overall approach to regulation which focuses on achieving compliance rather than solely enforcing violations. RBL is complemented by a risk-based enforcement strategy and licensee education program which together promote compliance with the law, enhance public safety and focus AGCO resources on where they can make the most difference.

Because of factors such as the type of business, its location, hours of operation and operational experience of the applicant, some establishments may be prone to more compliance issues and pose a greater risk to public safety.

Continued on p. 2 See *Risk-based licensing*

Register early

AGCO Educational Seminars continue

The free province-wide liquor educational seminars launched by the AGCO in July will continue throughout the fall/winter months and into 2011 (see **Educational Seminars Calendar** on page 3). Altogether, about 60 seminars will be held in 30 communities across the province. The locations chosen for the seminars means that 95% of all liquor sales licensees are within a one hour drive of the presentation sites.

Continued on p. 3 See *Educational Seminars*

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90 Sheppard Avenue East, Suite 200
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An Update on Risk-Based Licensing: How is it working?

RBL allows the AGCO to evaluate and identify risks unique to an establishment and then work with licensees to find strategies that resolve issues before they become problems.

RBL applies to all types of liquor sales licence applications — renewal, transfer, change or new. In reviewing applications, the AGCO uses ten AGCO Board-approved criteria to assess the risks to public safety and non-compliance with the law. Five criteria pertain to the applicant or licensee (past conduct, liquor-related infractions, honesty and integrity, financial responsibility, and training and experience) while five pertain to the establishment itself (type, location, occupancy, activities and hours of operation).

Little change experienced by licensees

The vast majority of licensed establishments don't raise serious regulatory concerns and operate responsibly and in compliance with Ontario's liquor laws. This is reflected by the fact that very few licensees ever face administrative action for infractions.

When RBL was introduced, it was anticipated that only a small fraction of licensees would require proactive assistance and this has been the experience to date – licensees have been very good at mitigating any identified risks and only a small percentage have had conditions placed on their licence.

For most licensees, then, the only difference in the process is the requirement to complete an Establishment Description form for all types of liquor sales licence-related applications. This provides information on the characteristics of an establishment, such as type (nightclub, restaurant, hotel, etc.), hours of operation and proximity to a school or place of worship.

If any concerns or risks are identified, the AGCO contacts the licensee for more information and to find out if they are already taking steps to lower that risk.

For establishments without identifiable risks it is business as usual. If a licensee could benefit from some assistance to stay compliant with the liquor laws — for example, by placing a condition on the licence to address a specific risk, or by having AGCO inspectors visit more often — then a risk designation will be assigned.

It is important to remember that receiving a risk designation is really just a chance for licensees to address identifiable risks in cooperation with the AGCO in advance of safety or compliance issues arising and before any administrative action may need to be pursued.

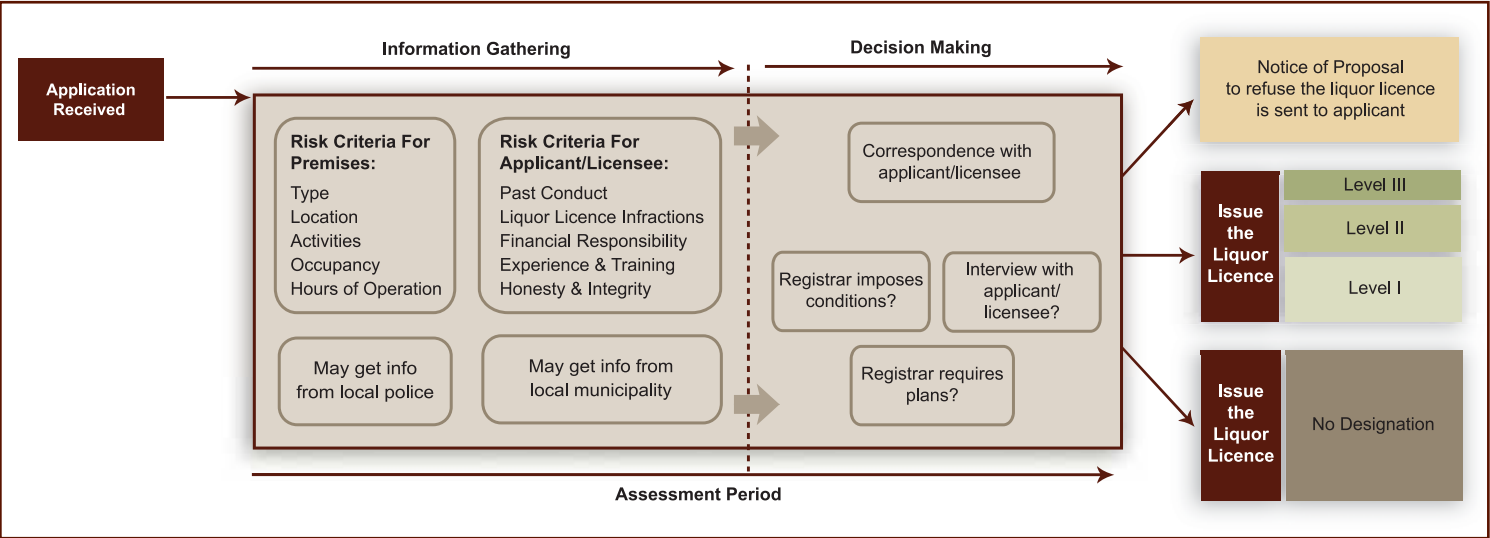
There is a set list of approved RBL conditions that can be placed on a licence to help reduce an identified risk. For example, where an establishment has a history of allowing minors to consume alcohol, a condition could be added to ensure that the identification of every patron who appears to be under 25 years be checked and verified.

Administrative relief being explored

So far, RBL has worked very well and licensees have been very patient in adapting to the new process. RBL will continue to be monitored, with adjustments made where necessary to make the process more efficient. There are also potential measures being explored that would provide administrative relief for some licensees. These could include longer renewal periods or less paperwork for those licensees with sound compliance histories and low risk.

For more information on risk-based licensing, please call the AGCO's Customer Service line at 416.326.8700, or toll-free from anywhere in Ontario at 1.800.522.2876, or visit our website at www.agco.on.ca.

The risk-based licensing process



Continued from p.1

AGCO Educational Seminars continue

In July and August, eight locations hosted seminars — Toronto North and West, Thunder Bay, Kenora, St. Catharines, Hamilton, Guelph and Timmins.

Seminars are popular

The seminars are proving to be popular, and many have been over-subscribed, so those wishing to participate in these free seminars are urged to register early. Information on how to register is available on our website at www.agco.on.ca, and dates for the seminar in your community are also published in the calendar below.

Seminar Overview

Each seminar consists of two parts. The first part is geared to all those involved in the day-to-day sale and service of beverage alcohol. The second part focuses on licensing and how to maintain your licence in good standing and other information specifically targeted at owners and managers. However, anyone working in a licensed establishment is welcome to attend the first or both parts. Each part is approximately 75 minutes long with a short break in between. There is an open question-and-answer period for each session.

Educational Seminars Calendar

JULY 2010	AUGUST 2010	SEPTEMBER 2010
Toronto (West)* July 12 Thunder Bay July 14 Kenora July 20	St. Catharines August 17 Hamilton August 18 Guelph August 19 Toronto (North) August 23 Timmins August 25	Kingston September 14 Belleville September 15 Peterborough September 16 Mississauga September 21 Toronto (East)* September 22
OCTOBER 2010	NOVEMBER 2010	DECEMBER 2010
Kincardine October 18 Owen Sound October 19 Barrie* October 20 Huntsville October 21 Toronto (Central)* October 25	London November 16 Sarnia November 17 Windsor November 18 Toronto (West)* November 24	No Sessions
JANUARY 2011	FEBRUARY 2011	MARCH 2011
Toronto (North)* January 18 Oshawa January 24 Peterborough January 25 Ottawa (Centre)* January 26 Mississauga January 31	Kitchener February 7 Burlington February 8 Niagara Falls February 9	Toronto (East)* March 28 Oakville March 29
APRIL 2011	MAY 2011	JUNE 2011
London April 11 Chatham April 12 Windsor April 13 Aurora April 19 Sault Ste. Marie April 27	Brockville May 9 Cornwall May 10 Ottawa (Nepean)* May 11 North Bay May 17 Sudbury May 18 Mississauga May 25	Niagara Falls June 13 Hamilton June 14 Cambridge June 15 Toronto (Central)* June 21

*denotes 2 sessions on this date

Decision Summary

The following establishments requested a hearing before the Board of the AGCO regarding compliance issues and received suspensions of 14 days or more and revocations for the period beginning **May 1, 2010** ending **July 31, 2010**. Sanctions for similar infractions may vary in length according to the specifics of each case. Details about all Board decisions are now available on **QUICKLAW**.

ESTABLISHMENT	INFRACTION	SANCTION
Big Echo Karaoke & Lounge, Toronto	Breach of condition of the establishment’s liquor licence; failure to post licence in a conspicuous place	26 days
Captain Wispers Restaurant & Sports Bar, Toronto	Past conduct; provided false information	Licence Revoked
Century Room, Toronto	Licensee failed to ensure control of premises was maintained	21 days
Hodder Tavern, Thunder Bay	Liquor sold to person who appears to be intoxicated; permitted drunkenness	35 days
Nadia's Place, Scarborough	Service outside prescribed hours; failure to clear signs of service	14 days
Old Barn Tavern, St. Catharines	Permitted narcotics on premises, licensee failed to ensure control of premises was maintained	Licence Revoked
On The Rocks Restaurant and Lounge, Whitby	Overcrowding; permitted removal of liquor from premises; non-compliance with <i>Fire Protection and Prevention Act</i>	14 days
Raxx Billiards & Bar, Kingston	Permitted drunkenness	21 days
Section 222/Lotus Lounge, Ottawa	Overcrowding; licensee failed to ensure control of premises was maintained	18 days
Shoeless Joe’s, Bolton	Past conduct; not financially responsible in conducting its business due to <i>Retail Sales Tax Act</i>	Licence Revoked
Shooters Sports Bar, Brampton	Permitted drunkenness	16 days
Strangelove, Toronto	Overcrowding; permitted drunkenness	45 days
The Lake Joseph Club, Port Carling	Liquor sold to person who appears to be intoxicated	45 days
This is London, Toronto	Permitted drunkenness and disorderly conduct; failure to facilitate inspection	14 days
Walden Bowling Centre and Huddle Sports Lounge, Lively	Liquor sold to person who appears to be intoxicated	60 days ^[1]
XO Music Studio, Toronto	Permitted drunkenness; overcrowding; permitted removal of liquor from premises; sale not under licence; non-compliance with <i>Fire Protection and Prevention Act</i>	14 days

¹ Suspension dates includes 14 days from January 6, 2010 to the issuance of licence on January 20, 2010. The remaining 46 suspension days were served from July 1, 2010 to August 16, 2010.

Decision Summary continued from page 4

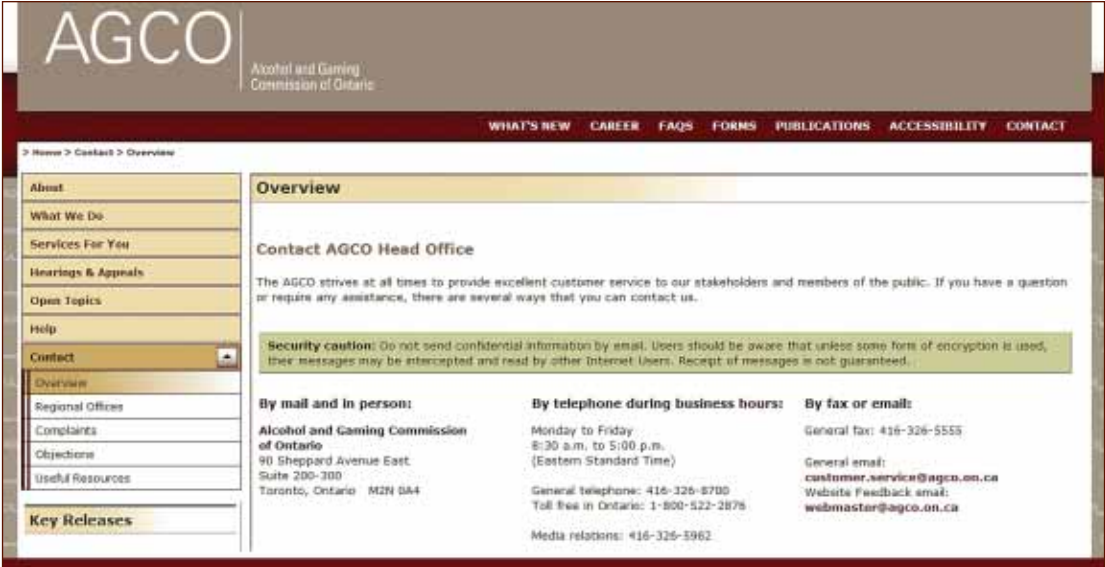
Suspensions of 14 days or more and revocations where the licensee did not request a hearing before the Board of the AGCO.

ESTABLISHMENT	INFRACTION	SANCTION
Cindy's Café & Restaurant Restaurant, Toronto	Permitted drunkenness, quarrelsome, violent and disorderly conduct; obstructing an inspection	30 days
Club Paris, Richmond Hill	Service outside prescribed hours; failure to clear signs of service	14 days ²
Enterprise 2000, Toronto	Permitted drunkenness; permitted narcotics on premises; liquor sold and served on a boat outside prescribed hours; permitted removal of liquor from premises; no light meals available	14 days
Havana Nights Lounge – Cuisine, Ajax	Permitted drunkenness; failure to clear signs of service; service outside prescribed hours; non-compliance with <i>Fire Protection and Prevention Act</i> ; failure to post Fetal Alcohol Spectrum Disorder warning sign; failure to provide or post liquor menu in accordance with regulations; carried on business under a name other than the name set out on the licence	14 days
Joey's Only Seafood Restaurant, Orleans	Not financially responsible in conducting its business due to <i>Retail Sales Tax Act</i> ; past conduct	Licence Revoked
Piazza Banquet Centre, Hamilton	Not financially responsible in conducting its business due to <i>Retail Sales Tax Act</i>	Licence Revoked
Trentwinds International Centre & Motor Hotel, Peterborough	Permitted narcotics on premises	25 days
White House Hotel, Peterborough	Permitted drunkenness	17 days

² Suspension served in April.

AGCO website has lots of information

If you are looking for general information on beverage alcohol, how to apply for a liquor sales licence 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.





Questions & Answers

Q. What is the procedure that must be followed when closing a licensed establishment?

A. If your establishment has permanently closed, you must complete a “Voluntary Surrender” form and mail it, along with your original liquor sales licence, to the Alcohol and Gaming Commission of Ontario.

If you do not surrender your licence after your establishment has permanently closed, the Registrar may issue a Notice of

Proposal to Revoke the liquor sales licence because the licence was not surrendered as required.

For more details, please see s. 56 of O. Reg. 719/90 which is enacted under the *Liquor Licence Act*.

A Voluntary Surrender Form can be found on our website at www.agco.on.ca.

What is a “Confirmation Notice”?

Confirmation Notices continue the term of a liquor sales licence. They are sent to liquor sales licensees whose renewal applications have been received by the AGCO and the renewals are being processed. Assuming that your renewal application has reached us before the expiry date on the licence (because expired licences cannot be renewed), you will be sent a Confirmation Notice by mail, fax or email.

This notice allows you to continue to sell and serve alcohol until the renewal process is completed – even if that is after the expiry date on your licence.

When you receive a Confirmation Notice, you need only post it in a visible area next to your current liquor sales licence.

When you receive your renewed licence, this will replace both the old licence and the Confirmation Notice.

Please note that any outstanding Retail Sales Tax must be paid to the Ministry of Revenue before the licence expiry date or the licence may not be renewed. The Ministry of Revenue advises the AGCO when licensees are in default, and it is each licensee’s responsibility to ensure that he/she does not owe money under the *Retail Sales Tax Act*. For more information on the payment of Retail Sales Tax, please contact the Ministry of Revenue directly at 1.866.668.8297.

If you have any questions about your liquor sales licence renewal, please call AGCO Customer Service at 416.326.8700 or toll free from anywhere in Ontario at 1.800.522.2876.

Annual Reports Available

The **2007/08** and **2008/09** Annual Reports of the Alcohol and Gaming Commission of Ontario are available on our website at www.agco.on.ca.

These Annual Reports cover operational activities, performance measures and liquor related information for their respective fiscal years.



ATTENTION ALL LICENSEES—We want to hear from you!

Licence Line is a publication intended to provide topical information to liquor licensees and interested parties in Ontario’s beverage alcohol industry relating to licensing, regulation and enforcement under the *Liquor Licence Act* and its regulations.

The publication is free of charge and mailed to liquor licensees and others, generally on a quarterly schedule.

To ensure Licence Line continues to print helpful and useful material, the Editor is requesting licensees and other interested parties to send along ideas for stories you feel would be beneficial in explaining the liquor laws of Ontario, and that may help you to better operate your licensed establishment.

Please address all correspondence to:

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Toronto, Ontario M2N 0A4
or by e-mail to: editor@agco.ca

Change of Address: In order to make sure that you receive each edition of Licence Line, we urge all licensees to let us know of any changes to your mailing address or contact person for your licensed establishment. You can let us know of any changes by calling AGCO Customer Service at 416.326.8700 or toll free in Ontario at 1.800.522.2876 or by e-mail to: customer.service@agco.ca.

AGCO's website completely redesigned



It's out with the old, in with the new! As part of the AGCO's commitment to improving services for our stakeholders, we launched our new website on July 30, 2010. Totally redesigned and upgraded, the site includes many new features so that you can find the information you need quickly and easily.

A major change is the addition of "mini-sites" for key stakeholder groups which provide one stop access to all the information relevant to each group from across the AGCO's entire site. For liquor sales licensees, this includes licensing requirements and application forms, decision summaries, regulations related to sale and service of alcohol, liquor-related publications, and how to request a hearing or appeal.

This is only the first of many improvements planned for the AGCO website. The first upgrade will be Forms-on-Demand, part of our planned electronic service delivery, where the website will help you create a single application

form for all your licensing requirements. This will mean less paperwork and fewer forms to fill in. Phase 1 of Forms on Demand will launch this winter and will be available for new liquor licensing applications. Applicants without computer access will be able to contact AGCO Customer Service where our representatives will assist in building custom-made forms.

We will keep you updated as new features are ready to launch. ■

New and updated liquor information materials now available



The AGCO now has available a wide range of new and updated liquor information materials designed to help inform and educate liquor sales licensees and their staff about the province's liquor laws. The materials include:

You and the Liquor Laws, a short booklet for employees of liquor sales licensed establishments.

You and the Liquor Laws-Plus, a guide for owners and managers focusing on the operational aspects of maintaining a liquor licence in good standing.

These materials may be requested by calling AGCO Customer Service at 416.326.8700 or toll free in Ontario at 1.800.522.2876 or by emailing customer.service@agco.ca. To view an electronic version of these materials, please visit the AGCO website at www.agco.on.ca. ■

Responsible Service Tip Sheets, a series of topic-specific information bulletins covering important requirements of the *Liquor Licence Act* and regulations.

Annual Reports, covering yearly operational activities and related liquor information.

Sandy's Law Poster, a full-colour poster (21.5 cm x 28 cm: 8 ½" x 11 ½") relating to fetal alcohol spectrum disorder (FASD) that is to be prominently displayed in liquor licensed establishments.

Board Profiles

This concludes the series of short profiles on members of the Board of the AGCO. These members are appointed to the Board of the AGCO by the Ontario government. They can be appointed as full-time or part-time members. The Board has a quasi-judicial function. It holds hearings and conducts appeals when necessary on certain matters that arise relating to liquor and gaming legislation, regulation and registration. There are currently eleven members of the Board, including the Chair.



GRACE S. KERR

Prior to her appointment to the Board of the AGCO, **Grace Kerr** of London, Ontario was a Research Associate with the Lawson Health Research Foundation, a partner with Lerner LLP, Vice Chair with the Ontario Review Board, and an Associate Lawyer with MacLeod, Knox, Watts. Ms. Kerr's community service has included serving as Chair of the Board of Directors of the Centre for Children & Families in the Justice System and President of the University of Western Ontario Law Alumni Association. She holds a Master of Laws degree from the London School of Economics and Political Science, U.K., and

Bachelor of Laws and Bachelor of Science degrees from the University of Western Ontario.

David Gavsie has been the Chair of the Alcohol and Gaming Commission of Ontario since November 1, 2005 and his



DAVID C. GAVSIE

current term runs until October 31, 2013. Prior to this appointment in 2005, Mr. Gavsie practiced corporate and commercial law for more than 30 years in both Ottawa and Toronto with the law firms of Gowlings (1974 – 1992) and Ogilvy Renault (1992 – 2005). He has chaired the Boards of the Greater Toronto Marketing Alliance, Ontario Chamber of Commerce, the Ottawa International Airport Authority and the Institute of Corporate Directors, Corporate Governance College and has served as a director on many other boards. Mr. Gavsie is a member of the Law Society of Upper Canada, the Quebec, Ontario and American Bar Associations. He is a graduate of McGill University (B.C.L.) and Concordia University (B.A.).

Continued from p. 1 **Chair's column**

We urge licensees and their staff to register early and take advantage of these free educational sessions when they arrive in your local community. To register, please go to our website at www.agco.on.ca for full details and the registration process.

Board profiles

Over the past several editions of Licence Line, we have been profiling members of the Board of the AGCO. In this edition we complete the series. Our purpose in including this material is to illustrate the regional representation on the Board, and the varied background and wide experience these members bring to their deliberations and decisions relating to the province's liquor regulations.

David C. Gavsie
Chair

A reminder:

Smart Serve training is mandatory

Liquor sales licensees must ensure that all managers and persons involved in the sale and service of beverage alcohol, including security staff, hold a certificate demonstrating the successful completion of a server training course approved by the Board of the AGCO.

Server training must be completed within sixty (60) days of the commencement of employment at a licensed establishment.

In Ontario, the AGCO Board-approved program is **Smart Serve**. This training program focuses on recognizing intoxication, responsible serving techniques, legal and liability issues and house polices.

Smart Serve requirements also apply to liquor delivery services.

For information on this mandatory training program please contact:

Smart Serve Ontario

5407 Eglinton Ave. West, Unit 105

Toronto, Ontario

Telephone: 416.695.8737 or toll free at 1.877.620.6082

Website: www.smartserve.org

Email: general@smartserve.ca

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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