

Licence Line

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Welcome to another issue of Licence Line!

The winter months are always a busy time for licensed establishments. And while serving alcohol responsibly is important year-round, it is particularly top-of-mind when the holiday season brings people together for celebrations.

First up in this issue, we highlight a number of changes the Government of Ontario recently approved to regulations under the *Liquor Licence Act* in order to enhance consumer choice and convenience, reduce administrative burden and provide flexibility for those involved in the sale, service and consumption of alcohol. These updates came into effect earlier this year and are highlighted here to help make you aware of the opportunities they provide.

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Regulatory modernization and burden reduction changes in Ontario's beverage alcohol industry

Earlier this year, the Government of Ontario approved several changes to regulations under the *Liquor Licence Act* and the AGCO amended its policies accordingly. Together, these reforms enhance consumer choice and convenience, reduce administrative burden on businesses, and provide additional flexibility for liquor sales licensees and manufacturers. The following changes came into effect on May 6, 2019:

New hours of sale and service

Liquor sales licensees (e.g. bars, restaurants and golf courses) and manufacturers with a Limited Liquor Sales Licence ("By the Glass") are now permitted to sell and serve alcohol starting at 9 a.m. every day of the week. In addition, Special Occasion Permit events can also now begin at 9 a.m. Previously, licensees and permit holders were only permitted to begin selling and serving alcohol at 11 a.m.



"Happy Hour" advertising now permitted

The AGCO has amended the Liquor Advertising Guidelines for liquor sales licensees and manufacturers to remove the restriction on the use of specific terms to describe pricing and promotions. Previously, the guidelines prohibited the use of the terms "happy hour" and "cheap drinks".

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DECEMBER 2019

Alcohol and Gaming Commission of Ontario
90 Sheppard Avenue East, Suite 200
Toronto, Ontario
M2N 0A4



Introducing the new Chair of the AGCO’s Board of Directors



Lalit Aggarwal

The AGCO is pleased to announce that Lalit Aggarwal has joined the AGCO Board of Directors as of June 2019. Mr. Aggarwal is President of Manor Park Holdings (a real estate development and operating company), is a past fellow of the C.D. Howe Institute, and the former Director of Bridgepoint Health. He is the current Director of the Hospital for Sick Children Foundation, the Centre for the Commercialization of Regenerative Medicine and the Sterling Hall School, and holds degrees from the University of Oxford and the University of Pennsylvania.

Failure to clear signs of service can lead to sanctions under the LLA

Hours for the sale and service of alcohol are:

- Monday to Sunday 9 a.m. to 2 a.m.
- New Year’s Eve (December 31st) 9 a.m. to 3 a.m.

All orders for liquor must be served before 2 a.m. (3 a.m. on New Year’s Eve). Many establishments have last call at 1:45 a.m. to ensure all orders are delivered or served before 2 a.m. All signs of liquor must be cleared 45 minutes after the end time on the licence; for most this is by 2:45 a.m. (3:45 a.m. on New Year’s Eve). This includes the clearing of all glasses and bottles off the tables.

Some licence holders may have conditions on their liquor sales licence that further limit the above-noted hours.

Reminder: free Smart Serve re-certification until January 15, 2020 (if certified after July 15, 2018)

Smart Serve Ontario has released an update to the Responsible Alcohol Beverage Sales and Service Training Program. See Volume 19, Issue 2 for more information on the refreshed program or visit smartserve.ca/REFRESH.

Update to liquor-related monetary penalties

On July 12, 2019, a new schedule of liquor-related monetary penalties came into effect.

The new schedule, which was established by the AGCO Board of Directors and approved by the Attorney General of Ontario, was developed to reflect and align with amendments made to regulations under the *Liquor Licence Act*. These amendments included the creation of a Tailgate Event Special Occasion Permit and other changes (see article on page 1) affecting Liquor Sales Licences, Manufacturer’s Limited Liquor Sales Licences (“By the Glass”), and Special Occasion Permit (SOP) holders.

The new schedule, which can be found on the AGCO’s website, includes monetary penalties for new infractions resulting from the creation of the Tailgate Event Permit, administrative changes to align infraction descriptions with the new regulatory amendments, and increases to the maximum amounts for several infractions to better reflect the risk they represent.

MONETARY PENALTIES OVERVIEW

The AGCO may order a licensee, permit holder, authorized retailer or registrant, to pay a defined amount of money as a result of a contravention of the *Liquor Licence Act*, *Liquor Control Act*, *Gaming Control Act, 1992*, *Cannabis Licence Act, 2018* and their regulations.

- Monetary penalties have been used by the AGCO since 2009 as an additional compliance tool with the main purpose of avoiding more severe suspension or revocation measures.
- If, however, the infraction is severe, monetary penalties may not be used and the AGCO may choose to pursue suspension or revocation if deemed appropriate.
- The penalty ranges are designed to address the specific risks posed by each infraction and by the different regulated parties.

- While the schedule lists the maximum amounts, penalties may fall lower depending on the circumstances.
- All funds collected through monetary penalties are required to be used by the AGCO for education and training purposes, or for public awareness campaigns.
- The decision to impose a monetary penalty is made with full transparency. For information on the factors considered when a decision is made, and your right to appeal the decision and request a hearing before the Licence Appeal Tribunal (LAT), please see the **Monetary Penalties FAQs**.

ADDITIONAL COMPLIANCE TOOLS

The AGCO may use the following compliance tools to address contraventions:

- education
- verbal warning
- written warning
- monetary penalty
- increased monetary penalty
- additional conditions or terms of authorization may be added to your licence, authorization or permit to aid in ensuring compliance
- suspension of licence, authorization
- increased suspension of licence, authorization
- revocation of licence, authorization

For a full list of updated liquor monetary penalties see the **Schedule of Monetary Penalties (Liquor)** and **Monetary Penalty FAQs** on the AGCO website.

For more information, contact the AGCO online at www.agco.ca/iagco, or by telephone at **416-326-8700** or **1-800-522-2876** (toll free in Ontario).

2019 Best Bar None award winners

The 2019 Best Bar None Awards ceremonies recently took place in both Toronto and Ottawa. Held annually, the Awards recognize establishments that maintain the highest standards for their customers and staff, responsibly manage the sale and service of alcohol, and cultivate good relationships with the community and industry partners.

The Toronto ceremony was held on May 27 at the Hyatt Regency Toronto. The winners were as follows:

Toronto

- Best Bar/Lounge: Regulars Bar
- Best Restaurant: Wayne Gretzky's
- Best Club: Crocodile Rock
- Best Pub: Firkin on Yonge
- Best Members Club: The Spoke Club
- Best Hotel: Hyatt Regency Toronto on King
- Best Venue: Scotiabank Arena, Coca-Cola Coliseum, BMO Field
- People's Choice: CODA



Left to Right - **Jean Major**, CEO (AGCO), **Tony Elenis**, President & CEO (ORHMA), **Antonio Viegas** (Hyatt Regency Toronto), **Nik** (Firkin on Yonge), **Heather Santsche** (Wayne Gretzky's), **Kevin Ramlal** (Scotiabank Arena), **Dustin Smith** (BMO Field and Coca-Cola Coliseum), **Mathias Mieusel** (Crocodile Rock), **Tom Mungham**, COO (AGCO), **Maxwell Mitchell** (Regulars Bar), **Byron Fabricius** (CODA)

“The AGCO is proud to once again be involved in recognizing businesses that uphold the highest standards for their patrons and staff, in the responsible sale and service of alcohol, and in maintaining important working relationships with the community and industry partners. The public can be assured that these accredited establishments maintain high standards in their operations, in compliance with Best Bar None and the Liquor Licence Act and regulations,” said Tom Mungham, Chief Operating Officer of the AGCO.

The Ottawa ceremony was held on June 5 at Coasters Seafood Grill in the Byward Market. The winners were as follows:

Ottawa

- Best Pub: Lowertown Brewery Pub
- Best Club: Medusa Nightclub
- Best Restaurant: Sens House
- Best Hotel: The Bistro at the Courtyard Marriott
- People's Choice: Cornerstone Bar & Grill

The establishments were selected by a judging panel comprising the AGCO, Mothers Against Drunk Driving (MADD Canada) and Best Bar None (BBN) Ontario. A key component of the accreditation and awards process is an independent third-party assessment to verify that an establishment is in compliance with its own processes and the BBN accreditation criteria, developed largely from provincial laws.

These winners with the newly accredited establishments receive a BBN sign and other marketing materials to promote their status as a BBN-accredited venue. The Best Bar None Ontario symbol assures patrons an establishment has met the highest standards for responsible service of alcohol.



Left to Right - **Tom Mungham**, COO (AGCO), **Cristina Sartori** (Courtyard Marriott Ottawa), **Ryan Dube** (Cornerstone Bar & Grill), **Nicholas Gill** (Medusa Nightclub), **Pat Delahunty** (Lowertown Brewery Pub), **Mike Law** (Sens House), **Tony Elenis**, President & CEO (ORHMA)

DID YOU KNOW?

Sandy's Law sign must be posted

Did you know that the requirement to post the Sandy's Law sign in licensed establishments has been in effect since 2005?

In 2004, legislation was passed by the Ontario Legislature to amend the *Liquor Licence Act* to require signage warning that drinking alcohol during pregnancy can cause Fetal Alcohol Spectrum Disorder (FASD). The legislation became effective in early 2005. Bill 43, also known as Sandy's Law, requires all licensed bars and restaurants to prominently display the Sandy's Law sign.

Sandy's Law is named after the adopted son of former MPP Ernie Parsons of Prince Edward-Hastings County. Sandy Parsons was 25 years old when he died from a brain aneurysm that doctors said was caused by malformed blood vessels – a result of his mother drinking alcohol during pregnancy. Ernie Parsons introduced the private member's bill, which was unanimously supported by members of the Ontario Legislature.



Warning:

Drinking alcohol during pregnancy can cause birth defects and brain damage to your baby.

1-877-FAS-INFO • www.alcoholfreepregnancy.ca

 Ontario

Please take the time to ensure the sign is displayed in all locations of your establishment where alcohol is sold.

Failure to comply with the signage requirements may result in administrative action by the AGCO.

The sign is available for downloading on the AGCO website.

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 June 8, 2019 ending November 1, 2019. Sanctions for similar infractions may vary in length according to the specifics of each case. For details on Licence Appeal Tribunal visit www.lat.gov.on.ca.

ESTABLISHMENT	INFRACTION	SANCTION
Soho KTV, Markham	Failure to clear signs of service; permitted drunkenness	30 days

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

ESTABLISHMENT	INFRACTION	SANCTION
Awash Café, Toronto	Overcrowding	20 days
Groggery (The), Smiths Falls	Permitted drunkenness; liquor sold to person who appears to be intoxicated; service outside prescribed hours; failure to clear signs of service; licensee failed to ensure control of premises was maintained	14 days
Studs Lonigans Pub, Wasaga Beach	Permitted drunkenness; obstructing an inspection; failure to ensure required persons successfully completed approved server training within 60 days of employment start date; not financially responsible in conducting its business	Licence Revoked

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Removal of prescribed quantities of alcohol that can be offered under a “By the Glass” Licence

Manufacturers who hold a Limited Liquor Sales Licence (“By the Glass” Licence) are now able to serve any liquor serving size they desire. Previously, manufacturers with a “By the Glass” Licence were only permitted to sell and serve wine, beer or spirits in prescribed quantities.

Removal of food requirements at Special Occasion Permit (SOP) Events

Special Event Permit (SOP) holders no longer have to serve food at Special Occasion Permit events. However, SOP holders must continue complying with existing requirements to ensure patrons at the event are not intoxicated or disorderly and that immoderate consumption is not promoted at the event.

Removal of partition requirements for Special Occasion Permit (SOP) Events

Special Occasion Permit (SOP) holders are no longer required to have a 0.9 meter partition at SOP events to establish boundaries of the licensed area under the permit. Permit holders however must continue to ensure that the permitted area is readily distinguishable and ensure public safety.

Licensees and permit holders should review the *Liquor Licence Act* and its regulations to ensure they are in compliance with all legislative and regulatory requirements.

For more information on these changes, read **Info Bulletin No. 56 – Regulatory Modernization and Burden Reduction Changes in Ontario’s Beverage Alcohol Industry** on the AGCO website, or contact AGCO Customer Service at www.agco.ca/iagco, or by telephone at **416-326-8700** or **1-800-522-2876** (toll free in Ontario).

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Also of note, the schedule of liquor monetary penalties was established to reflect and align with government changes. Information on the updated penalties is included in this issue.

In this issue we also introduce you to the AGCO’s new Chair of the Board of Directors. We look forward to working with our new Chair as we continue to carry out our mandate to regulate the alcohol, gaming, horse racing and private cannabis retail sectors in accordance with the principles of honesty and integrity, and in the public interest.

And finally, this year’s winners of the Best Bar None awards are highlighted on page 3. This industry-led award program, which began in 2012, focuses on liquor licensed establishments in the Toronto Downtown area and Ottawa’s ByWard Market. The winners received recognition for upholding the highest standards of serving liquor responsibly and safely.

We hope you enjoy this issue of Licence Line.

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This newsletter 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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