

What we learned



# Yukon *Liquor Act* review

progress report from  
advisory group meetings



# Message from the Minister

On behalf of the Government of Yukon, I am pleased to share with you the considerations and insights of the Advisory Group that convened in fall 2018 to consider the Yukon *Liquor Act*.

The advisory group includes participants from the Association of Yukon Communities, Kwanlin Dün First Nation, Ta'an Kwäch'än Council, the City of Whitehorse, two licensees, two local producers, Fetal Alcohol Syndrome Society Yukon (FASSY), RCMP, office of the Yukon Chief Medical Officer of Health, Yukon Liquor Board, Yukon Liquor Corporation, and a third-party facilitator (John Glynn-Morris).

This report summarizes the work of the Liquor Advisory Group between November 2018 and March 2019. The intent of this document is to capture what was discussed and recommended by the group participants, while also recognizing that some input goes beyond the scope of the new legislation. These notes are not attributable to any one member of the advisory group or to any official position of any participating organization, but a collective whole of mutual discussion and individual comments.

I wish to extend my gratitude to every Advisory Group member for volunteering their time and expertise towards providing insights and recommendations that help to make the *Liquor Act* work for Yukoners.



**John Streicker**

Minister responsible for the Yukon Liquor Corporation

*“The intent of this document is to capture what was discussed and recommended by the group participants, while also recognizing that some input goes beyond the scope of the new legislation.”*

## Overview: Liquor Advisory Group

The Yukon Liquor Corporation (YLC) created an Advisory Group (AG) with the following objectives:

- › Work with the YLC on modernizing the Liquor Act (LA) and regulations
- › Explore key areas of the territory's liquor laws from multiple perspectives
- › Recommend to YLC how best to respond to Yukoners' priorities, needs, and preferences

**At their first meeting, the Advisory Group set a purpose for their work:**  
*to explore and recommend how to modernize the Liquor Act for the health and safety of Yukoners, responsible local economic development, and (where appropriate) national best practices.*

The Advisory Group met approximately every two weeks between November 2018 and March 2019. A plan and approach was set at the first meeting. Subsequent meetings each focused on an in-depth discussion of a selected topic: social responsibility, licences and permits, how to buy/consume, how to sell/donate, bootlegging, and enforcement tools.

The Advisory Group will re-convene in August 2019 to review how their work impacted the drafting of the *Liquor Act*.

# Key Principles

The Advisory Group's discussions covered a wide range of topics and subjects. The following principles are some of the key points that arose from the Advisory Group's discussions for decision-makers to consider when developing the new *Liquor Act* and regulations..

- ① Social responsibility is key and everyone has a role.
- ② Rules and roles should be clear, consistent, and reasonable.
- ③ Liquor consumption has health and social costs.
- ④ Responsible liquor retail is part of our territorial economy.
- ⑤ Communities have unique needs and goals.
- ⑥ Effective enforcement protects youth and vulnerable persons.
- ⑦ The Act should consider both present and future.

## Key Topics

The following list highlights the key learnings from each in depth discussion, commonly referred to by the group as deep dive topics, discussed by the Advisory Group:

- › social responsibility
- › licences and permits
- › how to buy/consume
- › how to sell/donate
- › bootlegging
- › enforcement tools

# Social Responsibility

---

## Questions

- › Should there be a 'Preamble' section in the *Liquor Act*?
- › How does section 8 of the *Cannabis Control and Regulation Act* (measures for responsible consumption<sup>1</sup>) translate for liquor?
- › What should the Act require when someone is intoxicated in a licensed premises? In public?
- › How does the price of liquor impact consumption (can we change behaviour this way)?
- › Should some words be banned from advertising (*Liquor Act* section 82<sup>2</sup>)?
- › Are there legislative changes that could support protecting minors?



<sup>1</sup> The distributor corporation must, in the performance of its functions, take measures (a) to facilitate only responsible consumption of cannabis while not promoting consumption of cannabis; and (b) to enhance public awareness of the health risks associated with cannabis use.

<sup>2</sup> Except as permitted by this Act or the regulations, no person in the Yukon shall (a) exhibit or display or permit to be exhibited or displayed without the approval of the president any sign or poster containing the words "bar", "barroom", "saloon", "tavern", "cocktail lounge", "beer", "spirits," or "liquors", or words of like import; or (b) exhibit or display or permit to be exhibited or displayed any advertisement or notice of or concerning liquor by an electric or illuminated sign, contrivance, or device, or on any hoarding, signboard, billboard, or other place in public view or by any of the means aforesaid, advertise any liquor.

---

## Discussion



- › There should be a ‘preamble’ section in the *Liquor Act* that reflects the purposes of the Act. The purpose of the Act should focus less on prohibition and more on a goal — ‘North Star’<sup>1</sup>.
- › There should be a section in the new *Liquor Act* that clarifies what ‘social responsibility’ means in practice.
- › There should be recognition that all of Yukon government, not just the Yukon Liquor Corporation, has ‘skin in the game’.
- › There should be a requirement for the Yukon Liquor Corporation to report on social responsibility in the Annual Report.
- › The *Liquor Act* needs a clear definition of ‘intoxicated’, mandatory training for persons serving or selling liquor, and clear guidance for licensees and enforcement officers.
- › There should be a recognition of the evidence that indicates increased access to alcohol results in greater harms to a community and its members.
- › The price of liquor affects consumption patterns. The *Liquor Act* should allow for the setting of minimum prices for liquor purchased in the territory but the rules need to be clear about how and when minimum prices are applied. Research shows that minimum prices can help protect local businesses from predatory pricing by companies looking to gain market share. Careful consideration is also necessary as it may disproportionately affect low-income consumers, and should be considered along with other substance use interventions (e.g. managed alcohol programs).
- › The Act should have a broad approach to advertising that covers images as well as words and keeps pace with the speed of social media. The CRTC Code<sup>2</sup> is a good model.
- › The aim is to protect young persons who are under the age of 19. The Act should be consistent as to how minors are treated, discourage access to and consumption of alcohol, yet allow minors to see the modelling of responsible behavior (i.e. do not ban minors from every location that sells liquor).

<sup>1</sup> North Star: modernize the *Liquor Act* for the health and safety of Yukoners, responsible local economic development, and (where appropriate) national best practices.

<sup>2</sup> The Canadian Radio-television and Telecommunications Commission (CRTC) Code for broadcast advertising of alcoholic beverages.

# Licences and Permits

---

## Questions

- › What classes of licences should exist in Yukon?
- › What types of permits should exist in Yukon?
- › What works and what doesn't work with the licensing/permit application process?
- › What are the mandatory conditions that should be attached to every licence?
- › What should the liquor licensing board be required to consider before granting a licence?



---

## Discussion



- › The *Liquor Act* should have fewer licence types. In communities, licensees should bring some kind of benefit to the community outside of ‘more liquor’ (e.g. restaurant).
- › The Act should provide for permits that fit all types of events. The *Liquor Act* should require the person responsible for the event to have mandatory server training.
- › Overall, current licence and permit processes under the *Liquor Act* are fine but can be clarified and streamlined. Public notices need to be more noticeable and there should be more coordination between all types of governments.
- › Conditions for each liquor licence type should be set in regulations and the licensing board should be able to add additional ‘special’ licence conditions on a case-by-case basis.
- › Mandatory training for licensees and staff serving liquor should be a statutory condition for all liquor licences. Licensees should have a window of time in which they can train new hires.
- › The *Liquor Act* should be clear as to when a licensee has to request approval to make a change to their licensed premises (i.e. which changes are considered ‘major’ and which are ‘minor’).
- › The *Liquor Act* should be clear on what the licensing board must consider when making licensing decisions. For new licence application, the licensing board should consider proximity or density of other liquor businesses already in the area. Density is complex as higher licensee density may be acceptable in some areas (e.g. downtown) than others (e.g. rural community).

## How to buy/consume

---

### Questions

- › What are acceptable limits on how Yukoners should be able to buy and/or consume alcohol?
- › Should Yukoners be able to have alcohol delivered to their home?
- › Should Yukoners be able to buy alcohol in grocery stores?
- › Should there be exemptions for medicines, religion or other products?



---

## Discussion



- › The *Liquor Act* should be clear on any limits for new liquor licence applicants (e.g. proximity to existing liquor businesses) so that entrepreneurs can avoid investing in a location that is not viable.
- › It is important to consider the impact of proximity rules where land and commercial property is limited (e.g. smaller communities).
- › Allowed hours of operation should be consistent for all liquor licences of the same type. Coordination on process between the territorial and local governments is key to cutting red tape.
- › Be careful not to create processes that penalize liquor businesses who follow the rules.
- › Do not allow liquor delivery directly to people's homes.
- › For delivery to licensed premises or permitted events, the *Liquor Act* should allow this as an option for the future but do not allow now. Liquor delivery rules have to be done to protect minors, persons with alcohol use disorders, and the delivery person.
- › Do not allow liquor to be sold in grocery stores for now. More research and work is needed to understand the impacts of this retail option to smaller businesses and communities as a whole. If allowed, it has to be done carefully with stringent conditions to mitigate harms on consumers and local businesses.

The *Liquor Act* should be clear about what kind of liquor is exempt from mark-up and taxes (e.g. alcohol used for medical reasons and products that are not beverage alcohol but may have alcohol in them). It is a good idea to have exemptions to support innovation and future technologies.

## How to sell/donate

---

### Questions

- › How should a 'package' or 'container' be defined?
- › Should new stand-alone retail options be allowed under the *Liquor Act*?
- › What are ways in which the *Liquor Act* can cut red tape for licensees selling and/or donating liquor?



---

## Discussion



- › The *Liquor Act* should have two definitions: one for container (e.g. can; bottle) and one for package (e.g. packaged or wrapped selling units).
- › Allow 'packages' to be broken down into individual 'containers' for sale. This removes red tape, prevents loss because a damaged package can be broken down into individual containers and this gives consumers the choice to buy one beer instead of having to buy a six-pack.
- › The *Liquor Act* should not allow for new retail options (e.g. liquor delivery, liquor sold in grocery stores) without more research and consultation. The *Liquor Act* should be written in a way that these options could be enabled through regulation in the future, but not now.
- › It is important to be very careful about the impact of stand-alone retail options in communities and how many retail options are made available in any one area.
- › The *Liquor Act* should cut red tape for licensees where it is appropriate.
- › Licensees (including manufacturers) should be able to sell directly to other licensees and/or permittees (with transactional records).
- › Manufacturers should be able to donate beverage alcohol directly to local permitted charitable events (with transactional records). The Act should have a clear definition of 'donation' and donations shouldn't support over-consumption.
- › Licence fees should be streamlined (e.g. for 'dual licences', shouldn't have to pay two full licence fees).

# Bootlegging<sup>1</sup>

---

## Questions

- › Should it be possible to limit how much liquor someone purchases in certain circumstances in order to prevent bootlegging?
- › What powers should inspectors and/or peace officers have to search and/or seize liquor?
- › If a community wishes to ban liquor, what works and what doesn't work?
- › What else, perhaps outside of the *Liquor Act*, can be done to prevent bootlegging?



<sup>1</sup> At this meeting, members from SCAN (Safer Communities and Neighborhoods) joined the Advisory Group for discussion.

---

## Discussion



- › It is important to have a clear picture of the problem being addressed — what does bootlegging in the territory look like? Any limit on personal freedoms has to be done carefully.
- › If purchase limits (amount of liquor a person can purchase at any one time) are introduced, it should only be for YLC stores and go hand in hand with guidelines and training for YLC store staff so that application is consistent and fair.
- › The current powers that YLC inspectors and RCMP officers have related to search and seizure are adequate.
- › The *Liquor Act* should be clear on what enforcement tools are available to enforcement officers.
- › Consider what powers may be needed to enforce the Act and regulations in Whitehorse versus in communities and how YLC inspectors can coordinate enforcement with RCMP and SCAN (Department of Justice).
- › The *Liquor Act* should prohibit public drinking across the territory unless specifically allowed under an Area Enforcement Order.
- › The *Liquor Act* should have a clear process by which local authorities can request further restrictions (e.g. hours, proximity) if that is what is best for their citizens.
- › The solution to bootlegging is larger than the *Liquor Act* — it includes safe social spaces, harm-reduction programs, recreation for youth, etc.

## Enforcement Tools

---

### Questions

- › Are enforcement tools under the *Liquor Act* clear and appropriate?
- › Should peace officers have additional powers around gangs and/or persons affiliated with gangs?
- › Do the current fines/penalties correspond well to offences?
- › What should the *Liquor Act* say around illicit activities and minors?



---

## Discussion



- › In general, the enforcement tools (fines, tickets, penalties) under the current *Liquor Act* are adequate.
- › More clarity is needed around the roles and responsibilities of YLC inspectors and RCMP and how they can work together.
- › More public education around offences and penalties would be beneficial (e.g. a person 'sleeping it off' in a vehicle may be committing an offence).
- › In general, peace officers should be able to respond to gang activities in licensed premises but providing for additional powers in the *Liquor Act* related to gang activities requires significant additional consideration especially as licensees are vulnerable to retaliation from gangs and new rules may unfairly affect persons not affiliated with gangs.
- › Current fines and penalties in the *Liquor Act* are adequate and correspond well to offences.
- › If there is a recommendation to raise a fine, there should be a good rationale and some evidence it will be an effective deterrent.
- › Consider allowing licensees a choice between a fine or a suspension to ensure consistency in 'the punishment fitting the contravention'.
- › Clarify that a minor can accompany a parent, grandparent, or legal guardian into a YLC liquor store.
- › There should be consistency around how minors are treated under the Act and licensees should be empowered to prevent under-age drinking. Fix the provision that currently allows minors to drink in food-primary premises by eliminating it (most popular) or introducing an age restriction (another option).

If you have questions or concerns about this document, email [YLC-connect@gov.yk.ca](mailto:YLC-connect@gov.yk.ca) or call **(867) 667-5245**.



