

# Proposed Privatization of Retail Alcohol Sales in Ontario: Health, Social, Economic & Safety Implications

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### **EXECUTIVE SUMMARY**

The following synopsis focuses mainly on the public health consequences of the proposed privatization of alcohol sales in Ontario. Following from their demonstrated role in contributing to health and safety incidents in Ontario, it is proposed that alcohol beverages should continue to be treated differently from other products or retail goods. In general, alcohol monopolies have unique features in reducing the risks associated with drinking in our society. A central feature of any effective control system with public health agenda is that it controls availability of alcohol and thus curtails the rates of problems. Research evidence indicates the importance of alcohol availability in preventing drinking-related problems and thus costs to society arising from these problems. These problems can be curtailed through an effective control system which has public health and safety concerns as central agenda. Research on the impact of privatization in the alcohol area, suggests that, on balance, privatization is likely to increase consumption and drinking related problems in Ontario, and thus, it is expected that possible shortterm economic benefits from privatization are likely to be overshadowed by increased costs related to managing health, safety and public order incidents related to increased access to alcoholic beverages. Furthermore, contrary to views put forward in some media accounts, the majority of Ontarians, although not necessarily highly vocal on the topic, are not in favour of increased access to alcohol in this province. A number of questions are raised about the possible implications of privatization, including those related to staffing of outlets, server training issues, safety, liability and environmental issues related to greater density of outlets. In light of the primary functions and roles of any control system for alcoholic beverages, it is proposed that the current arrangements achieve many of these functions. Furthermore, as the current system is both oriented to customer concerns and public health agenda, the rationale for modifying the current arrangement, for example, including dismantling the LCBO, needs to be considered extremely carefully, and measured against the primary functions and roles of a control agency. Any changes which would detract from these primary functions and roles are not advised.

### **INTRODUCTION**

The following pages, and attachments, provide an overview of the issues related to the further privatization of retail alcohol sales in Ontario. A few comments are in order with regard to the perspective and focus of this document.

A central focus of this document is on public health concerns and interests. One reason for this is simply that the author is a staff member at the Addiction Research Foundation, and the ARF is an agency with a public health history and mandate.

Secondly, in the discussions to date the public health and safety concerns have not been central to the discussion, nor fully articulated and presented. This is not surprising. During a time when there is strong concern about provincial budgets and economic issues one would expect that commercial and financial topics would receive special prominence. Also, the link between public health and safety issues and economic and fiscal agenda has often been overlooked. However, in a broader context, changes in access to alcohol have implications both for public health problems, and for increased costs related to managing problems related to heavy or inappropriate drinking. Thus, the appropriate broader perspective sees public health issues as inter-related with commercial and economic considerations.

Thirdly, there is still the tendency to see alcohol-related problems as individual and private experiences that have little relation to access to alcohol or the environments of alcohol distribution and sale. This perspective is incomplete and out-of-date. Furthermore it can lead to underestimating the extent of drinking-related problems and/or pointing to inadequate and piecemeal solutions or adjustments.

### **ALCOHOLIC BEVERAGES AS UNIQUE AND HAZARDOUS COMMERCIAL PRODUCTS IN OUR SOCIETY.**

When one is asked why there are liquor control boards or other mechanisms which monitor and curtail the production, distribution, marketing or control of alcoholic beverages, the answer is simply that: "alcohol is different, so it should be treated differently". [2] Although some may consider, or wish to treat, alcoholic beverages like milk, candy or bread, for example, alcoholic beverages are in a different league when it comes to the potential for damage and disruption. With the possible exception of tobacco, alcohol is the single substance that is directly responsible for or implicated in more disruption of families, friendships, household income, work place efficiency, road and waterway safety than any other substance. Estimates of the dollar toll in Ontario of alcohol in health, safety, law enforcement, workplace and traffic control costs far exceed the revenues from annual sales in this province. (ARF is currently undertaking a study which estimates the costs related to a number of societal problems related to alcohol consumption.) Beyond this, a value cannot be placed on the disruption, injury or death related to drinking and driving incidents, to rape or assault fuelled by drunkenness, to family relationships and finances in shambles through a chronically drunk parent, or to neighbourhood deterioration through the unrestrained distribution and sale of alcohol to youth or chronic drinkers. There will always be social dimensions and values that we cannot capture through economic analyses.

Alcoholic beverages should thus continue to be treated as different and distinct from other commercial products, because they are different in the consequences of use. Limiting access to alcohol or the retail availability of alcohol is one appropriate way to curtail current rates of problems and to facilitate prevention strategies.

### **MONOPOLIES, AVAILABILITY OF ALCOHOL AND ALCOHOL CONSUMPTION**

Monopolies have clear potential for curtailing availability and preventing the increase in consumption. [3] Studies in Nordic countries, U.S., and elsewhere have generally shown that when there are major changes in the direction of privatization, that

consumption increases (Nordlund, 1981; Holder, 1988; Wagenaar and Holder, 1995). Nevertheless, if monopolies are operated with commercial sale as their central and overriding function, then their implications with regard to public health may not differ from those of private retailing arrangements.

The book entitled *Alcohol Policy and the Public Good*, by a group of 17 international of researchers (Edwards, et al., 1994), also discusses alcohol monopolies in its recent overview of alcohol policy. The authors stated: "One of the more prominent forms of government intervention into alcohol availability has been the creation of state retail monopolies." They continue:

*There are some inherent characteristics of monopolies which appear to bear down on consumption. Any monopoly by definition eliminates competition in the alcohol market- place. In a retail monopoly operated to reduce alcohol consumption, demand is not able to stimulate increased availability and convenience via additional private alcohol sources. Thus, the number of retail outlets is not stimulated by demand (or expected profitability) in a monopoly situation, in the same way that it would in a privatized environment or open market. As demand increases in a free market condition, other conditions being equal, alcohol outlets or supply will increase. Greater demand for alcohol (if alcohol regulations permit) may increase hours of sale, the use of credit cards, the sale of alcohol in conjunction with other products such as food, pharmaceutical, or gasoline, but if the government retail monopoly is uninterested in market forces, then such market responses will not come into play.....(Edwards et al., 1994, p. 131).*

Their concluding remarks, nevertheless, imply that from a public health perspective, it is important to consider both the potential of alcohol monopolies as well as their actual day-to-day operation in assessing their role in promoting health and safety agenda:

*Monopolies as they are commonly operating at the end of the twentieth century may sometimes have changed their original emphasis on control and drinking discouragement, and become more commercially oriented. Sometimes they have been motivated to respond to consumer demand and have opened outlets to increase consumer convenience. As such, they may not have reduced the saturation of alcohol outlets. However, monopoly systems are flexible instruments which can be operated sensitively in the public health interest. Putting health rather than commercialism first, they can discourage the competitive market forces, which otherwise drive alcohol sales upwards. (Edwards et al., 1994, p. 132-133)*

## **PRIMARY ROLES AND KEY FUNCTIONS OF AN ALCOHOL CONTROL SYSTEM**

In October 1992 a symposium entitled "International Symposium on Alcohol Monopolies and Social and Health Issues" considered the roles and functions of alcohol monopolies. [4] Building on these deliberations of a few years ago, although not necessarily constrained by them, the following primary functions are proposed for a modern alcohol control system in Ontario:

- To facilitate the distribution and sale of alcoholic beverages in a manner that does not increase the risk of social, health or safety to consumers or other citizens.

- To provide a wide range of alcoholic beverages in a convenient and a responsible manner to legitimate customers, with information available to the customers about the products as well as the risks of inappropriate or excessive consumption.
- To display and sell these products in safe and pleasant venues.
- To insure quality control of the products sold so that the products do not contain poisons or toxins [other than alcohol], or at levels below acceptable public health standards.
- To provide a pricing structure and support for or implementation of other control measures that insures that consumption rates and risky use patterns do not increase.
- To prevent the sale of alcoholic products to persons who are below the legal drinking age, or are under the influence of alcohol.
- In collaboration with police, liquor inspectors, customs officials and others, monitor and curtail the smuggling of alcoholic products from elsewhere, the bootlegging of alcoholic products, or the illegal production and sale of alcoholic products in Ontario.
- To provide the province with revenues in a cost-effective manner.
- To continually be aware of the need for balancing multiple agenda and demands: revenue generation, retail distribution and sales, customer service, and public health and safety concerns.
- To work collaboratively with a number of agencies and institutions in achieving revenue generating, retail/commercial, consumer service and public health and safety agenda, and to insure that there is a balanced, diverse and arm's length arrangement in contacts with agencies, interest groups and organizations representing a wide range of perspectives and agenda.

A number of these functions can, in principle, be achieved through a private system of alcohol distribution. In principle, a public system can operate like a largely laissez faire private system; and, alternatively, in principle, a private system can have all of the main checks and balances expected from a public system with strong safety and public health mandate. In practice, it seems, however, that the transition from a mainly public or mixed system to a private system results in an erosion of control features and a subsequent increase in risks to public health and safety. This is discussed further below.

Unique and special feature of alcohol monopolies are their control and social responsibility functions. This is potentially what sets monopolies apart from other systems. Furthermore, properly managed and monitored, this control function can serve all interested parties to their benefit: government in generating revenue, producers in arranging the sale of their products in a responsible way, consumers in curtailing risks from excessive drinking, and public health and safety groups in preventing some of the problems related to easy access to alcoholic beverages.

## **IMPLICATIONS OF PRIVATIZATION [5]**

There are several direct as well as indirect implications of privatization, based on the research literature cited in this document and recent experiences in other jurisdictions. It is expected that privatization of alcoholic sales will increase outlet density, hours and days of sale, and, initially the average retail price of alcohol beverages, particularly with regard to the lower and mid-range priced products.

Several of these changes represent an increase in access in alcohol, which, in turn, would be expected to contribute to increased alcohol consumption and to drinking-related damage. In addition, it is likely that customer convenience will include complications: along with the expected longer hours of sale and extended selling days, at the retail outlet level, the product selection at the point of sale will likely not increase, and may decline.

Furthermore, significant negative implications are expected at the local level, including the problems associated with increase outlet density, safety and crime. It is unlikely that a private system oriented primarily to profit will be as diligent as is the case currently with regard to refusing service to minor customers or those intoxicated. The distribution of smuggled or illicit liquor may also be more difficult to control under a private operation.

However, on balance, the single most important implication of privatization is that it is very difficult to turn back once the step has been taken: new vested interests will become entrenched with a change in the system and even if some former arrangements are considered, on balance, to be superior, it will be difficult to go back once the previous arrangements are fully dismantled.

## **SYNOPSIS OF RESEARCH, INFORMATION AND POSSIBLE IMPLICATIONS OF PRIVATIZATION**

This section examines alcohol availability, the studies of the effects of privatization, and possible implications of privatization. An appropriate starting point is the research on alcohol availability, since it is expected that privatization of alcoholic sales will increase outlet density, hours and days of sale, and, eventually, lower retail prices. These changes, which all represent an increase in access in alcohol, would, in turn, be expected to contribute to increased alcohol consumption and to drinking related damage.

### **-ALCOHOL AVAILABILITY-**

A document produced by the Alberta Alcohol and Drug Abuse Commission (1995) provides a worthwhile perspective on availability. It indicates that "controlling the availability of alcohol is one essential component of a comprehensive public health strategy" using the following methods to control availability:

- controlling physical availability through socially accepted and enforceable legislation and licensing restrictions;
- controlling economic availability through pricing strategies, including taxation; and
- influencing social availability by supporting education and prevention programs that promote responsible alcohol use, including abstinence.

These options can be further supported by prevention, harm reduction and treatment initiatives that reduce the risk of negative consequences and strengthen the capacity of individuals and communities to identify and respond to these problems.

Among the options available to society and government, research overviews by Moskowitz (1989) and Edwards et al. (1994) clearly point to the special potential and importance of measures that control physical and economic availability. Numerous studies have examined the relationships between access to alcohol, per capita rates of consumption and certain alcohol-related problems. This research is based on studying shortterm and often sudden changes (e.g., strikes) as well as longer-term changes (e.g., gradual decline in the "real" or consumer index adjust price of alcoholic beverages). This line of research goes back at least until the beginning of this century, and much of it is based on experiences in Europe and North America since the Second World War. Analyses and reviews are found in a number of documents, including the following key resources: Bruun et al., 1975; M<sub>u</sub>kel<sub>u</sub> et al., 1981; Single et al., 1981; Moore and Gerstein, 1980; Moskowitz, 1989; Edwards et al., 1994.

While it is not necessarily the case that each and every increase in access to alcohol will increase alcohol consumption and rates of drinking-related damage, the overwhelming conclusion from the substantial body of literature is that availability clearly makes a difference. The positive consequences of reduced access are evident on a number of fronts, for example: the impact of increased prices/taxes in certain U.S. states on depressing rates of liver cirrhosis deaths and drinking and driving fatalities; the impact of wine rationing during the Second World War in Paris in reducing liver cirrhosis mortality; and the impact of price hikes in spirits in Denmark during the First World War in curtailing drinking related damage such as alcoholic psychosis (Bruun et al., 1975).

[6]

More recent examples of the shortterm implications of restricted access is evident from "strike" or "shutdown" studies as summarized in Osterberg and Saila (1991). Although strikes are not proposed as a way of reducing rates of drinking-related problems, it is evident from these studies of shortterm and typically partial restrictions in access to alcohol that rates of public drunkenness as well as other problems such as fights and domestic violence decline with less alcohol in circulation in the social system.

A key example of the effects of limiting access to alcohol is that of changes in the legal drinking age. On balance, this literature indicates that with the lowering of the legal drinking age in the 1970s in a number of jurisdictions, including Ontario, the rates of traffic crashes, including fatal crashes, increased, in some cases dramatically, among the age group affected by the regulatory change. Conversely, studies of comparison states and states where the age was increased showed that rates of drinking-related driving incidents were reduced as expected with the increase in the legal drinking age (Wagenaar, 1987)

Except for the minimum-age studies, most of the research from the 1950s onward has been based on studies of increased access to alcohol, which has been the most common experience in both European and North American contexts and is most relevant to privatization discussion. The two most significant changes in access to alcohol have involved price/tax reductions of alcoholic beverages, relative to consumer price index or disposable income, that is "real price", and/or increased access through the retail distribution arrangements. Studies based on Canadian, U.S. and European experiences point to the same general conclusions, namely that

increasing access through either price/taxation reductions or through increasing the alcohol retail network contributes to higher rates of consumption and drinking-related damage. While more examples are available in research resources cited at the outset of this section, the experiences in Finland in the late 1960s, Poland in the early 1980s, and Ontario in the 1950s onward support these general conclusions. In Ontario the rates of liver cirrhosis deaths, for example, have tended to rise or fall as per capita consumption rates rise and fall, and the general trends in consumption rates are inversely related to the real price of alcoholic beverages. (e.g., Seeley, 1960; de Lint and Schmidt, 1968; Popham, Schmidt and de Lint, 1978).

Russia, Finland and Poland provide examples of more dramatic experiences. In 1969 Finland's distribution system was dramatically liberalized through changes in the places allowed to sell alcoholic beverages and increased density of retail outlets in the rural areas. The resulting 50% per capita increase in alcohol sales in one year contributed to substantially higher rates of numerous drinking-related deaths and other complications for a number of years (M<sub>u</sub>kel<sub>u</sub>, et al., 1981b). The transformations of the Polish state in 1980s included a dramatic increase in access to alcohol. These changes in access, in turn, lead to higher rates of death, morbidity, and drinking-related damage on a number of fronts (Moskalewicz, 1994). Recent studies from Russia have shown a worsening of social conditions over the past six years, including an increase in alcohol abuse. A study conducted by Grechanaia and Koshkina (1995) examined the relationship of per capita alcohol consumption since 1965 and mortality rates -- including overall mortality, fatal accidents, suicides, alcohol-related deaths, and using time series analysis techniques found positive associations among the rate of consumption and alcohol problem indicators.

The general conclusion from this literature is that alcohol policies do have a significant impact on both the level of drinking and drinking-related problems and damage. Among the general levers of policy that are available to society and the state, the access to alcohol -- through relative price, density of outlets and distribution system, age of majority, etc. -- is arguably the single most important one. Furthermore, the nature, mandate and operation of the retail distribution system is crucial to the effective monitoring and control of access to alcohol. This control and monitoring, in turn, is central to influencing price, density of outlets, hours and days of sale, as well as volume of sales to minors or intoxicated customers (and thus impact on drinking and driving and other problems). [7]

One additional comment can be offered. It appears that, on balance, studies using the more sophisticated or stronger designs, such as quasi-experimental methodologies where the focus or intervention jurisdiction and comparison jurisdiction are compared over time, or using time series analysis models, are likely to find an association between major changes in access to alcohol and rates of consumption, or changes in the rates of consumption and drinking-related problems. In other words, the stronger research appears to reinforce the view that increasing access to alcohol will lead to higher rates of consumption and higher rates of drinking-related damage, and conversely decreasing access will likely lead to reduction in key drinking-related problem rates.

-DEVELOPMENTS IN ONTARIO: INCREASING ACCESS BUT ALSO INCREASING RESTRAINT-

In recent decades Ontario has experienced a number of changes involving increased access and promotion of alcoholic beverages. These changes have generally been small-scale and gradual, involving certain sectors of the distribution systems or operations and not the whole. Full-scale privatization stands in sharp contrast to these changes in that it would be a much more dramatic transformation of the control system with both shorter-term and longer-term implications.

A number of changes might be noted [8], including the following:

- Increase of beverage choices and accompanying promotion
- Move to self-service liquor and beer stores
- Diversification of options with regard to bottle size
- Promotion of extra-strength beers
- Introduction of U-brews and expansion of home wine making as a hobby
- Expansion of the Ontario winery and LCBO Agency store networks
- Introduction of "happy hours" (for some years) and expansion of on-site promotion of alcohol
- Rapid expansion of the "on-premise" network of bars, restaurants, fast food outlets, etc.
- Increased access through, for example, longer hours overall or time-limited hour extension, such as during the Toronto Film Festival
- Expansion of the number of sports venues where alcohol can be consumed in the stands
- Introduction of credit cards for purchases at LCBO and Winery outlets
- Elaboration of sponsorship and promotion activities by producers and secondary industries
- Recent options to increase media advertising of alcoholic beverages

Some of these changes began during the 1960s and 1970s when the official per capita consumption rates were increasing steadily, and others during the 1980s when the rate was levelling off or gradually declining. Some changes affect the majority of consumers, such as the switch to self-serve stores, and others affect a minority, such as temporary extended hours of some bars and restaurants in Toronto during the film festival.

A reasonable question is why consumption levelled off or declined during a period when piecemeal in changes the system were underway, including those that increased access to alcohol. At least four general factors are hypothesized to have moderated or dampened the impact of increased access: demographic changes; economic recession and other limits to access to alcoholic beverages; expanding consumer consciousness with regard to health, diet and fitness; and prevention and treatment efforts.

It is well known that the Ontario population is gradually aging. Numerous surveys (e.g. Paglia, 1995), have shown that typically that higher volumes are consumed by younger and middle-aged adults than older adults. This would lead one to suspect that a gradual aging of the population would tend to deflate consumption levels, all other things being equal.

Over the last decade the "real price" of alcoholic beverages has tended to keep pace with consumer price index or disposable income. This appears to be due to two main factors, the price /taxation structure of alcoholic beverages sold in Ontario, and the

general economic climate which has had a negative impact on the average disposable income. As is known from international reviews (e.g., Bruun et al., 1975; Edwards et al., 1994), if the "real price" of alcoholic beverages is stable or increasing, then modest changes in increasing access to alcohol are not likely to stimulate per capita consumption rates.

Smart and Mann (1995) have also pointed to the divergence of changes in access to alcohol and recent per capita rates in consumption. They point to increased health promotion and treatment activity as a likely explanation for these trends. In other words, the impact of increased access is somehow offset through prevention efforts, or increased treatment or other interventions, such as the expansion of A.A. groups in Ontario. If a significant proportion of the heaviest drinkers, namely those dependent on alcohol, are abstinent for significant periods of time, this could be a factor. Research elsewhere (e.g., Greenfield, 1995) indicates that a small fraction of the alcohol consuming population, namely the heaviest drinkers, consume about 50% of the overall alcohol volume.

Also, the increasing consumer sensitivity to the quality and nature of products, as is evident through labelling of foodstuffs, as well as, to health, diet and fitness, may have some implications for alcohol consumption patterns, particularly with regard to higher volume consumption. This has not yet been specifically explored in Ontario-based research.

While Ontario has experienced a number of changes involving increased access to alcohol in recent decades, there have also been changes focussing on prevention, treatment, control and related areas, including the following [9]:

- RIDE and other drinking and driving campaigns
- School and workplace campaigns about drinking-related risks
- Increase in treatment services and opportunities
- Expansion of the number of A.A. groups
- Increased public awareness of risks of inappropriate drinking related to work, leisure, homelife, sports and other venues
- Community-based information and action programs
- Media attention to certain alcohol-related issues such as drinking and driving, FAS/FAE, drinking among youth, children of alcoholics
- Both established and new groups showing increased interest in alcohol issues
- "Counter-advertising" against drinking and driving
- Challenge and refusal programs at the point-of-sale
- Server intervention programs

#### -PRIVATIZATION STUDIES--RESEARCH AND REPORTS-

Research on the impact of privatization has been conducted in a number of locales. Recent studies that have been conducted, are based on experiences in the United States (Wagenaar and Holder, 1991, 1995; Mulford and Fitzgerald, 1988; Mulford, Ledolter and Fitzgerald, 1992; Macdonald, 1986) and New Zealand (Wagenaar and Langley, 1995). [10] A report is available about the Quebec experience (Adrian, Ferguson and Her, 1995). There is mainly anecdotal information about the recent change in Alberta, as well as some reports (see below). However, a systematic study with before and after measures of key variables, and a comparison jurisdiction where

similar data were collected, was not, unfortunately, undertaken in connection with the transition in Alberta.

In addition to studies or anecdotes about actual shifts to privatization, there are projections of the possible implications of such changes, including an examination of the implications of partial or complete privatization of Nordic monopolies (Holder et al., 1995), or some of the expected consequences of privatization of alcohol sales in Ontario.

Research based on the U.S. experience provides some competing interpretations about the impact of partial privatization on rates of alcohol sales. The debate has focused on the Iowa experience. Mulford and his co-authors claim that there was minimal increase in consumption, whereas Holder and Wagenaar, and Macdonald contend that consumption increased (e.g., Mulford and Fitzgerald, 1988; Mulford, Ledolter and Fitzgerald, 1992; Wagenaar and Holder, 1991). Two particular points of dispute [11] are that Mulford claims that his opponents did not properly adjust for cooler sales which increased around the same time, when conducting their analyses. Holder and Wagenaar counter that Mulford's analytical techniques do not control for national secular changes in consumption, and that their findings from Iowa are replicated in a number of other states where privatization occurred and wine coolers were not an issue (see Wagenaar & Holder, 1995).

The upshot of these discussions appears to be that even if Iowa is left out of the debate, because of the dispute over specific data available and how it was analyzed, privatization tends to lead to an increase in alcohol sales in most recent U.S. experiences (see Macdonald, 1986; Wagenaar and Holder, 1995). These increases range from 15% to 150%, and occurred relatively shortly after the shift toward a private system. Nevertheless, in this context, studies remain to be undertaken about the impact of partial privatization and concomitant changes in per capita consumption on rates of acute and chronic complications related to drinking.

In the Nordic countries we have a particularly dramatic example of liberalization which bears on the privatization experience. This is the large increase in Finland immediately following the liberalization of the alcohol distribution arrangements to promote the sale of beer. The total per capita consumption increased by 50% in one year, and, not surprisingly, subsequent years saw increased rates in drinking-related damage, both acute and chronic, as well as changes in the patterns of drinking (Makela et al., 1991). Nordlund (1981) reports on two towns in Norway which underwent a net reduction in the beer outlets. This resulted in a fall in beer sales, but as noted in Edwards et al. (1994), "some of this reduction was replaced by an increased sale of wine and spirits."

The Quebec experience in the late-1970s involved a transition whereby lower-priced mainly domestically bottled wines were made available in corner grocery stores, although the SAQ system and the practice of allowing the bringing of personal bottles to be opened in restaurants continued. Quebec corner stores had the right to sell beer since shortly after prohibition, and the partial move to further privatization with the introduction of certain wines to corner store outlets was confounded by a liquor worker's strike which occurred the same year. Unfortunately, this experience has not been studied to the extent that it might have. Although there are anecdotal accounts of negative impacts of privatization in rural or small town areas, including increased drinking and driving, systematic studies of a wide range of implications of

this privatization -- including drinking-related accidents or health problems -- are sorely needed. One recent study, conducted by Adrian and her colleagues, using time series techniques, controlled for pricing, cost of living and other variables. The authors found the following: "while there was an effect from the liberalization of access to wine in Quebec in 1978, it was not large enough to be regarded as a significant structural change in wine-buying behaviour." They go on to state that "there is evidence that the changes in availability rules had an effect on the wine market, but that ultimately they seem to have been minor rather than a major factor, with consumption behaviour in the long run continuing to be driven by prices and incomes in much the same manner as they were before 1978. Our results are not incompatible with the behaviour of a mature market for alcohol, one in which alcohol has been available for a long period." (Adrian et al., 1995, p. 16)

In recent years there has been a growing interest in the implications of the European Union on government retail monopolies in Nordic countries. Special studies conducted for the Swedish, Finnish and Norwegian experiences are summarized in an overview paper by Holder and seven colleagues (1995). The two main steps in their analysis was to develop scenarios and estimate changes in per adult consumption rates; and to the project changes in alcohol-related mortality. Different scenarios were considered ranging from partial elimination of the current monopolies and modest reduction in alcohol prices to complete elimination of the state monopolies along with a substantial decline in alcohol prices as a result of private competition within each country and increased cross-border alcohol purchases.

Their modest scenario projected the following: per capita consumption in Sweden would rise from 6.3 to 9.3 litres per person aged 15 and older, in Norway from 4.7 to 6.7 litres, and in Finland from 8.4 to 11.1 litres. For the greatest projected increase in consumption the estimates were as follows: 6.3 to 12.7 in Sweden, 4.7 to 11.1 in Norway, and 8.4 to 13.7 in Finland. With regard to their second agenda, the authors offer the following projections:

*...a 1 litre increase in consumption would result in a 9.5% increase in total alcohol-related mortality in Sweden and a 9.7% increase in Norway. Further, alcohol-related assaults would increase by 9% in Sweden and 9.6% in Norway. A 5 litre increase in consumption would result in a 62% increase in alcohol-related mortality in Sweden and a 60% increase in Norway, and a 57% increase in alcohol-involved assaults in both countries. (Holder et al., 1995, abstract)*

The findings from the recent Alberta experiences are sketchy at this stage. On the one hand a review by the Alberta Liquor Control Board entitled "A New Era in Liquor Administration: The Alberta Experience" (1994) provides a glowing detailed overview of the transition and benefits, without mentioning trends in rates of alcohol consumption, refusals or serving practice events, drinking and driving statistics, violence, robbery or any other possible problems that might possibly be related to privatization. Without exploring these topics this report must be considered a partial and incomplete account.

On the other hand, the report by the Canadian Wine Institute (1994) entitled "The Impact of Privatization on the Distribution and Sale of Beverage Alcohol in Alberta" expresses some concern about the way the transition was handled, and reports problems related to customer service, pricing, supply and distribution related to the transition. Another report commissioned by the National Union of Public and General

Employees and published by the Canadian Centre for Policy Alternatives (Laxer, Green, Harrison and Neu, 1994) provides a negative interpretation of the privatization of Alberta's liquor control board. The report claims that the privatization lead to the following: increased prices and with less selection at the retail level; an increase in liquor store break-and-enters, robberies and other offenses; more relaxed enforcement of liquor control laws pertaining to underage purchases; lower revenue from the sale of liquor board assets than had been expected; and, projected lower overall revenue from the sale of alcoholic beverages.

With regard to recent discussions in Quebec, a report by Leo-Paul Lauzon on "Socio-Economic Analysis" of privatization proposals of SAQ, provides a critique of these proposals and their assumptions regarding pricing, distribution and revenue generating, and outlines the advantages of a state alcohol monopoly. He argues that the socio-economic implications of privatization be considered carefully. What are the benefits? What are the consequences? Overall, the structure and operation of the SAQ is sound. The SAQ is a profitable corporation and a reliable source of income for the Quebec government, contributing approximately 475 million dollars annually, while keeping operation costs and expenses manageable. Privatization initiatives such as selling wine in convenience stores has resulted in a loss of government revenue - approximately 27 million dollars in 1993.

Lauzon criticizes arguments in favour of privatization based on lack of evidence. One claim is that privatization will lower prices. Privatization would unlikely generate additional income for the Quebec government. The large amount of revenue already generated for the government by the SAQ would require the private sector to create huge sales, this however is not compatible with the government's policy to reduce alcohol consumption by 20% by the year 2000. Furthermore, additional sales would be required if the private sector is to lower prices.

He notes that there are a number of advantages to a state alcohol monopoly, some of which include: better selection, standardized prices and government revenue. Social issues arising from the privatization debate must be addressed as well. Increased liquor sales resulting from privatization could result in escalating social costs in areas such as health care, traffic accidents, etc.

#### -ECONOMICS & BALANCING MULTIPLE AGENDA-

Experiences in North America and elsewhere (summarized above), strongly suggest that as the control structure is relaxed through privatization, new vested interests are created with the result that there is increased access to alcohol, increased per capita consumption (in comparison to expected patterns under the current system), and an increased in drinking-related complications. With new vested interests there will undoubtedly be further pressures to open up the system of distribution more widely, and thus what may start as a modest change may set in place expectations and pressures where the controlled sale of alcoholic beverages is eventually dramatically eroded.

There are shorter-term and longer-term implications of a shift to private operation. Selling government-owned real estate will likely have some short-term cash flow benefits. Laying off employees of a government operated retail system will likely have some short-term costs to the government related to severance pay, and longer-term financial gains, in the narrower sense, with a reduced staff budget.

Nevertheless some costs will remain for administration, inspection, monitoring and set-up of a privately operated system.

In addition, privatization may eventually lead to pressures to cut the tax per unit, as happened in Iowa, and the health, safety and public order costs associated with subsequent increases in consumption may or may not compensate for the tax cut. In the longer run, changes to privatization would very likely result in easier access to alcohol with increased policing, and health and safety costs related to drinking related complications.

#### -OTHER POSSIBLE IMPLICATIONS-

A number of other implications of privatization need to be considered. These will likely vary with the extent of any change and the degree to which the control functions of the Liquor Control Board would be maintained within a new system. With regard to some of these points there are hunches and concerns, but not necessarily systematic current research evidence. The main concerns involve control features, environmental impact, and smuggling and illegal production of alcohol.

#### SERVING PRACTICES, STAFF TRAINING, INSPECTION AND OTHER CONTROL FUNCTIONS:

A number of questions can be raised about whether a private system of retail distribution would maintain important procedures that insure that alcohol is distributed in a responsible and appropriate manner. These concerns include serving practices, training of staff, as well as safety of staff.

- Serving arrangements: Compared to publicly run outlets, service staff in private outlets may not be as motivated to refuse service to minors or intoxicated customers, if the "bottom line", namely profit is the central rationale for the business. It is also feasible that under these arrangements, junior staff, who may still be at the legal drinking age, working in the new outlets unsupervised and motivated to keep up a high sales turnover would find it difficult to turn away under-age drinkers, or older adults who are under the influence of alcohol. If new retail arrangements includes grocery or convenience store outlets, then there would be increasing demands on what are typically family-run businesses to have staff of the legal drinking age on hand to serve customers purchasing alcohol. This in turn could very likely increase the overhead costs and thus stimulate the motivation to increase alcohol sales through various techniques.
- Staff training and refusal of service: The development and evaluation of server intervention programs has shown that efforts to develop awareness of the risks of over-serving, serving to minors or serving intoxicated customers can have an impact if the training is supported by management and there is regular enforcement and reward structures to reinforce the benefits of responsible service and the liabilities, including civil claims, if improper service leads to injury or death. Over the past years the Liquor Control Board of Ontario has introduced an extensive challenge and refusal program. Basic tabulations on challenge and refusal for three recent fiscal years are as follows:

### Fiscal Years

	1992-93	1993-94	1994-95
<b>Challenged</b>	193,646	210,206	229,632
<b>Refused</b>	41,694	50,423	49,410
<b>Challenged/refused (intoxicated)</b>	15,666	13,466	14,366

A number of questions can be raised about how a new system would manage serving arrangements so that service to minors and intoxicated prospective customers would be curtailed, and, more generally the risks and legal liabilities of service be avoided. Under a new system, would managers be required to include server intervention programs for all staff, and would they support such programs and provide regular up-dates or refresher courses? Would staff be motivated to maintain the current standards of challenging potential customers perceived to be below the drinking age or intoxicated? Would there be adequate resources to insure that managers and staff, including new staff as there is turnover, are properly trained and that the impact of the training is routinely monitored?

These and other questions are relevant to the maintenance of the control functions of any system, and, in turn, the control features of retail distribution are critical to minimizing drinking-related occurrences, including those involving injury and death among young drinkers. Furthermore, serving intoxicated customers also has serious implications for several parties: the drinker in that irresponsible behaviour of seeking alcohol when intoxicated and dependent on alcohol is reinforced by the very persons who, by law, are expected to withhold service under these circumstances; for others, in that providing additional alcohol when the prospective customer is already intoxicated can contribute to drinking and driving incidents, fights, assaults or family disruptions, or tragedy for innocent persons; and, for the server and his or her organization, in that injury or death linked to the serving event can result in prosecution and liability claims.

- Safety issues: Major changes in access would likely involve more outlets, including outlets in some urban areas with higher crime rates, and/or longer hours of sale which would increase the vulnerability of the outlets and their staff to robbery and assault occurrences. Concern with staff safety would likely lead to increased policing costs. In highly urbanized areas in U.S. states, the local liquor stores add an element of convenience, but also appear to bring with them crime or deterioration and drive out businesses that deal with the necessities of day-to-day life. Observing the situation in some U.S. states, in contrast to the attractive, well-managed and carefully run stores under the current LCBO arrangement, one might ask whether we wish to have a revised system with liquor shops that resemble those evident in some U.S. states.

- Distribution feasibility, monitoring & inspection: In the Alberta experience with privatization the number of main alcohol retail stores increased by about 150%. According to the December 1994 report of the Alberta Liquor Control Board there were 202 liquor stores and 49 Agency stores, 23 wine stores and 30 beer stores in September 1993. By the end of November 1994, the board stores had been phased out completely as had the retail beer and retail wine stores, the Agency stores increased to 90 in number, and then new retail liquor stores represented 535 outlets. There was a small increase of hotel off-sale outlets (532 to 556) during this period.

The overall retail liquor outlet system went from 842 to 1,187, with the largest change being due to the 202 ALCB Retail Stores being replaced with 535 Retail Liquor stores. The Alberta number of stores after privatization, with about 25% of the Ontario population, is similar to the current number of retail liquor stores in Ontario under the current system. According to the 1993-1994 LCBO Annual Report, there were 600 LCBO stores in 1994. The Alberta rate is about 20.1 per 100,000 persons and the Ontario is about 5.6 per 100,000, considering the liquor store retail system which is the channel for a large share of the alcohol sold in either province.

In view of public health and safety issues, a more diverse retail outlet system presents a number of challenges. A key challenge is that of keeping consumption from increasing, while handling the increased costs of distribution and handling.

However, most of the expected key aspects of privatization, such as more outlets, longer hours, extended selling days, and, possibly lower price, will all likely increase consumption, and thus tend to increase rates of alcohol-related problems. On the other hand, keeping the status quo, namely, no more stores and no change in prices, hours of sale or days of sale, while likely keeping consumption from increasing, will not effectively address the "convenience" agenda which has been reported in the media as a rationale for privatization.

The second challenge is that of handling inspection and control capacity within a retail system that is more extensive. Inspection, quality control with regard to challenge and refusal, and related issues may have a lower priority in a privatized system than under a government-run operation. Significant resources would have to be devoted to training, monitoring, policing, monitoring and even enforcement functions in order to maintain the current arrangements in Ontario. Self-monitoring may be put forward as a response to these challenges; however, it is likely wishful thinking that private business looking to profits will undertake routine attention to control functions without some combination of encouragement and discouragement.

#### ENVIRONMENTAL ISSUES: DENSITY OF OUTLETS, HOURS & DAYS OF SALE, LOCATION OF OUTLETS AND RATES OF PROBLEMS:

Neighbour or environmental impact is difficult to assess. Some cross-sectional studies of retail outlet density point to a positive association between density and motor vehicle crashes (Scribner, MacKinnon and Dwyer, 1993) as well as violent assaults (Scribner, Dwyer and MacKinnon, 1994). Also, earlier research by Macdonald and Whitehead (1983) points to an association between density of outlets and the rate of consumption; this association seemed to be stronger for off-premise outlets which sell the lion's share of alcohol in North American settings, than for on-premise outlet networks.[12] The conclusions of this research are generally in line with the trend studies noted above, which find that an increase in access to alcohol over time is associated with a higher rate of consumption as well as drinking-related risks or problems, as in several U.S. states, New Zealand, Finland, Poland and Russia.

The most dramatic recent experience with regard to alcohol density issues comes from South Central Los Angeles. Following the civil disruption and massive property destruction in May 1992, residents groups strongly objected to a return to the former

arrangements where there was liquor store on almost every corner (in some corners more than one) and a scarcity of other retail services. Prior to the 1992 civil unrest, there were over 700 off-sale licenses in South Los Angeles, with a population of about 600,000, whereas, in contrast, Rhode Island has about 280 off-sale licenses with a population of 1.3 million. [13] During the 3 days of civil unrest more than 200 liquor stores were destroyed, including many previously identified by the community as problematic. A predominant message from meetings that followed stated the community did not want the liquor stores to be rebuilt. These stores were perceived as problematic because they tolerated illegal behaviour, replaced other business and contributed to the crime and deterioration of the neighbourhoods. Various commercial interests favoured rebuilding the stores and tried to influence the public hearing processes. To date fewer stores have been rebuilt than existed prior to the civil disruption, some land owners have opted for opening other businesses, and the local citizens appear to have developed a way of insuring that they have a significant say as to the nature of commerce in their neighbourhoods (Bass, 1995).

A similar concern is emerging regarding density in the Parkdale area of Metropolitan Toronto. Privatization may have a detrimental effect on areas where density is already an issue.

#### SMUGGLING AND ILLICIT PRODUCTION:

On this topic there are a number opinions, impressions and hypotheses, sometimes combined with data or estimates. However, the research required to thoroughly address key questions has not been done in Canada. Estimates about the impact of higher prices on smuggling vary widely, and, it is claimed that this increase is linked, at least in part, to the high price of alcoholic beverages in Ontario, and Canada generally, in contrast to those prices in adjacent U.S. states. Questions on a recent opinion survey conducted this spring asked respondents if they had ever purchased alcohol from an unlicensed source. Overall, 11% of the 990 respondents had made such a purchase, with males (16.6%) significantly more likely than females (6.2%) to purchase unlicensed alcohol (Macdonald, 1995).

Proposals to reduce smuggling or illicit production by lowering taxes have a number of shortcomings. First they do not give sufficient weight to alternative measures such as increased and random inspection at the borders, increased enforcement and penalties at local and licensee outlet levels [14], and increased education of the general public of the legal penalties of smuggling and of the health risks of alcoholic beverages produced in uncontrolled and unsanitary environments.

Secondly, they do not acknowledge the immediate and longer risks of increased consumption. Lower prices of legal alcohol sold in Ontario would be expected to reduce smuggling and thus move some of the purchasing back to legitimate Ontario-based products. A minority of the drinking population currently purchase smuggled alcohol; however, in addition, the lower prices will stimulate consumption across the board, with a potential impact on all drinkers, including the majority who are not currently consuming smuggled alcohol. Thus the increased access to alcohol through reduced prices will not merely involve a substitution of legitimate alcohol for smuggled or illicit alcohol.

One might hypothesize that a private system would not be as effective as a public one in curtailing smuggling. Experiences from two private systems involving addictive substances point in this direction. Some private operators of retail package stores under a private system may be inclined to use smuggled or illicit alcohol to boost net profits. Anecdotal accounts pointing to access to smuggled or other illegal alcohol in on-premise outlets (a private system) strongly suggest that smuggling will be more difficult to control in a privatized system of off-premise sales. One would suspect that as was the case with regard to cigarettes, private off-sale outlets would have a strong incentive to sell smuggled beverages and would provide a ready market for these beverages.

#### -VIEWS OF THE ONTARIO PUBLIC ON INCREASED ACCESS TO ALCOHOL AND RELATED ALCOHOL POLICY ISSUES-

A popular view is that the majority of Ontario residents want to see dramatic changes in the alcohol policies. Some public opinion polls tend to support this view. For example, a poll conducted for the Association of Canadian Distillers (1994) by Decima Research showed that 77% of the respondents found that the tax rate on a bottle of liquor was far too high or too high. Nevertheless, the key questions provided a preamble which likely influenced the outcome: "A present, 83% of the price of a bottle of liquor is tax. In your view, is this rate of tax far too high, too high, about right, too low or far too low?" (Information is not provided on the number of respondents to this question, although overall 750 interviews were completed.)

The surveys conducted by the ARF, or in collaboration with staff from the ARF provide quite different findings. The basic finding, as reported in media release documents, presentations at scientific meetings and publications in peer-reviewed journals, is that the majority of adult Ontario residents are in favour of the status quo, and not supportive of increased access to alcoholic beverages, as represented by decreased taxes, longer hours of sale of retail stores, or sales of alcoholic beverages in corner or convenience stores (Ferris, Templeton and Wong, 1994; Bondy, 1994; Giesbrecht and West, 1994; Paglia, 1995; Room et al., 1995). The results from the most recent published report [15] show the following: that half of the respondents wanted alcohol taxes to remain the same, that 86% stated that beer or liquor store hours should remain the same or decrease, only 28% were in favour of the sale of alcoholic beverages in corner stores, and that 80% wanted efforts to prevent drunken customers from being served to be increased. In addition, 78% of the total sample thought that alcoholic beverages should have warning labels about possible health hazards. [16]

The 1995 survey in this series also included questions about the personal accessibility to off-premise and on-premise alcohol sales. Seventy-nine percent of the respondents stated that they were 10 minutes or less from the nearest beer or liquor store. When asked about a licensed bar, restaurant or tavern, 88% stated that they were 10 minutes or less. The respondents were also asked "How convenient is it for you to get from your home to the nearest beer or liquor store?" and the responses were as follows: very convenient (62%), somewhat convenient (27%), somewhat inconvenient (8%), very inconvenient (4%) (West, Giesbrecht and Pius, 1995). It should be noted that these are responses from a representative sample of 1,000 Ontario adults surveyed by a reputable university-based survey firm in March

1995. The responses would lead one to conclude the importance of convenience to the typical Ontario resident has been dramatically over-estimated.

More generally, the results reported by Paglia (1995), as well as previous analyses based on these series of surveys, provide no direct support for the perspective that the general public of Ontario is generally dissatisfied with the current arrangements for the distribution and control of alcoholic beverages. Indeed, they seem to be highly supportive of status quo arrangements. However, it is possible that debate and agenda setting about privatization, influenced by the wishes or views of some and not the majority, can easily leave the impression that the wishes of the majority are being represented.

#### PROPOSED PRIVATIZATION/MODERNIZATION OF ALCOHOL SALES IN ONTARIO: CAUTIONS & SUGGESTIONS

a. Consider that public health, law enforcement and safety concerns need to be given more prominence in the deliberations: Public health, law enforcement and safety interests should be central to the discussion without any further delay. These are legitimate players in determining how alcohol is distributed and sold. Since these interests will be called upon to deal with the possible negative consequences of any change, they should be at the table when proposals for modernization or privatization are discussed.

b. Proceed cautiously and consult a wide range of interest groups and organizations: In light of the general damage of alcohol to society, it would seem appropriate to proceed cautiously and slowly, and with wide consultation, including an exploration of possible alternative changes (see Suggestion e above). The Alberta experience, has not been adequately studied. It does, however, suggest that quick moves are likely ill-planned. Extending the planning process until more adequate information is available has few, if any, negative implications, whereas a hasty decision is likely to have both shorter-term and longer-term undesirable implications.

c. Consider whether the "solution" will create greater problems than it is proposed to solve; explore alternatives that do not involve increased access to alcohol: Careful consideration needs to be given to what problems, if any, that privatization will solve, and what problems it will create. Solving perceived problems of convenience, for example, through privatization, will likely be too big a price to pay, considering the possible increased problems of health and safety, and related costs, that may arise as a result of modernization. Furthermore, alternatives, that do not involve increased access to alcohol -- such as is the case with higher outlet density, longer hours or more days of sale, or less effective mechanisms to avoid service to minors or intoxicated customers -- need to be explored. Alternatives with a lesser or no impact on total rates of consumption, and/or problems are clearly desirable to those which increase volume of alcohol consumed and related damage. Thus, creative and careful thinking, reflecting a wide range of perspectives, is needed in order to determine how best to address some of the wishes of the consumers, without necessarily increasing drinking or indirectly facilitating risk-taking related to drinking.

d. Note that changes which increase access to alcoholic beverages are very difficult to reverse; therefore, if changes are planned, focus on those that are small-scale,

temporary and reversible, i.e., on a trial basis. Even small changes will be difficult and very costly to reverse if they are found, after the fact, to produce undesirable consequences, therefore, any change should be considered carefully and thoroughly. The present system may have some drawbacks but the "solution" could very likely create more problems than it seeks to address.

If changes are made, then a rational and empirical approach is strongly advised. Namely it is proposed that any changes that are made be introduced on a short-term, time-limited, modest, trial basis, and a wide range of implications monitored and assessed, using the most appropriate and sophisticated methods and techniques. The assessment should consider changes in price, revenue, rates of consumption, drinking related problems at the local level, serving practices, environmental issues, and customer perceptions. When the trial period is completed it should be compared to the primary functions of a system which seeks to balance both commercial, revenue generating, customer service and public health agenda. If the trial system is shown to not meet these expectations and contributes to an increase in drinking-related problems, then it should be replaced by a system that will reduce or avoid the problems that became evident during the trial period.

e. Plan to monitor and assess any changes in the distribution or control arrangements: If there are to be any changes in access and distribution arrangements, it is imperative to monitor and assess their implications. We need to understand the nuances of privatization much better than we have to date. It is important to avoid the experiences in other provinces and more fully prepare for change, if changes are to be made. This will include setting the stage for reconsidering decisions should the outcomes be less than desired. Setting up monitoring arrangements in advance will facilitate understanding the experience when it is underway and providing a sound basis for making "mid-course" adjustments as information about the implications of any changes in retail distribution become available.

f. Consider that the Ontario public is supportive of the status quo: As noted above, the majority of Ontario adults are in favour of keeping things the way they are when it comes to alcohol policy. It is the younger heavier or more frequent drinkers who are likely to support increase access to alcohol. Should changes be made in the current system that are not supported by the majority of Ontarians?

## ENDNOTES

1. The opinions expressed in this document are those of the author and do not necessarily reflect the views or the policies of the Addiction Research Foundation.
2. For further information refer to "The Path of Least Resistance: the trend to normalize alcohol", ARF Best Advice document.
3. For additional information refer to "Retail Alcohol Monopolies: Preserving the Public Interest", ARF Best Advice.
4. The results of the deliberations are reported in the Proceedings of the Meeting (Ferris, Giesbrecht, Dunning & West, 1994) as well as in papers appearing in an issue of Contemporary Drug Problems (edited by Room, Ferris and Giesbrecht, 1993). The paper by Robin Room "The evolution of alcohol monopolies and their relevance for public health" Contemporary Drug Problems (Summer, 1993), pp. 169-187, is of particular relevance to the current discussion.
5. The implications of privatization are also discussed in a subsequent section of this document.
6. For further information about the topic of taxation please refer to Alcohol and Tobacco Taxes: A Public Health Priority, ARF Best Advice Document.
7. For further information, please refer to the concluding chapter from Edwards et al., (1994) Alcohol Policy and the Public Good.
8. This list indicates examples of a number changes in Ontario over the past two decades, but should not be considered an inclusive list.
9. These are examples and the list should not be considered inclusive.
10. For additional information on this topic, please refer to the paper by Alexander Wagenaar and Harold Holder entitled "Changes in Alcohol Consumption Resulting from the Elimination of Retail Wine Monopolies: Results from Five U.S. States".
11. The synopsis of the dispute is based in part on a discussion among the principals in connection with the 37th International Congress on Alcohol and Drug Dependence, San Diego, California, August 20-25, 1995.
12. Additional information on this topic is provided in research by O'Malley and Wagenaar, 1991; Gruenewald and Ponicki, 1993; Van Oers and Garretsen, 1993; Scribner et al. 1994; Cook and Moore, 1993; and, Lester, 1993.
13. The rates were roughly 117 retail outlets per 100,000 population for South Los Angeles and 28 per 100,000 for Rhode Island. In other words the density of retail outlets per population was over 4 times greater in the South L.A. area than it was in Rhode Island.
14. In 1993 the Chairperson of the Liquor Licence Board of Ontario sent a letter to every licensee owner pointing to the risks and liabilities of having smuggled alcohol in their operations. In the following weeks there was a clear increase in purchases of alcohol by licensee outlets from the LCBO, and the staff of LCBO and LLBO contribute this turn-around as an immediate response to the warning received by the on-premise outlets in Ontario.
15. Alcohol, Tobacco, and Drugs: Dependence, Problems and Consequences of Use. A report of the 1994 Ontario Alcohol and Other Drug Opinion Survey, by Angela Paglia (1995).
16. The surveys conducted between 1989 to 1995 appear to show little change in these basic findings. These surveys involved representative samples of adult Ontario residents who participated in telephone interviews conducted by either Statistics Canada, the Institute of Social Research, York University, or the Survey Design and Analysis, Inc., University of Michigan. Depending upon

the resources available, the number of subjects interviewed per year ranged between 1,000 to 2,000. "The policy items are straightforward and inquire about the respondents views on current or possible alcohol policy measures. The questions are presented with the following introduction: 'Now I would like to ask you a few questions about your opinions concerning alcohol..' followed, for example, 'Do you think taxes on alcoholic beverages should be increased, decreased, or remain the same?'....the questions are asked in the same order from year to year and are typically located about midway through the survey interview." Despite the fact that different survey firms have conducted the surveys from year to year, the results remain fairly stable over time (see West, Giesbrecht and Pius, 1995).

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For Additional Information Readers Are Referred to the Following Resource Documents:

1. The Path of Least Resistance: The Trend to Normalize Alcohol (ARF Best Advice document)
2. Retail Alcohol Monopolies: Preserving the Public Interest (ARF Best Advice document)
3. Alcohol and Tobacco Taxes: A Public Health Priority (ARF Best Advice Document)
4. Griffith Edwards et al., (1994) Chapter 10. The policy implications, Alcohol Policy and the Public Good. London: Oxford University Press, 1994.
5. Robin Room (1993) The Evolution of Alcohol Monopolies and their Relevance for Public Health. Contemporary Drug Problems (Spring, 1993), pp. 169-187.
6. Alexander Wagenaar and Harold Holder (1995) Changes in Alcohol Consumption Resulting from the Elimination of Retail Wine Monopolies: Results from Five U.S. States Journal of Studies on Alcohol, vol. 56.
7. Angela Paglia (1995) Section on Alcohol Policy in: Alcohol, Tobacco, and Drugs: Dependence, Problems and Consequences of Use. A report of the 1994 Ontario Alcohol and Other Drug Opinion Survey. ARF Document No. 121. Toronto: Addiction Research Foundation.
8. Paulette West, Norman Giesbrecht and Benita Pius (1995) Alcohol Policy, Consumption Patterns, Access to Alcohol, and Harmful Effects of Drinking: Preliminary Report -- Ontario 1995 General Population Survey Manuscript available from the Addiction Research Foundation, Social Evaluation and Research Department.
9. Lise Anglin (editor) (1995) The Ontario Experience of Alcohol and Tobacco: New Focus on Accessibility, Violence and Mandatory Treatment. ARF Internal Document No. 122. Toronto: Addiction Research Foundation.

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