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January 21, 2005

Government plans for LCBO
Mortgaging public health for cash

Do you think the McGuinty government just forgets that alcohol is a drug? That it causes about as much harm as tobacco? That young people are at particular risk? That it costs Ontario nearly \$3 billion a year in lost productivity and increased health care and enforcement costs?

Or are they addicted to quick cash?

How else can you explain his appointment last week of an alcohol review panel that includes no one with public health expertise? How else can you explain his plans for the LCBO and corner-store alcohol sales that would threaten public health and safety?

No government should try to reduce the provincial debt by causing greater death.

Many of us derive pleasure from drinking alcohol. But the plain reality is that alcohol, like tobacco, imposes a heavy burden on public health—a burden that is far greater than for illicit drugs. Alcohol is not just an ordinary commodity and it shouldn't be sold like one. People who eat too many corn flakes don't cause car crashes. No one assaults their spouse while under the influence of apple juice. Alcohol is a drug.

Decades of research shows that higher overall alcohol consumption leads to more people suffering from liver cirrhosis, alcohol-related cancers and other chronic diseases. It means more alcohol-related car crashes, drownings, and falls; more public disorder and more domestic violence.

Yet the Finance Minister suggests expanding the sales networks for beer and wine, and breaking the LCBO's public monopoly on liquor sales – actions that would increase the number of alcohol outlets and hours of sale. More private retailers pushing product would boost sales to youth, and increase overall consumption, leading to greater public harm. As for convenience, it may indeed be handy to grab a bottle at a corner store on the way to a late party. But you might encounter a drunk driver on the road who's enjoyed the same easy access.

The Finance Minister also plans to turn the LCBO into an income trust. According to research by the World Health Organization, maintaining public alcohol retail distribution systems with a strong duty of social responsibility is one of the most effective ways to minimize alcohol-related harm. Public systems are typically more restrained than their private counterparts in promoting alcohol sales and more likely to aggressively challenge and refuse to sell alcohol to underage youth and the already intoxicated. Public monopolies also moderate the political influence of private corporate alcohol sellers that have a vested interest in boosting alcohol sales. A publicly-owned retailer can also be held more directly accountable to the public. Regrettably, the LCBO is now allowed to place far too much emphasis on glamorizing liquor consumption at the expense of its duty to promote public health and safety. But turning the LCBO into an income trust would make matters worse and squander potential for future improvement. The lucrative priority of selling more alcohol would triumph.

Greg Sorbara says he won't sell our LCBO cash cow, but he won't deny planning to sell its cash. Establishing an income trust would divert alcohol-generated cash—over a billion dollars a year in dividends to the Province—to private investors. Known as the Canadian equivalent to U.S.-style leveraged buy-outs, income trusts also exploit a federal tax loophole allowing them to avoid paying corporate income tax. So, after an initial infusion, Ontario would soon have even less money to deal with the greater health problems caused by increased alcohol consumption.

Recent surveys and the government's own post-election consultation show that the vast majority of Ontario adults oppose alcohol initiatives that threaten public health and safety. The Finance Minister's plans are much broader than previous governments' privatization schemes and would involve even greater risk. Alcohol is no ordinary commodity. No matter how desperate the government may be for short-term cash, there's no future in mortgaging citizens' health to get it.

Submitted by Dr. Garry Aslanyan, President of the Ontario Public Health Association in Toronto. The mission of the OPHA is to provide leadership on issues affecting the public's health and to strengthen the impact of people who are active in public and community health throughout Ontario.

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