



National Golf Course Owners Association Canada
Association nationale des propriétaires de terrains de golf du Canada

Monday, March 18th, 2019

Attention: Hon. Doug Ford, Premier of Ontario
Hon. Vic Fedeli, Minister of Finance

Over the past couple weeks; members of the National Golf Course Owners Association Canada have met with Hon. Lisa Thompson (MPP Huron-Bruce), Hon. Jeff Yurek (MPP Elgin-Middlesex-London) and Hon. Ted Arnott (MPP Wellington-Halton Hills) to discuss an issue that we are facing in the **golf industry** with regards to **alcohol service times**. Following those separate meetings, it was recommended that we reach out directly to you both to share our thoughts and voice our concerns.

Are you aware that Ontario is, by far, the most restrictive of all the provinces in terms of when Licensed establishments are permitted to serve alcohol? The standard serving times in Ontario begin at 11:00 AM, with Last Call at 2:00 AM the following day. However, at the other end of the spectrum, Quebec serving time begins at 8:00 AM with Last Call at 3:00 AM the following day and New Brunswick legislation indicates serving time begins at 6:00 AM when serving food, or 9:00 AM if no food is being offered. The majority of provinces permit liquor service to begin at 9:00 AM, except here in Ontario.

The large majority of Licencees (restaurants and bars) are not operating their businesses from sun-up to sun-down the way most golf courses do. Most golf courses are busiest during the morning hours and there seems to be a misconception that people only drink alcohol in the evenings. Many golf courses close down their “restaurant/bar” operation shortly after dusk because their restaurant business is secondary to their golf business. Only certain Private Clubs, or those Clubs offering Wedding and Banquet facilities serve until 2:00 AM. A “typical” patron at a golf course spends between 3 and 6 hours on the property, primarily playing golf and socializing with their friends.

Current legislation was clearly written to address a “typical Restaurant/Bar” scenario and does not properly take into account the many other licensed venues in the marketplace today that serve alcohol as a “secondary” or supplementary offering (for instance at a golf course, airport, etc.).

Many LCBO retail shops, LCBO Agencies, Wineries, Distilleries and Craft Breweries in Ontario are “Open for Business” as of 9:00 AM. The Beer Store generally opens for business at 10:00 AM. In Ontario it was announced that as of Dec. 2nd 2018, LCBO stores and Beer Stores can now opt to be open for business starting at 9:00 AM daily until 11:00 PM daily (including Sundays). This is giving the opportunity for consumers to purchase (and consume) their alcohol at a retail location up to 2 hours in advance of when they can legally purchase it at a licensed establishment!

The Province of P.E.I. recently updated their Liquor Control Act Regulations. Part of the update recognized that the Tourism industry was being negatively affected by outdated policy with respect to serving times. The result was a change from 11:00 AM start to a 9:00 AM start.

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Golf Course Licensees are mandated to control and be responsible for all liquor consumed on premises, with service hours that many feel are too restrictive and do not satisfy consumer demand (for instance, Bailey's and coffee, mimosa or a beer with breakfast).

It is worth noting that in the summer of 2018, during the FIFA World Cup of Soccer event in June & July, the Registrar of Alcohol, Gaming and Racing approved the start of liquor service in the province at 9:00 AM for liquor sales Licensees, with the closing service time of 2:00 AM remaining unchanged. The golf industry in Ontario utilized these extended morning service hours to the benefit of many happy patrons without incident, which proved to be a real revenue boost for golf courses (and thus additional taxes for the government) and the facilities received many positive customer comments, and were questioned as to why alcohol service couldn't commence at 9:00 AM all the time?

A financial analysis of alcohol sales at golf courses in other provinces, as well as here in Ontario during the 4 week 2018 World Cup was completed. The additional 2 hours of early morning alcohol service represents approximately 15% more "time to sell" (from 9:00 AM to 10:00 PM, versus 11:00 AM to 10:00 PM at a typical golf facility). It was determined that the facility's daily sales increased by approximately 7%, which confirms that there is a demand from the golfers and by changing the service hours we would have an opportunity to satisfy that customer base. This increase in overall sales at ON golf courses would then generate additional tax dollars for the ON government.

Golf is a key economic driver in this province. It is an industry that contributes more than \$5.4 billion in annual GDP to the Ontario economy and is responsible for over 110,000 direct jobs in all regions of the province. The golf industry also is responsible for over \$365 million in property and other indirect taxes and about \$716 million in federal and provincial income taxes annually.

Our Ask

That the Registrar of Alcohol, Gaming and Racing modify the Golf Course Endorsement of the Ontario Liquor License for Serving Times at Golf Courses in Ontario to permit serving liquor daily from 9:00 AM with Last Call at 2:00 AM the following day, similar to the rest of Canada.

We hope the golf industry can count on your support to correct this issue in the near future. We would welcome the opportunity to discuss this important issue in greater detail.

Sincerely,

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