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SEP 03 2013

Mr. Ben T. Johnson



Dear Mr. Johnson:

Thank you for your letter regarding the privatization of the LCBO and potential changes to the retail alcohol system.

This government believes that Ontarians are well served by the current retail system for beverage alcohol. Ontarians can purchase alcohol in over 1,700 retail outlets, including the LCBO, The Beer Store, agency stores, Ontario winery-owned retail stores, and from wineries and breweries directly. The current system offers a wide range of products at competitive prices, promotes Ontario wines, beers and spirits and encourages responsible reuse and recycling.

The Government recently announced the introduction of two new ways to buy alcohol over the next 12 to 18 months:

- LCBO Express stores in large grocery stores will carry a range of products, including Ontario wine, spirits and beer. These smaller format stores will enable the LCBO to meet consumer demand for convenience.
- LCBO Destination Boutiques inside selected full-size LCBO stores will offer customers an expanded selection of Ontario's VQA wines, as well as hard-to-find wines from smaller producers, craft beer and a few special or unique non-VQA products.

The current system balances access for both customers and suppliers with social responsibility. Expert bodies, including the World Health Organization and the Canadian Centre on Substance Abuse, are strong supporters of the public control of alcohol retailing as an effective social responsibility measure.

In 2012-13, the LCBO challenged almost 7.8 million people for reasons of age, intoxication, or suspicion of purchasing on behalf of a minor. Service was refused to 322,000 people with 84 per cent for reasons of age.

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By selling beverage alcohol in a socially responsible manner, the LCBO generated approximately \$1.7 billion in revenue in 2012-13. These funds support key government priorities including health care, education and skills training, and infrastructure investments that benefit all Ontarians.

Thank you again for writing.

Sincerely,

A handwritten signature in black ink, appearing to read 'Charles Sousa', with a stylized, cursive script.

Charles Sousa  
Minister