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FACT SHEET

Review of Adult Entertainment Club Regulations

CONSULTATION NOTICE

- In the staff report presented at L&S Committee meeting on October 19, 2012, the intent to license shift managers was proposed. The proposal sought to include shift managers in the operator licensing regime, which brought an unintended fee consequence. There were numerous deputations from shift managers at this meeting. This matter was referred back to MLS for additional consultation and follow-up report.
- Staff held consultation sessions for the owners and operators. Invitation letters were sent to licensed clubs in November and December 2012 inviting **all licensed owners and operators.**
- Consultation notices outlined the issues to be discussed, as per Committee's direction, including the licensing of operator/shift managers.
- Current definition of operator refers to a person who alone or with others operates an AEC; however, designated managers are not currently a licensed trade, and therefore, MLS does not have identifying information concerning shift managers in the clubs.

CONFLICT WITH PROVINCIAL LAW

Licensing of Security Personnel

- The *Private Security and Investigative Services Act (PSISA)* in the Province of Ontario defines a security guard as "a person who performs work, for remuneration, that consists primarily of guarding or patrolling for the purpose of protecting persons or property".
- The individuals who perform such work must possess a license issued under the provisions of the Act. This definition includes bouncers - the type of security personnel often found in the AEP establishments.
- Licensing of security personnel and licensing of shift managers are not mutually inclusive: individuals, whose primary function is ensuring security and safety of the entertainers, club owners, and the general public, as well as their property require a licence under the PSISA, while individuals whose primary function is to manage/supervise daily operations will require a Designated Managers licence under Chapter 545.
- While shift manager's activities may include some security duties, his/her primary duties are to manage/supervise the operations

Smart Serve

- Smart Serve is a training program provided by Alcohol and Gaming Commission of Ontario
- The program's objective is to ensure responsible alcohol service in the establishments that have a liquor licence

MEMO

- The program is offered to individuals who engage in the sale, service, and consumption of alcohol and does not refer specifically to the details of management of an adult entertainment business
- It is not a regulatory / licensing regime

DEFINITION OF “DESIGNATED MANAGER”

- Municipal bylaws do not provide job descriptions but rather definitions that specify to whom a licensing regime applies.
- The proposed definition of a designated manager does not indicate that the shift managers have the final say over operations. The definition refers to individuals who manage daily activities in the club on behalf of an owner or operator, particularly when the owner/operator is absent. As such, he or she has direct control/supervisions over the activities, of the employees/entertainers, including various health and safety aspects, such as ensuring that patrons and entertainers comply with no-touch provisions.