

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

Friday, February 22, 2019

MM3.6.3

MEMO RE: MM3.6 - Putting the Mimosa back in Brunch

Greetings Councillor Paula Fletcher & fellow Toronto City Council members,

Recently, the **National Golf Course Owners Association Canada (NGCOA Canada)** has become aware of the Toronto City Council discussion on changing the alcohol service start times in restaurant and bars in Toronto from 11:00 AM back to 9:00 AM (**MM3.6 - Putting the Mimosa back in Brunch**). We <u>fully support</u> this motion and would like all golf courses to be included in this discussion.

In fact, the NGCOA Canada conducted a survey with all golf course owner/operators in the province last fall, and within the first few days of the survey being sent out almost half of the audience responded to our request to complete the survey. The results of that survey was overwhelming positive that change is needed as 96.1 % of the respondents confirmed that they would be in favour of an earlier alcohol servicing time at their establishment (current serving time is 11am).

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 Part of the update recognized that the "Tourism" industry was being negatively affected by outdated policy with respect to serving times.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.

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 Licencees, 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 AM all the time?

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).

The impact of changing the alcohol service times in Ontario will not only help reduce the liability for owners/operators/staff (as we will now have Smartserve trained staff working earlier shifts, and the need for golfers to bring their own alcohol on our property prior to 11am will be removed), but there is also a positive impact for the small business operators and for the government through increase sales and taxes.



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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 country. 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 Canadian 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.

If you have any further questions, please don't hesitate to contact us immediately.

Sincerely,

Shawn Hunter Regional Director Southwestern Ontario Chapter <u>shunter@ngcoa.ca</u> Blair Breen Regional Director Central Ontario Chapter <u>bbreen@ngcoa.ca</u> Greg Chambers Regional Director, Eastern Ontario / Outaouais Chapter <u>gchambers@ngcoa.ca</u>