

**OPSEU submission to  
the Standing Committee  
on Finance and  
Economic Affairs on  
Bill 138, Plan to Build  
Ontario Together, 2019**



# Introduction

OPSEU is the union of 165,000 public sector workers in Ontario. Our members work in a vast array of workplaces and professions, but our basic job boils down to this: keeping people and communities healthy, safe, and prosperous.

If passed, many of the provisions in Bill 138 will do the exact opposite. It will help make a few rich people richer while leaving the rest of us less prosperous, less healthy, and less safe.

To summarize our submission, OPSEU demands two main changes:

- That the criteria for issuing a license to an Independent Health Facility not be weakened (Schedule 19)
- That the groundwork for the further privatization of alcohol sales not be proceeded with (Schedules 22 and 23)

Further, OPSEU demands that the government stop using omnibus bills to make fundamental changes to public services.

Bill 138 makes fundamental changes to Ontario's alcohol system. They should not be hidden within a large bill filled with other "housekeeping" legislative changes.

## Schedule 19 - Independent Health Facilities Act

Schedule 19 makes a number of changes to the Independent Health Facilities Act, which governs a number of third-party and often for-profit health care clinics. They provide a number of services including fertility treatments, diagnostics, cardiology, eye care, and MRIs. OPSEU represents workers at some of these facilities across the province.

The troubling change in Bill 138 concerns the criteria by which government will grant licences to these facilities – it removes this clause: “that the person will establish and maintain a system to ensure the monitoring of the results of the service or services provided in the independent health facility.”

To be clear, the Act will still require facilities applying for an application to provide details of the monitoring system they plan to implement.

But removing that system from the criteria to be considered for licensing leaves open the door for substandard and potentially even dangerous care.

OPSEU demands that Schedule 19 of Bill 138 be amended such that a monitoring system remain part of the criteria government use when deciding to licence an Independent Health Facility.

## Schedules 21 and 22

Alcohol is a controlled substance for a reason: it can and does do incredible harm to people and communities.

The Canadian Centre on Substance Use and Addiction has found that alcohol costs Ontario billions in health costs and lost productivity. In its most recent study, it found that alcohol use cost the province more than \$5 billion in 2014 alone. (<https://www.ccsa.ca/sites/default/files/2019-04/CSUCH-Canadian-Substance-Use-Costs-Harms-Report-2018-en.pdf> and <https://www.ccsa.ca/sites/default/files/2019-05/CSUCH-Canadian-Substance-Use-Costs-Harms-Ontario-Infographic-2018-en.pdf>)

There is no dispute that alcohol causes harm.

For decades in Ontario, that harm has been mitigated by strong laws controlling alcohol and the responsible sales, distribution, warehousing, and pricing of the publicly owned and managed LCBO.

Bill 138 threatens to loosen those public controls and rapidly increase the private sector's role in our alcohol system.

The consequences of increased alcohol privatization have been extensively studied and are clear: more privatization leads to more consumption, and more consumption leads to more harm. A list of some of these studies appears in the appendix.

For a concise and powerful statement on the issue, refer to the “Alcohol Policy

Framework, 2019” (<http://www.camh.ca/alcoholpolicy>) published in September by the Centre for Addiction and Mental Health (CAMH).

CAMH could not be more clear. Its top policy recommendation is “Strengthen government control of the retail system - establish and maintain a moratorium on privatization.”

Bill 138 helps the government do the opposite.

In Schedule 21, the Liquor Control Board of Ontario Act (2019) removes from the objects of the LCBO the mandate to maintain liquor warehouses and control the distribution to and from those warehouses.

In Schedule 22, the Liquor Licence and Control Act (2019) opens the door for private corporations to be licensed to operate retail stores, as a wholesaler, and as an alcohol delivery service.

Reducing the role of the LCBO in the province's alcohol system is a serious mistake, for two main reasons.

The LCBO is the gold standard when it comes to the responsible sale of alcohol. As a public entity, its primary concern is responsibility, not profits. Its staff members are rigorously trained to “challenge” purchasers who appear younger than 25, who appear intoxicated, or who appear to be buying for someone else.

Last year, the OPSEU members who work at the LCBO challenged more than 14 million transactions.

Cashiers at grocery stores that have been licensed to sell beer and wine, by contract, are not required to complete training that is as rigorous as the LCBOs. Nor are they required to keep track of the number of transactions they've challenged – a serious gap in social responsibility.

Along with its exemplary record of responsibility, the LCBO also has a long history of returning its profits to the public. Last year, for example, it returned more than \$2 billion to public coffers – money that was then invested in our hospitals, schools, and highways.

Allowing more privatization of the alcohol system will instead send a portion of those profits to the already wealthy owners of grocery corporations and corner store chains.

Privatization will, in short, create a vicious circle. As Ontario experiences more alcohol harm, it will have less money to invest in the services needed to address that harm.

Finally, a note on price. Many claim that alcohol privatization will benefit consumers by driving prices down – but experience shows that the opposite will happen.

After alcohol privatization in such jurisdictions as Alberta, Saskatchewan, and Washington State, prices actually rose.

The basic question about Schedules 21 and 22 come down to this: who is actually meant to benefit? If it's not consumers and it's not the public, it can be only one very small

group: the owners of corporations seeking to profit from alcohol.

OPSEU therefore demands that Schedules 21 and 22 of Bill 138 be repealed.

## Appendix

- Changes in per capita alcohol sales during the partial privatization of British Columbia's retail alcohol monopoly 2003-2008: a multi-level local area analysis  
<https://www.ncbi.nlm.nih.gov/pubmed/19681801>
- The association between alcohol access and alcohol-attributable emergency department visits in Ontario, Canada  
[https://www.researchgate.net/publication/332084554\\_The\\_association\\_between\\_alcohol\\_access\\_and\\_alcohol-attributable\\_emergency\\_department\\_visits\\_in\\_Ontario\\_Canada](https://www.researchgate.net/publication/332084554_The_association_between_alcohol_access_and_alcohol-attributable_emergency_department_visits_in_Ontario_Canada)
- The Fiscal and Social Effects of State Alcohol Control Systems May 2013  
<https://deepblue.lib.umich.edu/bitstream/handle/2027.42/136180/FiscalAndSocialEffectsOfStateAlcoholControlSystems.pdf?sequence=1&isAllowed=y>
- Washington's privatization of liquor: Effects on household alcohol purchases from Initiative 1183  
<https://www.ncbi.nlm.nih.gov/pubmed/31670853>
- Provincial Liquor Boards: Meeting the Best Interests Of Canadians  
[http://www.madd.ca/media/docs/MADD\\_Canada\\_Provincial\\_Liquor\\_Boards.pdf](http://www.madd.ca/media/docs/MADD_Canada_Provincial_Liquor_Boards.pdf)
- Impaired Judgement: The Economic and Social Consequences of Liquor Privatization in Western Canada  
[https://www.parklandinstitute.ca/impaired\\_judgement](https://www.parklandinstitute.ca/impaired_judgement)
- Analysis of Price Changes in Washington Following the 2012 Liquor Privatization  
<https://academic.oup.com/alcalc/article/50/6/654/193092>
- Effects of Alcohol Retail Privatization on Excessive Alcohol Consumption and Related Harms  
[https://www.thecommunityguide.org/sites/default/files/assets/Privatization\\_EvidenceReview1.pdf](https://www.thecommunityguide.org/sites/default/files/assets/Privatization_EvidenceReview1.pdf)

- Double Marginalization and Privatization in Liquor Retailing

<https://www.jstor.org/stable/41798935?seq=1>

- The Effects of Privatization of Alcohol Sales in Alberta on Suicide Mortality Rates

<https://journals.sagepub.com/doi/10.1177/009145090703400405>

- Estimating the public health impact of disbanding a government alcohol monopoly: application of new methods to the case of Sweden

<https://bmcpublichealth.biomedcentral.com/articles/10.1186/s12889-018-6312-x>

Authorized for distribution by:



Warren (Smokey) Thomas, President  
Ontario Public Service Employees Union



Eduardo (Eddy) Almeida  
First Vice-President/Treasurer



[www.opseu.org](http://www.opseu.org)