

October 16, 2020

The Honourable Rod Phillips
Minister of Finance
Frost Building South
7th Floor, 7 Queen's Park Cres.
Toronto, ON M7A 1Y7

RE: Supporting Ontario restaurants and bars, the beverage alcohol industry, and food delivery companies during COVID-19

Dear Minister Phillips,

Thank you for your continued leadership during the COVID-19 pandemic. As the situation evolves, the Ontario Chamber of Commerce (OCC) continues to receive concerns from the business community and communicate them to all levels of government.

As outlined in [our letter](#) dated April 22nd, we appreciate the Government of Ontario's decision to temporarily allow licensed restaurants and bars to sell wine, beer, cider, and spirits as part of a food order for takeout and delivery. The passage of Regulation 86/20 has been well received by the food service industry at a time when many operators are struggling due to the necessary public health measures that were implemented to curb the spread of the coronavirus.

Thus, we were pleased that on October 13th the province [announced](#) its commitment to permanently allow licensed establishments to include beverage alcohol as part of takeout or delivery orders.

Over the last seven months, consumers have become accustomed to ordering beverage alcohol with their meals. This recent announcement will allow Ontario restaurants and bars to continue meeting consumer demand without interruption.

As you know, COVID-19 has had a significant impact on the food service industry. Restaurants Canada notes that the industry is lagging nearly every other when it comes to economic recovery, putting the industry's future in significant jeopardy. Statistics Canada data from June 2020 revealed that the economic activity generated by the food service industry was 33 percent below the amount that was generated before COVID-19, in February 2020. Furthermore, employment levels in the food service and hospitality industries have fallen by 21 percent. We therefore commend the Province for its continued support of restaurants, including permanently allowing 24/7 supplier delivery and encouraging Ontarians to eat out more frequently.

During this period, many establishments have chosen to partner with third-party vendors to fulfill food and beverage alcohol orders and continue serving consumers in accordance with physical distancing requirements. For example, over 1,200 restaurants and bars in Ontario have partnered with UberEats to deliver beverage alcohol with food orders since late March. On average, restaurants and bars that opted-in to alcohol delivery have seen an order size increase of 46 percent (including alcohol).

With public health and safety top of mind, third-party food delivery companies have taken important steps to ensure safe delivery to Ontarians while observing critical public health requirements. To begin, drivers who deliver beverage alcohol products must be Smart Serve certified, wear a mask, request valid government-issued photo ID from a customer, and place the delivery on a customer's doorstep to maintain physical distancing. Second, to prevent over-consumption of beverage alcohol, a customer's order of beverage alcohol must include food. Making this temporary regulatory change permanent would not only benefit the food service industry, but would also benefit adjacent industries, like third-party delivery companies and the beverage alcohol industry, during this challenging time.

However, the OCC encourages the Government of Ontario to maintain the status quo by not implementing a new license for third-party delivery companies that deliver beverage alcohol products with food deliveries. Implementing a new liquor license would add an additional layer of red tape that would run counter to the provincial government's commitment to reduce red tape for Ontario business, as well as its goal to reduce administrative burden by \$400 million. It would also be a step backwards considering recent legislation that has been introduced to reduce red tape in Ontario. Moreover, implementing a new liquor license would add additional rules and complexities at a time when restaurant and business owners are overwhelmed and confronted with difficult decisions, ranging from cutting back on staff hours to laying off workers to permanent closures.

Instead of implementing a new license for third-party food delivery companies who deliver beverage alcohol, the OCC encourages the Government of Ontario to commit to consulting third-party food delivery companies as part of its beverage alcohol modernization initiative. Our members have indicated that the existing licensing regime for third-party delivery food companies is confusing, cumbersome, and outdated, representing an opportunity for the province to modernize liquor delivery. As outlined in our 2019 report, [*Refreshing the Sale of Beverage Alcohol in Ontario*](#), the OCC supports your government's desire to modernize the sale of beverage alcohol. Yet, the economy has fundamentally shifted with COVID-19, becoming increasingly digital and mobile in recent months. Economic recovery will depend on the ability of businesses to seize on this transformation and adopt e-commerce technology. The Province's modernization of the sale of beverage alcohol must take into consideration these new realities and engage third-party food delivery companies along with other relevant stakeholders to ensure regulation remains relevant and effective, without causing undue harm to an industry that has already suffered enough.

Public health and safety are priorities for all Ontario businesses. We will continue to monitor and assess new developments pertaining to COVID-19 closely and work with our members, partners, and all levels of government to provide support to Ontario business.

Sincerely,

Rocco Rossi
President and CEO
Ontario Chamber of Commerce

CC: The Honourable Vic Fedeli, Minister of Economic Development, Job Creation and Trade
The Honourable Prabmeet Sarkaria, Associate Minister of Small Business and Red Tape Reduction