

May 29, 2019

Hon. Victor Fedeli
Ministry of Finance
Frost Building South
7th Floor
7 Queen's Park Cres.
Toronto, ON M7A 1Y7

Re: Ontario's Business Advocate Calls for Evidence-Based Plan on the Future of Alcohol Sales

Dear Minister Fedeli,

I am writing to you to express concerns about the announcement that the Province intends to introduce legislation to terminate the Master Framework Agreement (MFA) with The Beer Store. Canceling a contract sends an alarming message to the business community in Ontario and beyond which could potentially deter investment.

Over the first year of Ontario government's mandate, the OCC has been extremely supportive of the work that has been done to build a stronger Ontario and more competitive marketplace. Specifically, the passage of Bill 47, the Making Ontario Open for Business Act, 2018, and Bill 66, the Restoring Ontario's Competitiveness Act, 2018.

As Ontario's business advocate, we continuously support policies which aim to enhance the competitive business environment in Ontario. Modernizing the sale of beverage alcohol is an important objective and we support a more competitive marketplace. However, breaking a legitimate contract is a short-sighted approach.

Let me be clear, before the government proceeds with the MFA termination, the OCC would like to see a comprehensive and evidence-based plan on the future of alcohol sales in the province. Our members believe that the Government of Ontario must take a strategic – rather than piecemeal – approach to alcohol policy, one which aims to serve both the industry and consumers fairly. A complex challenge like alcohol sales modernization requires a comprehensive solution. For this reason, the OCC will release a report at the end of June with input from industry stakeholders that examines the regulatory and policy issues facing all four categories of beverage alcohol – beer, wine, cider, and spirits.

We look forward to continuing to work together to support evidence-based policies that strengthen Ontario's business competitiveness and economic prosperity.

Sincerely,



Rocco Rossi
President and CEO
Ontario Chamber of Commerce