



Alberta Liquor Store Association (ALSA)
Convenience Stores and 7-11 Stores
Briefing Note

Current Status

- Alberta has 1,500 liquor retailers in over 350 municipalities – With restaurants and hospitality being able to sell liquor, the total number goes up to 2,200
- 70% of Liquor Stores are independent and mom pop operated
- 30% are chains and grocers – biggest chain has 180 stores
- 24,000 direct and indirect jobs
- contributes \$866 million annually to provincial revenue
- widest range of products in Canada 30,000+
- Social Responsibility 98% compliance
- Circle K and 7-11 approach the government at least once a year asking to be allowed to sell liquor on their shelves. 7-11 is currently lobbying for the same. Again.

Concerns from Industry - Social Responsivity

- Minors are not allowed in liquor stores unless accompanied by a guardian.
 - * **Minors are allowed in convenience stores**
 - * **Groups of minors normally wander to convenience stores after school, and have unsupervised time in the stores, providing easy access to liquor and potential thefts.**
- Responsible retailing is the top priority for retailers. We ID anyone that looks to be under 25 – it's the law.
 - * **According to Health Canada, Alberta has one of the worst sales-to-minors compliance rates in Canada, with one in every six retailers willing to sell cigarettes to underage youth. Tobacco is a restricted product. Liquor is a controlled substance.**

Concerns from Industry - Threat to small independent retailers

- Owning a liquor store is no longer the lucrative business it used to be in 20 years ago. Small retailers are normally the owners and operators. Margins can be very tight, especially due to the down turn in the economy, competition and now Covid-19.

***If Convenience stores are allowed to carry liquor, without the same oversight and regulations as liquor stores, many independents will go under, especially in rural areas.**

Concerns from Industry - Convenience stores would not provide new investment

- Liquor stores invest in the economy and the communities they work and live in
- An independent liquor store will invest \$300K - \$500K to build a store not including liquor inventory, salaries, benefits and taxes

*** 7-11 says that by selling alcohol, they would energize the economy in Alberta, however, convenience stores would not provide new investment as all they have to do is make room on their existing shelves to sell liquor products. (No new investment)**

Concerns from Industry - Separation distance between liquor stores

- Both Edmonton and Calgary have separation distance requirements for zoning liquor stores. This prevents clusters of liquor stores from being formed
- EPS provided ALSA with statistics that show a rise in crime when liquor stores are less than 300 meters away, crime rates go way up. Issues included the congregation of people at risk, homeless in those areas and make robberies and theft more frequent.
- AHS also provided statistics and studies that showed major health risks in the areas where several liquor retailers were too close together.
- In Edmonton alone, the majority of 7-11 stores are either right next to a liquor store and some are surrounded by up to four liquor stores within a block.
- Edmonton has 300 liquor stores, which is almost half of the number of stores in the province of Ontario, which has 14 million people

Concerns from Industry - 75% of Albertans are against Liquor in Convenience stores, gas stations

- AGLC conducts annual surveys to gauge the satisfaction with the Alberta Liquor Model. The results show 85% approval of liquor stores.
- ALSA has also conducted surveys to ascertain Albertan's support for liquor being sold in convenience stores. The response has been consistent – 75% of Albertans are against liquor being sold by convenience stores.
- The top three concerns of Albertans were: 'increased sales to minors', 'unsupervised access for minors' and 'elimination of jobs for youth'. (if liquor is allowed in convenience stores or grocery stores, minor under the age of 18 cannot sell alcohol)

ALSA's Position - Convenience Stores selling liquor is a solution looking for a problem

- With 2,200 liquor stores (including restaurants), open from 10 am to 2am there is no shortage of access to liquor products in Alberta
- Liquor stores are regulated by the AGLC and have training along with safety measures to ensure minors don't have access to liquor products. Convenience stores do not. Convenience stores do not have a good record on keeping restricted products away from minors.
- Grocers do not want liquor to be sold on the shelves next to milk and bread. Sobey's , CO-OP, Safeway, Superstore and Loblaws are members of the ALSA Board. Last year the Board passed a resolution that reinforced the Association's position against liquor on grocery store shelves.
- 7-11 says that their surveys show that 60% of people would buy beer if it was next to chips in their stores. But is it necessary? And at what cost to small retailers and social responsibility
- Slippery slope to hard liquor being sold on convenience stores.
- People often quote the Quebec example of depanneurs. However there are many instances on minors stealing liquor and at least one instance of a minor who overdosed and died from a stolen liquor product from a depanneur.
- Finally, there are no obstacles in the way of convenience stores opening proper liquor stores in the Province.