



What We Heard:

Consultation Related to
Complimentary Alcoholic Beverages
for Hotel Guests & All-inclusive Hotel
Packages that Include Liquor

June 2020

Introduction

Alberta Gaming, Liquor and Cannabis (AGLC) is responsible for licensing, regulating and monitoring liquor activities in Alberta. AGLC administers the *Gaming, Liquor and Cannabis Act* (GLCA), Gaming, Liquor and Cannabis Regulation (GLCR), and related policy.

AGLC is focused on reviewing its policies to ensure they support economic development and industry growth while reflecting a commitment to public health and social responsibility. This report summarizes the results of a survey conducted with industry stakeholders regarding liquor policies in the hotel sector.

Specifically, the objectives of the consultation were to:

- gauge the level of support for policy changes that would accommodate for complimentary alcoholic beverages for hotel guests and all-inclusive hotel packages that include liquor; and
- identify benefits and risks associated with the potential policy changes.

Background

Complimentary alcoholic beverages for hotel guests and all-inclusive hotel packages that include liquor were brought forward informally by industry and identified as part of AGLC's liquor modernization initiative. The hotel and tourism industry has been hit very hard by the COVID-19 pandemic and the weakened economy. These two policy items are perceived as potential business opportunities as the industry emerges from these challenging circumstances.

The specific potential changes being reviewed were:

- Complimentary alcoholic beverages for hotel guests: This proposed change would accommodate hotel operators that wish to provide a complimentary alcoholic beverage to their guests as part of an overnight package.
- All-inclusive hotel packages that include liquor: This proposed change would accommodate hotel operators that wish to provide an all-inclusive resort-style experience. Hotel guests would purchase an 'all-inclusive' package for an overnight stay that includes alcoholic beverages in a designated area of the hotel.

Note: In either potential scenario, AGLC policies regarding responsible liquor service would remain in effect and all staff serving liquor to guests would still require ProServe training.

Methodology

AGLC consulted with stakeholders from May 26 to June 5, 2020. The consultation invited feedback from police services, municipalities, health services, and industry (including the Alberta Hotel and Lodging Association (AHLA) and Restaurants Canada). Participants received an email invitation with a link to an online survey. Some survey respondents forwarded their email invitation to others within their organization which lead to overrepresentation from some categories. Participants were asked a series of questions to gather their feedback and identify potential risks and opportunities.

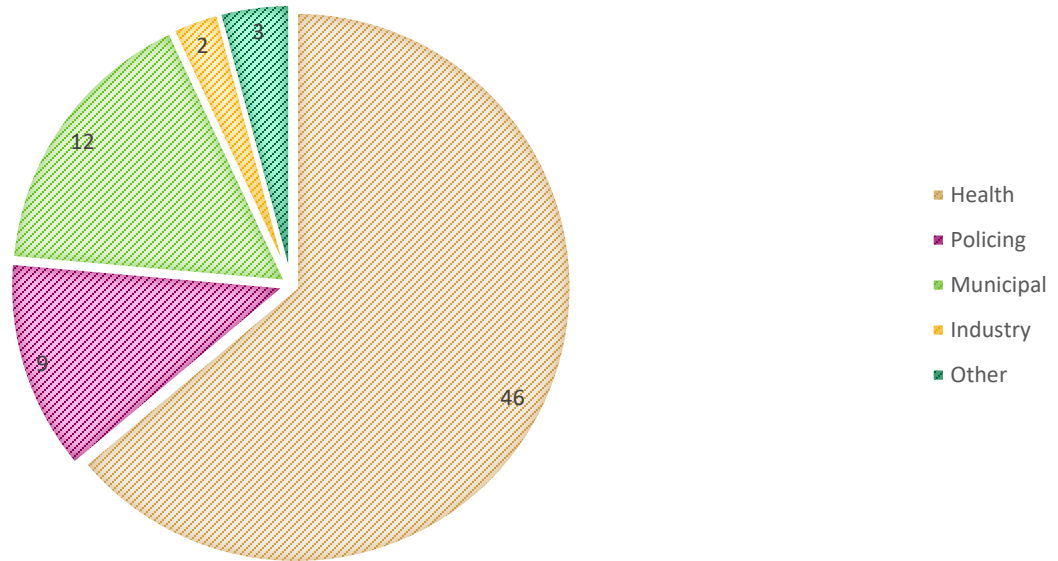
Response Rates

The following table shows the participation rates obtained for this consultation:

Stakeholder Group	Number of respondents	Percentage of responses
Health	46	64%
Police Services	9	12%
Municipal	12	17%
Industry	2	3%
Other*	3	4%
Totals	72	100%

* Respondents in the 'Other' category identified as the following; Alberta Resident, Community Member, Employee

BREAKDOWN OF RESPONDENTS BY CATEGORY



Consultation Findings

The survey opened with questions to categorize respondents. The remainder of the survey focused on five topics:

1. Complimentary alcoholic beverages for hotel guests;
2. All-inclusive hotel packages that include liquor;
3. Risks and/or public safety concerns;
4. Benefits and/or opportunities; and
5. Additional comments.

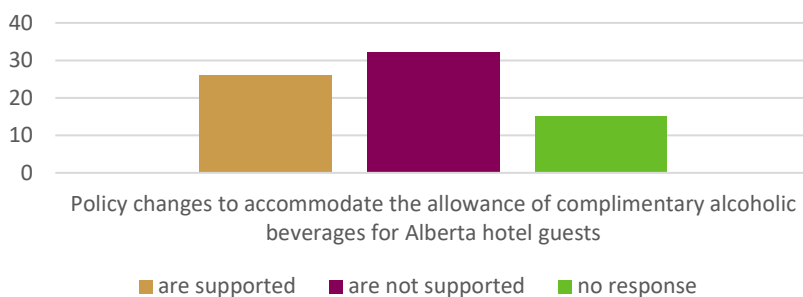
Responses to all five topics are summarized below.

Topic One: Complimentary Alcoholic Beverages for Hotel Guests

Respondents were asked to choose a statement that best aligned with their organization/business. The question had two potential responses:

1. Policy changes to accommodate the allowance of complimentary alcoholic beverages for Alberta hotel guests are supported.
2. Policy changes to accommodate the allowance of complimentary alcoholic beverages for Alberta hotel guests are not supported.

Fifty-eight responses were received while 15 respondents chose not to answer the question.



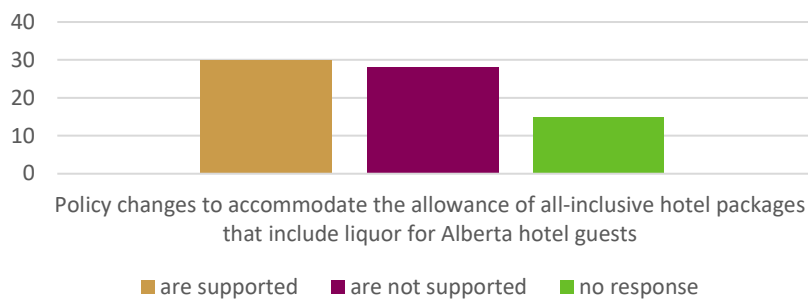
Of those who responded, 45 per cent supported policy changes to accommodate the allowance of complimentary alcoholic beverages for hotel guests.

Topic Two: All-Inclusive Hotel Packages that include Liquor

Respondents were asked to choose the statement that best aligned with their organization/business. The question had two potential responses:

1. Policy changes to accommodate the allowance of all-inclusive hotel packages that include liquor for Alberta hotel guests are supported.
2. Policy changes to accommodate the allowance of all-inclusive hotel packages that include liquor for Alberta hotel guests are not supported.

Fifty-eight responses were received; an additional 15 respondents chose not to answer the question.



Of those who responded, 52 per cent supported policy changes to accommodate the allowance of all-inclusive hotel packages that include liquor.

Topic Three: Risks and/or Public Safety Concerns

Respondents were asked, “are there risks and/or public safety concerns associated with accommodating complimentary alcoholic beverages and all-inclusive hotel packages that include liquor for Alberta hotel guests.”

Fifty responses were received; 23 respondents chose not to answer the question. Seventy-eight per cent of respondents indicated there were risks and/or public safety concerns associated with the potential policy changes.

Respondents who answered “yes” to the question were asked to provide further comments; respondents’ answers fell within two main themes. The vast majority of respondents that perceived risks and/or public safety concerns with the proposed policy changes were received from respondents in the health sector. A few responses are listed below to provide additional context:

Theme 1 Addictions	Theme 2 Public health
<i>“Increased availability & increased ease of availability is linked with increased use which is linked with increased problematic use and addiction”</i>	<i>“Increase in alcohol intake which eventually leads to increase in health problems”</i>
<i>“Increased access to alcohol, will lead to increased alcohol consumption, which could impact people in early sobriety, or could lead to increased rates of alcohol addiction”</i>	<i>“Best practices in healthy public policy being implemented in the US, Canada and Europe and beyond includes minimum pricing for alcohol to ensure moderate drinking, to reduce binge drinking, and chronic health issues”</i>

Topic Four: Benefits and/or Opportunities

Respondents were asked, “are there benefits and/or opportunities associated with the allowance of complimentary alcoholic beverages and all-inclusive hotel packages that include liquor for Alberta hotel guests.”

Fifty responses were received; 23 respondents chose not to answer the question. Seventy per cent of respondents indicated there were benefits and/or opportunities associated with the potential policy changes.

Respondents who answered “yes” to this question were asked to provide further comments; respondents’ feedback fell within two main themes. The responses below are representative of the responses received:

Theme 1 Economics	Theme 2 Competitiveness
<p><i>“There may be economic benefits, i.e. people may be more likely to spend more money on more beverages or food. It also might entice people to stay at that particular hotel, so they would get the business”</i></p>	<p><i>“There are opportunities to personalize and enhance the guest experience, provide greater value to improve hotel occupancy and average daily rates, and allow Alberta hotels to better compete with other jurisdictions that allow alcoholic beverages as part of an all-inclusive hotel package”</i></p>
<p><i>“Creates the opportunity to better promote our craft brewery and distillery industries”</i></p>	<p><i>“To be able to compete with global trends and attract tourists”</i></p>
<p><i>“Allows hotels to offer better value options for guests”</i></p>	<p><i>“... may result in people visiting our province more and using hotels rather than AirBNB or other rental accommodations which would inject more money into our hotel industry”</i></p>
<p><i>“Another way to generate business that would be attractive in certain hotel/resort locations”</i></p>	<p><i>“... may result in people visiting our province more and using hotels rather than AirBNB or other rental accommodations which would inject more money into our hotel industry”</i></p>
<p><i>“New tourism”</i></p>	

Additional Comments

The final question provided respondents with the opportunity to add any additional comments. The main themes that emerged were concerns about public health and how the proposed policy would support the economy. The comments below were representative of the responses received:

Theme 1 Concerns about public health	Theme 2 Economy
<p><i>“Allowing for all-inclusives and complimentary alcohol ... reduces the health of individuals, as well as the public”</i></p>	<p><i>“The proposed changes will be welcomed by hoteliers and support the recovery of the industry post COVID-19”</i></p>

Further Analysis – Health Sector Response

The consultation response from the health sector was very high – 62 per cent of the total respondents identified themselves as a health stakeholder (Alberta Health, Alberta Health Services and Other – with further reference to the health sector in their open ended description).

Among those who identified as Health sector stakeholders, 79 per cent were not in support of policy changes to accommodate complimentary alcoholic beverages for Alberta hotel guests. The same stakeholders were 76 per cent not in support of all-inclusive hotel packages that include liquor.

Ninety per cent of Health sector stakeholders indicated that there were risks and/or public safety concerns associated with complimentary alcoholic beverages and all-inclusive hotel packages that include liquor for Alberta hotel guests. Of these same stakeholders, 52 per cent indicated there were benefits and/or opportunities associated with the allowance of complimentary alcoholic beverages and all-inclusive hotel packages that include liquor for Alberta hotel guests.

Conclusion

This consultation captured many different perspectives. Most stakeholders viewing the potential policy changes to accommodate complimentary alcoholic beverages for hotel guests and all-inclusive hotel packages that include liquor through a health-related lens were not supportive (21 per cent supportive for complimentary alcoholic beverages and 24 per cent supportive for all-inclusive hotel packages that include liquor).

Stakeholders from other sectors, including police services, municipalities, and the hospitality industry were overwhelmingly in support of the potential policy changes.

The majority of stakeholders across all sectors acknowledged both potential risks and/or public safety concerns as well as potential benefits and/or economic opportunities.

AGLC wishes to thank all stakeholders for their participation in the Complimentary Alcoholic Beverages for Hotel Guests and All-inclusive Hotel Packages survey.