

Liquor Retailing in British Columbia - Recent Changes

The British Columbia Government has announced a number of recent and pending changes to liquor retailing in British Columbia that include the following key elements:

Government Liquor Stores:

- The Liquor Distribution Branch will continue to operate government liquor stores. There may be amalgamation of some stores in large communities where there is more than one liquor store, to improve efficiencies and improve service to customers. The hours of operation of government liquor stores may also be changed to respond to efficiency and customer service needs.

Licensee Retail Stores:

- The moratorium on applications for new licensee retail stores (i.e., commonly referred to as cold beer and wine stores) will remain for at least four years. Applications received prior to the moratorium will be processed.
- Government is establishing a minimum distance criteria of 0.5 kilometres between stores for relocation applications received on or after May 14, 2004.
- Store owners may relocate their store anywhere within local government boundaries or within five kilometres if outside those boundaries, subject to local zoning bylaws and the 0.5 kilometre distance criteria. The associated bar or pub owner must hold both the licensee retail store licence and ownership of the store.
- The wholesale discount is increased from 10 per cent to 12 per cent; liquor may be purchased in cases or single bottle quantities, and effective May 31, 2004, wholesale customers (licensed establishments and private retail stores) can use credit cards to purchase liquor from government liquor stores.
- Government is looking at ways to improve service to private retailers when they order product.

Rural Agency Stores:

- With the exception of small rural communities, government's intent is to restrict retail liquor sales to stand-alone liquor stores. Consequently, new eligibility criteria have been approved for rural agency stores (i.e., general grocery stores permitted to sell liquor in small rural communities that do not have a liquor store). Rural agency stores will be considered in communities of at least 300 people that have a school, post office or community hall or alternately, are a major tourist destination resort. There is a limit of one store per community, and the store must be at least 10 kilometres from other liquor retail outlets.
- The moratorium on processing rural agency store applications will be lifted May 31, 2004, and pending applications will be processed under the new criteria.
- Once a licensee retail store application has received preliminary approval, a competing rural agency store application in any stage of the process will be turned down. Existing rural agency store appointments that do not meet the new eligibility criteria can continue to operate, but will not be permitted to relocate.

Wine Stores:

- Independent wine stores (which carry both domestic and imported wines) and VQA Wine Stores (that are restricted to carrying British Columbia VQA-designated wines only) will continue to operate.
- Government is working with industry to consider options to better support growth of the quality British Columbia wine industry. This includes looking at opportunities for improving retail market access and selling wine for consumption at the winery.

Pricing and Distribution:

- Government is reviewing liquor mark-up and pricing policies. The review will consider the wholesale price of liquor, while ensuring government revenues are maintained. The concept of moving to a single wholesale price for all public and private retailers will be part of this review.
- Government will continue the distribution system through existing public and private distribution channels. The Liquor Distribution Branch will review distribution operations to reduce costs, enhance customer service and improve productivity.

Advertising and Trade Practices:

- Liquor advertisements may include prices and brands, and licensees may enter into agreements with liquor manufacturers to promote and feature their products.

May 14, 2004

See:

[Letter to Industry Associations, Private Liquor Retailers, Liquor Manufacturers](#)
[Letter to Rural Agency Store Applicants/Operators](#)
[Letter to Local Government and First Nations](#)
[Letter to Police](#)