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**ALCOHOL AND ITS  
COMPLEX ROLE IN  
ONTARIO'S POST-  
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HEALTH SPHERE**

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## ALCOHOL AND ITS COMPLEX ROLE IN ONTARIO'S POST-PANDEMIC HEALTH SPHERE

Ontario's alcohol industry accounts for over \$5 billion of the province's GDP, creating tens of thousands of jobs and producing \$2.4 billion in provincial taxes in 2022. Economists have often referred to the industry as a boon for the provincial budget, with LCBO's tax contribution accounting for 13% of revenue Ontario raised from all corporations (ON360, 2022). As the province recovers from the COVID-19 pandemic, however, increases in alcohol-related substance abuse and morbidity has led to widespread petitions and calls for stricter regulations from health professionals. Today's legislators disagree. Revenue from liquor taxes still accounts for a significant portion of Ontario's tax bank, despite the province's failure to address its pre-existing alcohol policy deficiencies. This report will assess how the pandemic changed the playing field and will discuss the challenges associated with alcohol reform in Ontario.

COVID-19 elevated the purchase of alcohol across Canada with per-capita sales rising by 13% in less than a year (Myran et al., 2021). While other substances such as opioids directly contributed to most of the substance abuse-related deaths following the pandemic, alcohol was a contributing substance in 92% of cases, with most occurring at home (ODPRN, 2022). Although rural and urban environments had similar death rates, a disproport-

ional amount of alcohol-related hospital visits following the pandemic were reported in sparsely populated regions of the province such as Northern Ontario, which is already laden with health and social service access barriers.

Ontario's post-pandemic surge in its affinity towards alcohol roots back to a 2015 agreement passed by parliament known as the Master Framework Agreement (MFA) which artificially created a monopoly for three brewing companies in market sales, including a province-wide cap on the number of new alcohol retail stores per year over a span of ten years. In 2019, an advisory report encouraged an expansion of the industry to increase convenience for consumers and small businesses. At the time, the province only had 2.4 alcohol retail outlets per 10,000 people, whereas Québec and Alberta had 12.2 and 6.4 respectively (Hughes, 2019). Despite limited access to retail outlets, CAMH scored Ontario a failing grade with respect to alcohol policy based on hospital visits and overall consumption.

An average of nearly nine drinks per week is consumed by individuals in Ontario above the age of 15. Following the pandemic, Health Canada revised its maximum recommended low-risk drink allowance to two drinks per week (BBC, 2023). Health experts underscore the importance of introducing mandatory warning labels on a national level, like with cigarettes. Unfortunately, the Premier's commitment to renewing his promise to modernize the alcohol market by bringing the product to convenience

stores and wider arrays of grocery stores presents a steep challenge. Ontario's alcohol policies are struggling to balance the tremendous tax revenue provided with the alcohol industry with limiting consumption and morbidity. Rising inflation has led the province to drop the latter goal and instead pursue alcohol market expansion. Since the MFA expires in 2025 the possibility of a balanced reform still exists, but economists warn this is unlikely due to the embeddedness of the MFA, leaving the possibility of nation-wide label warnings, for instance, unlikely (ON360, 2022). Instead, they encourage more practical reforms, beginning at the community level.

Ontario's current policy is lenient when contrasted with other provinces which may, for instance, have earlier alcohol purchase curfews. CAMH suggests working backwards and starting with developing control systems that focus on harm prevention, research, and greater public health involvement in legislation. ODPRN advocates for increasing harm reduction programs while adapting them to fit the needs of post-pandemic increases in multi-substance use. By the same token, they suggest expansion of co-occurring substance use disorder screening, particularly in Northern Ontario (ODPRN, 2022). Across the province as a whole, driving countermeasures that increase fines for alcohol plus another substance presence have been suggested.

The benefits of harm prevention programs provide an extended economic benefit to consumers, corporations, and

adjacent non-consumers, pursuant to the premier's recent goal of modernizing the market. Pandemic-induced alcohol consumption in 2022 cost taxpayers a whopping \$7 billion in healthcare and ancillary costs while only producing \$5 billion in tax revenue, leading to a \$2 billion deficit at everyone's expense (CAPE, 2022).

Thus, while alcohol market expansion may be inevitable under current provincial government, soliciting changes to existing alcohol harm reduction programs by adapting them to the post-pandemic landscape of multi-substance abuse would pave the way for more broader protective public health measures. Ontario's current parochial policy goals for the alcohol industry that don't place consumer health at its core can only lead to disastrous consequences, costing the province and its inhabitants in the long run.

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