

Executive Summary

December 17th, 2014

Fundamental Principle

This proposal establishes a level playing field for the sale of beverage alcohol in Saskatchewan by introducing fairness, transparency, retail competition and marketing freedom while protecting a vital source of revenue for the province.

Basic Approach

- SLGA sets a single Uniform Wholesale Price (UWP) for all retailers. This will be based on cost of goods, sales forecasts and the government's desired contribution to its General Revenue Fund from the sale of alcohol.
- Retail Liquor Stores, 719 in total, will include Off-sale establishments (permittees), rural vendors (franchisees), private liquor stores, and government-owned liquor stores. All stores buy at the same Uniform Wholesale Price, same hours of operation, same product selection, and set their own retail prices.

Benefits

- *The Saskatchewan Party delivers on goals and objectives detailed in ***Saskatchewan Plan for Growth, Vision 2020 and Beyond***.
- * The government can directly control revenue flows to the GRF by way of SLGA adjustments to Uniform Wholesale Price
- * Fairness is introduced into liquor retailing in Saskatchewan for the first time — equity between all retail liquor stores — no favored retail channels.
- * Competition is introduced — all retailers compete on an even basis, applying downward pressure on retail prices, allowing creative marketing and promoting store specialization.
- * 449 Saskatchewan small businesses (off-sales retailers) are recognized for their important contributions to the province and local communities. Retailers are no longer forced to come “hat in hand” to government requesting adjustments to the antiquated and unfair system of commissions and discounts, which puts them at a clear pricing disadvantage to their competitors and tarnishing their local images.
- * The government and the public will be able to adequately monitor the financial performance of its government-owned retail store operations.
- * The new government policy is applauded as reasonable and equitable for treating all retail channels fairly and evenly, without choosing winners or losers, and without showing any philosophical bias towards either the private or public sector.
- * The new government policy is seen as responsible by protecting its revenue flow into the GRF from the sale of beverage alcohol in Saskatchewan.
- *Complete transparency for the public and retail liquor store owners and operators.

Next Steps:

Independent, third party, organization to review SHHA Uniform Wholesale Price setting model of which the SHHA will contribute a portion of the cost. The SHHA expects that all proposed models be independently scrutinized with the same rigor as the SHHA model.