THE CROWN CORPORATION THAT REGULATES PRIVATE LIQUOR STORES:
SASKATCHEWAN LIQUOR & GAMING ASSOCIATION

By Alexandra Burnett

BRIEFING NOTE
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Executive Summary

Saskatchewan Liquor and Gaming Authority (SLGA) is a provincially-owned Crown corporation. SLGA is responsible for the regulation and distribution of liquor, gaming, and as of recently, cannabis products in Saskatchewan. SLGA is responsible for managing most of the province’s electronic gaming machines and VLTs across the province.

In 2016, SLGA introduced a transition to reduce the number of SLGA retail liquor stores. As of March 31, 2018, only two SLGA operated stores are remaining to be closed and replaced by private retailers.

Historical Overview

Saskatchewan Liquor and Gaming Authority (SLGA) is a Crown corporation owned by the government of Saskatchewan. SLGA is responsible for the regulation and distribution of liquor, gaming and cannabis products across Saskatchewan.¹

Last year SLGA expanded the private retail system for liquor retailing. This officially took effect on October 9, 2016 and as of March 31, 2018, there were 655 Retail Store Permittees (RSP) operating throughout Saskatchewan.²

SLGA Retail Inc. is in charge of overseeing the operations of SLGA retail liquor stores across the province.³ As previously mentioned, a transition is underway to reduce the number of SLGA operated retail liquor stores, and as of March 31, there were two SLGA operated stores remaining to be closed and replaced by private retailers.⁴

SLGA directly manages the majority of Saskatchewan’s electronic gaming machines including the province’s network of video lottery terminals and slot machines at First Nations casinos.⁵ VLTs are located across the province allowing those site operators to earn commissions from VLT play. SLGA is also responsible for regulating the province’s eight casinos, including six First Nations casinos operated by the Saskatchewan Indian Gaming Authority (SIGA) and two other casinos operated by SaskGaming.⁶ SLGA licenses and regulates most other forms of gaming such as bingos, raffles, break open tickets, Texas Hold’em poker, Monte Carlo events and the provincial horse racing industry.⁷

With the recent legalization of cannabis in Canada, SLGA’s regulatory operations have expanded. Wholesaling and retailing of cannabis will be conducted by the private sector, but SLGA played a role in the preparation and implementation of the cannabis framework that outlines a plan for the legal and responsible distribution sale and use of cannabis in Saskatchewan.⁸
Quick Statistics
From 2017-18 Annual Report:

- As of March 31, 2018, two SLGA operated stores were remained closed and replaced by private retailers.
- SLGA issued 14,733 special occasion permits to individuals to sell liquor products for on-site consumption for a limited period of time.
- SLGA employs 685 staff throughout Saskatchewan.
- There are 37 SLGA retail stores.
- There are 655 Retail Store Permittees operating throughout Saskatchewan.
- VLTs are located at 581 sites across Saskatchewan.

Current Issues

Recently the moratorium on selling and transferring liquor retail permits has expired in Saskatchewan opening doors for new private retailers. The two-year moratorium on selling retail liquor permits ended on October 9th following a decision made in 2016 to close 39 public stores and add 50 more private retailers. Big retailers such as Loblaw’s have announced they plan to start selling liquor in Regina, Moose Jaw and Saskatoon. They recently opened Saskatchewan’s first Real Canadian Liquor Store in Yorkton on October 9th.

SLGA’s retail stores are profitable, however, their 2017-18 annual report shows that operating cost reduction goals are not being met due to declining revenue. Prior to 2016, operating costs represented 10 percent of sale revenue, but now operations are equivalent to 12 percent of sales revenue. According to an SLGA spokesperson, SLGA’s profit is generated from the wholesale markup applied on all alcohol products sold in Saskatchewan.

Not surprisingly, there are some offsale owners that are not happy with the new liquor retailers moving into the province. They claim that wholesalers often won’t allow them to carry products with limited time offers due to the size of the store and the hours it is open.

While SLGA may be promoting a more “level playing field” for liquor competition in Saskatchewan, all liquor products sold at these private stores are still regulated and taxed by SLGA.
Endnotes

2. Ibid.
3. Ibid.
4. Ibid.
5. Ibid.
6. Ibid.
7. Ibid.
8. Ibid.
9. Ibid.
11. Ibid.
12. Ibid.
13. Ibid.

Bibliography
