

CHAPTER IX - RETAIL STORE PERMIT

1. Primary Purpose

The primary purpose of a retail store permit is the sale of beverage alcohol in closed containers for consumption off-site.

In communities with a population of less than 5,000, the retail sales of beverage alcohol may occur in association with other business activities. *See Section 2(a)(iv) in this Chapter for more information about Stand-alone, Integrated, and Transitional Retail Stores.*

2. Facility Standards

a. Suitability of a Retail Store Establishment

- i) SLGA allows a retail store permit to be issued and to continue to remain in effect only if the location, construction, equipment, furnishings, and operation of the establishment consistently meet the standards set out in *The Alcohol and Gaming Regulation Act, 1997, The Alcohol Control Regulations, 2016* and terms and conditions on a permit.
- ii) If these standards are not met, SLGA may refuse to issue or renew a permit or may impose sanctions against the Retail Store Permittee up to and including the cancellation of the retail store permit.
- iii) The Retail Store Permittee is responsible for ensuring that the establishment complies with the facility standards set out in building codes, health and fire regulations, and other relevant federal, provincial and municipal legislation and regulations.
- iv) A Retail Store may operate only in one of the following configurations:

1. Stand-alone Retail Store

A Stand-alone Retail Store is a facility where the primary purpose is the retail sale of beverage alcohol. A Stand-alone Retail Store must operate independently from any other affiliated business.

A Stand-alone Retail Store operating within or while connected to another business must:

- a. Clearly demarcate the premises of the Retail Store.
- b. Post notices indicating that minors must be accompanied by a parent, legal guardian, or spouse of legal age on the premises of the Retail Store.
- c. Display and sell beverage alcohol only on the premises of the Retail Store.
- d. Prohibit customers from leaving the Retail Store with unsold beverage alcohol.
- e. Conduct retail sales on a separate point of sale terminal and require that all beverage alcohol transactions are conducted through this terminal. Only items offered for sale within the premises of the Retail Store may be transacted on this point of sale terminal. {updated: September 14, 2018}

- f. Be separated from the any other businesses by walls, windows or barriers at least 6 feet in height that prevent access to beverage alcohol products from outside the store, and
- g. Have gates or doors that can be closed and locked to prevent all access to beverage alcohol and allow the closure of the Retail Store while allowing any connected businesses to remain in operation.

2. Integrated Retail Store

An Integrated Retail Store is a facility that provides retail sales of beverage alcohol while operating as part of another business in a community with a population of less than 5,000.

An Integrated Retail Store with a liquor display area, operating within or while connected to another liquor permitted business, such as a tavern or restaurant:

- a. Must have a clear delineation between the retail store space and the other business. The space must clearly alert an individual that they are exiting the permitted area or other business and entering retail store space; and
- b. Alcohol consumption is not allowed in the retail store area, excluding alcohol samples; and
- c. If the tavern or restaurant with lounge has VLTs, the minimum size requirement of 390 sq. ft. for having VLTs continues to apply. This area must be one continuous area.

An Integrated Retail Store may provide retail sales of beverage alcohol as part of another liquor permitted business without a liquor display area (e.g., over-the-counter sales). In these cases, there is no requirement for a dedicated retail area space and the restaurant/tavern requirements apply.

An Integrated Retail Store operating within other business formats (i.e., grocery store) shall as much as reasonably possible display liquor within a single area.

3. Transitional Retail Store

A Transitional Retail Store is a facility that provides retail sales of beverage alcohol while operating in a community with a population of more than 5,000 as part of:

- Another liquor permitted business, such as a restaurant or tavern; or
- Other business, such as a convenience store or grocery store.

Only former franchises and off-sales that were in operation as of October 8, 2016 and continue to operate in the same location under the same ownership and business model are eligible for this configuration.

A Transitional Retail Store may continue to operate until the permit is cancelled, the retail store is relocated, the associated business is closed or the permit is sold. After October 8, 2018, if a Transitional Retail Store is sold, relocated or rebuilt after it is damaged or destroyed, a permit will only be issued if the retail store complies with the Retail Store Standalone requirements outlined above.

b. Public Notices and use of SLGA Logo

The Retail Store Permittee must display materials supplied or prescribed by SLGA and shall not use SLGA's name or logo otherwise without the written consent of SLGA. Materials distributed by SLGA for display may include, but are not limited to, social responsibility messaging or recall notices.

c. Staffing

- i) The Retail Store Permittee shall ensure that all persons working in the Retail Store are familiar with, understand and comply with the Act, Regulations, policies, and terms and conditions at all times.
- ii) The Retail Store Permittee shall not employ or allow a Minor to handle or sell beverage alcohol in any manner.
- iii) Retail Store Permittees operating Integrated or Transitional Retail stores may employ minors that are not involved in the handling or sale of beverage alcohol as long as they are not prohibited from doing so by the terms and conditions of any other permit issued by SLGA.
- iv) Every person employed in the sale and service of beverage alcohol in the Retail Store must successfully complete, within a period determined by SLGA, a server intervention training program approved by SLGA. *See Chapter XI, Section 3(e) of this Manual for more information about mandatory server intervention training.*

d. Drive-throughs

A Retail Store may sell beverage alcohol through a drive-through window. A floor plan identifying the placement of the drive-through window in the establishment is to be submitted to the Licensing Branch for approval prior to construction commencing.

e. Warehouse space

- i) The Retail Store may acquire sufficient warehousing facilities to maintain inventory requirements for the Retail Store. The warehousing facilities may be attached to the Retail Store or located at one or more separate locations.
- ii) If beverage alcohol is warehoused at a location away from the retail store, the address of the warehousing facility must be provided to SLGA.
- iii) Warehousing facilities will be subject to inspection on the same terms as the premises of a Retail Store.
- iv) The Retail Store Permittee must ensure that all beverage alcohol in a warehouse is stored securely and that reasonable steps are taken to minimize the risk of theft.
- v) Any beverage alcohol that spoils as a result of inadequate warehousing facilities is the responsibility of the Retail Store Permittee and cannot be returned to SLGA.

- vi) Where the Retail Store Permittee operates more than one Retail Store, it is not necessary to have a separate warehouse space for each store. For example, a Retail Store Permittee that operates a store in each of Saskatoon and Regina could have a single warehouse to hold inventory for both stores in Davidson.
- vii) A Retail Store Permittee cannot sell product from its warehouse facilities. A Retail Store Permittee may deliver product to a commercial permittee directly from the Retail Store Permittee's warehouse. The Retail Store Permittee may allow commercial permittees to pick up beverage alcohol that was pre-ordered from the Retail Store Permittee, from the warehouse. A commercial permittee is not allowed to enter the warehouse. The Retail Store Permittee may not allow individual retail customers to pick up beverage alcohol at the warehouse nor to enter the warehouse.
- viii) Two or more retail store permittees may share a warehouse facility. If more than one RSP is operating within the same warehouse, each retail store must ensure that their beverage alcohol is safely secured away from the beverage alcohol of any other retail store permittee.

3. Minors

- a. Minors may be allowed to enter a Standalone retail store as long as they are accompanied by their parent, legal guardian, or spouse of legal age.
- b. Minors may be allowed to enter an Integrated or Transitional retail store unaccompanied. Minors shall not be allowed to enter a Transitional or Integrated retail store if it is co-located in a permitted premises that would otherwise prohibit from minors from entering (for example, a tavern).
- c. The sale of beverage alcohol to minors is prohibited.
- d. A retail store permittee or the employees of a retail store permittee must demand proof of age from a person if it appears that the person is a minor and the person is attempting to purchase beverage alcohol.
- e. If a minor or an individual who appears to be a minor fails or refuses to produce satisfactory proof of age identification, the retail store permittee or the employees of the retail store permittee must deny service of beverage alcohol and ask the person to leave the retail store immediately.

4. Intoxicated Patrons

- a. The sale of beverage alcohol to intoxicated patrons is prohibited. *See Chapter XI, Section 3 of this Manual for more information about over serving and intoxication.*

5. Hours and Days of Operation

- a. Retail Stores may establish their hours of operation any time between 8:00 a.m. and 3:00 a.m. (3:30 a.m. on January 1).

- b. Integrated or Transitional Retail Stores co-located in a permitted premises may open at 8:00 a.m. for the sale of beverage alcohol in closed containers for off-site consumption, but may not sell beverage alcohol for on-site consumption prior to 9:30 a.m..

6. Sampling

a. In-store sampling

- i) The Retail Store or a supplier of beverage alcohol authorized by the Retail Store may offer samples of beverage alcohol at the Retail Store.
- ii) SLGA reserves the right to limit or prohibit any promotional activities that may appear to promote immoderate consumption or consumption by minors, or that are otherwise inconsistent with the advertising standards set by the Canadian Radio-television and Telecommunications Commission (CRTC). *For more information about CRTC advertising standards, see Chapter XII, Section 4 of this Manual.*
- iii) All sample products must be purchased under the Retail Store Permit from SLGA, another Retail Store, or from a permitted manufacturer's off-sale. All applicable taxes, including the Liquor Consumption Tax, must be paid on the cost of all beverage alcohol used for sampling.
- iv) Samplings may be conducted by the Retail Store Permittee, an employee of the Retail Store Permittee, a supplier or a representative of a supplier. The Retail Store Permittee or supplier of beverage alcohol, at their discretion, may charge for samples of beverage alcohol. If charges for samples are instituted, prices for samples must comply with SLGA's policies on minimum pricing for beverage alcohol sold for on-site consumption. Product sampling sessions cannot resemble on-table service of beverage alcohol. *For more information about minimum prices, see Chapter XI, Section 11 of this Manual.*
- v) Retail Store Permittees are responsible to ensure participants are not served samples to the point of intoxication.

b. Sample sizes

The sample sizes of beverage alcohol for on-premises consumption must not exceed the following amounts as set out in *The Alcohol Control Regulations, 2016*:

- i) Spirits – ½ ounce or 14.25 millilitres;
- ii) Wine – 2 ounces or 57 millilitres; and
- iii) Beer or cooler – 4 ounces or 114 millilitres.

7. Product Knowledge

a. Beverage Alcohol Knowledge Seminars

- i) The Retail Store Permittee may offer product knowledge seminars at the Retail Store for the purpose of providing beverage alcohol tastings or food and beverage alcohol pairings. The Retail Store Permittee may charge an admission fee to attend the beverage alcohol knowledge

seminars. Beverage alcohol knowledge seminars may be sponsored and conducted by the Retail Store Permittee or a supplier of beverage alcohol.

- ii) The Retail Store Permittee shall ensure that all participants in the beverage alcohol knowledge seminars are of legal drinking age, adequate food service is available, no individual is over-served (Retail Store Permittees are responsible to ensure participants are not served to the point of intoxication) and the maximum sample size requirements provided in Section 7(b) are adhered to.
 - iii) All products used in a beverage alcohol knowledge seminar must be purchased under the Retail Store Permit from SLGA, another Retail Store, or from a permitted manufacturer's off-sale. All applicable taxes, including the Liquor Consumption Tax, must be paid on the cost of all beverage alcohol used for seminars.
 - iv) Beverage alcohol knowledge seminars may not be held outside the maximum hours of operation established at Section 6(a).
 - v) No open bottles of beverage alcohol may leave the Retail Store.
- b. Off-site Sampling – Special Occasion Permit Required
- i) The Retail Store Permittee may apply to SLGA for a Special Occasion Permit (SOP) to provide beverage alcohol samples to invited guests at a location other than the Retail Store. The Retail Store Permittee is prohibited from charging an admission fee to attend the off-site sampling but may charge for the beverage alcohol samples provided where it is issued a sale SOP by SLGA. Per SLGA liquor licensing policy, the Retail Store Permittee will be limited to six sale SOPs per year.
 - ii) Food service must be provided at SOP events as outlined in Section 4.2.9 of the Special Occasion Permittee Policy Manual. The maximum sample size requirements provided in Section 7(b) of this Chapter as well as the terms and conditions of the SOP apply to off-site samplings. The Retail Store Permittee is responsible to ensure no individuals are served to the point of intoxication. *Further information regarding SOPs may be found in the Special Occasion Permittee Policy Manual at Appendix D.*
 - iii) All products used for off-site samplings must be purchased under the Special Occasion Permit from SLGA, a Retail Store, or from a permitted manufacturer's off-sale. All applicable taxes, including the Liquor Consumption Tax and any applicable re-sale levy as outlined in Section 1.7.5 of the Special Occasion Permittee Policy Manual, must be paid on the cost of all beverage alcohol used for sampling.
 - iv) Off-site samplings may not be held outside the maximum hours of operation for special occasion permitted events as defined in Section 4.1 of the Special Occasion Permittee Policy Manual.
 - v) No open bottles of beverage alcohol may leave the area approved in the SOP.
- c. In-store Receptions – Special Occasion Permit Required

- i) From time to time, the Retail Store Permittee may apply to SLGA for a non-sale SOP to host a reception at the Retail Store. SLGA will only consider an application for a non-sale SOP for store openings and customer appreciation nights. Retail Store Permittees will be eligible for up to 25 combined sale and non-sale SOPs per year as per Section 1.3.3 of the Special Occasion Permittee Policy Manual.
 - ii) Receptions must be by invitation only, at no charge to the guests.
 - iii) All applicable terms and conditions relevant to a SOP will apply to a reception held in a Retail Store. It is the Retail Store Permittee's responsibility to learn and comply with the terms and conditions. *Further information regarding SOPs may be found in the Special Occasion Permit Manual at Appendix D.*
 - iv) Receptions may not be held outside the maximum hours of operation defined in Section 4.1 of the Special Occasion Permittee Policy Manual.
 - v) No open bottles of beverage alcohol may leave the Retail Store.
- d. Sample Sizes

The sample sizes of beverage alcohol must not exceed the following amounts as set out in *The Alcohol Control Regulations, 2016*:

- i) Spirits – ½ ounce or 14.25 millilitres;
 - ii) Wine – 2 ounces or 57 millilitres; and
 - iii) Beer or cooler – 4 ounces or 114 millilitres.
- e. Restrictions
- i) Any unfinished bottles of beverage alcohol samples must be disposed of at the Retail Store or off-site sampling location.

8. Sales at Permitted Liquor Trade Shows

- a. Retail Store Permittees with approval from SLGA may sell beverage alcohol in closed containers for off-site consumption at a permitted liquor trade show.
- b. Retail Store Permittees must apply in writing to SLGA and receive approval before operating an off-site location at a permitted liquor trade show. To apply, contact the Liquor Licensing and Inspections Branch **at least fifteen (15) days before the event** to allow sufficient time to process your request. The applicant must submit a sketch showing the location and dimensions of the temporary off-site location, a description of the material used for the enclosure, a description of the event, and the dates requested.

9. Product Offerings and Pricing

a. Product Source

All beverage alcohol products offered for sale in a Retail Store must be sourced through SLGA, a Brewer's Association, a manufacturer's off-sale or a Retail Store. It is illegal for a Retail Store to offer for sale beverage alcohol that is not purchased from an approved source. *For more information about permitted sources of beverage alcohol, see Chapter XI, Section 9 of this Manual.*

b. Product Standards

i) Product Labelling

1. All products that are not on the general list offered for sale in a Retail Store must comply with the *Food and Drugs Act (Canada)* and all applicable Provincial and Federal legislation, regulations and by-laws pertaining to label standards, bottle sizes and case markings.
2. The Retail Store Permittee will be responsible to ensure that product that is not on the general list purchased and sold by the Retail Store meets standards established by Federal and Provincial law, including labeling standards.

ii) Product Quality

1. The Retail Store must comply with any quality assurance policies implemented by SLGA.
2. Any product liability issues arising from the purchase or sale of products that are not on the general list by the Retail Store will be the sole responsibility of the Retail Store Permittee. SLGA will be responsible for Listed Products provided those products have not been altered in any manner, including content or packaging standards, or damaged as a result of the Retail Store Permittee's action or negligence.
3. The Retail Store must accept returns of beverage alcohol products sold by the Retail Store that are subject to recalls issued by SLGA.

iii) Product Packaging

With the exception of products sold in growlers, all beverage alcohol must be sold in its original packaging. This does not prohibit a Retail Store from opening a package of individually packaged units and selling each unit individually. *See Chapter XI, Section 10(c) of this Manual for more information about growler fills.*

iv) Growlers

1. Growlers are permitted to be sold and filled with craft beer at Retail Stores.
2. Craft beer is beer produced by a brewery producing 20,000 or fewer hectoliters of beer annually.

3. SLGA maintains a list of approved craft beer producers whose products can be sold in growlers. Only products from producers on this list can be sold in growlers.
4. Retail stores with growler stations must carry at least one Saskatchewan craft brewery produced beer if they have four or fewer growler taps.
5. Retail Stores with more than four growler taps will be required to sell at least two Saskatchewan craft brewery produced beers.
6. Growlers, once filled with craft beer by a Retail Store, must be sealed so that if opened it is immediately apparent to a casual observer.

c. Product Pricing

All Retail Store Permittees may set their own retail and wholesale prices. All Retail Store retail prices must comply with SLGA's Social Reference Price (SRP) policy.

d. Social Reference Pricing (SRP)

Retail sales, including sales made to special occasion permittees, must be priced in compliance with the Social Reference Prices (SRP) established by SLGA. Wholesale prices for sales to commercial permittees or Retail Stores may be lower than the Social Reference Price. Beverage alcohol sold to suppliers for the purpose of conducting samplings in the Retail Store may be sold for lower than the Social Reference Price.

e. Display of Prices

Retail Stores may display retail prices as the amount either before or after taxes and deposit.

f. Non-Beverage Alcohol Products

- i) While Stand-alone Retail Stores may sell non-beverage alcohol products, the primary focus of the Stand-alone Retail Store is to be the sale of beverage alcohol and the store cannot resemble a grocery or convenience store.
- ii) Non-beverage alcohol products will occupy no more than 25% of total retail space of Stand-alone Retail Stores.
- iii) Integrated and Transitional Retail Stores may offer for sale non-beverage alcohol items and services associated with the parent business.
- iv) Retail Stores cannot sell items that, in SLGA's opinion, may encourage the over-consumption of beverage alcohol or the consumption of beverage alcohol by minors.
- v) SLGA may adopt further guidelines that restrict the volume and/or types of non-beverage alcohol products that a Retail Store may carry.

g. Sales Area

All sales made by Retail Stores must occur within the Province of Saskatchewan.

10. Responsible Use Initiatives

The Retail Store Permittee shall implement at the Retail Store any responsible use initiatives or campaigns developed by SLGA from time to time regarding beverage alcohol consumption in addition to any initiatives the Retail Store Permittee may pursue independent of SLGA.

11. Delivery to End User

- a. Retail Stores may deliver product directly to retail and commercial permittees and special occasion permittees. Deliveries to special occasion permittees must be made to the site where the permitted event is to occur.
- b. A Retail Store Permittee is eligible to apply to SLGA for a home delivery special use permit allowing them to deliver products directly to retail consumers. *For more information about special use home delivery permits, see Chapter V, Section 21 of this Manual. For more information about the application process, see Chapter II, Section 1 of this Manual.*

12. Records

- a. Retail Store Permittees must keep records that distinguish between beverage alcohol sold to:
 - retail customers;
 - special occasion permittees; and
 - retail store and commercial permittees.

For beverage alcohol sold to special occasion, retail store, and commercial permittees, the records must include the permit number.

- b. Integrated and Transitional Retail Stores must keep records that distinguish between beverage alcohol sold in closed containers and beverage alcohol sold for on-site consumption.
- c. Stand-alone Retail Stores that are operated adjacent to another liquor-permitted business must keep records that distinguish between beverage alcohol sold in the retail store and beverage alcohol sold in the adjacent business.
- d. The Retail Store Permittee shall furnish to SLGA in the form from time to time prescribed by SLGA, and together with such detail and breakdown and copies of supporting records as SLGA may from time to time require respecting the sale of beverage alcohol, the inventory of beverage alcohol then held by the Retail Store Permittee and any other information which SLGA may from time to time deem necessary.
- e. The Retail Store Permittee shall prepare and keep for a period of not less than two (2) years (or longer as may be required by Canada Revenue Agency or Saskatchewan Finance), all original

records which would normally be examined by an independent professional accountant in performing an audit of the financial statements for the Retail Store Permittee, including:

- i) perpetual inventory records;
 - ii) purchase records and receipts from sales, including cash register tapes or, if applicable, serially numbered sales invoices or registered receipts;
 - iii) records of returned beverage alcohol;
 - iv) records showing the disposition of beverage alcohol removed for any reason except sales from the Retail Store inventory, such as off premises tasting; and
 - v) returns showing payments to the relevant authorities of all amounts collected, paid and remitted.
- f. SLGA shall have the right, during normal business hours and without prior notice to the Retail Store Permittee, to inspect or audit, or cause to be inspected or audited the financial books, records, bookkeeping and accounting records, documents or other materials in respect of the Retail Store, including the right without limitation, to have a person or persons on the premises of the Retail Store or other relevant premises of the Retail Store Permittee, to check, verify and tabulate records and accounts, and/or to examine accounting records and procedures affecting the determination of records and accounts. The Retail Store and Retail Store Permittee shall be subject to inspections and/or audits by SLGA representatives from time to time to ensure the Retail Store Permittee is in compliance with the *Act, Regulations*, permit terms and conditions and all applicable policies.
- g. On inspection and/or audit, the Retail Store Permittee shall provide SLGA representatives with all requested documentation and full access to the Retail Store Permittee's premises, records and accounts, including any off-site warehouse spaces used by the Retail Store Permittee.

13. Additional Statutory and Operational Requirements

- a. A Retail Store Permittee must operate the Retail Store in accordance with all applicable municipal, provincial and federal laws and regulations. The following information about additional legal obligations is provided for informational purposes only and does not in any way diminish the Retail Store Permittee's responsibility to ensure compliance with all relevant federal, provincial and municipal legal obligations. Additional legal obligations may include, but are not limited to:
 - i) *The Environmental Management and Protection Act, 2010*;
 - ii) *The Litter Control Regulations, 1973*;
 - iii) *The Liquor Consumption Tax Act*;
 - iv) *Food and Drugs Act*; and
 - v) Municipal Bylaws.