

Permitted Use of Alcohol Advertising on Buses

Recommendation:

That the January 19, 2011, Transportation Department report 2011TD8368 be received for information.

Report Summary

This report provides information regarding advertising of alcohol products on vehicles associated with Edmonton Transit System.

Previous Council/Committee Action

- At the November/December 2010, City Council Budget meeting, the following motion was passed:
 - That Administration provide a report regarding the permitted use of alcohol advertising on buses; revenue generation and ability to influence messaging.
- At the March 2, 1993, City Council meeting, the following motion was passed:
 - That the following motion passed at the December 14, 1982, Council meeting be reaffirmed:
 - That liquor and cigarette advertising not be permitted on Transit buses or LRT trains.

Report

Removing restrictions on advertising generates new revenue. Edmonton Transit System is the only Canadian

transit agency that does not allow liquor advertising.

Current Agreement

- Edmonton Transit has a contract with an advertisement vendor granting the rights to advertise on Edmonton Transit System vehicles, facilities, transit benches and shelters.
- In accordance with the 1993 Council direction, the contract contains a restriction which does not permit liquor advertising. The contract provides the City with the discretion to require that the vendor remove advertising that is not moral or reputable in character.
- The Vendor is required to comply with relevant provincial and federal laws and all applicable national advertising standards.

Opportunity for Additional Revenue

- Permitting liquor advertising allows Edmonton Transit System to be an attractive market for national advertising vendors.
- In 2011, it is estimated that this additional revenue source will provide \$1,000,000.

Targeted Messaging

- The Alberta Gaming and Liquor Commission Policy Guidelines for liquor advertising, restrict liquor advertising if it targets minors, encourages over consumption, or depicts liquor consumption and the operation of motor vehicles.
- Edmonton Transit System will promote messages of responsible drinking and use of public transportation when drinking.
- Liquor Corporations have their own stated policies of social responsibility

and have evolved beyond messages of consumption. For example, the promotion of designated drivers, etc.

To date, there is no policy regarding liquor advertising on City property, only the motion restricting liquor and tobacco advertising on buses and trains; therefore Administration is in the process of drafting a new policy to permit liquor advertising on City property. This policy will come forward to the February 8, 2011, Transportation and Public Works Committee meeting.

Budget/Financial Implications

The Vendor has estimated that the additional revenue to Edmonton Transit System that could be generated from liquor advertising under the contract would be approximately \$1,000,000 annually.

The 2011 Budget includes this additional advertising revenue from liquor advertising. Once the policy is brought forward in February, if this change in advertising is not approved then the 2011 budget revenue would be decreased by \$1,000,000, which is approximately a 0.1% increase in the 2011 tax levy.

Policy

The Way Ahead - to ensure Edmonton's financial sustainability.

Others Reviewing this Report

- D. H. Edey General Manager, Corporate Services Department
- L. Rosen, Chief Financial Officer and Treasurer