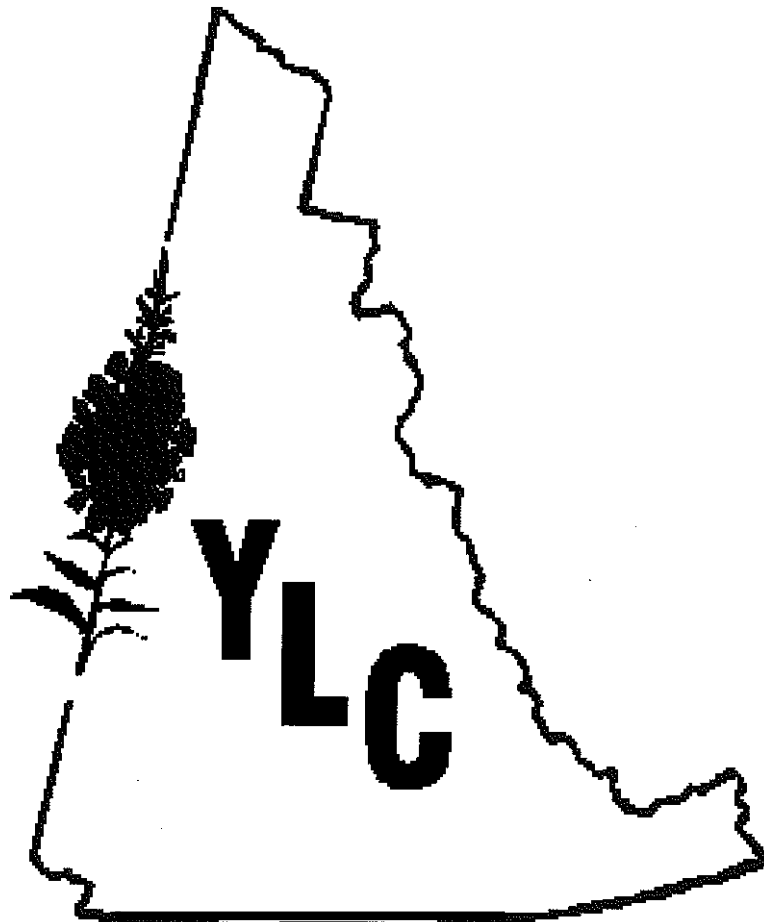


Yukon Liquor Corporation Strategic Plan

Part A: 2015-2020

Our vision:

Liquor products are enjoyed
in a safe, legal, and socially responsible manner.



Message from the Minister

The Yukon Liquor Corporation is governed by the Yukon Liquor Act. Under this act, the most fundamental element of the Corporation's role is the responsibility for the purchase, distribution and sale of liquor products in Yukon. In order to ensure the safe and responsible distribution of beverage alcohol, any products sold in Yukon must be received through the

Yukon Liquor Corporation. Through this mandate, the Yukon Liquor Corporation helps ensure that liquor products are enjoyed in a safe, legal and social responsible manner.

The Yukon Liquor Corporation's strategic plan strives to balance the legislated mandate, the control aspects of product sales while providing the necessary financial returns to Yukoners and ensuring a high level of service and product choice to our customers.

Sincerely,

Hon. Stacey Hassard

Minister responsible for Yukon Liquor Corporation

Message from the President

I am pleased to present our 2015-2020 Strategic Plan. This document provides a road map for the efforts of the Yukon Liquor Corporation over the next five years. It outlines our vision, mission, and values. This plan also sets out our strategic goals and objectives, and identifies the strategies we will undertake to achieve them.

Our strategic goals for the next five years are to:

- 4 Deliver customer service excellence to all our retail and commercial clientele.
- 4 Reduce alcohol related harm to the public through regulation, education and enforcement, and encourage a culture of moderation and social responsibility.
- 4 Sustain net profitability to the Government of Yukon through responsible liquor sales.
- 4 Attract, develop and engage talented people to continue to provide high quality service to the public.
- 4 Practice open, accountable and fiscally responsible government.

This plan improves upon previous strategic plans through the consideration of external influences and anticipation of future challenges that may be faced by the Corporation. This plan also puts a greater focus on the value of staff and the importance of accountability.

Sincerely,

Pamela J. Hine
President responsible for Yukon Liquor Corporation

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Vision, Mission, Values and Strategic Goals

Where We're Going- Our Vision

Liquor products are enjoyed in a safe, legal and socially responsible manner.

What We Do- Our Mission

Yukon Liquor Corporation is responsible for the purchase, distribution, and responsible sale of liquor products in the Yukon. Our primary responsibilities are:

- to purchase a range of liquor products and make them available to consumers
- to regulate the sale and consumption of liquor products

How We Will Get There - Our Strategic Goals

1. Deliver customer service excellence to all our retail and commercial clientele.
2. Reduce alcohol related harm to the public through regulation, education and enforcement, and encourage a culture of moderation.
3. Sustain net profitability to the Government of Yukon through responsible liquor sales.
4. Attract, develop and engage talented people to continue to provide high quality service to the public.
5. Practice open, accountable and fiscally responsible government.

What We Believe-Our Values

As a government agency and employer, we strive to:

- Actively engage staff and customers, supporting and encouraging actions that are fair, and consistent with promoting a respectful workplace and business practices.
- Inform customers and staff, and involve them in, the issues and decisions of the Yukon Liquor Corporation, using a participative and collaborative, effective management style of leadership.
- Provide the utmost of excellence in service standards to customers and clients.

Strategic Context

Social Responsibility

Social impacts related to alcohol consumption range from individual health concerns to criminal acts, such as driving under the influence. Alcohol is further stigmatized as a problem commodity due to its addictive nature and negative outcomes such as FASD. Government has the responsibility to regulate liquor sales and influence the consumption of alcohol while in licensed establishments, yet has little ability to control alcohol consumption by individuals in their own homes. Restrictions on the production and sale of alcohol will not address the issues, as history has demonstrated that when liquor products are not commercially available, individuals will make their own, rely on substitutes, or purchase liquor illegally to satisfy their needs.

While the majority of Yukoners conduct themselves responsibly when consuming liquor, there are a small percentage of consumers who have addictions, and reduced social skills related to their consumption of liquor. These situations may present themselves as health concerns, domestic disputes, anti-social behaviour, violence,

reduced personal safety and similar behaviours contrary to individual and public well-being.

The Yukon Liquor Act and supporting regulations set out the rules for liquor sales either direct from government liquor stores, or by licensees. Regulations also speak to consumer behaviours such as intoxication in public places and bootlegging. The Department of Health and Social Services, Alcohol and Drug Services Branch takes the lead in dealing with addiction issues.

Shared Responsibilities

YLC works closely with bars and restaurants to ensure compliance with liquor laws and promote consumer safety. One example is the Be a Responsible Server (BARS) training program that is provided to licensee serving staff throughout Yukon. Yukon Liquor Inspectors work in close collaboration with the RCMP, routinely conducting licensee inspections to confirm compliance by both the licensee and their patrons. ID checks are frequently conducted to prevent underage drinking, and inspectors ensure patrons are not being over served, and are not publically intoxicated.

Other organizations have an interest in the responsible management of liquor. This includes Mothers Against Drunk Driving (MADD) and the Prevent Alcohol-Related Trauma in Youth (PARTY) program. School programs also exist, such as substance-free grad events.

Economic Influences

Liquor sales contribute more than \$12 million annually to Yukon government revenue. Trend analysis reveals an increase in product sales during the summer tourism and construction months when additional non-resident consumers purchase liquor.

As licensed liquor sales are a component of the hospitality sector, there is some positive influence on local employment statistics. The employment is difficult to quantify due to the typical short-term and seasonal nature of these jobs.

Employment in accommodation and food services has varied from a low of 1,482 in 2010, to a high of 1,870 employees in 2012. Comparing 2012 to 2011, employment has increased by 272. There were 1,030 employees in the accommodation services subsector and 840 in the food services and drinking places subsector in 2012.

Local commercial liquor producers are relatively new to Yukon and are slowly establishing their product lines for distribution via Yukon Liquor Corporation. These producers create some direct jobs and also benefit numerous other businesses that sell

products and services; ranging from advertising and promotional materials to tradesman services and freight transportation.

Consumer Demands

Licensed establishments would like to modify their services to appeal to visitors from global locations with less restrictive liquor laws.

As internet services continue to evolve, there have been national-level lobbying efforts to relax interprovincial trade rules and permit on-line direct to consumer wine sales.

Some Yukon operators are seeking equity with other jurisdictions for the same flexibility to better cater to customer requests. This is contrasted with requests by local governments and First Nations to restrict the distribution of liquor products in some communities to improve community safety and reduce alcohol abuse.

Yukon Liquor Corporation Strategic Goals

This section discusses our strategic goals and outlines the objectives we have identified to achieve them.

Strategic Goals

Strategic Goal 1 – Deliver customer service excellence to all our retail and commercial clientele.

Yukon Liquor Corporation, governed by the *Yukon Liquor Act*, is responsible for the receipt, distribution, regulation and control of all beverage alcohol available in Yukon. We strive to balance our legislative mandate between the control aspects of product sales with our commitment to delivering customer service excellence in our six retail stores. It is essential that every effort is made to ensure that a variety of liquor products that customers want is available in every product category, at prices comparable to those of other Canadian jurisdictions wherever possible. This philosophy supports the interests of individual customers and private sector businesses involved in the sale of liquor.

To accomplish this we have identified the following objectives:

1.1 Increase responsiveness to licensees, stores, and store customers.

A Product Strategy will help YLC respond well to new product availability and requests, and to introduce customers to new options. Listening directly to licensees will help the Corporation improve services.

1.2 Provide staff and licensees with the information they need to effectively forecast and order products.

Providing appropriate market data can help stores and licensees adapt product offerings to what sells well in their local markets.

1.3 Support staff in working with customers to "trade up" in support of enjoyment in moderation.

By providing consistent, quality product training to staff, customers can be introduced to higher quality options suitable to their tastes and increase their understanding of and appreciation for their beverage of choice.

How We Are Doing- Indicators

% of licensees and store customers who say in survey that they have noticed improvement in dealing with YLC.

Change in aggregate ratio of sales Value:Volume.

Risks to customer service excellence

Risk 1: Service could suffer if YLC tries to do too much too quickly or with insufficient resources.

Risk 2: Any delay installing updated sales and inventory system (SMS) may decrease efficiency.

Risk 3: Capturing customer feedback is periodic and limited, creating circumstances whereby YLC is:

- relying on outdated information; and,
- missing potentially valuable, opportunities.

Risk 4: The increased demand for territorial agent services during the peak and shoulder summer season, may affect staff's attention and ability to focus on YLC strategies and sales.

Risk 5: The Product Listing Committee's terms of reference has not been defined and the criteria by which new liquor products are measured against is too general and vague. By not providing a clear direction may lead to inconsistent decisions that could affect profitability.

Strategic Goal 2 -Reduce alcohol related harm to the public through regulation, education and enforcement, and encourage a culture of moderation and social responsibility.

Liquor is a regulated and controlled product in Canada. Improvement on our compliance framework that minimizes risk to the public, in cooperation with the private sector liquor service industry, is a key element of the Corporation's mandate.

To accomplish this we will:

2.1 Review Social Science studies for opportunities to reduce alcohol related harm in Yukon.

Peer reviewed studies on ways to reduce alcohol related harm, such as through a minimum pricing policy, can guide YLC to more effective practices.

2.2 Continue to reinforce understanding of roles and responsibilities by licensees, public and YLC staff.

By helping to ensure Licensees know their responsibilities, as well as the penalties to non-compliance, YLC supports compliance and fairness.

2.3 Develop proposed update of Yukon Liquor Regulations.

Updated regulations could help reduce and simplify the regulatory burden on Licensees without compromising social responsibility.

2.4 Develop Social Responsibility framework.

Defining what Social Responsibility is – and is not – in YLC’s context, and developing an evidence-based framework for initiatives would help provide focus going forward.

Risks to social responsibility and harm reduction

Risk 1: Divergent views on social responsibility could delay developing actionable focus.

Risk 2: An outdated Liquor Act may limit what can be simplified with regulations alone.

Strategic Goal 3 – Sustain net profitability to the Government of Yukon through responsible liquor sales.

Collected liquor tax (12%) and net income from Yukon Liquor Corporation operations provide an important revenue stream.

To accomplish this we will:

3.1 Improve store results by providing increased service and expertise to customers.

By having store managers take a greater role in store performance, they can best serve their market and optimize profitability.

3.2 Work with stores to streamline ordering and shipping.

A pilot program to explore alternative suppliers could lead to greater efficiencies.

3.3 Minimize fixed costs.

Negotiating a new Whitehorse store lease will create medium term certainty. Lower energy usage would mean cost savings and a smaller footprint.

How We Are Doing- Indicators

% of retail customer special orders fulfilled.

Risks to profitability

Risk 1: There are public health and safety risks directly and indirectly related to alcohol sales that impact government's net profitability.

Risk 2: Increased competition from outside Yukon may continue to impact revenues.

Strategic Goal 4 -Attract, develop and engage talented people to continue to provide high quality service to the public.

Our people are the heart of the business and are critical in YLC's ability to meet our strategic goals. As YLC continues to evolve, having an enthusiastic and engaged team is essential.

To accomplish this we will:

4.1. Improve staff engagement and motivation.

Making safety the top priority is a daily responsibility. By engaging staff in decisions that impact them and ensuring open communication, staff bring their expertise, experience and good will to solving challenges the corporation faces.

4.2. Commit to learning, career planning and development and succession planning.

By organizing cross-training to reduce key person dependencies and providing support for career development, YLC and staff all benefit.

4.3. Support flexibility in the work place & work-life balance.

Where operationally permissible, flexible work arrangements are support.

4.4. Implement performance planning and measurement.

PPPS and Training Plans provide clarity for how individuals fit into the organizational goals.

How We Are Doing- Indicators

of workplace injuries and days lost to injuries Year over Year

of Sick days and LWOP compared Year over Year

Strategic Goal 5 – Practice open, accountable and fiscally responsible government.

Transparent, accountable and fiscally responsible operations are essential.

To accomplish this we will:

5.1. Exercise sound management and planning in the delivery of programs and responsibilities.

A thorough human resource needs assessment reflecting the work to be done and time it takes to do it will allow for accurate planning, efficient resource deployment, and ensure staff have the ability to do their tasks well and safely.