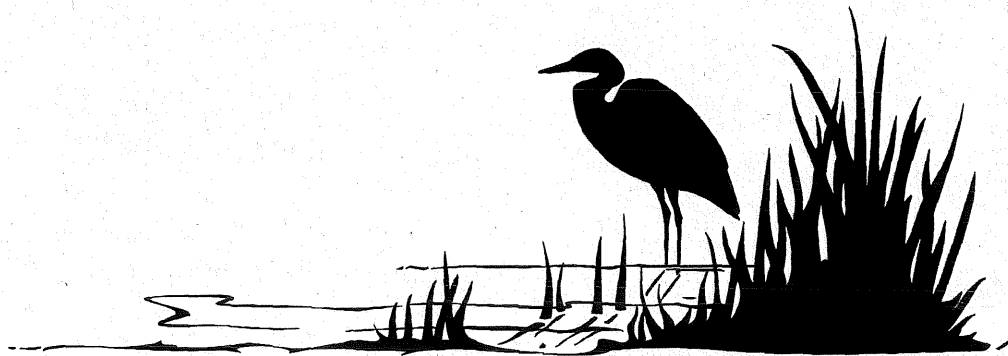


***Northwest Territories  
Liquor Commission***

***43rd Annual Report***





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*Northwest Territories  
Liquor Commission*

*43rd Annual Report*



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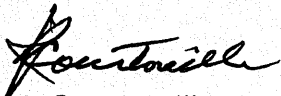
Honourable John Todd  
Minister Responsible for Finance  
YELLOWKNIFE NT

Dear Mr. Todd:

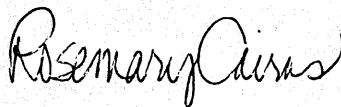
Pursuant to Sections 9(1) and 61 of the Liquor Act, we are pleased to submit the forty-third Annual Report for the fiscal year ended March 31, 1997.

We wish to express our thanks to all of our staff and the members of the Liquor Licensing Board for all their support and contribution to the progress of the NWT Liquor Commission and the NWT Liquor Licensing Board during the past year.

Respectfully submitted,



R.J. Courtoreille  
General Manager  
NWT Liquor Commission



Rosemary Cairns  
Chairperson  
NWT Liquor Licensing Board

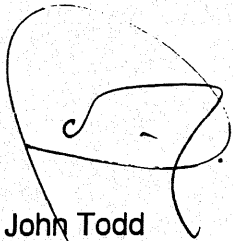


Members of the Legislative Assembly  
of the Northwest Territories  
Yellowknife NT

Dear Colleagues:

I am pleased to present herewith, for the information of the Members of the Legislative Assembly, the forty-third Annual Report of the Northwest Territories Liquor Commission for the fiscal year ended March 31, 1997.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John Todd". The signature is stylized and somewhat cursive, with a large loop at the top and a horizontal line across the middle.

John Todd  
Minister Responsible for the  
Northwest Territories Liquor Commission

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## **EXECUTIVE ORGANIZATION**

as at March 31, 1997

### **Minister Responsible**

Minister

- The Honourable John Todd

Deputy Minister

- Eric Nielsen

### **Northwest Territories Liquor Commission**

General Manager

- Ron Courtoreille

Manager, Finance and Administration

- Kyle Reid

Stocks Manager

- Larry Kathan

### **Northwest Territories Liquor Licensing Board**

Chairperson

- Rosemary Cairns

Manager, Licensing and Enforcement


- Delilah St. Arneault

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

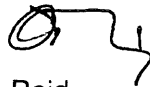
The Northwest Territories Liquor Commission ("the Commission") maintains internal financial and management systems and practices which are designed to provide reasonable assurance that reliable financial and non-financial information is available on a timely basis and that the Commission acts in accordance with the laws of the Northwest Territories and Canada. The Commission's management recognizes its responsibility for conducting the Commission's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to a Territorial agency.

The accompanying financial statements were prepared by management in conformity with generally accepted accounting principles appropriate in the circumstances.

The Auditor General of Canada annually provides an independent, objective audit for the purpose of expressing an opinion on the financial statements. He also considers whether the transactions which come to his notice in the course of this audit are, in all significant respects, in accordance with the specified legislation.



R.J. Courtoreille  
General Manager



K. Reid  
Manager, Finance and Administration

May 28, 1997



AUDITOR GENERAL OF CANADA      VÉRIFICATEUR GÉNÉRAL DU CANADA

## AUDITOR'S REPORT

To the Minister of Finance

I have audited the balance sheet of the Northwest Territories Liquor Commission as at March 31, 1997 and the statements of income, amount due to the Government of the Northwest Territories and changes in financial position for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1997 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles. As required by the Financial Administration Act, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, proper books of account have been kept and the financial statements are in agreement therewith, and the transactions of the Commission that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with the Financial Administration Act and regulations, and the Northwest Territories Liquor Act and regulations.

A handwritten signature in black ink, appearing to read 'Ray Dubois'.

Raymond Dubois, FCA  
Deputy Auditor General  
for the Auditor General of Canada

Ottawa, Canada  
May 28, 1997

# NORTHWEST TERRITORIES LIQUOR COMMISSION

## Balance Sheet

March 31, 1997, with comparative figures for 1996

	1997		1996
	(\$000's)		(\$000's)
<b>Assets</b>			
Currents assets:			
Cash	\$ 587	\$	497
Prepaid expenses	51		3
Store supplies	37		21
Inventories (note 3)	2,566		2,544
	<u>3,241</u>		<u>3,065</u>
Capital assets (note 4)	115		133
	<u>\$ 3,356</u>	<u>\$</u>	<u>3,198</u>

## Liabilities

### Current liabilities:

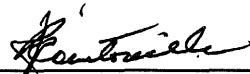
Accounts payable	\$ 1,219	\$	1,156
Accrued employee leave and termination benefits	186		147
Due to the Government of the Northwest Territories	1,951		1,895

### Commitment (note 6)

	<u>\$ 3,356</u>	<u>\$</u>	<u>3,198</u>
--	-----------------	-----------	--------------

See accompanying notes to financial statements

Approved by Management:



R.J. Courtoreille  
General Manager



K. Reid  
Manager, Finance and Administration

# NORTHWEST TERRITORIES LIQUOR COMMISSION

## Statement of Income

Year ended March 31, 1997, with comparative figures for 1996

	1997		1996
	(\$000's)		(\$000's)
<b>Sales:</b>			
Beer	\$ 15,135	\$	15,348
Spirits	12,370		12,531
Wine	2,543		2,536
	<u>30,048</u>		<u>30,415</u>
<b>Cost of goods sold:</b>			
Beer	6,265		6,368
Spirits	3,795		3,836
Wine	971		939
	<u>11,031</u>		<u>11,143</u>
Gross profit on sales	19,017		19,272
<b>Other income:</b>			
License fees and permits	619		622
Import fees and other income	303		261
	<u>922</u>		<u>883</u>
	19,939		20,155
<b>Expenses:</b>			
Commissions to agents	2,271		2,327
Salaries, wages and employee benefits	1,132		1,137
Rent	322		333
Travel	124		85
Office supplies	58		42
Communications	47		44
Grants in lieu of taxes	38		38
Computer services	34		37
Utilities	30		29
Inspectors' fees	29		9
Amortization of capital assets	26		27
Insurance	20		21
Advertising	15		21
Board member honoraria	14		19
Losses due to breakage, spoilage and theft	14		52
Miscellaneous	9		17
Repairs and maintenance	1		12
	<u>4,184</u>	\$	<u>4,250</u>
Net income	\$ 15,755	\$	15,905

See accompanying notes to financial statements

# NORTHWEST TERRITORIES LIQUOR COMMISSION

Statement of Amount Due to the Government of the Northwest Territories

Year ended March 31, 1997, with comparative figures for 1996

	<b>1997</b>		<b>1996</b>
	(\$000's)		(\$000's)
Balance, beginning of year	\$ 1,895	\$	1,922
Net income	15,755		15,905
Salaries, wages and benefits paid by the Government	1,085		1,047
	<u>18,735</u>		<u>18,874</u>
Net transfer of funds to the Government	16,784		16,979
Balance, end of year	\$ 1,951	\$	1,895

See accompanying notes to financial statements

# NORTHWEST TERRITORIES LIQUOR COMMISSION

## Statement of Changes in Financial Position

Year ended March 31, 1997, with comparative figures for 1996

	1997	1996
	(\$000's)	(\$000's)
Cash provided by (used in):		
Operations:		
Net income	\$ 15,755	\$ 15,905
Salaries, wages and benefits paid by the Government of the Northwest Territories	1,085	1,047
Amortization which does not affect cash	26	27
Changes in non-cash operating working capital:		
Increase in accounts receivable	(48)	(1)
Increase in prepaid expenses	(16)	(10)
Increase in inventories	(22)	(209)
Increase (decrease) in accounts payable	63	(65)
Increase (decrease) in accrued employee leave and termination benefits	39	55
	<u>16,882</u>	<u>16,749</u>
Financing:		
Purchase of capital assets	(8)	(65)
Cash transferred to the Government of the Northwest Territories	(16,784)	(16,979)
	<u>(16,792)</u>	<u>(17,044)</u>
Increase (decrease) in cash	90	(295)
Cash, beginning of year	497	792
Cash, end of year	\$ 587	\$ 497

See accompanying notes to financial statements.

# NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements

Year ended March 31, 1997

---

**1. Authority and operations:**

The Northwest Territories Liquor Commission is responsible for the operation of liquor stores and the purchase and distribution of liquor in the Northwest Territories under Part 11 of the Northwest Territories Liquor Act. It is named in Schedule A to the Financial Administration Act. The Commission is authorized by the Legislative Assembly to receive interest free working capital advances from time to time not exceeding \$6,500,000 to finance its operations. The Northwest Territories Liquor Commission also operates the Liquor Licensing Board of the Northwest Territories.

Net income for the year is to be transferred to the Government of the Northwest Territories in accordance with the Liquor Act.

**2. Significant accounting policies:**

(a) Inventories:

Inventories are valued at replacement cost which is not materially different than cost. Cost includes invoiced cost, freight, duties and taxes.

(b) Capital assets:

Recycling equipment is stated at cost. Amortization is provided on cost less estimated salvage value on the straight-line basis at an annual rate of 10%.

Leasehold improvements are stated at cost. Amortization is provided on the straight-line basis at an annual rate of 20%.

Furniture and fixtures are stated at cost. Amortization is provided on cost less estimated salvage value on the straight-line basis at an annual rate of 20%.

(c) Employee leave and termination benefits:

Under their conditions of employment, employees qualify for annual leave of varying lengths depending on length of service. Employees also earn retirement and severance remuneration based on the number of years of service. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the Commission.



# NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements, continued

Year ended March 31, 1997

## 2. Significant accounting policies, continued:

### (d) Pension Contributions:

The Commission and its employees, who are deemed to be employees of the Government of the Northwest Territories, make contributions to the Public Service Superannuation Plan administered by the Government of Canada. Contributions to the Plan are required from both the employees and the Commission. These contributions represent the total liability of the Commission and are recognized in the accounts on a current basis. The Commission is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

## 3. Inventories:

	1997		1996	
	(\$000's)		(\$000's)	
Spirits	\$	1,299	\$	1,234
Wine		543		516
Beer		724		794
	\$	2,566	\$	2,544

## 4. Capital assets:

	1997		1996	
	Cost	Accumulated amortization	Net book value	Net book value
	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Recycling equipment	\$ 151	\$ 82	\$ 69	\$ 83
Leasehold improvements	39	15	24	29
Furniture and fixtures	31	9	22	21
	\$ 221	\$ 106	\$ 115	\$ 133

## 5. Related party transactions:

The Commission is related in terms of common ownership to all Government of the Northwest Territories created departments, agencies and corporations. The Commission enters into transactions with these entities in the normal course of business.

# NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements, continued

Year ended March 31, 1997

**5. Related party transactions, continued:**

Certain warehouses are owned by the Government of the Northwest Territories. These are provided for the use of the Commission, the cost of which is reflected as a portion of rent in the financial statements.

	1997	1996
	(\$000's)	(\$000's)
Warehouse rent	\$ 281	\$ 272

The Government of the Northwest Territories provides the Commission with various administrative services, the value of which are not reflected in these financial statements.

**6. Commitment:**

The Commission has entered into a lease agreement for premises that commenced on September 1, 1996 for an initial term of five years to August 31, 2000. The Commission has an option to renew for one additional term. The minimum annual lease payments are:

March 31:	
1998	49,938
1999	49,938
2000	49,938
2001	20,808
	\$ 170,622

Annual lease payments include operating costs which are subject to annual increases based on the consumer price index and adjustments for tax assessments.

**7. Financial instruments:**

The fair value of the Commission's cash, accounts receivable, accounts payable and amount due to the Government of the Northwest Territories approximates their carrying amounts due to their short-term nature.

# OPERATIONS OF THE NORTHWEST TERRITORIES LIQUOR COMMISSION

## Message from the General Manager

### - Year In Review -

During the fiscal year ending March 31, 1997 the Northwest Territories Liquor Commission realized a net income of \$15,755,000, a decrease of \$150,000 (0.9%) from the previous year's net income.

The overall volume sales decreased slightly by 8,000 litres for the period ending March 31, 1997, from the previous year. Increased volume sales in the spirits and wine categories are attributed to consumer trend towards wine and spirit based coolers and to some extent a small increase in imported spirits. The consumer trend toward the less expensive wine and spirit based coolers resulted in a slight decrease in revenue from the previous year.

### Mark-up:

On April 1, 1996 the conversion from an ad valorem (percentage) system of mark-up on liquor products to a flat rate per litre system was introduced. The flat rate mark-up establishes and monitors revenue levels on liquor products sold.

The flat mark-up system, along with supplier price, freight, container deposits, GST, retail, warehousing and administrative costs, yield a price at which residents and licensees are able to purchase liquor in each community. The use of the flat mark-up system will result in revenues from the sales of liquor products to remain constant while prices vary from community to community.

The following flat mark-up rates were put into effect April 1, 1996:

<u>Product</u>	<u>\$ per litre</u>
Spirits	21.35
Wine	6.35
Beer	1.58
Coolers	2.48
Ciders	1.62

### Import Permits:

An individual may personally bring into the Northwest Territories one 1140 mL bottle of spirits or wine or twelve - 355 mL of beer. To import quantities greater than the allowable amounts, an Import Permit is required. Fees for Import Permits were increased April 1, 1996 to; Spirits \$8.77 per litre; Beer \$0.70 per litre; Wine \$7.02 per litre; Coolers/Ciders \$1.75 per litre. Revenue from the sale of Import Permits totaled \$140,000 for 1997, down slightly from the \$143,000 for the previous year. 361 Import Permits were issued in 1997 compared to 395 for the previous year.

### Retail & Warehousing:

All retail liquor outlets are operated by private sector contractors. Liquor warehouses in Hay River and Inuvik are also operated by private sector contractors. The Liquor Commission continues to operate liquor warehouses in Yellowknife and Iqaluit. Liquor warehouses supply the local liquor store and sell to licensed premises only. Private sector contractors have ten year agreements with the Government of the Northwest Territories to operate retail liquor outlets or liquor warehouses.

During this current year a request for proposals was issued for the provision and operation of a retail liquor outlet in Hay River. After the reviews and evaluation of the proposals submitted, Hay River Liquor Retailers (1991) Ltd. was awarded a ten year contract commencing April 1, 1997.

Contractors and expiry dates of each contract are as follows:

<u>Agency:</u>	<u>Contractor:</u>	<u>Expiry Date:</u>
Hay River Liquor Warehouse	Hay River Liquor Retailers (1991) Ltd.	February 1, 2004
Hay River Liquor Agency	Hay River Liquor Retailers (1991) Ltd.	March 31, 1997
Norman Wells Liquor Agency	Norman Wells Liquor Store Ltd.	September 30, 2003
Inuvik Liquor Warehouse	Stanton Holdings	June 30, 2004
Inuvik Liquor Agency	902838 NWT Ltd.	August 31, 1997
Fort Smith Liquor Agency	Martselos Services Ltd.	November 30, 2001
Yellowknife Liquor Agency	913007 NWT Ltd.	August 31, 2001
Fort Simpson Liquor Agency	Fort Simpson Liquor Agency Ltd.	October 31, 2003

#### **Resupply:**

In its resupply of liquor products to its liquor agencies and warehouses, the Liquor Commission uses all modes of transportation from air to sealift to highway transportation.

Approximately 70% of liquor sold is readily supplied by the highway system with little interruption caused by freeze up or break up of river crossings. Due to the availability of ferry services or winter roads, Inuvik and Fort Simpson liquor facilities must warehouse greater amounts of liquor to last over freeze up and break up periods. The Iqaluit liquor warehouse is resupplied with spirits, wine and beer annually via sealift. Beer is also flown in from Montreal for 2-3 months prior to sealift as beer products do not have a twelve month shelf life. Similarly, the Norman Wells liquor outlet is resupplied by barge annually with beer, wine and spirits. This outlet is again resupplied during the winter months via winter road.

Over the past years, the Liquor Commission has increased the number of different products offered for sale to its customers while either maintaining or decreasing inventory levels. The Liquor Commission is presently using a "just in time" resupply of beer products to its Yellowknife warehouse. The purchase of most imported products has been increased to twice annually. While trying to maintain economic shipping quantities, the Liquor Commission will also increase the number of times domestic wine and spirits are resupplied to its liquor facilities.

#### **Recycling:**

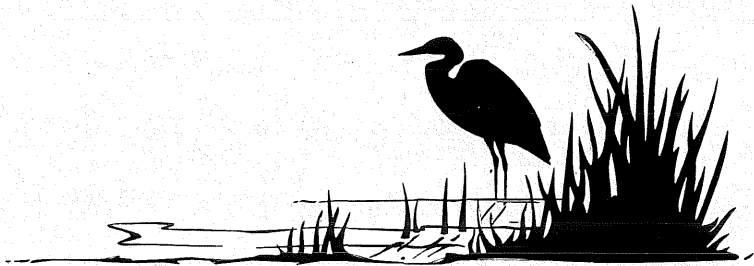
On January 1, 1991 the Liquor Commission initiated a deposit refund program for all spirits & wine containers, beer cans, imported beer bottles and cider & cooler bottles. Beer bottles from Molson and Labatts breweries are not included in this program as the major breweries have their own deposit refund program, in place on beer bottles sold in the Northwest Territories. In communities where the Liquor Commission has an outlet, liquor containers can be returned to designated bottle depots for a full deposit refund. The return rate on the NWT deposit program decreased slightly to 62% from 69% in 1995/96.

Beer bottles returned to Brewers Distributing Ltd. in Edmonton, through the deposit refund program, is approximately 90%.

*Financial Results*

*and*

*General Statistics*



**Consolidated Operations / Excluding Liquor Licensing Board**

Sales/ Cost of Sales/ Gross Margin/ Inventory Turns

March 31, 1997

	<b>spirits</b>	<b>wine</b>	<b>beer</b>	<b>1997</b>	<b>1996</b>
				<b>(000's)</b>	<b>(000's)</b>
<b>Sales</b>					
Consumers	10,407	2,133	7,678	20,218	20,829
Licensees	1,963	410	7,457	9,830	9,586
	<b>12,370</b>	<b>2,543</b>	<b>15,135</b>	<b>30,048</b>	<b>30,415</b>
<b>Cost of Sales</b>					
Beginning Inventory	1,234	516	794	2,544	2,334
Purchases	3,698	875	5,406	9,979	10,157
Freight	159	122	793	1,074	1,196
Ending Inventory	(1,299)	(543)	(724)	(2,566)	(2,544)
	<b>3,792</b>	<b>970</b>	<b>6,269</b>	<b>11,031</b>	<b>11,143</b>
<b>Gross Profit</b>	<b>8,576</b>	<b>1,571</b>	<b>8,870</b>	<b>19,017</b>	<b>19,272</b>
<b>Other Income</b>					
Import Permits				140	143
Bottle Deposit Program				158	113
Other				5	5
				<b>303</b>	<b>261</b>
<b>Operating Expenses</b>				<b>3,687</b>	<b>3,776</b>
<b>Net Income</b>				<b>15,633</b>	<b>15,757</b>

**sales ratios:**

Category to Total Sales	41.2%	8.5%	50.3%		
Consumer Sales to					
Total Category	84.1%	83.9%	50.7%	67.3%	68.5%
Licensee Sales to					
Total Category	15.9%	16.1%	49.3%	32.7%	31.5%

**profitability ratios:**

% Gross Profit to Sales	69.4%	61.8%	58.6%	63.3%	63.4%
% Net Income to Sales				52.0%	51.8%

**efficiency ratio:**

Inventory Turns	2.92	1.84	8.25	4.32	4.57
-----------------	------	------	------	------	------

**Five Year Performance History/Excluding Liquor Licensing Board**

(000's)

Year	Gross Sales (000's)	% Change In Sales	Net Income (000's)	Net Income as % of Sales	Operating Expenses (000's)
1993	28,358	-0.9%	14,187	50.03%	3,153
1994	29,341	3.5%	15,268	52.04%	3,285
1995	29,729	1.3%	14,993	50.43%	3,698
1996	30,415	2.3%	15,757	51.81%	3,775
1997	30,048	1.3%	15,633	52.03%	3,687

## Five Year Sales History

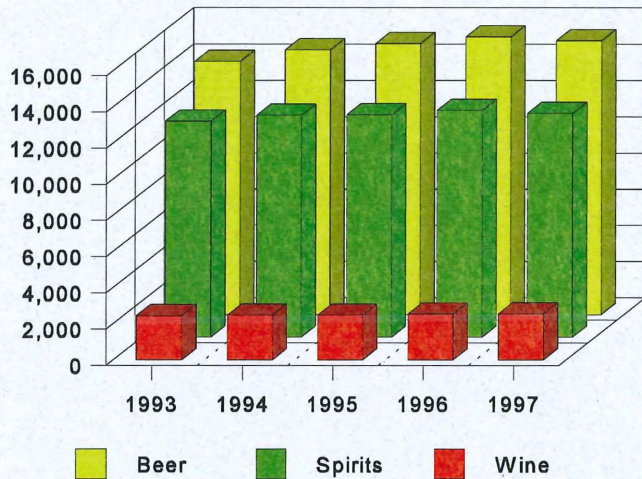
### in dollars

	1993	1994	1995	1996	1997
	(000's)	(000's)	(000's)	(000's)	(000's)
spirits	11,943	12,265	12,296	12,531	12,370
wine	2,436	2,461	2,464	2,537	2,543
beer	13,980	14,616	14,969	15,347	15,135
	28,359	29,342	29,729	30,415	30,048

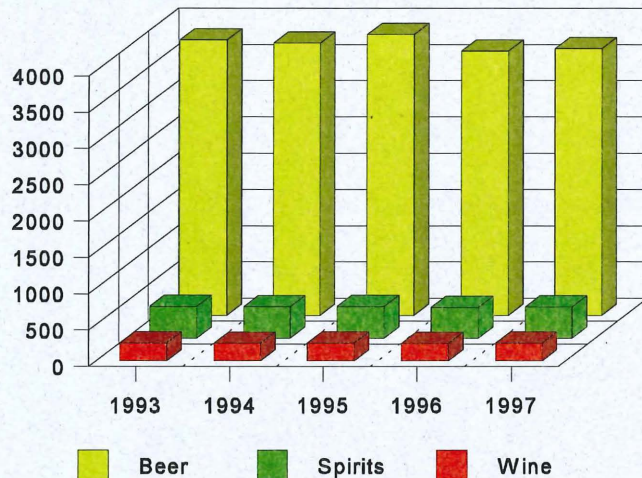
### in litres

	1993	1994	1995	1996	1997
	(000's)	(000's)	(000's)	(000's)	(000's)
spirits	437	433	438	425	430
wine	248	244	246	239	246
beer	3,797	3,751	3,871	3,698	3,678
	4,482	4,428	4,555	4,362	4,354

In Dollars



In Litres

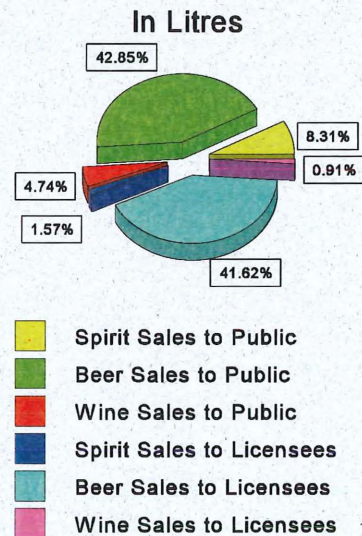
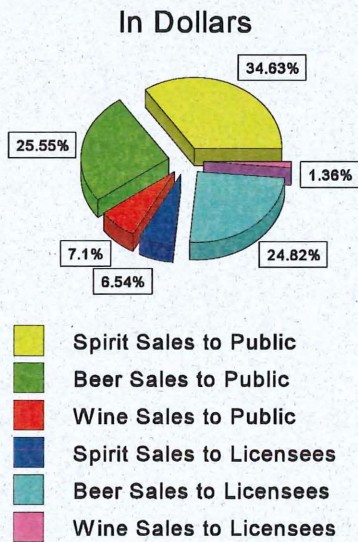




### Liquor Sales by Customer Type

in dollars (000's)

	1997	
	(000's)	
Spirit Sales to Public	10,407	34.63%
Beer Sales to Public	7,678	25.55%
Wine Sales to Public	2,133	7.10%
<b>Total Consumer Sales</b>	<b>20,218</b>	<b>67.28%</b>
Spirit Sales to Licensees	1,963	6.54%
Beer Sales to Licensees	7,457	24.82%
Wine Sales to Licensees	410	1.36%
<b>Total Licensee Sales</b>	<b>9,830</b>	<b>32.72%</b>
<b>Total Sales</b>	<b>30,048</b>	<b>100.00%</b>



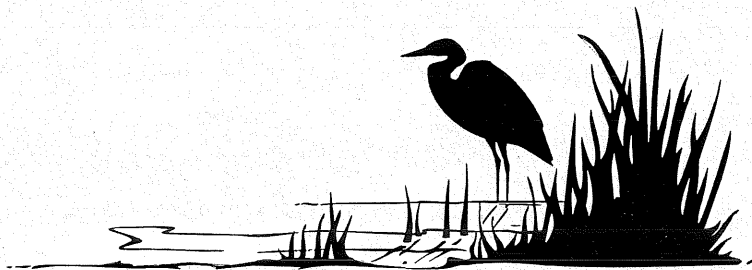
### Litre Sales by Customer Type

in litres (000's)

	1997	
	(000's)	
Spirit Sales to Public	362	8.31%
Beer Sales to Public	1,866	42.85%
Wine Sales to Public	206	4.74%
<b>Total Consumer Sales</b>	<b>2,434</b>	<b>55.90%</b>
Spirit Sales to Licensees	68	1.57%
Beer Sales to Licensees	1,812	41.62%
Wine Sales to Licensees	40	0.91%
<b>Total Licensee Sales</b>	<b>1,920</b>	<b>17.95%</b>
<b>Total Sales</b>	<b>4,354</b>	<b>100.00%</b>



*Store Operations*



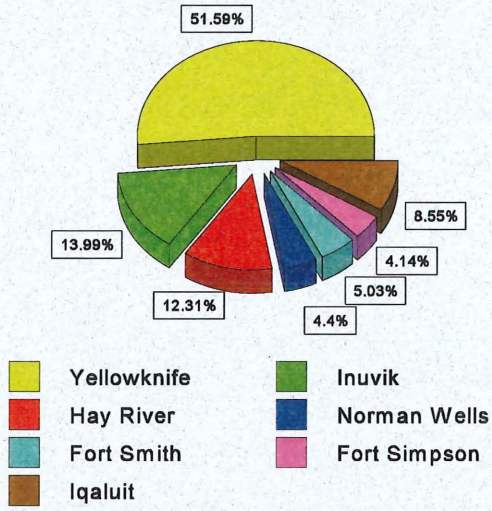
### Liquor Sold By Location

	Spirits	Wine	Beer	1997 (000's)	1996 (000's)
Yellowknife	\$ 6,381	\$1,654	\$7,463	\$15,498	\$15,403
Inuvik	2,184	237	1,780	4,201	4,374
Hay River	1,454	223	2,021	3,698	3,786
Norman Wells	635	68	618	1,321	1,254
Fort Smith	470	229	812	1,511	1,652
Fort Simpson	729	18	496	1,243	1,350
Iqaluit	518	104	1,945	2,567	2,586
Other		9		9	10
Total 1997	12,371	2,542	15,135	30,048	
Total 1996	12,531	2,536	15,348		30,415
% Increase	-1.3%	0.3%	-1.4%	-1.2%	

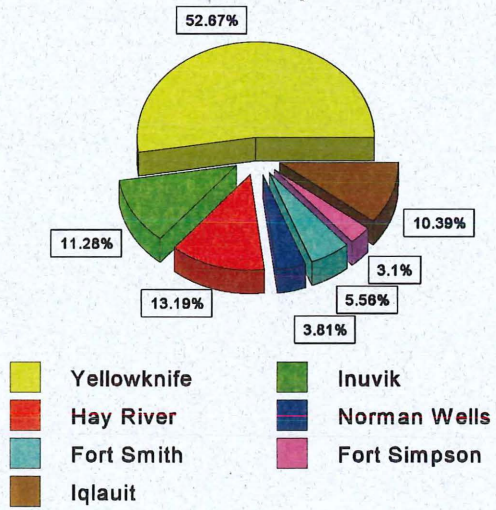
### Litres Sold By Location

	Spirits	Wine	Beer	1997 (000's)	1996 (000's)
Yellowknife	223	159	1,910	2,292	2,238
Inuvik	76	23	392	491	534
Hay River	52	23	499	574	573
Norman Wells	22	6	138	166	162
Fort Smith	17	24	201	242	259
Fort Simpson	23	1	111	135	153
Iqaluit	16	9	427	452	441
Other		2		2	2
Total 1997	429	247	3,678	4,354	
Total 1996	425	240	3,697		4,362
% Increase	1.0%	3.0%	1.0%	.2%	

Sales in Dollars by Location



Sales in Litres by Location



### Sales to Licensee's

	Spirits	Wine	Beer	1997 (000's)	1996 (000's)
Yellowknife	\$1,005	\$262	\$2,966	\$4,233	\$3,825
Inuvik	210	35	914	1,159	1,320
Hay River	191	19	912	1,122	1,068
Norman Wells	98	12	236	346	334
Fort Smith	94	5	351	450	481
Fort Simpson	41	2	214	257	317
Iqaluit	323	75	1,864	2,262	2,242
Other	0	0	0	0	0
Total 1997	1,962	410	7,457	9,829	
Total 1996	1,880	406	7,301		9,587
% Increase	4.4%	1.0%	2.2%	2.6%	

### Sales to Consumers

	Spirits	Wine	Beer	1997 (000's)	1996 (000's)
Yellowknife	\$ 5,376	\$ 1,392	\$4,497	\$11,265	\$11,573
Inuvik	1,974	202	866	3,042	3,054
Hay River	1,263	205	1,109	2,577	2,718
Norman Wells	537	56	382	975	920
Fort Smith	376	224	461	1,061	1,171
Fort Simpson	687	16	282	985	1,034
Iqaluit	195	29	81	305	344
Other		9		9	10
Total 1997	10,408	2,133	7,678	20,219	
Total 1996	10,651	2,132	8,041		20,824
% Increase	-2.3%	0.1%	-4.6%	-2.9%	

**Sales to Licensee's**

in litres	Spirits	Wine	Beer	1997 (000's)	1996 (000's)
Yellowknife	35	25	759	819	766
Inuvik	7	3	202	212	249
Hay River	7	2	225	234	220
Norman Wells	3	1	53	57	56
Fort Smith	3	1	87	91	97
Fort Simpson	1	0	48	49	61
Iqaluit	10	6	410	426	409
Other					0
Total 1997	66	38	1,784	1,888	
Total 1996	63	37	1,758		1,858
% Increase	4.8%	2.7%	4.7%	4.7%	

**Sales to Consumers**

in litres	Spirits	Wine	Beer	1997 (000's)	1996 (000's)
Yellowknife	188	134	1,151	1,473	1,472
Inuvik	69	20	190	279	285
Hay River	45	21	274	340	353
Norman Wells	19	5	85	109	106
Fort Smith	14	23	114	151	162
Fort Simpson	22	1	63	86	92
Iqaluit	6	3	17	26	32
Other		2		2	2
Total 1997	363	209	1,894	2,466	
Total 1996	362	204	1,938		2,504
% Increase	.3%	2.5%	-2.3%	-1.6%	

### Sales By Customer Type

in dollars

	consumer	licensee	1997 (000's)
Yellowknife	\$11,265	\$4,233	\$15,498
Inuvik	3,042	1,159	4,201
Hay River	2,577	1,122	3,699
Norman Wells	975	346	1,321
Fort Smith	1,061	450	1,511
Fort Simpson	985	257	1,242
Iqaluit	305	2,262	2,567
Other	9	0	9
<b>Total 1997</b>	<b>\$20,219</b>	<b>\$9,829</b>	<b>\$30,048</b>
<b>Total 1996</b>	<b>\$20,829</b>	<b>\$9,586</b>	<b>\$30,415</b>

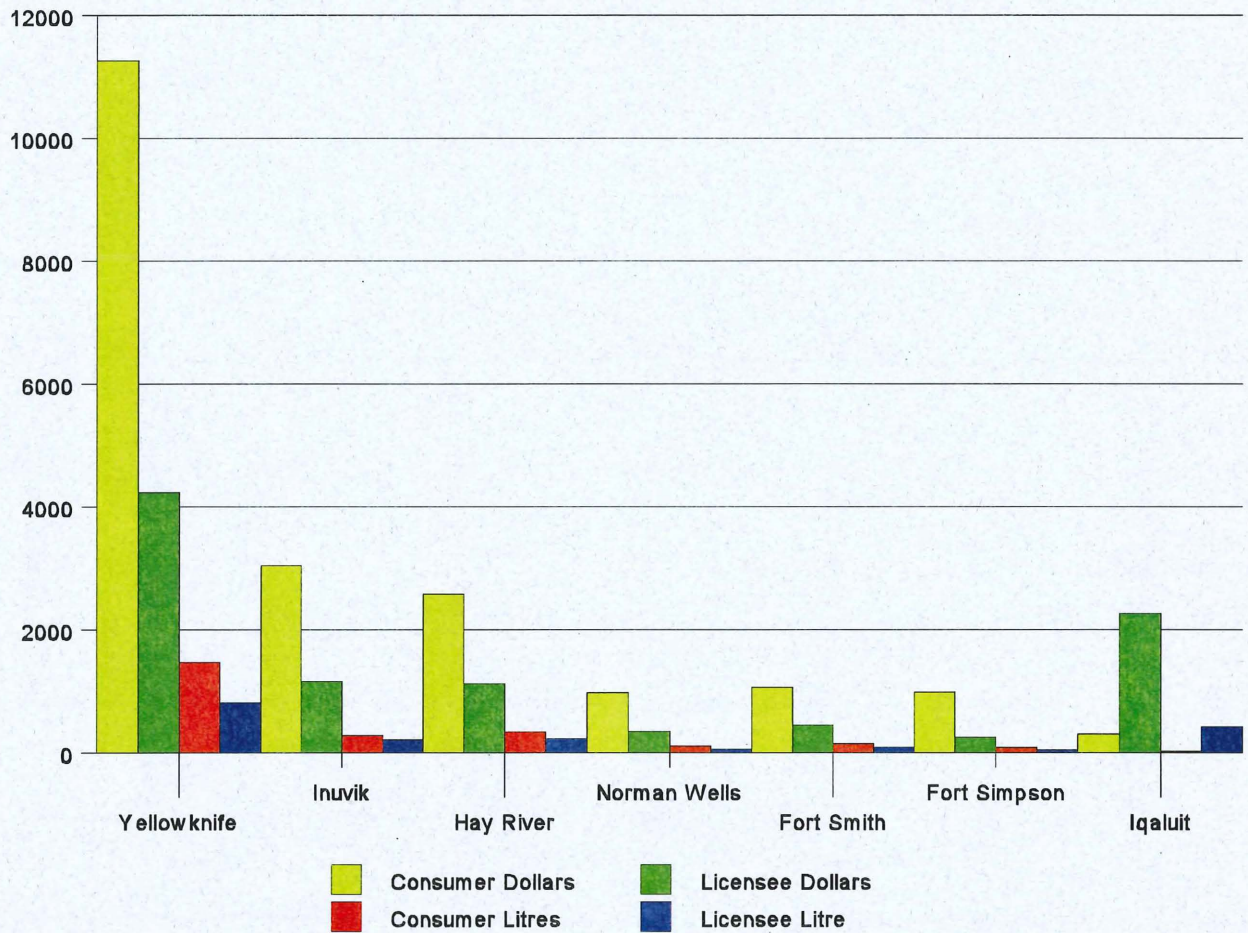
### Sales By Customer Type

In litres

	consumer	licensee	1997 (000's)
Yellowknife	1,473	819	2,292
Inuvik	279	212	491
Hay River	340	234	574
Norman Wells	109	57	166
Fort Smith	151	91	242
Fort Simpson	86	49	135
Iqaluit	26	426	452
Other	2	0	2
<b>Total 1997</b>	<b>2,466</b>	<b>1,888</b>	<b>4,354</b>
<b>Total 1996</b>	<b>2,504</b>	<b>1,804</b>	<b>4,308</b>

## Sales by Customer Type

In Dollars & Litres





**Yellowknife Operations**

Sales/ Cost of Sales/ Gross Margin/ Inventory Turns

March 31, 1997

	<b>spirits</b>	<b>wine</b>	<b>beer</b>	<b>1997</b>	<b>1996</b>
				<b>(000's)</b>	<b>(000's)</b>
<b>Sales</b>					
Consumers	5,375	1,392	4,497	11,264	11,574
Licensees	1,006	262	2,966	4,234	3,825
	<b>6,381</b>	<b>1,654</b>	<b>7,463</b>	<b>15,498</b>	<b>15,399</b>
<b>Cost of Sales</b>					
Beginning Inventory	506	319	251	1,076	903
Purchases	1,941	569	2,748	5,258	5,333
Freight	69	70	246	385	384
Ending Inventory	(552)	(316)	(184)	(1,052)	(1,076)
	<b>1,964</b>	<b>642</b>	<b>3,061</b>	<b>5,667</b>	<b>5,544</b>
<b>Gross Profit</b>	<b>4,417</b>	<b>1,012</b>	<b>4,402</b>	<b>9,831</b>	<b>9,855</b>
<b>Operating Expenses</b>					
Warehouse				426	428
Retail				937	956
				<b>1,363</b>	<b>1,384</b>
<b>Net Income</b>				<b>8,468</b>	<b>8,471</b>
<b>sales ratios:</b>					
Category to Total Sales	41.2%	10.7%	48.1%		
Consumer Sales to					
Total Category	84.2%	84.2%	60.3%	72.7%	75.2%
Licensee Sales to					
Total Category	15.8%	15.8%	39.7%	27.3%	24.8%
<b>profitability ratios:</b>					
% Gross Profit to Sales	69.2%	61.2%	59.0%	63.4%	64.0%
% Net Income to Sales				54.6%	55.0%
<b>efficiency ratio:</b>					
Inventory Turns	3.71	2.02	14.07	5.33	5.60

**Inuvik Operations**

Sales/ Cost of Sales/ Gross Margin/ Inventory Turns

March 31, 1997

	spirits	wine	beer	1997 (000's)	1996 (000's)
<b>Sales</b>					
Consumers	1,974	202	866	3,042	3,054
Licensees	210	35	914	1,159	1,320
	2,184	237	1,780	4,201	4,374
<b>Cost of Sales</b>					
Beginning Inventory	254	60	173	487	409
Purchases	595	80	581	1,256	1,444
Freight	33	17	150	200	233
Ending Inventory	(220)	(65)	(153)	(438)	(487)
	662	92	751	1,505	1,599
Gross Profit	1,522	145	1,029	2,696	2,775
<b>Operating Expenses</b>					
Warehouse				199	199
Retail				264	260
				463	459
Net Income				2,233	2,316

**sales ratios:**

Category to Total Sales	52.0%	5.6%	42.4%		
Consumer Sales to Total Category	90.4%	85.2%	48.7%	72.4%	69.8%
Licensee Sales to Total Category	9.6%	14.8%	51.3%	27.6%	30.2%

**profitability ratios:**

% Gross Profit to Sales	69.7%	61.2%	57.8%	64.2%	63.4%
% Net Income to Sales				53.2%	52.9%

**efficiency ratio:**

Inventory Turns	2.79	1.47	4.61	3.25	3.57
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**Hay River Operations**

Sales/ Cost of Sales/ Gross Margin/ Inventory Turns

March 31, 1997

	<b>spirits</b>	<b>wine</b>	<b>beer</b>	<b>1997</b>	<b>1996</b>
				<b>(000's)</b>	<b>(000's)</b>
<b>Sales</b>					
Consumers	1,263	205	1,109	2,577	2,718
Licensees	191	19	912	1,122	1,068
	1,454	224	2,021	3,699	3,786
<b>Cost of Sales</b>					
Beginning Inventory	165	58	75	298	361
Purchases	520	79	755	1,354	1,202
Freight	17	12	53	82	68
Ending Inventory	(251)	(75)	(86)	(412)	(298)
	451	74	797	1,322	1,333
<b>Gross Profit</b>	1,003	150	1,224	2,377	2,453
<b>Operating Expenses</b>					
Warehouse				186	189
Retail				225	246
				411	435
<b>Net Income</b>				1,966	2,018

**sales ratios:**

Category to Total Sales	39.3%	6.1%	54.6%		
Consumer Sales to Total Category	86.9%	91.5%	54.9%	69.7%	71.8%
Licensee Sales to Total Category	13.1%	8.5%	45.1%	30.3%	28.2%

**profitability ratios:**

% Gross Profit to Sales	69.0%	67.0%	60.6%	64.3%	64.8%
% Net Income to Sales				53.1%	53.3%

**efficiency ratio:**

Inventory Turns	2.17	1.11	9.90	3.72	4.05
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**Norman Wells Operations**

Sales/ Cost of Sales/ Gross Margin/ Inventory Turns

March 31, 1997

	<b>spirits</b>	<b>wine</b>	<b>beer</b>	<b>1997</b>	<b>1996</b>
				<b>(000's)</b>	<b>(000's)</b>
<b>Sales</b>					
Consumers	537	56	382	975	920
Licensees	98	12	236	346	334
	<b>635</b>	<b>68</b>	<b>618</b>	<b>1,321</b>	<b>1,254</b>
<b>Cost of Sales</b>					
Beginning Inventory	114	12	50	176	137
Purchases	169	36	231	436	434
Freight	11	7	40	58	51
Ending Inventory	(102)	(23)	(75)	(200)	(176)
	<b>192</b>	<b>32</b>	<b>246</b>	<b>470</b>	<b>446</b>
<b>Gross Profit</b>	<b>443</b>	<b>36</b>	<b>372</b>	<b>851</b>	<b>808</b>
<b>Operating Expenses</b>				<b>161</b>	<b>152</b>
<b>Net Income</b>				<b>690</b>	<b>656</b>

**sales ratios:**

Category to Total Sales	48.1%	5.1%	46.8%		
Consumer Sales to					
Total Category	84.6%	82.4%	61.8%	73.8%	73.4%
Licensee Sales to					
Total Category	15.4%	17.6%	38.2%	26.2%	26.6%

**profitability ratios:**

% Gross Profit to Sales	69.8%	52.9%	60.2%	64.4%	64.4%
% Net Income to Sales				52.2%	52.3%

**efficiency ratio:**

Inventory Turns	1.78	1.83	3.87	2.49	2.85
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**Fort Smith Operations**

Sales/ Cost of Sales/ Gross Margin/ Inventory Turns

March 31, 1997

	<b>spirits</b>	<b>wine</b>	<b>beer</b>	<b>1997</b>	<b>1996</b>
				<b>(000's)</b>	<b>(000's)</b>
<b>Sales</b>					
Consumers	376	224	461	1,061	1,171
Licensees	94	5	351	450	481
	470	229	812	1,511	1,652
<b>Cost of Sales</b>					
Beginning Inventory	48	22	28	98	105
Purchases	136	77	300	513	540
Freight	6	7	29	42	44
Ending Inventory	(44)	(23)	(35)	(102)	(98)
	146	83	322	551	591
<b>Gross Profit</b>	324	146	490	960	1,061
<b>Operating Expenses</b>				154	166
<b>Net Income</b>				806	895

**sales ratios:**

Category to Total Sales	31.1%	15.2%	53.7%		
Consumer Sales to					
Total Category	80.0%	97.8%	56.8%	70.2%	70.9%
Licensee Sales to					
Total Category	20.0%	2.2%	43.2%	29.8%	29.1%

**profitability ratios:**

% Gross Profit to Sales	68.9%	63.8%	60.3%	63.5%	64.2%
% Net Income to Sales				53.3%	54.2%

**efficiency ratio:**

Inventory Turns	3.17	3.69	10.22	5.51	5.82
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**Fort Simpson Operations**

Sales/ Cost of Sales/ Gross Margin/ Inventory Turns

March 31, 1997

	spirits	wine	beer	1997 (000's)	1996 (000's)
<b>Sales</b>					
Consumers	687	16	282	985	1,033
Licensees	41	2	214	257	317
	728	18	496	1,242	1,350
<b>Cost of Sales</b>					
Beginning Inventory	38	9	32	79	92
Purchases	199	7	161	367	402
Freight	6	1	16	23	24
Ending Inventory	(31)	(10)	(23)	(64)	(79)
	212	7	186	405	439
Gross Profit	516	11	310	837	911
Operating Expenses				157	164
Net Income				680	747

**sales ratios:**

Category to Total Sales	58.6%	1.4%	40.0%		
Consumer Sales to					
Total Category	94.4%	88.9%	56.9%	79.3%	76.5%
Licensee Sales to					
Total Category	5.6%	11.1%	43.1%	20.7%	23.5%

**profitability ratios:**

% Gross Profit to Sales	70.9%	61.1%	62.5%	67.4%	67.5%
% Net Income to Sales				54.8%	55.3%

**efficiency ratio:**

Inventory Turns	6.14	0.74	6.76	5.66	5.13
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**Iqaluit Operations**

Sales/ Cost of Sales/ Gross Margin/ Inventory Turns

March 31, 1997

	<b>spirits</b>	<b>wine</b>	<b>beer</b>	<b>1997</b>	<b>1996</b>
				<b>(000's)</b>	<b>(000's)</b>
<b>Sales</b>					
Consumers	195	29	81	305	349
Licensees	323	75	1,864	2,262	2,241
	518	104	1,945	2,567	2,590
<b>Cost of Sales</b>					
Beginning Inventory	110	36	183	329	327
Purchases	138	22	629	789	794
Freight	17	8	259	284	392
Ending Inventory	(98)	(29)	(169)	(296)	(329)
	167	37	902	1,106	1,184
<b>Gross Profit</b>	351	67	1,043	1,461	1,406
<b>Operating Expenses</b>				287	294
<b>Net Income</b>				1,174	1,112

**sales ratios:**

Category to Total Sales	20.2%	4.0%	75.8%		
Consumer Sales to Total Category	37.6%	27.9%	4.2%	11.9%	13.5%
Licensee Sales to Total Category	62.4%	72.1%	95.8%	88.1%	86.5%

**profitability ratios:**

% Gross Profit to Sales	67.8%	64.4%	53.6%	56.9%	54.3%
% Net Income to Sales				45.7%	42.9%

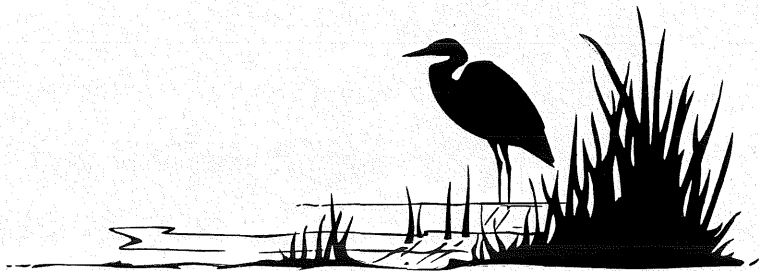
**efficiency ratio:**

Inventory Turns	1.61	1.14	5.13	3.54	3.61
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*Recycling Program*



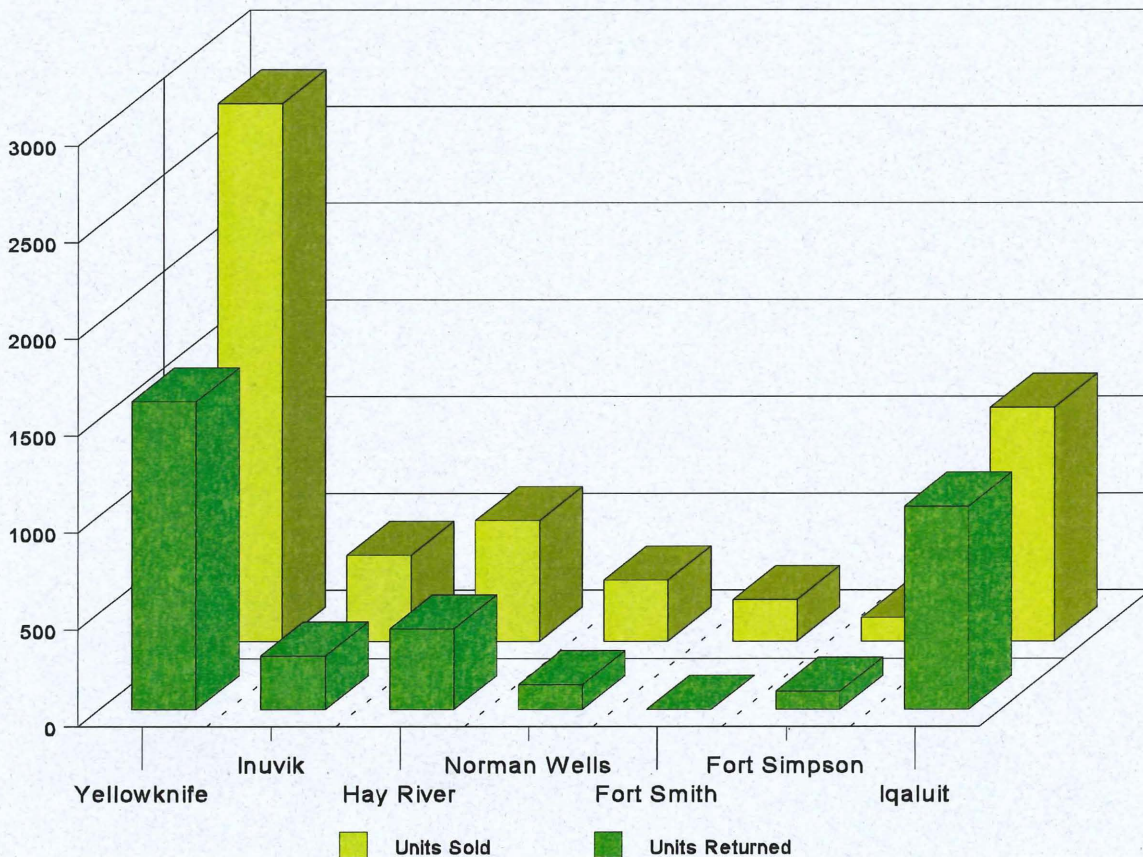
### Bottle Depot Operations

Sales/ Cost of Sales/ Gross Margin/ Inventory Turns

March 31, 1997

	1997 (000's)	1996 (000's)
<b>Income</b>		
Deposits collected on sales	\$ 683	\$ 668
Reduction in allowance for outstanding deposits	(8)	0
<b>Total income</b>	<b>\$ 675</b>	<b>\$ 668</b>
<b>Expenditures</b>		
Deposits reimbursed to agents on returns	419	452
Commissions paid to agents on returns	71	77
Amortization of recycling equipment	14	14
Accrued Liability to Agents	15	12
<b>Total Expenditures</b>	<b>\$ 519</b>	<b>\$ 555</b>
<b>Surplus</b>	<b>\$ 156</b>	<b>\$ 113</b>

### Deposit Units Sold & Returned



### Deposit Units Sold by Location

	Spirits	Wine	Beer & Coolers	1997 (000's)	1996 (000's)
Yellowknife	261	143	2,375	2,779	2,733
Inuvik	82	21	341	444	445
Hay River	68	22	533	623	588
Norman Wells	21	6	289	316	287
Fort Smith	21	26	167	214	227
Fort Simpson	30	2	89	121	132
Iqaluit	16	10	1,181	1,207	1,183
Total 1997	499	230	4,975	5,704	
Total 1996	489	231	4,875		5,595
% change	2.1%	-0.5%	2.1%	2.0%	

### Deposit Units Returned by Location

	Spirits	Wine	Beer & Coolers	1997	1996
Yellowknife	143	97	1,349	1,589	1,796
Inuvik	39	15	223	277	292
Hay River	43	26	347	416	551
Norman Wells	6	2	120	128	112
Fort Smith	0	0	0	0	0
Fort Simpson	30	0	63	93	80
Iqaluit	13	1	1,034	1,048	1,036
Total 1997	274	141	3,136	3,551	
Total 1996	289	146	3,432		3,867
% change	-5.2%	-3.5%	-8.7%	-8.2%	

### Deposits Collected on Sales

	Spirits	Wine	Beer & Coolers	1997	1996
Yellowknife	\$ 65	\$ 36	\$ 238	\$ 339	\$ 334
Inuvik	21	5	34	60	60
Hay River	17	6	53	76	72
Norman Wells	5	2	29	36	32
Fort Smith	5	7	17	29	30
Fort Simpson	8	1	9	18	18
Iqaluit	4	3	118	125	122
Total 1997	125	60	498	683	
Total 1996	122	58	488		668
% change	2.5%	3.5%	2.1%	2.3%	

### Deposits Paid to Agents on Returns

	Spirits	Wine	Beer & Coolers	1997	1996
Yellowknife	\$ 36	\$ 24	\$ 135	\$ 195	\$ 216
Inuvik	10	4	22	36	37
Hay River	11	7	35	53	69
Norman Wells	2	1	12	15	12
Fort Smith	0	0	0	0	0
Fort Simpson	8	0	6	14	11
Iqaluit	3	0	103	106	107
Total 1997	70	36	313	419	
Total 1996	72	37	343		452
% change	-2.8%	-2.7%	-8.8%	-7.9%	

## Depot Fees Paid to Operators

	Spirits	Wine	Beer & Coolers	1997	1996
Yellowknife	\$ 3	\$ 2	\$ 27	\$ 32	\$ 36
Inuvik	1	0	4	5	5
Hay River	1	1	7	9	11
Norman Wells	0	0	2	2	2
Fort Smith	0	0	0	0	0
Fort Simpson	1	0	1	2	2
Iqaluit	0	0	21	21	21
Total 1997	6	3	62	71	
Total 1996	6	3	68		77
% change	0.0%	0.0%	-10.2%	-7.8%	

## Ratio of Returns to Sales

	Spirits	Wine	Beer & Coolers	1997	1996
Yellowknife	54.8%	67.8%	56.8%	57.2%	65.7%
Inuvik	47.6%	71.4%	65.4%	62.4%	65.6%
Hay River	63.2%	118.2%	65.1%	66.8%	93.7%
Norman Wells	28.6%	33.3%	41.5%	40.5%	39.2%
Fort Smith	0.0%	0.0%	0.0%	0.0%	0.0%
Fort Simpson	100.0%	0.0%	70.8%	76.9%	60.6%
Iqaluit	81.3%	10.0%	87.6%	86.8%	87.6%
Total 1997	54.9%	61.3%	63.0%	62.3%	
Total 1996	59.1%	63.3%	70.4%		69.1%
% change	-4.2%	-2.0%	-7.4%	-6.8%	

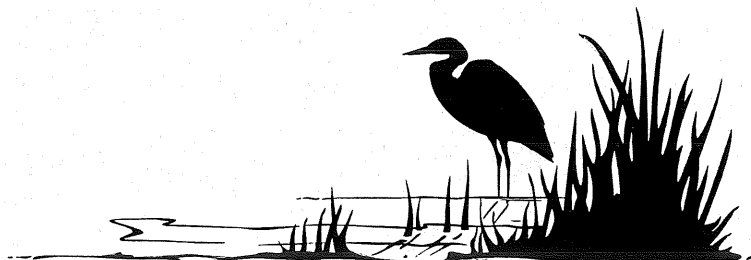


*Northwest Territories Liquor Licensing Board*

*Financial Results*

*and*

*General Statistics*



## Northwest Territories Liquor Licensing Board

### MANDATE

The Northwest Territories Liquor Licensing Board has been in existence since the Government of the Northwest Territories passed the Liquor Act in 1970. The Board is composed of not more than five members with one member being designated as the Chairperson. The Liquor Licensing Board is responsible for various policy related and licensing matters. It also serves in an administrative tribunal capacity and holds hearings into violations of the legislation by operators of licensed premises. The Board may also hold public hearings in a community that objects to having a new licenced premise opening in their community.

The legal mandate of the Board is to control:

1. The conduct of licence holders:
2. The management and equipment of licensed premises: and
3. The conditions under which liquor may be sold or consumed on licensed premises.

### CURRENT BOARD MEMBERS:

Chairperson:	Ms. Rosemary Cairns	Yellowknife
Members:	Ms. Elizabeth Danielson	Norman Wells
	Mr. Gordon Rennie	Iqaluit
	Mr. Pete Fraser	Fort Resolution
	Mr. Percy Kabloona	Whale Cove

The Head Office for the Liquor Licensing Board is located in Hay River. It acts as the administrative and operational arm which is responsible for the day-to-day functioning.

### BOARD MEETINGS

During the 1996/97 fiscal year, the Board held fifteen meetings. Nine of these meeting were held through teleconferencing. Five meetings were held in Yellowknife and one in Iqaluit.

One hundred and fifty applications and special requests were received by the Board for consideration. These included requests for new applications, transfer of applications, licensee requests and special occasion permits.

### LICENSES GRANTED

In 1996/97, the Board granted eight (8) new licenses and approved six (6) transfers of licenses. The requests for new licensed premises include: 4 Dining Room and 4 Cocktail Lounges. The total number of licensed premises for 1996/97 saw 3 more establishments than in 1995/96.



## Northwest Territories Liquor Licensing Board

### LIQUOR STATUS IN COMMUNITIES

There are three categories of liquor status in the Northwest Territories. These categories are:

- **Unrestricted** - there are no restrictions beyond those described in the Liquor Act and regulations.
- **Restricted** - in quantity, frequency, point of sale, hours of sale and/or requiring prior approval by the community Alcohol Education Committee and;
- **Prohibition** - alcohol is not allowed in the community.

The following is a profile of the liquor status in the various locations in the NWT. Each location is indicated with the type of licensed premises, number and type of Special Occasion Permits issued and the number of inspections by a Liquor Inspector and the RCMP:

COMMUNITY	TYPE OF LICENCE	PERMITS	INSPECTIONS
Enterprise (Unrestricted)	1 Dining Room 1 Off Premise	0 Ordinary 2 Resale	2 Inspector
Fort Providence (Unrestricted)	3 Cocktail Lounge 2 Dining Rooms 3 Off Premises	3 Ordinary 7 Resale	12 Inspector 360 RCMP
Fort McPherson (Unrestricted)	1 Cocktail Lounge		
Fort Smith (Unrestricted)	4 Cocktail Lounge 1 Dining Room 2 Club Room 2 Off Premises	15 Ordinary 127 Resale	149 Inspector 575 RCMP
Hay River (Unrestricted)	6 Cocktail Lounge 6 Dining Room 2 Club Room 2 Canteen 1 Off Premise	23 Ordinary 92 Resale	152 Inspector 710 RCMP

COMMUNITY	TYPE OF LICENCE	PERMITS	INSPECTIONS
Holman (Unrestricted)		6 Ordinary 3 Resale	
Inuvik (Unrestricted)	7 Cocktail Lounge 6 Dining Room 2 Club Room 2 Canteen 2 Off Premises	8 Ordinary 36 Resale	181 Inspector 680 RCMP
Kugluktuk (Unrestricted)		1 Ordinary	
Yellowknife (Unrestricted)	25 Cocktail Lounge 23 Dining Room 4 Club Room 3 Canteen 1 Cultural & Sports 2 Private Recreational 1 Off Premise	140 Ordinary 92 Resale	447 Inspector 2184 RCMP
Cambridge Bay (Restricted)		13 Ordinary 18 Resale	
Fort Liard (Restricted)			
Fort Simpson (Restricted)	2 Cocktail Lounge 3 Dining Room 1 Off Premise	5 Ordinary 67 Resale	40 Inspector 320 RCMP
Iqaluit (Restricted)	2 Cocktail Lounge 6 Dining Room 2 Club Room 1 Canteen 1 Private Recreational	106 Ordinary 74 Resale	164 Inspector 515 RCMP
Norman Wells (Restricted)	3 Cocktail Lounge 3 Dining Room 2 Club Room	8 Ordinary 8 Resale	121 Inspector 278 RCMP
Rankin Inlet (Restricted)	2 Guest Room	17 Ordinary 63 Resale	55 RCMP

## Northwest Territories Liquor Licensing Board

The following is a list of communities in which **no restrictions exist** beyond the Liquor Act and Regulations. There are no licensed premises in these communities.

Aklavik	Baker Lake	Bathurst Inlet	Umingmaktok
Chesterfield Inlet	Tulita	Colville Lake	Fort Resolution
Grise Fiord	Jean Marie River	Nanisivik	Paulatuk
Sachs Harbour	Taloyoa	Trout Lake	Tuktoyaktuk
Wrigley			

### Restricted Communities:

Detah	Arctic Bay	Broughton Island	Cambridge Bay
Cape Dorset	Clyde River	Deline	Fort Good Hope
Fort Liard	Fort Simpson	Hall Beach	Igloolik
Iqaluit	Norman Wells	Pond Inlet	Rae/Edzo
Rankin Inlet	Repulse Bay	Resolute	

### Prohibited Communities:

Arviat	Pangnirtung	Tsiighehtchic	Coral Harbour
Pelly Bay	Wha Ti	Gjoa Haven	Rae Lakes
Whale Cove	Kimmirut	Sanikiluaq	Nahanni Butte
Lutselk'e	Snare Lake		

## PUBLIC HEARINGS

There were two Public Hearings held in the 1996/97 fiscal year. In Iqaluit the Board denied a request for a liquor licence, and in Yellowknife the Board approved an application for a liquor licence.

## SPECIAL OCCASION PERMITS

Special Occasion Permits may be issued to non-commercial organizations and holders of a private recreational facility. Special Occasion Permits are issued in several communities across the NWT. The Issuers of Special Occasion Permits are appointed by the Minister of Finance. For the fiscal year 96/97 a total of 928 permits were issued. This is down from the 95/96 year where a total of 1022 permits were issued.

Special Occasion Permits are available from the Issuers in the following communities:

Hay River	Liquor Licencing Board Office
Yellowknife	Yellowknife Liquor Store
Fort Simpson	Financial Management Board Office
Fort Smith	Mageean & Associates
Inuvik	Inuvik Liquor Store
Iqaluit	Iqaluit Liquor Warehouse
Norman Wells	Norman Wells Liquor Store
Coppermine	Hamlet Office
Rankin Inlet	Sappujijit Friendship Centre
Holman Island	Hamlet Office
Cambridge Bay	Hamlet Office
Fort Liard	Hamlet Office

Communities that do not have a local issuer may apply to the issuer that is closest to their home community or call the Hay River office for assistance.

## Northwest Territories Liquor Licensing Board

### COMMUNITY REQUESTS

#### Special Prohibition

The following communities requested and were granted Special Prohibition Orders during the 1996/97 fiscal year:

Fort Resolution	1996 Dene National Assembly	August 11 - August 30, 1996
Tulita	Youth Conference	February 11 - February 15, 1997
Rae/Edzo	Regional Spiritual Assembly	March 16 - March 23, 1997
Rae/Edzo	Parish Mission Celebrations	March 24 - March 31, 1997

#### Plebiscites

The community of Fort McPherson held a plebiscite in June 1996 on "Do you want an Alcohol Education Committee for Fort McPherson?". The outcome is that the community did not obtain 60% of the votes required by the Liquor Act.

The community of Rae/Edzo held a plebiscite in August 1996. The question posed was "Do you want Liquor Restriction in Rae/Edzo?". The community voted in favour of a Liquor Restriction obtaining the 60% or more.

The community of Fort Good Hope held a plebiscite in March 1997. The question posed was "Do you want a new Liquor Restriction system for Fort Good Hope?". The community voted in favour of a new Liquor Restriction obtaining the 60% or more.

### INSPECTIONS

The role of the Liquor Inspector is to observe licensed premises to ensure that the licensees are operating within the legislation set out in the Liquor Act and the Liquor Regulations. Inspections are carried out on all licensed premises and includes inspecting Special Occasion Permit functions from time to time. The Coordinator, Liquor Enforcement is located in the Liquor Licensing Board head office in Hay River. There are Contract Liquor Inspectors located in Fort Smith, Norman Wells, Iqaluit, Inuvik, Fort Simpson and two in Yellowknife. The Coordinator, Liquor Enforcement provides Server Training Seminars to management and staff of licensed premises on a required or requested basis.

The RCMP Walkthru's Program is an inspection program done by the Detachment Members in communities. The RCMP members inspect and report any problems to the Liquor Licencing Office in Hay River. Both licenced premises and Special Occasion Permit holders are inspected by RCMP members. Most Detachments only report their inspections when concerns or infractions are observed.

The number of liquor inspections for the Territories has increased in the last year. This is attributed to the GNWT policy of privatizing services where those services can be provided more efficiently by the private sector. Contracting Liquor Inspectors had been done in other communities since 1995, however, contract liquor inspectors were not introduced to Yellowknife until October 1, 1996. Two contract liquor inspectors were hired at that time to replace the one full-time GNWT employee who had previously preformed this function. The contracting of these two liquor inspectors has increased the number of liquor inspections for Yellowknife. In comparison with the previous year, liquor inspections for Yellowknife have doubled. The statistics recording liquor inspections for Yellowknife are for the period October 1, 1996 to March 31, 1997. The average number of liquor inspections done in Yellowknife range between 65 and 75 per month.

# Northwest Territories Liquor Licensing Board

## Statement of Operations

March 31, 1997

	1997 (000's)	1996 (000's)
<b>Income</b>		
Licensing Fees	\$ 497	\$ 489
Special Occasion Licenses	79	85
Annual Licence Fees	43	49
Other	0	0
<b>Total Income</b>	<b>\$ 619</b>	<b>\$ 623</b>
<b>Operating Expenses</b>		
Salaries	\$ 355	\$ 333
Honoraria	14	22
Travel	52	59
Inspections Contracts	29	9
Advertising	5	3
Office Rent & Supplies	42	49
	<b>\$ 497</b>	<b>\$ 475</b>
<b>Net Income</b>	<b>\$ 122</b>	<b>\$ 148</b>

### Five Year Performance History

Year	Gross Revenue (000's)	% Change Revenue	Net Income (000's)	% Change Net Income	Operating Expenses (000's)
1993	527	-2.9%	192	36.4%	336
1994	571	8.3%	128	22.4%	443
1995	574	0.5%	43	7.5%	531
1996	623	8.5%	148	23.8%	475
1997	619	-0.6%	122	19.7%	497

