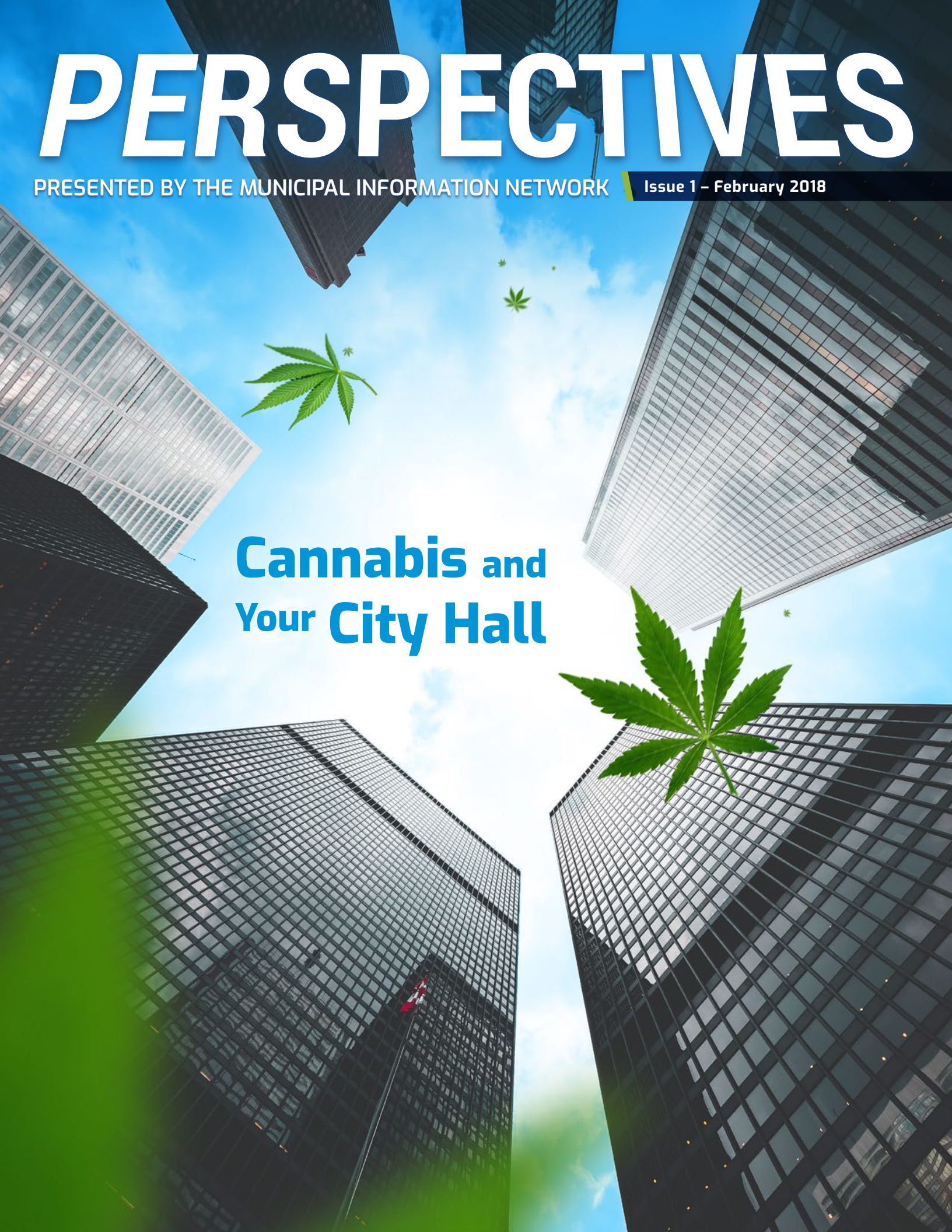


# PERSPECTIVES

PRESENTED BY THE MUNICIPAL INFORMATION NETWORK

Issue 1 – February 2018

## Cannabis and Your City Hall

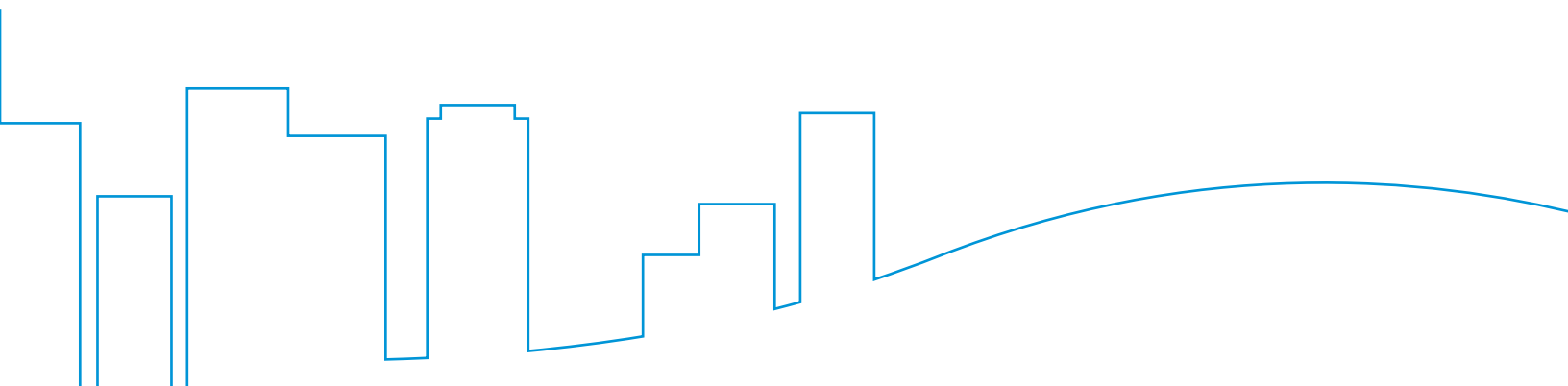




# **PERSPECTIVES**

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## Welcome to Perspectives

Welcome to the first edition of “PERSPECTIVES”.

This is a new e-magazine intended for the thousands of local government elected politicians and administrative officials who together make up the largest and most important sector of government in Canada.

We say ‘most important’ deliberately. That is not to denigrate our federal, provincial, territorial, regional or First Nations colleagues, but rather it is a realization that for most people and most businesses most of the time, local government is the most important order of government.

It is what impacts and affects their lives, families, business and career, work, play, socialization, connectivity and so many other parts of their daily family, business and personal lives. Municipalities large and small make up this critical sector of the governance of Canadians—yet for far too long and far too often, local government has been the stuck-in-the-cob-webby-corner step-child of provinces in particular, but generally of all government levels.

This new e-mag is proudly and loudly supportive of the 4,000+ local governments across this country, and the tens of thousands of women and men who work so hard to keep their communities running smoothly and safely every day. From the smallest hamlet to the largest city, what you do is critical to shaping the lives, opportunities, safety, comfort, security, happiness, family enjoyment and so much more of your residents.

Now...a couple of things you should know about this publication. First, it comes to you free of charge under the Municipal Information Network banner. Gordon McCormick and his team have been producing a daily compendium of interesting and important local government information for more than two decades. Today Jaguar Media owns and operates 4 specialized news portals and sends more than 50,000 electronic newsletters on a daily basis. The company has over 2500 customers around the world.

“PERSPECTIVES” will be published bi-monthly. I will serve as Editor. I’m Gord Hume, a four-time elected member of London city council, author of 7 books on local government, a sought-after public speaker on municipal issues, and a passionate supporter of strong and effective municipal councils and administrations. I started my media career fifty years ago as a very young reporter, and have run radio stations and been Publisher of a newspaper.

Together we will seek out information and opinions about critical local government issues that will or are affecting your local community. Sometimes our writers may be controversial—that is a good thing, because it is important to stretch your thinking about problems and how to solve them, and opportunities and how to exploit them.

Unlike at some other publications, our writers will be compensated. Modestly, but still...Gordon and I believe that intellectual property is important to support and protect, and that authors should be fairly compensated for their original work. That means you won't see self-serving 'puff pieces' from PR flacks or companies. You will see some in-depth position papers and so on that will help to give you background, context and information about urgent civic topics.

Most of our bi-monthly publications will have a theme or emphasis on some pertinent and timely topic. Our first edition deals with one of the biggest issues facing municipalities right this moment—the imminent introduction of Marijuana legislation in Canada.

This will have a huge impact on local governments. Former St Albert Mayor Nolan Crouse has done extensive research on this really critical new responsibility for local governments, and his story is our lead article. We've also included some important background from the Canadian Association of Chiefs of Police to give you a bench-mark on the issues facing your local police force, and other stories.

As will happen with all of our publications, I'll end the magazine with "CIVIC COMMENT"—my own editorial on what's happening with local government. That will be my personal opinion, not necessarily that of Jaguar Media (the publisher).

We will always welcome your comments, criticisms, ideas and suggestions. We will also welcome a proposed story or article from you on what's going on in your community and how that could impact other towns or cities. Please feel free to step forward and send us your comments or stories. Our email address is [PERSPECTIVES@municipalinfonet.com](mailto:PERSPECTIVES@municipalinfonet.com).

That's it. Welcome to our first edition of "PERSPECTIVES". We hope you enjoy it and will find it useful.

GORD + GORDON





## From the Editor's Desk

BY GORD HUME

Many questions surrounding the federal law changes to permit the recreational use of marijuana in Canada remain without answers. That much is clear in what is rapidly becoming a very hazy debate.

In this first edition of "PERSPECTIVES", we've tried to assemble some critical information that municipal leaders will need to help them navigate the next few months. There are more questions than answers right now. It is a minefield for local governments that have once again been placed in a remarkably difficult position because of the actions of senior orders of government.

Our lead essay comes from former St. Albert Mayor Nolan Crouse, who details a number of critical decision points that municipalities face. His exploration of Colorado cities and their lessons learned from implementation in that state provide particularly useful primers for Canadian city halls.

We have also received permission to present the position paper of the Canadian Association of Chiefs of Police. It is important for civic leaders to understand the challenges and concerns that are facing their hometown police departments. There will be significant impact on traditional policies and practices for local law enforcement.

Provinces and territories are scrambling to enact their own legislation. We have included the initial framework to their proposed policies from Yukon and from Prince Edward Island as examples of what provinces and territorial governments will be developing. What is critical is that it is becoming obvious that there will be differences from province to province to territory. Your City Clerk and Solicitor will be key allies for Councils. **Municipal officials will have to carefully consider and understand the particular laws and regulations in their own jurisdiction.**

This will place municipalities in a difficult situation. For example, Quebec is suggesting that marijuana smoking should be allowed in any public place where tobacco smoking is permitted—but is allowing local municipalities to make their own tougher restrictions. This is going to play out across the country, and may well result in differing laws and regulations from community to community.

The owners of businesses in this industry that are emerging are potentially going to be faced with a quagmire of differing regulations. People of a certain age may recall the early days of the smoking-in-public-places debate that raged in city halls in the 1990s and 2000s. A lot of businesses spent a lot of money to satisfy local bylaws, only to have the province swoop in eventually with new and different provincial standards that superseded local bylaws.

Dan Rowland, who was instrumental in developing Denver's policies, has provided a really thoughtful and important article on dealing with city hall and community impacts. Do not miss reading this first-hand account of developing and implementing bylaws and regulations regarding cannabis.

Again, different policies in different cities in different provinces are going to prove challenging for everyone involved in this emerging public policy matter.

Finally, in my "CIVIC COMMENT" editorial at the end of this e-magazine, I offer some of my own thoughts about this debate.

This is very much a starting point for municipal leaders in dealing with recreational marijuana and the pot-holes (sorry, I couldn't resist) in the road ahead. It is going to consume a lot of hot air and smoke (damn, sorry again) and frustration for Canada's municipal leaders.

Hopefully this first edition of PERSPECTIVES will help to initiate and develop thoughtful discussions and planning in our town and city halls across the country. We are far from the end of this debate, but we felt it was very important to help municipal officials focus now on this very urgent and critical issue.

And as this is our first edition, we are particularly interested in your thoughts, ideas, suggestions and critiques. Send us a note to: [PERSPECTIVES@municipalinfonet.com](mailto:PERSPECTIVES@municipalinfonet.com).

GORD HUME

# A Hazy Cloud of Confusion Still Faces Canadian Municipalities

BY NOLAN CROUSE



Game on!

On December 11th, 2017 the Canadian Federal Government announced that it will release 75% of the cannabis excise tax revenues to help support the other orders of government that are on the front lines of legalizing cannabis nationwide.

That will spark the next debate (and will be interpreted differently) by Provinces, Territories, First Nations and Municipalities as to where the burden of implementation is transferred when it comes to the costs of enforcing this impending legislation. Similarly, where the benefits are actually realized will be debated.

Still shrouded in secrecy is whether the federal government provided up-front funds to assist the other orders of government in developing their own legislation or to assist in paying for communications to the organizations that must ultimately help administer the changes made to Canadian laws, societal norms and to the economy in general.

The Federation of Canadian Municipalities (FCM) is calling for “a strong partnership among all orders of government”. Now, does the FCM, or indeed the municipalities it represents across Canada, legitimately believe that a strong partnership can possibly be developed within the next 100 days, given the historic mal-treatment of municipalities by the other two orders of government? Even amongst municipalities, the Canadian Big City Caucus will no doubt advocate to their respective Premiers that it is they (the big cities) who carry the largest burden.

This is a money battle yet to play itself out. The dividing of money is a problem that the federal government has easily downloaded onto the provinces. The dividing of it with municipalities will be a battlefield in 2018.

There also remains further dialogue that must take place between the Federal Government and the country’s First Nation leaders. It has been the position of principle by the Assembly of First Nations that it will be the First Nations and not the federal, territorial or provincial governments that will determine the rules around the use and sale of cannabis products on reserves.

During the summer of 2017, Alberta’s mid-sized cities received a summary of interviews and heard from several

mid-sized city mayors from the state of Colorado. Colorado has been an early leader in the US on cannabis legislation and its impact on communities.

The results of those interviews revealed more than 20 significant considerations that Canadian municipalities need to assess as the downloading of responsibilities of this federal initiative begins. The details of those considerations were substantial. They included such things as zoning, signage regulations, setbacks from schools, distances from daycares and dealing with an unexpected number of rental properties being converted to substantial grow operations for the “below market price” street market.

School and health authorities found themselves having to address edibles at school, and increases in emergency room activity in hospitals. Although data are slow to be reported, anecdotally there is an increase of youth court activity being experienced in Colorado for a variety of reasons. Examples reported were the advent of new phenomena of “brownie” parties for youth, and “pill” parties for older teens.

In Canada, some of those municipal considerations will overlap with provincial considerations, some will overlap with agency jurisdictions (police and fire) and there will be overlap with the school and health jurisdictions as experienced in Colorado. Perhaps schools are being ignored, or at worst being forgotten, in this entire conversation.

The Colorado experiences (and now in several other US states) are coming to grips with the implication of the legalization and state decriminalization of cannabis/marijuana products. Products sold as edibles, vape products and old-fashioned joint smoking are creating a gold rush of opportunities, some of which were not contemplated by US lawmakers at the time of the conception.

In Canada, that rush to city hall to obtain a new cultivating permit will be met with excitement by many. But, health professionals, law enforcement personnel, school teachers and the first responders will all be wondering what the affect is on their day to day activities. And parents will be weighing the opportunity of purchases, growing decisions and personal usage against the risk of their own child’s well being.



It is also seen by many that there is a blurred line between the medicinal industry and the recreational industry. To some it is clear that there is a pure distinction—and the law delineates some of that distinction. To others, there is undoubtedly confusion created by the variety of products, and a blur exists determining whether the intended use is for “recreation to relax” or to simply “kill the arthritis pain”.

The development of public policy, and indeed private corporate policy, is left to many who do not have the knowledge or wherewithal to pull it off. Whether it is policy development by condominium associations across Canada, senior’s residences or post-secondary student matters, there is much work to be done.

Here are a few more important issues that remain to be debated:

- The merits of the new legislation, as various governments and jurisdictions grapple with what local or regional policy structures may look like.
- Provinces must address the approach to storage plus sales and distribution of various cannabis products, division of tax revenues, health concerns and more.
- Municipalities are faced with permit decisions, signage restrictions, bylaw changes, training, employee drug testing policies and much more.
- Law enforcement agencies will need to develop new protocols and procedures.

Much of this is being done in a vacuum of knowledge, a shortage of skills and a lack of funding from the federal government to do the right job—or to do the job right.

Canadians in all walks of life will come across new policies and procedures that are affected by this. Indeed most of those policies are yet to be developed. Schools, emergency rooms, first responder vehicles, public recreation complexes and hospice care facilities will all face the question of what equipment to carry or what procedure to have in place.

In some cases, Canadians will become informed by chance, others through involvement by their own circumstances, while others will work to become involved in helping write those very policies as they experience a new modus operandi for their own set of circumstances.

Opportunities abound. From air conditioning installers to the lighting industry to the ventilation market, there will be some who are able to capitalize on the new openness of cannabis as a societal norm.

Much of what was underground money will now end up in the coffers of the Canadian banks. That is one of the fundamental reasons for Prime Minister Trudeau and the federal Liberals embarking on this generational legislative change. One can only hope it results in the intended consequences.

Just as it has taken nearly a century for Canadians and Americans to come to grips with the upside and downside of marijuana, it may very well take many more years to establish the effects of these changes being made across North America.

Finally, there is the argument as to whether there is actually more money entering the economy in the first place (as a result of the legalization) as is claimed by some, or is the limited supply of consumer money simply being shifted from one area of spending to another—the cannabis money shell game? This writer thinks the latter.

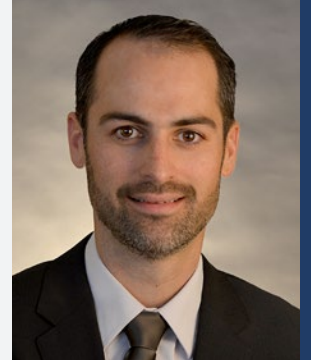
As I prepare to speak in August on this topic at the 14th Annual Global Conference on Ageing in Toronto, if you have any thoughts on this matter, or wish to have me speak in your community, please email me at [nolan@nolancrouse.com](mailto:nolan@nolancrouse.com).

**Nolan Crouse** is the former Mayor of St. Albert, Alberta and former Edmonton Regional Board Chair who speaks and writes about the Cannabis matter and the many related considerations for communities, associations, boards, agencies and companies.

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# Denver Delivers Important Lessons for Canadian Cities

BY DAN ROWLAND



As Canada prepares for the legalization of recreational cannabis, governments at all levels are looking to those with experience in the implementation and regulation of legal, commercial cannabis marketplaces. My experience in Denver – the first major city in the world to open fully legal, licensed recreational cannabis businesses – has provided some unique insights into implementing a regulatory model at the local level that is designed to meet the needs of the community.

## Embrace the change

The most effective way to manage cannabis legalization is to jump in with both feet and devote resources to this new industry. City leaders set the tone, and if the message is “We’re going to do this, and we’re going to do it well,” then the sleeves get rolled up in a hurry. The keys to success lie in recognizing that this new, legalized industry touches all aspects of government, and you will need to be flexible and nimble so that when you learn about some new issue, you can have all the right people in the room to figure out how you’re going to address it. Establishing a coordinated management model that pulls together a multi-disciplinary team with representatives from across the organization is critical to the successful regulation of an enterprise that affects everything from zoning to public health, and business licensing to law enforcement.

As is the case in communities across Canada, the people of Denver are extremely passionate about their quality of life – it’s a wonderful place to live and you don’t want to compromise that. The goals of cannabis regulation in any community can be boiled down to the single guiding principle of protecting that quality of life. Folding the new requirements of legalized cannabis into the day-to-day operations of government can help achieve that, but only with buy-in from all involved.

## Regulate matters of local concern

To support effective implementation of a new industry, local governments are particularly adept at considering regulations around the time, place and manner in which these new laws and policies are put into practice – in this case the sale and use of recreational cannabis. Local licensing requirements should include provisions that seek to protect quality of life—the health, safety and welfare of residents as well as businesses and their customers. This includes considerations such as where retail sales could be located, hours of operation, inspection requirements and video monitoring. There is also a need to address odors, lights or other impacts that could affect other businesses or people in the area.

Much of this important work can be done through the permitting and licensing process. Potential operators should have proof of premises with documented ownership or landlord approval of the use and business concept. Building this into the application process is an effective way to ensure that applications are being submitted by legitimate businesses and to reduce the workload on what are sure to be some very busy licensing clerks. Further vetting should be done to ensure only the most responsible operators are handling cannabis in the community. Many illegal operators hope to transition their businesses into retail cannabis stores, so governments must ask themselves if operators that are violating cannabis laws now should be entrusted with the responsibility of obeying applicable laws in the future.

Proximity restrictions for sale of cannabis, such as requirements for setbacks from schools, playgrounds, drug treatment facilities, and other cannabis businesses should be considered carefully. Local governments can choose to put in the same minimum distances for cannabis stores that are in place for liquor stores, and/or craft restrictions based on zoning and land use. A way to further protect children is to not allow minors to even enter retail cannabis stores, unlike liquor stores that sell alcohol and convenience stores that sell cigarettes.





Finally, coordinating inspections is critical. Creating a system that allows inspectors from different agencies to communicate and share information in real time will ensure safe operations and compliance. Inspections of cannabis-related businesses should be robust and frequent, but to be effective, inspecting agencies – whether they are building, fire prevention, public health, legal or business-related – must talk to each other as well as the business operator.

### **Don't forget about social consumption**

In addition to the regulatory component for licensed businesses, local governments also must consider where people can use cannabis products. Decisions to limit where cannabis can be used should reflect the priorities of that community. In Denver, if we had decided that you could smoke marijuana wherever you smoke a cigarette, our voters would never have tolerated it. That election was six years ago, and it is now clear that people deserve – and demand – a place to consume outside of a purely private residence.

Options abound, but finding the right fit for your community is a challenge. Is smoking allowed indoors? In the future, should stores be allowed to provide “tasting rooms” or lounges where use is permitted? What about other businesses, such as cafes, art galleries and event spaces?

### **You got this!**

Those local governments that are thinking about these questions now are already setting themselves up for success. Yes, there will be bumps in the road and some may cause you real pain, but you will be rewarded for being proactive, and for remaining agile as the landscape evolves.

Changes happen fast in this industry, and from an administrative and licensing standpoint, it will be a lot of work. View it as an opportunity; one that could highlight good public policy and local governments' ability to take a huge administrative challenge and succeed in a big way.

As the principal consultant for 420 Advisory Management, **Dan Rowland** brings his unique skillset to the implementation of legalized cannabis across North America. After spending more than three years with the City and County of Denver's Office of Marijuana Policy – leading efforts for the first major city in the world to develop a fully legal, commercial industry for cannabis – Dan advises governments and other public-sector stakeholders to ensure the successful implementation of legal markets in the U.S and Canada.

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# C-45 - Cannabis Act

BY THE CANADIAN ASSOCIATION OF CHIEFS OF POLICE

**Remarks by:** D/Chief Mike Serr (Chair, CACP Drug Advisory Committee), D/Chief Thomas Carrique (co-Chair, CACP Organized Crime Committee), Lara Malashenko (CACP Law Amendments Committee)

Distinguished members of this Committee, on behalf of Directeur Mario Harel, President of the Canadian Association of Chiefs of Police, I am pleased to be given the opportunity to meet with each of you today.

In addition to my role as Deputy Chief of the Abbotsford Police Department, I am Chair of the CACP Drug Advisory Committee. I am joined by York Regional Police Deputy Chief Thomas Carrique, Chair of the CACP Organized Crime Committee, and Lara Malashenko, a member of the CACP Law Amendments Committee and Legal Counsel for the Ottawa Police Service.

The mandate of the CACP is “safety & security for all Canadians through innovative police leadership”. This mandate is accomplished through the activities and special projects of some 20 CACP committees and through active liaison with various levels of government. Ensuring the safety of our citizens and our communities is central to the mission of our membership and their police services.

Bill C-45 is a comprehensive Bill and we will address it from a high level in our opening statement. In addition to our appearance today, we are providing you with a detailed written brief for your consideration.

Our role from the beginning has been to share our expertise with the government to help mitigate the impact of this legislation on public safety. Extensive discussions within the CACP membership and various Committees formed the basis of our advice.

We participated in a number of government held consultations and provided a submission to the Federal Task Force.

We produced two discussion papers entitled “CACP Recommendations of the Task Force on Cannabis Legalization and Regulation” on February 8, 2017, and “Government Introduces Legislation to Legalize Cannabis” on April 28, 2017. Themes from both discussion papers have been included in our written brief.

Police leadership across Canada identified 7 key themes specific to this Bill which impact policing:

- Training and the Impact on Police Resources
- Personal Cultivation and Possession
- Organized Crime
- Medical Marijuana
- Packaging and Labeling
- Return of Property
- Youth and Public Education

Police leadership also identified that drug impaired driving and our ability to effectively manage it will impact policing; however, we will leave this theme to be addressed under Bill C-46.

We would like to acknowledge the announcement made by the Federal Government on September 8, 2017 with respect to the allocation of funding. We are interested in learning the details related to the distribution of funds dedicated to federal, provincial and municipal police resources. We wish to emphasize that municipal police services require the necessary training, tools and technology to assist with addressing public safety concerns and disrupting the involvement of organized crime in the illicit cannabis market.

In order to support the successful implementation of this comprehensive legislation, the CACP urges the Government of Canada to:

- Consider extending the July 2018 commencement date to allow police services to obtain sufficient resources and proper training both of which are critical for the successful implementation of the Cannabis Act. In addition, we ask that an established legislative framework be put in place prior to legalization that will provide law enforcement with clear direction and assistance regarding funding and training
- Provide sufficient details to allow law enforcement to assess the availability of funding, recognizing the need :
- For a more standardized and consistent approach amongst provinces/territories vis-à-vis the implementation of police resources necessary for the legalization of marijuana.
- And the need to obtain further guidance regarding the training of front line officers which would include: plant seizure and identification of illicit cannabis, increased funding for public education and youth programs and the issuance of tickets under the ticketing provisions of the Act.

Due to foreseeable concerns surrounding personal cultivation and enforcement, we ask that the provisions permitting adults to grow up to four marijuana plants be revoked. The CACP predicts that these provisions will be problematic to enforce, will provide for additional opportunities for the illegal sale of marijuana, and will pose a further risk to youth due to increased exposure and accessibility.

We were pleased to see in the September 8, 2017th announcement that Finance Canada will consult on a new tax regime on cannabis. This is critically important because despite the Cannabis Act, organized crime will continue to look for opportunities to exploit the market and profit. We will continue to advocate that the cost of legal cannabis remain as low as or lower than cannabis sold on the “black market”, in order to discourage price undercutting and illicit sales. We would also ask the Federal Government to enact strict security clearance requirements which would ensure that criminal organizations do not become licensed growers as has been observed in the medical marijuana regime.

Police agencies must prioritize drug investigations on the basis of public safety. It is well documented that many policing agencies are currently concentrating on opioids which is responsible for an unprecedented amount of overdose deaths. However, it is important that as we move to a regulated regime for cannabis, that strict enforcement is necessary at the onset to protect youth and disrupt organized crime.

While the commitment made on September 8, 2017 th to provide funding to policing to enforce the proposed Cannabis Act is positive, questions still remain in regards to how this money will be allocated. We wish to reiterate that dedicated police cannabis enforcement teams are necessary to disrupt organized crime and keep cannabis out of the hands of youth.

Given the infiltration of organized crime into the medical marijuana industry, the CACP recommends merging the Cannabis Act with Access to Cannabis for Medical Purposes Regulations (ACMPR) to avoid confusion and to align efforts of Health Canada and other law enforcement agencies and to limit organized criminal activity by reducing the number of licensed producers and distributors.

The CACP recommends that packaging requirements be stringent, providing clear labeling to allow police to identify between legal and illegal cannabis and to give users adequate information to make informed choices about cannabis consumption. We further recommend that labeling include notice regarding penalties for providing cannabis to youth as a further protection mechanism and deterrent.

The CACP has concerns regarding the return of property provisions which appear to require the police to maintain and return seized cannabis plants. Police services across Canada do not have the facilities or resources to accomplish this. Accordingly, we ask that the Act address these concerns by relieving police services of any responsibilities associated with the deterioration of seized cannabis plants or from having to provide compensation.

Lastly, continue to focus on protecting youth through education and other non-Criminal Code means. The Cannabis Act, for example, would permit youth to possess or ‘social share’ 5 grams or less, which is inconsistent with the Bill’s intended objectives. Examples of Colorado and Washington have demonstrated that legalization may encourage increased marijuana consumption amongst youth.

Therefore, police-driven education on the effects of marijuana use is critical to discourage consumption by youth.

Our recommendations are not intended to dispute the government's intention of restricting, regulating and legalizing cannabis use in Canada. Instead, we bring these issues forward because the answers remain unknown. We are concerned about the impact of this Act and, as previously stated, we all have a responsibility to mitigate the impact on public safety which is our primary goal from a policing perspective.

We certainly commend the government for its commitment to consultation of stakeholders and the public. We also commend the efforts of Ministers, Parliamentarians and public servants who are dedicated to bringing forward the most comprehensive legislation, with a mutual goal of putting forward a responsible framework prior to legalization and recognizing that the world is watching Canada throughout this process.

In the interest of public safety and preserving the quality of life that we are fortunate to enjoy in Canada, we appreciate the opportunity to share our crime prevention and law enforcement experience with the Government. We recognize that illicit drugs are a global issue that dramatically affect local communities, families and individuals. As the world watches Canada throughout this complex process, we are committed to working with the government and the Canadian public to ensure comprehensive regulations that mitigate the public safety concerns associated to cannabis are established prior to its legalization.

We support many of the overall goals of the Act, while recognizing that other stakeholders are better equipped to provide specialized knowledge in areas of public health and social service sectors. We also support efforts to deter and reduce criminal activity by imposing serious criminal penalties for those breaking the law, especially those who import or export cannabis, or provide cannabis to our youth.

Sincere thanks are extended to all members of this Committee for allowing the Canadian Association of Chiefs of Police the opportunity to offer comments and suggestions on Bill C-45. We look forward to answering your questions. Thank you.



# Draft Legislative Summary: Yukon's Cannabis Control and Regulation Act

BY THE GOVERNMENT OF YUKON



The Government of Yukon has released a draft legislative summary of its Cannabis Control and Regulation Act and is seeking feedback from Yukoners, First Nation governments and municipalities.

The summary outlines the key provisions of the proposed Act, which must be passed prior to the federal government's legalization of cannabis in Canada this summer.

The proposed Act is being developed in a manner to reflect the Government of Yukon's guiding principles and is informed by feedback received from Yukoners in 2017.

The draft Act proposes that the Yukon Liquor Corporation is designated as the distributor corporation for cannabis as of July 2018 and allows for that designation to change in the future. It also defines the composition and roles of the Cannabis Licensing Board and details the process and requirements for private businesses to obtain a licence in the future to sell cannabis in Yukon.

The draft Act provides the rules through which cannabis may be imported, used, grown or possessed within Yukon. It also contains a section on enforcement, which sets out proposed penalties and rules about search and seizure by authorized enforcement officials.

Yukoners are encouraged to review the legislative summary by visiting [engageyukon.ca/cannabis](http://engageyukon.ca/cannabis).

The proposed act will be tabled in the Legislative Assembly during the Spring Sitting, which begins on March 1, 2018.

## Quick facts

The purpose of the proposed Cannabis Control and Regulation Act, which supports Yukon's guiding principles for cannabis legalization, is:

- ▶ To permit legal access to reasonable amounts of cannabis while not promoting its consumption.
- ▶ To ensure that cannabis is lawfully produced and legally distributed through a corporation designated for that purpose and legally sold in accordance with the regulations.
- ▶ To protect public health and safety by regulating the importation, sale, distribution, possession, purchase, cultivation and personal consumption of cannabis.
- ▶ To protect young persons (under the age of 19) from the harms associated with cannabis use and restrict their access.
- ▶ To prepare for the opportunity of private retail sales.





# Latest Set of Policy Directions From The Government of Prince Edward Island

BY THE GOVERNMENT OF PRINCE EDWARD ISLAND

This latest set of policy directions includes:

- ▶ **Adult possession** – adults will be allowed to publicly possess 30 grams of lawful dried cannabis or the equivalent, which aligns with the federal legislation.
- ▶ **Youth possession** – youth under 19 will be prohibited from possessing cannabis. The province's approach to protecting youth will focus on prevention, diversion, and harm reduction, without unnecessarily bringing them into contact with the justice system.
- ▶ **Drug-impaired driving** – the province will strengthen roadside suspension and create a summary offense in cases of impaired driving with a minor, with potential for increasing penalties in the future.
- ▶ **Transporting** – when transporting cannabis, it must remain in unopened packaging and, where an open package is being transported the product will be required to be secure and inaccessible to anyone in the vehicle.
- ▶ **Education** – public health and safety campaigns for cannabis are already underway and will intensify as legalization approaches. In addition, the province will support youth, young adults and all Islanders by developing educational and harm-reduction strategies. The approach will include education, health, and social service providers that work with – and educate – Islanders.
- ▶ **Retail model** – Prince Edward Island will have four dedicated government-owned retail locations for cannabis sales in 2018, as well as an e-commerce platform with direct-to-home delivery. The retail sites will be in Charlottetown, Summerside, Montague, and West Prince.
- ▶ **Suppliers** – the province is entering into agreements with three companies to supply legal and regulated product:
  - ▶ Canada's Island Garden of Charlottetown;
  - ▶ OrganiGram of Moncton, N.B.; and
  - ▶ Canopy Growth Corporation of Smith Falls, Ont.

These policy directions are significant steps in the cannabis legalization framework for Prince Edward Island. There are additional decisions to come related to personal cultivation, ticketing offences, and other topics which require legislative or regulatory direction.





## Civic Comment

BY GORD HUME

It has been disappointing for most municipal officials to see the disdain for local governments exhibited by the federal government over the introduction and implementation of the new era in Canada of using marijuana for recreational purposes.

The initial proposal of sharing all the cannabis excise tax revenues 50-50 with the provinces totally ignored municipalities. It was a non-starter, but again showed how little the feds understand and appreciate the important contributions of municipalities to this quite new and different community situation.

The revised revenue-sharing formula of 25% to the feds and 75% to the provinces and territories, some of which is to be shared with municipalities, creates a very challenging situation for municipal leaders. And for Indigenous leaders.

It seems likely that different provinces will come up with different formulas for sharing this new pot of money. Big questions remain on whether a population-based formula, a size formula (ie. Large cities get more money because they have greater problems—or do they?) or some other sprinkling of money will evolve.

What is very clear is that once again municipalities will be the key. It is on their streets and in their neighbourhoods that this new federal legislation will play out. Everything from zoning to signage, and from new local health, school and police policies, will need to be created and implemented. It will be an enormous amount of work for local governments.

If there was ever a time for the federal government to step forward and make the revenue sharing a 1/3, 1/3, 1/3 formula, then this was it. It would have been simple and clean, and respected the equal contributions of local governments.

Instead we will most likely end up with a patchwork of formulas and revenue sharing. It would be lovely to think that all provinces will split their largesse evenly—which ironically would result in municipalities getting 37.5% of the new tax revenue—or even the bulk of it going to cities, but call me sceptical.

Maybe the earth will stop moving, the sun will rise in the west and the Expos will come back to win the World Series, but provinces and territories could step forward and acknowledge that towns and cities have tremendous amounts of work to be done because of this new cannabis legislation, and no money with which to do it.

We have to put a stop to municipalities getting stuck with huge new costs because of legislation passed from another order of government.

It is in our towns and cities that the shocks and collisions will truly be felt. There will most definitely be big impacts for social agencies, the health care system, local law enforcement, bylaw officers, planning and zoning regulations, and so much more. As Nolan Crouse pointed out in his essay, schools have been pretty much ignored in this debate but they too will have significant adjustments to make. Where will that money come from?

This entire messy situation is also reflective of the greater issue—and that is changing the way municipalities are financed. The old property-tax-based system is broken and can't be fixed. We need innovative thinking from all six orders of government in Canada to develop a modern new system of financing our local governments.

That is another discussion for another day. Let's just hope the provinces and territories don't get greedy and keep the bulk of this new tax money for themselves. It is the local governments in every province and territory that need—and deserve—the lion's share of this new revenue.

It might be a billion dollars a year.

This is a fight worth fighting for municipalities.

## GORD HUME

**Gord Hume** is recognized as one of Canada's leading voices on municipal government and is an articulate and thoughtful commentator on civic government and community issues. He is a very popular public speaker, an advisor to municipal governments, and a respected and provocative author.

Gord was elected to London City Council four times. He has had a distinguished career in Canadian business, managing radio stations and as Publisher of a newspaper. Gord received two "Broadcaster of the Year" awards. He is now President of Hume Communications Inc., a professional independent advisor to municipalities.