

# Cannabis Legalization

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An Update for Manitoba's Municipalities

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## **REVIEW: Manitoba's Cannabis Framework**

- The Liquor, Gaming and Cannabis Authority (LGCA) will regulate the purchase, storage, distribution and retail of cannabis
- Manitoba Liquor and Lotteries (MBLL) will secure and track supply of cannabis sold in Manitoba
- The private sector will operate retail locations

## **REVIEW: Why this approach?**

- Manitoba's objective is to eliminate the black market, keep cannabis out of the hands of youth, and create new opportunities in the marketplace
  - Public sector's role in the industry will ensure safety
  - Private sector's role will ensure competitiveness and accessibility

## **REVIEW: Manitoba's Goals**

- One of Manitoba's primary goals is to displace black market cannabis through legalization
- **GOAL:** Within in 2 years, 90% of Manitobans can access legal cannabis in 30 minutes or less
- **GOAL:** Within 2 years, legal cannabis has a 50% market share

## UPDATE: Laws, Regulation and Enforcement

- Manitoba is taking a three-phase approach to its provincial cannabis legislation
  - Phase 1: *The Cannabis Harm Prevention Act*
  - Phase 2: *The Safe and Responsible Retailing of Cannabis Act*
  - Phase 3: *The Impaired Driving Offences Act (Various Acts Amended)*

## **UPDATE: Laws, Regulation and Enforcement**

- Manitoba will access federal funding allocated to increase police capacity to detect and deter drug-impaired driving.
- Additional frontline police officers will be trained to conduct Standard Field Sobriety Tests (SFST) and Drug Recognition Evaluations (DRE) at roadside.

## **UPDATE: Retail Strategy**

- On February 16, 2018 the Minister of Growth, Enterprise and Trade (GET) announced the conditional acceptance of proponents from the RFP process. They are:
  - a joint venture between Manitoba cannabis producer Delta 9 Cannabis and Ontario producer Canopy Growth Corp.
  - National Access Cannabis, which operates medical cannabis access clinics in Manitoba and elsewhere
  - Tokyo Smoke, a subsidiary of Hiku Brands that operates cannabis accessory stores in Toronto and Calgary
  - 10552763 Canada Corp., a consortium led by Avana Canada of Ontario

## UPDATE: Retail Strategy

- Manitoba Justice, GET, and MBLL, are:
  - developing an agreement to authorize the retailers to sell cannabis in Manitoba
  - developing an additional agreement to authorize the establishment of individual stores
- These agreements with the Minister are required in the licensing regime under *The Cannabis Harm Prevention Act*



## UPDATE: Retail Strategy

- As the regulator, LGCA is:
  - in the final stages of drafting regulations for Bill 11
  - reviewing and amending its policy and practices for liquor and gaming to incorporate cannabis
- As the supply manager, MBLL is:
  - working with Canada's licensed cannabis producers to compile a formal product list for the Manitoba market
  - working on a distribution logistics plan to ensure security of cannabis product from supplier to store

## UPDATE: Retail Strategy

- The initial retail deployment phase is limited
  - Each retail organization will be granted the ability to be licenced to a maximum of four locations in Winnipeg.
  - Each of the four retailers will be granted additional location opportunities in rural Manitoba.
  - Additional retailers and/or locations may be available via GET in the next 12 months
  - Retailers have been advised to consult with municipalities and their officials directly to gain clarity about buffer zones, occupancy permits, construction permits, etc.

## **UPDATE: Addressing Community Impacts**

- Manitoba Municipal Relations released its “Zoning for Cannabis” guide for Manitoba municipalities
- Indigenous and Northern Relations is engaging with First Nations about cannabis retail sales in their communities and opportunities to participate in the industry
- A cross-department group led by Communication Services Manitoba and Manitoba Health, Seniors and Active Living (HSAL) is coordinating additions to the Government of Manitoba website about recreational cannabis, potential health impacts, and how to use it safely

## UPDATE: Addressing Community Impacts

- HSAL introduced changes to *The Non-Smokers Health Protection and Vapour Products Act*
  - They are consistent with the approach taken to public use of alcohol under *The Liquor and Gaming Control Act*
  - The legislation will prohibit cannabis smoking and vaping in outdoor public places once recreational use of the drug is legalized

## **UPDATE: Emerging Considerations**

- Growth, Enterprise and Trade and Intergovernmental Affairs collaborate on inter-provincial trade discussions
  - includes the New West Trade Partnership and the Canada Free Trade Agreement
  - for debate: whether online recreational cannabis sales may cross provincial boundaries

## **UPDATE: Emerging Considerations**

- Manitoba Agriculture participates on FPT and PT tables discussing the implication of proposed cannabis regulations on agriculture
- The department supports the proposed declassification of hemp as a controlled substance

## **UPDATE: Emerging Considerations**

- Provincial representatives met with Grand Chief Arlen Dumas to outline Manitoba's off reserve cannabis retail strategy and to engage the Assembly of Manitoba Chiefs (AMC) in a process addressing on reserve retail
- The Grand Chief requests ongoing conversation and respect among all parties – First Nations, municipalities, the Province, Canada – given the high potential for competing interests on the cannabis file





# QUESTIONS