



**MINISTER
OF JUSTICE AND ATTORNEY GENERAL**

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Winnipeg, Manitoba, CANADA
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**MINISTER
OF HEALTH, SENIORS AND ACTIVE LIVING**

Room 302
Legislative Building
Winnipeg, Manitoba, CANADA
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Ms. Shaila Anwar
Committee Clerk
Standing Senate Committee on Social Affairs, Science and Technology
Chambers Building, Room 1019
Senate of Canada
Ottawa, ON K1A 0A4
Email: Shaila.Anwar@sen.parl.gc.ca

Dear Ms. Anwar:

Our government is committed to protecting the public health and safety of Manitobans as we continue work to prepare for the federal legalization of recreational cannabis. As outlined later in this submission, several legislative changes and significant work to develop retail, distribution and regulatory systems are underway. Our government is focussed on responsibly managing this significant change in public policy that has been imposed over a very compressed timeframe.

Manitoba has made significant progress in anticipation of the coming into force of C-45, the *Cannabis Act*. However, our government continues to hold concerns that the short implementation time frame presents significant risks to achieving the federal government's stated objectives for legalization, including protecting the health and safety of Canadians and reducing the illicit market.

Many of Manitoba's ongoing issues and concerns were well articulated in the reports of other Senate Committees studying C-45. For example, with respect to home growth of cannabis, the Standing Senate Committee on Legal and Constitutional Affairs unanimously recommended amendment of C-45 to specify provinces and territories hold legislative authority over the possession, cultivation, propagation and/or harvesting of cannabis plants in designated areas, including the power to prohibit it. Manitoba and Québec share the view that such an amendment is unnecessary from a legal standpoint, but that it would eliminate ambiguity and avoid needless and costly legal challenges.

While outside of the scope of C-45, our government would first like to highlight for the Committee our concern with the federal government's intention to proceed with legalization under Bill C-45 without first taking steps to implement the road safety provisions in Bill C-46. This decision would put Manitobans and Canadians at greater

risk on our roads. As such, several key challenges with respect to drug-impaired driving enforcement must be addressed by the federal government prior to legalization.

Oral fluid screening devices remain under review by an external federal committee with no immediate decisions expected by the federal government on an approved device. Manitoba police agencies remain unable to procure devices or train officers on their use until this approval is in place. Our government also remains concerned with the ongoing resource pressures that enforcement of drug-impaired driving will create. The federal government has committed short term funding to provinces for screening devices and police training. However, broader ongoing enforcement costs remain unaddressed, as do potential capacity challenges related to health system and forensic lab testing elements of the enforcement regime.

Another significant concern relates to the federal cannabis tracking system currently under development. The federal government has publicly committed to a full seed-to-sale tracking system. However, the system as designed currently is highly unlikely to fulfill this function or meet operational requirements when extended to the retail system. This has created another obligation on provinces and associated partners to develop systems to track products and protect the integrity of the supply chain.

Additionally, Manitoba is concerned with the lack of specific information available with respect to the implementation timeframe between the passage of C-45 and the start of public retail sales to support provincial planning. The federal government has indicated there will be an 8-12 week implementation window to allow for scaling-up of retail operations. At this late stage of retail preparations, a precise timeframe is now required so that the provincial government, municipalities, and private sector retailers can plan appropriately.

Our government emphasizes the importance of ongoing, robust, culturally sensitive and coordinated public education efforts, with a particular focus on youth and vulnerable groups. While we acknowledge the federal investments and initiatives announced to date with respect to cannabis public education and awareness, we note that none of this funding supports provincial initiatives. Nor is it expected to be sufficient to educate Manitobans about applicable laws or to establish a culture of responsible use in the province. Further federal focus and coordination with provinces needs to be an ongoing federal priority both before and after the legalization date.

Manitoba Legislation and Preparation Activities for Federal Cannabis Legalization

Laws and Regulation

Manitoba has taken a three phase approach to prevent harm and provide a sound legislative and regulatory framework for cannabis legalization at the provincial level:

Phase 1 was focused on measures to address health and safety issues prior to full legalization. *The Cannabis Harm Prevention Act* established several common sense

safety measures including a 24 hour driver's licence suspension if a police officer has reasonable grounds to believe that a driver is unable to safely operate a vehicle due to being under the influence of a drug. The Act received Royal Assent on June 2, 2017 and all of its provisions are now in force. It amended:

- *The Highway Traffic Act, The Drivers and Vehicles Act, and The Off-Road Vehicles Act* to create a 24 hour driver's licence suspension for being unable to safely operate a motor vehicle due to drug use; impose additional greater consequences for Graduated Driver's Licence program drivers; restrict where cannabis can be transported in a vehicle, and create new provincial offences of unlawfully transporting or consuming cannabis in a motor vehicle;
- *The Non-Smoker's Health Protection Act* to extend the prohibitions on smoking tobacco and using e-cigarettes in enclosed public places and indoor workplaces to include smoking cannabis and using an e-cigarette to vapourize cannabis (vaping); and
- *The Child Sexual Exploitation and Human Trafficking Act, The Mental Health Act, and The Public Schools Act* to ensure that they continue to apply to cannabis or acts committed through the use of cannabis after it becomes legal.

Phase 2 establishes the regulatory framework for Manitoba's retail cannabis system through Bill 11, *The Safe and Responsible Retailing of Cannabis Act* (introduced on December 5, 2017). Manitoba is developing a hybrid model with Manitoba Liquor and Lotteries becoming the exclusive wholesaler of cannabis and the Liquor, Gaming and Cannabis Authority (renamed under the Act from the Liquor and Gaming Authority) licensing and regulating retailers. The legislation also sets 19 as the minimum age for purchasing cannabis in Manitoba; prohibits possession of cannabis by persons under 19; and prohibits home cultivation of non-medical cannabis.

Phase 3 focuses on impaired driving offences and further protective provisions. Bill 25 – *The Non-Smokers Health Protection and Vapour Products Amendment Act (Prohibiting Cannabis Consumption in Outdoor Public Places)* and Bill 26 - *The Impaired Driving Offences Act (Various Acts Amended)* are both currently proceeding through the Legislative approval process.

- Bill 26 is a response to federal Bill C-46, which will amend the *Criminal Code* to create authority for police to use an approved screening device to detect cannabis in oral fluid and create new *per se* blood/drug level offences. Bill 26 will create a roadside driver's licence suspension ranging from 3 days to 60 days for drivers who fail an approved drug screening device test; drivers licence suspensions of 6 months for a first conviction and one year for subsequent convictions for the low blood/drug offence; and apply the same pre-conviction and post-conviction sanctions for alcohol impaired drivers to the new *Criminal Code* high blood/drug level and mixed alcohol and drug offences.
- Bill 25 will further amend *The Non-Smokers Health Protection and Vapour Products Act* to prohibit the smoking and vaping of cannabis in all outdoor public places such as sidewalks, streets, parks, playgrounds, beaches,

outdoor sports venues, health facilities and school grounds, outdoor entertainment venues, and restaurant patios and decks. Additional restrictions may be specified by regulation. Bill 25 will however permit exceptions to the prohibition on smoking and vaping cannabis in outdoor public places to be specified by regulation under the act. These will likely include certain exceptions for medical cannabis users.

The Retail Strategy

Manitoba has adopted a hybrid public/private system for distribution and sale of cannabis. Cannabis will be available for purchase from privately operated cannabis stores and websites. All cannabis inventory must be purchased from Manitoba Liquor and Lotteries Corporation. Legal operation of a cannabis store and website will require an agreement with Manitoba and a licence issued under *The Liquor, Gaming and Cannabis Control Act*.

Licensing by the newly renamed Liquor, Gaming and Cannabis Authority will establish standards and terms and conditions for retail operations and authorize compliance monitoring and enforcement via inspections and investigations. In the event of regulatory breaches, escalating administrative sanctions are authorized beginning with warnings through to orders for licence suspension and cancellation. Orders may be appealed, resulting in a hearing by the Liquor, Gaming and Cannabis Authority's board.

In November 2017 Manitoba issued a Request for Proposals for private sector operation of retail cannabis stores. In February 2018 conditional acceptance of proponents from the RFP process were announced.

Addressing Community Impacts

Manitoba released its "Zoning for Cannabis" guide for Manitoba municipalities and is working with individual municipalities on cannabis related land use issues and proposals. Consultation with municipalities regarding the placement and licensing of retail stores is underway.

Discussion with Manitoba's First Nations about cannabis retail sales in their communities and opportunities to participate in the industry have also begun. A number of First Nations are already actively partnering with the four authorized retailers to bring cannabis stores to their communities under these existing retail banners. First Nations have also requested a discussion with the provincial government on the health, social services, policing, and education aspects of cannabis legalization.

The Liquor and Gaming Authority's 2017 Manitoba Cannabis Survey revealed that Manitobans are in need of comprehensive public education as the laws change, and to minimize the harms associated with cannabis use. That is why Manitoba, in partnership with the Addictions Foundation of Manitoba, has provided a package of information to school divisions and middle schools, including First Nations and Independent schools, across the province to support teachers and administrators in talking with youth about cannabis in a factual manner. A website is also being built to ensure Manitobans have

current, evidence-based information about cannabis as it relates to their health, including the Lower Risk Cannabis Use Guidelines and other pertinent information. The Manitoba Liquor and Gaming Authority is also developing public education messaging targeting adult Manitobans who use cannabis or who may try cannabis when it becomes legal.

Our top priority as a government has been protecting the health and safety of Manitobans, especially our youth. We have established an Interdepartmental Working Group on public education that includes representatives from Health, Seniors and Active Living, Justice, and other relevant departments as well as Crown agencies including the Manitoba Liquor and Lotteries Corporation and Manitoba Public Insurance. This working group will collaborate on a comprehensive public education campaign and strategy for youth. Our government will also continue to advocate for increased federal funding and appropriate coordination with provinces on public education and awareness efforts.

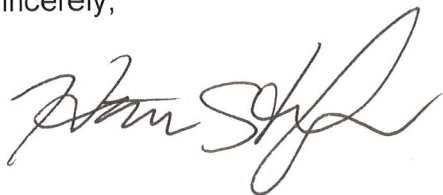
Conclusion

As outlined in this submission, Manitoba has taken a leadership role in preparing for the federal legalization of cannabis. However, many concerns remain outstanding and require immediate federal attention. These concerns include:

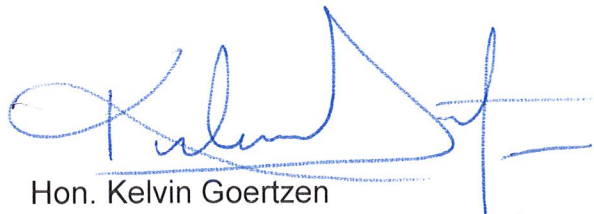
- The risks associated with a short implementation timeframe;
- The critical importance of timely and appropriate implementation of road safety measures prior to legalization taking effect;
- The need to address resource pressures by law enforcement as they work to keep our roads safe;
- The reliability and cost challenges associated with a seed to sale tracking system;
- The length of time needed to prepare for full cannabis retail operations; and
- The continued need for collaboration and federal resources for cannabis public education.

These outstanding concerns must be addressed prior to legalization coming into effect. We continue to await action from the federal government and we will continue to stand up for the health and safety of our citizens as we manage this significant public policy change. Thank you for the invitation to present to the Standing Senate Committee on Social Affairs, Science and Technology.

Sincerely,



Hon. Heather Stefanson
Minister of Justice and Attorney General



Hon. Kelvin Goertzen
Minister of Health, Seniors and Active Living