Cannabis Legalization in Alberta

Regulation and Supply Chain Roundtable
Federal Legislation

• April 13, 2017: Federal government introduced legislation to legalize, regulate and restrict access to Cannabis:
  – Bill C-45 Cannabis Act
  – Bill C-46 Act to amend the Criminal Code

• Cannabis will be legalized across Canada by July 2018
## Jurisdictional Responsibilities

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<tr>
<th>Activity</th>
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<td></td>
<td>Federal</td>
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<td>Possession limits **</td>
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<td>Trafficking</td>
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<td>Advertisement &amp; packaging **</td>
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<td>Impaired driving</td>
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<td>Medical cannabis</td>
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<td>Seed-to-sale tracking system</td>
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<td>Production (cultivation and processing)</td>
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<td>Age limit (federal minimum) **</td>
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<td>Public health</td>
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<td>Education</td>
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<td>Taxation</td>
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<td>Home cultivation (growing plants at home) **</td>
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<td>Workplace safety</td>
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<td>Distribution and wholesaling</td>
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<td>Retail model</td>
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<td>Retail location and rules</td>
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<td>Regulatory compliance</td>
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<td>Public consumption</td>
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<td>Land use/zoning</td>
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** Provinces will have the ability to strengthen legislation for these areas under federal jurisdiction
Role of Provinces and Territories

- Each province will decide on implementation issues:
  - Access to cannabis
  - Public health and safety
  - Distribution, retail and regulatory oversight
  - Economic and fiscal implications
Role of the Alberta Cannabis Secretariat

- Alberta has the policy, programs, legislation and regulations required to strategically implement cannabis legalization.

- An Alberta Cannabis Framework is in place to guide policy and program decisions.

- Policy options and advice is evidence based and reflects the views of Albertans.

- Provincial responses to federal legislation are coordinated and policy advice is aligned across government.
Alberta Policy Priorities

- Four main priorities:
  - Keep cannabis out of the hands of children and youth
  - Protect public health
  - Promote safety on roads, in workplaces and in public spaces
  - Limit the illegal cannabis market
Opportunities To Get Involved

• Opportunities to share your input include:
  – Taking part in the online survey
  – Submitting a white paper or position paper
  – Leading or participating in a community conversation
  – Taking part in sector meetings
  – Participating in Roundtable meetings on key topics

• Extensive public opinion research also underway

• Draft Alberta Cannabis Framework will be shared for additional public and stakeholder feedback in the Fall
Stakeholder Meetings

• Series of Roundtable meetings
  – Managing Access and Public Health
  – Regulation and Supply Chain
  – Municipal Alignment

• Several sector and topic specific meetings, such as
  – Workplace safety
  – Drug-impaired driving
Regulation and Supply Chain

• In our scope:
  – Distribution approach
  – Retail approach
  – Agency responsible for licensing, education, enforcement
  – Options for public consumption, including:
    • Support for cafes or lounges; and
    • Co-location of cannabis with food or other products in retail outlets
  – Taxation approach
  – Desire and potential for economic development
  – Impact of access, quality, price and variety models on black market sales
Roundtable Discussion Topics

Distribution approach

– What are the benefits and challenges with a private model or with a public distribution model?

– How does gov’t achieve a supply system that enables access without having entry points for product from unlicensed producers?

– How is distribution of cannabis similar or dissimilar to other models of product distribution, such as alcohol or tobacco? How might dissimilarities impact the distribution approach?
Roundtable Discussion Topics

Distribution approach

− Is there a need for a distributor? If Health Canada licenses producers, and producers can ship direct, what would be the challenges with setting up a system where there is no distributor?

− How do producers and governments balance availability of supply for medical use with supply for non-medical use and ensure sufficient product for both markets?

− Should there be requirements for the types of people who can be employed in distribution?

− What considerations should be given to vertical integration?
Roundtable Discussion Topics

Retail approach

– What does a successful retail market look like? How important is price? How accurate is our estimate on price? Tax?

– What are the benefits and challenges with a private model or with a public distribution model?

– Should co-location of cannabis stores exist with other products (e.g. food, tobacco)? With tobacco, would people be inclined to smoke more? How does this fit in with the province’s Tobacco Reduction Strategy?
Roundtable Discussion Topics

Retail approach

– Should consumption be allowed on the premises?

– How long and when (earlier versus later in the day) should hours of operation be for retail locations?

– Should there be restrictions on where retail locations can be located?

– Should there be requirements for the types of people who can be employed at retail locations?

– What is the role (and implications) for online retail?
Roundtable Discussion Topics

• In implementing the policy, should an agency be created or used to be responsible for licensing, education and enforcement?

• Options for public consumption, including limiting passive exposure
  – Is there rationale for a province-wide strategy or approach to public consumption?
  – What about use of cannabis that does not involve smoking?
  – Would having a dedicated space lessen the risk because it’s not public? What about risk to employees working in the space?
Roundtable Discussion

Your thoughts?
Regulation and Supply Chain

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Our Process

• Each meeting will cover 2-3 topics

• We will have very specific questions for you, but it is also a chance to raise issues important to you

• All the participants of stakeholder meetings will meet to review the draft Alberta Cannabis Framework this Fall
Next Steps

- Deadline for online survey, written submissions and toolkit submissions is July 31

- Next Roundtable meeting in July

- Draft Alberta Cannabis Framework released this Fall

- Ongoing implementation planning into the new year
Questions?