

RESPONSE TO PROVINCIAL ENGAGEMENT ON CANNABIS LEGALIZATION

EXECUTIVE SUMMARY

On 2017 June 02, the Government of Alberta launched its public consultation on the provincial response to the Government of Canada's Bill C-45: An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts (The Cannabis Act). The Government of Alberta has invited municipalities to provide input by 2017 July 31. The Minister of Justice and Solicitor General has indicated that public and stakeholder engagement will be used to help form a Cannabis Framework which will outline proposed next steps for Alberta. The provincial framework will have significant implications on the establishment of municipal regulations, policies and procedures. This report provides Administration's comments and recommended responses to key issues raised through the provincial engagement to supplement the existing advocacy positions approved by the Intergovernmental Committee on 2017 May 04.

ADMINISTRATION RECOMMENDATION

That the Intergovernmental Affairs Committee recommends that Council approve Administration's recommended response to the provincial government's engagement as contained in Attachment 1.

RECOMMENDATION OF THE INTERGOVERNMENTAL AFFAIRS COMMITTEE, DATED 2017 JULY 06:

That Council approve Administration's recommended response to the provincial government's engagement as contained in **Revised Attachment 1**.

PREVIOUS COUNCIL DIRECTION / POLICY

At its 2017 May 04 meeting, the Intergovernmental Affairs Committee approved Administration's recommendations contained in Report IGA2017-0427. Recommendations included: allowing the continued use of the advocacy positions on cannabis legalization for continued discussions with the federal and provincial governments; directing Administration to report back on the progress of discussions with the Government of Alberta; and directing Administration to report back with recommendations on the necessary amendments to municipal bylaws and policy changes required to implement the legalization of cannabis. The existing advocacy positions are outlined in Attachment 2.

At its meeting on 2016 November 03, the Intergovernmental Affairs Committee approved, with amendments, Administration's recommendations contained in Report IGA2016-0737, which summarized key issues identified for potential advocacy to the federal government.

Administration provided a verbal update on the federal legalization of cannabis to the Intergovernmental Affairs Committee on 2016 July 21.

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BACKGROUND

On 2017 April 13, the Government of Canada introduced Bill C-45, The Cannabis Act, which, subject to parliamentary approval, will legalize and regulate recreational cannabis in Canada by no later than 2018 July. In 2017 May, the Government of Alberta formed the Alberta Cannabis Secretariat (ACS) as a central office to coordinate the provincial response to legalization. To inform provincial decision-making, on 2017 June 02, the ACS opened public engagement with an online survey, and opportunity for written submissions. Completed surveys and written submissions will be accepted until 2017 July 31. The ACS will also be conducting stakeholder roundtable meetings over the course of the summer and Subject Matter Experts (SMEs) from several business units will be in attendance. Additionally, The City of Calgary has the opportunity to have direct conversations with the Government of Alberta through the ACS and other provincial relationships. Input from provincial engagement will be used to form a provincial Cannabis Framework with proposed next steps for legalization in Alberta expected in the fall of 2017. The ACS has indicated that Albertans will be given the opportunity to provide further feedback on a draft of the framework in the fall prior to it being finalized.

In 2016, in anticipation of pending legalization, Administration established a working team of SMEs from across the organization, including representatives from the City Manager's Office, Intergovernmental & Corporate Strategy, Law, Planning & Development, Calgary Neighbourhoods, Calgary Community Standards, Calgary Transit, Human Resources and the Calgary Police Service. This group identified issues of concern and potential impacts of legalizing cannabis to The City of Calgary, which formed the basis of The City's participation in the Task Force engagement and the development of advocacy positions that were approved by the Intergovernmental Affairs Committee in 2016 November. These advocacy positions focused on the following five key themes:

- engaging municipalities;
- clarifying the authority of orders of government;
- restricting residential growing;
- sharing federal tax revenues; and
- providing municipalities time to develop and implement necessary local regulations.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The provincial government has developed four broad objectives that have been identified as priorities for making decisions on the legalization of cannabis:

1. Limiting the illegal market for cannabis
2. Keeping cannabis out of the hands of children and youth
3. Protecting public health
4. Promoting safety on roads, in workplaces, and in public spaces

In reviewing the questions and issues raised in the Government of Alberta's online survey and discussion guide, insight gained from preliminary discussions with the ACS, and considering the existing positions on cannabis legalization approved by the Intergovernmental Affairs Committee, Administration recommends additional positions be developed for the following topics:

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- Alberta's cannabis goals;
- purchasing cannabis;
- using cannabis in public;
- setting the legal age;
- protecting roads and workplaces; and
- economic implications and opportunities.

Administration's recommended response to these topics is detailed in Attachment 1.

Stakeholder Engagement, Research and Communication

SMEs from across the Corporation have been engaged about their key concerns and considerations in relation to the legalization and regulation of cannabis. At this time, no public engagement has been conducted by The City. An engagement program is being developed and will be implemented once The City's role in regulating cannabis is further defined.

Strategic Alignment

Generally, the proposed federal legislation is aligned with The City of Calgary's advocacy positions.

Social, Environmental, Economic (External)

Legalizing, regulating and restricting access to cannabis has social, environmental and economic implications. Administration has identified five key themes for advocacy. These themes include: engaging municipalities; the authority of orders of government; prohibiting or restricting residential growing; sharing federal tax revenues; and giving municipalities time to develop and implement necessary local regulations.

Financial Capacity

Current and Future Operating Budget

At this time, it is unknown whether any tax revenue will be provided to municipalities. Responsibilities delegated to municipalities from this federal legislative change will likely require additional resources.

Current and Future Capital Budget

There are no capital budget implications associated with this report.

Risk Assessment

By failing to engage and collaborate with the provincial government on cannabis legalization, The City risks missing an opportunity to help develop its preferred legislative and regulatory framework.

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REASON(S) FOR RECOMMENDATION:

The Government of Canada has introduced legislation to legalize, regulate, and restrict access to cannabis. This legislative change has many significant potential impacts for The City and Calgarians, with municipalities playing a role in the regulatory regime for legal cannabis. Responding to the Government of Alberta's consultation on cannabis legalization provides The City of Calgary with an opportunity to influence regulations that will better serve Calgarians' interests.

ATTACHMENTS

1. Recommended City of Calgary Response to Provincial Engagement (**REVISED**)
2. The City of Calgary's Advocacy Position – Cannabis Legislation
(approved 2017 May 04)