

Daily sitting 48

Tuesday, October 24, 2017

11 o'clock a.m.

Prayers.

With leave of the House and pursuant to the terms of the resolution appointing the Select Committee on Cannabis (Motion 31), Hon. Mr. Bourque presented the Final Report of the Committee, which was filed with the Clerk of the Legislative Assembly and released on September 1, 2017, and it is as follows:

September 1, 2017

To the Honourable  
The Legislative Assembly of  
The Province of New Brunswick

Mr. Speaker:

I have the pleasure to present herewith the Final Report of the Select Committee on Cannabis entitled *Consulting New Brunswickers: The Legalization of Recreational Cannabis in New Brunswick*. Your Committee was charged with the responsibility of conducting public consultations in relation to an interim report of the provincial Working Group on the Legalization of Cannabis, and reporting to the House with a summary of public consultations on the interim report.

On behalf of the Committee, I would like to thank the presenters and members of the public who appeared before the Committee and those individuals and groups who submitted written briefs. In addition, I would like to express my appreciation to the Members of the Committee for their contribution in carrying out our mandate.

Respectfully submitted,

(Sgd. :) Benoît Bourque, M.L.A.  
Chair

The full report of the Committee as presented follows:

**Introduction**

In preparation for the Government of Canada's proposal to legalize recreational cannabis in July 2018, the Government of New Brunswick announced the formation of the Working Group on the Legalization of Cannabis on March 7, 2017. Their mandate was to consult with provincial and federal stakeholders to assess the risks and opportunities of recreational cannabis legalization and to provide recommendations for a provincial approach. Their recommendations were released in a report published on June 21, 2017.

On April 28, 2017, the provincial government introduced a motion in the Legislative Assembly of New Brunswick to establish a select committee to conduct public consultations on the legalization of recreational cannabis. In accordance with the mandate given to it by the Legislative Assembly, the Select Committee on Cannabis was tasked with seeking input from New Brunswickers on whether the model proposed by the Working Group needs improvements.

Over 70 presenters appeared before the Committee during its public consultations in Grand Falls, Atholville, St. Stephen, Saint John, Moncton, Miramichi, and Fredericton. In addition, the Committee received local and national interest by way of 44 written submissions.

This report is intended to provide a summary of the many comments, suggestions and written submissions received by the Select Committee during the public consultations. Participants provided creative insights and perspectives to many of the questions that arose during consultations. There were varying points of view. Some New Brunswickers disagree with the federal government's decision to legalize recreational cannabis, while others see legalization as an economic opportunity. This report is intended to be an overview of public consultations and does not provide recommendations to the Legislative Assembly. Although medical cannabis, edibles and industrial hemp do not fall under the purview of the provincial government, many presenters expressed concerns to the Select Committee.

### **Context**

The Government of Canada committed to legalizing recreational cannabis in 2015, marking the end of a 90-year prohibition in Canada. In December 2016, the federal Task Force on Cannabis Legalization and Regulation released *A Framework for the Legalization of Cannabis in Canada*. The report's recommendations are based on available research and public consultations, with more than 80 recommendations that served as the basis of its policies for legalization.

The *Cannabis Act* (Bill C-45) and *An Act to Amend the Criminal Code* (Bill C-46) were tabled in the House of Commons on April 13, 2017. The *Cannabis Act* decriminalizes recreational cannabis and grants the federal government the power to licence producers, as is currently the case for medical cannabis. The provinces and territories have the responsibility to oversee the sale of recreational (non-medical) cannabis, as well as health and safety programming. Bill C-46 focuses on impaired driving by modernizing, simplifying, and strengthening the Criminal Code and creating tougher sanctions. It also creates new offences for drivers impaired by cannabis.

The federal government plans to have the two Bills come into force July 2018, giving the provinces and territories a little over a year to create a distribution model and public health and safety initiatives. If a province or territory does not have a distribution model by this date, residents will be able to buy recreational cannabis by mail order from another province. This means provinces without a retailer will not gain any revenue from the legalization of recreational cannabis but will remain responsible for cannabis-related public health and safety.

### **The General Consensus**

Varied points of views on the proposed framework for recreational cannabis in New Brunswick were brought forward to the Select Committee on Cannabis during province-wide public consultations. What the Committee heard will be presented in the following sections of this report. Although there were varying opinions on the proposed model, presenters found consensus on certain points. In general, presenters agreed that a strategy for the legalization of recreational cannabis should include the following priorities:

#### **Let's get it right**

There is only one opportunity to implement the chosen model – presenters want the province to get it right the first time.

#### **Keep cannabis out of the hands of youth**

Keeping youth safe is a top priority. Presenters agreed that the welfare of children and youth must be thoroughly considered in the design and implementation of recreational cannabis policies.

#### **Shut out organized crime**

Participants agreed that cannabis should no longer fund organized crime. Instead, the Committee heard an overwhelming response that a portion of the proceeds from recreational cannabis sales should be directed to education and health care.

#### **Invest in education**

Presenters told the Committee that the legalization of recreational cannabis must include a robust educational campaign to help potential users of all ages make informed decisions.

#### **Address health concerns**

Participants told the Committee they want New Brunswick to be proactive with physical and mental health resources, ensuring availability for those who need them.

**Ensure public safety**

Participants want clear laws and consistent enforcement. At work, on the road or at home, they do not want the legalization of recreational cannabis to impact their safety or the safety of their loved ones.

**Discussion: Retail Model****Working Group Recommendation**

The New Brunswick Working Group on the Legalization of Cannabis studied the legalization of recreational cannabis in Colorado and Washington, who moved directly to a private delivery model that resulted in a large number of private cannabis businesses. These states have since found it difficult to regulate the private sector and keep out the illegal market. Based on these experiences, the Working Group proposes that recreational cannabis be sold through a public distributor in government-operated stores. In the opinion of the Working Group, this poses the best compromise to restrict youth access to recreational cannabis and ensure prices can compete with the illegal market.

**What We Heard**

Many participants believe that private retailers would provide widespread economic benefits for New Brunswick. They pointed to cigarettes, which are currently sold privately, and Alcohol New Brunswick Liquor (ANBL), which also uses agency stores that are privately owned. Some also see an opportunity for smaller craft producers to enter the market. The Committee heard that innovation and adaptability, crucial for an emerging market, are hallmarks of private sector retailers and distributors.

Others called for a new Crown corporation managed by ANBL to be the recreational cannabis retailer in New Brunswick. Many think this would help keep cannabis profits from funding organized crime, regulate zoning for municipalities, and streamline distribution for producers. The Committee also heard this might facilitate enforcement and ensure standardized education and training in retail outlets.

Participants were split in their opinion about whether cannabis and alcohol should be sold in the same retail outlet. Some are fearful this would encourage co-consumption and would pose a danger of relapse for recovering drug and/or alcohol dependencies. Others believe it would be a waste of resources to have separate retail locations exclusively for recreational cannabis.

Still, others reflected that the legalization of recreational cannabis will ensure a supply of safe regulated products.

Municipalities are concerned about the location of recreational cannabis stores. They asked the Province to clarify the role of municipalities in policy issues such as zoning and store location. Presenters also agree that cannabis retailers should be located far away from schools, playgrounds and daycare centers.

The majority of presenters agree that no matter the retailer, retail staff should be well trained and knowledgeable. Retailers should be able to inform patrons of the effects of use, tetrahydrocannabinol (THC) levels and cannabidiol (CBD) levels, product recommendations, and guidelines for safe usage. It was suggested that provincial community colleges could offer training programs for retail workers.

Participants, including law enforcement, urged the Province to ensure legal recreational cannabis is priced to try to eradicate the illegal market.

#### **Discussion: Legal Age**

##### **Working Group Recommendation**

The federal *Cannabis Act* sets a minimum age of 18 for the possession and consumption of recreational cannabis. Although 18 will be the minimum legal age in Canada, the provinces and territories can set a higher age limit. The New Brunswick Working Group on the Legalization of Cannabis proposes that the legal age be set at 19 to harmonize with the legal age for alcohol and tobacco.

##### **What We Heard**

Many participants agree with the Working Group's proposed age of 19 as it aligns with the legal drinking age, the age of majority and would streamline enforcement efforts. Some also noted that because many young people already consume cannabis, setting the legal age higher than 19 could potentially fuel the illegal market.

However, presenters were not unanimous. The Committee heard that many, including the medical community, are concerned about the effect of cannabis on the developing brain. Some also suggested that using recreational cannabis may lead people to try "harder" drugs.

It was mentioned that in the United States, the prevalent legal age is 21, mostly harmonizing with their legal drinking age.

The Committee also heard from First Nations and communities close to the Quebec border that "cross border shopping" could be an issue, as it currently is for alcohol, if Quebec's legal age is lower than New Brunswick's.

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Although most of what the Committee heard focused on youth, some participants cautioned that not all recreational cannabis users will be youth. They suggested that access to educational resources is necessary for all those who will be using recreational cannabis, be they 19 or 90.

### **Discussion: Youth**

#### **Working Group Recommendation**

Although the federal government's *Cannabis Act* sets the age of consumption for recreational cannabis at 18, the medical community is clear that youth under the age of 25 who choose to consume cannabis incur increased health risks.

#### **What We Heard**

##### ***Focus on Education***

Although many supported a legal age of 19, participants believe particular attention should be given to children and youth up to the age of 25. Participants were unanimous in their calls for education, especially for youth. Regardless of the legal age, the Committee heard that presenters want their children to be able to access information such as health and safety risks of recreational cannabis, usage guidelines and information about impaired driving.

Many participants suggested that public school curriculums should be adjusted to deliver information about cannabis to mirror current alcohol and drug programming. The Committee also heard calls for a community-wide approach to education so that mental health professionals, doctors, law enforcement, teachers, parents and other community-based organizations are empowered to help youth make safe and educated decisions about recreational cannabis.

The Committee heard widespread agreement that education focused on the prevention of drinking and driving is effective. It was suggested that these campaigns be used as a model for similar programs focusing on recreational cannabis.

##### ***Access***

Although many presenters agree with a legal age of 19, they have concerns about the effects of recreational cannabis on young people. Of particular concern are the possible effects on the developing brain up to the age of 25. The importance of policies encouraging delayed exposure was a frequent theme throughout the public consultations.

Some worry that legalization, in particular the ability to grow up to four plants at home, would make recreational cannabis more accessible to youth and teenagers. Others argue that legalization would decrease youth's access to cannabis by reducing access to the illegal market supply.

***Mental Health***

Providing adequate mental health services, particularly for youth and students, was also a common theme. It was suggested that more resources will be needed in schools to help students struggling with mental health and addiction. There was a call for more mental health programs, treatment, and specialists.

**Discussion: Growing at Home and Possession Limits****Working Group Recommendation**

New Brunswick is able to reduce the limits imposed by the federal government's *Cannabis Act* on the amount of recreational cannabis an adult can legally possess outside the home (30 g), and the personal cultivation of recreational cannabis (four plants per household, maximum 100 cm per plant). The Working Group does not see a benefit in reducing either amount, but recommends the following additional safety measures: requiring that cannabis grown at home must be kept secure and inaccessible by children or the public, defining "household" as a housing unit that has bathing and kitchen facilities (and therefore excludes a room in a rooming house or in a university residence building or other shared living spaces), and affirming that landlords are free to prohibit the cultivation of recreational cannabis.

**What We Heard*****Home Growth and Possession***

Participants did not take issue with a 30 g personal possession limit, although some, including municipalities and police officers, are concerned with the rules surrounding home growth. It was suggested by some that it may be difficult to enforce the height or the number of plants in a household. Others wondered how police officers would know if plants on a personal property are kept in a secure location inaccessible to children. A few participants proposed that, to aid police officers, persons choosing to cultivate recreational cannabis at home should be licenced.

A few participants were fearful that allowing any home cultivation would only further support organized crime. They also worry that home cultivation would make it easier for youth to access cannabis or for children to accidentally ingest cannabis products.

In light of these issues, municipalities asked if they will be able to regulate home growth, possession, and location of production facilities in their own communities.

***Definition of Household***

The Committee heard from participants that the definition of “household” used to determine home cultivation limits must be clear and free of loopholes. Some worry high-density housing, particularly with non-nuclear family arrangements, may be a problem for law enforcement. Others are concerned that possessing multiple properties, such as a house and a cottage, could complicate the definition of household. Participants also agreed that landlords should have the right to prohibit cannabis growth on their property.

**Discussion: Public Safety****Working Group Recommendation**

As proposed, the federal Bill C-46 would allow police officers to conduct roadside saliva tests, which if positive, will be followed by blood tests. The Bill would establish impairment at a blood content of 5 ng/ml of THC or a combination of 2.5 ng/ml THC with a blood alcohol content higher than 0.05.

**What We Heard*****Detection***

Some participants are concerned about the long elimination half-life of THC in the body and the risk of false positives for impairment tests. They noted that current technology can detect THC levels but cannot detect impairment. They suggested that until the relationship between THC levels and impairment is better understood, employers and police officers are faced with detection and enforcement challenges that place workers and drivers at serious health and safety risks.

***Impairment at Work***

Case law authorizes employers to require employees to be unimpaired at work. In practice, there are many challenges, including prescription medication effects, addiction and determining when it is legal to test employees.

Some presenters expressed concern about their limited ability to detect cannabis impairment at work. In addition to the issues caused by the distinction between impairment and THC levels, employers indicated they want clear guidelines about when they are able to test their employees. The Committee heard that, particularly in industries with heavy machinery and transportation, employers want the ability to perform random testing on employees to ensure their safety and the safety of others around them. This also applies to learning institutions such as college trade workshops.

Presenters expressed that their recreational or medical usage on their own time could affect their jobs if better methods of detection are not introduced.



***Impaired Driving***

Police officers and participants expressed concerns about the efficacy of detection methods to apprehend cannabis-impaired drivers. There is widespread agreement that impaired driving is a serious issue and that law enforcement must be properly equipped to detect and prosecute people who drive under the influence of cannabis.

**Discussion: Economic Development****Working Group Recommendation**

The legalization of recreational cannabis presents an economic opportunity for New Brunswick. Cannabis production, research and development could result in more jobs and significant economic opportunities. The Working Group noted that economic opportunism coupled with sound social policies could bring significant benefits to New Brunswick.

**What We Heard*****Production Opportunities***

A large number of presenters see cannabis production as an economic opportunity. They are looking forward to welcoming legal producers to their region, particularly because of the prospect of job creation in the province. Many are also hopeful that recreational cannabis production will generate auxiliary jobs in fields such as marketing, communication, information technology, research and testing.

Although licencing falls under the federal Department of Health, some people suggested that the provincial government and cannabis retailers should support small producers, including helping small illegal producers transition into the legal market. Small cannabis producers were likened to craft beer producers that can provide a larger variety of recreational cannabis products and diverse supply. This is also understood by some as a way to keep profits in the province and in the hands of small business owners.

***Potency***

Several participants suggested that THC potency limits would only serve to fuel the illicit market to produce more concentrated products. Entrepreneurs suggested that too many limits on products would stifle creativity and innovation in the field. Others cautioned that imposing potency limits may help discourage overconsumption and mitigate health risks.

***First Nations***

First Nations communities welcome the opportunity to participate in a new and growing market. Some are already offering courses to members of their community to help them become candidates for work in cannabis production facilities.

First Nations representatives expressed confusion by the lack of reference to Aboriginal Law in the Working Group's report. They also told the Committee they want to know how their government and communities will be affected so they can pursue relevant social programming and economic benefits.

#### ***Invest in Training***

Many believe that the labour market is not equipped for the demands of recreational cannabis sale and production. The Committee heard calls for the development of training programs for retail workers and potential producers. It was suggested that post-secondary institutions offer training to work in the cannabis industry.

#### **Discussion: Revenue and Expenditure**

##### **Working Group Recommendation**

The legalization of recreational cannabis may create new tax revenues for the Province of New Brunswick, provided a provincial regulatory framework and retail model are in place by July 2018. However, legalization may also result in new costs such as administration, compliance, enforcement, health care, and education and awareness.

##### **What We Heard**

###### ***Supply***

Many people are fearful that there will be a significant supply shortage when recreational cannabis is legalized as there are not enough legal producers to fulfill the projected demand. If confronted with inadequate supply, users may revert to the illegal market and affect provincial tax revenues. Some suggested that, regardless of the retail model, the retailer should initiate relationships and contracts with suppliers as quickly as possible to ensure New Brunswickers have a safe legal supply available in July 2018. Producers told the Committee that in order to grow an appropriate supply for New Brunswick's projected demand, they will need to be advised as soon as possible on any regulations regarding THC content as well as any other production considerations.

###### ***Smoke Free Places Act***

The Committee heard widespread agreement that cannabis should not be consumed in public. The Province has already enacted amendments to include cannabis under the *Smoke Free Places Act*. Presenters noted that there is still a problem with smoking cigarettes in public, leading them to expect the same with cannabis. Therefore, participants urged stronger enforcement, especially for cannabis, given its strong smell and the possibility of "second-hand highs".

***Revenue Sharing with Municipalities***

Many municipalities are concerned about the costs they may incur through the legalization of recreational cannabis. Some believe enforcement costs will go up, particularly if there is an opportunity to enact bylaws restricting certain aspects of recreational cannabis consumption and growth. They are also concerned that without revenue sharing, municipalities will not be able to enforce provincial and municipal laws.

***Education***

Participants agreed that education is key to developing healthy attitudes toward recreational cannabis. The Committee heard that the legalization of recreational cannabis comes with a responsibility to educate New Brunswickers, particularly children and youth, about the risks of recreational consumption. Participants expressed concern that legalization should not lead to normalization and feel that education campaigns, both in and outside schools, would help mitigate this risk. Many believe that education could reduce early consumption.

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Her Honour, the Lieutenant-Governor, was announced, and having been bidden to enter, took her seat in the chair upon the Throne.

Her Honour was pleased to close the session with the following speech:

*Premier Gallant, Honourable Members of the Legislative Assembly, the time has come to prorogue the third session of the fifty-eighth Legislature. Over the course of the past session, you have succeeded in many enterprises—all of them important to this province, to our communities, and to individual citizens. Thanks to you, our province is better positioned to address its challenges and make the most of new opportunities to ensure a brighter future.*

*I wish to extend my personal thanks to each member present for your continued dedication to public life and public service, for your commitment to this House, and for what you represent to the people who put you here. I encourage you to continue your diligent efforts on behalf of all New Brunswickers throughout the upcoming session, which begins this afternoon. I want to encourage you to follow parliamentary conventions and traditions and to have respect for the process and for one another, and I challenge you to embody the dignity this historic Chamber deserves. You are here because people have put their faith and hope in each of you. I also believe in you and in our legislative process. We are a constitutional monarchy. New Brunswick needs you—all of you—your leadership, your consensus, your cooperation, and your vision.*

*Difficult times require of you strength of character, conviction, passion, and shared inspiration. Your role is not an easy one, but you are here for the good of this province. Never forget that we are one New Brunswick. We are officially bilingual and proudly multicultural; we are one New Brunswick.*

*Now, with the completion of the third Session of this 58th Legislative Assembly, it is my responsibility and my privilege to issue the command of Her Majesty Queen Elizabeth II, Queen of Canada, that this Legislature stand prorogued. May Divine Providence continue to guide and bless the people of New Brunswick. Thank you.*

The Clerk of the Legislative Assembly, Donald J. Forestell, then said:

*Mr. Speaker and Members of the Legislative Assembly:*

*It is Her Honour the Lieutenant-Governor's will and pleasure that the Legislative Assembly be prorogued until 1 o'clock p.m. today, and this Legislative Assembly is hereby prorogued accordingly.*

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The House prorogued at 11.17 a.m.

The following documents, having been deposited with the Clerk of the House since the last sitting of the House, were deemed laid upon the table of the House pursuant to Standing Rule 39:

**Annual Reports**

|  |                 |
|--|-----------------|
| 2016 WorkSafeNB  | May 30, 2017    |
| 2016 <i>Firefighters' Compensation Act</i> Disability Fund                           | May 30, 2017    |
| Report of the Auditor General of New Brunswick,<br>Volume I, Performance Audit, 2017 | June 20, 2017   |
| 2016 New Brunswick Municipal Finance Corporation                                     | June 21, 2017   |
| 2016-2017 Office of the Commissioner of<br>Official Languages                        | June 22, 2017   |
| 2013-2014 Kings Landing Corporation  | July 10, 2017   |
| 2016-2017 Financial and Consumer<br>Services Commission                              | July 11, 2017   |
| 2016 Recycle NB  | July 12, 2017   |
| 2016-2017 New Brunswick Health Council   | July 14, 2017   |
| 2016 New Brunswick Insurance Board   | July 21, 2017   |
| 2016 New Brunswick Credit Union Deposit<br>Insurance Corporation                     | August 8, 2017  |
| 2016-2017 New Brunswick Power Corporation  | August 21, 2017 |
| 2016-2017 Vitalité Health Network  | August 29, 2017 |

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| 2016-2017 Horizon Health Network  | September 12, 2017 |
| 2016-2017 New Brunswick Energy and<br>Utilities Board                                     | September 19, 2017 |
| 2016-2017 New Brunswick Liquor Corporation  | September 19, 2017 |
| Report of the Auditor General of<br>New Brunswick, Volume 2,<br>Performance Audit, 2017   | October 3, 2017    |
| 2015 Air Quality Monitoring Results,<br>Department of Environment and<br>Local Government | October 5, 2017    |
| 2016 Vestcor Group  | October 12, 2017   |
| 2016-2017 Research and Productivity Council   | October 18, 2017   |
| 2015-2016 Regional Development Corporation  | October 20, 2017   |

**Other**

|  |                    |
|--|--------------------|
| Report of the New Brunswick Working Group<br>on the Legalization of Cannabis, June 2017  | June 21, 2017      |
| Unaudited Payments to Medical Practitioners<br>List 2015-2016  | June 26, 2017      |
| Audited Financial Statements of the Training<br>Completions Fund for the fiscal year<br>ended March 31, 2017                                       | July 12, 2017      |
| Members' Public Disclosure Statements 2016   | July 20, 2017      |
| Under the provisions of the <i>Fees Act</i> , proposed<br>fee change for the application for early<br>release of impounded motor vehicle           | August 17, 2017    |
| Consulting New Brunswickers: The Legalization<br>of Recreational Cannabis in New Brunswick,<br>Final Report of the Select Committee<br>on Cannabis | September 1, 2017  |
| Public Accounts for the fiscal year ended<br>March 31, 2017, Volume 1, Consolidated<br>Financial Statements  | September 28, 2017 |

**Motion**

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| Documents requested in Notice of Motion 23 | May 12, 2017 |
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**Petitions**

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|--|---------------|
| Response to Petitions 31, 32, 33, 34, 35, 36, 37, 40 | May 12, 2017  |
| Response to Petition 38                              | May 18, 2017  |
| Response to Petition 39                              | June 20, 2017 |