



Ms. Renée Comeau, President
Yellowknife Chamber of Commerce
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Ms. Deneen Everett, Executive Director
Yellowknife Chamber of Commerce
#21, 4802 50TH AVENUE
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Dear Ms. Comeau and Ms. Everett:

JAN 18 2018

Cannabis Legalization in the Northwest Territories

Thank you for your letter of November 27, 2017 concerning the Yellowknife Chamber of Commerce's concerns with the Government of the Northwest Territories' (GNWT) proposal for distribution and retail of legal cannabis in the Northwest Territories.

As you know, the GNWT proposed approach in the initial stage of legalization is to regulate the legal cannabis market in the Northwest Territories through the Liquor Commission and to sell cannabis through the existing liquor stores and mail order system. The Liquor Commission model is proposed by the GNWT because it offers the best option for ensuring that Northwest Territories residents will have access to legal cannabis at prices that are competitive with the illegal market, so that the GNWT can do its part to reduce the illegal market and help restrict youth access. This approach allows the GNWT to draw upon the experience of the Liquor Commission and the existing retail infrastructure for liquor to accommodate the sale of cannabis in a regulated environment within the extremely short time frame before cannabis is legalized.

As noted in the proposed approach, the GNWT is open to exploring options for the future sale of cannabis, including the sale of cannabis in "cannabis only" stores operating under the same strict rules that govern liquor store contracts. However, until the Liquor Commission has collected data relating to sales and volumes, neither the GNWT nor potential entrepreneurs have the information necessary to determine effective options for the long term retail sale of cannabis. Furthermore, for the short term, legal cannabis will consist of fresh and dried cannabis material, seeds and cannabis oils, and the legalization of specific edible cannabis products will not happen until 2019 or later. The schedule for the legalization of cannabis is rapid when contrasted with normal legislative development processes, and firm timelines as desired by the Chamber are not possible.

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We acknowledge that a range of participants in the public engagement on cannabis legalization held this past summer called for economic opportunities such as licensed premises where cannabis may be consumed, and others saw opportunities for the manufacture and sale of their own edibles, in a “cottage-industry” model. The desire for these potential economic opportunities must be balanced against the reality that – despite legalization – cannabis is still a controlled substance and its consumption creates impairment. The GNWT objective with respect to distribution and sales is to ensure that that people over the minimum age have the ability to purchase legally produced cannabis for private consumption while avoiding the promotion or normalization of its use. Retail establishments where cannabis can be consumed in any form will be a discussion for the future when potential entrepreneurs have actual data to determine the viability of such business ventures and Northwest Territories residents can have an informed discussion of whether as a society they support more “normalized” cannabis consumption.

The Chamber will have further opportunities to share its views on how to regulate cannabis when the legislation is introduced in the Legislative Assembly during the February/March 2018 sitting and is made available for public review.

Sincerely,



Louis Sebert
Minister of Justice

c Honourable Robert C. McLeod
Minister of Finance