

# Cannabis Privatization



## INTRODUCTION:

The cannabis legislation provided by the Federal government and Health Canada is defective. It's not fulfilling its potential to boost our economy. It is not true legalization and is leaning towards monopolization. In this system we are turning knowledgeable and experienced cannabis enthusiasts into criminals, unless they have the funds to participate in an industry full of red tape and bureaucracy. Authentic legalization should do the opposite by providing jobs and encouraging the growth of our economy.

## DEFINITIONS:

**Legal Producer (LP)** this is a producer that has a license to cultivate cannabis approved by Health Canada.

**Black-market:** The sales from cannabis products not approved by Health Canada

## FACTS:

- Cannabis in the hands of adults in most forms aside from edibles are largely harmless and may offer a vast array of medicinal and recreational benefits.
- Current federal legislation has all cultivators, processors, packagers, retailers applying for licenses from Health Canada the approval process is too lengthy filled with red tape bottlenecking the progress.
  - There are too many unnecessary barriers to entry into cultivating cannabis. For example: In order to apply you must already own the proposed producing facility and in many cases unnecessary extreme security measures. This policy alone will reduce potential cultivators by significant amounts. What investor would take on such a venture that would take a lengthy approval process with the possibility to be denied by Health Canada or local politics to deny building permits or potential commercial production sites?
- Current federal legislation allows the provinces to dictate how cannabis products are sold via privatized systems or government distribution.
- In-person retail sales are slowed down by solely providing it through the Nova Scotia Liquor Commission (NSLC.) This is not capitalism. Small operations should also be

benefiting from the sales and cultivation. This system gives very little back to local communities.

- The NSLC monopoly is costing the taxpayers large. The roll out of their stores is slow and many areas have no coverage at all and wont for the foreseeable future.
  - The other problem with this monopoly is the “legal” market is dominated by products grown by large scale operations known as licensed producers (LP’s) There is a negative stigma associated with the title LP because shortly after legalization, approvals only went to the largest companies usually with the most money. These companies had very little knowledge and experience growing cannabis and resulted in very low-quality products. To this day these products are much of what is available at the NSLC.
  - There are better products available from knowledgeable and experienced craft and black-market cultivators who are able to surpass the quality of the products on the shelves of the NSLC, not bound by unnecessary restrictions.
  - Cannabis enthusiasts do not and will never likely shop at or trust the NSLC to cater to their needs. These consumers often shop online or go to the black market.
- Today the black-market still largely dominates cannabis sales.
- It will take a long time for the legal market to catch up with the networks and distribution chains of the black-market.
- Many large LPs in Nova Scotia have failed and gone bankrupt. Many have failed before they opened. The current system has provided very little jobs or opportunities for Nova Scotians.
  - 70% of LPs in Canada are behind on their tax remittance.
- The level of security measures required for a cultivation site is unnecessary. A comparison between what is required of a pharmacy that stores and supplies harmful narcotics affirms this.
- Most home scale cultivators use all the same equipment as those that grow the flowers you see in your local flower shops. Most modern equipment and set ups are very safe on a low scale.
- Before the new **ACMPR** medical licensing’s system was in place there were 30,000+ medical licenses issued in Canada and only 4 fires.
- Research shows that cannabis in the hands of minors is detrimental to certain early developments and can lead to lifelong disabilities.

## **OBJECTIVES:**

1. Decriminalize cannabis.
2. All cannabis sales must be transacted through a registered business.
  - a. Legislation will give access to retailers to operate at farmers markets, flea markets etc.

3. Legislation must include no extra taxes or levies and must be nothing more than the current rate of sales tax.
4. Legislation must recognize cannabis as a plant medicine and medicinal sales must be free from sales tax or any sort of registration fees for cultivation.
5. Legislation should leave room for cannabis tourism in the form of lounges, restaurants, conventions, vineyard like experiences and much more.
6. All forms of concentrated cannabis should be derived from solventless extractions.
7. Remove all registration requirements and restrictions for Hemp farms.
8. Restrict retailers from marketing their products to minors.
  - a. No cartoon characters or imitating packaging of recognizable products sold to minors.
  - b. Create stiff criminal codes for retailers who disobey this legislation.

### **Closing Statement:**

The evidence suggests that we have not truly legalized cannabis in Canada, and there is a need to decriminalize it instead. The taxpayers are being robbed because legalization should have brought forth a large increase of new tax revenue to the economy which it has not.

Very few are benefiting from the system as it is. These suggested policies would make drastic change in communities and explosive growth over night while costing the province very little or nothing at all.

A small craft grow of one thousand square feet can employ many people including various contractors and trades people. The process is labour intensive from start to finish and operations can become quite expensive upon expansion. Canada already has one of the best reputations on the black-market for quality next to California; the East Coast could easily be put on the map here, boosting the tourism industry.

NSU encourages and supports hemp farmers to increase production in Nova Scotia. We will remove any restrictions to growing hemp. The potential of what a thriving hemp industry could mean for Nova Scotia is immeasurable, producing quality products that are more sustainable and beneficial for our environment. Legislation around Cannabis has discouraged the growth of this industry.

Cannabis is a plant that is predominantly harmless yet offers many benefits. There is no justification for dictating who is eligible to benefit from this industry, it should be a more open and fair market.

All NSU policy is a continuous work in progress. Nothing is set in stone, if you would like to contribute to this or any policy contact our Operations Coordinator via email at [EmilyCH@nsunited.net](mailto:EmilyCH@nsunited.net)