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May 8, 2017

Brent Kittmer, Clerk PO Box 998 175 Queen St East St Marys ON N4X 1B6

Dear Town of St. Marys Council:

Bill C-45, the *Cannabis Act*, was recently tabled in the House of Commons. As elected officials in our communities, I am seeking your feedback on this legislation.

Personally, I have reservations concerning Bill C-45 including the lack of consideration the Federal Government has given to the recommendations its own Marijuana Task Force put forward last November. For instance, the task force acknowledged that police do not have the tools to keep our streets safe from an increase in drug impaired driving. I am also concerned that the *Cannabis Act* appears to "download" many costs to municipalities.

Bill C-45 does not outline the role which municipalities will be required to assume under this new legal framework, even though the Marijuana Task Force recognized the essential role municipalities will play in keeping this drug out of the hands of our children. Bill C-45 does not provide any guidance on how municipalities are to develop licensing and by-law regulations concerning cannabis.

The Marijuana Task Force also recommended the federal government work with municipalities to address the challenges "grow operations" pose to neighbours, landlords and communities. Bill C-45 does not speak to these concerns but instead allows an individual over the age of 18 to have four marijuana plants, up to 1 metre in height, in a residential dwelling. This legislation ignores the potential fire and other hazards associated with growing marijuana in a residential dwelling.

The federal government has lauded the potential tax revenues the legalisation of cannabis will generate. Certainly, municipalities will want assurances that there will be a fair and consistent cost-sharing agreement between all three levels of government, especially considering municipalities will have to shoulder some of the costs associated with the implementation of Bill C-45.

The Parliamentary Budgetary Officer has found "the government may have little fiscal space to apply tax without pushing the legal cannabis price significantly above the illegal market price." In the Province of Ontario the federal government will not be able to charge more than the standard HST, which means it is unlikely municipalities will see any additional tax revenue despite an increase in licensing costs.

I welcome your feedback on this legislation. Please do not hesitate to contact me if you have any further questions.

Sincerely,

John Nater, M.P.

Perth—Wellington