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NEWS RELEASE

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SGEU disappointed to see pot profits go up in smoke

In the same budget year where the Sask Party government made major cuts to education, municipalities, social assistance, northern communities, and vulnerable families, the recent decision to forego public revenue from pot retailing and wholesaling is baffling, according to SGEU.

"We are the only province in Canada to make the private sector responsible for both wholesaling and retailing of the cannabis," said Bob Stadnichuk, Chair of SGEU's Retail/Regulatory Bargaining Committee. "Every other province understands that having some kind of public involvement in the pot business is a good thing for government revenues. This is money that can fund education and enforcement programs around cannabis use, in addition to other core public services."

While cannabis will be taxed, as with the sale of liquor, greater public revenues could be earned by wholesaling or retailing cannabis through the Saskatchewan Liquor and Gaming Authority (SLGA).

"Why forego revenues that could go towards community safety, education on cannabis use, and restorative justice programs that could help alleviate our strained court system?" asked Stadnichuk. "How can a government that has put out six deficits in ten years turn down a revenue stream while cutting our public services?"

While the budding cannabis business community has applauded the Sask Party's announcement, by opting for a private model for pot sales, the government has ignored the results of its own online consultation process. In that survey, 45% of respondents favoured a government-run retailer, making it the most popular option by a wide margin.

In a Canadian Press article yesterday, SLGA minister Gene Makowsky argued that that the up-front costs needed to set up a public pot business would be better invested in schools, highways, and roads.

"If the minister wants to see millions of dollars going to schools, highways, and roads in our province, he should scrap his current framework and get SLGA into the retail and wholesale market," said Stadnichuk.

"Not only is minister Makowsky presiding over the loss of liquor revenues through privatization; now he's decided to implement a cannabis sale framework that foregoes millions in public revenues. Every other province has recognized that cannabis wholesaling and retailing are sound investments that will more pay for themselves many times over. Why is the Saskatchewan government turning down this opportunity?"

- 30 -

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