



## **Plain Language Summary for Bill 53: An Act to Amend the Liquor Act**

### **Introduction**

The Government of the Northwest Territories (GNWT), Department of Finance, is making changes to the *Liquor Act* to address various administrative matters. These changes should not be confused with more comprehensive changes coming to the *Liquor Act* and Liquor Regulations as part of the Liquor Legislation Review. A Bill to introduce the results of the Liquor Legislation Review is not expected for several months.

### **Background**

In 2020, the Department of Finance began a comprehensive Liquor Legislation Review (LLR). The LLR is a multi-year project involving a jurisdiction scan, literature review and engagement with other governments, industry and the public. The LLR is considering how liquor legislation can be modernized, strengthened and more responsive.

The LLR completed an engagement process in 2021 and a What We Heard Report was released in March 2022. The results of the What We Heard Report are now being combined with the results of the other LLR activities to create a set of recommendations. The recommendations will be released in summer 2022. A Bill to replace the *Liquor Act* could be introduced several months after that, based on the LLR's final results.

In the meantime, the Department of Finance identified four items in the existing *Liquor Act* that needed immediate attention. These were items driven nationally or presented administrative problems. Bill 53 addresses the four items.

### **Amendments**

Bill 53 addresses the following four issues with the *Liquor Act*:

#### **Increasing Personal Importation Limits**

##### Existing

People may bring small amounts of liquor into the Northwest Territories (NWT) without paying an importation fee. There are two criteria. First, the liquor must be with the person when they cross the border. Second, the amount of liquor must be no more than 1L wine, 1.14L spirits, or 8.52L beer. These amounts are called "personal importation limits".

### New

The Bill increases the amount of liquor that a person may bring into the NWT without paying an importation fee. The new personal importation limits are 9L wine, 3L spirits, or 24.6 L beer, cider or coolers. Also, importation details are now located in the regulations, not the *Act*. This will make future changes easier.

### Reason

In 2019, the Premiers of Canada committed to eliminating or decreasing personal importation limits. This proposal was the result of the new *Canadian Free Trade Agreement*. Also in 2019, the Committee on Internal Trade released the report *Federal-Provincial-Territorial Action Plan: Trade in Alcoholic Beverages*. In it, there was agreement to improve the cross-Canadian trade of alcoholic beverages. To comply with the national commitments, the GNWT agreed to increase their personal importation limits.

## **1. Separating Enforcement from Liquor Licensing Board**

### Existing

The *Liquor Act* allows the Executive Secretary of the Liquor Licensing Board (Board) to supervise inspectors and coordinate the liquor enforcement program. In practice, neither the Executive Secretary nor the Board are connected with enforcement activities.

### New

The Bill removes all references to inspectors and enforcement from the role of Executive Secretary.

### Reason

The Board and its Executive Secretary must operate independently from liquor enforcement. Liquor enforcement personnel are responsible for monitoring the industry and reporting alleged violations, which are then heard by the Board in its role as an independent body. Separating the Board from enforcement is necessary to remove any perceived conflict of interest and to ensure the Board remains impartial. The GNWT made operational changes to separate the functions several years ago, but the *Liquor Act* remained unchanged until now.

## **2. Removing Ban on Criminal Charges**

### Existing

The Board cannot issue a liquor licence to a person who has been charged with a crime, even if the person does not yet know if the Court will find them innocent or guilty.

### New

The Bill allows the Board to issue a liquor licence to a person who has been charged with a crime. If the Court finds the person guilty, the Board can cancel the licence.

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Reason

This change is in keeping with the legal principle “innocent until proven guilty”.

**3. Name Change for NT Liquor and Cannabis Commission**

Existing

The *Liquor Act* uses the name “Liquor Commission” to mean the Northwest Territories Liquor and Cannabis Commission.

New

The Bill uses the correct name for the Northwest Territories Liquor and Cannabis Commission.

Reason

The Northwest Territories Liquor and Cannabis Commission must be named properly in legislation to allow it to administer its legal responsibilities under the *Liquor Act* and the *Cannabis Products Act*.

For additional information or questions contact:

Todd Sasaki  
Department of Finance  
Government of the Northwest Territories  
Call: 867-767-9168, extension 15015  
Email: Todd\_Sasaki@gov.nt.ca