## Centre for Addiction & Mental Health

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September 24, 2018

Hon. Caroline Mulroney Attorney General 720 Bay Street, 11th Floor Toronto, Ontario M7A 2S9 Hon. Vic Fedeli Minister of Finance 7 Queen's Park Crescent 7th Floor, Frost Building South Toronto, Ontario M7A 1Y7

#### **Dear Ministers:**

The Centre for Addiction and Mental Health (CAMH) has advocated for cannabis policy reform. We have consistently recommended legalization with strict, health-focused regulation. The evidence suggests that the risks and harms associated with cannabis use can be more effectively managed by the health system than by the criminal justice system.

Legalization alone is not enough. In the same way that criminalizing cannabis causes a range of health and social harms, commercializing it also carries with risk. The health impact of legalization will depend on the types of regulation that accompany it.

We understand that the provincial government's top priority for cannabis policy is protecting youth. We share this goal. To achieve this, strong regulation – especially of the distribution (retail) system – is necessary.

The parameters of cannabis legalization have been set by the federal government. Among the most important areas under provincial jurisdiction are:

- The distribution system
- Places of use
- Public education and youth prevention

In this submission we provide recommendations in all three areas, with emphasis on distribution.

Thank you for this opportunity to provide advice. We look forward to assisting in any way we can.

Sincerely,

Catherine Zahn, MD, FRCP(C)

President and CEO



# Submission to the Ministry of the Attorney General and the Ministry of Finance: Cannabis regulation in Ontario

September 24, 2018

#### Retail and distribution

Cannabis is not a regular product; its use comes with significant health risks. For this reason it should not be bought and sold like a regular commodity. With legalization comes the opportunity to better address risk factors around cannabis use by implementing strong, health-focused regulation.

In general, governments have more success reducing the harms associated with legal drugs (e.g. alcohol and tobacco) when the retail system is publicly run (e.g. via a control board) than when it is privately operated. For example, jurisdictions with public monopolies on alcohol sales, including Ontario, tend to experience less alcohol-related harm than those with private retail systems.

We understand that the provincial government will rely on the Ontario Cannabis Store for wholesale and online sales, and the private sector for brick-and-mortar retail. In the context of a private retail system, government oversight will be especially important. Early use (e.g. in adolescence) and heavy use (daily / neardaily) are both linked to a variety of health harms. While it may be normal for a business to seek to increase its sales by expanding its customer base and targeting the most frequent consumers of its products, in the case of cannabis this comes with substantial risk. The cannabis industry must be tightly regulated in order to minimize increases in use and related harms.

To achieve the provincial government's objectives of ensuring that a private retail system is implemented with a minimum of harm (especially to youth), certain proven strategies are available. Their objective is to oversee the retail system and place limits on availability. The most important measures involve regulation and government oversight of:

- Retail outlet location and density. This includes caps on A) the overall number of retail locations in the province, and B) their concentration (density) in particular municipalities or neighbourhoods; as well as requirements for a certain distance (e.g. 500 metres) between cannabis storefronts and sites such as schools, community centres, and other cannabis storefronts.
- Hours and days of sale. The LCBO's hours of operation, which are also followed by grocery stores that sell beer, wine, and cider, provide a good model.
- **Staff training**. Staff should be trained to prevent sales to minors, intoxicated persons, and those shopping for others. The LCBO's Challenge and Refusal program provides a good model.

We recommend that oversight and enforcement of cannabis regulations be made the responsibility of the Alcohol and Gaming Commission of Ontario. The AGCO already plays a similar role for alcohol and gambling and is well placed to do so for cannabis. Unlike municipalities, it also has capacity and expertise to process cannabis retail licence applications.

#### Places of use

The main health concerns with regards to places of use are the harm of second-hand smoke and the potential harms of exposure to second-hand vapour. It is critical that regulations in this area not undermine the gains of the *Smoke-Free Ontario Act* or municipal bylaws governing public use of e-cigarettes, waterpipes, etc. At the same time, completely restricting cannabis use to private homes increases the chances that non-users, including family members, housemates, and potentially neighbours, will be involuntarily exposed to cannabis.

For these reasons, we recommend that:

- smoking and vaping of cannabis be governed by the same rules that currently apply to tobacco under the *Smoke-Free Ontario Act, 2006*. This means restricting but also allowing public consumption of smoked / vaped cannabis where tobacco smoking / vaping is allowed.
- **smokeless cannabis consumption in licensed establishments be allowed**. Such establishments would be subject to the same kinds of regulations and oversight placed on those licensed to serve alcohol.

## Public education and youth prevention

Last year, a team led by CAMH scientists released a set of <u>Lower-Risk Cannabis Use Guidelines</u>. Based on a thorough scientific review, these guidelines are a tool enabling cannabis users to reduce their exposure to health risks. We hope the province will broadly disseminate and promote these guidelines, including alternate versions for different populations. (Versions by and for youth / young adults are in development.)

Youth are at higher risk of cannabis-related harms. There are many strategies and programs designed to reduce, delay, or prevent substance use among youth. Not all are effective, however. There is good evidence that family-based programs in middle childhood and early adolescence (e.g. Strengthening Families, which addresses parenting skills) impact alcohol use and self-reported drug use; there are also school-based approaches focusing on strengthening coping and resilience in middle childhood, early adolescence, and later adolescence that have shown promising effects on substance misuse prevention.

We recommend that the Ontario government study such prevention programs with a view to introducing non-punitive programs from middle childhood to the post-secondary level and leveraging existing effective substance misuse prevention initiatives for youth and young adults to support cannabis efforts. Youth and young adults should be included in the planning and implementation of prevention initiatives.

## Other considerations

- Minimum age: We recommend that the Province retain 19 as the minimum age for cannabis –
  consistent with the other legal psychoactive substances. This will allow young adults who do use
  cannabis to access the advantages of the legal cannabis market, notably reliable information and
  regulated, safer products.
- **Impaired driving:** The federal government recently passed legislation reforming the impaired-driving regime of the *Criminal Code*. To ensure that drug-impaired driving sanctions for provincial offences parallel those for alcohol-impaired driving, we recommend that the province also:

- o enable the use of oral fluid testing for provincial driving offences,
- o introduce zero tolerance for driving after drug use for those with a graduated license and/or those under 21, and
- o provide funding for public education, research and enforcement in this area.
- **Pricing**: While higher prices are preferable from a public health perspective, prices must, at least initially, be low enough to draw people away from the black market. Price mechanisms to incentivize lower-risk (e.g. lower THC and/or higher-CBD) products are promising, and retaining the Ontario Cannabis Store's role as wholesaler will facilitate this sort of initiative.
- Home cultivation: From a health perspective there are several concerns with home cultivation of cannabis. These include 1) environmental hazards, 2) the absence of safety/quality regulations, 3) the risk of diversion, and 4) children being exposed to cannabis. Although it some personal production of wine and beer is allowed in Ontario, cannabis is much more prone to diversion; home cultivation, even under the parameters proposed in federal legislation, would likely undermine the legal market. It is also far from clear that these restrictions are realistically enforceable. Therefore home cultivation should be prohibited.
- **Preventing youth criminalization:** As stated, we support a minimum age of 19, as well as a zero-tolerance approach to impairment for young drivers. However, one of the most important arguments for legalization is the need to end the criminalization of users. The provincial government should ensure that youth using small amounts of cannabis will not be caught up in the criminal justice system.
- **Funding:** These regulations should be embedded in a comprehensive strategy that includes prevention, treatment, research, and evaluation. A portion of government revenues from cannabis should be formally dedicated to these activities.

The health impact of cannabis legalization will depend on the types of regulation that accompany it. To achieve the government's objective of protecting youth, it is critical that strong provincial oversight of the retail system be established. We urge the Ontario government to ensure that cannabis regulations are designed – and maintained – with health as the primary and overriding objective.

For more information, please contact:

Jean-François Crépault
Senior Policy Analyst
Centre for Addiction and Mental Health
416 535-8501 x32127
JeanFrancois.Crepault@camh.ca

The Centre for Addiction and Mental Health (CAMH) is Canada's largest mental health and addiction teaching hospital and one of the world's leading research centres in this field. CAMH is committed to playing a leading role in transforming society's understanding of mental illness and substance use and building a better health care system. To help achieve these goals, CAMH communicates evidence-informed policy advice to stakeholders and policymakers.