

Legalization of Cannabis

Association of Municipalities of Ontario
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- Cannabis is the most-used illicit substance in Canada
 - Canadian youth use cannabis more than their peers in most developed countries
- Public health and safety concerns include:
 - Health risks from early and heavy use
 - No control on product safety, potency and quality
 - Drug-impaired driving
- An entrenched illicit market exists today:
 - Exposure of young Canadians to criminal elements
 - Profits in hands of organized crime
- Burden on justice system and associated social impacts
- Laws are not well understood, ineffective
- Justice, law enforcement, public health experts support need for change, with public health and safety tools to control, educate and minimize use

Cannabis for Medical Purposes

- Health Canada's medical cannabis program provides legal access
- Individual must have prescription/authorization document and register with a Licensed Producer
- Licensed Producers distribute cannabis through registered mail only
- No storefronts are permitted; all dispensaries are illegal
- Medical users can also register with Health Canada to grow cannabis, or designate a person to grow cannabis, for personal medical use
- Limits on growing amounts; no sales allowed

Illicit Market

- Organized crime is heavily involved; illicit market estimated at \$7 billion
- Public safety and health risks with unregulated products
- Municipalities are taking enforcement action against dispensaries

Federal Activity

- In 2016, the federal Task Force consulted broadly and recommended public health approach to legalization
- Followed 40 years of recommendations for legal reform to address failed system of prohibition

Government of Canada Objectives

- A new control framework for cannabis proposes to:
 - restrict youth access
 - protect young people from enticements to use cannabis
 - provide for legal cannabis market capable of displacing illegal market
 - deter criminal activity by imposing serious criminal penalties
 - protect public health through strict product safety / quality requirements
 - reduce the burden on the criminal justice system
 - allow adults to possess and access quality controlled cannabis
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The Proposed Federal Cannabis Act

Bill C-45 Federal Cannabis Act (intro April 2017)	<p>The Act proposes:</p> <ul style="list-style-type: none">• Many rules that would protect youth from accessing cannabis• Offences targeting those acting outside the legal framework
Federal Role	<ul style="list-style-type: none">• Authority to license production, distribution, retail
Provincial Role	<ul style="list-style-type: none">• Authority to regulate the sale of cannabis, subject to minimum federal conditions
Criminal Prohibitions	<p>Criminal prohibitions would remain or be created for:</p> <ul style="list-style-type: none">• Adult (18 +) and youth possession and sharing above certain limits• Selling to a young person• Possession for purpose of distribution outside of regulated framework• Importing and exporting• Production outside a federally licensed facility• Personal cultivation of more than 4 plants, or plants higher than 100 cm
Bill C-46 (intro April 2017)	<ul style="list-style-type: none">• Companion bill would create new offences for drug impaired driving and modernize impaired driving regime

Timing and Implications for Ontario:

- Federal government intends to bring Act into force by July 2018
 - Intent is to provide all Canadians with legal access at that time
- Nation-wide retail access would be achieved by federal action where provinces do not have a provincial retail framework
 - A federal regime would allow consumer purchase online from Licensed Producers, with secure home delivery by mail/courier (similar to medical approach)
- Ontario is working with the federal government and other provinces to develop a responsible approach aligned with the federal framework

Central Coordination and Horizontal Approach

- Legalization of Cannabis Secretariat in the Ministry of the Attorney General coordinates policy development across various ministries
- Complex horizontal policy development

Federal / Provincial / Territorial (FPT) Collaboration

- FPT officials working groups led by federal Secretariat
- Ministers' and Deputies' FPT meetings

Stakeholder Engagement

- Public health experts, public safety and law enforcement including road safety, municipalities, Indigenous communities and organizations, industry and business associations and participants, youth, educators, community organizations

- Ontario is committed to developing a balanced regulatory framework focused on protecting our youth, maximizing public health and road safety, and reducing harm

Key Areas of Provincial Focus
<ul style="list-style-type: none">• Retail and distribution• Impaired driving• Minimum age• Possession• Places of use• Home cultivation• Public education• Youth and young adult prevention, and harm reduction• Workplace safety• Responsible economic development

Considerations underpinning retail model design:

- US jurisdictions recommend a cautious approach with more control at the outset and flexibility to evolve the system over time
- Public policy design must balance competing factors (e.g., public health objectives and addressing illegal market)
- Provinces can build on their experience regulating other controlled substances

Federal requirements impact provincial retail model design:

- Restrictions on marketing, advertising, packaging, promotions
- Product types allowed:
 - dried cannabis, cannabis oil
 - additional products to be added by regulation
- Limits on labelling and display of cannabis / accessories to protect youth
- Additional controls to come in federal regulation (e.g., child-resistant packaging, health warnings, plain packaging)

Provincial design of potential retail models:

<i>Objectives</i>	<ul style="list-style-type: none">• Prevent youth access (e.g., minimum age for purchase)• Promote responsible use (e.g., restricted hours of operation, staff training, and social responsibility messaging)• Limit commercialization (e.g., restrictions on advertising and promotions)• Minimize participation of illegal market players (e.g., staff background checks and product security measures)
<i>Potential options</i>	<ul style="list-style-type: none">• Government owned stores, privately owned stores, hybrid approach

Municipal Considerations and Interests

The implementation of legalized cannabis will impact a number of municipal interests:

Public Safety and Enforcement	<ul style="list-style-type: none">• Law enforcement, local policing• Fire safety• Building code• Home grow• Public consumption
Land Use Planning	<ul style="list-style-type: none">• Licensing, zoning, siting
Public Health	<ul style="list-style-type: none">• Public health education and programs• Social services
Economic Development	<ul style="list-style-type: none">• Production facilities• Economic opportunities
Finance	<ul style="list-style-type: none">• Municipal Costs• Revenue

- An AMO-MOU meeting with the Ministry of the Attorney General was held on April 6, 2017
- The Ontario Legalization of Cannabis Secretariat, Ministry of the Attorney General, and partner ministries have been working closely with the AMO Task Force on Marijuana
 - Three meetings over summer 2017
- Over the coming months, the province will continue to engage with municipalities on areas of mutual interest and concern

Federal Next Steps

- Bill C-45 and Bill C-46 at Parliamentary Committee, then to House of Commons and Senate
- Federal regulations to be developed
- Public education and awareness activities underway

Provincial Next Steps

- Ongoing stakeholder engagement
- Policy development for framework and implementation
- Provincial legislation and regulations