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## **Standing Committee on Health**

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**EVIDENCE**

**Tuesday, September 12, 2017**

**Chair**

**Mr. Bill Casey**



## Standing Committee on Health

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• (0830)

[English]

**The Chair (Mr. Bill Casey (Cumberland—Colchester, Lib.)):** Welcome, everybody, to meeting number 65 of the Standing Committee on Health.

We welcome our witnesses this morning, and we look forward to their testimony. I'm sure it's going to be very interesting and helpful to us.

This morning we have the Canadian Association of Chiefs of Police with Thomas Carrique, deputy chief; Mike Serr, deputy chief constable, drug advisory committee; and Lara Malashenko, legal counsel for the Ottawa Police Service.

We also have, from the Ontario Provincial Police, Rick Barnum, deputy commissioner, investigations and organized crime; and John Sullivan, chief superintendent, organized crime, in the enforcement bureau.

From the Saskatoon Police Service we have Mark Chatterbok, deputy chief of operations.

We've invited each of the groups to have a 10-minute opening statement and then we'll ask questions to each of them.

We're going to start with the Canadian Association of Chiefs of Police.

I'm not sure how you're going to divide your time. Is one going to take the 10 minutes or are you going to divide it up?

**D/Chief Mike Serr (Deputy Chief Constable, Drug Advisory Committee, Canadian Association of Chiefs of Police):** I'll make the opening statement for the Canadian Association of Chiefs of Police.

**The Chair:** All right, perfect. Take it away.

**D/Chief Mike Serr:** Thank you very much.

Distinguished members of this committee, on behalf of director Mario Harel, president of the Canadian Association of Chiefs of Police, I am pleased today to be given the opportunity to meet with you. In addition to my role as deputy chief of the Abbotsford Police Department, I am chair of the CACP drug advisory committee. I am joined by York regional deputy police chief, Thomas Carrique, who is chair of the organized crime committee, and Lara Malashenko, a member of the CACP law amendments committee and legal counsel for the Ottawa Police Service.

The mandate of the CACP is safety and security for all Canadians through innovative police leadership. This mandate is accomplished through the activities and special projects of some 20 CACP committees and through active liaison with various levels of government. Ensuring the safety of our citizens and our communities is central to the mission of our membership and their police services. Bill C-45 is a comprehensive bill, and we will address it from a high level in our opening statement. In addition to our appearance today, we are providing you with a detailed written brief for your consideration.

Our role from the beginning has been to share our expertise with the government to help mitigate the impact of this legislation on public safety. Extensive discussions within the CACP membership and various committees form the basis of our advice. We participated in a number of government-held consultations and provided a submission to the federal task force. We produced two discussion papers, entitled "CACP: Recommendations of the Task Force on Cannabis Legalization and Regulation" on February 8, 2017, and "Government Introduces Legislation to Legalize Cannabis" on April 28, 2017. Themes from both discussion papers have been included in our written brief.

Police leadership across Canada identified seven key themes specific to this bill that impact policing. These are: training and the impact on police resourcing, personal cultivation and possession, organized crime, medical marijuana, packaging and labelling, return of property, and youth and public education. Police leadership also identified that drug-impaired driving and our ability to effectively manage it will impact policing. However, we will leave this theme to be addressed under Bill C-46.

We would like to acknowledge the announcement made by the federal government on September 8, 2017 with respect to the allocation of funding. We are interested in learning the details related to the distribution of funds dedicated to our federal, provincial, and municipal police resources. We wish to emphasize that administering police services requires the necessary training, tools, and technology to assist with addressing public safety concerns, and disrupting the involvement of organized crime in the illicit cannabis market.

In order to support the successful implementation of this comprehensive legislation, the CACP urges the Government of Canada to first consider extending the July 2018 commencement date to allow police services to obtain sufficient resources and proper training, both of which are critical to the successful implementation of the proposed cannabis act. Second, we ask that an established legislative framework be put in place prior to legalization that will provide law enforcement with clear direction and assistance regarding funding and training. Third, provide sufficient detail to allow law enforcement to assess the availability of funding, recognizing the need for a more standardized and consistent approach among provinces and territories, vis-à-vis the implementation of police resources necessary for the legalization of marijuana, and the need to obtain further guidance regarding the training of front-line officers, which would include plant seizure and identification of illicit cannabis. Fourth, increase funding for public education and youth programs and the issuance of tickets under the ticketing provisions of the act. Fifth, due to the foreseeable concerns surrounding personal cultivation and enforcement, we ask the provisions permitting adults to grow up to four marijuana plants be revoked. The CACP predicts that these provisions would be problematic to enforce, would provide additional opportunities for the illegal sale of marijuana, and would pose a further risk to youth due to increased exposure and accessibility.

We were pleased to see in the September 8, 2017 announcement that Finance Canada will consult on a new tax regime on cannabis. This is critically important because, despite the proposed cannabis act, organized crime will continue to look for opportunities to exploit the market and to profit. We will continue to advocate that the cost of legal cannabis remain as low, or lower, than cannabis sold on the black market in order to discourage price undercutting and illicit sales. We would also ask the federal government to enact strict security clearance requirements, which would ensure that criminal organizations do not become involved as licensed growers, which has been observed under the medical regime.

● (0835)

Police agencies must prioritize drug investigations on the basis of public safety. It is well documented that many police agencies are currently concentrating on the opioids that are responsible for an unprecedented number of overdose deaths. However, it is important, as we move to a regulated regime for cannabis, to recognize that strict enforcement is necessary at the onset to protect youth and help disrupt organized crime.

While the commitment made on September 8 to provide funding to policing to enforce a proposed cannabis act is positive, questions still remain in regard to how this money will be allocated. We wish to reiterate that dedicated police cannabis enforcement teams are necessary to disrupt organized crime and keep cannabis out of the hands of our youth.

Given the infiltration of organized crime into the medical marijuana industry, the CACP recommends merging the cannabis act with the access to cannabis for medical purposes regulations to avoid confusion, to align the efforts of Health Canada and law enforcement agencies, and to limit organized crime activity by reducing the number of licensed producers and distributors.

The CACP recommends that packaging requirements be stringent, in order to provide clear labelling to allow police to identify between legal and illegal cannabis, and to give users adequate information to make informed choices about their cannabis consumption. We further recommend that labelling include notice regarding penalties for providing cannabis to youth as a further protection mechanism and deterrent.

The CACP has concerns regarding the return of property provisions that appear to require the police to maintain and return seized cannabis plants. Police services across Canada do not have the facilities or resources to accomplish this. Accordingly, we ask the act to address these concerns by relieving police services of any responsibility associated with the deterioration of seized cannabis plants or having to provide compensation.

Lastly, there should be a continued focus on protecting youth through education and other non-Criminal Code means. The cannabis act, for example, will permit youth to possess or social-share five grams or less, which is inconsistent with the bill's intended objectives. Examples from Colorado and Washington have demonstrated that legalization may encourage increased marijuana consumption among youth. Therefore, police-driven education on the effects of marijuana use is critical to discourage consumption by youth.

Our recommendations are not intended to dispute the government's intention of restricting, regulating, and legalizing cannabis use in Canada. Instead, we bring these issues forward because the answers remain unknown. We are concerned about the impact of this act and, as previously stated, we have the responsibility to mitigate the impact on public safety, which is our primary goal from a policing perspective.

We certainly commend the government for its commitment to consultation with stakeholders and the public. We also commend the efforts of ministers, parliamentarians, and public servants who are dedicated to bring forward the most comprehensive legislation with a mutual goal of putting forward a responsible framework prior to legalization and recognizing that the world is watching Canada throughout this process.

In the interests of public safety and preserving the quality of life that we are fortunate to enjoy in Canada, we appreciate the opportunity to share our crime prevention and law enforcement experience with the government. We recognize that illicit drugs are a global issue that dramatically affects local communities, families, and individuals. As the world watches Canada throughout this complex process, we are committed to working with the government and the Canadian public to ensure that comprehensive regulations that mitigate the public safety concerns associated with cannabis are established prior to legalization. We support many of the overall goals of the act while recognizing that other stakeholders are better equipped to provide specialized knowledge in the area of public health and in social services. We also support efforts to deter and reduce criminal activity by imposing serious criminal penalties for those breaking the law, especially those who import and export cannabis and who provide cannabis to youth.

Sincere thanks are extended to all members of this committee for allowing the Canadian Association of Chiefs of Police the opportunity to offer comment and suggestions on Bill C-45. We look forward to answering your questions.

Thank you.

● (0840)

**The Chair:** Thank you for your very comprehensive brief, verbal and written.

Now we go to the Ontario Provincial Police Deputy Commissioner Barnum.

**D/Commr Rick Barnum (Deputy Commissioner, Investigation and Organized Crime, Ontario Provincial Police):** Good morning, Mr. Chair, and thank you for the opportunity to appear before this committee here today.

As Ontario's provincial police service, the OPP has a unique mandate. The OPP delivers front-line policing services to more than 70% of Ontario municipalities, which is over 13 million people. It is also responsible for a wide array of programs and services for the province, including criminal investigation, technical expertise, indigenous policing, traffic safety, and specialized response. In particular, the investigations and organized crime command is dedicated to safeguarding Ontario's communities against those individuals or groups involved in organized and serious crime. We are committed to engagement and education augmented by enforcement to reduce harm and victimization.

In preparation for the proposed Bill C-45, it is important to consider the impact this act will have on policing operations across the country. As a member of the CACP, the OPP supports the comments and recommendations presented here by our esteemed colleagues. My remarks today will focus on those key elements within the legislation that are most alarming for the Ontario Provincial Police and could, if not implemented in a strategic and staged approach, compromise the safety and well-being of Ontarians.

The first subject I would like to address is the cultivation of cannabis within the home. The OPP is concerned about the impact home production will have on our communities and does not support the federal approach of growing up to four cannabis plants per residence. A number of risk factors arise with personal cultivation,

including exposure to youth; health and safety matters, such as mould and fire hazards; overproduction; and the potential for trafficking. The report provided to the standing committee by the CACP highlights the exploitation that has occurred under the various medical marijuana schemes, and it is the OPP's belief that this abuse would be even more prevalent under the recreational system.

Even though Health Canada currently estimates that one indoor plant will yield 28 grams, this does not represent the reality of marijuana cultivation. OPP drug enforcement experts estimate average yields of 60 to 100 grams per indoor plant. Likewise, most indoor cannabis plants grow to a height of approximately four feet, exceeding the 100-centimetre restriction. If we consider a 200-unit housing complex in any urban or suburban centre, where half the units cultivate four marijuana plants, or more, we can estimate anywhere from 400 to 600 plants being grown in one building throughout the year without proper ventilation or adequate electrical capacity and in close proximity to children. This scenario would severely jeopardize public safety. In addition, we may see a rise in home or property invasions, known to police as "grow rips". The frequency of these occurrences in communities policed by the OPP has steadily increased over the past three years and continues to increase.

OPP experts expect that they will encounter a hefty workload and investigative pressures related to the overproduction of marijuana in the home; possession limits; break, enter, and thefts; and the diversion to the illicit market. All of these cannot be adequately managed within existing resource allocations.

I would now like to bring your attention to the challenges related to training. Given the tight timelines of federal legalization, the OPP, like many policing partners, is apprehensive about the level of our enforcement readiness come July 2018.

There are approximately 6,000 uniformed members of the OPP who will require training on the laws and the ticketing system. It is anticipated that there will be significant cost implications for additional training resources and tools to ensure that officers are aware of their authorities and the proper procedures.

The OPP foresees numerous challenges as we transition to a new enforcement environment. How will officers determine weight for possession charges? Will confusion occur around possession age and limits for different forms of cannabis? How will police agencies manage seizures and return of property? Will validation testing occur? What will the police role within the Health Canada inspection process look like?

Bill C-45, in the subsequent training and enforcement considerations, will also greatly impact Ontario's indigenous policing programs, including the 20 indigenous communities administered by the OPP. Some communities are already experiencing a substance abuse crisis, and it is feared that there will be additional health impacts, particularly for indigenous youth, when cannabis is legalized. It is expected that indigenous police services, whose resources are already underfunded and which are unable to increase capacity, will experience significant enforcement challenges as well.

● (0845)

One of the greatest concerns for the OPP is the protection of youth, including indigenous youth. The OPP recognizes that difficulties will arise in attempting to enforce youth possession and the social sharing of cannabis. It is our belief that social sharing opens the door for illicit drug trafficking to be concealed as sharing among youth. Although the federal legislation sets a minimum age of 18 and permits youth to possess and distribute up to five grams of cannabis, the OPP supports a minimum age of 19, with a zero possession limit for youth below the minimum age. This would allow for ticketing for youth possession, consumption, and sharing of cannabis as a provincial offence, along with the authority to seize cannabis from young persons.

It is the OPP's view that a provincial ticketing mechanism will prevent youth from entering the criminal justice system when charged with cannabis-related offences. In co-operation with the provincial government and our policing and community partners, the OPP will engage in an education campaign directed at youth to address the new possession laws, drug-impaired driving, and the dangers of illicit cannabis.

With respect to organized crime, it is difficult to deny the opportunities for criminal enterprise in the cannabis marketplace. The illegal cannabis trade generates billions of dollars annually and has established a foothold within the medical marijuana industry. The OPP has investigated dozens of medical marijuana grow operations authorized by Health Canada where plant yields grossly exceed the permitted amounts. For example, while investigating a grow operation in a commercial building, it was determined that a total of 508 plants could be grown under four Health Canada authorizations. In fact, we found that 979 plants were located in the building. Some of the mature plants were between eight and nine feet tall.

If we applied the Health Canada yield estimate, the 508 plants should have produced 31 pounds of dried marijuana. Instead, the actual yield was 2,032 pounds. If not seized by police, this illicit product would have been sent to street-level dealers and supplied to illegal dispensaries throughout the province.

While the Ontario government has announced plans to pursue an enforcement strategy to shut down illegal operations, it is anticipated that these dispensaries will continue to pose problems for law enforcement, and that, just like the contraband tobacco industry, organized crime will seek to subvert the legal cannabis retail system by selling it at a lower price. This includes the sale of seeds, cloned plants, and dried cannabis. The federal government must ensure that pricing for marijuana is reasonable; if not, it will promote growth in the illicit trade.

It is also the OPP's belief that Health Canada's security clearance processes do not go far enough to prevent the infiltration of organized crime in the medical marijuana industry. As the legalization of cannabis approaches, individuals who make applications to own and administer federally regulated production facilities, along with their employees, and any contract businesses, must be subjected to a more rigorous screening process.

We also support this approach for the provincial retail environment. A lack of oversight in the production and sale of cannabis will also increase the likelihood for abuse.

Further, the OPP backs the recommendations put forward by the CACP to combine the medical and retail cannabis production models, and, as such, eliminate the personal and medical production authorizations. This streamlined structure would assist the OPP and our policing partners in tackling illicit grow operations controlled by organized crime.

In closing, it is important for the federal government to provide clear direction to impacted stakeholders and consider time frame extensions in order to ensure the successful implementation of this act. The OPP appreciates that the legalization of cannabis, marijuana, is a complex process, and that we as a provincial police organization have a significant role to play. The members of the OPP are committed to upholding the laws of Canada. We look forward to working within the legislative construct provided to ensure that our communities remain safe and our youth and vulnerable persons are protected.

On behalf of the OPP, once again, I am very pleased to contribute to this forum.

Thank you.

● (0850)

**The Chair:** Thank you very much for your contribution.

Now we go to the Saskatoon Police Service, Deputy Chief Mark Chatterbok.

**D/Chief Mark Chatterbok (Deputy Chief of Operations, Saskatoon Police Service):** Good morning, distinguished members of this committee.

My name is Mark Chatterbok. I'm the deputy chief of operations for the Saskatoon Police Service. I'm also the co-chair of the human resources and learning committee for the Canadian Association of Chiefs of Police, along with Steve Schmitzer from the Justice Institute of British Columbia.

I am pleased to be here with you today to offer a perspective from the Saskatoon Police Service, as we, like all municipal police services across the country, look ahead to the implementation of Bill C-45. I would like to begin by telling you a bit about some of the challenges currently faced in our community and province and how the careful and thoughtful implementation of new legislation is vital.

Saskatoon has been a city of rapid growth and economic boom, largely due to its resource sector, but in recent years the growth and the economy have slowed. This has resulted in changing pressures on policing. We have seen an increase in property-related offences. Much of this increase is related to the illicit drug trade, specifically methamphetamine.

We have seen a consistency in the percentage of our citizens who live each day at a socio-economic disadvantage. Some become subject to addiction and criminal victimization, become involved in criminal activity, and live in poor housing conditions or become homeless. While this is a larger and broader community issue, it contributes to the overall environment in which we police.

I would like to address the topic of impaired driving. We anticipate that as a result of new legislation the number of impaired drivers will only increase. This increase will be realized in a city and a province where impaired statistics are already far too high.

Saskatchewan has had a long and unfortunate distinction of having the highest rates of impaired driving in the country. In an effort to reduce those numbers, the province introduced new legislation to toughen penalties for impaired driving, including a zero tolerance for motorists under 21 years of age who are impaired by alcohol or drugs.

As a police service, we are already proactive in terms of impaired driving enforcement. Each year, we conduct numerous impaired driving spot checks and openly communicate these spot checks to the public through traditional and social media, yet our numbers still remain high.

As a result, the Saskatoon Police Service has concerns about an increase in impaired driving due to drugs or a combination of alcohol and drugs. As our chief of police, Clive Weighill, has publicly stated, he would like to know what happens when a driver already found to have a blood alcohol content of 0.07 also has the presence of THC in his or her blood. Technically, this driver may be under the legal limit for both individual substances, but what effect does the presence of both of these drugs have on impairment?

There were 43 homicides in 2015 in Saskatchewan. That compares to 53 people killed as a result of impaired driving in Saskatchewan for the same year. In a province with a population the size of Saskatchewan's, those numbers are very concerning. Unfortunately, our police service has yet to see a significant shift in behaviour when it comes to alcohol-impaired driving. As a result, we strongly recommend considerable federal investment in public education prior to legislative implementation.

We support the proposed amendments in Bill C-46, and the Saskatoon Police Service wants to be a part of the successful implementation for legislative change. We believe this will require continued collaboration by all levels of government and support for law enforcement agencies, especially for our front-line officers, who will be facing the impact of these changes on a day-to-day basis.

As we move closer to the date for legalization, the importance of creating a strategy to educate the public is becoming increasingly important. We echo the CACP's position that the development of such a strategy should begin immediately.

A public education strategy should focus specifically on information for youth, parents, and vulnerable populations. This component needs to be developed with input from all appropriate agencies, and the police would like to be a part of this conversation and preparation. Such a strategy should be non-judgmental, relatable, open-minded, and understandable. Education programs should provide real information, and evidence needs to be developed to resonate with this target audience.

We will need to work closely with health and the school boards to adequately deliver this information to youth in our communities. Achieving a unified position will require close co-operation. Resources in our schools are already at capacity in terms of delivering drug awareness and other programming to youth, and this legislation will only increase the demand for delivery of more education.

I would now like to discuss the impact this legislation will have on police training. Considerable training will be needed in order to have specially trained officers able to detect persons who are impaired from drugs.

● (0855)

According to the Colorado State Patrol, drivers who were stopped and found to be impaired by marijuana had been pulled over 91% of the time as a result of speeding. Studies in Colorado also showed that the number of drivers testing positive for THC was highest during daytime hours. We know that daytime is considered the peak time, when the highest number of vehicles, bicycles, and pedestrians are using the roadways.

Both of these statistics verify the need for specialized training for our front-line officers.

The Saskatoon Police Service currently has 11 drug recognition experts trained, and I anticipate that we will need to at least double this number in the very near future. I expect this will also be the case for many other police agencies across the country. However, this training is expensive; it is currently offered only in the United States; and there is limited capacity, which means this training is often delayed until a space becomes available.

For many agencies this training will be cost prohibitive, which may ultimately result in delays at the roadside, yet the courts—and justifiably so—will not see this as a bona fide reason to deny people their charter rights. As a result, I would strongly recommend that the federal government provide the funding and assistance required to implement a DRE program here in Canada, which will help to address the training costs and capacity issues I have mentioned.

One of our concerns is regarding the unknown; specifically, not knowing to a great degree what impact this new legislation will have on our existing resources. Our resources are already stretched in many different directions. The Saskatoon Board of Police Commissioners recently hired a consulting firm to conduct a review of our operations, and the study found that the amount of time our front-line officers have available to conduct proactive activities is 29%, with a suggested goal of 40%.

We already know that major drug investigations take considerable time and specialized resources and they are very expensive to conduct. Can we expect that the number of major drug investigations will increase with this legislation? I believe we can.

There is the potential for an increase in what I would describe as regular complaints to the police; for example, neighbour disputes, domestic disputes, suspicious activity, and so on. We know that alcohol is often a contributing factor in these types of complaints. The unanswered question is whether or not the usage of marijuana will have similar results.

Many municipal agencies, including in Saskatchewan, have identified possible hidden costs that may arise with the new legislation. They would come in the form of social issues, which typically fall to the front-line police officers to deal with.

I will end my time by commenting on the proposed legislation around personal cultivation and possession within a dwelling. The Saskatoon Police Service supports the concerns raised by the Canadian Association of Chiefs of Police and recommends that personal cultivation be reconsidered. We do not support home growing regardless of size and number of plants, as this will create opportunities for diversion, and it will increase complaints of overproduction, which will be difficult to investigate and will have a negative impact on our existing resources. Arguably, home growing will provide more opportunity for cannabis to get into the hands of children.

In closing, as a municipal police agency that will be on the front lines of the implementation and impact of Bill C-45, the Saskatoon Police Service wishes to express its appreciation for the government's commitment to consultation of stakeholders. We support the government's desire to implement the most effective legislation possible. We are committed to protect the public safety and to serve our citizens on a daily basis no matter what challenges we face.

On behalf of the Saskatoon Police Service, I appreciate your kind invitation to present our comments to you here this morning.

Thank you.

● (0900)

**The Chair:** Thank you for providing them.

Now we will start our seven-minute round of questions, and we're going to start with Dr. Eyolfson.

**Mr. Doug Eyolfson (Charleswood—St. James—Assiniboia—Headingley, Lib.):** Thank you, Mr. Chair.

Thank you all for coming. We appreciate your efforts in this.

My first question is regarding what I think you said, Mr. Serr, that the usage of marijuana among youth in Colorado has increased since legalization. Did you say that?

**D/Chief Mike Serr:** The reports that we've seen say originally it had increased. We have now seen in more recent reports that it has started to stabilize, but the early reports from Colorado once it was legalized indicated there was an increase in youth consumption, correct.

**Mr. Doug Eyolfson:** I have a communication from the attorney general of Colorado that cites multiple surveys, including from *JAMA Pediatrics*, which says that basically it was in line with the national average.

The National Survey on Drug Use and Health actually showed that in between legalization—before it was legalized and afterwards—youth use in Colorado had declined by 12%. That is the main finding they're citing.

**D/Chief Mike Serr:** There are a significant number of reports out there regarding youth usage. I am not exactly sure of the one you referenced, but I have seen reports that estimated an increase of approximately 20% at the onset. I saw a report a week ago indicating that youth usage has now stabilized and is slightly below the national average in the United States. There was at the onset a public education message to youth about the dangers of cannabis use for adults and youth. Our indication was that initially usage went up.

**Mr. Doug Eyolfson:** I couldn't agree more about education for youth; I think that's a key part of what needs to be done. There were some concerns expressed about home cultivation, particularly regarding increased exposure to youth, who might be able to get at it. I brought up this example previously. We've had legalized home-brewing of beer and wine forever. Is there any evidence that there has been significant diversion of home-brewed wine and beer to underaged people? Is this an ongoing problem we've had to deal with?

**D/Chief Mike Serr:** I don't think we have any statistics on that kind of diversion, but we anticipate that home-grows will be much higher than what we see with home-brewing. We think we'll see a lot more home-growing than home-brewing, and that's why we have a much more significant concern about that. It's not just about the access—it also has to do with the quality of the product. In our experience with grow operations, we have encountered moulds in the residences as well as dangers imposed by the electrical systems. Also, it will cause more confusion for our officers on the road, who are having to attend calls, and now have to address somebody who may have two or three or four extra plants or a plant that's 50 centimetres taller than what it should be. The lesson we have learned from watching Colorado is to start restrictive and start slow. Then slowly, as we start to unravel this legislation, we can begin to look at some other opportunities. Certainly, we'd like to see it more restrictive, with no home-grows.

**Mr. Doug Eyolfson:** Certainly, yes.



There was a scenario that was stated—I don't remember who said it—but it asked what would happen if you had a 200-unit apartment block and half of them had home-grows. Do we have any data to suggest that half of the units in a 200-unit block would be growing plants?

**D/Commr Rick Barnum:** That was my scenario. I don't have any evidence that would prove that, but neither do I have any evidence that it won't happen. When you open the legislation, our position is that there's no need to do it when we're going to have a legalized system where people can access marijuana. Yesterday, on my way here, I listened to a documentary on the CBC. A bunch of landlords had got together and talked about this. They're very concerned about how they're going to protect their buildings if home-grows are legal.

• (0905)

**Mr. Doug Eyolfson:** I agree completely with everyone here. Everyone agrees that we need resources for training. We've talked about the money that the federal government is committing to this. One of the things that was mentioned is increased training in recognition of plants and grow ops. I know that your forces all have experience with grow ops. How much additional training would be involved? I would imagine that already officers know how to recognize these plants and how to recognize grow ops. How much additional training would be needed? I'm not talking about the other issues, like impaired driving. I'm just talking about recognition and dealing with grow ops.

**D/Chief Mike Serr:** One of the challenges for us with the training is that we haven't even been able to start preparing any training, because at this point we don't know what is going to be encompassed in the legislation, whether it's provincial, federal, or municipal. We're sort of in a holding pattern. Certainly at the onset we are going to have to ensure that our members understand completely the legislation and their authorities under it, provincially and federally. In talking to directors of police academies, we realize that they cannot start their preparations until we have the final legislation from all levels of government. That is where we're concerned and challenged.

As far as how long that will take, that's difficult for us to answer right now because we do not yet have all the answers we need to make informed decisions about what that our training will encompass.

**Mr. Doug Eyolfson:** Right. I don't have any further questions.

**The Chair:** We'll move to Ms. Gladu.

**Ms. Marilyn Gladu (Sarnia—Lambton, CPC):** Thank you, Mr. Chair, and thank you to all the witnesses for appearing today.

I took very seriously all of the comments that you made about the possible harms, so I would like to ask each one of you, in light of all of the things that could be very harmful to public safety, do you think that the government should be proceeding with legalizing marijuana outside the medical regime?

**D/Chief Mike Serr:** Mark, do you want to take that one first?

**D/Chief Mark Chatterbok:** That's a difficult question for me to answer because my expertise certainly doesn't lie in that area. I think the comments that I made earlier were more with respect to community safety, impact on our resources, and impact on our ability to train our officers to be prepared for when the legislation is

in place. In reference to your specific question, I would have to refer to one of my colleagues on that.

**D/Chief Mike Serr:** In regard to legalization, we support many of the goals and objectives of legalization. If done right, if invested in properly, if we take our time and do this appropriately, we would have the ability to disrupt organized crime—certainly not eliminate it, we're not naive—but certainly disrupt the current share it has in the market, through education like we have with cigarettes and impaired driving to teach and educate our youth about the dangers of drug use, but it has to be done correctly. Overall, we support a lot of the objectives, but we have some concerns with the implementation and about taking the right approach, taking a very methodical, systematic approach, to ensure that this is done correctly so that we don't see some of the issues that originally hit Colorado and others.

**D/Chief Thomas Carrique (Deputy Chief, Canadian Association of Chiefs of Police):** To add to my colleague's comments, I think it is very important to distinguish between legalization and decriminalization and the importance that will be found in the regulations. We do look forward to working with the government to ensure that there are robust regulations. Those regulations are going to be relied upon heavily to be able to identify and disrupt organized crime and also to protect the most valuable asset in our country and in our communities, which is our youth.

**D/Commr Rick Barnum:** It's an interesting question. I worked in drug enforcement for 12 years and have been in thousands of marijuana grows, and in all kinds of undercover, street-level situations. I've seen youth break into houses and cars and turn that money right into money to purchase, or turn those properties right into money to purchase, marijuana. I've stood right beside it when that's happened. I think there's a huge opportunity here to fix a lot of these issues.

I have great concerns about the home-grow challenges. From everything that I've seen over my time in policing, along with my colleagues who have a very similar background to mine, I have great concern about making it right for our youth. I read all the studies on Ontario and you can see the number of youth who are using marijuana. It's very clear, so we need to do something. This is another great opportunity to get it right.

I have concerns about home-grows. I have concerns that organized crime is deeply involved in the medical marijuana system. I have a package that will show you this, in much more detail than when I spoke in my few minutes. We have a chance to get organized crime out of this, we really do, so we have to get the administration process low. We have to be streamlined and we have to make sure the inspection processes are detailed and thorough so we can eradicate organized crime from this problem.

I also hugely agree that if legislation is ready to go in July 2018, policing will not be ready to go August 1; it's impossible. The damage that can be done between the time of new legislation and police officers being ready to enforce the law in six months or a year can make it very hard for us to ever regain that foothold.

Those would be my concerns and cautions from my lived experience as a police officer on the streets working specifically in drug enforcement. I think we're very close. I agree that something had to change. This is a great step, but we have to do it right and do it slowly and properly.

● (0910)

**Ms. Marilyn Gladu:** In 290 days, would the CACP also agree that it is not going to be ready to go and to be able to implement anything?

**D/Chief Mike Serr:** Yes, we've stated that we need to know everything about this legislation from provincial, federal, municipal levels before we can really start to prepare, so we are asking that the government consider giving us more time to have all the legislation fully in place, which will allow us to properly train and prepare for the implementation on day one.

**Ms. Marilyn Gladu:** I definitely agree it needs to be done right rather than rushing it.

I was interested in your comments about possession limits. I agree that in order to send the right message to young people ages 12 to 17, zero is the right amount that they should have. I like the idea of making it ticketed so they don't have any criminal offence that would haunt them for the rest of their lives. What do you think about the possession limits that are set for an adult at 30 grams? Do you have any guidance in that light?

**D/Chief Mike Serr:** I can take that one.

That was a topic of much dialogue on our committee. There are two sides to that coin. In one sense, if you make it too difficult for people to purchase cannabis—if it's challenging for them and they don't have reasonable access to a certain amount—that will certainly make the market vulnerable to organized crime, which could fill that void.

Obviously we don't want to see it made too high, because that opens up the possibility of diversion of the product. In regard to the 30 grams, we are mindful that it is approximately 60 marijuana joints, but we're also mindful that if it is not enough, people may not choose to go into a store—or wherever it is—to buy it, and may look to other avenues. At this point, after much discussion and debate, we would certainly not want to see it any higher; 30 grams would be the maximum limit that we would want to see it set at.

**Ms. Marilyn Gladu:** Very good, thank you.

My other question has to do with organized crime. We heard testimony that organized crime is involved, even in medical marijuana. Regardless of what legislation we put in place, I guess I personally don't believe that organized crime is going to say, "Well, you're right, we've had a good run at it but, you know, laws are in place now, so let's just license and do things by the book and go along with that." Do you really believe that this legislation will fix the problem of organized crime being involved?

**D/Chief Thomas Carrique:** This legislation will not eliminate organized crime, but there is an opportunity to mitigate the impact organized crime has on our communities. That opportunity will be found in improved regulations, and security clearances that are not limited to just the principals of the companies or licence-holders, but the investors, the contractors, and the suppliers, extending beyond just a basic security clearance check and getting into forensic financial audits.

If you follow the money, you will find the organized crime. It is currently a \$7-billion illicit industry in this country. There are over 300 criminal organizations currently involved in the production, distribution, importation, or exportation of cannabis. We can mitigate it, but we cannot eliminate it.

**The Chair:** Your time is up.

Mr. Davies.

**Mr. Don Davies (Vancouver Kingsway, NDP):** Thank you for being here today.

I'm getting a very clear message from all of you. It was said most clearly by Officer Barnum, I think. "We will not be ready August 1. That's impossible." I think those were your words.

Let's say the government presses ahead with this artificial deadline of July 2018 and you're not ready. The next day, tell me what that looks like for your police forces. What are the consequences of you not being ready?

● (0915)

**D/Commr Rick Barnum:** What it looks like is still up in the air for us. It depends when we start getting information about what the legislation is going to look like. If we have a good heads-up, let's say, six or seven months out, we can start to work; we'll prioritize. We'll analyze all of our statistics, where things are happening, which highways are of concern from the impaired perspective, where we believe certain groups may challenge us with a lot of home-grows or organized crime, and that type of thing. We'll try to do the best we can to get that foothold and maintain that foothold without letting things get out of control.

It's so dependent on what the legislation looks like, for starters, when we get it, and when we will have time to get our training and act together to respond to the legislation. It's a tough one to answer hard and fast for you, but the reality is the sooner we get it, the better off we'll be, and much will depend on what it looks like.

**D/Chief Thomas Carrique:** If I may add to the Deputy Commissioner's comments, one of the impacts we want to keep in mind in terms of rushing legislation and police not being prepared through adequate training is this: if we don't have the proper knowledge and the proper training, that can lead to poor decisions, which can result in bad case law for new legislation. Our opportunity to get it right will solidify the sustainability of the laws before the courts. That's why training is so important to us.

**Mr. Don Davies:** Thank you.

You're all provincial and municipal police forces. We all know this system is going to require provincial regulation decisions and perhaps even municipal ones when it comes landlord and tenant matters. How much of what you need to know is going to be dependent on the provincial and municipal regulatory system that has yet to be determined?

**D/Chief Mike Serr:** A significant amount has been left to the provinces: the mode of sale, the age, and the home-grows will be part of their mandate. So there's a lot that we are still waiting for from the provincial government that we will require even prior to being able to draft our training. Also, we need to ensure that we have the infrastructure in place. We talked about our concerns regarding the seizure of plants and our ability to manage that. What different facilities we will need is still a question that we need to answer in order to manage our seizures of cannabis and elsewhere. For us, there is a lot left to be answered before we can even begin the process.

**Mr. Don Davies:** Okay.

One of the purposes of the act is "to protect public health and public safety and, in particular, to", according to paragraph 7(e), "reduce the burden on the criminal justice system in relation to cannabis". On July 1 or whenever this happens, is this scheme of legislation going to reduce the burden on the criminal justice system, from your point of view?

**D/Chief Mike Serr:** We don't believe so. We look again to lessons learned from Colorado and Washington state, and in fact, they did find that there was an increased capacity at the onset. As we stated, it's critically important that at the onset we be very vigorous in our enforcement to ensure compliance with the new regulations. This is a brand new system, and we need to make sure that we do it right and we are fairly strict with the enforcement.

We know that in 2016, I believe, there were approximately 16,000 or 17,000 charges for simple possession of marijuana, but we think those will be replaced with ticketing. They'll be replaced with nuisance calls. They will be replaced if, unfortunately, we do go forward with personal grows, with us having to manage those grow operations, which, of course, will be a very time-consuming and onerous process for our officers, who will then have to seize the plants and take them back to a police department or a facility to store them and go through that process. We don't see this, at least at the onset and for several years, as being any sort of time-saving for our staff.

**Mr. Don Davies:** Let me put this to you, because it's starting to appear to me that this isn't legalization of cannabis. This is making it less illegal. Whereas today you can't possess anything in the public

street, you would be able to possess 30 grams. You still have to enforce against someone who might have 35 or 40 grams.

Presently, you can't cultivate this at home. Well, this legislation will let you cultivate some at home, so you still have to enforce and police, but you'll be busting places that have 10 plants. Then there are the ticketable offences as you pointed out, Chief.

It seems to me I don't see any reduction in your job. If anything, by changing to a new regime, it strikes me that you're going to have to train a lot of your officers. Add the impaired-driving provisions of marijuana on top of that and I don't really see any difference in the burden you have. In fact, if anything, it will be greater.

I want to move to Officer Barnum.

What is the average size of grow ops that you encounter? How many plants on average would you encounter?

● (0920)

**D/Commr Rick Barnum:** I'm not sure I have the average size. I've been in indoor grow operations with 45,000 to 50,000 plants. I have been in indoor grow operations that have eight or nine plants that have a huge yield and a ton of potential to grow a lot of marijuana. I'm not sure I could give you an average size, sir. It depends on organized crime, on the group, its abilities, whether it has a good electrician, if it knows what it is doing, and the facility.

**Mr. Don Davies:** I want to be devil's advocate with you on this a little bit. I would say the average grow op has probably more than four plants. Let me put a couple of things to you. Doesn't it help undercut the black market if you allow people to grow four plants? Then they don't have to get their marijuana from sources that otherwise we wouldn't want them to get it from. Isn't that one way to undercut organized crime?

**D/Commr Rick Barnum:** I'd prefer to use the legal system that's going to be put in place.

**Mr. Don Davies:** Okay.

With regard to concerns like mould, electricity diversion, and those kinds of things, are those really happening when you have large grow ops? The average household probably has more than four plants in it right now, so by limiting it to four plants, isn't that sort of a reasonable way to avoid those concerns of having large-scale places in your basement, which do lead to mould and electricity diversion? I guess what I'm saying is I think four plants probably wouldn't lead to these fears of electrical diversion and mould. Am I missing something here?

**D/Commr Rick Barnum:** I don't know. It depends on who's doing the grows. If somebody tries to run 2,000-watt bulbs over their four plants, they have to increase the size of electricity; if they want a 14-week turnaround instead of a 40-week soil turnaround to increase their profit; if they are diverting; or if they want a higher quality THC in their plant, these are all things they'll do. The average electrical service in a home won't satisfy that need, so that's going to be a problem.

Let's say you get people clumping together as a group and deciding that, okay, I have a contact, and I can get rid of the weed, but everybody needs to grow four plants, and here's how we're going to do it. We're going to do it based on chemical-based hydroponic grows. Then you're going to have problems with ventilation and that's going to cause mould. Again, you'll have a 14-week turnaround. You'll just be spinning plants through there all the time.

There are all kinds of things that can be imagined here. I think what's important is that we not sit back and think that there are going to be four little plants on the windowsill growing in a little bowl of soil and someday, sometime they're going to produce a little bit of bud and maybe somebody's going to roll a joint. I don't think that's reasonable in today's world. That's not at all what we see and experience.

**The Chair:** Thanks very much.

We'll now go to Mr. McKinnon.

**Mr. Ron McKinnon (Coquitlam—Port Coquitlam, Lib.):** Thank you, Chair.

I'd like to start with Deputy Commissioner Barnum. You indicated that security checks for licensed producers need to be strengthened. Health Canada currently contracts the RCMP to do their security checks. Do you think there's something wrong with their process, that they don't go far enough, or that they need to add functionality to their process?

**D/Commr Rick Barnum:** Starting with the large grows that will be regulated and licensed, it's important to recognize, in my opinion—and I might be on my own on this one—that is what organized crime will target. That's where the most amount of money they could make would be, and that's our biggest opportunity to get them out. I believe we need more stringent processes than currently exist in the medical marijuana background check area.

I look at what we do in Ontario with the Alcohol and Gaming Commission. When somebody applies for a liquor licence at a bar, or wants a lottery licence for some sort of event, or to run a part-time casino or whatever, there are stringent background checks and, as my colleague mentioned, there are financial checks that take place. It's not just one layer. It's not simply that your name is going to be on the licence and that's it. No, no, no. We need to know who your staff are, where you're getting your money to run this bar, in this case, or where you're getting your money and your funding to run a legal licensed marijuana production facility. Where is that coming from? We need to do those checks that way. I would say it goes further than a criminal record check, and I agree with what my colleague Tom mentioned earlier, we need lots of layers here.

I would say that what we see happening in the medical system is not good enough for what we're going to do in the legal system.

● (0925)

**Mr. Ron McKinnon:** Is the current process just limited to criminal background checks? Is that what you're saying?

**D/Commr Rick Barnum:** Yes.

**Mr. Ron McKinnon:** I'm wondering about that. If somebody wants to invest in a plumbing shop, or something where you can make a lot of money, we don't do extensive background checks for legal businesses. If this is a legal business, I'm wondering why we would do that in this respect.

**D/Chief Thomas Carrique:** That's a great point, sir.

Currently, in legal businesses like a plumbing shop, we may not already have 300 criminal organizations established in an illicit industry, which is what we have today. We also have organized crime groups that have embedded themselves in a medical marijuana framework. This is an opportunity to enhance the current security clearance process to try to identify those organized crime elements and mitigate the impact they're having.

**Mr. Ron McKinnon:** Thank you.

I'm going to move on. I don't know who mentioned this, but there was some concern expressed that the limit for young people was five grams and that this wasn't low enough. Below that level, it would be in the realm of what the provinces could do in terms of restricting access. It would be a non-criminal matter. So the five-gram limit is not saying it's okay to have less. It's simply saying that we only enter the criminal regime at five grams.

Currently in Ontario, for example, you might ticket someone for underage drinking under the provincial rules. Why would this be different from that?

**D/Commr Rick Barnum:** I think we're basically saying we recommend the same. It's just like the Liquor Licence Act. If you're not allowed to possess it because you're underage, then you receive a ticket, or there's an option to give a ticket. It doesn't criminalize or do anything of that nature. That's what we're recommending in Ontario, that it be the same type of process as now exists under the Liquor Licence Act. We've talked about this extensively and we'd love to see a system where there's some education required, maybe even instead of a ticket we could refer a person, depending on their age and the number of times we've encountered their issue, to an online forum to learn about marijuana and what it does to your developing brain when you're 15 years old.

We'd love to divert that way. It would be even better than a ticketing system, but the reality is that it would take a lot of time to get organized and figured out. So in the first place, we believe that youth don't need to possess it, and we could provide a ticket system if they're caught with three, four, five grams, whatever.

**Mr. Ron McKinnon:** So it's certainly within the purview of the provinces to establish those kinds of things.

**D/Commr Rick Barnum:** Yes, sir.

**Mr. Ron McKinnon:** It seems to me that it is a far more effective approach than criminalizing youth. I would ask you whether the five-gram limit, at which point the criminal justice system could be activated, should be raised so that there's more range for provincial intervention in terms of seizures, training, and ticketing for youth.

**D/Commr Rick Barnum:** Do you want to take that?

**D/Chief Mike Serr:** From our perspective, we agree that, for small amounts of possession, we do not want to see it criminalized. We certainly have to advocate to our provinces to ensure that we have a system in place where we can seize marijuana from children and we can prevent it from being socially shared in large volumes in schools, so we're very allied to that. Unfortunately, that's something that we don't have the answers to in most provinces, other than Ontario, and how that will be effectively managed.

In regard to raising the five-gram limit, we would be opposed to that. We think that part of the importance of this act is protecting youth. It's one of the key objectives of the act. The message that we send to our youth about marijuana possession is critical. If we make that limit higher, I think we send a message. I think it is vitally important that youth know that this is not a healthy substance, as you've heard from medical experts. We need to start an education program immediately to ensure they understand that. We would be opposed to increasing that. We're certainly advocating at the provincial level to give us the tools in order to ensure that no youth are in possession or socially sharing marijuana at all.

• (0930)

**Mr. Ron McKinnon:** You do see some value in being able to charge young people criminally for possession.

**D/Chief Mike Serr:** We would certainly want to see that the courts have some options in that regard. As my colleague stated, we are very supportive, for first-time offences, etc., of finding diversion-type programs. We think that is incredibly important for these types of offences. That being said, certainly anybody, whether it be a youth or not, who traffics to other youth, is seen as a very serious offender. If we're going to get a hold of or manage youth consumption in this country, we need to take it very seriously. Certainly, regarding somebody who is possessing, say six grams for personal use, we would certainly look to the courts to look at different types of opportunities that they have at their hands, such as diversion, to manage this effectively.

**The Chair:** Time is up.

That completes our seven-minute rounds. We'll go to our five-minute rounds starting with Dr. Carrie.

**Mr. Colin Carrie (Oshawa, CPC):** Thank you very much, Mr. Chair.

I really want to thank the witnesses here today. It's a real concern for me that we're not going to get to spend a lot of time with you. I know the Liberals are rushing this through, but being that you're on the front line and you care deeply about the health and safety of Canadians, especially our kids, like we do, it's unfortunate we won't have a lot of time with you.

It's also emphasized, I guess, that we're having a bit of a theoretical conversation today because it really emphasizes that, on the ground, there's no certainty for you yet because it still has to go through the process. It's interesting. From some of our questioning yesterday, the government members think that you should be planning already for this and have everything worked out because we've been talking about it for two years since the Prime Minister made this surprise election promise.

Anyway, I do want to see how this is filtering down to the ground. We have asked provinces and territories to come, and only one decided to come, Saskatchewan. Ontario did announce that they have a plan. Because Ontario didn't want to come, I thought, deputy Commissioner Barnum, you could give us a couple of ideas on your initial thoughts on Premier Wynne's plan.

I was wondering if you could tell us what you were glad to see, things that weren't in the bill, and specifically how you plan to address homegrown.

**D/Commr Rick Barnum:** Well, I do like my paycheque, so I'll be careful on my comments.

**Mr. Colin Carrie:** If you think that's in jeopardy, please.

**D/Commr Rick Barnum:** No, I understand that.

I can't elaborate much more on what we talked about already this morning on what we think is vitally important. Again—

**Mr. Colin Carrie:** Is there anything in her plan to address home-grow?

**D/Commr Rick Barnum:** I haven't seen it. I'm not saying it's not there, I'm saying it hasn't been shared with us exactly what the Government of Ontario plans to do with home-grow. What we've seen is essentially what's been released publicly.

**Mr. Colin Carrie:** Okay. I haven't seen anything either.

I want to talk a little bit about the rationale of the Liberals. Initially it was a promise. It was a surprise for everybody, but they've developed a rationale. One of the points was that the status quo is not working. We had witnesses yesterday. This is not true. They've refuted it with publicly available statistics that there is a trending down for youth marijuana use.

The second narrative they're coming up with is: keep the problems from organized crime. Again, the RCMP said yesterday that's not true. Even, Deputy Commissioner Barnum, you mentioned that, and I think, Mr. Carrique, you said you're not going to get it out of organized crime.

I want to talk about the third thing they keep saying, that this is going to keep it out of the hands of kids. The bill before us has zero repercussions for youth between 12 and 17. You mentioned social sharing. You talked about the problems with home cultivation, the potential for crime, and even youth being targeted by organized crime for distribution. We're talking about 12-year-olds here and, in public school, they're the old kids. When I was in public school, everybody looked up to the older kids.

Is there anything in this bill that you see that's going to help keep marijuana out of the hands of kids?

Maybe we could start with Mr. Serr.

**D/Chief Mike Serr:** In regard to this bill specifically, we've seen the penalties for trafficking to youth, and the seriousness of that is imposed. That is important to us.

In regard to us being able to effectively manage it, no; we're having to advocate to the provinces to give us the ability to, first off, seize marijuana from youth. Then there's what type of mechanism will be put in place, whether it be a ticketing mechanism or not. We don't know the answer to that.

Under this bill, as I said, the trafficking to youth has been identified as a significant penalty, but beyond that, we don't have a lot of tools for specifically addressing youth in it.

• (0935)

**Mr. Colin Carrie:** Yes, I'm not seeing it either. I'm looking at their rationale, and really it's been deconstructed here just in the first couple of days of witnesses.

Another question has been brought to my attention. How do you determine the difference between legal and illegal cannabis, especially considering that home cultivation is allowed under the bill in its current form?

**D/Chief Mike Serr:** The short answer is that we can't.

**Mr. Colin Carrie:** Okay.

Do you believe, given the timeline proposed by the Liberals to have marijuana legal in Canada, that enough is being done to address public education? We heard from a witness yesterday that for marijuana education they put aside I think \$9 million. For tobacco it's \$38 million. We already know a lot about tobacco. Most people who smoke, as I think a witness said, know it's a bad thing, and we're spending \$38 million on that. Do you see \$9 million making much of a dent in an educational program?

**D/Chief Mike Serr:** We will advocate that we absolutely need public messaging. The lesson we learned from Colorado and Washington state was that you need to start now. We needed to start a year ago, quite frankly. There are some misconceptions out there about youth and drug-impaired driving and the dangers. Many haven't seen the same risks they see with alcohol.

In regard to how much money we need, I can't specifically answer that question because we still don't know what we don't know on some sides of the legislation. I can say that we absolutely need to invest in a very robust, continuous program of educating not only the youth but also parents, teachers, and the public about the dangers of youth consumption and the dangers imposed by marijuana consumption.

**The Chair:** Your time is up. Sorry.

Mr. Ayoub.

**Mr. Ramez Ayoub (Thérèse-De Blainville, Lib.):** Thank you, Mr. Chair.

[Translation]

I would like to ask you some questions about the current situation. You work in the field. So you know what is happening, in the streets, in the schools, and with young people. Are young people using at the moment? I assume the answer is yes, but is that the reality? In your opinion, Mr. Barnum, is cannabis being used by young people at the moment?

[English]

**D/Commr Rick Barnum:** Yes.

[Translation]

**Mr. Ramez Ayoub:** Do we have enough resources? Are we dealing with this problem adequately at the moment?

[English]

**D/Commr Rick Barnum:** Are you speaking about there being enough staff specifically from an enforcement perspective, or...?

**Mr. Ramez Ayoub:** Any kind of solution. Do you feel that you have the tools to address the problem right now?

**D/Commr Rick Barnum:** No, I think we could always use more people to work with the youth in our communities to make sure they understand about the harmful impacts of any type of drugs.

[Translation]

**Mr. Ramez Ayoub:** What I want to get to is that this is an ongoing situation. We can always do better and improve. Crime is always a factor; it is never the same, it goes up and down, and you have to adjust to it.

Most people who work in this industry say that the current situation is not working. For 100 years, we have been operating in the same way, but, in our modern world, we see that our young people are the greatest users of marijuana in the OECD countries. So we have to change our way of doing things.

If I understand your remarks correctly, we have to seize the opportunity to do better. But you are saying that we have some challenges to address in order to be ready. My sense is that we can never be 100% ready. At the moment, we are not ready to manage the current situation properly. You can always improve, you can always have more employees, you can always do more.

I would like to know if you keep statistics on crimes that are directly linked to cannabis, such as impaired driving or possession. Do you have figures like those you provide for drinking and driving?

Each time I ask that question to members of police forces, they have more statistics on drinking and driving than they have on cannabis. Do you have specific statistics for cannabis that compare to those for drinking and driving? Do you have statistics of that kind?

• (0940)

[English]

**D/Chief Mike Serr:** We don't have that statistic with us. Certainly in regard in drunk driving or impaired driving we are preparing a response on behalf of the CACP for Bill C-46 in which we'll be able to drill down further into some of those statistics to get a better understanding of that.

[Translation]

**Mr. Ramez Ayoub:** I would really like you to send the committee the statistics you have at the moment, so that we can compare before and after.

In terms of preparation, I am a little perplexed. You say to wait until the legislation is passed. It will include some special features, and I understand that you have to wait for those in order to make sure that you have a precise viewpoint. That said, I would like to know what steps you are taking in the meantime in order to get ready.

Are you doing nothing as you wait for the legislation to be passed, or are you making preparations in the meantime?

After all, we have been talking for more than two years about adopting legislation to legalize cannabis in Canada. I am sure that you are working on it. I would have liked you to tell us about it, and if you are not able to give me an answer in the 45 seconds that remain, could you send us a report on your state of preparations and on the way you propose to achieve the goal?

[English]

**D/Chief Mike Serr:** Do you want to take that from your committee perspective?

**D/Chief Mark Chatterbok:** Sure.

From the perspective of the Saskatoon Police Service, we are having conversations in terms of how we will respond in the future, but it's true that until we actually see the legislation and the

regulations it's difficult to know exactly what we're going to be faced with.

I mentioned in my opening remarks the fear of the unknown and not knowing to a great degree how our calls for service will increase, and so on. Part of the challenge will be that once the legislation is implemented and we start to track our calls for service, and so on, in the community, we won't be able to react to that until we have a good sense of what we're faced with.

We're also engaged with the province at a fairly high level at this point. We're going to have to do more consultation with the province as to what they have in mind in terms of provincial regulations as well.

**The Chair:** Your time is up.

Now we'll go to Dr. Carrie.

**Mr. Colin Carrie:** Thank you very much, Mr. Chair.

I'd like to follow up on my last question. We realize that Canadian youth do use cannabis too much. We're saying we're going to go from one system that the government says isn't working, though statistics may suggest otherwise, but I wonder if you, as police officers, could actually explain the tools in your tool box today.

If you pull a youth over who is 17 years old, if you smell marijuana in the car, if you notice that they have marijuana in the car, because it's illegal you don't have to prove that they're impaired. You don't have to worry about swabbing their cheek to see if it has been consumed. You don't have to worry about a blood test. You have tools in your box to actually address that youth. Perhaps I think the goal would be to put them into a treatment program or talk to their parents.

How is it going to be different now for you, pulling over a young person under the new legislation, or theoretical new legislation? Are you going to have the same tools to address that? Is it going to be worse? Is it going to be better? What would you think?

**D/Chief Mike Serr:** Do you want to take that?

**D/Commr Rick Barnum:** Sure. I think we have the potential, and the CACP has advocated for this and we've been a very clear voice for a long time, about for a ticketing scheme for young offenders and for young people. It will be nice to have the opportunity to provide a ticket, if that exists. That's one thing that would be an extra tool for us, so to speak, if you want to call it a tool.

**Mr. Colin Carrie:** Does it need to be legalized for that, or could you do it a different way under today's framework with decriminalization or something such as that?

**D/Chief Mike Serr:** It really does vary from province to province. I think it's well documented that British Columbia has a far more tolerant approach in policing marijuana. Typically, a lot of times, quite frankly, it's taken away from the youth and that's the end of it.

Certainly we want to ensure that youth cannot possess. We want to ensure that we have the authorities under certainly a provincial statute to take away the marijuana from a youth. That is our primary concern.

We also think it's important that there be a system, as my colleague stated, in regard to having an opportunity to ticket and perhaps educate. We've advocated that a monetary fine probably is not the best approach, certainly for first-time offenders, but rather, looking at something such as an online app or an online program where youth have to take a mandatory course and be educated on the dangers to persons under the age of 25.

We do need tools in order to effectively deal with it. Currently, some of our systems are just taking it away, and that is not appropriate, because I don't think the lessons are being learned and we continue to see high youth consumption. Really, what we want to see through an education program, such as we've seen with tobacco and through rigorous campaigns on tobacco, is a drop in youth consumption and consumption overall through these very active campaigns. I think we can do the same if we invest some money and if we invest the time and resources into that.

• (0945)

**Mr. Colin Carrie:** I agree with you, but we'll both maybe agree that none of that is in this bill of the federal government. It's going to be left to the provinces and territories.

The next question is for Deputy Commissioner Barnum.

I'd like to find out what you'd like to see with regard to stronger security screening on those producing and distributing. We recently had Health Canada.... There was a big recall for pesticides and fungicides.

It's interesting, even with the medical marijuana system, it appears that the government is not putting in the resources to properly inspect these facilities. Moving forward with legalized marijuana and recreational marijuana, the government isn't putting enough money into inspectors and overseeing the facilities today.

What would you like to see the federal government do with opening up the market like this?

**D/Commr Rick Barnum:** I'll perhaps share that answer with my colleague, Deputy Chief Carrique.

Firstly, I think I mentioned before, it's important to have a layered process. It's not as simple as getting a licence to grow by just having your name on a certificate, having somebody do a criminal record check and saying there's no criminal record, or, it's old, so they can have a licence. I'm not saying that's going to happen, but it's important to understand that it needs to be a layered and thorough approach, with background checks.

Again, for what we have in Ontario, I routinely permit our officers to travel around the world to check on individuals who are claiming companies from out of the country to be part of the casino system. They travel around the world to do these background checks, to make sure that what this business is supposed to be in this community, in this country...that it actually is there and they do have the staff who are working there. We do that type of regulation background check.

I think that type of approach is vital to making sure that the money that goes into these facilities to produce a legal product is legitimate and it's going back into the community legitimately.

**Mr. Colin Carrie:** Do you have confidence, though, that if the government can't deal with the medical system that they would do it with a recreational one?

**The Chair:** Your time is up.

**Mr. Colin Carrie:** Okay, I thought I could get one more question in.

**The Chair:** Well you're very good at that. We're going to give you another chance.

**Mr. Colin Carrie:** Yes, thank you.

There are lots of questions. I wish we could have more time with you.

**The Chair:** Ms. Sidhu.

**Ms. Sonia Sidhu (Brampton South, Lib.):** Thank you, Mr. Chair.

Thank you all for being here today.

My question is to the OPP. Thank you for serving 13 million people.

I did a round table in my riding. I heard very loudly that some people are accessing illegal cannabis that is laced with some dangerous drug. Imagine allowing four homegrown plants in the legal market. Wouldn't it make cannabis use a lot safer, instead of our youth taking laced drugs?

Can you comment on that?

**D/Commr Rick Barnum:** I guess if somebody were to grow their own marijuana and use it in their house for personal consumption, then they would have control of the product from the beginning to the end. That would probably be better than reaching out to somebody on the street and getting a product that they don't know. Yes, I would agree that in a perfect-world scenario that would be good.

I also would recommend that you be careful about how your home-grow is wired, how it's being ventilated, and who has access to it. Is somebody going to come in and decide they want your four plants instead of leaving them with you?

There are a lot of layers there. On the perfect nirvana where somebody is smoking their own marijuana in the privacy of their own home, there are a lot of layers before you get to that point. I think that's what we're trying to point out here.

**Ms. Sonia Sidhu:** Thank you.

Could you talk a little about the current landscape of cannabis sales in storefronts otherwise linked to organized crime?



**D/Commr Rick Barnum:** Currently in Ontario, we believe there are approximately 140 dispensaries throughout the province. As to whether they are directly related to organized crime, we haven't done the investigation in all of those communities. Many of them are in municipal policing communities. We work with our partners to try to understand the landscape.

I'll share this answer with my colleague from the organized crime committee as well. I would say there is definitely organized crime involvement, some of which we specifically know about in some of the dispensaries. To give you an exact number, I would say it would probably be 10%.

● (0950)

**Ms. Sonia Sidhu:** You also spoke about how 6,000 officers need training. Our federal government committed \$161 million for training front-line officers on how to recognize the signs and symptoms of drug-impaired driving. In the law enforcement capacity across the country, don't you think it will help to control that crime?

**D/Commr Rick Barnum:** If I got your question, you're saying the money that has been committed will help for the training...?

**Ms. Sonia Sidhu:** No. You said that 6,000 police officers need training up front. Our government has committed \$161 million for training front-line officers. Don't you think it will help in legalizing when they train the officers more on that?

**D/Commr Rick Barnum:** I believe the money will help with training our officers, but I also believe there will be more costs involved. Again, you can look at the diversity of the OPP and the geographical challenges we have to train 6,000 officers. It takes a long time to bring somebody in from a community in the far northeast or northwest to a central location to have them trained. It's expensive, and it takes us a long time. We've been rolling out naloxone for over four and a half months now to every one of our officers, and that includes a training regime. It does take a long time.

I don't think we're trying to be unreasonable or saying that it can't be accomplished. We look forward to actually doing it and working alongside, but all we're asking for is the reasonable opportunity to do it in an organized fashion that can be effective.

**Ms. Sonia Sidhu:** Thank you.

Mr. Serr, you said that youth consumption of cannabis is very much.... Everyone knows that it's a serious problem. To deal with that, we need to educate youth. What kind of education program will be needed? Can you comment on that?

**D/Chief Mike Serr:** Yes. Certainly, we need an education program that's specific to youth and resonates with youth. I would certainly look to the experts for that as far as a public messaging campaign goes. I think that's part one. Part two is that we have school liaison officers who we believe need to be trained, in addition to the training we've just talked about, in order to work with schools and educators to educate on the dangers of youth consumption and change the perceptions that are currently out there.

I think we also have to remember that we have to educate parents, because it starts at home. We have to see that the parents are understanding the concerns and dangers with regard to youth consumption. For example, we have observed that in Colorado, I believe it was, 22% of youth have obtained marijuana from their

parents, which is certainly concerning to us. That education has to extend not just to youth specifically but really to the whole community, so that we can start to change those statistics we see about youth consumption in Canada.

**The Chair:** Your time is up.

Mr. Davies, you have three minutes.

**Mr. Don Davies:** Thank you.

I understand and respect that there are different philosophical approaches to drug policy in this country, but I want to press a bit on the general idea of moving to legalization. In terms of alcohol prohibition from the thirties, if we look at what happened then, when it was illegal and prohibited, we had organized crime, illegal stills, machine guns in the streets, and thefts and break-ins and that sort of thing.

As we've moved to legalize that product, which, by the way is a dangerous product—I think we all recognize that alcohol is responsible for a lot of health problems, a lot of death, and a lot of violence—we have moved to a situation now where people can access it legally and you can home-brew your own wine and beer. I dare say that every person in this room has a liquor cabinet of some type at home. Alcohol is in the home. We're not seeing a diversion of alcohol to the black market. We're not seeing people break into houses to steal liquor on any grand scale.

My question is, why would it be any different if we simply add cannabis to that as the intoxicant that people choose? I recognize that there would be a transition period, but over time wouldn't we expect to see a very similar social rollout with cannabis? What's the difference between cannabis and alcohol and the way society has dealt with them?

● (0955)

**D/Chief Thomas Carrique:** It's interesting when we talk about pre-prohibition, because we do talk about statistics and evidence, and I don't know what evidence or statistics we have for the pre-prohibition of alcohol. It would be very interesting to learn what the crime rates were back then.

What we do know is that impaired driving by way of alcohol is the number one criminal cause of death in this country. If we are to expect that the use of cannabis may go up, that causes us great concern. It puts our communities at peril if there is even one more incident of impaired driving impaired by drug, which we know happens today. It is unknown what the combination is when you combine drugs and alcohol. We have heard all sorts of statistics from our neighbours south of the border that indicate that it has a great impact. There is up to a 28% increase in the amount of intoxication. That creates a great danger behind the wheel.

You are correct that we're not seeing as many residential break-and-enters for alcohol, but I can tell you that back 10 to 15 years ago, a primary reason for young people to break into places was to get alcohol. We all know that youth take alcohol from parents' liquor cabinets. So you're right, we really do need to concentrate on the education and the awareness of our youth, our parents, our educators, and our health care practitioners, so that we can mitigate the impact of legalizing cannabis and keep our youth as safe as possible.

**The Chair:** We're ahead of schedule, so if there's unanimous consent, we'll go for another round of four- or five-minute questions. I know Dr. Carrie is anxious to have a few more questions.

I want to compliment the panel. You give the most concise answers of any panel we've ever had, so we're ahead of schedule, partly because of that.

We're going to start off the five-minute questions with Mr. Oliver.

**Mr. John Oliver (Oakville, Lib.):** Thank you very much.

There was a suggestion that you are being rushed by the committee. If our normal committee meeting was on a day, we would have two hours of questioning and testimony, and that's exactly what's unfolding here. Thank you very much for your participation in this.

I thought I heard from one of your testimonies that there was a concern that organized crime had infiltrated the medical marijuana production facilities. My understanding is that the RCMP does quite extensive background screening for any of the applications for licensed marijuana producers for the medical system. They go back over 20 years. They look into the owners' associations, current and past. They look at the criminal intelligence that they've gathered around those applications. It includes looking at the spouse's and family members' associations over 20 years. The example I had is that if your brother-in-law owned a bar that was frequented by the Hells Angels, you could be denied a medical licence to be a producer.

I guess I'm a bit concerned by that comment you made. Do you feel the RCMP isn't doing their job adequately? Did I misunderstand your testimony? Could you elaborate on that for me, please?

**D/Chief Mike Serr:** The licensed producers we know are vetted strongly by the—

**Mr. Colin Carrie:** Point of order, Mr. Chair.

We have a guest here, Parliamentary Secretary Blair. I respect our guest very much, but throughout these meetings he's actually been leaning over, having conversations with our witnesses. It's totally inappropriate. I realize these are former colleagues of his. As I said, I do respect him. I respect the fact that he has this file as his responsibility, but if he's going to be at this committee table, he needs to stop leaning over and interfering with our witnesses. I don't know what he's saying to them, but this is at least the second time I've seen him do that, so on a point of order, Mr. Chair, I'd like you to address this right now.

**The Chair:** As a member of Parliament, he is entitled to be here. He's entitled to be at the table.

**Mr. Colin Carrie:** And, what is he doing?

**The Chair:** Well, he's at the table, and I would ask if maybe he would offer a thought on this.

**Mr. Bill Blair (Scarborough Southwest, Lib.):** Thank you, Mr. Chair. I accept the concern from the honourable member, and I'll refrain from any further conversation.

**Mr. Colin Carrie:** Thank you.

**The Chair:** Thank you.

**D/Chief Mike Serr:** To address your question, we are aware that the RCMP does fairly rigorous inspections or checks on licensed producers. One of our main concerns with the medical regime under the MMAR is the designated and personal production licences, which do not have near the same level of rigour. We do know that organized crime, without any doubt, is involved in both of those uses. That is our primary concern and why we're asking—

• (1000)

**Mr. John Oliver:** These are individuals who are given a permit to grow their own—

**D/Chief Mike Serr:** Correct.

**Mr. John Oliver:** —marijuana for medical purposes, and you have a concern. Just to be very clear, the licensed producers go through quite rigorous screening. I wanted to be clear on that.

**D/Chief Mike Serr:** Yes.

**Mr. John Oliver:** Is this legislation better than the status quo, particularly in mitigating, or at least reducing some of the access that organized crime would have to this work? Right now, it is a 100% illegal supply. It's all black market, other than the medical marijuana. I think you mentioned this, but could you say it again? Do you see any reduction in the access of organized crime to some of this market with this legislation?

**D/Chief Thomas Carrique:** There's definitely an opportunity here to impact the organized crime element related to cannabis. As we mentioned, it's a \$9-billion industry. If the cannabis act is successful and if it does result in a decrease of profit in the black market for organized crime, what we need to do as law enforcement officials is to turn our minds to where this decrease in profit... Where do they turn their attention? Do they turn their attention to other illicit drugs that present greater dangers to our community, and make them more available to our youth?

**Mr. John Oliver:** Sure, they're going to be there. There is no question.

**D/Chief Thomas Carrique:** That is something that is a policing profession—

**Mr. John Oliver:** I believe the federal government has just made an infusion of financial support to help with criminal investigations. Is that correct?

**D/Chief Thomas Carrique:** We did hear the announcement. We acknowledge that the financial announcement is going to assist with our efforts. It will be, as I stated, incumbent on us to make sure that we are thinking one step ahead of organized crime. If we do reduce this market for them, where do they turn their attention to recover those profits?

**Mr. John Oliver:** I understand.

On your capacity to be prepared for this legislation, I think we need to distinguish pretty clearly what is federal, and what is provincial, territorial, and municipal in this.

At the federal level, it's pretty clear right now. If you're under the age of 18 and you're holding less than five grams, there's no criminal charge. If you're over the age of 18 and you're holding under 30 grams, there's no criminal charge. The residential growing rules are clear as well.

At a federal level, in terms of criminal charges, it's pretty clear, is it not? It's really at the provincial and territorial level, in terms of how the ticketing and provincial applications will apply that the uncertainty arises for you. Assuming the bill is passed and goes through the legislature, you could prepare for the federal law today, could you not?

**D/Chief Mike Serr:** Assuming that there are no changes, there is a fair bit of clarity in this act that we can certainly rely on. That being said, the process for ticketing is yet to be determined. How that process will be—

**Mr. John Oliver:** Which is provincial, right?

**D/Chief Mike Serr:** There's also the federal...or the implications for a person who has between 30 and 50 grams. We still need to work with the Department of Justice and Health Canada on the application of the different laws that would fall under this act.

We have some ideas, but we certainly can't develop a full and robust training package until we really have the full picture of how this will roll out.

**The Chair:** The time is up.

Okay, Ms. Gladu. Are you going to share your time?

**Ms. Marilyn Gladu:** I'm going to share my time with Mr. Carrie.

**The Chair:** Five minutes goes very fast.

**Ms. Marilyn Gladu:** I know.

Is it any problem to you that the government, federally, has sort of downloaded most of this to the provinces to let them all figure out their own rules? You may have 13 different systems across the country. I would ask Mr. Serr.

**D/Chief Mike Serr:** We certainly have advocated that the more uniformity we can have across the country, the more it would be advantageous for us, and not only from a training perspective. Certainly, the provinces are deciding on age. This could be a complication. Some provinces having a younger age restriction could create cannabis tourism, potentially.

We would like to see that there's more of a national scope to this.

**Ms. Marilyn Gladu:** Very good.

One of the unintended consequences, or things that I found disturbing from Colorado was that in suicides among adolescents of 10 to 19 years of age, 16% of them were found to have marijuana in their systems.

Do you have any data on what the situation is in Canada, in terms of suicide, which is an epidemic among our young people? How many of them contain marijuana at death?

**D/Chief Mike Serr:** No, we don't have any specific information regarding youth suicides and the finding of THC in their systems.

• (1005)

**Ms. Marilyn Gladu:** Okay.

I will turn it over to Mr. Carrie.

**Mr. Colin Carrie:** Thank you very much.

I just wanted to put something on the record regarding this narrative about alcohol prohibition and marijuana prohibition.

The CMA was here yesterday. They said it's not the same, especially for youth and especially for brain development. My uncle, who's a police officer, asked me why we would want to legalize another substance that's going to give us problems just because we've legalized one substance, which you have rightly said is the number one cause of death in driving.

I think the status quo today is that if you pull someone over, you can take them off the road, and immediately, you can pull them off the road. Public safety is maintained. You don't need to do these swabs. You don't need to do the blood tests. You don't have to prove in court that they've been impaired.

My question is about the officers on the ground who have to take on this duty now. I was wondering if you could explain the difference between an officer who is trained in the field of sobriety testing to detect drug impairment, and a drug recognition evaluator, whom I believe is now recognized as an expert.

**Mr. John Oliver:** Mr. Chair, could I raise a point of order?

**The Chair:** Yes.

**Mr. John Oliver:** Sorry to interrupt. Impaired driving is a very important topic. It's a concern for all Canadians that we have proper control of it, but we're dealing with Bill C-45. At some point in time, in the future, we're going to have to do a clause-by-clause review of Bill C-45, which does not deal at all with impaired driving. Bill C-46 deals with all of those kinds of questions, concerns, and the training. The justice committee is dealing with that. I'm concerned that we're taking very important time away from being able to question these witnesses about Bill C-45 by directing it to Bill C-46, which is another committee's job and another bill.

I don't know whether it's a point of order, Dr. Carrie, but at the end of the day we have to do a clause-by-clause review of Bill C-45, and it's silent on this topic.

**Mr. Colin Carrie:** I really appreciate your bringing up that comment because, as a health committee, one of the things we have to address is the health and safety of Canadians. For public safety concerns, I believe it's really important that we get the opinions of the people on the ground, when they're the ones responsible for the health and safety of Canadians on the road. We have good evidence to suggest that there's one substance out there. We're talking about another substance to get their opinion on that, and I think it does fall within the scope of this study.

Thanks. I appreciate your letting me comment on that.

**Mr. Don Davies:** Briefly, to the point of order, I've struggled with the same concept that there's a separate piece of legislation dealing with the impaired driver regime, but in fairness to Dr. Carrie and all members of the committee, I believe it's companion legislation that's necessitated by this legislation. We probably wouldn't be talking about the need to amend the Criminal Code to deal with impaired driving if we were not legalizing marijuana. I wouldn't want any member of this committee to be restricted from talking about that, if they wish. I will be limiting myself to Bill C-45 as much as possible, but I do want to speak in favour of Dr. Carrie's ability to venture into that if he wants, particularly from a health point of view.

**The Chair:** This is a health committee, but we are going back and forth between justice and health issues all the way through this panel. Let's try to focus on the health issues, and we'll just continue on. Everyone has a point here, but we are dealing with justice issues. Just look at the uniforms here. Even though it's a health committee, they are interrelated.

**Mr. Colin Carrie:** There is a definite science, Mr. Chair, when we're talking about an ordinary officer who's trained in sobriety. I think all officers do get training in that, but we have drug recognition experts who we've heard are going to be absolutely necessary. If the government is going to roll this out, these experts have to be on the ground. They have to be prepared. The courts are accepting only drug recognition experts as experts in court, and now with it about to be a legal substance, there is a science behind this. There are absolutely health issues behind this, and I want to hear from our guys on the ground. They have very few of these experts available to them today.

The Prime Minister has been very adamant that this is a promise he's going to keep, and in 290 days. I want to make sure the health and safety of Canadians is addressed. These people are going to be absolutely necessary. The cost of this is also an important thing for this committee to address, because my understanding is that it could be up to \$20,000 per officer to get this training. I want to hear from the guys on the ground.

**The Chair:** Thank you for your testimony. Go ahead.

**D/Chief Mark Chatterbok:** The International Association of Chiefs of Police website lists the process for certification for DRE training. Everyone who's involved in the program has to first take the standardized field sobriety training before they attend the DRE program. Then the program itself consists of three phases. The first phase is a two-day preschool. The second phase is a seven-day classroom program with a comprehensive exam following that. Then between 60 and 90 days following phase two, the candidates attend a program in the U.S. where they have to evaluate subjects who are suspected of being impaired by drugs. My understanding is that they

must participate in at least 12 evaluations successfully in order to then get the certification.

• (1010)

**Mr. Colin Carrie:** What percentage passes, and how long does that whole process take for one officer to be trained?

**D/Chief Mark Chatterbok:** I don't have an answer to that question.

**Mr. Colin Carrie:** My understanding is that not every officer does pass this. This is a very specific training program, and my concern is that, if the government does roll this out, those officers will not be on the ground and won't have the resources to properly look after the health and safety of Canadians.

**The Chair:** You still have time.

**Mr. Colin Carrie:** Okay.

Maybe for Saskatchewan, do you have an opinion on the best way to distribute marijuana once it is legalized? What model would be easier for police to monitor?

**D/Chief Mark Chatterbok:** Specifically, you are asking in reference to which models?

**Mr. Colin Carrie:** Ontario has come up with a model. I think it's focusing on the LCBO type of model. We've seen, I think, a very good model where, for medical marijuana anyway, there's a secure mail. I don't know, and maybe your colleagues could comment on this, but my understanding is that there hasn't been a lot of diversion from secure mail. There are a lot of different models out there, and again, because of the hodgepodge that provinces are going to be faced with, one province can do it differently from another.

We've seen Ontario come out. Of course, it doesn't want to come here and be questioned on it. For police, what's the best system of distribution that will allow you to monitor and keep the safety of Canadians in mind?

**D/Chief Mark Chatterbok:** I think the best system would be one that allows us to differentiate between illicit and licit marijuana. I can't tell you exactly what that system would look like because I don't know enough about that, but certainly a system that would allow us to enforce the legislation and the regulations as well as we can.

**The Chair:** Now your time is up.

We go now to Mr. Davies.

**Mr. Don Davies:** Thanks.

Mr. Chatterbok, you mentioned, I think, if I had your testimony correct, that you felt that once Bill C-45 comes into place, investigations will increase. Can you elaborate on that? How do you think investigations are going to increase under this bill?

**D/Chief Mark Chatterbok:** I suspect that once the legislation is in place, especially the way the legislation is worded now, we're going to see an increase in complaints with respect to home-grows, specifically. As I also mentioned in opening remarks, we anticipate that we will also see increased calls for service, whether it's with respect to street robberies, break and enters, or so on, but certainly around the grow operations themselves.

**Mr. Don Davies:** Thank you.

Chief Barnum, I think you mentioned the geographical challenges. The OPP of course has the entire province of Ontario. Can you tell us a bit about the rural challenges you see that this legislation may be presenting from an enforcement point of view, provincially?

**D/Commr Rick Barnum:** From an Ontario perspective, we have 164 detachments spread across the province. Some of those detachments we access by airplane only. Members there will have to be trained as well, because it's important to recognize that our officers on Monday morning may report to their detachment, no matter where it is, and Monday afternoon may be working at an event somewhere in the province of Ontario. It's not as if we can categorize with certainly who gets training here and there; it has to be uniform throughout the province. That's a challenge for us as an organization all the time, and one that we routinely deal with, but we deal with it through specifically organized training sessions and an academy that looks after that. That would be one of our challenges.

As far as the enforcement perspective goes, again, it's important to recognize that we're in 373 communities in the province of Ontario. Some of those communities have street lights and some of them don't. Again, we're in 54 court jurisdictions. That's every court jurisdiction that exists in the province of Ontario. The OPP has a responsibility to provide evidence and to be in those court jurisdictions. Uniformity is absolutely key for our organization, as my colleague mentioned earlier. We don't want to be on the front page for making bad decisions and doing bad police work. Training is a cornerstone to making sure we do it properly. We're well positioned to deliver the training, once we know what it is, and we're well positioned to meet deadlines. We can do that and we can move resources to make sure that happens. Those would be our key concerns around that issue.

• (1015)

**Mr. Don Davies:** Thank you.

Chief Serr, I'll end with you, if I can.

In a March 2017 interview on Canada's legalization, Mario Harel, the president of the Canadian Association of Chiefs of Police, said:

We need about 2,000 drug-recognition experts to do the job properly... We have about 600 right now.

We need more training and it's going to be a long process. We have to realize that we won't have enough police officers trained by next year.

I have two quick questions. Do you concur with that? Second, it was, I think, Chief Chatterbok who talked about maybe setting up a Canadian training capacity instead of having to send Canadian officers to the States. Can you elaborate a bit on who will do that, where the money would come from, and whether that's possible?

**D/Chief Mike Serr:** As a quick answer to your questions, I do concur with Chief Harel. As for 2,000, that's a very good estimate on his part. We don't know what that exact number will be. One of our challenges is that police officers are trained and then they're also moved to different assignments, which poses an ongoing continuous challenge in training. We need a significant increase in drug recognition experts, for sure.

Part two of your question, I'm sorry....

**Mr. Don Davies:** It was on Canadian training.

**D/Chief Mike Serr:** Our concern right now is that the capacity for that availability, that training, is through the U.S. It is expensive, and currently the U.S. police agencies have a vested interest in training their members in that, which takes priority in many cases. We need a made-for-Canadian policing solution to this. We need to bring that training here, if possible, if we're going to train that many officers as quickly as possible.

**Mr. Don Davies:** Thank you.

**The Chair:** Mr. Ayoub, you have five minutes.

[Translation]

**Mr. Ramez Ayoub:** I would like your opinion on something we talked about a little earlier. Mr. Carrique, you said that there is some movement inside organized crime. If we were to draw a pie chart representing the financial resources of organized crime, for which cannabis is a source of revenue, if we reduced the part available to organized crime, could we logically loosen its hold and hurt it financially?

In your opinion, can paradigms be changed as a result of that hypothesis? You said that it will sort of shift the problem. But we have to find a solution to the problems we know. If we could see into the future, it would be good, of course. Do you have an idea where the movement would start from? I would like to hear your opinion.

[English]

**D/Chief Thomas Carrique:** You're absolutely right, sir, in that we do not avoid addressing a problem because it will shift the problem. We have to utilize systems thinking in a strategic approach to this. We just need to look at the drug usage across Canada right now. One of the great concerns that we have is obviously the use of opiates and specifically fentanyl so, as a policing profession, a lot of our efforts and attention are turned towards the use of fentanyl, and we will continue to concentrate on the distribution of fentanyl and ensure that we are spending a significant amount of time, energy, and resources in mitigating any interest that organized crime may have in expanding into that space.

We know that cocaine is a very lucrative, illicit commodity for organized crime, and that's another one that takes up a lot of our interest, a lot of our time. It's transnational as well, so there will be no shortage of illicit drugs for us to spend our time and attention on.

[Translation]

**Mr. Ramez Ayoub:** I have often heard comments from people in the streets. I am not talking about police officers, but about students, high schoolers and kids going to CEGEPs in Quebec. They tell us that they can get cannabis much more easily than cigarettes or even alcohol. Those are products that are already controlled, and have well-established standards.

How do we react? Can we identify the problem for youth, the problem that gives rise to the bill that we are working on and that we have to implement in order to protect our youth? That is where we want to do the most harm to organized crime, by depriving it of its means and its revenue as we protect our young people.

What do you think about our young people telling us that it is easier for them to get cannabis than alcohol and cigarettes?

• (1020)

[English]

**D/Chief Mike Serr:** We don't disagree that youth right now have easy access to marijuana, and that's certainly a challenge for us in law enforcement. We do believe that youth, even under a regulated model like with alcohol, will still be able to access marijuana. We're not naive to that, and that's why we believe it's so important to have a highly regulated system. It does make it more challenging for our organized crime investigators to really put some pressure on organized crime to dissuade them from selling to youth. Educating parents as well will be critically important.

Like I said, as we see Colorado, I believe it's 48% of youth have received marijuana from somebody who had purchased it legally. Again, that's why we're advocating for packaging and that the packaging describe the very strict enforcement action that can be taken on someone who essentially bootlegs marijuana. That is critically important.

Youth will always be able to access it at some point. We think, if there are home-grows, it gives them more opportunity to access it, so anything we can do to restrict and limit their opportunities will be helpful, but it's not going to be enough alone. We certainly need education like we have with tobacco in order to disrupt youth use.

[Translation]

**Mr. Ramez Ayoub:** One of the things I appreciate enormously about this current debate on the legalization of cannabis is that we are actually talking about it. We are now admitting that there is a problem and that it is with us every day. Cannabis can be obtained on the street with disturbing ease, though it is currently illegal. We were not talking about that beforehand. But the problem still existed. We were not dealing with the problems affecting young people. Education is extremely important. Parents really have a role to play, whether it is about alcohol, cigarettes or, in the future, cannabis.

I find it very interesting to be able to be brought up to date on education and regulation. Your comments are very much in tune with municipalities and community organizations. Services are being provided directly to Canadians and to schools. It is important to continue those efforts. I feel that that is the direction we are taking in terms of cannabis. The ability to be a leader in the field does Canada honour. Our young people are the main users of this drug. If we were not doing this exercise, we would be missing the opportunity to act. I

am very happy that you are dealing with these issues positively and that you are considering the possibility of eventually addressing the problem. I congratulate you for that. We will certainly be able to work together. Your comments are really being considered. Thank you.

I have no further questions.

[English]

**The Chair:** Thanks very much.

That winds up our session. On behalf of the committee, I just want to say that we have some of the best expertise in the country come to this committee, and this panel is among the best. We really appreciate your contribution. On behalf of the committee, I want to thank you all. You've done a great job of communicating your perspective and helping us understand the policing point of view.

Before I say good-bye, I want to ask a question. About an hour and a half ago, Deputy Chief Chatterbok said in his opening remarks that the amount of time our front-line officers have available to conduct proactive activities is 29%.

Can you help the committee understand what the other 71% of a police officer's time is taken up with?

**D/Chief Mark Chatterbok:** Certainly. The majority of the time would be responding to calls for service, but there's also administrative time spent on top of that, which includes preparation of occurrence reports, filling out paperwork, phoning witnesses. There's a whole host of things that would fall into the administrative part of the duties.

• (1025)

**The Chair:** Thanks very much again. It has been a pleasure.

We're going to suspend now until 10:45.

• (1025)

\_\_\_\_\_ (Pause) \_\_\_\_\_

• (1045)

**The Chair:** It being 10:45, I call our meeting back to order. This is meeting number 65 of the Standing Committee on Health, studying Bill C-45.

I'd like to welcome our panel today, and we're looking forward to hearing from you.

As individuals we have Neil Boyd, professor of criminology, Simon Fraser University. We have Christian Leuprecht, from the department of political science, Royal Military College, by video conference from Australia. I didn't realize the Royal Military College of Canada was in Australia, but that's fine with me. From the Barreau du Québec we have Paul-Matthieu Grondin, president of the Quebec bar; Luc Hervé Thibaudeau, president of the consumer protection committee; and Pascal Levesque, president of the criminal law committee. Also, from the Criminal Lawyers' Association, we have Anne London-Weinstein, former director.

I want to thank you all for coming, and we're looking forward to your contribution to our committee.

Each of the individuals will have a 10-minute opening statement, then the Barreau du Québec will have 10 minutes, and the Criminal Lawyers' Association will also have 10 minutes.

We'll start with Mr. Boyd, and after everyone makes their presentation of 10 minutes, we'll have questions.

**Professor Neil Boyd (Professor of Criminology, Simon Fraser University, As an Individual):** Thanks very much. It's an honour and a privilege to be here this morning to address the committee. I've provided the committee with a brief and I'd like to make a few additional comments and focus as well on a few points within that brief.

First, I have to say that I applaud the approach taken by the government, that of legalization of cannabis. Regulation in the interest of public health is critical. I think it's an approach that will increase our knowledge of both the harms and benefits of the use of cannabis. I'd like to echo some of the points made yesterday by Mark Ware in relation to how much we don't know and need to know, and the extent to which the data appear at times to flow in both directions. One of the great benefits of legalization is that we will be much better able to answer those kinds of questions.

I think it's also important to recognize that in many respects this is a human rights issue. Marijuana was criminalized in 1923 with the simple declaration in the House of Commons that there was a new drug in the schedule. There was no knowledge of the drug at that time, and it is now clear that, for most users in most circumstances, alcohol and tobacco are more toxic and more disabling with much greater morbidity.

We must always remember that we're speaking here of the formidable force of criminal law, and adults who use this drug do not deserve the application of the criminal sanction, nor do children or minors who use this drug. I'd add that the Narcotic Control Act passed in 1961 contained the most severe penalties for cannabis possession and distribution after 50 years of virtually no charges in relation to the drug. Between 1908 and 1961, we had approximately one thousand convictions for all drugs combined. In 1961 we passed the Narcotic Control Act after a lengthy debate about whether capital punishment would be appropriate for people who trafficked in narcotics—cannabis was one of those—and yet by 1967, more than a thousand Canadians were convicted of simple possession of cannabis alone. More than half of them went to jail. It was a period that has been described as the “get tough” period in response to cannabis, but by 1975, there were 40,000 convictions annually and jail was no longer a practical option.

My comments with respect to minimizing the harms to youth are, yes, I think the age of 18, or probably in most provinces more appropriately 19, seems reasonable, similar to that for the purchase of alcohol. I think we have to keep in mind that this isn't a drug that is actually as dangerous as alcohol, and the kinds of approaches that we take ought to be somewhat similar. At the same time, I would acknowledge that in many respects we haven't done a terribly good job of limiting, for example, the promotion of alcohol.

The age of 25 will only encourage the black market to continue, along with purchase for youth by those who are over the age of 25. I think schedule 4 needs to be broadened to include edibles and bombs, albeit ensuring that these products can be packaged in a

manner that does not lead to unintended harms, particularly to children and youth. I'd also note that subclause 62(7) gives power to the minister to refuse an applicant for involvement in production on the basis of a prior cannabis conviction. I'd argue that involvement in the current illicit trade should not be sufficient to provide a bar to entry, but rather, threats, use of force, or evidence of dishonesty from other criminal convictions all seem to be good reasons to prevent an individual from becoming involved in this industry.

I'd also suggest that the use of a dwelling for growing up to four plants may quite appropriately be subject to zoning restrictions, most probably a multi-family dwelling. Sometimes this will be through a strata, through a rental arrangement, and sometimes I think it will be done through a municipality. Again, I think that's all about public safety with respect to the growing process.

I know the distribution system is not the mandate of the federal government, but I would make the following observations. Failure to provide reasonable access through either a sufficient number of government-run stores or private dispensaries, both publicly regulated, risks continuation of the black market. I would say, too, that a medical model of use seems more helpful, more consistent with public health than a recreational model. To the extent that we can, I think we ought to be focusing on those kinds of potential benefits from cannabis use.

• (1050)

On the issue of public safety and protection, I have great difficulty in understanding the logic and practical application of clause 8 of the cannabis act, the creation of the criminal offence of possession of illicit cannabis. With the growing of up to four plants permitted, how will a determination be made that a person is in possession of illicit cannabis, and more important, why would we treat this as a crime?

With respect to clause 9, I understand the desire to restrict trade to those who follow the rules, but our approach to cannabis is much more harsh and condemnatory than our approach to tobacco and alcohol. Given the relative risk to public health of each of these drugs, that doesn't make good sense.

I go back to the point about human rights. The idea that we would pass legislation that would retain a criminal offence of possession of cannabis seems to me to be inconsistent with at least part of the logic of this. I know that the Prime Minister has repeatedly said it's about eliminating the black market and reducing access, but part of it is also about recognizing that people who have used cannabis, or who use cannabis, do not deserve the label of “criminal”.

Use economic levers to restrain the trade by all means. Civil injunctions and non-criminal fines seem appropriate. The adult use or production of cannabis, we have to remember, is no more morally offensive than the production of beer, wine, or spirits. This has to be, or ought to be at least, one of the reasons for introducing this act in the first instance.

Thanks very much.

**The Chair:** Thank you very much.

I learned today that in 1923 marijuana was declared a new drug. I didn't know that.

**Prof. Neil Boyd:** Yes, 1923.

**The Chair:** Thank you.

Now we'll go to Mr. Leuprecht from Brisbane, Australia.

• (1055)

**Dr. Christian Leuprecht (Professor, Department of Political Science, Royal Military College of Canada, As an Individual):** Thanks for the privilege of being with you today. This is a matter that's dear to my heart, and I've been following it closely.

I've submitted a brief to the committee, and I'm hoping to take you through some of the highlights from that brief.

There seems to be a bit of confounding with regard to the common logic that underpins all this. People are smoking cannabis, so we might as well just legalize it. On that premise, we might say that kids are drinking at the age of 18, so we may as well just get rid of the drinking age altogether. Some of the underpinning logic confounds me.

The medical research we have suggests that brains continue to develop until age 25. Since this development is adversely affected by smoking cannabis, generally scientifically based public policy would set the age of purchase at 25. Any other age would be entirely arbitrary.

The approach for legalizing cannabis seems to be completely inconsistent with the government's goal of reducing smoking. As you know, there is public legislation that works on plain packaging, apparently in an effort to reduce smoking, yet here, the government is quite happy to induce and encourage the Canadian population to smoke more. I'm not quite sure what exactly the difference is in terms of health consequences.

Evidence from Washington State and Colorado suggests that there are considerable costs associated with the legalization of cannabis, and that cost will largely be borne by the provinces—public health costs, social services, law enforcement, the justice system—so I think we need to cost these out. I think the expenses associated with that warrant some equalization payment from the federal government, because essentially, the federal government is legalizing cannabis largely on the backs of the provinces and provincial taxpayers.

By way of example, impaired driving cases involving drugs are less likely to be cleared by charge—59% as opposed to 71% for alcohol-impaired driving. They take longer to resolve in the court system—28% of them take more than 30 days as opposed to 16% for alcohol-related incidents. The median time for processing in court

was 227 days as opposed to 127 days for alcohol-related incidents. They are also less likely to result in a guilty verdict, so in effect, we're going to tie up already busy courts even more as a result of this legislation for impaired driving.

The rate of impaired driving incidence in 2015 was the lowest on record in 30 years of record-keeping. In roughly 72,000 incidents, young people are represented disproportionately. One in six of them were repeat offenders. About 2,700 incidents involved drug-impaired driving. That's almost double the roughly 1,400 incidents in 2009. That might simply be a function of record-keeping, but there does seem to be a suggestion that as drinking while driving declines, there is an increase in drug-impaired driving.

There were about 2,500 fatal motor vehicle accidents in 2012, of which 614, about 24%, involved drivers who tested positive for drugs. The most common drug was indeed cannabis. Another 407 involved both alcohol and drugs. In other words, cannabis is responsible for about a quarter of the fatal motor vehicle crashes in Canada. The trend seems to be positive, so this legislation will make Canada's roads less safe, and more people will die in accidents as a result of the legislation. The only way around this that I see are draconian measures in the Criminal Code to contain the problem.

Canada also risks becoming the Uruguay of North America. When Uruguay legalized cannabis, it became the epicentre of cannabis growth and export throughout South America. In Canada's case, Canada and Paraguay are the two single largest sources of origin of contraband cigarettes in a market such as Mexico. Due to Canada's relatively lax laws for growing and manufacturing, we have seen transporting streams.

In selling the product, legalizing will increase the incentive to produce the product in Canada and then export it throughout the continent, so the profit for organized crime is not just to be made in Canada but also by exploiting the favourable circumstances within Canada to manufacture the product.

The challenges around contraband tobacco suggest that the legalization of cannabis should be accompanied by creating an ombudsperson who can coordinate the law enforcement efforts among federal agencies and among federal, provincial, and local governments and agencies. In comparing contraband markets in Ontario and Quebec for cigarettes, the case of Quebec demonstrates that the impact of systematic, methodical enforcement reduces substantially the size of the illicit market while increasing tax revenue.



•(1100)

On the tax revenue side, I might add that the government is unlikely to raise the amount of tax revenue that it's hoping for. By virtue of the tax being imposed on the product, there will be by definition a contraband market for a cheaper product. Given the size and the maturity of the contraband market for cigarettes in Canada in general, and in Ontario in particular, one can reasonably infer and expect an equally outsized contraband market to persist because it will likely be run by the same people who run the illicit cigarette market. In part, some entities with licences would likely produce cannabis legally and then will have an incentive to sell the product illegally at a higher profit margin. That may possibly be what is currently motivating the Ontario government not to hand out licences to individual manufacturers.

In conclusion, I would say, "Decriminalize? Perhaps. Legalize? No."

**The Chair:** Thank you very much.

We'll move to the Barreau du Québec. I'm just not sure who's going to make the presentation.

[Translation]

**Mr. Paul-Matthieu Grondin (President of the Quebec bar, Barreau du Québec):** Mr. Chair, Vice-Chairs, and distinguished members of the committee, good morning.

Allow me to introduce myself. My name is Paul-Matthieu Grondin and I am president of the Quebec bar. On my right is Pascal Levesque, president of our criminal law committee, and, on my left, is Luc Hervé Thibaudeau, president of the consumer protection committee.

Mr. Chair, thank you for inviting the Quebec bar to share with you our position on legalizing and regulating cannabis in Canada. Without taking a position on the opportunity to legalize cannabis, the bar is generally in favour of Bill C-45, which proposes a complete system and clear measures pertaining to the production, distribution and sale of the substance.

From a public protection perspective, however, we have to focus on some major issues that deserve to be pointed out.

We must repeat the importance of the awareness, prevention and education measures, especially from a legal point of view, that are intended for the public and, more particularly for the young. In order to allow the public to make an informed choice about recreational cannabis use, it is essential to allocate funds to research in a wide variety of areas, especially in health, in sociology and, of course, in law.

We must remember that younger people use cannabis more. In fact, Statistics Canada informs us that the age group using cannabis the most is the group between 14 and 24, as you know. So young people should be the targets of awareness and prevention efforts to a greater extent.

I will now step aside to allow Mr. Levesque to talk about the system as it applies to minors, which is one of the issues that is important to the Quebec bar.

**Mr. Pascal Lévesque (President, Criminal Law Committee, Barreau du Québec):** The bill criminalizes cannabis possession more strictly for minors than for those who are of legal age. In fact, it sets a possession limit of 5 grams or less for minors, while, for those 18 and over, the limit is 30 grams or less. The Quebec bar points to the importance of not criminalizing minors for behaviour that is permitted for adults. We must remember that this is a particularly vulnerable population that must be adequately protected.

In that context, let us remember that the youth criminal justice system is different from the one for adults. It is based on the principle that moral culpability is less and it specifically emphasizes the social reintegration and rehabilitation of young people. So we must avoid submitting them to consequences that can lead to a criminal conviction. Given the importance of not criminalizing young people for simple possession below the allowed limit, we recommend in their case that possession of fewer than 30 grams of cannabis, that is between 5 and 30 grams, be decriminalized, and that it be made a ticketable offence to possess more than 5 grams and up to 30 grams.

As a ticketable offence, a fine is the most common consequence, whereas, as a criminal offence, the consequence could be imprisonment. We also mention that the system of ticketable offences established in the bill does not apply to minors. Instead, we are referred to the Youth Criminal Justice Act. The bill provides that those aged 18 or older and who commit certain offences can be prosecuted and a summons issued, at the discretion of the peace officer. Young people, who make up a particularly vulnerable population, are subject to the regular criminal process under the Youth Criminal Justice Act. We therefore consider that awareness, education and prevention are the best ways to eliminate cannabis use among the young. In fact, we must not resort to the criminal justice system in order to compensate for a prevention and education system that is inadequate.

As for the system of ticketable offences, the bill makes it possible, in certain cases, for a peace officer to issue a ticket to a person who commits an offence within the proposed legal framework. Paying the ticket means an entry in a judicial record, is not to be confused with a criminal record. The bill makes reference to a judicial record, not to a criminal record. But the concept of a judicial record is not defined in law. We wonder who is responsible for the record, when it is created, what information it contains, when that information is destroyed, who will have access to the record, and for what purposes the information will be used. It would also be wise to establish a system of sanctions for any breach of the classification obligations and use of the record.

I now yield the floor to Mr. Thibaudeau, who will provide you with information on questions on the labelling standards established in the proposed Cannabis Act, and about the sale of cannabis by the provinces.

•(1105)

[English]

**Mr. Luc Hervé Thibaudeau (President, Consumer Protection Committee, Barreau du Québec):** Thank you very much.

Good day, Mr. Chair and all members of the committee. Thank you for hearing us today.

It's undeniable for the Quebec bar that strict labelling rules will be necessary to reach the goals. There are three main goals of information, prevention, and also in many cases and especially in the cases of young people, either below 18 or below 25, dissuasion. These strict labelling rules must be set up to govern the legal framework related to cannabis, just as is being done with alcohol, and just as is being done with tobacco.

To this extent Bill C-45 provides right now for neutral packaging, what we can identify as being neutral packaging, but there are not too many details being provided at this point to inform us on what the specific conditions will be for marketing and commercialization of cannabis. We feel there is a need for strict national standards that must be established by the federal government, either by amending Bill C-45 or probably by way of bylaws and regulations that will provide us, again, with a similar framework as we're seeing right now with the tobacco legislation warnings and descriptions of contents.

We see there are already, at paragraphs 139(1)(o) and 139(1)(k), provisions in the act that provide for the establishment of regulations with respect to the strength of the cannabis that will be put on the market.

There is nothing right now concerning comestible cannabis, either ingestible food or beverages. The bill right now authorizes the provincial legislatures to regulate the distribution and sale of cannabis, but the list provided at clause 69 of the bill right now is, in our opinion, not exhaustive enough and not detailed enough to give clear indications to the provinces with respect to the framework that must surround the commercialization of cannabis. This can lead to some confusion as to what the provinces must respect when they will table or when they presently are tabling bills governing the commercialization and marketing of cannabis. All this is in a context, of course, of protecting the consumers and also protecting the producers.

Thank you.

•(1110)

**The Chair:** Thank you.

That's very good.

Now we'll go to the Criminal Lawyers' Association, Anne London-Weinstein, for 10 minutes.

**Ms. Anne London-Weinstein (Former Director, Criminal Lawyers' Association):** Good morning. Thank you very much to the chair and to the committee for inviting the Criminal Lawyers' Association to speak this morning on this very important act.

I'm a former director of the Criminal Lawyers' Association, and I'm president of the Defence Counsel Association of Ottawa. I have

been a practising criminal lawyer for almost 20 years, and am an adjunct professor at the University of Ottawa law school.

I'd like to say at the outset that the objectives and goals of this bill are laudable, those being the protection of public health and public safety by establishing strict product safety and product quality requirements and by reducing the burden that marijuana offences currently place on our criminal justice system. We know that Canada has high relative marijuana usage. We also know that there's a real likelihood that at some point young persons may experiment with marijuana. Given these two inescapable facts, it makes good sense to move toward removing the stigma associated with cannabis for Canadians.

Reading through this act, which is quite dense and detailed, one senses that while the act does eliminate many of the stigmatizing aspects of marijuana use, the drafters of the act still drew fairly heavily on the criminal law as a method to enforce regulation. In my view, it would be preferable to avoid reliance on the criminal law and criminal sanction as a method of ensuring compliance with what should be a largely regulatory piece of legislation for what should be a legal product.

We know from criminology experts like Professor Anthony Doob and Rosemary Gartner from the University of Toronto's centre for criminology and socio-legal studies that imprisonment does not deter crime any more effectively than less harsh sentences. What deters crime, we know definitively, is certainty of detection. We also know that persons who are sent to prison are not less likely to reoffend than similar people who manage to get a sentence not involving prison. Despite these findings, persons are sentenced to lengthy periods of incarceration because we are unable as a society to craft sentences that adequately reflect the seriousness of the behaviour.

We also know that children of parents who are imprisoned are more likely to end up running afoul of the law themselves. Other collateral effects of the imprisonment of a parent is the fact that children of these parents are more likely to become homeless and to live in poverty. Those are just a few of the collateral effects of the imposition of a criminal sentence and a jail sentence for possession or distribution of cannabis.

The use of the criminal law to enforce adherence to the regulations of the act also puts young persons at risk of a criminal charge. Even though it's under the YCJA, it can result in a period of closed custody. This has a serious and significant impact on a young person's life that we really need to think about seriously when we're talking about a product like marijuana, knowing that we want to discourage young people from experimenting with this drug, but knowing that in all likelihood some of them will. We want them to avoid the worst consequences of experimentation, that being drawn into the system.

As Mr. Levesque pointed out, there's an anomalous segment of the act in that an adult can actually be in possession of more dried marijuana than a child. This means that a child would actually be more vulnerable to a criminal sanction or to being caught up by the criminal law than an adult would. I suggest that this is somewhat anomalous, because an adult should be more morally culpable than a child. Even though it's clear that the act is trying to discourage children from possessing larger quantities of marijuana, making them more vulnerable to criminal sanction is not the way.

Another significant problem, in my view, exists in the structure of the ticketing provision of the act given that all discretion as to whether a person will be prosecuted under the Criminal Code or the Controlled Drugs and Substances Act, or merely given a ticket, is vested in the discretion of the police, with very few concrete guidelines in the act giving direction for how police should act, and similarly how prosecutors should exercise their discretion as to whether to proceed by indictment or whether to proceed summarily, which would result in a lesser consequence.

If the purpose of potential criminal sanction is to deter deviation from the act—in other words, to take away the black market, to eliminate organized crime, and to discourage people from acting outside of the act—a ticketing option where it's not known in advance to the public whether you'll be prosecuted under the Criminal Code criminally or whether you'll get a ticket means that the law will not be certain to people. The outcome will not be certain. That vagueness, or the uncertainty of the outcome, undermines the stated purpose of the ticketing provision and the use of the criminal law.

• (1115)

We want the law to be consistently known in order that it can be consistently followed. Vesting all of the discretion as to whether someone would get a ticket or a criminal prosecution with police, and without guidance, will result in an uneven exercise of discretion.

There's a great example in existing legislation under the YCJA today. That statute allows specific procedures relating to alternative measures for young persons. Subsection 6(1) of the YCJA directs police officers to consider whether alternative measures are appropriate. They can take no action, issue a warning or caution, or refer the young person to an appropriate program or agency. In my experience, however, reliance upon these pre-charge diversion programs varies from officer to officer. Some officers know of these provisions of the YCJA and offer them to young persons, but many do not, nor do they have any idea what criteria should be invoked to inform the decision whether to offer the diversion or not.

We can see, then, through a statute we already have, that leaving the discretion solely to the officer can result in an uneven application of the law. We also know that indigenous persons are traditionally overrepresented in the criminal justice system. An enforcement system that rests solely within the exercise of discretion, without guidance from the statute, will inevitably result in those who are traditionally overrepresented in the system continuing in that pattern.

There is also, and I believe Mr. Spratt touched on this yesterday, a potential scenario whereby an 18-year-old passing a joint to a younger teen could be exposed to a lengthy sentence as a result of providing marijuana to a young person. In relation to the factors

relating to sentence, I would note that the sentencing provisions, which are set out in subclause 15(2), describe, as an aggravating factor, being “in or near any...public place usually frequented by young persons”. There's a similar term contained in the Controlled Drugs and Substances Act.

In my view, this is an overly broad term that is going to be subject to a potential section 7 challenge. In my dealings with prosecutors who deal with this under the CDSA, they are very reluctant to take it to court and defend a constitutional challenge. In my view it's going to be vulnerable to a challenge as being overly broad. A “public place where young persons might be” can constitute just about anywhere.

I would like to point out that subclause 15(4), however, is a provision allowing a judge to adjourn sentencing in order to allow an individual to seek rehabilitation prior to sentence. This is something our judges frequently do anyway, but having it codified in the act is an encouraging sign. It's a worthwhile provision, placing an emphasis in the act on rehabilitation.

In conclusion, I'd like to say that the act is a good step forward. It has many laudable objectives, not the least of which is the protection of public health, the protection of children, and the discouragement of organized crime in drug production and supply.

Resort to the criminal sanction for product that is subject to legislative regulation, however, is always going to present challenges in maintaining proportionality, especially when it exposes young persons to the threat of criminal proceedings.

It's also unclear what effect a conviction under the ticketing system will have on travel, particularly to the U.S., on police clearance sheets, and on employment, or whether it will be considered a prior drug offence for considering other offences. Canadians who choose to plead guilty by way of sending off a ticket in the mail should be aware of the potential collateral consequences that may arise.

Thank you very much.

**The Chair:** Thank you very much to all of you for raising important issues and helping us understand your perspectives on this.

We're going to start with seven-minute rounds of questioning. We'll begin with Mr. Oliver.

**Mr. John Oliver:** Thank you very much, Mr. Chair. Thank you very much for your testimony today and for being here.

The committee's goal when we're through with testimony will be to do a clause-by-clause review of the legislation. A large part of what we're thinking about is what we're hearing. I've listened carefully to your thoughts and recommendations on where the bill is working, in your minds, and where it isn't.

There's been some questions raised at the committee table about whether the status quo is actually better than Bill C-45. I think I've heard all of you say that you support this bill, that it is better than the status quo.

Is there anyone who disagrees, who thinks that the status quo is better than this bill? You've had lots of concerns, but generally do you see it as a right step forward?

• (1120)

**Mr. Paul-Matthieu Grondin:** I'll just make a clarification on behalf of the Barreau du Québec. We don't do politics, but once a decision is made to move forward, we try to help as much as possible. That's a precision, maybe.

**Mr. John Oliver:** As I understand it, the alternative to criminal charges, then, would be the discretion of the police officer to ticket. The two areas where I think that applies would be possession between 30 to 50 grams or having three to six plants, I think. Sorry—that's four to six plants.

Are there any other areas where you think ticketing discretion might be applied? Also, do you have any advice on how the act could give better direction and better consistency to police officers? We've heard from others the concern about vulnerable populations who would perhaps be at greater risk of having the criminal charges versus ticketing.

Do you have any advice on how the act could be amended to be more responsive to that concern?

**Ms. Anne London-Weinstein:** I think the ticketing idea is a good one, as long as there are no criminal or quasi-criminal consequences. That's really what I would be concerned about: people incurring criminal consequences from a product that, in my view, should be subject to regulatory legislation governing how we deal with it.

If we are going to be dealing with a ticketing regime where an officer is going to have to decide something on a discretionary basis, I would like to see some guidelines in the act, or to the officers directly, as to how they're supposed to come to that decision, so that there's an emphasis on the purposes of the act, which is not necessarily to criminalize all contact with cannabis.

**Mr. John Oliver:** Would that be in the act or the regs?

**Ms. Anne London-Weinstein:** Possibly in the regulations, and what I would like to see are some guidelines as to how officers are to exercise their discretion, particularly in the early days of the act until they become comfortable with moving into this new regime. Obviously I don't speak for the police, but they're coming from a background of law and order where many cannabis investigations have resulted in criminal charges. It's going to be an entire sea change in the way they look at things.

**Mr. John Oliver:** There's another issue. A couple of you mentioned this issue of youth up to the age of 18 being allowed to possess only up to five grams. There could be criminal charges if they were to possess more than five. We heard from a previous witness that there shouldn't be differing rules for youth and adults, and that adults can hold 30 grams, but then the youth would be charged under the Youth Criminal Justice Act. Can you help me understand that, given that there is a different justice act to deal with them?

**Ms. Anne London-Weinstein:** Mr. Levesque, did you want to speak to that?

**Mr. Pascal Levesque:** Yes, I can answer. Please correct me if I'm wrong, Anne.

If you're charged under the Criminal Code, the normal regime would apply. If you're charged under the YCJA, the maximum punishment is still the same, but for the principles in terms of sentencing objectives it's a different paradigm for the judge. You have also some diversion measures within the YCJA, but then we have to make sure that the criteria in applying those diversion measures are at least as generous as the ones in the ticketing offences. As a matter of practice, we don't want to expose a young person to more serious consequences than an adult.

**Ms. Anne London-Weinstein:** It's really the quantum. Five grams for a young person will expose them to criminal liability, and for an adult it's 30 grams. An adult who is arguably more morally culpable is entitled to possess more; it sort of takes them further from the reach of the law. Admittedly, a young person would be prosecuted under the YCJA, but those are still real consequences for a young person, and it's important to remember that.

• (1125)

**Mr. John Oliver:** I think one or two of you mentioned edibles. If we really are looking at reducing the opportunity for organized crime to be in this space, then edibles should be a part of the legally permissible products, but we've heard from I think the people who drafted the legislation that it is very complex to bring in the edibles. There are other health and safety concerns around the production of that and how to properly set up guidelines, so that more time will be needed to get that regime in place. Then we've heard from other witnesses in other jurisdictions, such as Colorado and others, that have already done that. The guidelines are already there. There are prototypes that could be drawn on to use for this.

Do you have any thoughts on that, on other jurisdictions and the applicability of guidelines for edibles from Colorado to Canada? Does that make sense?

**Prof. Neil Boyd:** I think the experience in Colorado has effectively demonstrated that the dose can be titrated. Certainly when people think of edibles in the Canadian or North American context more broadly, they think of people eating cannabis and being subjected to highly unpredictable and sometimes very unpleasant experiences. That's not the case with edibles.

My experience in canvassing the owners of the medically oriented dispensaries in the city of Vancouver suggests that for their patients, for their clients, edibles and bombs are a large part of what they want. They don't want to consume by smoking or vaporizing. They're generally, as in Colorado, working towards a much more effective titration of dose.

**The Chair:** The time is up.

Thank you very much.

**Mr. Don Davies:** Mr. Chair, I have a point of order that I want to do now so I don't interrupt Dr. Carrie. If I understood correctly, and I apologize if I had it wrong, I heard Mr. Oliver mention that there were only two ticketable items in this bill.

Part 2 sets out the ticketable offences. There are 17 separate provisions of this bill.

**The Chair:** I don't think that's a point of order, but you can debate it when you have time.

**Mr. Don Davies:** Okay.

**Mr. John Oliver:** I actually hadn't. I knew there were two. I didn't say there were only two.

**Mr. Don Davies:** Okay, you were using them as examples.

Thanks.

**The Chair:** Okay.

Mr. Webber.

**Mr. Len Webber (Calgary Confederation, CPC):** Thank you, Chair.

Thank you all for being here today. I appreciate it.

I'll start off with Mr. Boyd.

I enjoyed your comments. Some were interesting, or most were. I tend to agree with a few items, but of course, you applaud the legislation and I certainly do not. Our Conservative caucus does not as well.

You mentioned that there is much that we don't know but we need to know. Do you feel that in 290 days when this legislation will become legal and implemented we will have had enough time to address many of the issues that are being presented to our committee here and will be addressed in the next few days?

**Prof. Neil Boyd:** You have a system in place of licensed producers for medical use. As you know, the number of users in the medical system has grown dramatically, from about 7,000 to more than 130,000. That same system could be put in place for recreational users. The products that recreational users seek are in many instances not dramatically different, not at all different, from the products that medicinal users are seeking.

That could be put in place. We might see differences across provinces. Some are alarmed, for example, at what has gone on with Ontario. I take a slightly different view. I think different provinces are going to take different approaches and that will allow consideration of best practices.

The province in which I live, British Columbia, will probably take a different approach from that undertaken in Ontario, and we might see different provinces come online at different times. One of the safeguards in terms of protecting the expansion of black market activity is that you'll have this mail-order system in place through the licensed producers. That's all going to change somewhat when provinces come online.

I see it as something that might come into place at different times in different provinces, but the mail order, with 58 licensed producers currently, should be able to be in place by July of next year.

**Mr. Len Webber:** Do you see a severe impact on organized crime with the legalization?

**Prof. Neil Boyd:** Regarding a lot of the organized crime groups that people are most concerned about, I think of organized crime as the type of crime that has acts of force or violence, threats, or corruption attached. Most of the people involved in cannabis production don't fall into that category. With the people in the Kootenays and most of the people in the city of Vancouver, it's a

very different kind of organized crime, if you want to expand it to anybody involved in that industry.

Yes, I think they're already getting out of the industry. There's some indication of that. Again, it's a question of access. If access is there for the products that consumers want and in a sufficient range in terms of geography, I don't think we're going to see organized crime. On the other hand, let's not pretend that it's going to disappear overnight. It's going to take a bit of time.

• (1130)

**Mr. Len Webber:** I personally believe it will take a heck of a long time. One reason for that is because the regulations in place right now for licensed producers are very extensive, and I agree with all of them. Licensed producers have a lot of overhead to develop their product, whereas organized crime does not. In my opinion, they can't compete with the pricing.

Do you have any thoughts on that, on the pricing between organized crime and licensed producers being equal?

**Prof. Neil Boyd:** The prices that are charged by Vancouver dispensaries are not dramatically different from the prices that are charged by the licensed producers. One could say that much of what comes out of the dispensaries is a product of organized crime, because by definition the licensed producers would lose their licences if it were known that they were supplying the dispensaries.

The price per unit of intoxication for cannabis is remarkably inexpensive. It hasn't gone up in 30 years, unlike alcohol prices. Most people don't really want the experience. People experience cannabis as youths and they tend to move away from it. Something like five dollars' worth of cannabis on the illicit market will get three people high. Good luck with alcohol, given that equation. Alcohol is simply a more desirable substance for most consumers.

**Mr. Len Webber:** A question, though, and I'm focusing on you, Mr. Boyd. You mentioned that 18 years old and 19 years old seems reasonable ages for allowing consumption and such.

Personal cultivation at home, the access that can be readily available to youth is a huge concern. You feel that maybe zoning restrictions in certain areas wouldn't allow the cultivation at home due to...?

**Prof. Neil Boyd:** I think of the quiet enjoyment of premises. I'm thinking of risk of fire if people want to install metal halide lights. That's an issue that would have to be closely regulated. Most people wouldn't want to live in multi-family dwellings that have a lot of cannabis smell going back and forth. There may be technological solutions to that problem. I've heard from some people that it's possible to grow cannabis without those sorts of intrusions and without the sorts of risks with respect to fire.

**Mr. Len Webber:** Concerns with youth having access to homegrown plants....

**Prof. Neil Boyd:** I think alcohol is a very good analogy here. We know that most young people can get access to alcohol. It's said that it's easier to get access to cannabis today than it is to get access to alcohol, so I asked my first-year students last week in class. I was curious. I would have to say that the overwhelming majority of them said, no, it's much easier to get access to alcohol.

Again, I think this is a drug that can be regulated and can be integrated into our culture. The criminalization of something that is much less harmful than some of the drugs that most of us use every day seems to me to have been a long-standing problem.

**Mr. Len Webber:** But as for the developing brains of the 18-year-olds and 19-year olds, you know that brains are developing up until the age of 25.

**Prof. Neil Boyd:** Yes. I don't think we're going to solve this problem through aggressive law enforcement. I think we're going to solve it much the same way we solved the tobacco problem, through aggressive public health education, through aggressive regulation of non-smokers' rights. To the extent that young people recognize the risks involved, they're going to be much more careful.

I come from an era in which when we used to get on planes we were asked if we wanted to be in smoking or non-smoking. I'm glad those days are behind us.

• (1135)

**The Chair:** The time is up.

Mr. Davies.

**Mr. Don Davies:** Thank you.

Whenever this bill becomes law, whether it's July 1, 2018, or not, there will be tens of thousands and maybe hundreds of thousands of Canadians who are walking around with criminal records for offences that this bill will no longer make an offence. I'm talking about simple possession.

Michael Lacy, who is the vice-president of the Criminal Lawyers' Association, said it would be very easy for the government to amend the Criminal Records Act to automatically pardon any convictions for an offence that is no longer an offence. To you, Ms. London-Weinstein, should Bill C-45 be amended to do that?

**Ms. Anne London-Weinstein:** I can't really speak to what the legislators should do or what the intention is in the act, but clearly, at some point it should be contemplated that for behaviour which is no longer criminal, it would be in the interest of all Canadians that a pardon be made more readily available.

**Mr. Don Davies:** Thank you.

The topic of edibles has come up, and in clause 7 this legislation sets out a number of goals of this bill. In fact, one of them that has been advocated repeatedly by the Prime Minister has been to get cannabis out of the hands of organized crime. I'm trying to measure this legislation to see how successful it will be in meeting that stated goal and I want to focus on edibles.

Frankly, I've heard three different positions from the government in the last day about what this bill does with edibles. I've heard them say that it will be dealt with later because there are some difficulties in issues around that. I've heard that the bill takes care of edibles now and it just could be promulgated by regulation at any time. In fact, I think that was said last night on TV by Mr. Blair. I've heard them say that it's in the works. What I do know is that schedule 4 lists the classes of cannabis that an authorized person may sell and it is restricted to dried cannabis, cannabis oil, fresh cannabis, cannabis plants, and cannabis plant seeds. This bill does not legalize edibles. We have heard that about one-third of the market—and this is the

best evidence that we have—is customers who are choosing non-smokable forms of cannabis that are edibles or concentrates in some form.

My question to you, Mr. Boyd, is this. If we leave those products—and they're a growing segment of the market—to the illicit market once we legalize these other products, will this bill meet its goal of taking those products out of the illicit market? Where will Canadians get those products from?

**Prof. Neil Boyd:** I think if edibles are not added to schedule 4, obviously you're going to risk a continuation of the illicit market. I think that's particularly regrettable because the people who want to consume edibles are often people who fall within the medical realm rather than recreational realm. I think that's something we ought to be concerned about and to be more focused on.

Again, the experience with Colorado is that they had a lot of problems to begin with in terms of packaging and so forth, so I think you have to be very careful about how it's packaged so that it doesn't fall into the hands of children. Colorado has demonstrated that the dose can be titrated, so it's actually much safer than the illicit market. One of the problems is that people who are seeking edibles in the illicit market and consuming quantities of cannabis in the illicit market are likely to overdose and have very unpleasant experiences unless this illicit market is....

Certainly over the last 40 years that hasn't been the experience of that illicit market, and in Colorado the experience has been quite different. There's been much less difficulty within the last year given the regulations that have been put in place.

**Mr. Don Davies:** Professor Boyd, you've anticipated where I was going next, because actually Colorado, Washington, and Alaska have all legalized edibles in some form now, so there's plenty of experience with best practices and the errors that have been made for us to know what those are. But from a health point of view, it was suggested that this act will legalize cannabis oil, so Canadians will be able to bake their own edibles at home. From a safety and health point of view, would it not be preferable for the government to legalize, stipulate, and regulate all of the issues around edibles than to leave it to the black market or to Canadians baking or cooking their own edibles, where you can't control concentration and you don't know exactly what's in it perhaps? The products obviously aren't labelled.

• (1140)

**Prof. Neil Boyd:** Yes, I think that's right. I have some faith in Health Canada that this will ultimately be its position, because these experiences are relatively recent. I have confidence that there will be a change in schedule 4 and that edibles will be part of the licit market. I hope I'm not wrong on that.

**Mr. Don Davies:** Mr. Boyd, you've said in your submission that mail-order access for recreational cannabis will appropriately be a critical part of the system of cannabis distribution. Canada is a geographically large country, with many remote or relatively remote communities, yet Bill C-45 does not have a permanent national e-commerce distribution system, that I can detect, in the bill. Would it be your advice that we should be looking at constructing such a national distribution system?

**Prof. Neil Boyd:** I'd have to say in some respects that the issues of e-commerce, and how we roll this out in terms of the banking system, all of that, is somewhat beyond my area of expertise, but I would agree that's going to be critical to its success. I would think that there are many small communities across the country where you're not going to have any form of retail, and there are many municipalities, too. Where I live, it's pretty clear to me that Richmond is not going to have any form of retail and Vancouver is. That's not a great bar, in terms of motivating the black market, because those municipalities are essentially adjacent to one another. But I agree with the general point, yes.

**Mr. Don Davies:** Thank you.

To the Barreau du Québec, given that those who sell tobacco to minors in Canada are not criminalized but are subjected to substantial civil fines, what is the logic of applying such extreme penalties to cannabis possession, distribution, or production?

**Mr. Pascal Levesque:** That's why we are in doubt and that's why we recommend having the same kind of philosophy toward youth—to penalize without exposing young persons to true penal consequences, namely, imprisonment.

**Mr. Don Davies:** Is that opinion shared by Ms. London-Weinstein and Professor Boyd?

**Prof. Neil Boyd:** Yes.

**Ms. Anne London-Weinstein:** Yes, but I also think that if you want to raise the overhead for organized crime, crippling fines would be one way of doing it.

**The Chair:** Thank you.

Dr. Eyolfson.

**Mr. Doug Eyolfson:** Thank you, Mr. Chair, and thank you all for coming.

Professor Leuprecht, I understand you're in Brisbane. I envy you. I was there in early August, a lovely city.

There were a couple of points you made. First of all, you said you favour decriminalization over legalization. That would have no effect on the black market, though. Would you agree that the black market would be unchanged if you simply decriminalized it but it was still illegal?

**Dr. Christian Leuprecht:** We'd still have behavioural change by virtue of decriminalization. It would have some impact on the market, but not as significant an impact.

**Mr. Doug Eyolfson:** Would you not agree that there would be more of an impact on the black market if you had legal producers so that people who wanted this product would have a legal way and a sanction-free way of obtaining it?

**Dr. Christian Leuprecht:** I guess that depends on how this goes. If we take as an analogy the cigarette market, about which I've written in great detail, we'd create different outcomes across the different provinces. I think Professor Boyd made an important point. How this is rolled out and how it is enforced in different provinces is ultimately going to determine what the black market looks like.

If you have a province that makes a concerted effort, as Quebec likely would, based on the precedent with contraband cigarettes, you're more likely to get a contained market. If you have a province such as Ontario where, currently with regard to contraband cigarettes, there's relatively little coordinated effort, we're going to get a [*Technical difficulty—Editor*]. Everything depends on the laboratory of experimentation across the 10 provinces.

• (1145)

**Mr. Doug Eyolfson:** You made a statement that a large percentage of crash victims have detectable amounts of cannabis in their systems. Was any of this correlated with the amounts, or with the level of intoxication? We've had this controversy with workplace drug-testing in the United States over the years, because the presence of detectable amounts or metabolites can persist for days or weeks after intoxication. These stats that you talked about with accidents, was this simply detectable amounts that they had consumed, or was it something correlating with intoxication?

**Dr. Christian Leuprecht:** You'll have to ask Statistics Canada how exactly those data were collected. That's why we created these data. It's true that it'll be difficult to disentangle what other drugs might have been present in that person's system, but what is irrefutable is that in those circumstances the drug that was most present consistently was cannabis. No other drug was more present than cannabis in drug-related driving occurrences.

**Mr. Doug Eyolfson:** Yes, but do we know it was drug-related if we don't know the amount or whether it was an amount that indicated intoxication? Could you call it drug-related simply because the accident victim had a detectable amount that could have been from 10 days before? Would that make it a drug-related occurrence?

**Dr. Christian Leuprecht:** The cause mechanisms would be inherently difficult to disentangle. Somebody could be particularly drunk and it's the phone that rings that ultimately happens to distract him or her from driving. Different people metabolize cannabis differently just as different people metabolize alcohol differently. I think the causal mechanism is going to be inherently difficult to discern, but I think we can all reasonably agree that driving high is probably a bad plan.

**Mr. Doug Eyolfson:** On that, we're in total agreement. What I'm saying is that the presence of it doesn't necessarily mean one is high. That's the premise of it. The presence of it in a detectable amount doesn't necessarily correlate. That was the point I was making.

Thank you.

Mr. Boyd, you talked about how there would be some concerns—you talked about zoning—when it came to growing, and that there may be people who object to this, who might not want it in a multi-family dwelling. We do know that the owners of a multi-family dwelling can ban all sorts of things as part of a rental agreement. You can ban pets, which I find very strange, but you can. In Manitoba, there are certainly some new rental property owners who are banning smoking in their rental units.

Do you foresee any difficulties should any rental property owner decide that as part of your rental agreement you cannot grow cannabis plants on your premises?

**Prof. Neil Boyd:** I don't, unless, I suppose, there is an absence of any logic, but I can think of a number of reasons as to why the owners of an apartment building might want to introduce that restriction—in terms of smoking potentially, in terms of odours, and in terms of the installation of grows. I've been told that there are some grow operations, or there's a technology that allows growing to take place in a small space with relative risk. It remains to be seen, but it strikes me that we're going to see those kinds of restrictions. We may see those kinds of restrictions by municipalities. We're certainly going to see municipalities getting into the business of restricting retail.

**Mr. Doug Eyolfson:** Certainly, yes. That is one of the concerns I've heard from realtors. They've been approaching me saying that they are concerned they might have a lot of people in their buildings growing it.

**Prof. Neil Boyd:** We know that historically there has been a problem, but of course a lot of that difficulty can be traced to the illicit nature of the trade. The kinds of problems we've seen in the real estate industry with tenanted grow ops and the like can be essentially eliminated with a legal market.

**Mr. Doug Eyolfson:** Thank you.

How much time do I have?

**The Chair:** You have 28 seconds.

**Mr. Doug Eyolfson:** I don't think I can ask a question and have a meaningful answer in 28 seconds, so thank you very much.

**The Chair:** Thank you very much.

That completes our seven-minute round. We'll go to a five-minute round, starting with Dr. Carrie.

**Mr. Colin Carrie:** Thank you very much, Mr. Chair.

I want to say that I love having lawyers as witnesses, because it seems there are so many different opinions, and with this legislation, a lot of it's not clear. One thing we are certain of, though, is that you guys are going to make millions of dollars with these court challenges and stuff. I'm looking forward to that for the profession.

I do want to correct the record, Mr. Chair. Mr. Oliver said that people have brought up that the status quo is better than this legislation. I think he might have been referencing my repeated question with regard to the Liberals' messaging in which they say the status quo is not working. I said not working, I didn't say it was necessarily better. I actually hope this legislation is better, because I think way too much marijuana is being consumed by Canadian

youth, but we'll see. I'll hold the government to account as to whether its approach is any better.

I do want to talk to Mr. Leuprecht.

One of the things you brought up was international lessons learned. I'm very much aware that Canada has signed on to three international conventions and treaties, to which, apparently, the current Liberal government hasn't given notice that we will be withdrawing. What I'm worried about is that my community is a border city, Oshawa, and we send trucks back and forth across the border. Many countries still consider this, from a federal standpoint, to be illegal, and we're seeing, especially with our American neighbours, some thickening of the border.

I'm wondering how this legislation may affect jobs and commerce internationally. I was wondering if you could comment on the fact that the Liberals seem not to have even moved forward in addressing these notices that they have to give. With Canada being out of sync with most of its trading partners, how do you think that will affect our jobs in international trade?

• (1150)

**Dr. Christian Leuprecht:** The evidence is reasonably clear. What's going to keep happening is that harder drugs tend to be imported from the United States into Canada and a good deal of the cannabis product that is being grown in Canada ends up being subsequently exported to the United States. My concern is that what we'll get is an increased export market, which might then also result in increased enforcement by the United States.

We also know that trusted shipper programs are among the preferred means by which people move things across the border, because they have the least rate of chance of interception. I think one thing the government would be well advised to do is to put together an appropriate risk management mechanism through CBSA to make sure that the trusted shipper platform isn't compromised to the extent that the Americans then decide to abandon the platform.

Let's remember, of course, that if you look at the city in which I reside, Kingston and the surrounding area, you'll see an increase in its growth of cannabis. That's because it's within six hours' drive of many of the major cities on the eastern seaboard. By virtue of geography and the fact that, as I've mentioned, much of the legislation or the penalties in Canada are much lighter than if you got caught for a similar offence in the United States, there continues to remain a big incentive to be active in this business in Canada and export to the U.S.

While it would be inherently difficult to harmonize our legislation with American legislation on this, certainly this legislation further removes the congruities between Canada and the U.S. Widening those two legislative approaches may then subsequently make life more difficult for those people who make their living moving things across the border.

**Mr. Colin Carrie:** I'm certainly worried about being out of step with our major trading partners in this regard.



You mentioned something about the cost and the burden being mostly borne by the provinces. Also, with this new legislation, issues like impaired driving would be more difficult and expensive to prosecute and less likely to get a guilty verdict. I know the Canadian Association of Chiefs of Police actually recommended the move toward decriminalization, and you mentioned that in your opening remarks, as well, as a way to move small quantities out of the criminal justice system and allow the criminal justice system to really deal with the dealers and people in organized crime.

I was wondering if you could comment in that regard. How much more difficult is it going to be now to get guilty verdicts when it's a legal product and you have to prove impairment, as opposed to just confiscating and having it illegal?

**Dr. Christian Leuprecht:** I think we heard from other witnesses that there is considerable ambiguity and discretion that law enforcement is going to be afforded, and that in itself is going to be grounds for any number of challenges. This is certainly not going to do anything to free up our courts. It's also going to create some challenges in terms of ensuring that we have consistency across the country.

This can then go one of two ways. It can be a dissuasion to lay charges in the first place, because police officers are busy people and so they might just simply decide they're not going to put the emphasis on enforcing certain provisions of the act that they think are going to tie up too many people in courts for too much time. Or it's going to mean that when in doubt you could decide to err on the side of caution and impose the maximum charge or penalty in an effort to try to establish some benchmark where you're ultimately not going to be challenged on your discretion.

I think there is concern, certainly. I have yet, among my many friends in law enforcement, to find someone who feels comfortable with this legislation.

• (1155)

**The Chair:** Your time is up.

**Mr. Colin Carrie:** Thank you.

**The Chair:** Go ahead, Mr. McKinnon.

**Mr. Ron McKinnon:** Thank you, Chair.

My question is for Professor Leuprecht. I believe you asserted a concern that legalization would produce a higher rate of impaired driving.

We have a letter here from the Governor and the Attorney General of Colorado to the Attorney General of the United States that states that the state trained approximately 5,000 peace officers on marijuana-related laws, including driving under the influence of drugs, increased by 68% the number of trained drug recognition experts in the state, and trained 1,155 peace officers in advanced roadside impaired driving enforcement. They also appropriated \$2.3 million to education.

Given the advanced capability of detecting drug impairment, in the first six months of 2017 the number of drivers who the Colorado State Patrol considered impaired by marijuana dropped 21% compared with the first six months of 2016. While I expect that the education had an effect on that, I wonder if you have any basis

for your concern regarding legalization increasing the rate of impaired driving.

**Dr. Christian Leuprecht:** Yes. I'd love to see the same rate of training and effort rolled out in Canada as was done in the United States in regard to detection and enforcement with regard to impaired driving. That's ultimately also the explanation.

In the United States, it's well known that driving under the influence is severely enforced on any number of fronts and that the penalties are very severe. As a result, I would humbly submit that there are strong endogenous constraints here because there was already a strong culture of enforcement against DUIs, in a way, where in Canada we tend to show greater latitude.

**Mr. Ron McKinnon:** Thank you.

I'd like to switch to Professor London-Weinstein.

You mentioned the lack of guidance regarding summary versus indictment. I wonder if you could elaborate on how that is done normally and what sort of guidance you might envision.

**Ms. Anne London-Weinstein:** Sure.

Just briefly in response to your earlier comment, Mr. McKinnon, our Supreme Court has recently made it easier for officers to testify as drug recognition experts without requiring a full litigation, a full voir dire, or a trial within a trial as to their qualifications. Our courts are responsive to the cases that come before them, and with proper training I don't anticipate that the legalization of cannabis is going to place additional burdens on our court systems.

In relation to the way the crown exercises discretion, that's typically done through the Attorney General. They would have policy guidelines in place that would indicate what sorts of factors contextually characterize each case that would give the crown some direction as to whether something should be simply diverted and not result in any kind of a criminal charge, whether it should be proceeded with by way of summary conviction, which is less serious, or whether there are factors that overlay the case such as a prior serious conviction or whether there is the presence of organized crime or some type of criminality that would mandate proceeding by way of indictment.

To answer your question, those guidelines would come through the Attorney General and would form part of the crown policy manual.

• (1200)

**Mr. Ron McKinnon:** Okay, but I thought you had indicated that you would like to have seen that in the act itself.

**Ms. Anne London-Weinstein:** If we're moving away from criminalization into what is essentially what I view as a regulatory model, it would be helpful to have some sorts of indicators within the statute itself as to how that discretion should be exercised.

**Mr. Ron McKinnon:** Okay.

Carrying on to a young persons' involvement with cannabis, you expressed concern about the five-milligram limit, which would activate the youth justice system.

Would you suggest that the limit should be raised, and beneath that limit have a comprehensive program or policy for confiscation, training, fines, and so forth?

**Ms. Anne London-Weinstein:** I wouldn't want the limit to be raised. I want to say that I'm a mom and a grandma, so really what I'm concerned about is kids getting caught up in the criminal justice system. I understand, by reading the act, that it is there because they don't want kids to be used by organized crime for trafficking. I don't want to overstep, but I think the intent of that section is to prevent organized crime individuals, older adults, from using kids, because the penalty would be less for kids, and they don't want kids to be dealing with large amounts of marijuana. I understand that, but I do have a concern that, since kids are most likely to be exposed to the criminal justice system at that stage, more so than adults, I wouldn't want to see their behaviour criminalized at all.

I think young people should be protected from the criminal justice system for everything except acts that are truly criminal.

**The Chair:** That's it. Time's up.

[*Translation*]

**Ms. Marilyn Gladu:** Thank you, Mr. Chair. My thanks also to the witnesses.

My question goes to Mr. Levesque and Ms. London-Weinstein. I will ask my questions in English.

[*English*]

In order to address this issue of making sure that children are not criminalized by this legislation, and to clarify what police officers should do with adults in terms of their ability to ticket or to charge, one suggestion is to make the possession amount for young children zero but have any amount of possession ticketed if they're found with something. This is to send the message that we don't want you to have it, but if you have it we're not going to criminalize it. With adults, it is to make between 30 grams and 50 grams a ticketed offence and everything above 50 grams an actual charge. To add to that, if violence factors in the 30-gram to 50-gram range, that would bump it up to a charge as well.

Would that take care of the concerns you have raised?

**Mr. Pascal Levesque:** I agree. Our position is, from five grams to 30 grams, to not have criminal consequences attached to it. To reduce it to zero, that is up to Parliament to decide, but there's an English expression, "There are many ways to skin a cat". I think what's important is that we want, from the perspective of public safety and health, to channel their habits so that they are not criminalized, yet not send the message that it's okay, necessarily. There are many ways that Parliament could choose to attain that goal.

**Ms. Anne London-Weinstein:** Those are excellent points that Mr. Levesque raises, but my concern about the ticketing provision was also echoed by him earlier. I want to know how those records are going to be kept before I endorse that position and whether they're going to affect.... Say the family is going to Florida and the young person has gotten a ticket, is that going to stop them at the border? It's that sort of thing.

**Ms. Marilyn Gladu:** Currently there is no plan in place. It's illegal federally in the U.S. People are being asked at the border if

they have smoked pot or not, and if they say, yes, then they're not allowed to go in. That's not been addressed. It's concerning, especially with only 292 days remaining before this legislation goes into effect.

At the beginning, one point of this legislation was to try to offload the many possession charges that were clogging up the courts, because that's resulting in murder trials and sex offender trials going away, but this legislation has a lot of provision for trafficking charges. Do you feel that you'll replace the overloading of possession charges with an overloading of trafficking charges?

• (1205)

**Prof. Neil Boyd:** I guess the best answer is "it depends". I would hope not. I would think that part of the rationale for this is that we're putting in place provincial systems of distribution. As I said earlier, I'm surprised to see possession of illicit cannabis as a crime, and I'm not sure how that is going to work, how it's going to be defined over time, but also production of illicit cannabis. We're allowing people to grow up to four plants, but we're going to spend a lot of time enforcing laws against.... I see this as transitional.

Some people have said this is posturing. It's meant to allay fears about this change in legislation. I have to say I'm one of those people who hopes that's the case. I want to see this go smoothly. At the same time, where I live, for example, I don't know what we're going to do about dispensaries that have failed to comply with any regulation in the city of Vancouver. How are they going to be shut down, given that we want at least some form of regulation in place? Are we going to have to use scarce police resources to do so? Will we be able to use civil injunctions and remedies of other kinds? It's unclear.

**Ms. Marilyn Gladu:** I have a question for my professor in political science down in Brisbane.

You talked about contraband, and we're making the analogy with the tobacco industry. I'm in Ontario, and my understanding is—and you can correct me if I'm wrong—that somewhere between 40% and 60% of the tobacco being sold in Ontario is actually being sold by our first nations partners, and that's because that's part of their treaty rights. In the area of cannabis, is that an opportunity for them to enter the business in a similar way?

**Dr. Christian Leuprecht:** I shall not speak, I think, on behalf of the aboriginal population and their views with regard to cannabis, but certainly, I think, it is not just the individuals on reserves who avail themselves of the opportunity not to impose taxation to create an incentive to purchase the product on reserve. There's also considerable effort to exploit some reserve jurisdictions by both legal and organized crime entities to manufacture the product and then distribute it from there, so in that sense, those communities become caught in organized crime in a much broader organized crime machine.

Given that organized crime would be happy to profit through whatever means it can through the existing pipelines, it would be difficult to imagine that there would not be a concerted effort to try to ascertain not whether but what the best means are to maximize profit by that product. It would not surprise me if the vulnerability of some first nations would be exploited by what is a prime target for organized crime the way it currently is.

**Ms. Marilyn Gladu:** Thank you.

**The Chair:** Time's up.

Mr. Ayoub.

[*Translation*]

**Mr. Ramez Ayoub:** Thank you, Mr. Chair.

Thank you all for being here today to talk about this extremely important subject. As my colleague said, I am going to use the occasion to listen to some lawyers' opinions on points of law. I am wondering about the minimum legal age.

In the relations between federal, provincial and territorial governments, there is some collegiality when the time comes to prepare legislation. The minimum age for voting is 18. Our society recognizes that, when a person is 18 years old, that person is an adult and able to make his or her own decisions, on electing a government, anyway. However, when the decision is whether to take medication, a drug, that will probably become legal, the minimum legal age is going to vary from province to province.

What is the legal view on that? Is it possible that this flexibility that the provinces have will be challenged in court, and eventually argued before the Supreme Court?

• (1210)

**Mr. Pascal Lévesque:** The Quebec bar will not be expressing an opinion on the minimum age. We are assuming that it will be 18. However, if that age goes up or down, there is the risk, as you say, that someone will challenge it on the basis of age discrimination.

The federal government and the provinces each have jurisdiction in determining a minimum age. So some kind of collaboration is necessary, if it is possible.

I know that some data suggests that we must be careful about age, but that does not automatically mean that the data absolutely proves a specific minimum age. The further we depart from the minimum age of 18, the more we increase—

**Mr. Ramez Ayoub:** We open a door.

**Mr. Pascal Lévesque:** We increase the risk of challenges a little. Whether that means that the legislation would not survive a constitutional debate is another question.

**Mr. Ramez Ayoub:** I only have five minutes, so forgive me for reining you in a little.

Let us make a comparison between cannabis and alcohol in terms of quantity. There is a legal age at which alcohol can be consumed, but there is no limit set on the quantity of alcohol that can be purchased. I am not talking about the health concerns because information exists. I am talking rather about the legal concerns. Wouldn't it be simpler to not specify quantity?

**Mr. Pascal Lévesque:** Perhaps it would be simpler, but I feel that the objective is to educate the public and make young people aware.

**Mr. Ramez Ayoub:** We have education about alcohol; we see it every day. Look at the budgets: they have increased from \$9 million to \$36 million.

Would it not be better to focus on educating parents about their children? Some medications must not be given to children under the

age of 12, but parents have those medications and can get them in pharmacies without a prescription. In smaller quantities, of course.

When we are designing legislation and we want to go into great detail, I sometimes have the impression that the meaning ends up getting lost. I understand that we want to provide protection, but sometimes it is clearer to keep things simple in order to allow the legislation to be applied better.

A little earlier, some police officers were wondering how they were going to be able to manage the quantities. Enforcing a law on the cannabis we want to legalize raises all kinds of obstacles that are philosophical rather than technical. Legally, would it not be simpler?

**Mr. Pascal Lévesque:** As I said earlier, it is one of the possibilities that exist in law.

**Mr. Ramez Ayoub:** Instead of talking about quantities in detail, could the Quebec bar not recommend something simpler? As you said, you are not political, and that's fine, but since the intention is to legalize cannabis, do you not have a recommendation along those lines?

**Mr. Paul-Mathieu Grondin:** Let me quickly answer that precise question. The number of grams is still a political question. You are talking about simplifying things, but, as you said, prevention is extremely important. In the Quebec bar's view, one thing is clear: young people should not be punished more severely than adults for the same behaviour.

**Mr. Ramez Ayoub:** We agree on that. I agree with you.

Thank you.

[*English*]

**The Chair:** We go back to Mr. Davies.

**Mr. Don Davies:** Thank you, Chair.

Professor Boyd, you're a professor of criminology. Is that correct?

**Prof. Neil Boyd:** Yes.

**Mr. Don Davies:** A previous panel of police officers were conjecturing that, were we to bring in the four-plant limit and allow home cultivation, there would be a number of deviant—I use that in a sociological sense—and criminal consequences of that. They thought that there would be diversion of cannabis to the black market and that there would be more home break-ins. They predicted increased youth access.

I'm wondering, given the similar experience in history with alcohol, if you share those concerns. Are those necessarily predictable results of moving to home cultivation?

• (1215)

**Prof. Neil Boyd:** No, they're not. I do think it's important to look at the context. If you have no retail in a province, for example, then those concerns may be valid, but as long as you have retail... I look at this as analogous to making your own wine or making your own beer. Most people don't want to do that. They'd prefer to go to the store and buy the product. I think we'll see something similar.

It's a complicated process to grow cannabis, or somewhat complicated, and the same is true with respect to beer or wine. It's a fear, but I think once you roll out a sufficient number of retail outlets and once consumers have a choice of products that they want, you're going to see some small grows. You're going to see people engaged in that. That was what the task force recommended. I think, as I said earlier, we're going to see some limits because of how and where people choose to live, in multi-family dwellings and the like. It's a concern, but only a concern should we fail to roll out the retail aspect of this.

**Mr. Don Davies:** I'm going to end with a bit of a policy philosophy question for all of you.

I'm going to start with the last line of your submission, Professor Boyd, where you said, "we should acknowledge a more general but important point: the reasons for individual use—the pursuit of pleasure and relief from pain—are not always dichotomous categorizations, but often overlapping motivations for the consumption of cannabis."

I think I've heard all of you say in some fashion that you've questioned the idea of continuing to treat cannabis in a criminal manner whatsoever, and you said C-45 still draws on criminal law, but it should be regulatory for what should be a legal product.

I think, Professor Boyd, you said cannabis doesn't deserve criminal sanction. I've heard the phrase that people who use cannabis should not be treated as criminals. You said it's inconsistent with human rights, yet Bill C-45 continues to do exactly that. It is a criminal sanction-based approach to cannabis. You can't possess more than 30 grams or you risk up to five years in jail. You can't grow more than four plants or you risk incarceration. A 19-year-old selling to a 17-year-old risks 14 years in prison.

Given that we have legalized alcohol—there are no criminal sanctions around the possession or use of alcohol—should we be taking a truly legal approach to cannabis and a purely regulatory one? Is this bill getting it right or wrong in that regard?

**Ms. Anne London-Weinstein:** I think the bill is getting it largely right.

My concern, and what I understand, is that the bill is trying to legalize cannabis use for ordinary Canadians. It also has a two-fold purpose of trying to eliminate organized crime, which until this point, because cannabis hasn't been legal, has gained a foothold. The two purposes of the act are to decriminalize it for the ordinary Canadians, and to get the criminals and organized crime out of the production and distribution of marijuana.

**Mr. Don Davies:** Why should I be criminal if I have 40 grams of cannabis? What makes that criminal, as opposed to 28 grams?

**Ms. Anne London-Weinstein:** That's an arbitrary example.

The intent of the act is to eliminate the influence of organized crime. By trying to achieve both purposes, there's going to be a slight compromise. That's what concerns me, because some of that flows into criminalizing ordinary possession.

**Mr. Don Davies:** I see.

Professor Boyd.

**Prof. Neil Boyd:** I want the act to succeed. It's a good piece of legislation. It's heading in the right direction.

I see a lot of wrong with it. I see too much criminalization. To go to the point earlier, why are we setting limits? We don't do that with alcohol. I think all of this is going to change over time, but let's first stop criminalizing people for this activity. Recognize that governments have to move slowly to allay the fears of those who are either opposed or concerned about what legislation might bring.

I would like to see the elimination of clause 8. I really don't understand the criminalization of possession of illicit cannabis. There's going to be a need to control the trade, and I'm hoping we don't have to use police presence to do that. I'm hoping that we can use a civil regulatory approach.

Ultimately, this will be regulated in much the same way as alcohol. I have no doubt that even when we take rates of use into account, there's no way that this drug is anywhere near as dangerous to public health as either alcohol or tobacco.

• (1220)

**Mr. Don Davies:** Okay, thank you.

**The Chair:** That's a great way to finish off.

Those were great questions, great answers.

On behalf of the committee, I want to thank you all for your participation and bringing your perspective to our committee. Obviously you've all done a lot of work on it. We appreciate your written briefs and your verbal presentations. We very much appreciate your contributions.

Thanks very much to all of you.

With that, I'm going to suspend the meeting. We'll reconvene at 1:45.

• (1220)

(Pause)

• (1345)

**The Chair:** All right. It's 1:45, and we'll resume our 65th meeting of the Standing Committee on Health. We're studying Bill C-45.

We welcome our guests today, those who are present and those who are here by video conference. We are looking forward to your contribution with great interest, because many of you have gone where we're about to go and can provide us with a lot of information.

We'll start with a 10-minute introduction and presentation by each presenter and then go to questions for seven minutes, then for five minutes, and then for three minutes.

First of all, I'll introduce our panellists.

We're pleased to have with us Dr. Sam Kamin, professor of marijuana law and policy at the University of Denver, appearing as an individual; from the Colorado Department of Revenue, Mr. Michael Hartman, executive director; from the National Organization for the Reform of Marijuana Laws, Marc-Boris St-Maurice, regional director, and Abigail Sampson, regional coordinator; and from the Washington State Liquor and Cannabis Board, Mr. Rick Garza, by video conference.

We're very interested to hear what you're going to have to say.

We'll start with you, Mr. Kamin. Is it Dr. Kamin?

**Dr. Sam Kamin (Professor of Marijuana Law and Policy, University of Denver, As an Individual):** Yes.

**The Chair:** Okay. If you would like to begin with a 10-minute opening statement, we'll go on from there.

**Dr. Sam Kamin:** Thank you very much.

My name is Sam Kamin and I am the Vicente Sederberg Professor of Marijuana Law and Policy at the University of Denver, Sturm College of Law. I hold a J.D. and a Ph.D. from the University of California at Berkeley and I've been teaching both constitutional and criminal law for more than 18 years.

In 2012 I was asked by Governor Hickenlooper to serve on the task force that he was appointing to implement amendment 64 that legalized marijuana for adult use in Colorado.

The next year I was appointed by California's lieutenant governor, Gavin Newsom, to serve in a similar capacity on a blue ribbon commission that he put together in California to consider best practices for marijuana regulation and legalization.

Since that time I've continued to consult with both state and local governments about marijuana regulation. I've written extensively on the interaction between state and federal law in this area, and I've taught law students courses on marijuana regulation and public policy.

Last week I submitted a brief to this committee outlining my impressions of how marijuana regulation has proceeded in Colorado. As I outlined there, I believe that Colorado has largely been successful in spite of a number of challenges. In fact, many initial opponents of legalization in our state have come to appreciate the successes of marijuana regulation there.

As you have a number of witnesses who can speak directly to the specifics of the Colorado regulatory experience, particularly to my right, I would like to use my time today to talk about what Canada can hope to learn from the American experience as it considers adopting regulations of its own to legalize and regulate marijuana for adults.

In my brief I outline five take-aways that I think Canada and this committee can take away from our experience and I'd be happy to answer any questions you have about them during that period.

First, I think it's important to understand the limits of marijuana regulation. Robust regulations, like those implemented in California and Washington, can keep organized crime out of licensed marijuana production and can help ensure that marijuana products are consistent, well-labelled, and free of contaminants. But regulation alone cannot solve all the problems currently associated with marijuana prohibition. In fact, I believe that regulating licensed businesses may be the easiest task in the legalization of marijuana, and I'll explain what I mean through an example.

The diversion of marijuana from Colorado, where it is legal, to other states where it is not, is rarely attributable to the malfeasance of businesses regulated under Colorado law. In fact, I think that there are two primary factors that are responsible for the diversion of

marijuana out of Colorado. The first is criminals who have taken advantage of the prevalence of marijuana production in Colorado to produce it there for export to other states.

This conduct is prohibited by both state and federal law and can be addressed only by law enforcement, rather than by regulatory agencies. Colorado continues to work with its partners in the federal system to ferret out illegal production of marijuana and to arrest those responsible for it.

The second principal factor in the diversion of marijuana outside of Colorado is that people are buying it lawfully within Colorado and then taking it and reselling it illegally elsewhere. Again, there is only so much that the regulatory system can do to limit this conduct. While consumers can be educated as to the applicable law, if they choose to ignore that law that is a question for law enforcement rather than regulators.

My second principal lesson from the American and Colorado regulatory experience is that it is crucial to establish relevant metrics for the evaluation of a marijuana regulatory regime and to begin measuring those as soon as possible and, in any event, prior to the implementation of regulations.

One can only know whether legalization is meeting its goals if one clearly establishes those goals in advance and has settled on the relevant measures of success. For example, Bill C-45 expresses as a principal goal a reduction in the use of marijuana by young people—though one might wonder whether moving from prohibition to regulation is the best way to reduce use.

Other harms of marijuana consumption should also be studied, including use of marijuana by vulnerable groups, heavy or problematic use by adults, and use that poses a danger to others, for example through impaired driving.

• (1350)

It is also important in this context that marijuana not be considered in a vacuum. While no one wishes to see marijuana use rise among vulnerable groups, it is important to determine whether marijuana use supplements or displaces the use of other substances such as alcohol, tobacco, and harder drugs. If teens are choosing to use marijuana over alcohol, for example, that is certainly less serious than if they are adding marijuana use to the combination of substances they are already consuming.

Furthermore, it is important to understand that changes in law enforcement practices can impact behavioural measurement in ways that may confound data analysis. For example—and we have experienced this in Colorado—if patrol officers are trained as they should be to identify the characteristics of marijuana intoxication, we can expect more arrests for driving under the influence of marijuana, whether more of that conduct is occurring or not. It may simply be that training more officers on how to do this leads to more arrests in ways that might indicate an increase in impaired driving when none is occurring.

My third principle takeaway is this. By legalizing marijuana at the federal level, Canada would create an opportunity for the provinces to adopt regulatory models that are not currently available in the United States. As long as marijuana remains prohibited by federal law in our country, the states are necessarily limited in the types of regulatory regimes they can implement.

For example, the ongoing federal prohibition makes the dispensing of marijuana by federal mail impossible in the way that Canada is able to. Similarly, it is impossible for American states to develop a state-run distribution model akin to the one used to sell alcohol in Canada and some American jurisdictions and that apparently Ontario is considering for the distribution of marijuana here.

There are many potential advantages to state control of distribution. It allows the government to control price, to easily identify the licensed purveyors, to collect all revenue rather than simply taxing it, and to control the way the product is marketed to consumers. However, because such a model would put state employees in the position of directly violating federal law, such a model would create a direct conflict between state and federal law in the United States, and no American jurisdiction has attempted to implement one.

The freedom that Canadian provinces will have in determining how and whether to regulate cannabis distribution within their territories thus presents a great opportunity. If the various provinces adopt a diverse array of regulatory models, we might be able to greatly expand our understanding of how different kinds of regulation impact consumer behaviours. We have not been able to measure that in the United States. Most of our regulatory systems look quite similar. If there were a variety of distribution models here in Canada, coupled with the modelling and metrics that I spoke about beforehand, we would be able to learn a great deal about which regulations are effective and which are not.

Fourth, it is important not to oversell the fiscal benefits that legalized marijuana can bring. It is tempting to see marijuana legalization as a double fiscal win. Less money needs to be spent on law enforcement while more money comes in from the taxation of a substance previously sold only on the black market. I believe caution is necessary with regard to both of these, for two reasons.

First, as I described above, regulating marijuana for production and sale is hardly the end of marijuana law enforcement. Steps will need to be taken to stamp out illegal production and sale in order to channel marijuana production into the licensed market. Furthermore, the costs and the ongoing costs of establishing and operating a robust marijuana regulatory regime are not to be discounted.

The second reason to be cautious about the fiscal impact of marijuana is that lawmakers should not expect game-changing revenue from marijuana taxes, particularly at first. Regulatory compliance by producers will be expensive, and in order for regulated marijuana to compete on price with the black market, tax rates will need to be kept low initially. I believe there are good reasons to move away from marijuana prohibition, but enriching state coffers is not among them.

Fifth and finally, it is important to understand that the decision to legalize and regulate marijuana rather than to prohibit it is merely the

first step along a path. Marijuana regulation is an iterative process rather than a one-time pronouncement. One of the crucial lessons Colorado and other states have learned in the last five years is that consumer behaviours change quickly in response to regulation and to market forces. Legalization will have unintended consequences, and regulators will need to be flexible and nimble in order to keep up. Patience will be needed as loopholes and other regulatory gaps are identified and closed.

I believe the experience of Colorado and other American jurisdictions indicates that this effort is worth the candle, but the process will not be without its complications and frustrations.

• (1355)

I thank you for your time this morning and for the invitation to appear before this hearing. I look forward to your questions.

**The Chair:** Thank you for your contribution.

Now, we'll go to Mr. Hartman of the Colorado Department of Revenue.

**Mr. Michael Hartman (Executive Director, Colorado Department of Revenue):** Chairman Casey, and the rest of the committee members, thank you very much for the invitation to appear today. It's an unfortunate circumstance that I have to follow Mr. Kamin, because his comments are largely reflective of the ones I will make. Hopefully, you'll view that as sufficient evidence of our agreement on many of the different trends he has indicated.

I'll start by giving you a bit of my background, which I think is a bit unusual. After I finish my presentation, if you have questions, I'd be happy to address them. I have an undergraduate degree in accounting from the University of Colorado Boulder and a masters in business administration from the University of Chicago in Chicago, Illinois. I'm a businessman by background. I'm not a lawyer; I'm not a regulator. But I bring a unique perspective from the governor's standpoint of being able to take a balanced approach in emphasizing public health and public safety at the same time and looking into the realities of what the business market requires as this industry continues to grow and become more legitimate within our state confines.

I've been in the role for a total of five weeks, so if I get some details wrong or answer a question incorrectly, I'm sure Mr. Kamin will let me know and I'll beg your forgiveness. Having said that, I will mention that I'm a quick study, otherwise I would not have accepted your invitation to come here today.

As to my background with the Department of Revenue, I'm in charge of four businesses for the state: the Colorado lottery, the division of taxation, the division of motor vehicles, and the enforcement division. The enforcement division has five specific enforcement areas: alcohol and tobacco, gaming, horse racing, automobile dealerships, and the marijuana enforcement division. For the total department, all four businesses account for approximately \$12 billion in revenue for the state, which is about 50% of the state's annual income, and the marijuana enforcement division accounts for approximately \$200 million of that \$12 billion. To emphasize Mr. Kamin's point, while this is an important industry within the state and takes up quite a bit of my time and that of my colleagues, the reality is that the economic incentives for this industry are relatively minimal.

I'll reflect on comments our governor made at the time our initial amendment was passed. We had medicinal marijuana approved via amendment 20, and our citizens had to vote on this state constitutional amendment in order to allow it. At the time, our governor was an outspoken opponent of the legalization process. Nevertheless, we had retail marijuana approved in 2012 and implemented in 2014. This was again against the governor's wishes. Two years later, his remarks would become a bit more neutral. At the time it was legalized, he would have said that the headache of implementing the necessary regulation was not worth the additional tax revenue. More recently, he has stated he believes that the experiment is actually working. The tax revenue is nice to have. Whether it justifies the work that went into creating it, we don't yet know. The people of Colorado spoke, and it was our responsibility to uphold the law they put into our constitution.

There are three segments to the marketplace in Colorado. We have what we consider the black and grey market—that's the criminal segment. We have the private citizen segment, which includes caregivers and home growing. We also have the commercially licensed regulated segment, which is the segment that falls under my marijuana enforcement division, where my expertise lies. I can speak to the other two on an anecdotal basis, but I have no expertise there. I will, however, speak to Mr. Kamin's comments that diversion largely appears to be coming from the unregulated spaces, whether from the black and grey market directly or from the private citizen segment feeding into the black and grey market. Hopefully, I can answer some questions around the limitation on plants that you have in place in the home grow market, and I will tell you I think that's a wise step if you consider going forward with legalization.

To give you a sense of the size of the market, I act as the state licensing authority for the State of Colorado, which means that any business or employee wishing to enter this space has to come through my department, the marijuana enforcement division. They have to pass an FBI background and criminal check, and they have to go through a background screening process to make sure their finances are clean and that there is not a criminal enterprise supporting them.

• (1400)

There are a total, as of September 1, 2017, of approximately 2,900 licences. Those are split relatively evenly between 1,500 licences in the medical space and 1,388 spaces in the retail space. That is a key differentiation, as I'm sure you guys are aware.

I've listed the key stakeholders that we've identified as we've gone through the different iterations of our legalization process and through our continued regulatory process. We believe, very strongly, in encouraging a collaborative process. That's true within our state; it's true outside of our state, by working with the three other states that have legalized marijuana since we came on board, and also at the federal level working with our Department of Justice and the other entities that are impacted by the states that have legalized it on a recreational basis.

In addition, and candidly and more importantly in my mind, we work very closely with the public, whether it's the operators in the space, the businesses that are running their operations; the consumers who actually go out and purchase the product; and health professionals, most importantly in my mind.

From our standpoint, the way that we look at this marketplace is that we focus on public health and public safety number one. Those absolutely have to be the key defining hallmarks. First, it's the right thing to do. Second, it has a heightened sense within our state because of the fact that it is not legalized at the federal level. Third, it's important to us to make sure that the citizens of our state are healthy and that they keep within the laws such that we don't allow them to get into trouble that they otherwise wouldn't be able to be.

The key stakeholders that we interact with on a regular basis are the state legislators. I will very clearly point out here that as an administrator of the government, I do not view it as my role or responsibility to establish the laws. Our state legislature does that, much as your body does for your country. It is my job to take the laws they establish and to interpret them and put them into effect without political bias to any extent that we can to make sure that we are upholding the will of the Colorado people as well as the Colorado legislature.

The next group that I would point to are the public health and public safety individuals. The third group would be physicians. Fourth would be legal/ law enforcement. Fifth would be the marijuana industry, and sixth would be the consumers.

The challenge for my office and for the marijuana enforcement division is to try to strike a balance between public safety and public health and commercial marketability, the ability of the businesses in the industry to operate free of the burden of an overreach of government regulation but with government regulation that's necessary to protect the public health and public safety of our people. That's always a natural balance and a natural tension that's going to exist and something that we strive for at all times.

We have a highly collaborative rule-making process. As we interpret the laws that are passed by the legislature, we very much encourage all the key stakeholders whom I mentioned on the previous slide to engage in the conversation and to give us their viewpoint so that we can very much understand exactly the key points that we have to consider when we put regulations in place.

Again, public health and public safety are our absolute main focuses. We have three operating guidelines that we've looked to in implementing regulations of the space. The first is to keep it out of the hands of minors. The second is to keep it out of the hands of criminals. The third is to keep it out of other jurisdictions.

The way that you guys are thinking about legalizing it on a federal basis, I don't know that keeping it out of other jurisdictions is germane to this conversation, but keeping it out of the hands of minors and criminals, I think, is very germane. I'm happy to answer any questions that you have on that front, particularly as it relates to protecting minors and keeping it out of their hands.

We think that having a public message department that actively goes out and advertises our concerns to the marijuana marketplace is important. On that front, we have two main messages: number one, what's good to know; and number two, what's next? The reason why we focused on those two messages is that it's important for our minors to understand what concerns and potential health complications are associated with using this product at an early age. What we have found, through market studies, in regard to what's next is that what prevents our minors from using this product illegally or inappropriately is their focus on their key goals for the rest of their life. If we can communicate those messages succinctly and importantly to our young individuals in our community, we believe that it has a strong impact on whether or not they use. We believe that the data supports the fact that the current and historical use amongst our general population and our minor population in the State of Colorado is below the U.S. average and has shown a decreasing trend over the last couple of years. We believe that supports the fact that we have a strong and thoughtful regulatory environment in place.

With that, I'll turn over the rest of the time to you guys.

• (1405)

**The Chair:** Thanks very much.

Now we'll go to the National Organization for the Reform of Marijuana Laws.

Mr. St-Maurice.

**Mr. Marc-Boris St-Maurice (Regional Director, National Organization for the Reform of Marijuana Laws):** If it pleases the committee, may my colleague present before me?

**The Chair:** Why certainly. It would please us.

**Mr. Marc-Boris St-Maurice:** Thank you.

**The Chair:** You're on.

**Ms. Abigail Sampson (Regional Coordinator, National Organization for the Reform of Marijuana Laws):** Good afternoon, Mr. Chair and other members of the committee.

My name is Abigail Sampson. I'm the Ontario regional coordinator for NORML Canada, the National Organization for the Reform of Marijuana Laws in Canada.

Since its founding in 1970, NORML's mission has been to move public opinion sufficiently to legalize the responsible use of cannabis by adults and to serve as an advocate for consumers to ensure that they have access to high-quality cannabis that is safe, convenient,

and affordable. There are now currently over 150 NORML chapters worldwide working hard in their communities to reform cannabis laws.

NORML Canada commends the government's commitment to legalizing cannabis federally and Canada's becoming the first G20 nation to regulate the production and sale of cannabis for all adults. Globally there are other jurisdictions with an existing and thriving cannabis culture whose policies, lessons, and successes we can learn from.

The following are five key considerations we wish to put forward to the committee.

Number one is stopping ongoing arrests leading up to legalization. NORML Canada says the government should immediately halt arrests for simple possession and other cannabis offences leading up to legalization in July 2018, and if someone is charged, the government should stop seeking sentences of imprisonment and focus on constructive alternatives now. Canadians should not continue receiving criminal records for a substance that will be legal in less than one year. Canada will save significant resources on policing and prosecuting these simple offences against otherwise law-abiding Canadians.

Number two is criminal penalties for non-compliance under the cannabis act. While NORML commends the government for creating a ticketing scheme for minor transgressions, the maximum penalties for a serious breach should be similar to those of the Tobacco Act in Canada. We believe that imprisonment should be reserved for only the most serious of abuses and be no greater than the penalties for tobacco and alcohol. Further, cannabis laws disproportionately target our most vulnerable populations and communities, burden our criminal justice system, and have been demonstrated to be more harmful than cannabis itself.

In terms of examples from other jurisdictions, while there are some harsher penalties for those who have committed more serious offences against the state's cannabis laws, in California the sale or delivery of cannabis by an individual over the age of 18 to individuals between the ages of 14 and 17 years carries a felony charge with a punishment of three to seven years' incarceration. By comparison, distribution of an equivalent of more than 30 grams of dried cannabis, under the proposed cannabis act, is considered an indictable offence and carries a maximum penalty of 14 years' imprisonment, far more severe and disproportionate than the harms caused by cannabis use alone. Our Le Dain commission in 1972, some 45 years ago, recommended that the federal government hybridize the trafficking of cannabis, providing a maximum of six months on summary conviction and five years on indictment.



Number three is accessible requirements for participation in the legal cannabis market, including co-operative growing. NORML Canada believes in a diverse legal cannabis landscape where community gardens, co-operatives, and designated growers can participate and compete with larger corporations. Accessible requirements for participation in the cannabis industry are key to a successful legalization strategy and must support the integration of a variety of stakeholders into the new legal cannabis market, including the expertise found in the grey or illicit space.

In terms of examples from other jurisdictions, California is one example of a jurisdiction having an inclusive transition from its existing cannabis practices into the regulated space. For close to 19 years, community gardens and co-operative growers operated outside of a regulatory scheme. Currently the text of the MCRSA, the Medical Cannabis Regulation and Safety Act, allowed these establishments the opportunity to continue to operate until January 2018, just as long as their businesses complied with zoning, local, and state requirements. This window provides them an opportunity to apply for appropriate licensing. Rather than shutting down these businesses, the good players are afforded the ability to remain open, serve their clientele, and become a part of the legalized framework.

• (1410)

Number four is pardoning past cannabis offences. NORML Canada will continue to advocate for a legal cannabis regime that allows for pardons of past cannabis-related convictions and clearly addresses the prejudice associated not only with convictions, but also cases that resulted in stays of proceedings, withdrawals and acquittals, as well as records and police databases, even if no finding of guilt ever occurred. Further, prior cannabis-related records should not bar Canadians from participating in the new legal cannabis market, including in both production and distribution.

These are some examples from other jurisdictions. In an attempt to provide reparations to Oakland residents who were jailed for offences related to cannabis possession in the last 10 years, city council has approved a program to help convicted drug felons get into the legal cannabis industry. Called the equity permit program, this “first in the nation” idea will allow recently incarcerated individuals the opportunity to receive medical cannabis industry permits. By implementing this program, Oakland is ensuring that those entering the legalized cannabis scheme have the demonstrated the experience and expertise required for running and growing a successful cannabis business. As well, it recognizes the harms done by the war on drugs by allowing those who have been affected by it through incarceration an opportunity to participate.

Number five is driving under the influence. While NORML Canada discourages driving motor vehicles or operating complex machinery while under the influence of cannabis, the government should continue to investigate the development of a fair system that targets those drivers whose ability to drive is impaired and avoids the arrest and conviction of innocent Canadians based on the mere presence of cannabinoids in one's system—a per se limit. Per se limits refer to a specific concentration of a substance, for example THC in blood or a blood alcohol concentration, or BAC, that triggers a criminal charge when the set limit or cut-off is exceeded. Per se limits, however, do not factor in impairment and may result in criminal charges for any user who exceeds the limit even if no signs

of impairment are demonstrated. Special consideration should be given to medical cannabis users who may use cannabis daily, or near daily, to manage their symptoms. It should also ensure they are not unfairly targeted or criminalized by an arbitrary nanogram level. Many will exceed this limit, but their ability to drive will not be impaired in the least due to their significant tolerance.

Here are some examples from other jurisdictions. In order to protect patients, the United Kingdom has enacted laws that allow for a medical defence if people are taking drugs, including cannabis, for medical reasons and are not impaired. The medical defence states that drivers are not guilty of per se offences if they are not impaired and meet the following conditions: the medicine was prescribed, supplied, or sold to treat a medical or dental problem, and it was taken according to the instructions given by the prescriber or the information provided with the medicine. A medical defence for a per se limit ensures that other evidence of impaired driving, rather than just the presence of THC, must be established to ensure that patients are not unfairly criminalized for simply exceeding a per se limit. Per se limits are arbitrary and especially if they are not rebuttable, they will not be in compliance with section 7 of the Canadian Charter of Rights and Freedoms.

In conclusion, by studying other jurisdictions' experiences in regulating cannabis, Canada has an opportunity to learn from their actions, integrate policies that work, and avoid the same mistakes that lead to poor policy.

Thank you.

• (1415)

**The Chair:** Thank you very much.

Now we go to Olympia, Washington, for the Washington State Liquor and Cannabis Board. Mr. Rick Garza, welcome to our committee. You have 10 minutes to give us your opening thoughts.

**Mr. Rick Garza (Director, Washington State Liquor and Cannabis Board):** Good afternoon, Mr. Chairman and members of the committee.

For the record, I'm Rick Garza, the director of the Washington State Liquor and Cannabis Board. I provided you—and I think you have a hard copy—of a presentation that I'll go through. I know I only have 10 minutes. How do you tell a story in 10 minutes for which there will be five years, essentially, of legislation in November of this year? I'll try to do it as quickly as I can.

Concerning the first objective of the agency, it's really interesting that the author of I-502 actually wrote the initiative to mimic our alcohol beverage law coming out of Prohibition in 1934.

If you go to the second slide, you'll see what our objective was. It was to create a tightly controlled and regulated cannabis market similar to what we have for alcohol. It created a three-tier system for cannabis unlike those of other states.

I want to share that whether done by referendum, initiative, or constitutional amendment, the laws that have been created in Colorado, Washington, Oregon, and Alaska have some differences.

One of them here, going back to mimic the old alcohol beverage law, was to not allow for a three-tier integration. In other words, a producer or processor of cannabis in Washington state cannot have interest, direct or indirect, financially with a retailer, and obviously vice versa. That goes back all the way back to the original alcohol beverage law, when there was concern that all the saloons before Prohibition were controlled by the largest brewers and distillers in the nation and within the state.

They actually looked at the system that was created in 1934 to draw up this cannabis law. We created licences for producer, processor, and retailer. The board also enforces laws and rules pertaining to those licensees, and as with alcohol, we collect and distribute the taxes and fees.

One of the first things we had to do was wait nine months to determine whether the federal government was going to allow us, Colorado and Washington, to move forward with this experiment. In August of 2013, what has been known as the Cole Memorandum was shared with the two states. It basically provided eight enforcement guidelines that must be met as we move forward.

I think Michael Hartman, the director from Colorado, spoke to the themes that are really most important within those guidelines. How would we prevent distribution and use by minors? How would we keep the criminal element out of our licensee base and our legal base, and how would we deal with the issue of diversion either out of the state or inverting illegal product into the legal system? I'll talk very briefly about how we did that.

Basically, in November 2012 it was legal for adults over the age of 21 to possess, as with alcohol, an ounce of usable marijuana, 16 ounces in solid form, and 72 ounces in liquid form. As I said earlier, it created a three-tier system for producer, processor, and retailer.

It also imposed a 37% retail excise tax on cannabis. When you look at the history of Washington state, you find that, whether in the case of cigarettes or of alcohol, we have some of the highest spirit taxes in the nation and also the highest cigarette taxes and have imposed a pretty high excise tax on cannabis.

One thing that I forgot to mention was that the alcohol system coming out of Prohibition for Washington state is actually modelled upon the Canadian model. We used the British Columbia model for our alcohol regulations.

It's interesting that you'll see—and I'll share with you—elements that you'll see in the new cannabis law. It also established a THC bloodstream threshold for marijuana DUIs at five nanograms; it limited the number of store locations advertising, the number of outlets—again very similar to the original alcohol laws and regulations—and then it earmarked revenue for health care, research, and education.

The first piece, with respect to the Cole Memorandum, concerns how we would keep the criminal element out of the licensing of this industry. As in Colorado, we do a criminal history investigation for all applicants. That means a fingerprint that runs through the

Washington State Patrol here and then is deposited with the Federal Bureau of Investigation to look at the applicants' criminal history not only in this state but throughout the country.

• (1420)

We also do that for any financier or investor. It goes even further than the criminal history check that we do for alcohol. So if you have any interest whatsoever, as a financier or an investor, you must also go through a criminal background check, including fingerprinting. Obviously, if you're an applicant, there's a financial background investigation that occurs, just like it would for a potential alcohol licensee. We want to know the source of the funds being used to establish the business. We want to know about the financial wherewithal of the applicant, and then there's a six-months residency requirement. Initially it was a three-months residency requirement, but it was moved up to six months.

There's also a restriction placed on the initiative that these entities, whether producers, processors, or retailers of cannabis, cannot be within a thousand feet of schools, child care centres, transit centres, game arcades, libraries, playgrounds, public parks—all obviously places where children would be present.

Then in order to deal with the issue of diversion, we have a robust and comprehensive software system that traces product from the start to sale. We call it a seed to sale system that captures any movement of product from the producer to the processor to the retailer.

How do we limit access? Just as we do for alcohol in Washington state, we do youth compliance checks. In fact, we do three of them a year per retailer. We have a compliance rate of 93% no sales to minors today. In fact, for the last two months I believe the compliance rate was 98%. That's even higher than the compliance rate for alcohol in Washington state.

We limited the number of production and retail stores. The idea of diversion and the concern of the federal government meant that we had to establish what the demand was for those more than 21 years old in Washington state, and we limited our production to that and the number of retail stores to about 500 state-wide, again using the old liquor model where until 2011 the State of Washington actually distributed and retailed spirits, as you may recall. We used that same model to set up the number of stores within the state. I talked a little bit about the possession limits earlier and, obviously, like with alcohol, there's an age restriction.

Again, another difference between us and the other states is that we don't allow for home grows for recreational or personal use, and there has been legislation since the initial initiative passed to allow for home grows. In fact, we were directed and are in the midst of looking at and bringing recommendations to a legislative committee with respect to whether home grows should be allowed. They are allowed for medical use. They're not allowed for personal use.

To let you know what the sales activity looks like, sales were \$250 million in our first fiscal year, almost \$900 million the second year, and \$1.3 billion this last July. We're averaging about \$4 million in daily sales. You can see the excise tax collections, and you can look at the revenue projections that were initially made and the projections that have come through. It's interesting. There was a fiscal note that had to be written on the initiative to determine the amount of excise tax or revenue that would be collected by the state. The estimate was zero to \$2 billion over five years, because, of course, no one knew how fast the industry would grow. If you take a look at those numbers, it looks like probably about \$1.3 billion in revenue will be collected in the first five years.

What's interesting about the initiative too is that the revenues are earmarked for social services, including health care. In fact, half of the money funds the state and federal medicaid program and then, of course, there's the general fund that is the state allocation. That gets a pretty high percentage, but you can see that there was an effort to make sure that the prevention and reduction of substance abuse was funded. The department of health has public health programs to speak to parents and youth about cannabis, and then our universities also receive funding.

Some examples of some of the funding are provided to you in the document. Substance abuse prevention and treatment is provided for all drugs, and then the department of health is given a sizeable income to be able to create a media best education campaign, similar to what was done for tobacco years ago.

● (1425)

Consumer safety was something that we didn't expect. You'll see in the slide examples of gummy bears, lollipops, and cotton candy that were being distributed on the black market and the grey market of medical...in Washington. The board actually wrote a rule. Edibles or infused products can be especially appealing to children—anything that mimics candies. Believe it or not, that was out in the marketplace, in the black and grey market of medical. We have a four-person committee here at the board that looks up all packaging, labelling, and products. Many products have been denied. Again, anything that might be appealing to children is not allowed.

As to some of the current challenges, obviously the conflict in federal law continues to be an issue. If we had time we could talk about the issues or difficulties with accessing banking services. Because of the rigorous process that we have for licensing, we've been more successful than the other states. We have four regional credit unions and state-chartered banks that have provided banking services. Typically what we'll do is that after they sign a release, we provide the licensing file to the banks, which has the criminal background check that was done and the source of funding. They often tie into our traceability system so they can see the money that's being reported and the sales that are being reported to the state, to see if that meets up with what's happening with their bank accounts.

**The Chair:** Mr. Garza, I have to ask you to wind up. You're over your limit.

**Mr. Rick Garza:** The only thing I want to add is about the whole issue of consumer safety around pesticides. Typically, we can look to the EPA, the Environmental Protection Agency, to provide us

guidance with respect to that, but that's something we continue to struggle with because of the conflict with federal law.

Mr. Chairman, I appreciate the time.

**The Chair:** Thank you very much.

Now we'll open the floor for questions. We started off with a round—

Mr. St-Maurice.

**Mr. Marc-Boris St-Maurice:** I did ask my colleague to present first, but I did not want to forgo my presentation.

**The Chair:** Oh, I'm sorry. We had you down for only one presentation.

**Mr. Marc-Boris St-Maurice:** It's very brief. It will only be three minutes.

**The Chair:** Okay. Fire away.

[*Translation*]

**Mr. Marc-Boris St-Maurice:** Thank you very much, ladies and gentlemen, members of the committee.

My name is Marc-Boris St-Maurice. I was the executive director of NORML Canada. I am also the founder of Bloc Pot, a provincial political party from Quebec that is in favour of the legalization of marijuana, and the Marijuana Party, at the federal level. I'm also running the Centre de compassion de Montréal, a cannabis dispensary. In addition, I'm a member of the Liberal Party, but that will not stop me from criticizing your bill, rest assured. I have been fighting for the legalization of marijuana for 25 years. I apologize if my remarks seem shocking to you, but it's not personal. It is my duty to criticize the bill.

First of all, it is important to recall that we are here today because activists like us took to the streets to claim their rights, fought to promote them, and were arrested. Since we are the ones who have been the most affected and concerned and we are the victims of the prohibition, you must attach significant weight to our comments. I don't want to make assumptions about your government's intentions. However, as a result of my experience in the past 25 years, I have a lot of fears about the way the government is planning to legalize cannabis.

Since I was persecuted, criminalized, incarcerated and alienated, you will forgive my mistrust. I feel directly targeted when we talk about eliminating the criminal element from the market. I am one of those criminals. Like many other Canadians, I have a criminal record that has only cannabis-related offences, nothing else. That is why I became an activist. I feel threatened when I hear that they want to remove me from the market. And when I feel threatened, I get ready to defend myself. Instead, we should be talking about how to reach out to, integrate and legitimize people like me. We should be legitimized in some way. I keep reassuring myself by saying that if the prohibition has not managed to get rid of me, legalization certainly will not.

You should draw inspiration from Oakland, California, where they allow people with cannabis-related criminal records to be the first ones to apply for a permit for the distribution or production of cannabis.

•(1430)

[English]

It's truth and reconciliation, the Oakland, California, cannabis reparation.

[Translation]

Over there, they recognize the harm caused to consumers by the authorities, they apologize and try to make amends. That's the first step toward reconciliation.

We are not organized crime either. Cannabis is more like disorganized crime. We need to create a diverse and inclusive market. What matters most to me is the right of entrepreneurs who have had experience with cannabis to be able to be involved and participate in this new industry.

The heterosexual community is not asked to manage all the shops in the gay village. The Catholic Church is not asked to manage the distribution of kosher or halal products, nor is a vegetarian asked to look after Canada's butchers association. So why put the cannabis market into the hands of people who know nothing about it?

We, the users, producers, suppliers and advocates, have created an industry and have unparalleled expertise in the matter. The loss of this expertise and knowledge would be a disaster for the new marijuana industry. The current market is so well-established and integrated that it will definitely have a role to play in the evolution of cannabis distribution. We will never be able to accept being excluded from this new industry for which we have been fighting for more than 25 years. That would be another injustice and an insult to all those who have paid the price of the fight against prohibition.

A number of producer categories will be created to allow all sorts of models to coexist in a dynamic market, which must include the people from my community. There seems to be a sort of shame, systemic guilt trip related to the pleasure that people may feel from using cannabis. Why is there shame around pot, but not alcohol? We celebrate our microbrewers and grape growers as great artisans. Fine wines, vintages and grape varieties are rightly considered fine art. We merrily toast to celebrate weddings, anniversaries and all other occasions. Yet cannabis smokers have to hide in the alley to enjoy their guilty little pleasure. Why? Most use cannabis recreationally to unwind and relax, which poses no major problems.

I'm afraid that the problem with the legalization as proposed is that we are trying to get around this cannabis-related shame with a legal model that will give the illusion of good social conscience. So we must keep in mind the majority for whom consumption poses little or no problem. Attempting to find a system that will solve the small number of problematic cases is absolutely futile.

In closing, if 100 years of prohibition have not stopped us, poorly implemented legalization certainly will not.

On that note, with all due respect, I appreciate the invitation and I am open to any questions you may have to help develop a proposal that will be fair to all Canadians.

Thank you.

[English]

**The Chair:** Thank you very much.

Now we're going to start our seven-minute question period with Ms. Sidhu.

**Ms. Sonia Sidhu:** Thank you, Mr. Chair.

Thank you for giving that valued information. I appreciate it.

My question is for Mr. Garza of the Colorado department.

My riding in Peel region is similar to many other communities across Canada when it comes to youths' use of marijuana. A Peel health report by the region of Peel in 2015 said that first-time users of marijuana increased from 5% to 11% over a two-year period. The same report said that 44% of Peel students felt it was very easy to access cannabis.

We need to take action to reduce youth use, as the present model is not working. Given your experience of cannabis legalization in Colorado and Washington, do you feel that Bill C-45 is a reasonable place to start with cannabis legalization in Canada?

•(1435)

**Mr. Michael Hartman:** Mr. Garza, do you want to take that or do you want me to start?

**Mr. Rick Garza:** Go ahead, Michael.

**Mr. Michael Hartman:** Okay, perfect. Thank you.

I don't necessarily want to speak to whether I think the place that you're starting from is the right place. I am happy to address any questions regarding our experiences in our district and the results of our regulations. Youth use is something that is very, very top of mind to us and something that we focus on very extensively.

One area where I think your proposed bill has an opportunity for improvement is that in the state of Colorado, we have appropriated \$12 million to go to youth outreach and youth education over a period of time. I believe we have approximately five million residents who live in the state, and my understanding is that Canada is substantially larger than that. In looking at the materials yesterday on the plane coming out here, I believe you have \$9 million earmarked for your entire country. That's one area of opportunity for improvement that I would point to.

Regarding our experience, as Mr. Garza mentioned, in the regulated marketplace we are very much focused on enforcement. We have underage checks, where we send our police officers, who are either associated with the marijuana enforcement division, or in conjunction with local law enforcement, to try to purchase marijuana under the age of compliance, which is 21 in the state of Colorado.

Our statistics are very similar to what Mr. Garza expressed for the State of Washington. I believe our compliance rate is 92%. I believe he said 93%, and then in recent months that it was 98%. Those are admirable numbers, and certainly I hope we have an opportunity to achieve those as well.

Where I would say we could do a better job on our end, candidly, is that on a historical basis, we haven't done enough of those checks. I believe that over the last four years, we've done something along the lines of 600 in total. Over the last two years, that's been 350 of those 600. We have started to accelerate those. We do anticipate doing more of them.

I think having strong regulatory enforcement tactics in place to address that portion of the marketplace is very, very important, in addition to the public education complement.

**Ms. Sonia Sidhu:** Okay.

Mr. Hartman, could you speak to the experience in Colorado of maintaining the medical supply after legalization for recreational use?

**Mr. Michael Hartman:** Unfortunately, I can't. The medical side is not in my purview. We do the recreational side, and we also license those who are involved in the medical side, but I can't speak to that experience.

Mr. Garza probably would be able to speak to it better than I could.

**Ms. Sonia Sidhu:** Okay.

Mr. Garza, can you—

**Mr. Michael Hartman:** Or Mr. Kamin.

**Ms. Sonia Sidhu:** Anyone can speak.

**Mr. Rick Garza:** I can speak to the youth access piece of the first question.

One of the things that we have at our schools for eighth, tenth and twelfth-graders is called a Healthy Youth Survey. It was something we were looking at after legalization. There's an obvious question in the survey that asks whether you have used in the last 30 days, and the most interesting thing that came back this last year was that there was no increase in that number. I think we expected that with legalization. I think one of the concerns was that the perception of harm had gone down and that it could be related to legalization, a belief that it's not as risky as it was. We had expected to see youth use up, especially amongst tenth-graders and eighth-graders in the survey, and in some counties we saw a decline.

One of the most obvious things is that cannabis has been around Washington among our youth and our adults for many, many years. In some instances—because I have teenagers—it was easier before legalization to get marijuana than it was to get alcohol, because it was black market or grey market medical.

It's still early, but we were pleased that we didn't see from the Healthy Youth Survey an increase in use among youth in the eighth and tenth grades .

**Mr. Michael Hartman:** If I can clarify the record, I said that we do not regulate the medical space. I apologize. That is completely wrong. I conflated that with the caregiver space, the home grow space.

In regard to our experience, we have seen that the medical space has remained more robust than I would have anticipated as a private citizen. That's not necessarily the voice of our state saying that. However, that marketplace continues to exist. One area I may point

to as to why that is the case is that we have a substantial differentiation in our tax scheme as it relates to medical use versus recreational use. Medical use is at a tax rate of 2.9%, and our recreational portion of the marketplace is at 15%.

● (1440)

**Ms. Sonia Sidhu:** Thank you.

**Dr. Sam Kamin:** May I speak to your second question with regard to the medical availability?

**Ms. Sonia Sidhu:** Sure.

**Dr. Sam Kamin:** I think both Colorado and Washington state—and Mr. Garza will correct me if I am wrong—have had a tension between the recreational and medical markets in the way that Mr. Hartman just spoke of. In Colorado there's a tax differential. You can also purchase more from a medical store; you can purchase up to two ounces at a time, and I think also significantly and problematically, you can obtain a medical recommendation and purchase medical marijuana at 18, while for recreational use it's 21.

I think as long as you have these two regulatory regimes operating in parallel, where it's more advantageous to buy in one than the other, there are going to be tensions between the two.

We've seen that, particularly in Colorado with regard to caregivers, who as Mr. Hartman mentioned are people outside the regulated market who can grow for themselves or for others, and you had instances where they were growing possibly hundreds of plants in a single location. Police would show up and they wouldn't know whether that was a wholly illegal grow or whether it was a legitimate medical grow, or whether it was somewhere in-between. Law enforcement was confused and frustrated by that tension, by that inability to know whether this was legitimate. I think that one of the real tensions in any system with both is leakage from one to the other.

**The Chair:** The time's up. I'm sorry.

Go ahead, Mr. Hartman.

**Mr. Michael Hartman:** I was also going to say that one important and critical piece that Mr. Kamin just touched on is that in Colorado we used to be able to grow, on the caregiver market, significant numbers of plants—in the hundreds—depending upon how many patients that a caregiver was growing for.

In the last legislative session we recently reduced the number of plants that can be grown in any home environment, regardless of the number of patients that are addressed, down to 12. I believe that's consistent with the number in your proposed bill of four. I think that will go a long way to help address the diversionary tactics that were in place previously, and I know that Mr. Garza spoke to the fact that they don't allow home grows for personal use in Washington state as well, for that same reason.

**The Chair:** Ms. Gladu.

**Ms. Marilyn Gladu:** Thank you. Thanks to all of our witnesses.

I'll start the questioning on the subject of growing in the home. I did note that Washington decided not to allow that, which I think was a very good decision, but they do have it for medical purposes. I was interested to hear from Mr. Kamin about the experience in Colorado on home grows with respect to police enforcement. Did they see issues? Were there other issues? What did you see in terms of increased exposure for the children?

**Dr. Sam Kamin:** As I just mentioned, I think, at least initially, it was one of the gaps in our regulatory regime and created one of the tensions. That is, you could have dozens or hundreds of plants in a home or another private property, and often this was by people who were growing the plants consistent with medical use by either themselves or people for whom they were caregivers. In some situations, it simply was not the case. As for issues you raise with regard to exposure to children, that is regulated by Colorado law. The growing has to be done in a particular way so as not to endanger children—but again, it has been one of the tensions.

**Ms. Marilyn Gladu:** Let me talk for a minute about age. I know that both of you, in Washington and Colorado, chose 21 as the age at which someone could consume cannabis. I'm interested in knowing why you chose that age and whether that was the same or different from the drinking age in your respective states. I'll start with Colorado and then go to Washington.

**Mr. Michael Hartman:** With that, I'll punt it to Mr. Kamin, because he was actively involved in that amendment process.

**Dr. Sam Kamin:** I wasn't actually involved in the amendment, but in the implementation. The Colorado initiative was titled an initiative to regulate marijuana like alcohol and very explicitly it made 21 the age, because that was the age for alcohol. As I said, there's a tension between that and our medical laws, which permit you to get a doctor's recommendation as young as 18. Around and near college campuses, that can be an issue.

**Mr. Michael Hartman:** If I may say briefly, while the legal age is 21, all of our public health messaging is around the age of 25. We feel very strongly that the brain is still developing until the age of 25 and that use of marijuana products, either on a limited basis or on a gross basis prior to the age of 25, potentially presents harmful effects, so all of our public campaign messages are around the age of 25.

• (1445)

**Ms. Marilyn Gladu:** We've heard the same thing from the Canadian Medical Association, so I think that's good public messaging.

Mr. Garza, do you want to share your experience about choosing the age of 21?

**Mr. Rick Garza:** We didn't. As the regulator, it was done by initiative. The authors, I think, did exactly what we heard was done in Colorado, which was to use the same age as the drinking age.

**Ms. Marilyn Gladu:** When it's illegal federally and you have it legal state-wise, have you seen any issues for your citizens travelling to other countries where cannabis is not legal?

**Dr. Sam Kamin:** I've seen it arise with visitors to the United States. There was a case that got some publicity recently in Colorado of a woman who was travelling to the United States to meet her boyfriend, who lived here. She lived in South America, and she was

denied entry because she admitted that she had used marijuana once on a previous trip to Colorado. Her answer was, "Well, it's legal in Colorado." The patient people at the border explained to her that under state law maybe, but in the United States it's not. Because she made that admission, she is no longer eligible to travel to the United States.

**Ms. Marilyn Gladu:** Mr. Garza, do you have anything to add?

**Mr. Rick Garza:** Nothing.

**Ms. Marilyn Gladu:** Okay, good.

Another question I had is in regard to the incidence of drug-impaired driving due to cannabis. I'm interested to hear about your experience when you first legalized cannabis and then after the public education awareness campaigns. Let's start with Colorado and then go to Washington.

**Mr. Michael Hartman:** This brings up one of the more significant points I want to impress upon you as you consider this path. I think in all states, but particularly in Colorado, because I want to speak for our jurisdiction, there is some level of disagreement as to what the statistics show. It's important, as you look at travelling down this path, that you establish the key public health metrics you want to identify and track over time. Even more important in my mind, establish who is going to be the expert in collecting that data so that you can point back to it on an unbiased, unpoliticized basis and say, "This is what's truly going on in our marketplace."

Speaking specifically to our experience, we have seen a bit of an uptick but not a significant one. It's something we're very much focused on but not something that I would say is significantly alarming at this point in time. I think it goes back to some of the comments Mr. Garza made, which is that previously, some of that data wasn't tracked, so where you see an uptick in information or an uptick in the incidence of violations, that may be a function of reporting rather than actual occurrence, and that's something to take into consideration.

Mr. Garza, I don't know if you have had a different experience.

**Mr. Rick Garza:** No, it's very similar. I think what's important is that there was no DUI nanogram threshold before legalization, and in our state, like in many of the states, medical was totally unregulated and vertically integrated, which is why it took a couple of years to bring them together last July. Now they are under one system.

There were real concerns among patients about the five nanogram limit. That's not something we placed into law; that was done in the initiative. There are many who believe that it's much too low. It's pretty clear that when it was unregulated but there was the ability for patients to grow for themselves, there were concerns about enforcement. We spoke with law enforcement after legalization. They had put their arms up in the air years ago under medical, which was passed by initiative in 1998, so it's been around for quite some time. Though unregulated, law enforcement was reluctant to go in and take people in, because there was no threshold.

It's hard to say. We haven't seen a huge increase, but I believe that there is an increase in citations, because it's being enforced in a way that it wasn't before. Now you have a five nanogram threshold. That provides law enforcement with the ability, if people don't have a medical card, or even if they do, to be able to enforce the law.

**Mr. Michael Hartman:** I think Ms. Sampson made an important point, which is that the technology isn't necessarily there on cannabis yet to differentiate between whether it's THC in the blood or cannabinoids. That's a key differentiation in that THC obviously causes impairment and cannabinoids do not. I would note to the panel that it's similar to the fact that breathalyser technology wasn't necessarily there when alcohol was legalized. It's something to take into consideration that this industry will continue to develop. The technology will continue to develop. It's one of those issues that we need to focus on in terms of public safety and public health.

• (1450)

**Ms. Marilyn Gladu:** Very good, thank you.

**Mr. Marc-Boris St-Maurice:** If I may, NORML Canada believes that the focus should be on impairment assessment training, instead of chemical detection, because right now the science does not support the levels of THC vis-à-vis the actual level of impairment. That would open up many possible legal challenges. Cannabis can be detected in the bloodstream up to 90 days after it's used. A level of cannabinoids detected in the system does not necessarily equate to a level of impairment. That would be, I think, a serious mistake and would definitely open up numerous legal challenges. Even in the past there have been cases of people accused of driving impaired with levels of cannabis who have successfully challenged those charges. Getting officers who have training in assessing impairment from cannabis and many other factors would be a much more productive policy for Canada.

**The Chair:** Thank you.

Mr. Davies.

**Mr. Don Davies:** Thank you, Mr. Chair, and thank you to the witnesses.

Mr. Kamin, if a non-U.S. citizen is seeking entry to the U.S. and they are asked and admit to having used cannabis anywhere, are they automatically inadmissible to enter the U.S., or is that at the discretion of the officer?

**Dr. Sam Kamin:** My sense is that those people are excludable but are not always excluded.

**Mr. Don Davies:** Okay. Can you give me some sort of sense of the likelihood? Are they generally excluded or are they generally admitted?

**Dr. Sam Kamin:** I don't have statistics on that. I wish I could tell you.

I know this is going to be a tension. There's an enormous border between our country and yours, and enforcement at the border in both directions will be complicated by the endeavour that you are all undertaking here. I don't have good data on how that's happening now. What I hear are individual cases of people being excluded.

**Mr. Don Davies:** Okay, thank you.

To our Colorado folks and Washington, broadly speaking, what percentage of cannabis products in your state are edibles or concentrates, non-smokable? Do you have a ballpark estimate?

**Mr. Michael Hartman:** I wish I had the stat off the top of my head, and frankly, it's one that I should. I apologize. We will follow up with the committee and make sure that we get that information to you. What I can tell you from a trend basis that what has been surprising to us has been the rising popularity of edibles in our marketplace as compared to the smokable product.

**Mr. Don Davies:** Mr. Kamin, do you have any ballpark idea?

**Dr. Sam Kamin:** I know that in the first year we were shocked by the prevalence of edible and infused products. They were initially about half. I don't know how it has changed since then, but the original regulations were really written with smokable flowers in mind. When I talked about this iterative process initially, that was one of the things where right away we had to create equivalences between smokable flowers and edible and infused products and begin regulating the appearance and labelling of edible products. It was a much bigger market segment than we anticipated, and my sense is that if you include oils and other vaporizing, it's still probably more than half.

**Mr. Michael Hartman:** I mentioned in my prepared remarks how important collaboration is to us as a state. I would also acknowledge that transparency is of equal importance to us, so we actually produce an annual report that delineates all kinds of different statistics. That is one of the statistics available in the report.

**Mr. Don Davies:** Okay, I'll check that.

Mr. Garza, approximately what percentage of product in your state is consumed as edibles, in non-smokable form?

**Mr. Rick Garza:** It's interesting that it really hasn't changed a lot over the last three years since the first retail stores opened. About 68% of what's consumed today is bud and flower. It was about 72% for the first year, and then about 12% edibles and infused products, and also the concentrates. The vaping has gone up. However, it doesn't appear to be the same experience in Colorado. It's interesting that even among medical patients we're seeing the same use, basically flower and bud. I think that's quite different from the other states.

**Mr. Don Davies:** Okay.

Regarding Colorado, I understand that after you introduced it, you had some initial issues with edibles that you subsequently had to correct with single serving and labelling of things. How is that working now? In terms of the edible market, are you able to make those products available to your citizens in a safe and properly regulated manner?

• (1455)

**Mr. Michael Hartman:** We are, and it has significantly changed from when we first rolled it out. In my prepared remarks and some of the background information you'll see pictures of packaging and information along those lines.

Candidly, when it was first rolled out and legalized, we did not have a standardized serving size. We did not have a requirement for scoring on our different edible products. You would have people who were uneducated about the marketplace coming in and consuming a cookie of this size when it was intended to be 10 different serving sizes. I don't know about you, but I enjoy cookies, and when I have them, I usually eat the whole thing. So that was obviously not well thought out in advance.

**Mr. Don Davies:** Mr. Hartman, I think it should be readily apparent that I enjoy cookies.

I'm going to stop you there if I could for just a moment.

**Mr. Michael Hartman:** Sure. No problem.

**Mr. Don Davies:** Mr. Kamin, in the text of your submission you wrote:

First, it's important to realize that for any regulatory regime to work, as much marijuana production as possible must be funnelled into the licensed and regulated market.

Would that include edibles and concentrates?

**Dr. Sam Kamin:** Yes.

I think that's absolutely right. I want to be clear about what that meant. Of the production, as much must be channelled. The goal is to get as much as possible.

**Mr. Don Davies:** Yes, I understand.

**Dr. Sam Kamin:** I think that's absolutely right. We had controversy about whether we should allow high potency oils, things that are 90 plus percent THC. People sort of recoil from that number.

Ultimately, we ended up not banning those products, as some states have. In part, this was because we were concerned that if they weren't available on the legal market, they would be available on the black market, and producing them on the black market, using butane or other extraction formats, was leading to explosions all over

Colorado. The idea was to make that product available and to require people to use expensive CO2 extraction, instead of a more dangerous product at home.

**Mr. Don Davies:** You've anticipated where I'm going. Has the legalization of those products in your view helped reduce the black market?

**Dr. Sam Kamin:** I think it absolutely has. I think that being able to buy sort of predictable products that are tested for both potency and contaminants greatly reduces a number of the potential harms.

**Mr. Don Davies:** Mr. St-Maurice, I have a few moments left.

You said that badly managed legislation would be problematic, and I agree with you. What do you see as the flaws in Bill C-45?

**Mr. Marc-Boris St-Maurice:** The primary flaw in my opinion is the requirement of having no criminal record, specifically in regard to cannabis. Excluding people who have previously been arrested for cannabis is excluding the majority of members of the population who are interested and involved in this market. If we want to eliminate the black market, we don't want to do that by trying to brush them under the carpet, which is what we've been doing for 100 years. It hasn't worked. We need to integrate them.

We need to find a place in this new market for them to be able to do it, and do it according to regulation. These people don't want to be criminals. They want to be part of society. This is exactly what the whole fight for legalization is about, to legitimize these people.

We find ourselves banging at the gates of the palace door. In being legalized, we actually end up excluded and pushed further back into the black market. We need some sort of reconciliation or reparation, and we need room for those people to be able to be involved. They are good people. We're not talking about organized crime here. We're talking about mom and pop people who do it out of a passion for the product, people who know the clientele, know the product, and can do an excellent job.

I think the government is losing out on an enormous amount of resources and human capital by excluding these people off the bat. Who are the people? These people are only criminals because it's illegal. Once it's legalized, technically, they're not criminals. If you decided to use cannabis before legalization, you're out, but if you decide to use it the day after, suddenly, you're in.

It's paradoxical and nonsensical, in my opinion.

**The Chair:** Thank you very much.

Mr. Oliver.

**Mr. Rick Garza:** Mr. Chairman, if I may, I wanted to add that we do have a point system in Washington with respect to someone's criminal background. We're looking for an egregious pattern of illegal activity or criminal activity. We have that same point system for licensees for alcohol. I think, to the gentleman's point, there is an effort to take a look at that record. A felony that happened before the last 10 years.... We look individually at each applicant.



I think we want to respect and recognize the issue that he just spoke of, which is that you are trying to bring the black market out and make them legal. I didn't want to suggest in my remarks that we don't allow any criminal activity or any record. We have a point system. Again, we're looking for a pattern of criminal activity over a period of time.

Thank you.

•(1500)

**The Chair:** Thank you.

Mr. Oliver.

**Mr. John Oliver:** Thank you very much, and thank you very much for your testimony.

I have in front of me a letter from the State of Colorado to the Honourable Jefferson Sessions dealing with, I think, some questions that were obviously asked of you. One of the points that really jumped out at me was that the most recent national survey on drug use and health showed that between 2013-14 and 2015-16, the period in which adult use marijuana business opened their doors, youth marijuana use declined by 12%. I contrast that to the Canadian experience during that exact same timeframe when it increased by 1%, and slightly more amongst female users.

I guess there are three potential factors in here. One that I also see in the letter is that \$22 million in marijuana tax revenue was appropriated for use in public education campaigns. You're clearly doing more on public education. There are strong regulatory provisions governing marijuana sales to youth, including age verification, and prohibitions on advertising packaging and whatnot that would be attractive to youth. Then, presumably, there is the exclusion of, or more restrictions on the black market providers.

I know it's probably all three that have made a difference in those youth utilization rates. Do you have any sense if there was a magic bullet in those three, one that you really felt was effective in stopping youth use of marijuana?

**Mr. Michael Hartman:** I wish I could give you a stronger answer. Unfortunately, I do not.

**Dr. Sam Kamin:** Yes, I would say the same.

I think it would be unexpected to hope that youth usage rates drop significantly as a result of legalization. Regulation will mean greater availability, it will mean that it's taken out of the black market, and the black market is hopefully destroyed, so—

**Mr. John Oliver:** Just on the black market, I heard you say, in answer to Mr. Davies' question, that the black market was reduced. Do you have any sense of the proportion? It was obviously 100% before legalization.

**Dr. Sam Kamin:** Yes, and I know they did a good study of this in Washington, so that's the picture—

**Mr. Michael Hartman:** Yes.

Briefly, if I may say, before I turn it over to Washington, in 2014 we had a demand study that was issued and at the time it showed that 70% of the market demand in the State of Colorado was being supplied by the regulated marketplace. We are in the process of having that study updated. It should be issued here in the next few

months. I anticipate that you will see a significant increase in what that percentage is. I don't have any data to support that; it's just a function of the anecdotal evidence I've seen in the marketplace.

**Mr. John Oliver:** In Washington do you have any sense of the proportion of the black market that's been displaced?

**Mr. Rick Garza:** There are those who are reporting some of that information, but we have not looked at that.

We had assumed, after the first year, that we would be somewhere between 5% and 13% of the marketplace. Right now, at \$1.3 billion in the third fiscal year, that's much larger than we anticipated. We'll be looking at that.

I would take a guess that we're maybe somewhere about 50% to 65% of the marketplace.

**Mr. John Oliver:** Okay, thanks.

In terms of edibles, in the current drafting of the Canadian legislation these are not permitted as a legal substance. Part of the rationale for that was the lessons learned from Colorado, I think, that when you launched it there were problems with it. I think you referenced some of those and the lesson was to take it slowly and to deal with the truer products first before you get into the manufactured marijuana.

With the work you've done on this now, is there not a body of evidence or good public health information from your work in Colorado that Canada could borrow or lean on to properly license the use of edibles?

**Mr. Michael Hartman:** Yes, certainly I would say that we have a robust amount of data and learnings that we can and have shared with your regulatory infrastructure that's looking at rolling this out from the medical side to the recreational side. Anything that's available we'd be more than happy to collaborate with you on.

**Dr. Sam Kamin:** I think Colorado has definitely come up with some best practices, and Washington state as well. Resealable packaging, non-transparent packaging, with clear portion sizes and maximum THC per package markings on the individual pieces so they remain identifiable as marijuana even when they're outside of a package, all of those help mitigate the risks. It's for all of you to decide whether they mitigate them far enough that they ought to be permitted, but I think our experience and the American experience is certainly that we have learned how to mitigate those risks.

•(1505)

**Mr. Michael Hartman:** I think I'd add—

**Mr. John Oliver:** Sorry, but I'm going to keep going along here, so thanks for that.

We heard this morning from our law enforcement that they don't feel they'll be ready to enforce the new laws as they come forward. It's more complex. There is federal and provincial...that are being brought to bear here.

In thinking back to your launch date, were there similar questions or issues with the law enforcement? Did they work their way through it, or did you have that all hand-in-glove before you launched?

**Mr. Michael Hartman:** My predecessors, Barb Brohl and Ron Kammerzell, who were very instrumental in the implementation of our architecture, used to refer to it as “we were flying the plane while we were building it”. That’s unfortunate, but yes, it was done on a more accelerated timeline than we would have liked. It does present challenges, but you are able to work through them if you do it thoughtfully.

**Mr. John Oliver:** Thanks.

Was it the same in Washington?

Do you remember, Mr. Garza?

**Mr. Rick Garza:** I think there was so much cynicism in our state with law enforcement because medical marijuana was unregulated that there were real concerns about whether this could be regulated and enforced. Again, I think the merging of medical and recreational that occurred last year has changed that dramatically, but we had two parallel marketplaces, one that was legal with a high rate of taxation and regulation, and one that was totally unregulated. We struggled with that for several years.

But to your point, I think law enforcement has struggled. I think one of the things we did, learning from Colorado, was to take our time. As everyone was screaming for us to issue licences, we took over a year to set our regulations in place.

It won’t be just law enforcement, but all of the different government entities out there in the public who will—

**Mr. John Oliver:** Thank you. I’m trying to sneak in one last question. I apologize for cutting you off here.

The last question I have is on pardons in cases in which there have been recent criminal charges for things that are now legal. Did you have a pardon practice in Colorado or Washington? I heard that a point system was applied in Washington to assess the severity of some of those criminal charges, but did you go through a pardon process after you enacted the law?

**Mr. Michael Hartman:** In the five weeks that I have been on the job, I have not seen any come across my desk. I don’t know about prior to that.

Mr. Kamin may.

**Dr. Sam Kamin:** We don’t have a pardon process. There was a process by which people could have their previous convictions overturned by a court.

I know we’re short on time, but briefly, there’s a problem with that, because we rely so heavily on plea bargains. Often the prosecutor will come in and say, yes, we let this person plead possession of less than an ounce or possession of less than six ounces. We don’t, however, know that this is what in fact happened. There might also have been cocaine; there might have been a larger amount and we let them plea to a smaller amount. There has been push-back from prosecutors about undoing and unravelling prior convictions.

**Mr. Rick Garza:** It’s similar in Washington.

**The Chair:** Okay, that completes our seven-minute round. Now we’ll go to a five-minute round, and we’re going to start with Mr. Webber.

**Mr. Len Webber:** Thank you, Mr. Chair, and thank you to the presenters.

My first question is for our friend in Washington state, Mr. Garza.

Thank you for your information here on the sales and tax activity. I find it very interesting, especially the future projections of the tax revenue you will generate from the sale of cannabis. At a 37% excise tax rate, how do you compete with the black market, with that being as high as it is? How does your pricing compare with that of the illicit trade or black market? I’ve asked this before, but not of an American who actually deals with the product down in the States.

How, then, does your product compare, in both Washington state and Colorado, with the black market?

**Mr. Rick Garza:** What’s interesting is that the excise tax applies to both medical and recreational cannabis, so we don’t have the issue in Colorado, where people are sticking with the medical program, where they can easily get an authorization to use medical cannabis. It’s of real concern when they merge the two together—at least for medical patients. They were concerned that the excise tax should not apply.

Now, they can receive an exception from the retail sales tax; that can be 7% to 10%. It’s amazing, though, that we’re down to about \$7.48 a gram. When legalization occurred in 2011 and 2012, we believe that the black market cost in Washington was somewhere between \$9 and \$11 a gram. As soon as those prices fell to about \$10 a gram in Washington about a year and a half ago, then we saw the sales occurring. What basically we believe happened is that once it hit the same price as the black market price—and at that time grey market for medical marijuana—there was no reason not to go to a retail store to purchase: it was being tested, as I said earlier; it had packaging and labelling.

We learned from Colorado about some of the issues they had around medicals. I didn’t talk about this specifically, but 10 milligrams per serving, 100 milligrams, or for example, it even went further after their.... It went from 5 milligrams and 50 milligrams for a product.

But to address your question, I think the size of the marketplace now, at about \$4 million a day in sales, suggests that those prices are equal to, if not lower than, the black market prices.

**A voice:** I was going to say, that has been our experience as well.

• (1510)

**Mr. Michael Hartman:** Yes, and I think the answer is economies of scale. While I'm here, my students are touring a Colorado grow facility of several hundred thousand square feet. They can achieve economies of scale there such that the concern now is whether the price is going to drop too low. Do we need to set a price floor because marijuana will be so cheap that export out of state or resale to youth is going to become a problem? Notwithstanding taxes, the price is still falling significantly.

**Mr. Len Webber:** With the high regulatory environment, I just don't understand how the licensed producers can keep the price that low. With the overhead costs, the security, etc., how do they do it? The black market doesn't have to adhere to any of that.

**Dr. Sam Kamin:** It's like that joke: they do it in volume.

**Mr. Len Webber:** Yes. Okay.

**Mr. Michael Hartman:** That's right. I think the black market runs significant legal risk associated with their operations that, candidly, if it were included into their pricing structure, would make their margins substantially lower than they are.

**Mr. Len Webber:** Right.

Yes, sir?

**Mr. Marc-Boris St-Maurice:** If I may add, concerning the situation in Canada regarding licensed producers and the price they sell at, these companies are funded and publicly traded. Many of them are currently operating at a loss in the hope that eventually they will regain that. There's a lot of speculation, and I'm quite certain a number of these companies are going to go belly up, and someone is just vying to become the Walmart of marijuana. One of them is going to make it, and nine others are going to lose it. I don't think that's a healthy way to go about it. There are companies that are publicly traded that have been traded in the millions, hundreds of millions, on the stock market and haven't even sold a single gram of product. That's not a way to run a business responsibly. That's setting yourself up for some major failures.

**Mr. Len Webber:** That's interesting.

I want to get into the licensing requirements.

I'm looking at Mr. Garza's numbers and his information here. Of course, there is quite a requirement, with criminal history checks and FBI background checks for gaining your licence. What about after the licence is granted and the production of marijuana has started? Do you have inspectors coming on a regular basis checking to ensure that there's no overproduction, that somehow plants are not missing, and things like that?

Do you have a strong policing requirement as well?

**Mr. Rick Garza:** I would like it to be stronger for the producer-processor, just to be candid. Much of the effort initially was focused on the whole issue of youth access and making sure the compliance checks were being done often in order to make sure that youth did not have access through the marketplace. The traceability system in itself is that red flag, and we're tied into that system, but we want to make more visits out to our producer-processors to ensure there's not diversion.

You make a great point. You need to make sure that you give the resources to the regulator so that those inspections can occur often with respect to producers and processors.

**Mr. Michael Hartman:** If I may, I want to emphasize this point because it's incredibly important.

For us there are three legs to the stool. There's 24-hour surveillance, there is the seed-to-sale inventory tracking system that is incredibly important, and there is also the banking when they do have access to banking. For us to be able to see all three of those at the same time in the regulated space gives us a very good sense of what's going on, and the key there is the seed-to-sale metric inventory tracking system.

• (1515)

**The Chair:** Thanks very much.

Dr. Eyolfson.

**Mr. Doug Eyolfson:** Thank you very much.

Thank you all for coming today.

A lot of my views on this come from the public safety perspective, and particularly medicine. I'm a recovering ER doctor. I did that for almost 20 years, and one of the things that I found in my medical practice—and we studied it in our toxicology as well—was the instances of adulterated product. I would see that. I never saw someone come in just because they had consumed cannabis on its own. It was because they had consumed what they thought was cannabis, and it turned out to be something else.

Thankfully, although we were worried so much about opioids, there has been almost no recorded opioid contamination or overdose from it.

There were other things, too, such as plant alkaloids that could make people so sick they ended up in the intensive care unit with intractable seizures and that sort of thing. Of course this is a function of an illegal, unregulated market where you don't have quality control.

Has this been tracked, the incidence of emergency room visits or medical calls due to adulteration of unregulated product, and has this changed since legalization?

**Mr. Michael Hartman:** I don't know that I can say it has been tracked to the level where we'd know whether it's adulterated product or not. We do track emergency department visits as well as hospitalizations very closely, which goes back to the reported versus occurred incidents commentary at the beginning of the testimony.

We have seen an uptick in the number of emergency department visits as well as hospitalizations. Interestingly, there has been a slight uptick in the zero to eight-year-old category, which would tell me that it's a result of accidental consumption, but the largest uptick has actually been in the 35-plus category, which tells me that it is having more of an effect on people who are maybe trying it for the first time.

We don't have data on it, but there is some level of disagreement as to whether there are more incidents occurring or whether, because it has been legalized, the doctors are now more willing to ask the question, and the patients are more willing to admit to the fact that marijuana was at play in the situation.

**Mr. Doug Eyolfson:** Mr. Garza, what's your experience in this?

**Mr. Rick Garza:** It's the same experience in Washington state. Early on we had discussions with the Washington Poison Center because they were seeing an uptick in calls and visits to hospitals with respect to panic attacks, normal things that, honestly, I wasn't even aware of at the time, but I think that's one of the....

I want to throw out another issue, that of potency. Whether or not there's an increase in use among young adults, what we're seeing is an increase in potency of what adults are using, and we're concerned about that.

Also with the lowering of the price, should we be looking at minimum pricing, as is used in Scandinavia for alcohol, for example? That's because, like Colorado, we're seeing the price of cannabis fall to levels that we didn't expect.

**Mr. Doug Eyolfson:** Thank you. Here's another question. I don't know if either of you, from either Colorado or Washington, will be able to answer this. I don't know if there are any states where there is basically a government monopoly on liquor sales. We have this in some provinces. I'm from Manitoba, and we have that. It's relaxed for beer and wine but certainly applies to spirits. As opposed to getting it from a 7-Eleven or a free-standing store, they're all government stores.

Ontario has just announced it wants to do its marketing not in the liquor stores but through the same body as the liquor stores. Other provinces will decide whether they want to have this through private storefronts. From your experience, do you have recommendations as to what would work better? I'll start with Colorado, and then Washington.

**Dr. Sam Kamin:** As I mentioned in my brief, such a model is impossible in the United States for cannabis today, because it's prohibited at the federal level and you'd be putting the state employees in a position of being required to do something that's forbidden by federal law.

When I was on the task force to implement amendment 64, we had public health officials say, with regard to alcohol, that we get much better results in terms of public health from government-run distribution than from private distribution. You don't have to worry about targeting and marketing. You don't have to worry about sales to underage people. You can control all of that yourselves.

We can't say it works really well in the United States, because we haven't had an opportunity to try it. I hope at least one province tries it here, so we can see what its effects will be.

• (1520)

**Mr. Doug Eyolfson:** You agree, then, that it's a better public health system, at least with liquor.

**Dr. Sam Kamin:** We took testimony from public health officials that it was. I can't say that I know that myself.

**Mr. Doug Eyolfson:** Okay. Mr. Garza.

**Mr. Rick Garza:** Without getting into too much detail, until 2011 we were the monopoly for spirits in Washington State but then Costco through an initiative of privatized spirit sales.... But that was typically the model: less access and no advertising. State employees ran the liquor stores with no incentive. Whether they sold 50 bottles that day or 500 bottles, there was no incentive to sell. That model has been there for 12 other states in the nation since 1934. We were the first state that was overturned.

However, there's no doubt that when you have a control model, where the government is involved, access and consumption are lower compared with the licensed states. Typically it's 18% to 20% lower, because you've limited the number of outlets, for one, and you've often limited the hours they can be open. Ironically, that's part of the reason the public said, no, they wanted to be able to buy spirits just like they buy beer and wine.

There's no question that the control model where the government is involved—whether it's in distribution or retail—has the result you want, which is minimizing the negative impacts.

**Mr. Doug Eyolfson:** Thank you.

**The Chair:** Dr. Carrie.

**Mr. Colin Carrie:** Thank you very much, Mr. Chair. I want to thank the witnesses for being here. There may be some frustration in my voice, but I think, Mr. Garza, you said it with your opening statement. You said, "How do you tell a story like this in 10 minutes?" There's great frustration on the opposition side that the government wants us to jam this into one week. I take your advice quite seriously when you say to take your time.

Mr. Hartman, when you were doing it, you said it was like flying a plane while building it. We have the same scenario here, except I don't see anyone really piloting the plane.

If you take a step back and look at the status quo in Canada, I don't know if you gentlemen are aware of it, but we had a peak use for youth boys of 50% in 2002. Now it's gone down to 22%. The government says it wants to legalize in order to decrease youth use. I found it quite disturbing, Mr. Kamin, that you said we shouldn't expect that when we legalize it.

In the bill before us, the government will be allowing 12- to 17-year-olds up to five grams of marijuana for personal use. Just on the health implications of that, there are some really serious questions that need to be answered, and I really hope the government allows us to have further testimony from witnesses like you. I have over a page and a half of questions to ask you, and I only have a very short period of time, so I'm going to ask a couple right up front and let you answer them.

How is it different in your states with regard to the age of consent? Anyone under age 21, how are they treated? I also want to ask about enforcement, because one of the scenarios here in Canada is mandatory blood testing. I don't think there's a precedent for that, but I believe that in your states, officers at the scene can actually take blood tests. There have been real concerns among our police officers about how this is actually going to work, as we heard this morning.

Could you comment on how youth under the age of 21 are managed? Are there any legal limits they're allowed to have for personal use? Could you also touch on the enforcement and these blood tests?

**Mr. Michael Hartman:** Just briefly on the first question, in regard to usage by those under the age of 21, on the medicinal side in the regulated market we do permit individuals aged 18 and up to have access to the marketplace provided they have the right prescription from a doctor, and so on. On the other question, candidly I'm not familiar enough with the data to be able to speak to it, but I am hopeful Mr. Garza or Mr. Kamin can.

**Dr. Sam Kamin:** In terms of possession by those under the age of 21 who don't have a doctor's recommendation, we treat that similar to alcohol possession, so it's an infraction. Essentially, it's a low-level criminal offence.

**Mr. Colin Carrie:** Mr. Garza.

**Mr. Rick Garza:** Similar to Colorado, if you're a medical patient with an authorization, you can acquire medical marijuana if you're 18, 19, or 20 years of age, and with a provider if you're younger.

It's a felony in Washington, which is a lot more egregious than the other states I just heard from, for a minor to either possess or try to purchase cannabis. I'm actually surprised that hasn't been changed over the last few years, but it's pretty rough in this state in respect to that.

•(1525)

**Mr. Colin Carrie:** Could you touch on the blood tests? How is this done in your states?

**Mr. Rick Garza:** We have to take them in and have a blood test done. They're trying to work on some kind of technology that would allow a swab, for example, to be able to do it at the scene. However, at this point they're taking them in to draw blood.

**Mr. Colin Carrie:** Okay, so they have to bring them to a health facility to do that.

**Mr. Rick Garza:** Yes.

**Mr. Colin Carrie:** Is that costly?

**Mr. Rick Garza:** I'm sure it is.

**Mr. Colin Carrie:** In your state how does it work?

**Dr. Sam Kamin:** I assume it's done the same way. I don't think it's done by officers in the field.

**Mr. Colin Carrie:** NORML wants to comment on this.

**Ms. Abigail Sampson:** Thank you for letting me speak. I just want to touch on the measures of intoxication, with regard to measuring cannabinoids or THC in the system. As I touched on earlier, these measures are per se limits. That means they're quantifying the concentration of a certain product in the blood.

It is important to note that, as you touched on earlier, the chiefs of police did not endorse the use of per se limits, stating that:

Evidence-based permissible limits are not defined and supported by science.

There is no evidence that "per se" limits adequately quantify impairment and therefore we are concerned with regards to potential challenges within our judicial system. We know with cannabis that people react differently to its effects. Per se limits must be research-based and the science must catch-up to strengthen their credibility.

Meanwhile, although there are roadside tests such as a swab test or a blood test available in Canada, the per se limit doesn't necessarily indicate impairment, so there would be an issue with regard to taking per se limits into account of impairment.

**Mr. Colin Carrie:** Yes, we realize the science isn't there.

**The Chair:** Thank you, Mr. Carrie.

**Mr. Colin Carrie:** I had so many more questions.

**The Chair:** I know you had so many, but—

**Mr. Colin Carrie:** For sure, I hope you allow us to bring some of these people back.

**Mr. Marc-Boris St-Maurice:** Just briefly on the statistics of use by youth, the stats tend to go up and down, but on average, we have more consistency. The Canadian Centre on Substance Use and Addiction has it at 26% in 2009, 20% in 2012, and 25% in 2015, so I question the numbers that indicate that there's a drop in use. I'd love to know the sources of them, because from our understanding, use by youth has remained fairly consistent over the past decade, with minor fluctuations. I don't think it's fair to say that we're really succeeding in reducing the rate of consumption by young people.

**Mr. Colin Carrie:** I'll share those with you if I do have them.

**The Chair:** Mr. McKinnon.

**Mr. Ron McKinnon:** Thank you, Chair.

First of all, as a comment to Ms. Sampson and Mr. St-Maurice, you've given us a fair bit of testimony about impairment, measures of impairment, per se limits, and so forth. That's completely out of scope for this bill, but I would advise you to give your information to the justice committee for the study of Bill C-46, which we'll start next week. You've also asked to stop ongoing arrests, and so forth, leading up to legalization, and of course, that is way out of scope for this committee itself.

What I'd like to ask you about is the provisions in this bill for personal cultivation. Do you see those as problematic? Do you see it as a source of diversion to the criminal market? What are your thoughts in terms of the number of plants and the maximum heights of the plants?

**Ms. Abigail Sampson:** With regard to personal cultivation for adult use, the cannabis act recommends a four-plant limit for individuals over the age of 18 in a single household. While that is a step forward from zero plants, some of the limitations are pretty arbitrary with regard to how the plant grows and how adults can manage this type of growth. Currently under the cannabis act, plants can be no taller than one metre, which is very restrictive with regard to certain strains of plants that may, just by nature, grow more robust than that limit.

Marc-Boris, would you like to add anything?

• (1530)

**Mr. Marc-Boris St-Maurice:** I think that the limit of four plants is quite low and avoids the risk of diversion. Of course, for anything they put together, people will be right behind it finding a loophole, whether it's making the plant grow five metres horizontally instead of vertically, which would avoid the whole height limitation, or pooling resources so that if they have a neighbour who doesn't grow, they'll ask whether they can put four plants in their backyard. You make something and within five minutes someone finds a work-around.

Definitely, however, home growing must be permitted under the act for people to have the choice. If they do not believe in the government system, they can make it themselves. People grow tomatoes. I'm not sure how many plants, but you can grow your own tobacco. You can make your own wine. You can make your beer. Why would marijuana be different?

I think the limits are rather low, but I guess you have to find a happy medium. We'll start with four.

I think all of the measures in the bill need to be revisited as well. We talk about flying the plane while we're building it. We're definitely doing that here. We are in uncharted waters. Legal marijuana hardly exists on the whole planet, so we have to be able to revisit these measures down the road and perhaps increase the number of plants permitted or find other measures. I know that in the United States they go by square footage of canopy. You can have 100 plants that fit in an area one metre by one metre or you can have one plant that's the size of a Christmas tree. Going by the number of plants may not be the best gauge to achieve the objective you're looking for.

**Mr. Ron McKinnon:** Would Professor Kamin or Mr. Hartman like to comment on the possible diversion from a personal cultivation scenario to the criminal market?

**Mr. Michael Hartman:** Certainly.

As I indicated previously, in the caregiver market, which is not part of the regulated market, we used to allow up to 99 plants per individual. You could, as Mr. St-Maurice indicated, have joint relationships with people around you whereby they give you their right to grow their plants, etc.

What we found was that this was a significant opportunity for diversion, which was problematic. As a result, last year our legislature reduced the number of plants you could have in the home to 12, regardless of how many caregivers you have.

What I would tell you is that I don't know what the right number is, but having bright-line tests that law enforcement can look to in order to clearly identify what's going on with the situation and enforce the laws and regulations is incredibly important as you think about your legislation.

**Mr. Ron McKinnon:** Is this height limit meaningful? Is there any correlation between the yield of a plant and its height?

**Mr. Marc-Boris St-Maurice:** Depending on the strain, a one-metre plant can produce between zero grams and several hundred grams, depending on how it's grown, how it's pruned, the talents of the person growing it, the strain of marijuana in particular. If you have a one-metre high plant and you forget to water it and it dies, your basic yield is zero.

It is arbitrary. I guess you have to start somewhere, but I find it a little humorous to put in that limit of one metre. I can imagine law enforcement going around with their tape measures, saying, "I'm sorry, you're one centimetre over." Are they going to cut that centimetre off and seize it, or are they going to take the whole plant as a result? It is a little Kafkaesque, if you ask me, to have set it at that arbitrary level.

**The Chair:** Okay. The time is up.

That completes our five-minute round. Now we're going to go to Mr. Davies for his three-minute round.

**Mr. Don Davies:** Thank you.

Colorado, I'm interested in how you handle branding, advertising, and labelling. It's one of the expressed goals of this bill to take product out of the illicit market, and I'm informed by many people who produce cannabis that they want.... Everybody agrees that we do not want to market to children and want things to be safe and properly labelled. Those are givens, but within that, I'm hearing that there has to be enough branding in the licit market to actually take product out of the illicit market.

I'm wondering how you handle the labelling and branding question.

**Mr. Michael Hartman:** I don't know that I agree with the last statement. I think it comes down to distribution channels and retail storefronts where you can access it legally and conveniently. I recognize that our geographic challenges are different than yours, so that may be a different question.

In regard to packaging, it's a current discussion that we're going through with industry and with public health officials, to make sure that we understand specifically what the key piece of information is that has to be on the packaging. If someone presents themselves in an emergency department where the physician doesn't know what they consumed, and the patient is not in a position to communicate what they consumed, how can the emergency room doctor figure out what the situation is.

We are also trying to balance that with what is reasonable to ask of industry, in terms of the information on their packaging. As I indicated at the beginning, our default is always going to lean towards public health and public safety, and there's always going to be a natural tension there. I think it's incredibly important that you have child-resistant packaging, as close to the product as you possibly can, and understand how the consumers are actually going to utilize the product, such that the child-resistant packaging doesn't get discarded with the point of sale packaging, if you will, when it's in the homes.

• (1535)

**Mr. Don Davies:** Mr. Kamin.

**Dr. Sam Kamin:** I'll disagree on branding. I think that branding does help consumers. I think that, particularly in a new market where you're going to have new consumers, the idea that you can get the same thing you got before, and that you get a repeatable experience, cuts into overuse. It lets people get the experience that they're trying to get. You can go to different stores and compare on brands. I think it is important.

Colorado has an outdoor advertising ban, other than at a business's location. At its location, it can say whether it serves the recreational or medical market, and it can have its brand. It can't have anything else. It can't have flyers. It can't have prices. It can't have any of those things. If you have a liquor store and a marijuana store next to each other, one has neon signs, prices, and flashing lights. The other is very simple. I think that has worked quite well.

I think brands, yes; advertising, no.

**Mr. Don Davies:** This may be an inapt analogy for Americans, but in Canada we're moving towards plain packaging for tobacco. Whereas, in the liquor store, which is so heavily regulated, you have colours and the back of a wine bottle tells you something about the product. Is Colorado more like plain packaging for tobacco or is it more like how we would see spirits and wine?

**Mr. Michael Hartman:** I would say it's much more like spirits and wine, where you have branding and imaging that is attractive to the specific product. Outside of the store, though, it's very much—

**Mr. Don Davies:** I mean the labelling on the product itself.

Mr. Garza, I saw you nodding. Was there something you wanted to say?

**Mr. Rick Garza:** I was just going to say that it's very similar to the experience in Colorado. Typically, what we're most concerned about around branding or advertising is whether it's appealing to children or not, or to our youth. I would say it's closer to what's allowed in the spirits industry or the alcohol industry. I wouldn't suggest it be any different.

**Dr. Sam Kamin:** I agree with all of that, with the exception of advertising. You can have branded products. They can't appeal to children and all those things. They can't sponsor sporting events. They can't advertise in the newspapers—

**Mr. Don Davies:** Sorry, I meant "labelling". I used "advertising".

I have a quick question. When you legalized, what was your experience with supply? On day one, did you have enough supply? What happened?

**Dr. Sam Kamin:** There was definitely rationing for the first while. We opened, I think, nine months before Washington State, so we were the first in the country. People came from all over. We probably didn't have enough, right away. Price was very high, right away. There was a big differential between recreational and medical, which led to issues. That definitely normalized within several months.

**Mr. Don Davies:** I'm just going to stop you because I want the last word to go to Ms. Sampson, if I could.

Ms. Sampson, do you have any last thoughts?

**Ms. Abigail Sampson:** Do I have any last thoughts with regard to how Canada can take the lessons of our comrades in Colorado, Washington, and California? I completely understand the desire to, as we say in cannabis, "Go low and go slow." It relates to consuming cannabis either in edible form or even smoking it.

Although cannabis has been around for thousands of years, in Canada and for much of the world, legalized cannabis is new. We understand the public health approach of wanting to take things slowly, but on that same note, if we can take a lesson from the state of Colorado, even though they did have some hiccups along the way, they did still implement. They did still go ahead with legalization, and it was through their experiences that they were able to tweak their existing regulated framework to what it is today, which is a booming industry that allows entrepreneurs to participate. It allows for a variety of products to consenting adults, and it brings in a huge tax revenue for the state, which I heard is going towards building schools and fixing infrastructure.

My last words to Canada with regard to looking at different jurisdictions are, "Just go for it."

**The Chair:** Okay. That's it. That's our time for the panel today.

I want to thank you all. We're very fortunate to have access to your expertise and your experience. We're very grateful. On behalf of the committee, I want to thank you all for bringing your expertise and your experience to us.

I had a question for Dr. Kamin.

You told a story about—I think it was—a South American person who came to the United States border and was denied access because she had smoked marijuana. If that was an American citizen returning to the United States, there's no penalty, no questions asked or anything.

• (1540)

**Dr. Sam Kamin:** Yes. An American citizen has the right to return. However, as I said, we share a very long, common border. The enforcement priorities of our federal government change with the winds of our politics. It's hard to know exactly how that will work going forward.

**The Chair:** Thank you very much.

Thank you, Mr. Garza, for participating.

Thank you all for participating.

We're going to suspend and return at four o'clock.

● (1540) \_\_\_\_\_ (Pause) \_\_\_\_\_

● (1600)

**The Chair:** We're reconvening meeting number 65 of the Standing Committee on Health to study Bill C-45.

This afternoon on our witness list we have, as an individual, Mr. Marco Vasquez, retired police chief from the Town of Erie, Colorado. Thank you very much. That's by video conference.

We also have Andrew Freedman, director of Freedman and Koski, a consulting firm that specializes in implementing marijuana legislation, and on behalf of Smart Approaches to Marijuana, we have Kevin Sabet, president. Washington State Department of Health has allowed us to have Kristi Weeks, government relations director, appearing by video conference from Hawaii.

The way we work is that each person has an opportunity to make a 10-minute introductory presentation and then we ask questions for three rounds. We'll start with Chief Vasquez. Perhaps you would start with your 10-minute presentation and give us an introduction. Again, this is from Colorado, and we thank you for doing this.

**Mr. Marco Vasquez (Retired Police Chief, Town of Erie, Colorado Police Department, As an Individual):** Thank you to the committee for the honour to speak today. My name is Marco Vasquez, and I'm a retired police chief in Colorado. My background is over 40 years in Colorado law enforcement, including 32 years with the Denver Police Department. During my time at the Denver Police Department, I spent about 12 years in narcotics enforcement. I retired from Denver in 2008, became the chief of the Sheridan Police Department on the southwest border of Denver, and then was recruited to become the first chief of investigations for the newly created medical marijuana enforcement division in 2011.

I helped set up the regulatory framework for commercial medical marijuana businesses in Colorado, and in 2013, I returned to municipal policing as the chief of police in Erie Police Department, which is about 25 miles north of Denver. When I went back into municipal policing in 2013, I also became the marijuana issues co-chair for the Colorado Association of Chiefs of Police.

Over my past 40 years in law enforcement, my focus has always been on public safety and how to keep our communities safe. I have some experience in the Colorado marijuana legalization experience, having spent two years as the chief of investigations for the MMED and, as I've stated, as the chair for the Colorado Association of Chiefs of Police.

In 2013, the CACP drafted a marijuana position paper, and I'd like to read a bit of that position paper, which was published on March 13, 2014:

**Philosophy and Position:**

The Colorado Association of Chiefs of Police (CACP) recognizes that Amendment 20 and Amendment 64 of the Colorado Constitution were passed by voters in 2000 and 2012 respectively. The Colorado General Assembly has enacted legislation to legalize the cultivation, distribution, and possession and non-public consumption of small amounts of marijuana and recreational marijuana. In 2013, the Colorado General Assembly enacted legislation which legalized and regulated the commercial, retail cultivation and sale of small amounts of marijuana. The statutes which addressed the medical and recreational marijuana cultivation, sale and possession have been passed by the Colorado General Assembly and signed into law by the Governor. The CACP recognizes

that society's views and norms are evolving on the use of marijuana yet we also believe that public safety is also of paramount concern to our residents, businesses and visitors.

It is the position of the Colorado Association of Chiefs of Police that our primary mission and focus of Colorado law enforcement officers represented by the CACP is the prevention and reduction of crime and disorder. Marijuana legalization will negatively impact traffic safety and safety in Colorado communities. The CACP is committed to research and the implementation of practices and strategies which will maintain safety in our communities.

It is recognized that Colorado peace officers have a duty and responsibility to uphold the Colorado Constitution and amendments to that constitution as well as local, state and federal laws.

The conflict between Federal law and State law with regard to marijuana remains a major obstacle and needs to be resolved as soon as possible.

The Colorado Association of Chiefs of Police is concerned that widespread marijuana use has the potential to adversely affect the safety, health and welfare of Colorado residents, businesses and visitors. There are concerns that marijuana use will adversely affect traffic safety on our highways and roadways and that marijuana legalization will result in an increase in marijuana and overall drug use in our schools.

The Colorado Association of Chiefs of Police supports the community education to reduce the use of marijuana by our youth and to highlight the risk of marijuana use to our communities and individuals.

That, again, was a partial reading of a position paper of March 2014. I have served on a number of working groups and committees, including the law enforcement subcommittee for the amendment 64 implementation task force as well as committees on data collection, edibles, and potency. I have talked to numerous stakeholders including business owners, law enforcement, regulators, policy-makers, and I believe I have a good handle on what has happened during Colorado's efforts to legalize marijuana.

● (1605)

I'm honoured to be here today with several experts on marijuana legalization. I am sharing this panel with people who know far more about marijuana legalization than I do, but I can speak to some of the impact and consequences on Colorado law enforcement.

I talk about a simple formula when I describe what is happening in Colorado. When you increase availability, decrease perception of risk, and increase the public acceptance of any commodity, you will see increased use. Once we see that increased use, it's very difficult to keep marijuana out of the hands of our youth. We know from validated studies that marijuana use for youth under 30 years old, especially chronic use, can have an adverse effect on brain development. We also know that one in six youth become addicted to marijuana.

We've certainly seen an increased use of marijuana in Colorado, and I believe that the increased use will ultimately increase disorder and risk factors for our youth. We're already seeing signs of increased disorder within our communities.



Because marijuana legalization in Colorado involves both commercial and non-commercial cultivation, distribution, and use, Colorado law enforcement has had a steep learning curve. Most of our issues have been with the non-commercial, unlicensed marijuana industry in gray and black markets. Andrew Freedman can speak to some of the things that Colorado has done to try to address the unregulated marijuana industry in Colorado.

Some of the issues that we have identified over the last several years that have impacted Colorado law enforcement include the lack of data collection systems to quantify the impact of marijuana legalization and the lack of clarity in the implementation of Colorado amendment 20 and Colorado amendment 64. Regulators and law enforcement still try to understand legislative intent, including the term “open and public”.

Edibles and concentrates were a surprise and have had an adverse impact on public health and safety. High concentrations of THC, in terms of vaping and shatter, are challenging what we know about cannabis. We've had a number of butane hash oil extraction explosions in Colorado.

Colorado remains high in substance abuse, and marijuana legalization has not decreased the use of opioids for pain management. Colorado has the distinction of being number two in the U.S. for opioid abuse.

Detection and prosecution of impaired drivers was and still is an issue. We have a five-nanogram permissive inference standard in Colorado, but marijuana is much different from alcohol, and we do not have the technology to determine THC impairment. There have been increased fatalities involving THC.

Caregiver and co-op cultivations in non-licensed settings have added to the diversion to youth and to out-of-state trafficking. Organized crime elements have moved into Colorado and grow large amounts of marijuana in rental homes and warehouses. Virtually all their marijuana is diverted out of state.

There has been an increase in disorder and crime in Denver in Colorado. We've seen an increase in homelessness, and many of the homeless tell us they are here because of marijuana legalization.

Finally, Colorado law enforcement has seen difficulty in pursuing some criminal charges for behaviour that is clearly illegal. In some jurisdictions we have seen what appears to be jury nullification, and we have found that municipal ordinances have been found to be more effective than state statutes.

A newspaper article just came out, I believe yesterday, in *The Washington Post*. It talked about chronic marijuana users being on the increase in the United States and said that the number of people who consume daily increased 19% in 2016. Daily users are up 50% from 2002. In Colorado in 2014 the Department of Revenue did a study and determined that 80% of the cannabis being consumed in Colorado is being consumed by 20% of the chronic users.

From a law enforcement and public health standpoint, then, I think that one of our greatest concerns is the chronic user and how that situation ultimately is going to affect us in our traffic safety and safety within our communities.

Thank you.

●(1610)

**The Chair:** Thank you very much.

Now we're going to go to Andrew Freedman, from Freedman and Koski. It's interesting that Mr. Freedman was a director of marijuana coordination for the state of Colorado from 2014 to 2017.

Mr. Freedman, you have 10 minutes.

**Mr. Andrew Freedman (Director, Freedman and Koski Inc.):** It's a pleasure to be here, and I have to say it's an incredible honour to be able to present to you, so thank you for the time.

I was indeed the director of marijuana coordination for the state of Colorado, which was a title that raised quite a few eyebrows when it first came out, and had people wondering what the job qualifications were. I can assure you that it had to do with nothing else but the fact that I was a lawyer and well versed in Colorado law, and that I was, at the time, the lieutenant governor's chief of staff.

In wondering about what would be most helpful for all of you today, in terms of lessons learned from our jurisdiction, I thought one of the more useful distinctions we have is between when it was a better policy objective to educate Coloradans, versus when we needed to rely on more stick-like law enforcement principles. For the most part I've tried to divide my presentation into those two subjects, and then some other pertinent information that I think would have been of use to us at the stage where you guys are.

First is to talk about youth use, and obviously education about youth use is important. I don't think anybody would think of it any differently. I will say that in Colorado we had a problem in tone at the beginning, and that certainly affected our rollout of public education campaigns and our ability to educate the youth early. We as government didn't see it as scare tactics, but the message in the first campaign was “Don't be a Lab Rat”. It was really about educating the kids about the fact that the initial studies coming out were not good, and asking them whether they wanted to be the brain that gives itself up to science later on.

What we missed when we did that was that when youth are listening to the government talking about marijuana, there is a healthy amount of skepticism coming from them. When you saw our further campaigns coming on, like “Protect What's Next”, we were working very hard not to use a condescending tone in any way, really just trying to meet the youth where their goals are in life. We said things much closer to, “Are you interested in getting your driver's licence?”, “Are you interested in getting a good grade on your tests, in getting a date to the dance, or in making a sports team?”, and “Do you actually think that marijuana will help you get there?”

Our post-tests have come back on that with a much higher rating, so there was a lesson learned on our side about how to do messaging in a way that best educates rather than reprimands youth.

I will also say that there is some very good research that we relied on heavily in Colorado, out of the state of Washington, about the use of behavioural health specialists in schools to identify at-risk kids who then get to volunteer in behavioural health programs. To date, that has been the best impact money that we've seen on the ability both to prevent youth use and also to pull kids back from substance abuse.

The other place worth mentioning is responsible use. I think you'll hear a lot about people showing up in hospitals and people calling poison control centres post-legalization. Most studies on that have shown that it's mostly about naive users—tourists being the number one naive users—coming in and trying new products.

The one that everybody is most familiar with, although it certainly isn't the only one, is edibles. Tourists come in, they don't have a place to smoke, and edibles are, frankly, a more consumer-friendly product. They buy some edibles and they over-consume just as they would over-consume alcohol, but it's probably a little worse with marijuana because there is a delayed effect there. They end up using more than they should—sometimes mixing it with things like alcohol—and they end up in the emergency room.

The good news is that the main effect is a short psychotic break, which doesn't sound like good news but it is. They're a danger to themselves and to others while they're in it, but there are no long-term health effects to that and all they really need is time to get through it.

The other thing to notice, and why I put it in this category, is that the more we have educated on that, the more we've seen those numbers come down. We've actually seen a decrease in hospitalization rates and a decrease in poison control centre calls since the education on what new products can do to users, and, in general, the education to naive users that there can be a pretty huge impact coming in on that.

The third one is licensee compliance.

- (1615)

One thing we've noticed in our system moving forward is that there are enough built-in incentives for licensees to want to comply with the law and that the more we educate them on how to comply with the law, the more we'll see compliance rates rise. That education ranges through everything from pesticides to youth use.

In general, at least in the way the Colorado system was built, you had far too much money at stake, so with that incentive to keep your licence, we ended up seeing very high compliance rates in some cases, much higher than the alcohol compliance rates for similarly situated licensee suspensions.

The areas in which to expect the worst have been talked about a couple of times. The biggest one is out-of-country and, in the case of Colorado, out-of-state diversion. Unfortunately, the way that legalization is going—in pockets, rather than in the United States across the country. Certainly, when you share a border with a state that has prohibition, the economic incentive to be able to grow and ship is very high, so you have to be able to look at your system in such a way that you understand where somebody's going to try to abuse that system.

In Colorado, that ended up to be in our home-grow system. As Chief Vasquez mentioned, it was mainly our medical marijuana that allowed for quite a bit of home-grow. Our recreational use also allowed for home-grow, and between the two, it was very confusing for law enforcement and there was a lot of jury nullification. We had to go back and clean up our laws quite a bit. It is also the area in which we've seen organized crime come into Colorado, and frankly in which we've seen violent crime come into Colorado.

The number one thing I say to jurisdictions when I come in, therefore, is to really take a look at your unlicensed system. Also take a look at your licensed system and make sure that in any place where there's abuse involving out-of-state or out-of-country diversion, you make sure to put up safeguards as soon as possible.

There are areas in which we don't know enough, and frankly, concerning which we're excited about the opportunity of seeing where Canada is going with this in order to learn more. Certainly there are trends we should be paying attention to.

Driving while high is one. There are two sets of data that we look at there. The first is actual arrest data on driving while high, which I would submit to you is very bad data and not worth looking at, at this point. That's because every state that has passed marijuana laws has then passed new “driving while high” laws and also used a portion of their money to train officers to be able to pull people over for driving while high.

The fatal accident reporting systems called FARS is a much better system to look into. It has not changed all that much post-legalization and is not susceptible to the same sort of objective biases that our DUID systems are. We can't link causation at this point, but these have shown an increased trend of people testing high while driving, and that includes for active THC. This means that among people involved in accidents in which somebody has died, drivers involved are testing higher for active THC at a greater percentage than they were before legalization. This certainly is a place that needs both a lot more research and frankly best practices, going forward, because it's not a place that has been developed at this point.

Adult consumption was mentioned before as well. We don't actually have great data from Colorado about how cannabis use disorder or functional impairment or heavy use has changed post-legalization. Frankly, if I could go back and rework the surveys of 10 years ago, I'd start to ask about frequency of use, but the main questions we've been asking are about year use and 30-day use. This, then, is one place in which I point out that you should have your data system set up to catch this information as quickly as possible, rather than five to 10 years down the road. We frankly don't even have a trend line in Colorado yet.

To speak very quickly to other pertinent issues, I know that taxation and where the revenue money will be will always be a big topic of discussion. I argue that the black market argument is probably not the key factor right now that should be argued about. Economies of scale have much more to do with the price of marijuana coming down over time than tax revenue has. Certainly you can tax it too high and can create a black market—we've seen that with cigarettes—so it should be something you are aware of.

In the opening years of legalization, however, the price of marijuana is going to be determined much more by economies of scale than by questions about tax revenue. Whatever you're thinking about, make sure that you remain flexible in your thinking, because the price is going to decrease rapidly over time as people realize these economies.

That being said, I don't think tax revenue should be a driving force behind legalization. In Colorado, any way you look at it, it makes up less than 1% of our total revenue, but in the voters' minds it makes up about 95%. It is thus in the media all the time, and it makes people think that it's enough money to fix schools or to fix transportation, and it's not.

• (1620)

I urge new jurisdictions to consider it going to discrete public health problems, such as homelessness, that don't typically receive revenue streams and on which you can significantly move the needle, because whatever you're giving marijuana money to, be prepared to have it get no more money down the line. Everybody thinks you can solve the problem with marijuana money.

I'll end with data, the ways we look at data and suggestions we would have going forward. We have five standards we think about when we think about data.

One is that you need to make sure you have great baseline data moving forward. We didn't have great baseline data for marijuana-related suspensions in schools. We just had drug-related suspensions. Marijuana might make up 50% to 60% of those, but it doesn't serve as well as a proxy. Having baseline data ahead of time, including on DUIDs, will be really important and will help you to signify public health and public safety concerns much faster.

Two, to the extent possible—and this is very difficult—it should be free of observation bias. I think one of the things that happens once you legalize is that everybody becomes very aware of marijuana, including doctors. They will say that they code more often for marijuana than they would have before, because they're asking questions more often. In the places where you can be more free of those observation biases going forward, again, the better data you'll have to be able to notice public health and public safety issues.

Three, you'll be pushed to gather information about whether legalization is a good idea or a bad idea. I think that's the wrong place to be looking for data. This is a country that's already decided where it wants to go. Instead, it should be picking up for public health and public safety data that is relevant to ways it can change and move forward with it.

Finally, four, make sure that it's actionable. I know a lot of places have great seed-to-sale data that they don't yet feel comfortable going to court with. Unless you feel comfortable enough with your

data to use it in the ways you need to use it, ultimately, it is not useful. There are a lot of places you can go with data. I recommend making sure all your systems, especially your seed-to-sale tracking system, are talking to your public health and public safety data systems so that you can see your problems as quickly as possible.

With that, I look forward to your questions. Thank you for your time.

• (1625)

**The Chair:** Thank you very much.

I'm now going to go to our video conference guest, from the Washington State Department of Health, Kristi Weeks. She is the government relations director.

**Ms. Kristi Weeks (Government Relations Director, Washington State Department of Health):** Thank you so much. I apologize for the technical problems. I am on vacation in Hawaii, so I am not in with my normal support system.

I want to talk to you today about Washington State's experience and what we went through transitioning from an unregulated medical system to a regulated both recreational and medical system. Our medical system was first approved by voter initiative in 1998. It was a very simple initiative. It provided an affirmative defence to criminal prosecution for patients and their caregivers who possessed no more than a 60-day supply of marijuana. It didn't authorize commercial production or processing, sales or other transactions for consideration, regulation by any type of government entity whatsoever, the right to use marijuana, or legalization or arrest protection for patients and their caregivers.

Being from the Department of Health, I'm very interested in the role of the health care provider. We have medical doctors, osteopathic physicians, physician assistants, ARNPs, and naturopaths who can authorize the medical use of marijuana. They can discuss the risks and benefits, sign the patient's authorization form, testify in court, and they should educate about marijuana, but they cannot legally dispense or administer marijuana.

It stayed pretty quiet for many years after that, until our recreational initiative in 2012, and that of course allows adults aged 21 and older to purchase up to an ounce of marijuana and corresponding amounts of liquids and edible products that are obtained from a state-licensed system of private producers, processors, and retail stores. The hallmarks of the recreational market that were missing from the medical market were regulation and enforcement of any kind, seed-to-sale tracking, testing and labelling requirements, serving-size limits, product restrictions in terms of products that may be attractive to children, and any form of taxation.

When the recreational initiative passed in 2012, it did allot a certain amount of tax revenue to the Department of Health to create and maintain an education and public health program, to have a marijuana use hotline, to have grants and programs for local health departments, and to have media-based education campaigns that separately targeted both youth and adults. One of the issues we had with that is that it was funded out of tax revenue, but we were legalized in January of 2013 and sales didn't actually start until July 7, 2014. We had an 18-month lag during which we had legalization in Washington but we had no tax revenue coming in to fund the system.

One tip I would give to you or to any other government entity starting up a marijuana system is to make sure you have that educational funding up front and that you don't rely just on taxation dollars, because doing that is going to put you behind the eight ball. We had our citizens crying out for this kind of educational material, which we did not yet have the funding to put together. Since the sales revenue began, we now get about \$7.5 million per year for our educational campaign, and we are in our third campaign. We first targeted parents about how to talk to their children. Then we targeted youth aged 16, 17, and 18. We're currently working on a campaign for our younger kids, aged 13, 14, and 15.

When sales started for the recreational system, we ended up with two systems living side by side—a highly regulated, highly taxed recreational market, and a completely unregulated, untaxed, kind of out-of-control medical market. Our legislature really started looking for a way to align these two systems.

• (1630)

That happened in 2015. They passed a bill that provided regulation of the medical use of marijuana through a single system of licensed producers, processors, and retail stores, with consistent labelling, testing, and product standards, and specific requirements for patients who are under the age of 18. We had never had that before in our initial medical system. There was no consideration for minors who might be patients; therefore, we had children who were literally going out and getting an authorization for medical use of marijuana without their parents even being aware of that, which raised a lot of concerns.

The goals of the alignment from the health department's point of view included clarifying what is meant by “the medical use of marijuana”. We have very strict standards in our law about what conditions you must have to qualify for the medical use of marijuana, but a lot of people use it to self-medicate. Is that medical or recreational? We also wanted tax breaks for patients who are signed up in our database or our registry. As well, we wanted to give them arrest protection for the first time, because, as I said, until that point they'd had only an affirmative defence at trial. We also wanted to better protect our medical patients by making sure that the products they were using were tested and accurately labelled, so that patients were actually getting what they were thinking they were getting when they went into our unlicensed medical dispensary.

On my slides, which I believe have been printed out, you can see some of the products—we have two pages of products—and the kinds of things that were in our unregulated medical market prior to 2015. They include products that mimic popular candy and treats,

products that have 1,000 milligrams of THC in a single package. As you may have heard, a serving size is 10 milligrams, so that is a very high serving of marijuana. Also, it looks like a Twinkie. A small child may not understand that this is a marijuana-infused product.

I also have here a photograph that I took in a medical dispensary of completely unmarked and unlabelled edible products. I was in that dispensary. I held up a bag of Goldfish crackers that had been sprayed with marijuana concentrate and asked three different workers in that dispensary what was in the baggie, and they told me three different things. From a public health standpoint, that's very concerning. If you're a patient and you're relying on these products for your health, to go in and not be able to know what you're buying.... You're not going to have consistency and you're not going to have safety. You're not going to be able to rely on these products.

After the bill for alignment passed in 2015, the health department was given three notable tasks. There were several tasks in there, but there are three that I want to talk about. One is to create rules for products that would be beneficial for patient use. Another one is to create within the health department a new licensed profession called “medical marijuana consultant”, and one is to create a database, but most people refer to it as a registry. We were, up to that point, the only state that had legalized medical marijuana and did not have a registry. It was a pretty frustrating situation. I would get calls on a regular basis asking me how many patients we had in the state of Washington, and I would have absolutely no answer because we didn't have a way of tracking them.

For compliant products, when we were deciding what products are beneficial to patients, we really listened to our patient community and what they wanted from their system. They wanted better testing for pesticides, heavy metals, and mycotoxins, because those were not being tested for in the recreational market. As I spoke about earlier, we also wanted additional requirements for labelling, safe handling, and employee training. In my slides, which you have in front of you, I have a photograph of what a compliant product looks like. Something that has met all those requirements and rules can use a label developed by the health department to show the buyer that it does in fact meet those enhanced quality standards.

•(1635)

For the medical marijuana consultants, this was a compromise between our recreational initiative that said that people in the retail stores were not allowed to talk about the medical benefits of marijuana in any way. Compare that with what had been going on in our unlicensed dispensaries where workers in the dispensaries were basically practising medicine without a licence on a daily basis along the lines of, if you use this product, it will cure your cancer and you don't need to go back to your oncologist.

The legislature tried to create a balance between those two those things by creating a new profession that does have some training but is not a health care profession. At this time we have three training programs for consultants. Two of those are online so we can reach our rural populations. We received a little over 1,100 applications and issued 720 consultant certificates. These are people who can only work within a retail store and give advice about product selection but not medical care.

Our third major task was the database. It went live on July 1, 2016, which was the day of the alignment when all the unlicensed, basically illegal, medical dispensaries had to close. Initial and renewal cards for the database cost one dollar. It is not mandatory; however, it is voluntary, and if you're in the database, you get extra benefits as a patient in terms of not having to pay sales tax. You can grow more plants. You can purchase more products. It is entirely voluntary.

**The Chair:** Ms. Weeks, I wonder if you can hear me.

**Ms. Kristi Weeks:** To date we have issued 25,662 cards, of those a 100—

**The Chair:** Ms. Weeks, I wonder if you could...

**Ms. Kristi Weeks:** Sir, I see you talking but I can't hear you.

**The Chair:** I just need you to wind up because we need to get to questions. We have one other presenter and then we need to get to questions.

Can you hear me?

•(1640)

I'm sorry you can't hear us but we have to go to one more presenter and then we have to go to questions.

I'm going to go to Mr. Sabet now. Mr. Kevin Sabet is president of Smart Approaches to Marijuana. He's also the director of the drug policy institute of the University of Florida.

Mr. Sabet, you have 10 minutes.

**Dr. Kevin Sabet (President, Smart Approaches to Marijuana):** Thank you very much, Chair.

My Canadian wife is very proud of me right now. It is an honour to be in front of you. My mother-in-law is probably even more proud, so that's probably more important. I do want to thank you all for having this deliberative discussion. I wish in the United States we had had a real discussion and debate about this, rather than 30-second TV spots to whoever could fund their message and those were the ones who won, the ones who funded it. This is a much better approach and really, from a personal perspective, I want to thank the government and everyone in Canada for being such a

welcoming place and having welcomed my in-laws here from fleeing persecution 35 years ago, 40 years ago. This is a very special place indeed.

As Canada embarks on this discussion as a country already with the second highest rate of cannabis use in the world, I think you have two choices when it comes to this policy change in this arena.

First, lawmakers can listen to public health advocates and people with essentially no financial incentives for policies to pass. This disinterested group grounds its perspective on scientific evidence and the legacy of other legalized drugs. We have already legalized drugs. They're called alcohol, tobacco, and prescription pharmaceuticals. Based on that information, most of these associations, folks working in public health, reject legalization in favour of a modified cannabis reform that would remove criminal penalties, not punish users, but at the same time not normalize, advertise, promote, and essentially commercialize cannabis. I think there has been a false dichotomy set up between you either have to criminalize or you have to legalize. I think that is a false dichotomy.

Now, if that can't be done and the decision has been made, then I would say a policy of discouragement and deterrence centred around strong science-based regulations and messages about cannabis use outcomes is certainly preferred to the policy of putting business people over public health and safety.

Alternatively, you can disregard scientists and not listen to the public health and safety experts, as well as your international treaty obligations under the United Nations, and instead listen to those with a financial stake in promoting, normalizing, and legalizing cannabis. These lobbyists and the interests they represent will make a great deal of money if cannabis is legal. The more people use, the more they will earn. We know the consequences of this approach from the world's experience with tobacco. It was our biggest global public health disaster: denying science on negative effects, promoting the use to children and other vulnerable populations, and manipulating the drug to enhance its addictive effects and thus its profitability.

Sadly, in my country in the United States, we've taken the latter route. It has already produced negative consequences. Although, of course, the full spectrum of negative consequences will not be seen for probably decades to come: mental illness, schizophrenia, psychosis, these things don't happen overnight.

We know that cannabis use is at least up, compared with the rest of the country, in jurisdictions with legalization. A commercial industry rife with lobbyists is regularly undermining proper regulation. Fly into places like Oregon and you see billboards without disclaimers, you see coupons, and you see brightly coloured edibles. These were supposed to be regulated out of the market. There are also concerns with drugged driving.

I've worked on this issue for over 20 years. I look at this from a non-partisan perspective. I've served most recently in the Obama administration where I was privileged to help draft the president's national drug control strategy, which shifted our approach to a public health approach. I've also served folks in other parties. I have advised in the U.K. before and after my Ph.D. studies at Oxford. I am gravely concerned with the direction we're going on this, because modern high-grade cannabis is not the cannabis of old. We've learned to manipulate the THC levels and that is why I co-founded with Patrick Kennedy, the son of the late senator Ted Kennedy, a group called Smart Approaches to Marijuana.

We joined the major public health and safety organizations in flat out rejecting legalization as good public policy, but also rejecting criminalization and the arrest of people for small-time use, but we are very concerned with the kinds of products that cannabis now comes in—in terms of attractive, kid-friendly edibles like candies, ice cream, and sodas—which account for a large portion of the cannabis market in legalized states.

Legalization and industrialization is responsible for these products. Let's be very clear. There is no effective way to mass produce highly potent products without access to the technology and capital that legalization allows.

•(1645)

I'm very concerned that we're seeing former provincial leaders, people in the public good, who have left their positions now, and we're seeing announcements about joining and starting companies and being involved in the cannabis business and using that inside information.

With regard to health, you've heard from people who have studied this much more extensively than I have, such as those from the Quebec association of psychiatrists and others. There is no debate about the negative consequences, the long-term consequences especially, of heavy cannabis use on young people. Canadian youth will be less marketable, frankly, on the global marketplace if use goes up and continues to go up. They will not be able to compete against other countries. I think that is a real issue. I think the workplace is a real issue as is employment safety.

I'm not going to go through the entire testimony here. I will submit it for the record in terms of, for example, what the National Academy of Sciences has said in my country. The top scientists just met and released the most extensive scientific review that has ever been released in the world on the negative health effects of cannabis. I urge you to consult that. I also urge you to consult the surveys that have been done on youth use around the country. Some of the ones that Andrew referred to talk about the issue of emergency room admissions, and we have data from Colorado and Washington on that as well.

As well as the issue of youth use and emergency room admissions, I think the black market is a serious concern. We are deluding ourselves if we think that major drug trafficking organizations will not exploit every chance they get to have a way to be legitimized through the legal market. We're seeing this in other states. We're also deluding ourselves to think that they will go away and not try to undercut the government price of cannabis. The economics rule the day here in terms of price. The lower the drug price, the more likely

someone is to use, and the illegal market can easily undercut the legal market. In fact, a leaked report in March from the Oregon State Police found that 70% of the market for cannabis in that state, which legalized some years ago, is still from the black market. A quote from that report reads:

The illicit exportation of cannabis must be stemmed as it undermines the spirit of the law and the integrity of the legal market...it steals economic power from the market, the government, and the citizens...and furnishes it to criminals, thereby tarnishing state compliance efforts.

In 2016, a Seattle Police spokesman noted that large-scale illegal grows are still prevalent and that they do come across those.

Another issue that was brought up was drugged driving. A study recently issued by the Canadian Centre on Substance Use and Addiction put the cost of impaired driving from cannabis at \$1 billion. What will happen if the use of cannabis increases by 1%, by 5%, or by 10% as a result of normalization? We can debate about which datasets are best for drugged driving, but the AAA Foundation for Traffic Safety found a large increase in Washington State, for example, in recent cannabis users getting involved in fatal car crashes. We know from science that cannabis about doubles to triples your risk of a crash because of reduced reaction time, etc.

Costs are very important. Please do not think that there will not be regulatory and enforcement costs under legalization. A lot of people are stunned. They say, "Wait a minute. We thought we were getting rid of enforcement." Actually, you're not. You will have to invest in the enforcement of the rules that you create. For example, in the U. S., the number one drug of arrest is not heroin, it's not marijuana, and it's not crack. It's alcohol. That's for underage users, DWIs, and public use. If recent surveys of Canadians are of any interest to anybody, I would say I think the public use of cannabis, the nuisance of second-hand smoke, and the issue of multi-home dwellings are going to be very big nuisances, and very big issues. That's why, for example, the apartment associations said what they did, and I agree with them.

As Andrew talked about, it's also not a tax windfall. If you're going to talk about revenues, let's talk about costs as well. You cannot look at one side of the ledger. A bad way to look at any business is to only look at revenues. What are the costs? What are the costs to Canada in terms of drugged driving, public safety, public health, etc.?

Finally, no policy change should occur without a commitment to better data collection. I don't think there has been good data collection, unfortunately, so far in Canada. However, robust data allows us to shape and change policy. There are a lot of things to look at, which I include in my testimony.

•(1650)

As I said, I wholeheartedly agree with the recommendations of most of your health organizations and other associations that realize there will be real victims from this policy change. The government should therefore commit itself to reducing the number of victims as much as possible, and discourage and deter. In summary, slow down. The only people who benefit from speed in this issue are the business people who are really waiting to get rich. There is no benefit at all to going fast on this issue. I share the concerns of provinces like Saskatchewan and Manitoba, who have raised alarm about the issue of age and the speed at which this is going.

I understand that it may be too late, but I still think that forgoing legalization in favour of reducing criminal sanctions and deterring marijuana use is the best way for public health. If, despite the best available evidence showing that it would ultimately harm public health, you do go ahead with legalization, we recommend raising the age limit, as the Canadian Medical Association said, to 25. The brain isn't fully developed until about age 30. The age of 25 seems rational.

Commence a discouragement and deterrence campaign. Limit the profitability of any retail outlets, for example, with government-owned stores that are totally non-profit, and plain packaging. We can't do, unfortunately, no advertising and commercialization in the U.S. because of that little thing called the First Amendment, which we find, and I find, very important and very good. In this case it hurts us in the U.S. because of commercial speech being protected as free speech. Hopefully you can find a way to have reduced commercialization.

Defend the rights of non-users and the victims, the children, the vulnerable populations. Where will the marijuana stores show up? Will they be in the rich neighbourhoods or will they be in the most vulnerable ones? That's a huge issue. In the United States there are eight times as many liquor stores in poorer communities of colour. I think Canada should listen to business groups, housing associations, and medical associations, as you are now, before formulating any policy. Commit yourself to a robust data collection effort.

Thank you.

**The Chair:** Thank you.

We'll now go to questions. We have a seven-minute round to start with.

Can you hear me now, Ms. Weeks?

**Ms. Kristi Weeks:** Yes, I can.

**The Chair:** Perfect, and we can hear you. That's excellent.

We'll start with you, Mr. Ayoub.

**Mr. Ramez Ayoub:** Thank you, Mr. Chair.

[*Translation*]

I listened very carefully to each of your presentations, which were very interesting, particularly because of their varied perspectives.

For the benefit of our fellow Canadians, I am truly interested in protecting our young people and our future. I was jotting down a few

notes and I was thinking that a head-in-the-sand policy is not a solution.

Right now, we have studies and statistics. Despite the dearth of data, they show that young people use marijuana. Nothing is being done with respect to young people's current use. That's troubling. Nothing has been done in years; this sort of problem has not been addressed. We are picking up the pace because there's an urgency. It is not because we want marijuana to be legal, but because there is an urgency in addressing the situation of our young people. If we do nothing, we'll continue to have the same sort of results.

So I would like to hear what Ms. Weeks, from Washington, and Mr. Freedman have to say. What was your first motivation for legalization? What were the related challenges? Nothing is done easily or overnight. However, challenges come with solutions and solutions come with challenges.

I would have liked to hear you talk about the motivations and the ensuing solutions. You touched on it in the beginning. Please be brief, because I have only seven minutes and I have other questions for you afterwards.

Mr. Freedman, you may start.

[*English*]

**Mr. Andrew Freedman:** Very briefly, motivation is hard when it's a vote of the people. I mean, there are 50 reasons why people chose to legalize. I would say that Governor Hickenlooper's number one priority was to make sure that we did not see an increase in youth use at the rollout and that over the long term we would see a decrease in youth use.

One of the things we see in the Healthy Kids Colorado survey, which is a survey of about 17,000 kids, points to your exact question, which is that over time, we are simply seeing a decrease in the perception of risk in the use of marijuana. That is absent legalization. That's a simple trend line over the last 15 years. I think kids are more likely to go the Internet to learn about marijuana than they are to listen to either a trusted adult or, for that matter, to the government.

That being said, our goal—our hat over the wall, the thing we were reaching for—is to do what the Federal Drug Administration did with tobacco in America, which was that there are messages that work and programs that work. It's not necessarily scare tactics that are the long-term solutions to this, but rather engaging kids in meaningful and helpful ways with behavioural health specialists, after-school programming, and conversations that meet them at the level they would like to be met at.

I'm not telling you that I know what the future will look like. I'm telling you that the future we're planning on is to see a decrease in youth use by decreasing access through drug dealers and by getting the message right and getting every lever we have to pull pulled in the right direction to see that fewer youth are using marijuana.

•(1655)

[*Translation*]

**Mr. Ramez Ayoub:** Ms. Weeks, I'm not sure whether you can hear me. Do you have any comments?

[English]

Do you hear us?

**Ms. Kristi Weeks:** I can.

**Mr. Ramez Ayoub:** If you want to answer, you can give us a short answer, please.

**Ms. Kristi Weeks:** To save time, I would echo most of what Mr. Freedman said. His situation in Colorado is very similar to Washington's in terms of how it was an initiative of the people. It wasn't a government action. I think the reason that people voted for it was to decriminalize what they considered to be petty crimes that were overly impacting persons of colour.

As for what we've seen since legalization and sales, particularly among our youth, we have not seen an increase in youth use. We have seen that same decline in perception of risk that Mr. Freedman talked about. What we've also seen, and what our kids are reporting through our Healthy Youth survey, is that they're finding marijuana harder to get now. That's important, because the stores are obviously not selling to kids, and we are seeing some kind of reduction.

[Translation]

**Mr. Ramez Ayoub:** You brought up an important point. On our side of the border, students and young people say that it is easier for them to get marijuana than cigarettes or alcohol. Alcohol can often be found at home or purchased at specialty stores, which are regulated. That's what we are trying to do with marijuana. There are a number of solutions but they have not yet been identified or finalized for the various aspects being examined.

Once again, I'm wondering about the age. There are many other products that are legal now and for which a legal age should be established. Why set the age at 25 for marijuana? Of course, the brain is not fully developed until then, but alcohol and cigarettes can be consumed throughout life, and the effects are immediate and cumulative.

For an adult, it is a matter of choice, and also a matter of public health and education. Every time we discuss this issue, the word "education" comes up more often than "regulation". When you educate people, regulation ultimately seems to be less of a trigger.

Does education come up a lot? Do you think it would be a long-term solution to the legalization of marijuana?

[English]

**Mr. Andrew Freedman:** Thank you.

I would say that education is one of eight or nine levers that go a long way towards seeing a decline in use. An important lesson that we learned from tobacco was that, for a very long time, almost a decade, for kids the perception of risk was very high for tobacco before we saw a decline in use. I think one of the things to keep in mind is that maybe, for an adult, knowing the long-term health effects is an important message. For a kid, who's not looking to what their life is going to be like in 30 years, it might not be as important.

I do agree. I think education is an absolute necessity here. I would urge that all education also comes with focus group testing with kids about what actually matters to them and what message—even if they believed it—would actually lead to a change in behaviour. Looking

for that towards implementation, I'm absolutely sure that the public health specialist has more to say on that than I do.

• (1700)

**The Chair:** Your time is up unless anybody else wants to answer that.

**Ms. Kristi Weeks:** I would just like to say one thing.

**The Chair:** Yes, go ahead, Ms. Weeks.

**Ms. Kristi Weeks:** I would just like to say that one of the particular challenges we find with marijuana that we're not going to find with alcohol or tobacco is the fact that it does have perceived medical uses. It's very hard to educate children that it is bad for them or that it will disrupt their brain pattern when they're also seeing that it's medicine. How can it be bad? That makes it different from tobacco and alcohol, requires a different message to them, and is a little more of a challenge.

**The Chair:** Mr. Sabet.

**Dr. Kevin Sabet:** Just to make it clear, maybe others were, but I certainly am not arguing to put our head in the sand on this. I think I would suggest that lawmakers ask themselves if everything has been done to reduce cannabis use as much as possible: prevention campaigns, health campaigns, educating doctors and pediatricians, early interventions and treatment. What has been done? Have we exhausted all of those avenues before we go down an unknown path that is very difficult to reverse?

We all know the harms of tobacco. Prohibiting it is almost impossible. Alcohol is the number one public health issue in terms of affecting other people more than anything else, but it's very difficult to reverse. Before going down this path, which is going to be very hard to reverse—although you can make modifications along the way—have we exhausted all those other options first?

**The Chair:** Thank you very much.

Ms. Gladu.

**Ms. Marilyn Gladu:** Thanks very much, Mr. Chair.

Thank you to all of our witnesses. I'm going to start with Ms. Weeks.

On your comment previously about how young people are finding it harder to get a hold of cannabis, I think that may be in part due to the fact that Washington did not implement a home-grow part of this whole situation. I'd like to get some information from those who did implement home-grow.

I think, Mr. Vasquez, you might be able to share some experiences that Colorado had in terms of implementing home-grow. We heard testimony earlier that there were issues or tensions. Could you tell us some of the difficulties you had with that?



**Mr. Marco Vasquez:** In Colorado we have several different layers of legalization. We have medical commercial, we have recreational commercial, and then we have the caregivers and patients who grow their own marijuana plants in a residential setting.

Then under amendment 64, we have the ability for anybody 21 or over to grow his or her own six plants. What we see there is a number of people coming together and doing what we call co-op grows. What we've seen in Colorado is a saturation of marijuana. Marijuana is readily available, readily accessible through the commercial markets, but also the grey and black markets. I think that our youth and people in Colorado would say that they have no problem at all in getting cannabis.

Many of the youth who are getting cannabis are getting cannabis from the regulated market. What I mean by that is, a parent or grandparent will go in and legally purchase cannabis in a store, take it home, and then the kids and grandkids are getting it from their parents and grandparents.

We also have the diversion that's occurring within the grey and black markets where people are growing their own marijuana in a home setting and then undercutting the price of the regulated market and selling it on the street. The Denver Police Department does quite a bit of enforcement around home-grows on Craigslist. You can go on Craigslist and call up Colorado or Denver marijuana, and you can see dozens and dozens of advertisements where somebody will meet you and sell you marijuana. All of it's illegal, but it is really resource-intensive for law enforcement to try to enforce that type of illegal behaviour.

As I mentioned before, the opiate crisis that we're having here in Colorado mirrors other communities across the country. If you're a narcotics unit, a narcotics commander, how much effort and resources are you going to be putting towards marijuana enforcement when you have heroin, methamphetamines, and other drugs that have people overdosing and dying? For Colorado, marijuana is just a piece of the puzzle, but it is readily accessible here.

• (1705)

**Ms. Marilyn Gladu:** Very good.

My next question is for Ms. Weeks.

You mentioned that at one point Washington forced the closing of all the illegal dispensaries. We have a huge number of illegal dispensaries going on in Canada. How successful was that? How did you enforce it? What did you do?

**Ms. Kristi Weeks:** It was very successful from a visual standpoint. We no longer drive down our streets and see three or four green crosses along the side of the road. What we are not sure about yet, a year in, is whether they have really closed or have just gone underground. Have they gone to Craigslist? Have they gone fully back into the black market?

We do know that since those stores closed, sales in our retail stores increased in that three-month period around the closure of the dispensaries by about \$30 million. Our patient community that was going to those illegal stores started going to the licensed retail stores. If we haven't completely eliminated them, we know we've certainly taken a big bite out of them.

How they were closed was through our law enforcement. They sent out letters saying that you have to close down on this date, July 1, if you don't have a licence with the Liquor and Cannabis Board, and if you don't, we will come in and arrest you. Then on July 1, when a few didn't close, they made a high media event arrest, and everybody else kind of decided to follow the law or go deep underground where we can't find them.

**Ms. Marilyn Gladu:** All right. That's great advice for us.

Mr. Sabet, you talked about the treaties we are in danger of breaching. Could you give us an idea of how you think the United States will view Canada breaching its treaties on marijuana?

**Dr. Kevin Sabet:** I stopped speaking for the United States a few years ago, and I haven't regretted it since.

There are three international treaties—1961, 1971, and 1988—that most countries are signatories to around the world. The drug business doesn't know state borders or provincial or national borders. Obviously, it doesn't know any borders, and that's part of the international global aspect of this whole problem.

I can't speak about the United States, given the fact that in eight states we have allowed the legalization of marijuana. Again, it was a very different process. These are processes by ballot initiative, where Andrew and his boss did not have the luxury of writing those laws or deciding what made sense or what didn't. No doubt, if they did, they would look 100 times better than the current laws do. They're written by interest groups, by the business interests, and passed because they outspent opponents more than 10:1 or 20:1 in messaging. We'll see what happens on the United States' side in terms of where we're going. I'm sure there will be some kind of announcement or discussion of the way this administration is going to be looking at marijuana.

I can tell you that from the treaty standpoint, as someone who's worked with the Commission on Narcotic Drugs for quite some time now, there is certainly room in terms of flexibility in the treaties in terms of the criminalization of possession. In other words, the treaties don't say you have to criminalize possession and people must go to prison. There's a lot of room. You have countries that are very extreme, like Saudi Arabia and some of the southeast Asian countries, that treat small-time possession in a very extreme way. That's how their culture does it. Then you have California. We've had decriminalized marijuana in California, before legalization, for 35 years, and that's not in violation of the treaties. Where it gets very tricky with the treaties is when you now have a government that is sanctioning the trade of marijuana and actually getting involved in it. Then you're talking about where, I believe, the treaties would be breached.

From the United States' point of view, the United States has been able to defend its policy to the U.N. by saying that this is not federal policy. It is a state policy, and the federal government, not the State of Colorado, is a member of the international treaties and a signatory. We're dealing with it the way we can with limited resources. From a federal perspective, though, we haven't violated anything, because we're not going there. Obviously, in the case of Canada, it's different, and I think it's going to be really mental gymnastics to try to think about how we stay within our treaty obligations if we go ahead and sanction the illicit supply of marijuana.

•(1710)

**The Chair:** The time is up.

Mr. Davies.

**Mr. Don Davies:** Thank you.

I'm going to pick up on the last question. The U.S. is a signatory to those three treaties.

**Dr. Kevin Sabet:** Absolutely.

**Mr. Don Davies:** Technically, all 50 states could move to legalize marijuana, and the federal government's position would be that they're in compliance.

**Dr. Kevin Sabet:** If past positions are any indication, possibly.

**Mr. Don Davies:** Okay.

**Dr. Kevin Sabet:** It doesn't make much sense.

**Mr. Don Davies:** No, it doesn't.

Ms. Weeks, there are a few questions I'd like to ask. You said, I think, that Washington state spends \$7.5 million a year on education. Do I have that figure correct?

**Ms. Kristi Weeks:** That is the amount that is provided to the Department of Health for education. Yes.

**Mr. Don Davies:** Are you finding that is a sufficient amount to deliver the fulsome program you would like, or would you require more money?

**Ms. Kristi Weeks:** On this particular subject, the more money we had the more money we could spend. I don't think there is enough ever to provide as much education as we would like. However, the \$7.5 million has given us a really good start. I can't complain about that number. Yes, if we were given more, we would do more. Absolutely.

**Mr. Don Davies:** We heard testimony from some representatives from, I think, Colorado who stated they spend \$9 million a year. One of their suggestions was the Government of Canada is allocating I think only \$9 million, and of course Canada has 35 million people. Washington State has a little over seven million people. Is that right?

**Ms. Kristi Weeks:** Yes.

**Mr. Don Davies:** Okay. I think one of his recommendations was that we increase spending on education from \$9 million significantly, given the bigger population. Would you concur with that?

**Ms. Kristi Weeks:** I would absolutely concur that given your population and your diversity I would say you would probably need a much larger budget.

**Mr. Don Davies:** I'm sorry if you answered this question. I didn't really catch you. Are there different tax percentages on medicinal versus recreational cannabis in Washington State?

**Ms. Kristi Weeks:** All marijuana that's sold in Washington State is subject to a 37% excise tax regardless of whether you're a patient or a recreational user. If you're a patient and in our database, you don't have to pay the additional about 10% sales tax. If you're a recreational user, you're paying the 37% plus sales tax. If you're a patient in the database, you don't pay that sales tax.

**Mr. Don Davies:** What was Washington State's last annual revenue figure from tax revenue from cannabis?

**Ms. Kristi Weeks:** I could not answer that. I believe you will have Rick Garza from the Liquor and Cannabis Board testifying, and he would have that information.

**Mr. Don Davies:** He did testify so I'll have to check my notes on that.

Ms. Weeks, I think Mr. Sabet testified—and I want Mr. Sabet to correct me if I'm wrong—that in all states that have legalized marijuana there are unsanctioned billboards, coupons, brightly coloured products, candies, ice cream infused with cannabis. I'll give him a chance to correct me if I'm wrong. If there's an error, it's mine, not his.

Is that the case in Washington State?

**Ms. Kristi Weeks:** The case in Washington is not exactly the same. We do have billboards, but there are limitations on what they can say. They can have the name of the company and directional information only. In terms of products, we do not allow any product that is especially attractive to children. Of course, a cookie is attractive to a child. It's also attractive to an adult, but what we don't allow are things like gummy candies, lollipops, ice cream, cotton candy, and hot chocolate. These are all kinds of products that have been disallowed because they have been found to be especially attractive to children.

**Mr. Don Davies:** This cookie thing is coming up again.

Mr. Sabet, I want to come back to you. Did I misunderstand you?

**Dr. Kevin Sabet:** No. I think there's a diversity, but generally the edibles are allowed. Obviously, it's subjective in terms of whether this cookie is attractive to kids or not. In terms of billboards, the issue is, yes, there are regulations but they often are not met. In Oregon two days ago on social media—and again I'm happy to give all this physical evidence afterwards—there was a very large billboard on a major freeway advertising a certain marijuana company. In Oregon, if you're going to do any of that advertising, you have to have disclaimers on, for example, no one under 21 and also about driving. There was no disclaimer. Those weren't there.

There's a diversity of regulations, but in general this has been about commercialization. It's very difficult to limit that. There was a fight in Colorado and other places to try to limit the edibles. It's not an easy job to do.

• (1715)

**Mr. Don Davies:** Mr. Vasquez, I want to ask you a quick question. I visited a licensed dispensary in Vancouver this summer, and they told me that their single largest patient group was people who were addicted to opioids prescription pills mainly for pain management. These are not street-level drug users. These are people with back pain who have been prescribed opioids, OxyContin, etc., and who are seeking cannabis as a substitute to try to wean themselves off opioids.

Given the poor state of pain management for a lot of folks in our country, do you see any role for the use of cannabis in that respect to actually help people with the opioid crisis and with their pain?

**Mr. Marco Vasquez:** I think there is an opportunity where this could help, but what we have heard here in Colorado over a period of time is that if we increase the use of medical marijuana for pain treatment we'll see a decrease in opioid use, and we haven't seen that. As I mentioned before, Colorado is number two in opioid overdoses in the country.

The second thing we've seen here in Colorado is polydrug abuse. Very rarely will you see somebody using just cannabis, just alcohol, or just opioids. Most of the people who are going into substance abuse treatment in Colorado are using and are addicted to multiple drugs.

In a short answer to your question, if it were to reduce pain and help manage pain and people were using less opioids, I think that would be a success, but so far I don't believe that's what we've seen in Colorado.

**Mr. Don Davies:** Thank you.

**The Chair:** Your time is up.

Ms. Sidhu.

**Ms. Sonia Sidhu:** Thank you, Mr. Chair.

I want to correct the record. Washington has medical homegrown.

My question is for Mr. Freedman. You have been quoted as saying that the looseness of the homegrown laws in Colorado can cause an access point for the illicit market. The Bill C-45 limit is four plants of no more than one metre in height. Could you comment on how this regulation would prevent a diversion to the legal market from home-based production?

**Mr. Andrew Freedman:** Thank you, because it's a very important distinction. It is important to note that in Colorado it's pretty easy to get to 99 plants. It was, by the way; we cleaned up the legislation to 12 plants. It's hard for me to say, but I would say there's a lot less evidence that something like four plants, especially if there are very clear guidelines, there are not ways to co-op those plants together, and law enforcement has very clear guidelines.... I don't have the information to tell you that it would be a problem.

I do have the information to tell you that 99 plants is a huge problem and, especially, that I would look carefully at all the ways in which laws can be mixed and moulded together such that they can both create confusion for law enforcement and give people a larger plant ground-count gross than what you initially wanted.

**Ms. Sonia Sidhu:** You have often spoken to the importance of setting up cannabis tracking systems from seed to sale. In jurisdictions that legalize and regulate its use, could you explain how this was established and what benefit it has brought for public safety?

**Mr. Andrew Freedman:** In Colorado, seed-to-sale tracking is a radio frequency identifier tag on every marijuana plant in the regulated market once it's over six inches tall, the primary purpose being that it gives regulators a way to ensure you're not shipping it out of state. That's why it exists. It's so that at every point in the process you have to tell an internal database how many plants are there. If you're lying or if it doesn't match at any point, you're in violation of your licence agreement.

The system went up. It actually has done.... I mean, we've found people violating it, but we have found them, and that means we are finding good compliance rates and that it is preventing massive out-of-state diversion operations. I would say also the part that we could use it better for is that we should be lining it up with public health and public safety information. If we could have quickly seen that edibles were being sold more in tourist towns than they were in other towns, we could have gotten out a point-of-sale education system in a much shorter period of time, which could have prevented hospitalization increases.

Not only do I think it's an effective law enforcement tool, but I think it's giving us amazing data. If we can figure out how to use it better, it will help us govern marijuana better.

• (1720)

**Ms. Sonia Sidhu:** Thank you.

Mr. Vasquez, I wonder if you could also comment on how data collection through a tracking system might support the work of law enforcement.

**Mr. Marco Vasquez:** Again, the lack of data collection has been very problematic for us here in Colorado. To get some baseline information is really critical to be able to measure increases and trends, to really be able to talk about how marijuana legalization is impacting us from a public safety standpoint.

As Mr. Freedman just mentioned, the seed-to-sale tracking system within the commercial market works well to be able to track the inventory from the seed or from the clone all the way to the product being sold in a dispensary. Again, the difficulty we have in Colorado is that we only have that for the commercial side of the marijuana industry. For the caregivers, the co-op grows, and the home-grows, we don't have any ability to track those plants at all. I have some statistics here that show the number of marijuana plants in the commercial industry in 2016, and that's very helpful data for us, but again, it would be very helpful to have the additional piece about the non-commercial grows as well.

**Ms. Sonia Sidhu:** Thank you.

Ms. Weeks, you said in your statement that Washington has three types of training programs for consultation certificates for retailers. Can you explain a little bit about that?

**Ms. Kristi Weeks:** The legislature asked us to approve training programs for consultants, so private schools have submitted their curricula to us for approval, to make sure that they are teaching consultants what they are supposed to do or not do within the confines of the law. It's much like a nursing school or a massage therapist school. We have three different training programs for these consultants.

**Ms. Sonia Sidhu:** Thank you.

Mr. Freedman, how does the quality of marijuana sold on the black market compare with the product sold in the legal market?

**Mr. Andrew Freedman:** It's hard to say because we don't always see the product in the black market, but we have instituted pretty rigorous pesticide controls and homogeneity controls on edibles, and contaminant testing, which have, over time, really increased the quality and consistency of what's inside the regulated market.

We don't do this kind of testing because it's all illegally seized property. My guess is that there's quite a bit of what's called myclobutanil being used on homegrown plants, which we don't allow inside the regulated market, that is known to cleave off hydrogen cyanide when heated to over 400 degrees Fahrenheit. So there are significant advances being made in quality control on marijuana.

**Ms. Sonia Sidhu:** Thank you.

**The Chair:** That's good. That's our seven-minute round.

We're going to go to our five-minute round, starting with Dr. Carrie.

**Mr. Colin Carrie:** Thank you very much, Mr. Chair.

I want to thank the witnesses, and again, what great witnesses we have.

It's unfortunate that the government really wants to cram everything into one week because they want to get this done.

For me, it's an eye-opener. With the American experience it seems it was the people moving up to look at these issues about decriminalization and small quantities, whereas in Canada this really came about from a poorly thought-out political promise that was made, and we're seeing that the federal government is trying to force a timeline down on the provinces and territories. We've heard from provinces that aren't happy and police forces that aren't happy with it, and what really bothers me is the narrative from the government saying we have to rush. There is no rush here.

Since they say the status quo isn't working, I'm going to read this into the record. "The World Health Organization and the Public Health Agency of Canada"—okay, it's an agency of Canada—"have released the results of the latest survey of nearly 30,000 children in 377 schools across Canada, first administered in 1990." Now, these are 2014 numbers, but it says:

Cannabis use is now at its lowest level since 1990. About 23 per cent of boys and girls aged 15 and 16 report having tried the drug, which is down by half from its peaks in 2002, when 50 per cent of boys said they smoked, and...40 per cent of girls had tried [it].

This whole rush about it really makes me uncomfortable. We have such a short period of time to jam this in. We're not listening to the lessons that you gentlemen and you witnesses are bringing forward, and what really concerns us is our youth.

Mr. Sabet, I think you used the term "normalization" and referred to the worry about that. In this legislation, the bill would allow young persons—which is defined as between the ages of 12 and 17—to have up to five grams of marijuana, and from my understanding in talking to people, that can be 10 to 15 joints. I think that's enough for somebody for a day, but I want to ask you these questions.

Do you think it should be illegal for those under the legal age to possess marijuana? Do you think a 12-year-old or a 17-year-old possessing five grams at one time would likely share it or sell it to others, and what does this do to normalize marijuana?

● (1725)

**Dr. Kevin Sabet:** When I read that provision, I was surprised that we would allow it for a 12-year-old. However, again, I don't think we have to fall into the dichotomy of either leaving it there, letting the messages be misinterpreted online and in other places, and giving young people the message that this is all fine and dandy, or of cracking down, expelling them from school, not giving them health services, and treating them in an enforcement way. I would hope that it could be rewritten in a way that we want to help....

There is no reason that a 12-year-old, or a 17-year-old, should be smoking marijuana. The issue is that we want to be able to help them. We want to get them mental health services. If a 12-year-old is smoking marijuana regularly, I'm guessing that they're probably using alcohol regularly. If you look at it, they're complements for young people. What help do they need? I don't think they should be expelled from school. We don't want to lay the hammer on them, but I think there are health interventions.

I do worry about the message it might send, even if it's caveated with "we don't want you to use", if it's written like that in the law without saying that, "Under a certain amount, we're not just going to allow you to possess it. That's not the point. The point is that we're not going to give you a criminal record, but we are going to connect you to health and social services in school and in your community."

That would be a positive step. I think that would be very good. Again, though, that takes investment. All of these things—Can we enforce the seed to sale? Can we make sure with regard to the driving issue and the testing? Can we make sure that people don't use in public?—need to come with an investment. I think there are still so many unanswered questions about that.

**Mr. Colin Carrie:** Mr. Freedman, what would you think about that?

**Mr. Andrew Freedman:** I'm not sure I have much to add over Dr. Sabet's analysis. Honestly, I don't have expertise on what criminalization with regard to 12- to 17-year-olds would do to consumption patterns. I just don't have that much to add, expertise-wise.

**Mr. Colin Carrie:** One of the concerns is more around whether this helps normalize it. As I think Dr. Sabet was saying, maybe we should, before going down this path.... There may be other options, but that's what we have. We have the bill in front of us.

I also wanted to talk to you about this. I live in a border town, and I'm worried about jobs. A lot of jobs in Canada depend on trade. With these three treaties, even if the government is going down this route, they're supposed to let the other countries know that we are going to be withdrawing. I don't know what their solution is. What do you think will happen to jobs in Canada, where one in five jobs relies on trade, or I think more than that, if we're so out of sync with our biggest trading partners?

• (1730)

**Dr. Kevin Sabet:** I don't know what has been discussed in terms of what happens when someone crosses the border and they're asked questions: Have they used, are they using, are they in the business or are they not, and what do they have on their person? I'm not privy to those conversations. I think it's definitely a concern. I think jobs are a concern not only for the issue about trading partners but even just internally, whether you're in a border town or not. Does marijuana help people get to work on time and do their jobs in a safe and responsible manner? I don't think so.

If the issue is that we're going to be testing more, which you may want to do, THC does stay in your system a little bit longer than alcohol. Alcohol isn't metabolized in your fat the way THC is. Depending on the person, it could be three days. In some cases it could be up to 30 days. What happens if that the person has an accident and they're saying it's because of the working conditions? If you say, "Actually, you tested positive for marijuana," they could say, "I used it legally three days ago. It was on the weekend, boss. You can't penalize. It's legal now." I think there are a lot of those complications. Frankly, it's a lawyer's dream in terms of the lawsuit and liability issues. We've seen insurance claims in some of these jurisdictions be affected by this, because all of these other implications on accidents are happening.

There are, understandably, just so many questions that need to be looked at and confronted. Otherwise, to use a term I like, which I think Andrew has used before, you'll be building and flying the plane at the same time. We did that in the U.S., and I would say not so much because all the people wanted to do it but because there was a cash infusion by a few very rich billionaires, and people who wanted to get richer, pushing messages for years about marijuana's harmlessness, that it was safer than alcohol, and all these things. They were able to push the ballot initiative. Most people probably thought they were voting on decriminalization, not on a pot shop on Main Street.

Nevertheless, they passed it. Folks were left with building the plane and flying it at the same time. Obviously, you are trying to build the plane before it takes off. That's better, but let's make sure we look at all the parts as opposed to neglecting a lot of the parts and

saying we'll deal with them after takeoff. We don't want to deal with them after takeoff.

**The Chair:** Time's up.

Mr. Oliver.

**Mr. John Oliver:** Thank you very much.

Thank you very much for your testimony.

Ms. Weeks, in particular, thank you to you. You're on a vacation in Hawaii and spending time with us in Ottawa. I think that's quite unique, so thank you very much for that.

I want to just say a quick piece here. In Canada we've had legalized medical marijuana now for over a decade. We're not new to this particular field. The government was clear during the election in 2015 that this would be a priority. In June 2016 a task force was launched. It met with doctors, lawyers, researchers, law enforcement, and multiple stakeholder groups in different jurisdictions.

There were 20,000 submissions to the expert task force that eventually, with those recommendations, came about to produce this legislation. The legislation is more conservative. We've heard both from the chair and the vice-chair and from others, that the legislation itself is more conservative than the recommendations that were brought forward from the task force. It was introduced in April, and we're here today. We still have nine months to the point when it would probably become legalized, so I think this has been a very careful, very thoughtful process.

We have a problem in Canada. As much as I keep hearing numbers from other members on the committee, the bottom line is that 21% of youth in Canada acknowledged using marijuana in the last year, and 30% of young adults said they used marijuana in the last year. A recent UNICEF study has Canada as the worst. These are children, 11-, 13-, and 15-year-olds, who reported using cannabis in the last 12 months. We're at the bottom of 29 nations. Our children are the heaviest users of marijuana among 29 industrialized nations, so we have to go somewhere with this.

Mr. Sabet, I was quite confused by your testimony. I heard you say what we know, that use of marijuana is not healthy for young people. There are uncertain longer-term psychiatric potential risks, but I don't know that they're proven yet. I heard you say, "Don't legalize it", but then I heard you say, "Don't charge people for possession of it."

**Dr. Kevin Sabet:** Yes.

**Mr. John Oliver:** My conclusion, then, would be that decriminalizing is the recommendation you're bringing to this group.

• (1735)

**Dr. Kevin Sabet:** That's only part of it. I think partly, if you're worried about criminal records for young people and enforcement resources, that's one way to do it, but I wouldn't just say leave it alone and decriminalize it. I would say, if you're going to remove criminal sanctions, and that really gets out there and people see that and know that.... By the way, decriminalization and legalization are used so often interchangeably. They're obviously—

**Mr. John Oliver:** They're not. They are—

**Dr. Kevin Sabet:** No, no, you're much more sophisticated here than we are back in the States. After Colorado legalized it, most of the headlines I remember from that day said they had decriminalized it. Of course they hadn't; they had legalized it.

I would say decriminalization is part of it, but I would say commence a science-based education and advocacy campaign the way we've done with tobacco—very successfully in some countries—look at brief interventions, and work with doctors and pediatricians. It's a multi-faceted approach. The decriminalization side is only one aspect of it, and that's basically because we don't think it makes sense to give kids a criminal record. We think it makes more sense to get them help.

**Mr. John Oliver:** I think part of the solution to this problem is, what are you trying to solve? I think maybe there's a different root problem that's trying to be solved in this legislation than perhaps you would identify with. In addition to getting marijuana, cannabis, out of the hands of our youth and the hands of our children, it's also about removing the black market, removing crime from this marketplace. That's probably overstating it, but at least reducing their opportunity to make profit in this particular space.

The other is addressing the health of safe production of marijuana. With regulated, licensed production facilities, you know what you're getting. It can be controlled, it can be tested, and it can be monitored. There are other objectives here that I think decriminalization doesn't address. I just want to leave it at that.

I have a question for Colorado and for Washington. The last presentation we had was from those two states, and they talked about a barring of vertical integration. It sounded like it was more just about competition. They didn't want to have one big company that was doing everything. Other than competition, was there a health reason or a legal reason?

**Mr. Andrew Freedman:** In Colorado, we don't bar vertical integration on either the medical or recreational side. In fact, on the medical side we require vertical integration. Most often, the thing I hear about why you want to bar vertical integration is to prevent a monopoly situation and the growth of one or two major players.

I would argue, and I think it's what we're seeing, that this is an agricultural commodity with small profit margins. The natural economy of it is to push towards larger grows. I do think that whatever kind of system you set up, in the long term you're going to see larger and larger grows.

On the retail side I think there are a number of different ways you can limit somebody owning too many retail shops.

**Mr. John Oliver:** I think they're trying to bar the grower who then also was the manufacturer of a product who then retailed it. I think we're trying to break those markets down a bit.

**Mr. Andrew Freedman:** It certainly makes sense. What they're going to argue is that the more players in the market, the more people who are likely to not be in compliance with the laws. Dealing with fewer actors who have more capital to be compliant will create better actors.

Certainly there is a trade-off between the two. If you get thousands of actors, it is harder to watch over. I'm not sure if that argument carries the day.

**The Chair:** Time's up.

Mr. Webber.

**Mr. Len Webber:** Thank you, Mr. Chair. Thank you, presenters.

Dr. Sabet, I really enjoyed your presentation. I enjoyed all the presentations but in particular yours. I agree with a lot of what you said, in particular about slowing down, slowing down the process where we're headed with this government, with it being 292 days before we become a country able to purchase and consume marijuana.

I do want to ask a question to Ms. Weeks, regarding her point. You mentioned education funding and making sure that we have that funding in place. Of course, \$7.5 million was what your budget was. You talked about targeting parents in your first campaign, with youth next, and then younger children after that.

What was the timeline there with respect to the education process? Did you start this months and months, years, in advance of your July 1 deadline? Or was it something that you had to implement after the legalization of marijuana in your state?

• (1740)

**Ms. Kristi Weeks:** We had medical marijuana for many years. There was no money involved with that or education, so really it was with the passage of the recreational initiative in 2012 that we were given money in the initiative. But the money didn't materialize until the sales started a year and half later. In that first year and half we had no money to do this. We literally checked the couch cushions and worked with some other agencies. We came up with only \$400,000 for that first campaign to teach parents how to talk to their children.

That was just money that we used from other sources. It wasn't until two years in that we got our first \$7.5 million. By that point, the stores were open and legalization had been in place for a long time. People were saying, why haven't you done more? It was because we hadn't had that funding. The funding was based on tax revenue.

My suggestion was to make sure there is revenue for education up front that isn't dependent on the tax revenue that you will eventually get from your commercialized market.

**Mr. Len Webber:** I think there should be funding in place now in order to educate our children before the product is legalized here in this country.

Mr. Freedman, you as well, for how long in your state did you educate your youth before it became legal?

**Mr. Andrew Freedman:** I can't agree more with Ms. Weeks.

It's also one of the easier lessons learned on this. There are a few things. People want marijuana to pay its own way. That's an easy enough solution. There have been times when we've taken a loan out against our general fund that we then repay with marijuana money down the road.

We were stuck in a very similar situation. They budget two years; we budget every year. We were a little better than they were. We were out by that summer with messaging. If we could do it over again, we would be out two or three months before commercialization starts.

**Mr. Len Webber:** At least.

I'm just curious with regard to the licensed retail outlets in your states. Are they 24-hour outlets where you can go and purchase marijuana at any time of the day or night?

**Mr. Andrew Freedman:** No, they are not. On the state level, they have to at least mirror alcohol, which I believe means they have to close at 10 p.m., but cities have decided to change those hours to... That's the ceiling. They can go to 8 p.m., 6 p.m., and so on. In Denver, for a long time it was 6 p.m., and then it moved to 9 p.m., I believe.

**Mr. Len Webber:** Is it likewise in Washington State?

**Ms. Kristi Weeks:** We do have limited hours much like for alcohol. I believe there's an eight-hour period when they're not allowed sales, between 11 at night and seven in the morning.

**Mr. Len Webber:** This is where the black market, of course, thrives, at that time of day, when the retail outlets are closed.

Dr. Sabet, again, it's the black market. You mentioned that they will always undercut the legal market. You mentioned that, in Oregon, 70% of the sales come from the black market.

**Dr. Kevin Sabet:** Of the estimated market, according to the Oregon State Police, yes.

Of course, drug dealers are also dealing with multiple drugs, so again, unless we're talking about all drugs—which I don't think we are and I don't think we should be—and making all drugs cheap enough to get drug dealers out of the drug business, this becomes difficult.

If you don't mind, there is one point on the variation that I think hasn't been made and is very interesting, especially for elected officials accountable to voters. I don't have the numbers for Oregon, and Ms. Weeks can illuminate us on Washington, but what we've seen in Colorado is that the majority of the localities have actually voted against having a marijuana store in their community.

On the one hand we voted for amendment 64 or whatever, legalization, because we don't want people to go to jail. We want something new, and let's treat it like alcohol. On the other hand, if we ask, "Okay, well, by the way, if we put it in your backyard, is that

okay? If we put it where your kid goes to school, is that all right with you," most of the time people respond, "No, no, no. Actually, let's do it over there, not here."

Again, I'm not as learned on the bill as I should be in terms of local control, but that is a very interesting issue. This does not seem to be a big issue for most people unless it really starts to affect them. Then you get the calls from your constituents saying, "You know, I sort of thought this was good, and maybe we could regulate, but they're not going to open it here, are they? What can we do to stop that?"

It's a very interesting thing that even in a pretty liberal state like Oregon—you've seen in the last election the majority of jurisdictions voting there—even jurisdictions that wanted legalization when they voted for it, voted against having a pot shop in their own community. I think that's going to be a very interesting discussion to have, too.

• (1745)

**The Chair:** Your time is up.

We're going to go to Dr. Eyolfson now.

**Mr. Doug Eyolfson:** Thank you, Mr Chair.

I thank you, Mr. Webber, because you actually led into a question that I was about to ask, so this is perfectly in sync.

Dr. Sabet, you talked about how the black market will always undercut the price of the legal market. In our previous session we had testimony from Washington State that said that, in fact, the price was consistently lower in their legal market. How do you reconcile that?

**Dr. Kevin Sabet:** There are multiple reasons why the black market.... One of them is to undercut the price. I don't know; I'm not privy to that testimony. I would sure like to see it.

The other issue is that they are open all night. It's true that they don't care whether you have identification or not, so there are—

**Mr. Doug Eyolfson:** Which? In Washington?

**Dr. Kevin Sabet:** In Washington there's an age limit. My point is that with drug dealers there's no age limit. They're able to get around the regulations because they're not following them. They don't need to follow them.

**Mr. Len Webber:** I know, but we're talking about the price—

**Dr. Kevin Sabet:** Yes.

**Mr. Doug Eyolfson:** —and you had said that the black market always undercuts—

**Dr. Kevin Sabet:** No, I'm not saying "always".

**Mr. Doug Eyolfson:** I thought I heard the word "always".

**Dr. Kevin Sabet:** Okay. It's probably my fault there, so I'll retract "always".

**Mr. Doug Eyolfson:** Okay. We had clear testimony that, in fact, due to the economies of scale of a legal market that did not have to worry about the fact that they could be shut down for operating illegally, they were able to significantly undercut the price.

Mr. Freedman, would you agree that's the experience in Colorado?

**Mr. Andrew Freedman:** Yes, I think the economics of this are such that, barring extreme taxation or a regulation that makes a normal consumer feel like they are missing out on a variety that they prefer—especially over time and as people create different behaviour patterns—we've seen very quickly that we've captured at least 70% of the market. I think that when new data comes out, you'll find that it is closer to 90% to 95% of the internal market in Colorado that is now in the regulated system, not in the black market system.

**Mr. Doug Eyolfson:** Thank you. That's quite helpful.

Dr. Sabet, you said that if we legalize this and once it's entrenched, how do we reverse it? With alcohol, we couldn't reverse it. Tobacco is there and we couldn't reverse it.

Given the prevalence of cannabis in society today in both the United States and Canada, would you not agree with the argument that it's already so entrenched that we're never going to reverse this?

**Dr. Kevin Sabet:** Cannabis is accessible, it's available, and it's already normalized. Both sides of the aisle, in my mind, are right on this. You're both correct. Cannabis use has fallen dramatically in Canada over the last 20 years, but it's still the number one or two country in the world for use. It sort of depends on how you look at the half-glass of water being full or empty.

Absolutely, there will always be people using cannabis, and it will be prevalent, but when there are ways the law and society can either encourage use or discourage use, my argument would be, let's discourage use, especially among young people. I think that's hard to do when cannabis becomes essentially a badge of adulthood, it becomes normalized, and it becomes like what we have with alcohol.

With tobacco we have seen a reduction in use, when tobacco is legal. That's an interesting case, because it sort of counters what I'm saying. With alcohol, we see way more people drinking than using cannabis. Many more young people are drinking than are using cannabis in the general population, but with tobacco, in the United States and in Canada, among certain age groups, we've seen a reversal.

More kids are smoking cannabis than are smoking tobacco. Is that because tobacco is legal? I don't think so. Tobacco has been legal for this generation's lifetime. It wasn't that it was illegal and then it became legal so use went down. No, use of tobacco went down because we had a societal shift that has been going on for the last couple of decades. As a society, we said that there is no debate. This is not good. We want to discourage use. If you come in here and say that it's good for you, or it's medicine, or it cures cancer and opioid addiction, you'll be laughed out of the room. As a society, we've made that determination, so we have been able to reduce tobacco use even in legality.

I worry, with cannabis, whether it's legal or not, that we are in the reverse, culturally, of where we are with tobacco. We're at a point where kids think it's medicinal. By the way, on the medicinal side, just for the record, there are medicinal applications of cannabis, just

like there are medicinal applications for opium. We don't smoke opium to get the effects of morphine. I don't think we need to smoke cannabis to get its potential medical effects. In my mind, we should treat it like every other pharmaceutical drug. We should derive what's important from it and give it in a safe dose.

The point is that we're far away from that with cannabis, with young people thinking that it's harmless. I don't think young people think it's harmless because it's illegal. I think young people think it's harmless because we haven't, as a society, delivered in an evidence-based fashion science-based messages in multiple sectors of society. Sometimes we've gone way overboard, certainly in the U.S. I think that if you tried that first and you tried to make it not normal, as for tobacco, you may see some positive results. Actually, I do worry that if you legitimize cannabis we are now going to make smoking, which is so out of vogue for young people, back in vogue. Is there evidence now in some places where smoking of tobacco may be taken up more than it was because of cannabis? I don't know, but it's something I think we should look at and be worried about.

• (1750)

**The Chair:** Time is up.

Now we go to Mr. Davies.

**Mr. Don Davies:** Mr. Freedman, you mentioned in your original testimony that it was critical and important for us to collect public health data. I'm just wondering if you could flesh it out for us. What kinds of data would you recommend we set out to gather from the beginning?

**Mr. Andrew Freedman:** Thank you.

I think public health survey data is lacking in types of marijuana used, frequency of use, potency of use, and times of use. We get back good youth data every two years, but we should be getting that back in a much more timely fashion. The public health data is simply year-long. "Have you used in the last year? Have you used in your lifetime? Have you used in the last 30 days?" I would argue that this is not the problematic use we're trying to stop, especially among adult users, where we really are talking about cannabis use and functional impairment. We should be working harder to drill down into that in our public health survey data. That, however, will always be rear-looking, because when you take surveys, it just always takes a while.



Going forward, one of the things we weren't tracking in schools was marijuana-related suspensions and expulsions. I think if we had been tracking that ahead of time and had baseline data, we also could have seen how availability in schools is shifting. What we did see was that drug-related suspensions went up after medical but did not go up after recreational. For the life of me, I cannot tell you why. It's data that we wish we had better information on, particularly because at that time, total suspensions were dropping under medical, and then total suspensions were going up under recreational.

We have messy data. There are no two ways about it. There are about a hundred of those things I would change going forward. I would also be tying all of that to your seed-to-sale tracking system so that you can tell, in real time, where the problems are coming and what the consumption patterns are in those neighbourhoods.

**Mr. Don Davies:** If you feel like doing this after your testimony ends, if you want to send the committee a detailed list of things that would be helpful to track, that would be really useful for us.

**Mr. Andrew Freedman:** Absolutely, it would be my pleasure.

**Mr. Don Davies:** Thank you.

Ms. Weeks, quickly, one thing we haven't really heard much about from people is treatment. Regardless of a person's feelings about cannabis and whether we should legalize it or not or what the proper policy approach should be, there's no question that it is a mind-altering substance, and like any drug, has the potential to create a substance-use disorder.

What was Washington's experience with investing in treatment? I guess a sub-question with that would be that I'm predicating that on the supposition that marijuana use, cannabis use, went up in the

general population, but I'm not sure it did. First of all, has cannabis use gone up in the general population in Washington State since legalization? Second, what has been Washington State's investment in substance-use disorder treatment for marijuana?

• (1755)

**Ms. Kristi Weeks:** Since legalization, use has gone up for adults. It has not gone up for children, so those numbers have stayed the same. Much as in the initiative a certain percentage of tax revenue was given to the Department of Health for education, another percentage was given to a sister agency for treatment, so they have been using the dollars they receive to provide treatment.

We do know that for children, marijuana is the number one cause of a child entering substance-abuse treatment. The number of adults entering treatment for marijuana has declined since legalization.

**The Chair:** Thanks very much.

I just want to say thanks on behalf of the committee. You've all provided really good information and different perspectives. I especially want to thank our video conference guests, because it's not easy to be out there by yourselves, and especially if you're on vacation, to take the time to do that.

Chief Vasquez, I know you've taken a lot of time to listen to us. We're here in a room with other people, so it's a little easier for us.

I also want to thank our guests who took the time to come here. You've given us the value of your experience, which there's no way we could get any other way. Thanks very much.

We'll see you tomorrow morning. The meeting is adjourned.

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