

Legislative
Assembly
of Ontario



Assemblée
législative
de l'Ontario

**Official Report
of Debates
(Hansard)**

SP-3

**Journal
des débats
(Hansard)**

SP-3

**Standing Committee on
Social Policy**

Cannabis Statute Law
Amendment Act, 2018

1st Session
42nd Parliament
Friday 12 October 2018

**Comité permanent de
la politique sociale**

Loi de 2018 modifiant des lois
en ce qui concerne le cannabis

1^{re} session
42^e législature
Vendredi 12 octobre 2018

Chair: Nina Tangri
Clerk: Eric Rennie

Présidente : Nina Tangri
Greffier : Eric Rennie

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Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
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Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

ISSN 1710-9477

CONTENTS

Friday 12 October 2018

Cannabis Statute Law Amendment Act, 2018, Bill 36, Ms. Mulroney / Loi de 2018 modifiant des lois en ce qui concerne le cannabis, projet de loi 36, Mme Mulroney	SP-55
Lung Association, Ontario	SP-55
Ms. Sarah Butson	
Campaign for Cannabis Amnesty; Ontario Cannabis Consumer and Retail Alliance	SP-58
Mr. Tyler James	
Schizophrenia Society of Ontario	SP-61
Ms. Erin Boudreau	
Canadian Cancer Society	SP-64
Ms. Sarah Cruickshank	
Mr. Rob Cunningham	
Tilray	SP-67
Mr. Cameron Bishop	
Consumer Choice Center	SP-71
Mr. David Clement	
Addictions and Mental Health Ontario	SP-74
Ms. Adrienne Spafford	
Mr. Vaughan Dowie	
Fire and Flower	SP-77
Mr. Nathan Mison	
Tobacco Harm Reduction Association of Canada	SP-80
Mrs. Jaye Blancher	

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
SOCIAL POLICY**

**COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE**

Friday 12 October 2018

Vendredi 12 octobre 2018

The committee met at 0900 in room 151.

**CANNABIS STATUTE LAW
AMENDMENT ACT, 2018**

**LOI DE 2018 MODIFIANT DES LOIS
EN CE QUI CONCERNE LE CANNABIS**

Consideration of the following bill:

Bill 36, An Act to enact a new Act and make amendments to various other Acts respecting the use and sale of cannabis and vapour products in Ontario / Projet de loi 36, Loi édictant une nouvelle loi et modifiant diverses autres lois en ce qui concerne l'utilisation et la vente de cannabis et de produits de vapotage en Ontario.

The Chair (Mrs. Nina Tangri): Good morning, everyone. I just wanted to say welcome and thank you for coming. We are here this morning to speak to Bill 36, An Act to enact a new Act and make amendments to various other Acts respecting the use and sale of cannabis and vapour products in Ontario.

Pursuant to the order of the House dated October 3, 2018, each witness will have up to 10 minutes for their presentation followed up by 10 minutes of questioning from the committee, divided equally amongst the recognized parties.

Are there any questions before we begin? Seeing none, I just want to give a quick reminder. The deadline to send a written submission to the Clerk of the Committee is 12 p.m. today. That's today, Friday, October 12.

LUNG ASSOCIATION, ONTARIO

The Chair (Mrs. Nina Tangri): I'd like to call our first witness, the Lung Association, Ontario. Welcome.

Ms. Sarah Butson: Good morning.

The Chair (Mrs. Nina Tangri): If you could please state your name for the record and introduce yourselves. Thank you.

Ms. Sarah Butson: Good morning, members of the standing committee and Chair. My name is Sarah Butson and I'm here presenting on behalf of the Lung Association, Ontario. Our organization works to promote healthy breathing, support those with lung disease and find future solutions to reduce the burden of lung disease.

Some 22,000 is the number of breaths we take every single day. This number is often taken for granted until we struggle to take them. Some of the reasons people struggle are not preventable, but many are, including the impact we

have seen from exposure to harmful substances. There have been a number of instances where, once identified, we work to limit exposure for the greater good of Ontarians. A striking example of that is the tremendous progress that has been made to limit exposure to tobacco industry products, which has had a particular impact on youth smoking rates.

Preventing new generations of people who smoke is of vital importance, as we know how devastating the impacts of smoking are on an individual level as well as the economic and social burden more greatly placed on society. A 2016 report from the Institute for Clinical Evaluative Sciences places the health care costs related to smoking each year at \$3.65 billion and the social economic costs at an additional \$5.3 billion.

I'm here today to discuss the portions of Bill 36 that specifically relate to the display and promotion of vapour products. Having worked in tobacco prevention for almost 10 years, I've worked first-hand on many of the initiatives focused on preventing youth starting to smoke. We have seen through that work the tremendous impact of promotion and marketing on youth uptake of smoking. As a result, we have banned power walls, hiding branded and tobacco messaging at retail displays. We have strict limits on advertising and promotion, and now we have plain and standardized packaging.

This progress in tobacco has been a long process, championed by all levels and affiliations of government. Let's not go backwards with vaping. Let's learn from what we know works before we allow a new generation to become addicted.

Let me be clear: The Lung Association recognizes that vaping is likely a less harmful alternative for someone who is looking to completely stop smoking cigarettes and who is switching to vaping. However, less harmful does not mean harmless, and under no circumstances should someone who has never smoked begin vaping.

Recent student polling data, however, tells us that more youth are vaping. In fact, youth are trying vaping more than those who are smoking. Some 80,800, or about one in 10 students in the recent drug use and health survey, reported that they use e-cigarettes. That's an alarming stat. This compares with about 7% who report smoking traditional cigarettes.

The appeal of flashy marketing and the use of flavours are all tactics that the health community and governments have agreed entice young generations of new users. These

are the same tactics we are seeing with vaping today. Today, right beside the candy in the convenience store is promotion of a product that contains a highly addictive drug, nicotine.

This is not an area where the research is unclear. There is substantial evidence to show that e-cigarette use increases the risk of using tobacco cigarettes for young people. We are talking about more than hooking a generation on a new product, which is vaping, but potentially a new generation of people who smoke. The harms to society of allowing vaping companies to promote and market their products in this way far outweigh any potential benefit for those companies.

Are there potentially uses of e-cigarette products for people who currently smoke and want to quit? Possibly. However, the marketing for that approach, if that is truly the intention, is far different. It's not one that needs to be plastered throughout a convenience store and not one that needs to be seen readily by youth.

As I mentioned at the beginning of this speech, I'm here representing the Lung Association, but I'm also an Ontarian with asthma. I'm also an Ontarian who, like many, smoked as a teen because it was easy and readily available. I am grateful for the series of policy changes that protected me as a teen and made it simply too inconvenient for me to continue to smoke.

I'm also a mom of two beautiful little girls, and to be completely honest, I don't want them to ask me what Vype is, just the way they're not likely to ask me what Marlboro is. I don't want them to be enticed by something because they love candy floss and bubble gum, and I don't want them to be enticed, ultimately, by searching a product and being enticed by a lifestyle they may be trying to attain. Ultimately, I don't want them to become one of the young people who will become addicted through their vape use and struggle the better part of their lives to quit a substance that is causing preventable damage to them.

If I were not here as a representative of the Lung Association, I would be here as a concerned citizen. Whether we take a personal perspective or stick only to the facts, the end result points to the same conclusion: It simply does not benefit society to allow vaping companies to promote and market their products in this way. We cannot afford to promote these products which may increase the health, economic and social burden on society. The Lung Association is urging this committee to take the necessary steps to ensure retail displays and promotion of vaping products are not allowed, in order to protect our youth. Thank you.

The Chair (Mrs. Nina Tangri): Thank you very much. We'll begin with Ms. Singh of the opposition party.

Ms. Sara Singh: Thank you so much for your presentation, Sarah. I think it was really important that you provided both a professional but also a personal perspective, so thank you for sharing that with us.

Can you elaborate a little on how the marketing and promotion of vaping products are luring young people into trying them for the first time?

Ms. Sarah Butson: Well, we know from our lessons in tobacco that the more we normalize a product, the more

that youth are exposed to a product and that it is readily available, the more it increases that curiosity and the more likely they are, actually, to start. We've seen that with onscreen smoking; we've seen that with just general promotion of cigarettes, which is why we have worked so hard to prevent the readily available ability to just be, front and centre, faced with that promotion. That's where we really are concerned, and we've certainly seen that young people are curious about vaping. They are trying it, and they are trying it in alarming numbers.

Ms. Sara Singh: Do you think that the alarming numbers of young people who are trying vaping for the first time—do you feel that many of them feel this is a safer alternative to starting smoking and so, because of the rhetoric that's out there, they choose to pursue vaping before starting to smoke cigarettes?

Ms. Sarah Butson: I think we're seeing that there are definitely a lot of misconceptions and misunderstandings. There is a great need for public education on this issue, particularly to young people, because there has been a feeling that it is safer. Like I said, if you are moving from traditional tobacco cigarettes and using this as a way to get off of cigarettes, that probably is less harmful. But if you are simply starting vaping, then you're just starting to inhale a product where we really don't know the long-term health effects, but we do know that it contains a highly addictive drug and, as I mentioned, there is evidence to show that it may be leading to smoking. So I do think that there's a huge need for public education on that issue.

0910

Ms. Sara Singh: No, I think a lot of us tend to agree that we need to have more information out there for young people to make better decisions. Oftentimes, from young people I've engaged with, they do feel that vaping is a safer alternative to actually picking up a cigarette, so they will justify the use with that rhetoric. But maybe because we're also discussing the legalization of cannabis today, do you feel that many young people are also using vaping tools to consume cannabis products?

Ms. Sarah Butson: I don't know the specific data on that readily at hand. There are differences certainly between e-cigarette vaping and vaping cannabis. I think broadly there is a need for public education on cannabis, on vaping. I value your point that you made about decision-making, because I think one of the things that we've seen in tobacco control is that it really is about public education in a way that empowers good decision-making versus telling people what decision they should be making.

Ms. Sara Singh: It's a harm reduction model and making sure that people are making informed decisions and having the information presented, especially with young people. As we move towards normalizing cannabis use, I think it's information that they need to have access to.

Are there specific amendments in this bill that you're requesting be made?

Ms. Sarah Butson: Sorry?

Ms. Sara Singh: Are there any specific amendments to the bill that you would be putting forward?

Ms. Sarah Butson: The specific recommendations that we are addressing today are really around the promotion and marketing of vaping products.

Ms. Sara Singh: Okay. So definitely concerns around that.

Are there any recommendations that you would make to prevent access for young people? For example, in the tobacco industry there are plastic dividers that are put up so that young people cannot see the product. Are those recommendations that you feel should be in place for vaping products as well?

The Chair (Mrs. Nina Tangri): You have one minute.

Ms. Sarah Butson: I think power walls are a great example of a policy change that is really effective. I think as much as possible we want to prevent a concerning addictive product being at the same eye level as candy.

Ms. Sara Singh: Thank you so much.

The Chair (Mrs. Nina Tangri): Thank you. I'd like to go to the government side. Who would like to speak first? Robin Martin, MPP.

Mrs. Robin Martin: Hi. Thank you so much for your presentation. We've had a number of people making the same presentation. I know you participated as well, or the Lung Association did, in Ministry of Health round tables on the issue, and that point was made by OCAT and others at those presentations. Thank you for bringing it up again and emphasizing this issue. We're trying to make sure that youth are protected. Vaping products have existed for a few years now, in a fairly unregulated way. This is an issue that we're just coming to grapple with.

You mentioned the importance of public education. Can you talk about what you'd like to see by way of public education to help prevent young people from making these choices?

Ms. Sarah Butson: I think, again, to pull from tobacco, because it has been such a successful example, what we've seen is the importance of youth engagement and really utilizing true youth engagement principles and talking to them about products that are harmful. That means engaging and empowering them to be delivering that message. I hate to consider myself as already old and outdated, but I am viewed that way—

Mrs. Robin Martin: None of us are getting any younger.

Ms. Sarah Butson: I am viewed that way when I try to speak to a younger generation. Sometimes that message is not heard unless it comes from a peer. We see that the opposite way, right? Right now there is a huge vape culture, and that's because the negative components or that risk-taking behaviour are being spread across peers. So how do we shift the message that's going across peers?

Mrs. Robin Martin: The other question I had just quickly is that I understood with tobacco control that a lot of what caused the decline in tobacco use was the price point.

Ms. Sarah Butson: Sure.

Mrs. Robin Martin: So we kind of have an opposite situation here, where we're trying to undercut the price of the illegal market. One of the main objectives is to try to make the illegal market stop and to have a legal market and a controlled market for these products.

Ms. Sarah Butson: Sure.

Mrs. Robin Martin: What would you say about the price of vaping products? I don't even know if they're comparable to cigarettes. Can you enlighten us a bit on that?

Ms. Sarah Butson: Yes. I think price is always an important deterrent for young people because they don't tend to have big pockets. Vaping initially does have some higher costs in terms of the purchasing of your initial product and then purchasing your refillable oils and whatnot. I do think that price is a very important component, but it is part of a comprehensive health-promotion piece of work for those young people. So it needs to include price, but it does certainly need to include promotion and marketing as well.

Mrs. Robin Martin: Thank you.

The Chair (Mrs. Nina Tangri): I'd like an opportunity for Mrs. Fee.

Mrs. Amy Fee: My question actually goes back to that education piece as well. I'm just wondering about—you've talked about what needs to be in that education piece—where you think that should be happening. Is it a combination of things? Is it something where we should be on social media or we should be on traditional media? Should it be in our education directives to teachers? Where should that be coming from?

Ms. Sarah Butson: I think, because it is so widespread, it probably needs to be across a number of platforms. Certainly, social media is where a lot of young people are, so it's a great starting point. I can tell you, I was on the phone with a principal yesterday for a different matter. We were talking about asthma, and they came right into the conversation around "While I have you on the phone, I want to talk about vaping" because this is such an issue of concern for schools. Schools are certainly an area, social media and then leveraging—again, in tobacco, there has been great work leveraging the work through the public health units and our other systems, really reaching where young people are, paying attention to the health equity components of that, who's using, and making some direct messaging. It certainly needs to be more than a one-stop shop, probably.

The Chair (Mrs. Nina Tangri): We have one minute left for questions. Ms. Park?

Ms. Lindsey Park: Sure. I'll just ask two quick questions. One is, would you recommend that this be part of the health curriculum in schools, teaching about this issue?

Ms. Sarah Butson: I think we would want to look to the evidence around the best place for that to start and the best way to put that in, but absolutely. To build it into at least talking points within curriculum or a point of education when it's happening already on school grounds so easily certainly makes sense as a starting point.

Ms. Lindsey Park: Any final thoughts or recommendations on what exactly the restrictions should look like? You gave the example of the wall. Would you treat it the exact same way as tobacco?

Ms. Sarah Butson: Well, again, I think it goes back to what our intention is with the product. If we are saying that one of the potential benefits of e-cigarettes is that there may be some benefits for people who are trying to quit smoking, then I think it makes sense to treat it that way

versus a promotion of a new product to try. If we're treating it as something that helps get you off of cigarettes, then what does that promotion look like?

The Chair (Mrs. Nina Tangri): Thank you very much. We really appreciate your coming out today.

Ms. Sarah Butson: Thank you so much.

CAMPAIGN FOR CANNABIS AMNESTY ONTARIO CANNABIS CONSUMER AND RETAIL ALLIANCE

The Chair (Mrs. Nina Tangri): I would like to call on the Campaign for Cannabis Amnesty and the Ontario Cannabis Consumer and Retail Alliance to join us please. Just a reminder: You have 10 minutes for your presentation, followed by 10 minutes of questions by both parties. If you could please introduce yourself for the record.

Mr. Tyler James: Absolutely. Good morning, standing committee. My name is Tyler James. I'm a director with the Ontario Cannabis Consumer and Retail Alliance. We're a non-partisan, non-profit organization that has been constructively engaging with government in sharing our views and technical know-how on ways that we're hoping to build cannabis regulatory environments that make sense for the public, consumers, government, the environment and businesses alike. As well, I'm an officer with the Campaign for Cannabis Amnesty. We're a non-partisan, non-profit organization that is trying to engage the federal government on the issues of amnesty for Canadians with minor possession offences.

I'll be discussing some recommendations that reflect both those campaigns that I'm volunteering with.

In Ontario, fortunately, we don't really have to reinvent the wheel when it comes to safely engaging in and managing the retail sale of cannabis. Taking the example of jurisdictions such as Colorado, Nevada, Oregon and Washington, to name a few, they've all successfully implemented cannabis retail regimes. Their experience really offers us a very clear sense of what works and also of what needs to be improved upon.

0920

The key recommendations laid out in my submission are as follows:

- engagement with communities that have been disproportionately affected by the policing of cannabis under the existing regime;

- multiple licensing classes under the AGCO, to offer greater accessibility as well as to destabilize the illicit market; and

- a provision to allow only cannabis paraphernalia to be sold in licensed retailers to mitigate the normalization of cannabis to youth.

Evidence has shown that cannabis legalization in parts of the world is working. It's really saving money and protecting the public by comprehensively regulating adult cannabis use. In jurisdictions that have legalization, there has been a dramatic reduction in the number of cannabis

arrests. However, this has not diminished racially disparate policing.

It is widely known that there is a vast racial disparity when it comes to drug enforcement. People of colour are more likely to be arrested for cannabis offences than Caucasians, despite evidence showing that consumption rates are very similar across all racial groups. In Colorado, cannabis arrests decreased for Caucasians by 51%, for Latinos by 33%, but only by 25% for Black individuals. In fact, the racial disparities in arrests actually increased after legalization in places like Colorado, Washington DC and also Alaska. In Washington, the arrest rate for Blacks is actually double that for any other ethnicity.

We also, with our campaign, have done data on the arrest rates across Canada. It has shown that Indigenous people and people of colour were disproportionately policed in relation to cannabis offences, even though they represent a minority segment of the population within the jurisdictions where the sample sizes were taken. These facts have actually been acknowledged by Prime Minister Justin Trudeau and MP Bill Blair, just to name a few.

Some policing reforms that we feel could remedy this unequal enforcement of cannabis laws would be adopting policies that educate police forces on the consumption rates and cannabis arrest rates across all racial groups in various jurisdictions, to prevent discriminatory policing based on race. As well, engage interested Indigenous and racialized communities and those community leaders with outreach programs, which would be funded by the excise tax. These education-based programs would comprise the rules and regulations associated not only with safe consumption, but where it can be consumed, appropriate household cultivation, as well as potentially highlighting employment opportunities within the cannabis industry.

One thing that we also would be looking for is to ensure accountability and transparency by collecting and publicly releasing search, citation and arrest data. This data should be compiled and made available to the public to evaluate racial disparity so that police forces can prevent racial disparities within their practices going forward.

I'd like to look, more so on the OCCRA side, the retail side of things, at how we can better cater to the tourists who will be coming to our province.

We were fortunate that last year, in Toronto in particular, we saw astronomical numbers when it came to tourism. With this run-up to legalization, it has been covered by several media outlets. So it's safe to assume, I would say, that legalization will bring an influx of tourism, not just to Ontario but to Canada as a whole. If we look at the experience that Colorado had and other states had post-legalization, I think it's safe to assume that there will be a lift in tourism.

Just as a snapshot for what tourism was like in the GTA alone in 2017, we catered to 43.7 million tourists who spent at least one night in our lovely city. They spent \$8.8 billion as well within the year.

The year after legalization, Colorado saw a 4% increase in their tourism which was directly correlated to the legalization of cannabis.

If you were to look at a 4% rise and what that could mean for Toronto tourism, just looking at revenue creation for our city, that would look like an additional \$352 million spent within predominantly GTA-businesses that are cannabis-focused.

Now, even with more than 600 cannabis retailers, Colorado is still combatting the illegal distribution and sale of cannabis, and they actually have half the population of Ontario. However, Colorado is destabilizing the illicit market with the allowance for on-demand cannabis delivery services. In contrast to residents and tourists thinking it might be easier to just call some guy who will deliver it to them, these services are very similar to what Ontario residents will be able to do from October 17, which is to order it online, and then it gets dispatched. But as opposed to it taking days, it would come to you in a matter of hours, effectively.

As we are all aware, the elimination of the illicit market won't happen overnight, but when the AGCO can start to ensure that retailers can be competitive on price and also accessibility to consumers, I think we'll all stand a better chance. But accessibility also needs to take shape in the form of consumption sites, as well. Although Colorado has had legalized cannabis for several years now, they've only recently succumbed to public pressure for consumption sites, and licensing for consumption sites, such as lounges and cafés, after they evaluated the important role that they play in legalization.

It's important to recognize that some Ontario residents feel that our streets and parks will be filled with residents and tourists consuming cannabis, so I think some common-sense regulatory framework that allows for edible cafés, vapour lounges and licensed consumption events would be appropriate. These additional licensing classes will assist in preventing the normalization of cannabis for youth by bringing it into controlled, adult-use-only environments, as we have with alcohol.

What do these multiple licensing classes really look like? Well, I don't think the AGCO has to look too far. Just adopt a similar licensing regime to that which they have with alcohol to allow for the licensing of events, on-demand services that deliver wine now and the licensing that is offered to bars. Just kind of mimic that for a tiered licensing approach that will allow for a multitude of industry participants, in addition to cannabis retailers.

All of these participants will obviously be in a pay-to-play licensing regime that will create—

The Chair (Mrs. Nina Tangri): You have just under one minute.

Mr. Tyler James: Sure—that will create greater jobs and opportunities, as well as additional revenue streams for the province.

With regard to, lastly, protecting the youth, I know that you've been hearing many things already on how we can prevent youth consumption and normalization of cannabis. Really, what we would be looking for is the removal of cannabis paraphernalia from corner stores. You can now go into a majority of corner stores in the city and see things like papers and bongs. What we would be sug-

gesting is allowing for current operating cannabis accessory retailers to obtain licensing, but then to implement a rule and prohibit corner stores from having those accessories available on display.

The Chair (Mrs. Nina Tangri): Thank you very much. We'll start with the government side. Who would like to begin? Ms. Park.

Ms. Lindsey Park: I'll just finish on that last point. I wanted to give you a bit more time to elaborate, because I thought it was helpful. You're talking about people who have already been in the market who are now motivated to run a legal storefront, and comparing that to corner stores. Can you elaborate on that?

Mr. Tyler James: Yes, absolutely. There are currently cannabis accessory stores that are operating within the city. After speaking with many of them, they see that post-legalization, all of the accessories they currently offer should only be available to individuals who are of legal age to consume cannabis, and they want to have the ability to sell those products to those individuals—so long as, again, with cannabis retailers, anybody entering those premises is of legal age.

The prohibiting would be more toward corner stores, which sell things like candies, cigarettes and such like that. They openly display these accessories. We feel that that is, again, a step that normalizes cannabis, and it should be prohibited. Those types of accessories should only be in cannabis retailers, or at least licensed accessory stores.

0930

Ms. Lindsey Park: Okay, great. So the distinction is the cut-off age of 19 in Ontario, as it will be. Paraphernalia shouldn't be marketed to someone under the age of 19.

Mr. Tyler James: That's correct.

Ms. Lindsey Park: Okay. Thanks.

The Chair (Mrs. Nina Tangri): Ms. Triantafilopoulos.

Ms. Effie J. Triantafilopoulos: You were talking earlier to us about the illicit market that continues to exist in Colorado. Now, they've obviously legalized marijuana for a number of years, but it seems as if they haven't been able to actually tackle it in a more dramatic way. Can you elaborate a bit as to what the reasons for that might be?

Mr. Tyler James: Yes, some of the reasons for that are really the accessibility issue that they're facing and the ability to allow tourists to consume cannabis in certain locations. Accessibility is one in which—although, as I mentioned, they have half of our population—they're even now still licensing and granting licences to dispensaries to allow for greater accessibility. As well, in Colorado, previously they did not allow or have any allowance for lounges or safe consumption sites, so it was individuals really trying to find loopholes around the regulations to cater to tourists that allowed for, I would say, the illicit market to still be prevalent in that state.

We are really advocating for the Ontario government to allow for licensing that creates multiple revenue streams to create more accessibility to consumers, so as a consumer, it's more accessible to just use a legal source than it is to use the illicit market.

Ms. Effie J. Triantafilopoulos: Do you have an estimate on how many actual locations or stores exist in Colorado today?

Mr. Tyler James: Right now it's over 600. When I last checked I think it was 602.

Ms. Effie J. Triantafilopoulos: So do you have any view on whether we should have a cap or not in our regime, going forward?

Mr. Tyler James: I don't believe a cap would be necessary. I think in an open market it's really up to the market to determine if a location is viable enough, and then for that entrepreneur and those business owners to determine if they want to open in that location, so I don't believe a cap is needed.

Ms. Effie J. Triantafilopoulos: Thank you.

The Chair (Mrs. Nina Tangri): Mrs. Martin.

Mrs. Robin Martin: You mentioned data from Toronto and Ottawa, among other places in Canada. Do you have that data and can you provide it to the committee?

Mr. Tyler James: I certainly can provide it. It was data by a researcher who's part of the Campaign for Cannabis Amnesty, Dr. Akwasi Owusu-Bempah. I can certainly send that over to you. But the data just showed, from cities such as Toronto and Ottawa, that there was anywhere from a three to six times disproportionate arrest rate for people of colour and Indigenous people as opposed to Caucasians. I'll make sure I include that as well in my submission.

Mrs. Robin Martin: Thank you. That would be helpful. Just generally, do you have any specific proposed amendments which will help us achieve our objectives of undermining the illicit market, what else we can do and what we can do to protect you—anything specific?

Mr. Tyler James: Specifics would really just be for the AGCO and municipalities to be given the powers to have multiple licensing streams. By that I mean to license on-demand services, so as opposed to only being able to have cannabis dispatched to you through Canada Post, to allow for on-demand services, just like how you would have Uber Eats. In the US they have a company called Eaze. What they do is they would actually go to a retailer or a distribution centre, pick up the cannabis and deliver it to you. That is one of the best ways to kind of undercut the illicit market, as well as having safe consumption sites and lounges, because there will be tourists and consumers who want that accessibility, who want certain services that unfortunately, under Bill 36, will not be provided, even a year from now when edibles and other derivatives are available. It's more so those on-demand services and consumption sites that a lot of consumers and tourists would be looking for.

In addition to those recommendations, it would be so that the cannabis paraphernalia and accessories could only be sold in licensed retailers or licensed accessory shops as opposed to normalizing the youth access in corner stores.

The Chair (Mrs. Nina Tangri): Thank you. I would like to pass it over to the opposition: Ms. Begum.

Ms. Doly Begum: Thank you for the presentation—very informative. I would like to touch on a few things that you brought up. You mentioned the idea of display and

promotion, and then you went a step further to talk about the accessories. Would you be able to—we heard from other speakers yesterday as well who talked about display of things like the gummi bears, for example, and how it promotes the use of it, rather than those who do it on a regular basis. What are your thoughts and what would you recommend that we do in terms of accessories as well as all the sorts of usable products that look attractive to children or youth?

Mr. Tyler James: Yeah, absolutely. There are many accessories that are available on the market for vaping products: obviously bongs for flower products and then rolling papers and other contraptions and such like that, which you can effectively find in really any store, the issue obviously being that that normalizes that consumption and use. Effectively the best solution, we feel, would be to work with the current accessory retailers to provide a licensing regime where they can continue operating, so long as they adhere to only allowing individuals who are of legal age to consume cannabis in their establishments, and they go through the appropriate carding of them in order to do so. We feel that that's probably the easiest step, as well as prohibiting corner stores from displaying any such products at all.

Under the previous Bill 174, it was going to completely prohibit any type of sale of cannabis paraphernalia outside of the OCS stores. We're not looking at going to such a degree, but there is some validity in removing those accessories from just any corner store. I think those little recommendations, at least to start, will do a lot in terms of not normalizing cannabis consumption at this stage.

Ms. Doly Begum: My second question is related to finding safe and accessible space so that we are providing a business opportunity for an entrepreneur, for example. You mentioned lounges or the idea of having, like a pub for alcohol consumption, the same thing for cannabis users. Would you be able to elaborate? What are your thoughts on that?

Mr. Tyler James: Yes, absolutely. We're fortunate that in the city there has already been at least a handful of cannabis lounges that have been catering to even medicinal patients. A lot of these lounges, under the Smoke-Free Ontario Act, do not allow for the combustion of cannabis in their location, so it's all vaped product anyway, which is healthier, as well. We believe that going forward, the best solution that adheres to the Smoke-Free Ontario Act and also the need for these consumption spaces would be the concession to have these locations only allow for a product to be vaped, whether it be through a Volcano or through one of those vaporizing pens, or to have edible products allowed within those locations as well.

It goes beyond just allowing someone to smoke a joint on the streets or in a park, which they will be allowed to do going forward, because not everybody wants to smoke cannabis. And, again, we have winters here, so sometimes you want to enjoy yourself in a comfortable environment. The ability to allow entrepreneurs to create that environment and then ancillary businesses, whether it be on the supply side or for trades workers who are building out and

then feeding into that market, will provide a lot of opportunity directly, and then ancillary with those supporting the cannabis industry as well.

Ms. Doly Begum: Thank you.

The Chair (Mrs. Nina Tangri): Ms. Singh? You have one minute in total.

Ms. Sara Singh: Okay, thank you. Just a quick question around the impacts to racialized communities, because I think that is a really important point that we need to underline, that they are actually being disproportionately criminalized as a result of previous possession charges. Do you have any recommendations to the committee on how we can move forward to address that disparity for those communities?

Mr. Tyler James: Yes, I certainly think we can take something from jurisdictions like Massachusetts and even California, who have proactively gone out to those communities to find ways in which they can not only engage them and provide education, but offer upward economic mobility through inclusion. That would be through programs that target those communities that have been disproportionately targeted and showing them ways that they can participate in the legal cannabis space, whether it be through offering grants or bursaries to open up, let's say, a business, or maybe even tax credits for individuals who support those within those communities that want to participate in the sector.

The Chair (Mrs. Nina Tangri): Thank you very much. We appreciate you coming out and thank you for your presentation.

Mr. Tyler James: Thank you for having me.

0940

SCHIZOPHRENIA SOCIETY OF ONTARIO

The Chair (Mrs. Nina Tangri): I'd like to call upon the Schizophrenia Society of Ontario. Welcome. Please introduce yourself. You have 10 minutes to present and then five minutes from each of the parties.

Ms. Erin Boudreau: Sure. I'm Erin Boudreau. I am the manager of policy, government relations and community engagement at the Schizophrenia Society of Ontario.

Thank you, Madam Chair, and thank you for the opportunity to present on Bill 36, the Cannabis Statute Law Amendment Act. Our concerns with the legislation mainly centre on a potential increase in access under the proposed private retail store model and the public consumption of cannabis. SSO has been Ontario's only not-for-profit charitable health organization dedicated to supporting individuals, families, caregivers and communities impacted by schizophrenia and psychosis province-wide for almost 40 years.

Our key considerations on this topic have been informed in part by individuals living with mental illness, their families and caregivers, health care providers and community front-line workers. Some individuals whom we surveyed welcomed legalization as a move away from a punitive approach to drug policy and towards a more health-focused one. Respondents were clear that effective

regulations and their strict enforcement are critical to alleviating potential short- and long-term health-related and social harms.

Conversely, given the potential harmful effects of cannabis use on mental health, particularly in adolescents and young adults, some people have concerns that cannabis is being legalized at all. It is clear that an approach that balances both health and safety with reducing harms related to criminalization is warranted.

Schizophrenia is a serious but treatable mental illness that has a profound impact on all areas of a person's life. It affects one in 100 people—that's approximately 140,000 Ontarians. Although symptoms and experiences vary, schizophrenia is characterized by disruptions in thinking affecting language, perception and sense of self, and symptoms of psychosis, such as delusions and hallucinations. People with schizophrenia are at a significantly increased risk of substance use, homelessness, victimization and suicide when compared to the general population.

Research finds that individuals with schizophrenia and other psychotic disorders experience higher rates of substance use compared to the general population. In fact, among people who have schizophrenia in their lifetime, 47% will have a substance use disorder at some point. One review found that one in four with a diagnosis of schizophrenia had a concurrent diagnosis of cannabis use disorder, or CUD. The risk for developing CUD is significant, particularly for individuals who start using earlier and who use frequently. Substance use can complicate and exacerbate symptoms of psychotic disorders like schizophrenia and can adversely affect the course of treatment and rates of relapse for some people. Research has consistently found an association between cannabis use and increased risk for developing psychosis and in some cases schizophrenia in those who were vulnerable, such as individuals who may have a pre-existing genetic risk.

The association between cannabis and developing psychotic symptoms or a lasting psychotic disorder is increased the earlier one begins to use—so before the age of 18; the more frequently they use; and, of course, the higher the THC level in cannabis. This increased vulnerability of youth is said to be related to the fact that the human brain continues to undergo important developmental processes until about the mid-20s, making it more susceptible to the potential negative impacts of cannabis on the mature brain. The risk of relapse of psychosis is also increased if a young person continues to use while in treatment.

Further studies are required to determine the extent of the effect of cannabis on mental health, to further identify high-risk groups particularly susceptible, and how best to support youth who are adversely affected by cannabis use. This also includes the effects of second-hand smoke.

Though the province's approach places emphasis on protecting youth, does it go far enough to keep our streets safe and cannabis out of the hands of vulnerable youth? We fear that with no current cap, the potential commercialization of stores and their density in some municipalities may increase access to the substance, putting youth at risk of the harms associated with use, including entry into

the criminal justice system. We question whether our police services are equipped with the tools that they need to successfully divert youth away.

We know that sentences for youth convicted of a cannabis possession charge have included probation, fines and custody—penalties that could have a lasting impact on a person's life. Diversion and decriminalization are critical for ensuring young people avoid entering the criminal justice system, and we are pleased to see this emphasized as part of the framework. At the same time, people with mental illness who lack access to services and supports may be at increased risk of coming into contact with the criminal justice system, for several reasons. One reason may simply be being more visible in the community because of symptoms of their illness.

In order to encourage police diversion, however, we feel it is important that police services across Ontario incorporate mandatory education about cannabis use and stigma related to substance use as part of their broader mental health training and should be given the resources to do this. Approved education or prevention programs should be based on best practices and co-designed with youth, including those with lived experience and substance use. The list of approved programs should be available broadly and should be readily accessible by police services across Ontario.

The private retail store model necessitates a robust regulatory regime that ensures above all the protection of our most vulnerable, that staff are trained to keep underage buyers from purchasing cannabis and that retailers employ good corporate social responsibility.

Finally, in Ontario the need for increased investment in community mental health and addiction services, a traditionally neglected area of health, is clear. What is unclear, however, is if the system is prepared to respond to possible increases in mental health issues, including CUD, as a result of a potential influx in cannabis use, and if the federal and provincial governments are prepared to make crucial investments. In jurisdictions where cannabis use was either decriminalized or legalized, research has shown a substantial increase in CUD over the last decade. Current wait-lists alone can be up to 42 days for schizophrenia-specific supports and waits for counselling and therapy can be as long as six months to one year.

To support the safe implementation of Bill 36, the Schizophrenia Society of Ontario recommends taking a whole-of-government approach by investing in a comprehensive prevention strategy that targets youth and families and people who work with these groups, including education about associated risks, as well as available resources, earmarking proceeds from revenue from cannabis sales for investment in community mental health and addiction programs, service and supports. This includes targeted investments and treatments for concurrent disorders, CUD and youth-specific services; investment in supportive housing, employment supports, income and food security and recreational opportunities for people with mental illness and addiction; redirecting resources that are saved from processing cannabis-related possession charges to

mental health and addiction diversion programs; and finally, earmarking a portion of revenue from cannabis sales for research to improve scientific understanding of the actual relationship between substance use and psychotic disorders and other mental illnesses, and to improve treatments for both.

We support equipping police with the tools they need to better facilitate referral pathways for youth. The province should consistently monitor and gather data on the impacts of regulations, including the intended impacts, such as a reduction in the illicit cannabis market, and unintended impacts, such as increases in the use of hospital or community mental health care services due to cannabis use, in order to make adjustments to the regulations and to target education and prevention strategies accordingly.

In closing, the Schizophrenia Society of Ontario strongly believes that legalization must be supported by effective, targeted public awareness campaigns and prevention strategies and investment into timely, quality mental health and addiction care. Regulations alone cannot address the potential harms associated with cannabis use. We look forward to the opportunity to work with the government as it moves forward on implementing this legislation.

The Chair (Mrs. Nina Tangri): Thank you very much. I'll begin with the opposition. Ms. Singh?

Ms. Sara Singh: Thank you very much for your presentation. I think it's very important that we highlight the risks to young people consuming. Can you maybe just clarify a little bit where the heightened risk is for young people in terms of their developmental ages?

Ms. Erin Boudreau: We know that the brain is continuously undergoing development up until about the age of 25. The younger somebody uses and the more frequently they use puts them at heightened risk, in particular if they have a genetic pre-disposition to developing psychosis or, based on frequent use, it could be end up resulting in schizophrenia. That's why the prevention piece is so critical and the education piece as well. Even some exposure or use of cannabis can have an adverse effect on mental health. We certainly support the preventive message in that early intervention supports are available.

Ms. Sara Singh: I think that's a really important point and thank you for bringing that up. There are no real guidelines right now in terms of what that consumption can look like. For some, it can be one joint. For others, it can be, because of prolonged use, that they're bringing early onset of schizophrenia.

Ms. Erin Boudreau: Certainly the research tells us that there is a correlation or an association between cannabis use and developing psychosis, particularly in young people. But what we don't have right now is research that demonstrates how far-reaching and long-lasting those effects can be and what the causation could be. We do need more research to be able to determine that causation, and then also the appropriate treatments to support individuals who are suffering from a cannabis-induced mental health issue.

0950

Ms. Sara Singh: Thank you. Just a question: Perhaps you can just elaborate a little bit more on some of the

public education programs and what specifically do you feel that those programs need to contain to make sure that people are aware of the harms.

Ms. Erin Boudreau: The risk factors and who is at risk of developing an adverse reaction; I think targeting families is crucial as well. Research shows us that youth and families still think that driving while high is less harmful than driving while intoxicated, and in fact the opposite is true—so working with families, health care providers, schools, police and other health organizations on a robust public education campaign that talks about the risks associated with cannabis use, as well as where to get help. I think we also need to do a better job at promoting where individuals and families can access help, and then, of course, supporting that, investing in services so timely help can be available.

Ms. Sara Singh: Thank you.

The Chair (Mrs. Nina Tangri): Ms. Begum.

Ms. Doly Begum: I really want to say thank you for the difference that you showed in terms of decriminalization as well as legalization. We're really focusing on legalization right now, whereas what's more important is the idea of de-stigmatization and decriminalization, because that's how we can help our youth. So thank you for that.

I wanted to see what your opinion was. I know that, in the next few days, the government will be launching the education campaign. We don't know how robust that will be, and I think stakeholders like yourself will have a lot more to offer. What kind of suggestions, advice and recommendations would you make for that education program?

Ms. Erin Boudreau: Again, certainly targeting the families and youth, but also there has to be sustainability of the public awareness campaign. It's not good enough just to have a one-off or to have them run for a short period of time. These need to be reoccurring, happening frequently, year over year essentially, to get that message out.

We might not know readily on October 17 what those direct impacts are going to be as a result of legalization. Even more so, we need long-term public awareness campaigns happening that are targeting our schools and our communities, and education and training for health care providers and our police services. It is a really multi-pronged approach that we need to take, but I can't emphasize enough that sustainability-and-longer-term piece: not just a commercial every few weeks; it has to be quite ongoing.

Ms. Doly Begum: Absolutely.

The Chair (Mrs. Nina Tangri): You have just under one minute.

Ms. Doly Begum: My last question is regarding the idea of promoting it. Children, the vulnerable ones especially—and I think all youth, in a certain sense, are vulnerable, and we have to protect them. What would you say about the idea of promoting advertising and making sure that, even if it's legalized, we keep it away from everyday sort of advertising?

Ms. Erin Boudreau: Like on the storefronts, keeping just the labelling—certainly, marketing should not be targeted at youth and it's not supposed to be, but just ensuring

that packaging isn't something that would be something that would catch a youth's eye, making sure that it is a little less obvious what it is and keeping it out of reach of children and youth, would be a key consideration.

Ms. Doly Begum: Thank you.

The Chair (Mrs. Nina Tangri): Thank you very much. I would just like to go to the government side: Mrs. Martin.

Mrs. Robin Martin: I'm the parliamentary assistant to the Minister of Health, and mental health is the portfolio that I'm working in, so I really appreciated your presentation. As you know, we have a \$3.8-billion commitment to make a comprehensive mental health service available in Ontario, so it's certainly something we're working on. We're looking for good ideas and the areas we need to respond to, so thank you for your presentation.

I would like to ask if we could have a written copy of your presentation. I don't think we got one.

Ms. Erin Boudreau: I can certainly send that following.

Mrs. Robin Martin: It would be helpful, at least for me.

You mentioned research about the correlation between young people and their early use of cannabis and psychosis. I would love to have that research as well. I don't know if anyone else is interested, but I would like to see that research.

Ms. Erin Boudreau: Absolutely. I will be sure to provide that.

Mrs. Robin Martin: Thank you.

One other thing: You talked about the genetic predisposition to schizophrenia, and I'm afraid I don't know enough about this. Is this something that people are aware of? How many people are aware of it, or does the condition come on before they know that they had a genetic predisposition?

Ms. Erin Boudreau: I think the short answer, again, is that the education piece, around who is at risk and what those risk factors are, is crucial. As an organization, we're going to be embarking on public awareness or education activities across Ontario so people know what to look for and what those signs are.

I'm not a clinician, but certainly there are certain elements in genetics that do predispose somebody more to developing psychosis as a result of cannabis use than others. I think what lacks is an awareness of what those risks are. So before somebody might be inclined to try cannabis, they should know what would put them at an elevated risk for an adverse response. That is something that we are working towards, partnering with a lead clinician in the area who specializes in this association. I think it's still the education piece that's critical.

With legalization in general, there is still so much research that needs to be done, as I had mentioned before, on just how long-term the effects can be and how far-reaching they can be, and I don't think we have that yet. Even second-hand smoke: For somebody who has schizophrenia or who might be living with psychosis, even if they inhale second-hand smoke, that could trigger a negative reaction, or a relapse, for example. But again, we need to build continued evidence on the real harms associated.

Mrs. Robin Martin: Thank you. It sounds like a very serious issue.

Ms. Erin Boudreau: It is.

The Chair (Mrs. Nina Tangri): Thank you. Mr. Sabawy.

Mr. Sheref Sabawy: I have, actually, two questions for you.

The first question is about psychosis and schizophrenia development, the relation between that and cannabis use. We need to understand more, if you can help us: Is it permanent damage? Is it recoverable? And is this related to stopping using cannabis, or can stopping the use of cannabis stop the psychosis or schizophrenia attacks or flares? That's one question.

The second question: Do you have any other recommendations, other than the display of the advertisements and display of the cannabis product? Because as we see now, and as other presenters have said, there's 37% of youth using cannabis now when there are no advertisements, it's illegal and it's hard to get. Now it's easy to get; it's legal. That's going to most probably go higher, without that part. Do you have any other recommendations we can do to kind of protect the youth?

The Chair (Mrs. Nina Tangri): You have one minute.

Ms. Erin Boudreau: For the first question, schizophrenia is a complex chronic mental illness, and like with most health conditions, the earlier you intervene, the better the person's outcomes are. Recovery looks different for every single person. It's completely individualized. For some, it could be medication with a combination of other supports, such as psychosocial supports like CPT, peer supports or counselling. It really does look different per person, but it can be treated, and recovery is absolutely possible with early intervention and timely supports.

Again, the causation with psychosis and schizophrenia is something that needs to be further researched. The research is clear: There is an association between the two. But again, I can't stress the research part enough so we can really know if it in fact does cause, and, again, the long-term impacts.

On the marketing side, just ensuring that labelling is not something that would attract the attention of young people, keeping it as much as possible out of reach—and complementing that is, again, the public awareness aspect. It is great to see that the government will be coming out with a public awareness campaign, but in that, it just needs to be ongoing, those messages of the risks and why not to use, especially if you are a youth.

The Chair (Mrs. Nina Tangri): Thank you very much for your presentation. We appreciate it. But I'd just like to remind you, if you could please get your written statement in to us by noon, to the Clerk. Thank you very much.

Ms. Erin Boudreau: Yes, absolutely. Thank you.

The Chair (Mrs. Nina Tangri): Thank you for joining us.

CANADIAN CANCER SOCIETY

The Chair (Mrs. Nina Tangri): I'd like to call upon the Canadian Cancer Society to please join us. If you could please state your name and introduce yourself for the

record. Just a reminder: You have 10 minutes to present and then a total of 10 minutes from both parties for questions. Thank you.

1000

Ms. Sarah Cruickshank: Good morning, Chair and committee members. On behalf of the Canadian Cancer Society, thank you for the opportunity to appear before the committee during hearings on Bill 36. My name is Sarah Cruickshank. I'm the senior coordinator of public issues, and here with me today is Rob Cunningham, lawyer and senior policy analyst.

First, regarding cannabis, we do not have a position regarding the legalization of cannabis. However, we have had a long-held position that the smoking of anything, including cannabis, should be banned wherever smoking is banned. This provides protection from second-hand smoke of any product.

The focus of our testimony regards the amendment to the Smoke-Free Ontario Act that will allow the visible display and promotion of e-cigarettes in convenience stores, gas stations, grocery stores and other retail locations. We strongly oppose this amendment. Among the materials distributed to you is our written submission providing our rationale as to why there should be a ban on the display and promotion at retail of e-cigarettes and other vaping products, with an exemption for specialty vape stores.

I will now turn things over to Rob.

Mr. Rob Cunningham: Thank you, Sarah.

To begin, I want to mention the materials that we've distributed to the committee members as part of our appearance. The materials include these photographs of promotions for e-cigarettes in retail stores in Ontario—I'll go through that in a moment; our Canadian Cancer Society brief, submitted as part of the public consultation in Ontario with respect to potential e-cigarette regulations; and our recommended amendment to Bill 36, including the legislative text.

E-cigarettes are less harmful than conventional cigarettes. We agree with Health Canada that these products should be available to smokers unable to quit. At the same time, e-cigarettes should not be used by youth, by non-smokers or by ex-smokers. In Ontario, there has been a stunning increase in teenage use of e-cigarettes, even before the onset of advertising and promotion that we are now seeing that will make the situation even worse.

For Ontario high school students in grades 10 to 12, use of e-cigarettes is now at 10%, the same rate as smoking, after being available for just a couple of years; and in the 2016-17 school year, a huge 46% increase from just two years earlier. In the US, where e-cigarettes started to be marketed several years earlier than in Canada, the FDA now describes the dramatic increase in teenage use of e-cigarettes as an epidemic, referring to e-cigarettes as a potential on-ramp for youth to nicotine addiction and to cigarette smoking. In the US, Juul, an e-cigarette company, is under investigation by the FDA for marketing to underage kids. Juul has now launched its products, just a number of weeks ago, in Ontario and in Canada.

It cannot be said that retail displays and promotion for e-cigarettes in convenience stores are just targeting adult smokers. These promotions reach everyone. Everyone goes into convenience stores, including kids and ex-smokers. There are now far more ex-smokers than smokers—that's good news—but, of course, people can relapse. For example, a person who has quit completely, while struggling to resist the cravings from nicotine addiction, could be enticed by e-cigarettes because of low price or attractive flavours. There was a question about that earlier. On a weekly basis, an ongoing basis, e-cigarettes might be about one quarter of the price of cigarettes. So they're far, far cheaper.

As shown in the photos distributed to you, there are e-cigarette displays at retail beside the candy and chocolate bars. Kids should not be exposed to such promotions. Kids should not be exposed to power walls of e-cigarettes or to countertop displays that are essentially in your face.

If I can just turn to the photos that you have, the first one shows these large promotions for Vype e-cigarettes about a metre high for anyone walking into a convenience store. The next page shows a countertop display for e-cigarettes very close to KitKat chocolate bars or on the window, promoting various flavours for Vype e-cigarettes. Page 3 shows right there on the counter, beside the chocolate bars, Oh Henry! and so on, flyers for Vype e-cigarettes, so anyone coming to the counter will see those, as well as another countertop display. The next page shows more posters for Vype e-cigarettes, different flavours, on the door entering a convenience store. The next page shows a stand-alone sign for Vype that's about six feet tall—taller than me, taller than most people. That's huge in a convenience store. The next page shows examples for Juul just above Coffee Crisp chocolate bars in a convenience store. And there's more by the gas pumps, and so on.

What we are seeing in these photos is just the beginning. For tobacco companies, which now all sell e-cigarettes as well, internationally and also in Canada, the sky is the limit. The companies will greatly expand their promotions to more displays, larger displays, power walls, more and larger signs, and even giant video screens running 24 hours a day, like we see in this committee room. That would be legal in Ontario, unless the legislation and regulations are appropriately in place.

Kids in communities across Ontario are being exposed to these promotions. In our brief that you have, we reproduced comments from individuals in Ontario in response to public consultation. Many of the comments are from parents expressing serious concern about use of e-cigarettes at local high schools and promotion for e-cigarettes.

Just to read one: "My 15-year-old daughter regularly shares with us that kids are not only vaping around the schools but on the city buses that transport kids to and from school and even in class." This parent is concerned.

All provinces have banned the visible display of tobacco at retail. Ontario did this through legislation in 2005 with all-party support of a committee and the Legislature: Progressive Conservative, NDP and Liberal.

Beside me is the evidentiary compilation that we tabled in 2005 about the impact of retail promotions to increase overall sales. There are more than 150 tabs of studies, reports, industry documents and so on. I'll table this with the committee, for the consideration of the members. In the 13 years that have elapsed since, the evidence has grown, and others have submitted some of that evidence to this committee for this bill.

It may be that convenience stores—and they did yesterday—will complain that it would be unfair if specialty vape stores can display e-cigarettes but a convenience store cannot. But there are differences. The first difference is that kids under age 19 cannot go into a specialty vape shop, but they can go into a convenience store. The second difference is that convenience stores are allowed to sell essentially an unlimited variety of other products, but specialty vape stores cannot do so much and must principally sell vapour products.

If convenience stores were allowed to display and promote e-cigarettes, then specialty vape shops would be justified in complaining that convenience stores had unfair advantages, because they can have youth in their stores—teenagers—and would be allowed to sell so many other products. Similarly, in Ontario, specialty tobacconists are allowed to display tobacco products other than cigarettes, but convenience stores are not.

If a convenience store owner would like to open a specialty vape shop, that person is free to do so. They can open as many vape shops as they like.

Nicotine is highly addictive. Retail displays can encourage impulse purchases by kids and ex-smokers. Retail displays normalize e-cigarettes as everyday products like soft drinks or magazines. Retail displays encourage overall sales. If retail displays did not increase overall sales, then the tobacco industry would not be opposed to a retail display ban.

Tobacco companies want to maximize overall sales and to keep smokers in the game instead of quitting altogether. Tobacco companies also need more teenage customers. Tobacco companies know what they're doing. They are the experts in marketing to kids. Ontario kids need protection. Our amendment would provide that for you, and I'd be happy to discuss that further. There are just a few words that are really the issue.

But even with that amendment, there would still be the possibility of specialty vape stores having displays.

The tobacco industry will say that the answer for e-cigarettes is youth education and better enforcement of sales-to-minors laws. But this is what the tobacco industry has argued for 30 years to oppose more effective legislation, as an excuse or rationale not to do legislation. Certainly education and sales-to-minors enforcement should be done, but this is not nearly enough.

Retail displays undermine education. Legislation is a type of education. It sends a message: if you can't display e-cigarettes or if you can. With respect to drinking and driving, education had an impact, but legislation and education together were better. For smoking, education had an impact, but legislation and education together had more impact.

We've long had sales-to-minors laws, but despite increased enforcement, kids still manage to buy both tobacco and e-cigarettes—

The Chair (Mrs. Nina Tangri): If I could ask you to please wrap up within one minute. Thank you.

Mr. Rob Cunningham: —by using fake ID available online, or by knowing which stores are willing to sell to minors under age.

There's another issue: E-cigarettes can be used to consume cannabis. Displaying e-cigarettes in convenience stores and other locations undermines government objectives to reduce cannabis use among youth.

Seven provinces already have legislation banning the display or promotion of e-cigarettes at retail, with exceptions for specialty vape stores. Kids in Ontario deserve the same health protection as kids in other provinces. We urge all committee members to support this approach for Ontario.

The Chair (Mrs. Nina Tangri): Thank you very much for that.

We'll begin with Ms. Park.

Ms. Lindsey Park: Thank you so much for coming today and, obviously, for your effort in preparing for today's committee meeting. It's appreciated. And thank you for the material you prepared and submitted to us.

I just wanted to clarify: You have described, for the record, three thick-tabbed, looks-like-prepared-by-a-lawyer documents that were tabled in 2005. Is that all related to tobacco, all the evidence in there?

1010

Mr. Rob Cunningham: Yes.

Ms. Lindsey Park: Okay. And at the time, did you submit any evidence regarding vaping?

Mr. Rob Cunningham: E-cigarettes did not exist, so it wasn't possible to do so.

Ms. Lindsey Park: So when did you first start raising this issue about vaping?

Mr. Rob Cunningham: Health Canada first raised it in 2009, when they were starting to appear more and more in the market. They've increasingly been available since then.

Ms. Lindsey Park: When did you—your organization, which you're here to represent today—first notice it and take concerns with it?

Mr. Rob Cunningham: It was just within a couple of years after that. At first, the volume was quite insignificant, but when it became material, then we started urging legislation at both the federal and provincial levels to respond to that. We've learned a lot from tobacco—what needs to be done. We do recognize the potential benefits of e-cigarettes; at the same time, we need to protect kids from the harms.

Ms. Lindsey Park: Did you bring any evidence with you today particularly related to vaping, of a similar nature to those?

Mr. Rob Cunningham: It's such a new product category that there simply wouldn't have been the time for studies, but the same principles of marketing would apply. It's very transferrable in terms of product normalization and impulse purchases. There are documents here from the

retail sector on how displays encourage impulse purchases. We all know, those of us who are parents, about going to the checkout counter and our kids asking us to buy something. That's a type of impulse purchase. We've all gone to the stores and ended up buying things that we didn't intend to when we entered the store.

Ms. Lindsey Park: Perfect. I think it would be helpful if we all draw our attention to what schedule 4 actually says, because I think there's some misinformation around it. I think your concern is with subsection 4.1(1) on page 31 of the bill, in schedule 4.

Mr. Rob Cunningham: Correct.

Ms. Lindsey Park: Are you looking at it right now? I'll just make sure everyone is turned to it, because I think it's helpful.

Mr. Rob Cunningham: Yes.

Ms. Lindsey Park: Excellent. It currently reads, "No person shall, in any place where vapour products are sold or offered for sale, display or permit the display of vapour products in any manner that would permit a consumer to view or handle the product before purchasing it, except in accordance with the regulations, if any."

This is saying that this bill is not allowing any display of vaping products. You can't handle it before purchasing it or view it before purchasing it. What is the concern with that?

Mr. Rob Cunningham: What we've highlighted in yellow are the terms "except in accordance with the regulations, if any." That exists for vapour products, but it does not exist above in the section for tobacco products. It would allow there to be complete displays in any store. If we—

Ms. Lindsey Park: Sorry. So it wouldn't. Only if the further regulations—

Mr. Rob Cunningham: That's true.

Ms. Lindsey Park: So we're not here to discuss the regulations. This is about the bill. The regulation process has been happening through the Ministry of Health. Have you had a chance to participate in that?

Mr. Rob Cunningham: Yes.

Ms. Lindsey Park: Okay, great.

Mr. Rob Cunningham: And we've given you a copy of our submission. Yes, we can have proper regulation, but if those words were deleted, it would not be possible to have a regulation that allowed displays in every retail store in Ontario. You could have exceptions allowing it in specialty vape stores, which is the approach in other provinces, but these words allow a very wide regulatory scope where you could have unlimited displays and promotions in every store.

Ms. Lindsey Park: But you agree that's speculation. It could be not allowed at all.

Mr. Rob Cunningham: We would love that to be not allowed, but in terms of the public consultation, that was one of the things that has been proposed, to have these. There's a public consultation; there's a response. But we would certainly not like the proposed regulation. If this amendment was made, that proposed regulation could not be adopted in its current form.

Ms. Lindsey Park: So you say you wouldn't like the proposed regulation. Have you reviewed a draft of a proposed regulation?

Mr. Rob Cunningham: Yes. It has been made public by the ministry.

Ms. Lindsey Park: And you've had a chance to comment on that?

Mr. Rob Cunningham: That's correct.

Ms. Lindsey Park: Okay, great. So we encourage you to continue to participate in that process. I'm sure you appreciate consultation; most stakeholders do on this topic. Thank you for your input at that stage. As far as the bill in its current form, it does not permit the kinds of advertising that you're describing.

The Chair (Mrs. Nina Tangri): Thank you. I need to move over to the opposition. I'll start with Ms. Begum.

Ms. Doly Begum: Thank you to both of you for coming in today and providing us with this. I'm just going to follow up on the member's question. Wouldn't you say that the fact that we have clause 4.1 there, the part saying "except in accordance with the regulations," allows for possible promotions within whatever the regulations may be? From the vast amount of presentations we've been hearing today and yesterday, there have been a lot of people talking about the need to stop promotion and the need to stop advertising, to protect our youth, to protect our children and to protect people who are on the road to quitting. Do you think there is a need to include this portion in the clause at all?

Mr. Rob Cunningham: Our recommendation would be to not have that clause. In the current version of the bill, there's a difference between tobacco and vapour products. The phrase "except in accordance with the regulations, if any" is added for vapour products, which would potentially allow every retail store to have power walls, displays and promotions—not necessarily; it depends on the regulation. But for tobacco, you could not have such a regulation that allowed retail displays. The tobacco approach is more narrow, where you can only have specific exceptions, like a specialty tobacconist. That's the approach that we'd like to have.

Now, the government could have a regulation that would ban or would not allow it in every store. We would love that regulation: "only in specialty vape stores." But at the moment, there's wide regulatory flexibility.

Ms. Doly Begum: Another thing that you hinted to is that we've spent years trying to undo a lot of the mistakes that we've made with other products, in the sense of promoting what not to do or how to protect yourself. Cigarette packages now have the pictures as a way of deterring people from purchasing that. The same for this: Wouldn't it be better to go through this, to understand what the possible risks may be or the lessons that we've learned and to use that in terms of this legislation—instead of allowing for these ambiguities within the legislation, to use those lessons here?

Mr. Rob Cunningham: Yes, it has been a long many decades in tobacco, but we have learned a lot of what works. We've had great success in reducing tobacco use and smoking among adults and among youth, and we want

to continue in that direction. We can use those lessons with respect to e-cigarettes. The companies, again, are bringing the same arguments with respect to retail displays that we heard with respect to tobacco displays. We know enough of what we need to do today, and that's the basis for our recommendations.

Ms. Doly Begum: So then would you agree with me that there is no necessity to actually have the part that you eliminated? I agree with you in terms of deleting that, as well. Wouldn't it make sense to eliminate that portion from the legislation?

Mr. Rob Cunningham: In our submission and our recommendation, that phrase is not necessary, nor is it desirable.

I would note that for the Smoke-Free Ontario Act, 2017, there is a clause with respect to regulatory authority, section 24(1)(g), which allows for exceptions. So you can have an exception, such as in a specialty vape store, but you cannot completely say, "What the bill says no longer applies," and the current wording would allow that option.

Ms. Doly Begum: Thank you very much.

The Chair (Mrs. Nina Tangri): There's one minute left if you have one more question. Ms. Singh?

Ms. Sara Singh: Thank you so much for the presentation. It was very informative.

You brought up a little bit about the "nag effect," when young people go into a store and start nagging for a product because of its enticing marketing. What specific aspects of the marketing of vape products do you think are encouraging young people to use them?

Mr. Rob Cunningham: Well, they're inexpensive compared to cigarettes. They are flavoured. They can be discreet. For example, we have some Juul products, which were referred to by that parent, that can be consumed in the sleeve of a high school student's clothes. They look like a USB stick. They also become addictive. Kids can start and they can't stop.

Ms. Sara Singh: You also brought up a really important point in terms of how this is not just used for nicotine consumption, but also for cannabis consumption for many young people and adults, as well. I think it's an important point to highlight that this is not just a tool that's being used for smoking cessation, and that young people are accessing it to use nicotine or cannabis as well.

1020

Mr. Rob Cunningham: Right, and 10-year-olds should not be in a convenience store exposed to these promotions. So there is a remedy, whether it's through a legislative amendment or the appropriate regulation. Either way would work. Ultimately, we need to protect Ontario's youth.

Ms. Sara Singh: Thank you.

The Chair (Mrs. Nina Tangri): Thank you very much. We appreciate you coming in and presenting to us.

Mr. Rob Cunningham: Thank you.

TILRAY

The Chair (Mrs. Nina Tangri): Our next presenter will be via teleconference. It will be Tilray. I have Tilray on the phone?

Mr. Cameron Bishop: Yes, it's Cameron Bishop with Tilray.

The Chair (Mrs. Nina Tangri): Thank you very much. I'd just like to let you know you have 10 minutes to speak and present. Then we'll have five minutes from each of the recognized parties to ask questions of you. Please go ahead.

Mr. Cameron Bishop: Thank you, Madam Chair, and thank you, committee members. My name is Cameron Bishop. I am the director of government affairs for Canada with Tilray, Inc. Tilray, Inc. is a federally licensed cannabis cultivator, processor and distributor of medical and recreational cannabis. We have offices in Seattle, Nanaimo, Toronto, Berlin and Sydney; licensed cultivation facilities in British Columbia, Ontario and Portugal; and a new manufacturing facility in development in Ontario.

Once we complete the initial development of additional production facilities and have obtained the required amendments to our licences to produce cannabis and cannabis oil at those facilities, we believe that our total production space across all facilities worldwide will total approximately 912,000 square feet by the end of 2018. We believe that the maximum potential development of the parcels we currently own would be 3.8 million square feet.

As committee members may know, Tilray has been a licensed producer of medical cannabis under the Access to Cannabis for Medical Purposes Regulations—ACMPR—since April 2014. Tilray began in Nanaimo, British Columbia, but we now have a strong presence in Toronto and in southwestern Ontario. Indeed, Tilray was among the first organizations to be federally licensed by Health Canada to produce and distribute medical cannabis and have been industry leaders in setting the standard for safety, security, ethics and quality. We are a global leader in the research, cultivation, production and distribution of medical cannabis and cannabinoids, currently serving tens of thousands of patients in 10 countries spanning five continents.

As we turn our attention to a new adult-use regulated market, our team, with deep experience in cannabis and global consumer brands, has secured the exclusive rights to produce and distribute a broad-based portfolio of adult-use cannabis brands and products in Canada. In addition, Tilray has developed new brands and products for the Canadian market, and we are looking forward to fulfilling adult-use supply agreements in provinces and territories across Canada, including in Ontario.

As mentioned earlier, Tilray has a strong presence in Ontario, with a corporate office in downtown Toronto, a 13-acre cannabis cultivation greenhouse in Enniskillen in southwestern Ontario near Sarnia, and a 56,000-square-foot facility in London which will process dried cannabis grown at High Park Farms into finished products. Our greenhouse facility in Enniskillen represents the largest agricultural investment in that area, and we are grateful to the community, the elected civic leaders and Sarnia–Lambton MPP Bob Bailey for all they have done to support this project. Tilray has invested over \$100 million in

Canada, and we anticipate that our workforce will continue to grow to over 500 professionals in the next couple of years.

With regard to Ontario's approach to this legislation, we were very pleased to see the new government propose to amend the Cannabis Act to allow for private bricks-and-mortar retail and to bring places-of-consumption rules in line with the Smoke-Free Ontario Act. We commend the government on taking an evidence-based public policy approach, which is more likely to lead to a diverse, successful, highly regulated adult-use market which will compete with the black market and allow small businesses to thrive while ensuring public safety and public health.

As the government drafts regulations in support of the Cannabis Act, it will be crucial to ensure that the spirit of the act as I described it today is maintained. This means designing a framework to ensure that we do not inadvertently allow for a Beer Store-style oligopoly to emerge but encourage, instead, a dynamic, competitive marketplace of big, medium and small businesses which create jobs in regions across the province.

A diversified supply chain ensures that power over the new market will not coalesce around two or three big producers, to the detriment of smaller craft producers and small business retailers. It allows family businesses to compete on a more level playing field, a key factor in boosting small business entrepreneurship. Further, creating competition in the new market lowers the risk of major supply chain failures in the early months post-legalization and avoids, again, an oligopoly from emerging.

We also recommend the government be aggressive in setting standards and thresholds for retail licences to ensure retailers are up to the challenge of retailing a complicated product and to create pressure on retailers to ensure prices are kept low enough to compete with the black market. The Ontario Chamber of Commerce's recommendation from September 2016 to the former government makes a similar point. Setting standards for retail licences will ensure winning bidders have the sophistication to retail a complicated product. Requiring retailers to bid for the lower margins to earn licences will ensure governments can collect taxation, while shelf prices are kept low enough for legal product to compete with black market product.

It will also be important to consider how to further enhance the adult-use cannabis consumer experience in the future so as to further combat the black market and ensure cannabis small business and entrepreneurs can succeed; in other words, to ensure, as the Premier and the government likes to say, Ontario stays open for business.

In terms of recommendations for the Cannabis Act:

(1) We believe that, in order to ensure these goals are met, the government should develop regulations which, by defining "affiliate" appropriately, ensure that vertically integrated cannabis companies cannot dominate the industry.

(2) We believe that the government needs to develop regulations which, by not limiting how close cannabis

retail outlets can be to one another, would ensure small retailers have the opportunity to succeed.

(3) Set a cap on market share for any given company and its affiliates. Our suggestion on percentage ownership would be nothing exceeding 15%, even when affiliates, however the committee chooses to define them, are included. The risk to not having a cap is that large players will dominate the retail market, driving out small craft growers and making it more difficult generally to see a healthy competitive marketplace.

As the government considers allowing the marketplace to develop further, we believe that two things are important: (1) in time, to allow for highly regulated private online cannabis sales; and (2) to allow for regulated consumption lounges or other sites.

In conclusion, Tilray's recommendations for Ontario's cannabis framework are guided by the following principles:

- high public health and safety standards to ensure that children do not have access to adult-use cannabis, adults consume cannabis responsibly and criminals can't profit from the cannabis marketplace;

- a unique medical cannabis system to ensure patients continue to have access to high-quality medical cannabis products to treat their conditions as referred by a physician;

- enforcement and regulations that reduce the size of the black market; and

- a marketplace which allows businesses of all sizes to thrive, innovate and create jobs.

Thank you very much.

The Chair (Mrs. Nina Tangri): Thank you very much. We will begin with the opposition, with Ms. Singh.

Ms. Sara Singh: Thank you very much, Mr. Bishop, for your presentation today. It was very informative. If you could just maybe expand a little bit on the need to appropriately define "affiliate." Can you just elaborate for the committee on why that's of importance to a company like yours?

Mr. Cameron Bishop: Yes. Look, the reality is that a lot of the licensed producers out there right now will have sub-companies and sub-companies and sub-companies. We don't intend to get into, frankly, the retail space, but we know that there are smaller and medium-size growers that may intend to do so. What we don't want to see is another example of what has happened with the Beer Store, where three or four big players came together and they've basically snuffed out the competition, in a lot of respects.

Affiliates are tough to define. On the one hand, you can define them as having a certain percentage of share or a minority share in an organization; at another time, you can define it as a certain number of affiliates. You could say maybe only three affiliates in an organization or two affiliates in an organization, and of those two affiliates, they could each only run five stores. It's a tricky one to try and get your head around.

But for the smaller players—and there are many—to bring some of these folks into the legal market now who

want to compete and to avoid the system being tipped over because the bigger players are dominating, we do believe that there needs to be some flexibility to ensure that the smaller players have an even playing field.

Ms. Sara Singh: Thank you very much for that. Yesterday, we heard from some witnesses around the benefits of allowing these affiliate partnerships to happen here in the province. The witness was mentioning leveraging educational capacity that they had built over the years to help new retailers to appropriately educate community and engage in substance. Do you feel that is something that Tilray would benefit from as well? What is the approach that can be taken to ensure that safe consumption is happening in our communities?

1030

Mr. Cameron Bishop: Number one, with regard to education, I don't think you're going to find any licensed producer—Tilray being chief among them—who would not want to see aggressive education. But when we talk about education—and I'm glad you spoke about safe consumption. When we talk about education, it can't just be fearmongering. It also has to be properly informing the general population about what a new substance is. Ninety years ago when Prohibition ended, I'm not too sure that the education campaign differentiating between moonshine and rum was all that sophisticated.

What I would suggest is that on consumption and educating consumers, we have to go to the granular. You have to define for them what THC means, what CBD means, where you can buy, who the retailers are, and what to look for in terms of the quality. You have to do that concurrently with making sure that there are public health approaches to everything from safe driving to safe consumption.

But in terms of education and leveraging resources, licensed producers don't need affiliate retail organizations to be on board with education. We have a national industry association that we would be more than willing to work through, I'm sure, to ensure that there is an aggressive campaign to ensure public awareness within the bounds of the federal law in terms of what we can do.

Ms. Sara Singh: Thank you very much, Mr. Bishop, for that clarification. I think it's an important distinction to make that there isn't a need to leverage those partnerships to educate the community effectively, that there are resources that would allow a private retailer to be able to do that independently.

Mr. Cameron Bishop: Absolutely.

Ms. Sara Singh: Could you also maybe expand a little bit for members of the committee who are not as familiar with the differences between medicinal cannabis and recreational cannabis and why Tilray is in the business of specifically, from my understanding, medicinal cannabis and the need to educate consumers, again, on the differences between those medicinal prescriptions that folks are accessing and the recreational market that they will now be able to tap into?

Mr. Cameron Bishop: Just a point of clarification: Tilray Inc. includes High Park Farms, which is going to be

our recreational side. Tilray Medical, where we draw the overall name, is a separate subsidiary of Tilray Inc. It will only ever be a medical company. We invest in research with, for example, SickKids hospital in Toronto, on using cannabis to treat children with Dravet syndrome. We have other clinical trials around the country.

But to answer your question, the simple difference between medical and recreational is that medical, when you use it, whether it's a high THC product or a high CBD product, you're using it to treat a litany of chronic illnesses. We are the only cannabis organization that I know of that does an aggressive patient survey every year—which I'm happy to share with the committee—that looks at why individuals are using it. Our patients tend to use medical cannabis for everything from insomnia to chronic pain, to epilepsy, cancer pain, whatever the case may be. Others use it to deal with the effects of PTSD, depression and anxiety. It really depends on what, as a patient, is better suited for you.

A lot of folks get caught up in this idea that all patients who must be on medical cannabis are somehow experiencing some crazy high, and they're completely and totally incapacitated—not true in the least. In fact, the THC does provide some level of euphoria, but depending on what your need for it is, that may be exactly what you need at the time, depending on what your doctor has prescribed. The CBD component is commonly used for individuals who have pain in the joints or pain in the body. It doesn't give you the euphoria or the high that THC does. For example, my mother is a chronic pain patient. She is on a high CBD product. She is not in any way high. She can function in her daily life as usual, but she doesn't have any pain any more, which is fantastic, and she's with a licensed producer.

The Chair (Mrs. Nina Tangri): Thank you. I'm just going to stop you there.

Mr. Cameron Bishop: Yes, sorry.

The Chair (Mrs. Nina Tangri): I do need to move over to the government side.

Ms. Sara Singh: Sorry. Could you just ask for written submissions?

The Chair (Mrs. Nina Tangri): Yes. Before we move over, can I ask you to please submit to us a written submission of what your speaking notes were today, before noon?

Mr. Cameron Bishop: Yes, absolutely. I'll also supply the patient survey data for committee members as well.

Ms. Sara Singh: Thank you.

The Chair (Mrs. Nina Tangri): If I can just start with Mr. Babikian.

Mr. Aris Babikian: Thank you, Mr. Bishop, for your presentation. Can you elaborate further about the current proposal of mortar-and-brick stores vis-à-vis the Beer Store or the LCBO suggestion to have the sale of cannabis to the public?

Mr. Cameron Bishop: So you're asking me to differentiate between the public and the private model? Is that what you're—

Mr. Aris Babikian: And the advantage of the brick-and-mortar stores compared to the LCBO or Beer Stores.

Mr. Cameron Bishop: Ah, okay. Listen, we have always believed that the private market is the best market to ensure a competitive advantage over the black market. We have, in cannabis, seed-to-sale tracking and control of cannabis products. That is federally mandated. The federal government controls products right now and has adapted their ACMPR regulations to ensure and to guide the production of recreational cannabis. In the American states that have legalized cannabis, just like in Canada, products are tracked from seed to sale. It's the same role that Health Canada plays now and will play in the recreational market. That is why, when you start to talk about trying to have a public system, it can be made redundant in terms of what you're trying to do.

The advantage, too, is that smaller players, again, are able to come to the table. They are able to play on the same field as the big guys. If you're a mom-and-pop store and you want to make more money, if you want to try something new, you have an opportunity. It's not to say that the LCBO has not served Ontario well, but we're in a new environment where people want more diversity and more ability to access products. The previous government, unfortunately, had severely limited the scope and the ability for Ontarians to access, with what their proposal had been and their rollout. The private sector allows for a quicker rollout and a more aggressive pushback against the black market, but that doesn't mean that private retailers shouldn't be as regulated, if not more so, than the public sector.

The Chair (Mrs. Nina Tangri): Thank you. I'd like to move on to Ms. Triantafilopoulos.

Ms. Effie J. Triantafilopoulos: Thank you, Mr. Bishop. I'd like you to elaborate a little further. Obviously, the preference for the private market system is one that you think will go directly to helping us combat the illegal market. Can you expand on that and perhaps share with us if there's any additional advice you would have in dealing with the black market?

Mr. Cameron Bishop: Well, I don't need to tell committee members; everybody is well aware. You have an \$8.7-billion or \$9-billion black market right now for cannabis in Canada. It's sophisticated, it's accessible and it's a retail network. Ontario right now—I think \$3.5 billion of this illicit market is based on a cannabis usage rate of 12.1% of the province's population.

There needs to be a mechanism to prevent local government from allowing unregulated storefronts to operate with impunity outside of the scope of provincial distribution and retail regulations. In the absence of that mechanism, there will continue to be widespread confusion in the marketplace.

That being said, though, I do think that there is, to address the black market—and this is why the private retail market is so important. There are going to be dispensaries or individuals who have operated dispensaries, and I note from Minister Fedeli's comments when he rolled out the model a few weeks back that he did make mention that if

you close things down, then you might have a chance to get involved in the market.

The best way to defeat the market is to allow individuals, provided they can pass a criminal background check—which I know could be difficult in some of these cases. But if they have the financial acumen and the financial ability, as well as a clean criminal record, to be able to come into the legal market, it takes another vehicle away from the black market. That's the advantage of the private sector: They can pop up a lot quicker and you can scoop more individual businesses up that may otherwise be incentivized to continue the practices they're doing now.

1040

The Chair (Mrs. Nina Tangri): I'd like to stop you there, Mr. Bishop. Thank you very much for calling in. I appreciate you presenting to us. Just a reminder to please get a written submission to us before noon today.

Mr. Cameron Bishop: I will. I will also send, as I say, the patient survey, as well as the information we sent to the previous government in July 2017.

The Chair (Mrs. Nina Tangri): Thank you very much.

Mr. Cameron Bishop: Thank you so much.

CONSUMER CHOICE CENTER

The Chair (Mrs. Nina Tangri): I'd like to move on. If we could have the Consumer Choice Center join us here at the front. Welcome. You have 10 minutes to present, followed by five minutes each from each of the parties. If you could please introduce yourself for the record.

Mr. David Clement: My name is David Clement. I am the North American affairs manager for the Consumer Choice Center. Thank you for letting me present in front of committee today. As I said, I am with the Consumer Choice Center, which is a global consumer advocacy group focusing on consumer choice and market access. I myself am an Ontario native living in the GTA.

I'm here today to talk about a few aspects of Bill 36, and specifically, my goal here is to address four points. The first is the repealing of section 11, allowing for limited forms of cannabis consumption. The second is the creation of authorized cannabis retail outlets. The third is the community opt-out provision. The fourth is the provisions for in-store marketing for vapour products, which is obviously different than cannabis but included in this bill.

Starting with section 11, as consumer advocates, we feel that the legalization of reasonable forms of public consumption benefits consumers. The main reason that we think this is that the old legislation, with a blanket ban on public consumption, would have left low-income consumers with nowhere to consume cannabis. More specifically for those low-income consumers, if you rent your home, more often than not, consuming in your own home is prohibited. If we were to have a blanket ban on all forms of public consumption, consuming outdoors would be prohibited, all while consuming indoors in a commercial setting is prohibited. What we would have done was created a system that has a very uncomfortable disparity mostly based on income. From our perspective, the repeal of

section 11 and aligning cannabis consumption with the aspects of the Smoke-Free Ontario Act ensures that legalization is applicable for all Ontarians in a way that addresses risk and exposure for children and, in many senses, adults.

Our second significant point here is with regard to private cannabis retail sale administered by the AGCO. From a consumer's point of view, the adoption of a private retail model is a significant win for consumer choice and, more importantly, consumer access. The reason why consumer access matters, especially in the case of cannabis, is that we're trying to encourage consumers to make the transition from how they currently buy cannabis today, which is illegally, to purchasing it in the legal market. So by allowing for private retail sale, and specifically uncapped retail sale, this means that the market for cannabis can more accurately respond to consumer demand, which will help consumers make that switch from the black market to the legal market.

Now, critics of private retail sale often assume that government sale is safer, mostly in terms of ID-ing people who are purchasing cannabis. Although we hear that argument quite often, when we evaluate the evidence, there isn't much to support it. The reason for that is the incentive structures we create for private retailers. For example, if a private retailer is selling an age-prohibited good and they fail to ID and are caught, they often lose their licence to sell that product completely. When a government-run store fails to ID a minor purchasing an age-prohibited product, that store still remains open and the individual in question may or may not lose their job. As we can see, based on that incentive structure, the incentives in a private retail model where you have those penalties ensure best practices.

We see this in the most recent data we have on private retailers. When we look at the ID rate for Ontario convenience stores, it's approximately 95%, while the ID rate at government-run stores selling other age-prohibited products is significantly less.

Given this and the fact that the act also creates a secret-shopper program, a program that enforces these aspects, we're confident that the private retail outlets will ensure access without compromising sale to minors. The only change that we would encourage in the private retail framework as it's currently described is to fast-track the licence approval process so that storefronts can be created as soon as possible, because as soon as storefronts are created, that is when we will truly see the impact in terms of combatting the black market and having consumers make that shift.

My third point is in regard to the opt-out provision for communities. First off, I totally understand the desire to decentralize decision-making. That being said, from a consumer's perspective, we are worried that allowing for communities to opt out will simply replicate the issues of prohibition, but at a local level. More specifically, if a community opts out of cannabis retail, essentially consumers have three options: They can purchase online from the Ontario Cannabis Store, they can purchase from a

nearby town or city that has not prohibited cannabis, or they can continue to purchase it illegally.

In regard to the OCS store, the online option, the existence of an online option is a win for consumers and a win for consumer choice. However, if consumers are only given the option of purchasing online, we worry that they will continue to purchase in the black market. We feel this way because that's how consumers currently buy it. Waiting up to three business days for a package to arrive in the mail, which you have to be physically present for to receive, is not accessible enough to compete with how consumers are currently buying the product. In fact, having communities opt out may actually be counter-productive, because it sends a clear signal to criminal actors that communities that have opted out are prime spaces for them to operate in.

It's also important to note here that we've seen this problem in jurisdictions in more mature cannabis markets, like California. California had a local control aspect in their legalization bill, which unfortunately created pockets of prohibition across the state. That situation got so troublesome that the state government actually had to step in and legally mandate that communities were not allowed to prohibit certain versions of cannabis sale. Our worry is that allowing for communities to opt out will simply replicate these problems, and we would rather the province not go down that route and have to retroactively fix it down the road.

Some supporters of community opt-outs have said that buying from other cities really shouldn't be a problem. That can be true; however, it really depends on where you live and how isolated your community is. For communities in the north, opting out will mean that consumers will have to drive upwards of 45 minutes to purchase a legal product. That length pretty much ensures that they're going to continue to purchase on the black market.

It also depends on where you live in more dense urban areas. If you have communities next to each other who both opt out of cannabis retail—an example would be Markham and Richmond Hill, who have both expressed their concerns and their intent to opt out—you could create blocks of geographic areas in Ontario where consumers are continually pushed to the margins.

My last comment is in relation to the vapour product provisions for consumers. We feel that allowing for in-store promotion for vapour products is a smart policy when done reasonably for the purposes of harm reduction. It's smart policy in terms of harm reduction because we all want smokers to move away from smoking. As written, the bill ensures that adult smokers can have access to harm reduction products at the point of sale where they usually purchase cigarettes. We feel that allowing consumers to be educated about the availability of these harm reduction tools at the point of sale could go a long way in terms of reducing Ontario's smoking rate and all of the very ugly illnesses that are associated with that.

1050

Critics of vaping will often advocate that it should be treated as a tobacco product. We feel that it shouldn't be

treated as a tobacco product. We feel that a distinction between the two establishes a clear and scientifically backed line between the two products and the risk that consumers assume by using these products.

Our worry is that if critics of vaping are conceded to and vaping is, in fact, treated like tobacco, then we could simply lose the upper hand in our fight against cigarette use—

The Chair (Mrs. Nina Tangri): I'm going to have to stop you there. You've passed your 10 minutes.

I'll begin with the government side. Who would like to begin? Ms. Park.

Ms. Lindsey Park: Thank you for your presentation today. I think you've made a great presentation, highlighting some of the tools in our legislation and some ideas for undermining the black market, which is one of our primary objectives. Obviously, we're balancing consumer choice with the primary objective of public safety and safety of our children. I'm sure that's a concern for you as well, even though it hasn't come up yet.

Mr. David Clement: Absolutely.

Ms. Lindsey Park: Can you just tell me some recommendations you might have on how we can ensure public safety, or if you think we've already struck the right balance?

Mr. David Clement: I think, for the most part, the balance has been struck. I think you've established a focus on the requirement to ID and on what the consequences are if you don't.

I think what will mostly come from this is how that is applied. So long as it's applied as written, I do feel that it does balance consumer choice in terms of having uncapped private retail, while knowing that we will discourage and disincentivize retailers from selling to minors. I fall back to the recent data coming from the Ontario Convenience Stores Association—it's something like 95% compliance, which is truly commendable.

My interpretation, based on how the act is written, is that the provisions are somewhat similar to those penalties and those restrictions. I think, based on that assumption, if we are to create a legal framework where we have 95% compliance on cannabis retail, that is extremely high. My hope is that, as it's written, we can get to that point.

The Chair (Mrs. Nina Tangri): Mr. Babikian.

Mr. Aris Babikian: What are your thoughts about the creation of lounges, and what kind of checks and balances should be around these lounges? Are there any concerns about it?

Mr. David Clement: Generally speaking, we are in favour of lounges. The main reason that we're in favour of lounges is that being able to consume cannabis in a commercial indoor setting discourages people from consuming it in an outdoor setting where they might be bothering other people. I use the example of the reason why we don't have rampant public consumption for alcohol: It's because we have a legal framework in this province where people can consume alcohol in indoor commercial settings.

In terms of what these lounges could look like and the regulations surrounding them, obviously they would have

to be strictly age-prohibited, in terms of being over the age of 19 to enter any of the establishments. If the spaces are designated for indoor cannabis consumption—that's an important distinction—then what you've done is you've created a model where everyone in that outlet is acknowledging and consenting to the fact that they're going to be around cannabis smoke.

(1) So you've removed the risk of minors entering those establishments, which is very important, and (2) you eliminate the risk of unwanted exposure, because if you created it as an age-restricted establishment and you designate for indoor cannabis consumption, you have a de facto scenario where everyone in that setting consents.

The Chair (Mrs. Nina Tangri): You have one more minute. Ms. Martin?

Mrs. Robin Martin: Thank you for your presentation—many interesting points, actually, including about the opt-out, which we haven't really heard that perspective on, so that's probably helpful and something municipalities should consider.

But I was interested in your comments on vaping in stores and not treating it like tobacco, because many of the other presenters, from a public health perspective, have commented on how that could expose children or youth to take up vaping when they weren't even smokers to begin with and were not using it in that way. I wondered if you could just elaborate a bit on what you think is the appropriate balance there.

Mr. David Clement: I don't think that point-of-sale marketing is what makes vaping cool for young people. That's the big concern and it's certainly a concern of mine. These products are designed as a harm reduction tool specifically for adult smokers. They should never be understood as something that young people should take up or something that even non-smokers should take up. I think that most of that issue of young people taking up the habit of vaping comes from cultural aspects. I think we can counter that with education. I think a lot of people need to understand that this product exists as a harm reduction tool for adult smokers. It does not exist as a hobby or something you just pick up.

The Chair (Mrs. Nina Tangri): Thank you. I would like to go over to the opposition and start with Ms. Singh.

Ms. Sara Singh: Thank you, Mr. Clement, for the presentation. It's really interesting to hear a consumer's perspective, so thank you for sharing that with us.

Maybe we can start with some of the points that you made around vaping and this maybe not being a marketing problem but, rather, a cultural problem. Can you elaborate on why you feel that that is so?

Mr. David Clement: I feel that it's cultural, because if you analyze online behaviour in regard to vaping, there are certainly all sorts of instances of youth use and this sense that it's created an acceptance among young people, specifically people under the age of 19. I think what we can do to counter that is to create some sort of awareness and education in terms of why you don't want to be addicted to nicotine, while also focusing on, if you were an adult smoker, why we would much prefer you to vape over

smoking, which is very much in line with Health Canada, Public Health England, the New Zealand Ministry of Health and the National Academies of Sciences. They've all come out and said that it's a useful harm reduction tool and that adult smokers should be encouraged to make that switch.

What's important here is that consumers of cigarettes buy that product from only these outlets, and we need to have that alternative presented to them in order for them to second-guess the choice to get cigarettes again.

Ms. Sara Singh: Right. Do you feel that that alternative needs to be presented to them in a venue that allows young people to understand that that is an option? Because we've heard from witnesses earlier today and yesterday that many young people are actually turning to vaping over cigarettes, because they feel that it is, from a harm reduction perspective, a safer choice to consume nicotine, so rather than starting off smoking and then using a vape as a cessation tool, they are actually starting to use vapes as their first access point to nicotine consumption.

Mr. David Clement: Yes, and if that's the case, that's certainly unfortunate. But I would have to raise questions about where they're getting these products from, especially if we look at the data from private retailers. They have a fairly spotless record in terms of ensuring that at the point of sale, minors are not accessing these products, and so I think we have to acknowledge that and not overstep in terms of how we want to regulate vape products.

We certainly want to protect children, but at the end of the day, it needs to be understood and realized that this is a harm reduction tool for adult smokers. Let's discourage youth usage at every instance we can without taking away the option for an adult to see the alternative and make the less risky choice.

Ms. Sara Singh: Right. But would you feel that the cultural shift that we're having is a result of direct promotion of this as a tool to the general population, including young people, as a harm reduction tool or a safer option to consume nicotine, and that's why we may be facing a bit of a cultural shift in thinking?

Mr. David Clement: Certainly not in a retail setting. I wouldn't say that the shift in consumer behaviour is a result of it being present in a retail setting, and that's mostly because most of the acceptance or most of the increase in youth vaping existed way before Bill S-5 was passed federally and vape products were even available in retail outlets.

1100

I think that further solidifies my point that it's not a point-of-sale issue. The cultural issue is more focused on where people are seeing it online, whether that be something like Instagram or various other outlets like that. I do think that it's part of that cultural shift, but I don't think that branding in a retail setting, which has only been around for about a month, is the driving factor toward the increase in youth use.

The Chair (Mrs. Nina Tangri): There's one minute left.

Ms. Sara Singh: Perfect. Maybe we can just chat a little bit about the buying habits of a consumer who will

access recreational cannabis. You did discuss very briefly—and this is an ongoing concern we have around time frames for the October 17 deadline to April 1, until a bricks-and-mortar store is established. Folks will be accessing their recreational cannabis through the Ontario Cannabis Store. Do you feel that there will be certain buying and purchasing patterns that will be established by consumers in that six-month window that would then limit them after a retail storefront is set up to access that? If you've already purchased online and you find that it is convenient, and you've done that a few times already, would you feel that a consumer would then be likely to still go to a retail store and purchase that cannabis?

The Chair (Mrs. Nina Tangri): If you could please answer within 30 seconds.

Mr. David Clement: Yes. I do think that they will still go to a storefront, for the same reason why we still go to storefronts for alcohol in this province despite the fact that there are delivery options, both private and run through the entities that distribute alcohol.

My perspective on consumer behaviour here is that they will still go to storefronts. That's more accessible. My worry is that when presented with the option of online versus the black market, they'll choose the black market because it's more accessible.

Ms. Sara Singh: Right. Do you think that this—

The Chair (Mrs. Nina Tangri): We'll have to wrap up there. We're past our time.

I'd like to thank you for coming out and presenting to us. If you could please give us your written submission before noon so that we can have that.

Mr. David Clement: Okay. Thank you very much.

ADDICTIONS AND MENTAL HEALTH ONTARIO

The Chair (Mrs. Nina Tangri): I would like to call upon Addictions and Mental Health Ontario to join us. Welcome. If you could please introduce yourself for the record. You have 10 minutes to present and then five minutes from each of the recognized parties for questions.

Ms. Adrienne Spafford: Thank you very much. My name is Adrienne Spafford and I'm the CEO of Addictions and Mental Health Ontario. Here with me is our board president, Vaughan Dowie, who is also the CEO of Pine River Institute, a provincial residential treatment program for youth and children.

Thank you very much for the opportunity to appear before you today and convey our perspective on Bill 36 regarding the use and sale of cannabis. Within the next week, Canada launches an extraordinary policy experiment. Whether we legalize cannabis is no longer in doubt and has been a federal decision. How we legalize is critically important and, to a significant extent, is a matter of provincial jurisdiction.

Before addressing the legislation specifically, I would like to offer some analysis of Ontario's mental health and addictions system, which, in the absence of a strong public

health focus with this legalization, risks being impacted by the changes to the legal status of cannabis.

In Ontario, we roughly spend about \$54 billion on health care publicly. Roughly 6.5% is spent on mental health and addictions services, a proportion of the overall health spending that declined from 11% over 40 years ago. More people are going to emergency departments for help with their mental health or addiction problem, a 20% increase in the past five years. There has been a 67% increase in hospitalizations for children and youth attributed to mental health and substance use. More people are making repeat visits to their local emergency departments for mental illness and addictions.

Wait times for community-based care are extensive. If you have a substance use problem requiring residential treatment, you are waiting, on average, nine weeks for the care you need. That's nine weeks after you have identified that you need help and you're ready for help. Wait-lists for case management and counselling average about five weeks. These wait-lists have been getting worse in recent years.

Our sector has an enormous interest in the cannabis issue. Addictions and Mental Health Ontario represents about 200 organizations across the province. Our members provide addiction treatment designed to address the harms associated with substance misuse and to promote healthy lifestyles. Our members also provide mental health supports for Ontarians with psychosis, a category of mental illness whose prevalence and intensity is enhanced by cannabis use among young people.

Many of our members—indeed, many Canadians—will be watching closely to see what the change in legal status will mean for patterns of cannabis use. Most notably, we will want to know whether the legalization of cannabis will result in greater demand for the treatment of cannabis dependence and associated health problems. But our understanding of the impact of cannabis on health is not just speculation about the future. We can focus on what we already know.

Cannabis use is widespread. According to Statistics Canada, 14% of Canadians, or around 4.2 million people, reported using cannabis in the past three months, with 56% of them being daily or weekly users.

In terms of the effects of cannabis use, according to the Canadian Centre on Substance Abuse, short-term cannabis use produces euphoria and relaxation, changes in perception, time distortion and deficits in attention span. It also negatively impacts the ability to divide attention and results in deficit in memory, body tremors and impaired motor functioning. Cannabis also impairs coordination and balance.

Over the long term, chronic cannabis use is associated with deficits in memory, attention, psychomotor speed and executive functioning, particularly among those who started cannabis use during early adolescence. Chronic use of this drug can also increase the risk of psychosis, depression and anxiety, breathing problems and respiratory conditions and, possibly, lung cancer. Use of cannabis during pregnancy, particularly heavy use, can affect children's cognitive functioning, behaviour, future substance-use behaviour and mental health.

Cannabis dependence is a significant problem. Cannabis is the presenting drug dependence issue in about one third of the people in Ontario who seek treatment from our specialized addiction services. Those Ontarians who seek support from our publicly funded addiction system encounter unacceptable wait-lists for services. For those who need residential treatment, the wait might be months.

As I mentioned, I'm here today with our board president, Vaughan Dowie. Vaughan is the CEO of Pine River Institute, a residential treatment program for young people with complex substance use problems and co-occurring mental illness. I visited the facility, and it is phenomenal. Vaughan will be able to speak about how long families are required to wait for placement in his program. As Vaughan noted in a recent opinion piece in the *Toronto Star*, there are revenues associated with the legalization of cannabis and there are costs we all bear associated with its use.

We believe that the opportunity exists to enhance access to addiction treatment so that we can adequately support Ontarians who struggle with addiction to cannabis and other substances. We look forward to working with the government to implement its commitment of significant new investments in mental health and addictions services. We hope that increased capacity in addiction services will be one result of this new investment. AMHO also believes it would be appropriate for the government to direct a significant portion of new funds derived from the sale and taxation of cannabis to mental health and addictions services, as well as education and prevention services. We know the government agrees that more treatment is required; a dedicated funding stream would be one way to accomplish this without placing undue burden on tax revenue.

The Minister of Finance has indicated we are entering uncharted waters with the legalization of cannabis. He is right. For AMHO, this means that the government needs the capacity to monitor the impact of the legal change on the health and well-being of Ontario and needs to retain the ability to direct funding to programs and services that directly address the harms associated with cannabis use. This speaks to the need for an information and data strategy as part of the government's mental health and addictions strategy.

Earlier this week, the Attorney General announced that the government will be launching a public information campaign on cannabis. We applaud the government's efforts to implement prevention initiatives that provide information to the public on cannabis. AMHO has long been advocating for a public awareness campaign, particularly targeted at youth, and we very much appreciate that the new government has had the foresight to launch these efforts at the time of the change in legal status. There is extensive evidence on what works and what doesn't work in this area, and we hope that this evidence will inform the government's public information campaign. AMHO would very much like to offer our support in the development of the campaign.

The government has described the three objectives for this legislation: protecting young people, promoting road

safety and combatting the black market. These are worthy goals and we support them. We believe the government's goal for regulation of cannabis, as with its regulation of alcohol and gambling, should also include a fourth goal: the promotion of public health. There are lessons in research from our experience with alcohol regulation that can be used to guide cannabis decision-making. Legislation should incorporate public health as a guiding principle that will be used to influence regulation and enforcement of cannabis sale.

1110

I'll provide a concrete example of how public health considerations could be written into the legislation: section 4, which establishes the circumstances under which an application for a licence may be denied. There is considerable evidence from alcohol about the relationship between access to alcohol and alcohol-related harm: the greater the density of outlets, the greater potential harms. Section 4 could therefore be amended to stipulate that public health considerations would constitute a legitimate reason to deny an application. This would empower the regulator to consider public health considerations in assessing whether a particular licence is appropriate. This analysis could be conducted with the best available evidence linking access to harm.

In summary, our organization believes that it is important to recognize that cannabis is not a benign substance. Governments in Canada have a once-in-a-generation opportunity to place public health policy at the centre of cannabis policy. There is also a strong body of evidence to guide law and policy. AMHO strongly urges the Legislature to use the very best evidence to address the documented harms associated with cannabis, including cannabis dependence.

I would like to thank the members of the committee for the opportunity to present this morning. Vaughan and I would be pleased to address any questions.

The Chair (Mrs. Nina Tangri): Thank you very much. We'll begin with the opposition and Ms. Begum.

Ms. Doly Begum: Thank you very much to both of you for coming today and presenting to us. I really appreciate the research that you have done to present as well.

You mentioned the risk that we have in terms of the access, and the increase in the numbers that we have available to us that show that increase. In terms of those facing mental health concerns, would you say that the idea of advertising and promoting substances on a ready basis would increase and might be detrimental to anyone facing mental health, especially someone in the waiting period who hasn't had any access to any treatment and is looking for other solutions?

Mr. Vaughan Dowie: Obviously the normalization of a substance and making it more accessible and more present will mean that potentially more people will use. I'll give you one quick example. In the adolescent study of drug use and health that is done in Ontario high schools, one of the questions that was asked of kids is, "When cannabis is legalized, do you anticipate using the same, more, initiate use etc.?" About 11% of kids said they

would either initiate use or increase use post-legalization. So if one then makes the corollary link between frequent and often use of adolescents and mental health concerns that result, you can see an increase of uptake of use for kids; I can only talk about the kid side particularly. It will likely mean there will be more examples of unintended consequences.

Ms. Doly Begum: Thank you very much. I also wanted to point out the part about the education campaign. You mentioned how you have been talking about that and asking for that for a very long time. I'm glad we will have something like this. But we don't know to what extent or how sustainable it will be. What would be your recommendation for the members here in terms of how robust it should be, how sustainable and the longevity of it?

Ms. Adrienne Spafford: We really liked what we heard from the Attorney General earlier this week in terms of her announcement of an approach that is targeted to youth and that is going to use tactics that are going to meet youth where they are. We think that it's important to have an evidence-based campaign. We would like to be consulted as part of the campaign. I think probably most importantly for us is that it's not a one-time effort, that this is a sustained campaign that is ongoing.

We really think there needs to be education with legalization about the risks associated with cannabis use, similar to previous and ongoing education campaigns around the risks of drinking and driving and how that just continues and continues and has become part of the public's psyche as well as the risks of drinking associated with pregnancy. We would look to those two ongoing campaigns to really shift public opinion as to where we need to go now, and we're really pleased that the provincial government is taking action on a public awareness campaign around cannabis.

Ms. Doly Begum: Absolutely. I want to thank you for also pointing out that public health should be the guiding principle for this entire legislation.

In terms of mental health, it is unfortunate that we just faced a cut of \$330 million to mental health funding per year. What would be your recommendation for what we need to do in terms of legislation of this, as well as the services that we provide for mental health all across the board?

Ms. Adrienne Spafford: I think that we, at AMHO, would characterize that a little bit differently in terms of those being different campaign commitments. The government's campaign commitment was always \$1.9 billion to match the federal funding. They have named Addictions and Mental Health Ontario as one of the partners that they're committed to working with in the development of that strategy, and we are thrilled to be working with them on that.

Our priorities are around investment in supportive housing, investment in retaining staff—because we have a real health human resource issue in addictions and mental health—in reducing wait times through investment in new services and on a data strategy that doesn't add additional burden on the limited resources in the community mental health system but does allow us to really be clear about

what services are being provided, all in an effort to make provision of services to the public much more transparent and movement from one provider to another much easier for clients.

The Chair (Mrs. Nina Tangri): Thank you very much. I would like to move over to the government side. Who would like to begin? Mrs. Martin.

Mrs. Robin Martin: Thank you very much for your presentation and thank you for participating in the Ministry of Health round tables with respect to this. We are, in a sense, as the Minister of Finance said, moving into uncharted territory, and we're trying to strike an appropriate balance with this legislation. You know that we have—you mentioned this—this large commitment to a comprehensive mental health and addictions service. We know that there are problems that exist now that are not being met—gaps in the system—and we want to make sure that we develop a system that addresses those.

But I guess what I'm concerned about—and it keeps coming up—is this word, “normalization,” because I struggle to understand what the difference is between “legalization” and “normalization” with respect to how we protect especially youth but also people who are vulnerable to this exposure. So I'm just wondering if there are suggestions you would have in particular about how we emphasize the difference between that.

Mr. Vaughan Dowie: Just going back to what Adrienne talked about, I see things from kids' perspective. That's how I see the world.

Mrs. Robin Martin: Excellent.

Mr. Vaughan Dowie: Not personally.

Laughter.

Mr. Vaughan Dowie: It's about trying to get the point across that cannabis is not a benign substance. For some people who will use it, there will be no problem. I'm not saying that the world will end, but for some people, they will start using it and they will have real problems.

The need to offset our discussion about cannabis and its use—just like we do with alcohol—while saying that there are dangers here: That requires a public education approach, because many young people still don't understand that there are any dangers with its use. They think that it's basically risk-free. If you look at the blitz of publicity that's going on right now around it, we're not talking really about harm; we're talking about how you can buy it, where you can buy it, when you can buy it—those kinds of things.

Mrs. Robin Martin: I'm also curious about the whole concept of self-regulation and how we can teach this to young people in many areas of their life and with these kinds of products. I don't know if you have any comments specifically about that.

Mr. Vaughan Dowie: Again, it has got to be a comprehensive public education campaign and, as Adrienne said, it needs to be continuous. You don't change attitudes with a three-month blitz; you change attitudes by educating and starting to ingrain thoughts over time.

I think Adrienne gave a couple of good examples. Drinking and driving: I'm old enough to remember when that, in

fact, was a discussion—and the use of alcohol during pregnancy, which is a little more recent, but we're now starting to understand. We're understanding this because we have had it drilled into us over and over again that there are some risks with alcohol and these are the risks. So the public education approach needs to be coherent and continuous.

1120

The Chair (Mrs. Nina Tangri): Ms. Triantafilopoulos, you have one minute.

Ms. Effie J. Triantafilopoulos: I'll try to be quick. I'm very interested about your comments around the public health considerations being another tool or goal that we would take on. Can you speak at all about the possible situating of stores in or close to vulnerable communities?

Ms. Adrienne Spafford: I think it's important to look to—just being mindful of time here—both Washington and Colorado and their experiences. In terms of the objective of targeting the black market, you want to make sure that there are stores people can access so that you're not producing more of a black market. But really, our interest in terms of taking a public health approach there would definitely—we would support Public Health Ontario's recommendation around limiting locations around schools and community centres, and that's all part of while you're legalizing, not normalizing.

I would also say, around vape products, that we would be cautious around the display of those products in store-fronts etc. and we really want to be able to have in the provision of a licence the ability to say that our public health unit telling us, "This is not the right place for this store," is a reason to say no.

The Chair (Mrs. Nina Tangri): Thank you very much for joining us. I appreciate you coming out and presenting.

Ms. Adrienne Spafford: Thanks very much.

FIRE AND FLOWER

The Chair (Mrs. Nina Tangri): I'd like to call upon Fire and Flower to join us, please. Welcome. If you could please introduce yourselves for the record, and you have 10 minutes to present and then five minutes from each of the official recognized parties for questions.

Mr. Nathan Mison: Thank you, Madam Chairperson. Thank you for the opportunity to present to the Standing Committee on Social Policy. We very much appreciate the opportunity to present today.

My name is Nathan Mison. I'm the vice-president of government and stakeholder relations for Fire and Flower. I am joined today by Ken Doige, who is responsible for security and compliance for Fire and Flower. He will be available for any questions at the end of the presentation.

Fire and Flower is a corporate retail store specializing in elevating Canadian cannabis products through experiential retail strategies and education-based programming. We are poised to serve consumers and customers across the country in provinces where private retail is permitted. Currently, Fire and Flower has 37 pending stores in Alberta, two in Saskatchewan and is in process for eight

in BC. We will have three stores open in Alberta and one in Saskatchewan on October 17.

We were founded by leading legal cannabis entrepreneurs. Our team consists of and carries 60 years of combined experience in launching premium successful businesses and 20 years in the cannabis space. We are versed in legal cannabis through our experience in the past as licensed producers, immersed with our Canadian audience and actively influencing the evolution of the new cannabis industry across the country.

At Fire and Flower, we are defined by:

(1) an inclusive spirit, representing the diversity of Canadians and their level of understanding in our stores;

(2) shedding of stigmas: Fire and Flower is working diligently to be one of Canada's best retailers, who just happen to be in cannabis; and

(3) shaping history; we understand the opportunity to shape a new Canadian sector for domestic market, but international export as well.

We are excited to discuss the possibilities that cannabis legalization has afforded Canadians for economic diversification and enrichment. We would like to commend the government for their balanced and measured approach to the legalization of recreational cannabis in Ontario. The previous government's public retail model run by government employees in locations of their choosing could have been a challenge to achieve the goal of curtailing a flourishing black market. Fire and Flower is pleased with the move to a strong private retail system.

We understand that in consultation, the government of Ontario examined a variety of private retail models before landing on a robust licensing framework. We are pleased with the government's commitment to ensuring that responsible and accountable players are participating in this new framework. It is the view of Fire and Flower that the proposed system is fair and sensible. We believe that it provides the right opportunities for the largest number of retailers to compete in the legal retail space and speaks to the government's priorities of fair market access and allowing for a truly competitive market.

I want to address something that we believe is crucial to cannabis retailing in Ontario, something that the Attorney General announced this week. We would like to address our own commitment to public education when it comes to recreational cannabis. Our company has been built on a foundation of education and responsible use. Fire and Flower has built our brand around education-based retailing, implementing a team of leading legal cannabis entrepreneurs, setting our own standard of practice, and incorporating the lessons learned from being involved in the early days of licensed production of cannabis.

As responsible retailers and business owners, strong corporate citizenship is crucial to our business model. We are looking forward to building strong relationships with the communities that we live in, relationships that will be nuanced and cater to those individual communities. Our retail design will encourage open, welcoming spaces where our customers can seek out a curated retail experience. We will work diligently so that everyone through our

doors will be treated with respect and will have a tailored cannabis retail experience. Special emphasis will be placed on private areas for one-on-one conversations with our highly trained Fire and Flower team members.

We commend the government on their efforts to educate Ontarians about recreational cannabis. We have developed a community and corporate cannabis 101 training model that we are currently presenting to municipalities, community organizations, citizens and chambers of commerce across western Canada and Canada. We will be a partner in bringing education to Ontarians. Our commitment to keeping cannabis out of the hands of those under 19 years of age is paramount to the safety of the communities in which we intend to operate. Our view is that the proposed system provides an opportunity for small and medium-sized business to compete in the legal retail space, which we believe is one of the best ways to drive out the illegal market.

Fire and Flower will take, and has taken, extensive measures to ensure that safety is our top priority. When it comes to our retail establishments, we have implemented intense security measures under Norm Inkster's advice. As you might know, Norman is a former commissioner of the RCMP and the first chief safety and risk officer for the Technical Standards and Safety Authority, as well as a former ED of Interpol. We are very lucky that he sits on our board.

There will be two ID checks: one at the entrance and one at purchase. Fire and Flower meticulously tracks its product through blockchain. If something goes missing or is unaccounted for, we have a heavy monitoring and tracking system so that we can figure out exactly where and how a challenge has come forward in the supply chain. The product will be kept in an on-site secure room that is accessible only to highly trained staff and exceeds provincial standards in the provinces that we are currently operating in. As an additional measure, Fire and Flower will install blue-light strobes on storefronts. If police are called to the store, staff can turn on the blue strobe, ensuring the store is easily found at night through rain, wind and snow.

Public safety through education is where we can be best in class. Training staff to discuss cannabis with consumers is based on over 90 hours of training for our front-line staff and six to eight weeks' training for our GMs and AGMs. Signing and messaging against driving inebriated and consuming cannabis underage, on what to do in regard to adverse effects, plus any and all required regulatory materials will be displayed prominently in each of our stores.

Our commitment to stronger communities is paramount in our values proposition to being a trusted partner and responsible participant in the legal adult-use recreation market in Ontario:

- customer experience focused on education and responsible use;
- comprehensive staff training to ensure that consumption by minors is prevented;

- extensive community engagement with both Indigenous and non-Indigenous communities;

- forward-thinking, culturally appropriate, social benefit initiatives; and

- social responsibility led by a successful corporate leadership team.

Our commitment to corporate social responsibility sets us apart in two important ways. First, by our community partnerships: Consultation with cities and towns across the country has been vital to our brand and retail development. Our experienced executive team and partners possess strong local ties so we can shape our stores with needs of Canadians in mind. When we enter a municipality, we set our own standards for separation distance that exceed most municipal requirements. We're implementing a robust security protocol for each individual store to bring a sense of safety to the community that we work in. These procedures will leverage the best in retail technology and ensure that the highest security standards are maintained.

Second, by our Indigenous-guided framework: We believe that our national spirit of freedom, harmony and inclusion grows directly from our nation's Indigenous roots. In honouring these origins, we're cultivating strong, authentic relationships with the diverse communities in which we live and serve. The 2007 United Nations Declaration on the Rights of Indigenous Peoples and the Canadian Charter of Rights and Freedoms serve as our guide for how we support our country's peoples and develop our business practices. We bring together stewardship circles from Indigenous communities to shape forward-thinking, culturally appropriate social benefit initiatives that foster diversity and inclusion.

1130

Economic benefits: There are numerous economic benefits to the proposed model. We can confidently state that each one of our stores will bring a minimum of \$1 million to \$2 million in local economic enrichment. Our outlets will employ 12 to 14 staff per store. It is our intention to build the maximum number of permissible stores, pursuant to the legislation we are discussing today.

Thank you very much for the opportunity. I would be happy to take any questions that you might have.

The Chair (Mrs. Nina Tangri): Thank you very much. We will begin with the government side. Who would like to begin? Mrs. Fee.

Mrs. Amy Fee: First of all, thank you for coming today to talk to us. I really do appreciate hearing your perspective. Obviously, the education piece that you are putting into the stores—that concern is something that we've heard about, especially for first-time users. It's great to hear that staff will be well educated and able to help consumers.

But I'm wondering if you have any suggestions for us. For me—I'm a parent of four kids—I'm concerned about the education piece and that we get it right in the community. If you have any suggestions from that side?

Mr. Nathan Mison: As the first G7 nation and G20 nation in the world that's legalizing—poor Uruguay is down there waving at us and saying, "We were first"—the

eyes of world are watching us. As a parent of three children as well, I think we have to have an honest and fair conversation about what legalization is in its positives and its negatives. We understand that this is a diverse product that has very different effects and utilizations. I think an education campaign has to be built on a holistic approach to make sure that we're representing all of the avenues within it.

Glibly, I'm very excited about when we get away from cannabis legalization being Y2K and we get into a period where we get to talk about what's next, because I think that's what the significant opportunity is: What is the opportunity for us for local community enrichment, local benefit and local opportunities to take a product that is being legalized—that is coming on October 17—but what are the next steps that will happen? I think education, of course, is a key way for us to achieve that to happen.

Mrs. Amy Fee: I just have one other question, because you had mentioned that you have stores, I believe, in Saskatchewan, Alberta and BC set to open. What are you seeing in the legislation there, and what do you like about the legislation that you're seeing in Ontario?

Mr. Nathan Mison: I think the greatest thing that you have achieved in Ontario is the opportunity, on an April 1, 2019 deadline, to have the municipalities not be as involved as intrinsically as what is happening in other jurisdictions. I think the province taking that stance will create the ability to move through. This is a big thing with a lot of people who are interested in operating in the market.

The challenge is that, unfortunately, some municipalities don't have the resources to be able to go through the due diligence process, so taking that on at the provincial level will allow the due diligence and rigour that is required and should be required to bring a new regulated retail product to market. That's something that I think is a considerable success for this legislation.

Mrs. Amy Fee: Thank you.

The Chair (Mrs. Nina Tangri): Mr. Babikian.

Mr. Aris Babikian: Thank you very much for your presentation. Earlier today, one of the witnesses suggested the repeal of the opt-out option for the municipalities. What are your thoughts about this suggestion, or how do you see it?

Mr. Nathan Mison: I think the fact that the legislation gives the opportunities to opt out and then potentially to have the opportunity to opt back in is a very safe harbour.

The other thing, getting back to the earlier point, is the education component. I think, because we haven't discussed cannabis legalization at its full depth and breadth, we haven't talked about its opportunity as a driver for economic enrichment at a local community level. This is an agricultural product that can be value-added and created as an opportunity.

Plus, for Canada, as we're the first nation on earth to legalize this, this is an opportunity as the world continues to legalize. We can be the first adopter that takes Canadian businesses in small towns that are already doing products

and export that to the world. That's a very exciting opportunity for us, as Canadians and Ontarians, to have.

The challenge is that we haven't got there yet, because we haven't had those conversations. As an education campaign, I hope that we talk about all of the specificities and differences within the cannabis product, but it will be really exciting to talk about what can be, after we get past the legalization.

The Chair (Mrs. Nina Tangri): You have—very quickly—one minute, and you have to be mindful of time. Thank you.

Mr. Sheref Sabawy: Thank you very much for presenting. As I understand, you are already operating in Alberta currently. Did you see an impact on the illegal market? Is there any change?

Mr. Nathan Mison: I think they are very cognizant of legalization coming forward. As we've seen in the nine jurisdictions in the States that have gone through legalization and the 25 states that now have cannabis legalized in one form or another, there is a time where the black market has a deceleration. We've seen that over and over again. It's interesting that of course its corollary is that you need more product on the market and we do understand that in the current environment we will have product shortages. As we get through that system, I think you will see a direct decrease in the black market and I think we, again, are lucky enough to have empirical evidence of that from our neighbours to the south.

The Chair (Mrs. Nina Tangri): Thank you and I'm going to move to the opposition: Ms. Begum.

Ms. Doly Begum: Thank you very much and thank you, both of you, for coming today and presenting to us. It's really good to have perspectives from someone who is operating in different parts of the country, as well.

You mentioned a lot about education, and I really appreciate that, as well as training you have for your staff. Would you be able to elaborate a little bit more on what sort of education programs you have, as well as training that you go through?

Mr. Nathan Mison: Sure. Our general managers and our AGMs go through six to eight weeks about understanding what cannabis is in all of its different forms. I'll give you a definitive example. In Alberta, there are 13 licensed producers that have been selected by the AGLC. But the thing that isn't discussed about this is that that's 300 SKUs inside those 13 producers, so when you talk about 109 licensed producers in Canada, that's a lot of product variation that people have to be aware of that is coming to market. It requires an extensive amount of education and training, as well as the accessory products that will go along with current consumption models, as well as the opportunity to continue to talk about edibles and drinks and vapes that will be coming in the future, so they go through that process.

One of the things that Fire and Flower is very proud of is that we've engaged in community outreach. We've reached out to chambers of commerce, CAOs and councils at municipalities to do a cannabis 101 and then also talk about what the opportunities for economic enrichment are

in their own communities as well, as this product becomes legalized, and then to talk about how we are going to adhere to a retail standard. We've taken a very holistic approach to cannabis 101, building off the success that we've had with our GMs, AGMs and cannistas, who are our front-line baristas, and the municipalities and the CEOs. I think we're really excited to have that conversation, so we can get a base level of understanding so we can jump off to the other conversations that will occur in future.

The Chair (Mrs. Nina Tangri): Ms. Singh?

Ms. Sara Singh: Thank you very much for the very interesting presentation. I think you've raised a number of really interesting points of consideration, one of those being consultation with the Indigenous community, the First Nations community. I just wanted to highlight that several members of the Indigenous community have reached out to members of the opposition and have indicated that they were not given a fair opportunity to present here today and submit their concerns.

For example, the chief of Whitefish River Anishinabe Nation did send us some correspondence. I just wanted to get your input on what that consultation with the First Nations community should look like. He is very deeply "concerned to be forced to address the imminent passage of this legislation in this fashion and in response to a posted notice on the committee website," which allows "very limited opportunity for comment." I'm going to paraphrase what is written here: "I must strongly state at the outset that this letter and the process by which these submissions were invited is utterly contrary to the duty to consult which is owed to my nation and to all First Nations in Ontario when it comes to matters impacting on our rights and interests."

Do you feel that there needs to be appropriate mechanisms in place to ensure that our First Nations communities have been appropriately and adequately consulted with this legislation?

Mr. Nathan Mison: I'm going to defer to the committee because I think that's a committee issue, primarily, on having those conversations about who speaks in front of the committee. I can speak as an organization that we value authentic communication. We've undertaken an Indigenous-to-Indigenous consultation process and we've hired leaders from the Indigenous community to make sure that when we are talking to Indigenous communities that we understand how they want to be talked with, not at. I think that is very important.

I think the other thing, too, is that we need to realize that this product has different representations in different ethnic communities, and in religious organizations as well, and religious communities. I think those conversations have to be genuine as well.

1140

Fire and Flower has worked very diligently to make sure that we're having those conversations authentically and genuinely with those communities so that when we're coming in and we're looking at representing and working

with the municipality, we've taken those things into consideration.

Unfortunately, I can't speak to the policy, but that is how Fire and Flower has taken the process.

Ms. Sara Singh: Fair enough. Maybe you can elaborate a little on how you've engaged those First Nations Indigenous communities. How did you reach out to them? Again, not talking at, but talking with. Perhaps you can elaborate for the committee on the process that you used.

The Chair (Mrs. Nina Tangri): You have 15 seconds to do that.

Mr. Nathan Mison: Yes, we're very lucky that we've utilized a lot of Indigenous leaders to make sure that we ask people representative of Indigenous communities—urban Indigenous people, First Nations—on First Nations and making sure that we're having those conversations in advance of us having those conversations, so that we understand what the vehicle for communication should be and who should be at those tables. We're making sure that we're having those first, prior to us having a consultation, because it has to be valued and beneficial for the people that we're talking to and it has to be authentic.

Ms. Sara Singh: Thank you so much.

The Chair (Mrs. Nina Tangri): That you very much for presenting to us today. We appreciate you coming in.

Mr. Nathan Mison: Thank you for the opportunity.

TOBACCO HARM REDUCTION ASSOCIATION OF CANADA

The Chair (Mrs. Nina Tangri): If I can call upon the Tobacco Harm Reduction Association of Canada to please join us. Thank you and welcome. If you can please introduce yourself for the record, you will have 10 minutes to present and five minutes from each of the official recognized parties for questions.

Mrs. Jaye Blancher: Thank you very much. My name is Jaye Blancher. I am a director with the Tobacco Harm Reduction Association of Canada. We are an advocacy body representing nicotine consumers. The association has a membership of approximately 1,100 individuals. All members are directors; however activities are guided by a board of public advisers. The association is run by volunteers and our operating costs are paid for out-of-pocket. We are a recognized member of the International Network of Nicotine Consumer Organisations, otherwise known as INNCO.

As our name suggests, we are founded on the public health strategy of tobacco harm reduction, which advocates for measures focused on reducing or eliminating the use of combustible tobacco by switching to other nicotine products, including vapour products. We staunchly believe that providing reduced-harm alternatives to smokers is likely to result in a lower total population risk than pursuing abstinence-only policies. We are writing to express support for the Ontario government's approach to vaping regulation, as we believe it clears the path for adult smokers looking to learn more about less risky and healthier ways to consume nicotine.

The federal government legalized vaping products as consumer products based on the understanding that “Vaping is less harmful than smoking.” In the federal government’s own words, “Many of the toxic and cancer-causing chemicals in tobacco and the tobacco smoke form when tobacco is burned.” Remove the smoke and remove the combustion—as vaping does—and you have a far less risky way to consume nicotine.

Health Canada’s decision to legalize vapour products came about under the guidance of a scientific advisory board comprised of “scientists, researchers, academics, and health professionals...” We are confident that Health Canada would not have made this decision without the committee’s thorough assessment of the evidence on the relative and absolute risks of vaping. Indeed, there is a growing scientific consensus that vaping is less risky than smoking tobacco.

The number of researchers that focus exclusively on vaping products is also growing and the research community is working tirelessly to establish international scientific protocols and standards to test vaping products and further regulate the category in the interest of consumer health and safety. As further research into flavours, ingredients and long-term effects is produced, Health Canada will undoubtedly introduce further regulations that build further confidence in vaping.

We believe that the Ontario government’s Bill 36 positively reflects the growing consensus amongst the international scientific community that vaping is less risky, by categorizing tobacco and vapour products separately. By separating the two categories, vapour products will be allowed to be displayed and promoted at all points of sale. This is a win for tobacco harm reduction because Ontarians have the right to know about alternatives to tobacco use, and the open sharing of information is key to that.

We also believe that the demonstration of vaping products and the practice of sampling within a specialty vape shop is an important part of promoting a less harmful product. These products can only really help smokers to quit if smokers are aware of them and they are easily accessible and affordable. To that end, smokers should be able to buy flavoured vapour products from vape shops, convenience stores and online. Each one of these channels speaks to a different nicotine consumer, and a healthy competition between them will hopefully drive prices down for the consumer.

In our view, it is especially important to share information about these products and promote them in all locations where tobacco products are also sold, including convenience and/or corner stores. When a smoker walks into a convenience store to buy a package of cigarettes, they should know that alternative nicotine sources are available.

In British Columbia, an adult smoker can walk into a 7-11 to buy their cigarettes and have no idea that they can also buy a vaporizer. This is because provincial legislation prohibits the display and promotion of these products outside of adult-only locations. This is extremely problematic, because the less smokers are aware that there are

other ways to consume nicotine, the less likely they are to try these products.

Proponents of tobacco harm reduction need to reach adult smokers to tell them about these products and consistently present them with a choice between what they are used to—that being cigarettes—and those products that are known to cause less harm. The more they are confronted with a choice between the products, the more they may be persuaded to try the less risky one.

Convenience stores are also strategically located close to bars and stay open late, which offers the vaper or adult smoker a chance to purchase a vaporizer or refills at hours at which vape shops may not be open.

Allowing for the promotion and display of products at all points of retail does not mean that promotion goes unrestricted, of course, as some organizations have recently suggested. In fact, the promotion of vaping products still has to abide by federal law, which ensures that many forms of promotion of vapour products will be prohibited in Ontario. For example, federal legislation bans advertising that is attractive to young people, any advertising using a depiction of a person, character or animal, and any lifestyle advertising. If convenience stores are familiar with selling products like tobacco, lottery tickets and alcohol to adults, then we should trust them with selling vaping products to adults.

Our conclusion is that we urge the provincial government to keep moving forward and allow for the display and promotion of vaping products, especially in those channels where tobacco is sold, so that more adult smokers can learn about these lower-risk alternatives.

Just to give a little bit of personal information about how my journey came to being a director with this association: At the age of 12, I began smoking. Cigarettes at that time were 50 cents a package. A group of us would get together and buy a couple of packages, and that would last us for about a week.

I have been through the STOP program with the Ontario government, which provides nicotine replacement therapy in different formats. I have had hypnotherapy. I’ve had laser treatment. My husband has been through Zyban, which resulted in a two-month stay at a psychiatric hospital.

Then a friend of ours suggested that we visit a vape shop. This was in 2016. I had no idea what a vape shop was. I didn’t know where it was. My husband and I went. He had the intention of quitting, and I thought, “Well, I’d better get on the bandwagon here too, because I can’t have him quit and me not.” So we both bought a kit. He stopped on September 4, 2016, and I stopped on September 10, 2016, and I just simply will never look back.

I think it’s very important that we don’t over-restrict what’s available to Ontarians where this is concerned. Flavours, whether it be cheesecake or gummi bear or whatever—if they were renamed but we still knew what they tasted like, that would be fine. But to restrict it would also restrict a person’s chances of quitting tobacco.

Nicotine: Of course, it’s restricted to begin with, but I think we should have the option of the amount of nicotine that should go into a product for sale.

1150

As far as the vape shops themselves, the restriction of only two samplings at the same time within one shop—really, I don't know. It should be more than that. I know there are different sizes of vape shops, but I have been in several vape shops myself across the province and there's been far more than that going on in there. It's a vape-only shop, so the people who are entering know what is happening there, so they know the effects of the second-hand vape, which really isn't, from what I understand, all that harmful. Current research—

The Chair (Mrs. Nina Tangri): If you can conclude in one minute, please.

Mrs. Jaye Blancher: I'm sorry.

I think the people who are in the specialty vape shops are very knowledgeable and I do believe that they should be permitted to provide us with any and all information in regard to electronic equipment for vaping. Thank you very much for the opportunity.

The Chair (Mrs. Nina Tangri): Thank you very much for your presentation. We'll begin with the opposition. Ms. Begum.

Ms. Doly Begum: Thank you, Ms. Blancher, for coming in today and presenting to us. You mentioned it's a way of going away from or quitting smoking. Do you have any research in terms of what decrease we have seen, going to vaping from smoking?

Mrs. Jaye Blancher: Actually, I'm afraid I do not have that information. Personally speaking, since my husband and I quit, we've helped another six people off cigarettes. I'm not sure if that's a global picture. I would like to think that that happens all the time with different households, but I really don't have that information. I'm sorry.

Ms. Doly Begum: Was there any research in terms of whether vaping products have helped, in general, or research about what the vaping products, what kind of risks or harms, there are?

Mrs. Jaye Blancher: There is a wealth of information out there. I can refer to the university out in BC, the University of Victoria—95% less harmful than smoking.

Ms. Doly Begum: Thank you very much. I wanted to point out to you that we have been listening to so many presentations today and there has been research, anecdotes and bibliographies from a lot of university institutions and public health organizations, as well as today we heard from the Canadian Cancer Society. One of the things they said was even though e-cigarettes are less harmful than conventional cigarettes, it was, as you mentioned, only about 95%, which is only a 5% difference.

I want to quote a line from their submission: "E-cigarette use increases the risk of using tobacco cigarettes among youth and young adults." What they are seeing is that sometimes e-cigarette users—for example, people who do not necessarily smoke, now that they are attracted to e-cigs and more vaping products—end up using vaping products and then end up addicted to nicotine, because there is a risk of that addiction from vaping products. What ends up happening is that we see that there is a reverse transition, so people using vape products are now moving

to cigarettes or other tobacco usage. That's just for the record; I wanted to clarify.

One of the things that we are also facing is the advertising. The usage has increased over the past years, I believe. In terms of the alcohol and drug survey, it was 6.8% of students in grade 10 and 11 in 2014-15, and then it increased to 10% in 2017, a 46% increase in terms of that usage, so there has been widespread usage of the products. It's not that they're not aware—because you mentioned that public display would help.

We also heard from mental health organizations and other public health organizations. They are worried about the risk of making kids facing this kind of vulnerability be attracted to it, and then finding that as a solution to the concerns that they are facing. Wouldn't you say that we would be promoting a solution where we don't have much research in terms of what the risks are, but now we are giving that solution without doing the research ahead of time?

Mrs. Jaye Blancher: I believe there is research out there that would demonstrate what you were referring to, that there has been an increase, and there is research that would show that there has been a decrease.

Ms. Doly Begum: Do you have any research that shows the decrease, because I don't have—

Mrs. Jaye Blancher: I haven't got it with me right now. I can certainly provide it to committee. If you could give me a time frame, I could certainly provide you with that information.

Ms. Doly Begum: For sure, I would love to see some.

Mrs. Jaye Blancher: What seems to stick in my mind right now the most is that there has been a decrease in youth smoking and perhaps an increase in youth vaping. I myself would rather see a youth vaping than smoking cigarettes, because I believe cigarettes have more nicotine in them and not all electronic juice has nicotine in it. You can choose to have it in it or not.

I would be delighted to provide you with the information that I have supporting that.

Ms. Doly Begum: And just the vaping product itself, if you look at the research for that or if want to provide anything for that—just vaping itself, so without the nicotine—there are unknown chemicals that have a lot of harms that we still don't know.

The Chair (Mrs. Nina Tangri): I have to move on to the government side.

You have the final five minutes. We'll start with Mrs. Martin.

Mrs. Robin Martin: Thank you for your presentation today.

I think most of the witnesses, even those who are concerned about vaping products, have admitted that it is a useful cessation tool. We don't want to discourage people from quitting smoking. I'm delighted that you have been able to achieve that objective, and your husband as well.

Mrs. Jaye Blancher: Thank you.

Mrs. Robin Martin: It's very hard, I know. It's very difficult and very important. We're all trying to achieve that objective as well.

One of the big concerns mentioned, which the opposition has also mentioned in some of their questions, is that youth are being enticed by some of the promotion and display of the vaping products, especially in convenience stores, beside the chocolate bars etc. How important would it be, do you think, for adults such as yourself to see the promotion, as opposed to what they have for cigarettes now, which is the power wall and maybe some black lettering saying these products are available at these prices? Could we do that with vaping as well?

Mrs. Jaye Blancher: Oh, certainly. Yes, we need to use discretion, but we just simply need to let the smoker know that there are vaping products there.

Mrs. Robin Martin: So just the actual choice, as opposed to—

Mrs. Jaye Blancher: Exactly. It doesn't have to be fluffy or fancy to draw people in. For myself, if it's 9 o'clock at night, I know my vape shop closed at 5, so I have no alternative except to access them—where do I go? Which gas station do I buy them at? I might not even care to take whatever it is they're offering there for vaping, but I think it's just identifying the fact that this place carries both. They know there's tobacco—but to add in the vaping products as well.

Mrs. Robin Martin: The promotion itself maybe is less important for consumers of vape products for cessation purposes?

Mrs. Jaye Blancher: I believe so.

Mrs. Robin Martin: Okay. Thank you.

The Chair (Mrs. Nina Tangri): We only have two minutes and then we must stop. Any questions? Ms. Park.

Ms. Lindsey Park: Thank you for your presentation and taking the time to come here today.

We've proposed in this legislation to amend the Smoke-Free Ontario Act. Can you tell our committee how these amendments would support your efforts in tobacco harm reduction?

Mrs. Jaye Blancher: As I had stated, it's the division of the tobacco and the vape. We did not want to have that rolled in together, simply because vaping is not tobacco. Cigarettes are tobacco; vaping is something entirely different. The only similarities between the two are that the liquid may have nicotine in it. The associated behaviours attached to vaping are the same as cigarettes. It's the behaviour which has kind of lumped us in with tobacco. Sure, we may have all been smokers prior—maybe we weren't—but I think it's very important that the two of them be separated. Definitely.

The Chair (Mrs. Nina Tangri): Thank you very much for coming in. I really appreciate your time for presenting to us today.

This concludes our public hearings on Bill 36, An Act to enact a new Act and make amendments to various other Acts respecting the use and sale of cannabis and vapour products in Ontario.

I do want to say that the time is just about 12 noon today, Friday, October 12, and we have come to the deadline to send a written submission to the Clerk of the Committee. I would also like to remind the committee that the deadline for filing amendments to the bill with the Clerk of the Committee is 6 p.m. today—that's October 12.

Just to let the committee know, we will be meeting again on Monday, October 15 at 9 a.m. for the clause-by-clause consideration, and that will be in committee room 2.

Thank you very much to everyone. Thank you to all the presenters.

The committee adjourned at 1200.

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