



Cannabis Council
of Canada

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August 5, 2021

Mr. Erin O'Toole
Leader of the Opposition
Conservative Party of Canada
1720-130 Albert Street
Ottawa, Ontario
K1P 5G4

Dear Mr. O'Toole:

The Cannabis Council of Canada (C3) is the national organization of Health Canada licensed producers and processors of cannabis. Our members share the Government of Canada's public health and public safety objectives for legal cannabis, evidenced by our commitment to product safety and quality, secure and reliable access and the promotion of the safe and responsible use of cannabis.

As we approach the next federal election, we are interested in learning about the Conservative Party of Canada's views and platform on issues that are important to our members and to the tens of thousands of Canadians from across Canada employed in our nascent industry. We would appreciate your responses to the following questions, which will be shared with C3's members during the upcoming federal election campaign, whenever that will be.

Social Justice & Public Safety

A criminal record for the simple possession of cannabis can create barriers to accessing employment, housing and education programs. There are between 250,000 to 500,000 Canadians with criminal records for cannabis possession. According to Cannabis Amnesty, a non-governmental organization: *"The war on cannabis has hit racialized communities especially hard. Decades of unfair and unequal enforcement of cannabis laws has meant that marginalized and racialized Canadians have been disproportionately burdened by cannabis convictions"*.

1. What efforts will you undertake to expedite the expungement of prior criminal records for possession of cannabis for personal use?

Statistics Canada estimates that at least 50% of Canadian cannabis sales involve criminal cannabis products while other estimates claim the illicit market share to be higher. Criminally distributed cannabis recently tested by British Columbia was found to contain substances banned for human consumption and the same criminal cannabis is openly marketed including to youth. Criminal cannabis generates upwards of \$ 4 - 5 billion dollars per year for Canada's organized criminal enterprises, which are used to support additional criminal activities causing harm and violence in communities across Canada meanwhile depriving governments of hundreds of millions in lost tax revenue annually.



2. What measures will your government deploy to deter criminal activities in relation to cannabis to protect the public safety?

3. Will your government support measures that help Canada's licensed cannabis industry compete with the criminal cannabis industry?

Health & Wellness

As a result of the limited means of communication about the effects of cannabis products, sales of cannabis products in the adult-use market have skewed towards high concentration THC flower. The consumption of high concentration THC products is counter to the advice of public health officials. Today's informed consumers are looking to educate themselves about the profile and characteristics of the products they consume and to learn about different and potentially less harmful forms of consumption.

4. Do you support expanding the regulated cannabis industry's ability to inform consumers about the characteristics and effect of its products beyond THC and CBD concentrations, provided this is done in age-gated environments?

Researchers have found that medical cannabis can help treat several conditions. Evidence shows that therapeutic effects of cannabis relate to its ability to reduce chronic pain, nausea and vomiting due to chemotherapy, and spasticity [tight or stiff muscles] from MS.

5. Do you support the inclusion of medicinal cannabis authorized by a health care practitioner in public drug plans and within any National Pharmacare initiative?

While opioids and other prescribed medicines are not subject to a federal excise tax or to the HST, the cost of medical cannabis authorized by a health care practitioner is subject to both taxes.

6. Do you support treating cannabis medicine equally with other prescription medicines and dropping the unjustified taxes on medical cannabis?

Canada's approach to regulating CBD has restricted access for Canadians and restricted exports of our products to rapidly growing global markets. The Institute for Fiscal Studies and Democracy Estimates that the Canadian CBD market is worth \$2 billion per year. According to Grandview Research, the global market for CBD products is set to reach \$17B per year by 2028.

7. Will you commit to regulating CBD with a view towards making it safely available to Canadians and promoting exports to willing nations?

Equity & Diversity

Legalization initiatives for medical and adult-use cannabis in the United States have been accompanied by widespread calls for public policies focused on the creation of an equitable and diverse cannabis industry in order to reverse years of stigmatization and the impacts of criminalization. Here in Canada a lack of diversity within the industry has been similarly identified with calls for fully implementing the



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Black Entrepreneurship Cannabis Social Equity Program alongside progress for the enhanced participation of indigenous Canadians.

8. Will you provide programs and services to enhance the equity participation of BIPOC Canadians in the cannabis industry?

Economy & Jobs

Canada is a global leader in a medical cannabis industry that is expanding rapidly. Medical cannabis is legal in over 40 countries. Medical cannabis is legal in 36 states in the United States. According to Grandview Research the global sales of medical cannabis are set to reach \$90 billion in the next 5 years. Medical cannabis sales in Canada are \$150 million per year.

9. Do you support government efforts to help the cannabis business succeed in international markets by expediting export permits to willing countries?

Thank you for your attention to this request. We would welcome the chance to meet with you and representatives of your party to discuss the issues raised in the letter or respond to any questions.

Sincerely,

George Smitherman
President and CEO

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