

Committee Manager,
Legislative Council Legal and Social Issues Committee
Legislative Council
Parliament House
Spring Street
MELBOURNE VIC 3002

To the Inquiry,

Re: Inquiry into the Drugs, Poisons and Controlled Substances Amendment (Regulation of Personal Adult Use of Cannabis) Bill 2023

We are responding on behalf of the Burnet Institute to the call for submissions from the Legal and Social Issues Committee to the Inquiry into the Drugs, Poisons and Controlled Substances Amendment (Regulation of Personal Adult Use of Cannabis) Bill 2023.

The Burnet Institute is one of Australia's leading Medical Research Institutes. The Burnet Institute is in a unique position to provide information relevant to the Inquiry, having conducted research with people who use drugs since 1989. Our findings have greatly advanced knowledge of the nature of drug use, related harms, and responses. The research findings from the Burnet Institute's Alcohol and other Drugs research group have greatly advanced the public health responses to the social, medical, and mental health issues experienced by marginalised populations. The Burnet Institute applies a public health and harm reduction approach to its research on drug use, with the aim of improving the health and wellbeing of the people who consume drugs and the communities around them.

Our submission builds on a submission we made to a previous Inquiry by the Legal and Social Issues Committee relating to the use of cannabis in 2020.

Please do not hesitate to contact us if you have any queries about our submission. We would welcome the opportunity to discuss any of our recommendations with the Inquiry.

Prepared by: Ashleigh Stewart and Paul Dietze on behalf of the Alcohol and Other Drug working group at the Burnet Institute.

Cannabis use in Australia

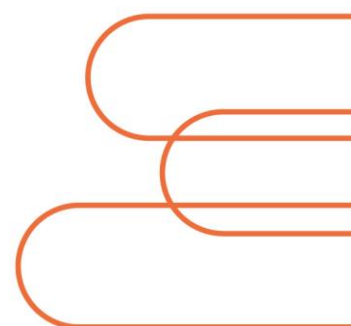
Our previous submission highlighted the fact that cannabis is the most widely used illicit drug in Australia. In 2022/23, 41% of respondents (aged 14 years and over) to the National Drug Strategy Household Survey reported lifetime use of cannabis, with 11.5% of respondents reporting recent (i.e. in the past 12 months) cannabis use.¹ About one half (51%) of those reporting recent cannabis use reported monthly or more frequent use.¹ As we pointed out, most of these people do not appear to suffer health or social problems directly related to their use of cannabis.

Our previous recommendations

In our previous submission for cannabis use in Victoria, we highlighted how international evidence suggests there is considerable room for improved policy in relation to cannabis in Victoria. This included demonstrating how international evidence supports *de jure* (in law) decriminalisation as a mean of reducing several impacts associated with cannabis use, not least the impacts associated with law-enforcement costs and harms to the individual following criminal prosecution for simple possession.² In that context we recommended that:

- a public health approach to cannabis policy be applied through which targeted and health-oriented interventions mainly aimed at people who consume cannabis at high risk for harms, and not criminalisation of use, should be the main paradigm for action.³ This includes targeting risks related to early initiation of cannabis use, frequent use, the use of high potency cannabis, and use among particular high-risk groups (pregnant women; middle-aged or older men with cardiovascular problems; and individuals with a history of psychosis, or a first-degree relative with a history of psychosis).
- a thorough independent review of international cannabis legalisation models needs to be undertaken before any moves to legalise cannabis in Victoria. This review should include a consideration of key market parameters such as allowable formulations and potencies as well as risk mitigation strategies such as educational campaigns and other activities to prevent uptake and minimise harms.
- any moves towards legalisation should incorporate a strict regulatory framework, linked to lessons learned from regulation of tobacco and alcohol that includes strong controls on advertisement, packaging, promotion and marketing activities.

We also suggested that any policy reform needs to balance costs to the community and individuals while at the same time protecting public health; meaning that any reform needs to be subject to strict monitoring and evaluation.



Finally, we made the point that if laws are changed to legalise or formally decriminalise cannabis in Victoria, these should be accompanied by a scheme to expunge historical criminal convictions in relation to cannabis use, personal possession and cultivation, that reflect these new changes in law.

Our response to the proposed Drugs, Poisons and Controlled Substances Amendment (Regulation of Personal Adult Use of Cannabis) Bill 2023

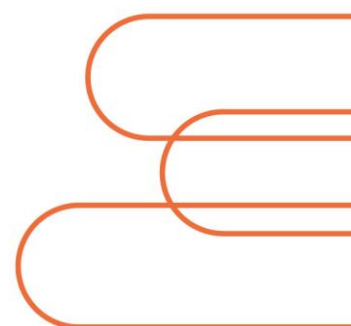
The Drugs, Poisons and Controlled Substances Amendment (Regulation of Personal Adult Use of Cannabis) Bill 2023 proposes changes that would permit the cultivation, use and sharing of a restricted amount of cannabis in Victoria.⁴ As we understand them, the key features are:

- Permitting the lawful cultivation of up to six cannabis plants by people aged over 18 on their principal private residence
- The lawful sharing of cultivated cannabis products with adults aged over 18
- The lawful possession and use of cannabis cultivation products and materials

The new model of cannabis regulation legalises the use and possession of small quantities of cannabis under certain circumstances. This is consistent with recent practice in the Australian Capital Territory (ACT) which has continued in the context of broader decriminalisation of other drugs.⁵ In permitting the sharing of cultivated cannabis it shares similarities with the ‘cannabis social club’ models that have been formally implemented in some countries such as Uruguay and are due to be formalised in Germany.⁶⁻⁸ Importantly, the model precludes sharing with those under the age of 18.

We support the basic tenets of the Amendment Bill as a step forward in cannabis policy. We would expect that the Amendment would result in fewer enforcement-related harms and costs. Further, given the evidence from the ACT,⁹ it would be unlikely to dramatically change rates of cannabis use and/or harms in Victoria. However, we note that it falls short in several areas.

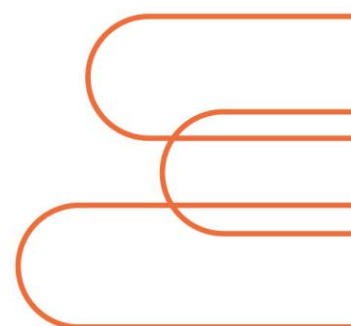
First, the model represents a missed opportunity to develop a tightly controlled regulated cannabis market that would enable potency controls and the generation of taxation revenue. This is important considering the impact of high-potency cannabis forms internationally and the burgeoning medicinal cannabis market in Australia. A legal, government-controlled regime would address these concerns. Examples of taxation models include taxation rates attached to the price of cannabis products and taxing cannabis products on weight or a combination of weight and THC content.^{10, 11} Models based on weight and THC content appear to be the most stable taxation models, as they are resilient against decreases in cannabis prices, which are





common following transition to legalised cannabis markets.¹¹ Taxation based on a combination of weight and THC content also limits high-potency products from flooding markets in response to weight-only taxation.¹²

We also note that our recommendations around the need for monitoring and evaluation of any policy change remain pertinent. Determining both the negative and positive impacts from cannabis use policy change, particularly in relation to mental health and social and legal impacts, requires strong evaluative frameworks developed in conjunction with policy change. Further, we recommend that any historical criminal convictions in relation to cannabis use, personal possession and small-amount cultivation be expunged if the Amendment Bill is enacted.



References

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