

Committee Secretary

Senate Legal and Constitutional
Affairs Committee

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1 June 2018



Submission Regarding The Criminal Code and Other Legislation Amendment (Removing Commonwealth Restrictions on Cannabis) Bill 2018

The Eros Association, Australia's industry association for adult retail, wholesale, media and entertainment welcomes the opportunity to make a submission on this Bill.

Eros believes that adults should be able to legally consume, view and undertake any activity they wish as long as it is consensual and no harm is occurring to others. Consistent with this ethos, Eros supports the legalisation of recreational cannabis in Australia.

Evidence for Legalisation

A legal recreational cannabis market currently exists in Uruguay, Catalonia and nine states in the United States.¹ Proposals for legalisation are also under consideration in Canada and New Zealand.

Evaluation of recreational cannabis models overseas have concluded that legalisation has not resulted in increased drug-related harms,² and has not resulted in increased teen usage.³

Nearly 75% of Australians are in favour of decriminalising cannabis and around a quarter support legalisation.⁴

¹EMCDDA, 'Models for the legal supply of cannabis: recent developments' Published online May 2016 emcdda.europa.eu/topics/pods/legal-supply-of-cannabis

²Cato Institute, Policy Analysis No.: 799, Angela Dills, Siete Goffard, and Jeffrey Miro: "Dose of Reality: The Effect of State Marijuana Legalization", September 16, 2016, p.3

³Choo, Esther K., Madeline Benz, Nikolas Zaller, Otis Warren, Kristin L. Rising, and K. John McConnell. "The Impact of State Medical Marijuana Legislation on Adolescent Marijuana Use." *Journal of Adolescent Health* 55, no. 2 (2014): 160–66

⁴Ritter, A and Matthew-Simmons, F 'What does the research evidence tell us about what Australians think about the legal status of drugs?' DPMP Bulletin Number 21 < <https://ndarc.med.unsw.edu.au/resource/bulletin-no-21-what-does-research-evidence-tell-us-about-what-australians-think-about-legal>>

Eros Principles for Cannabis Retail

Formal Legislation



Age Restricted Environment



Specialist Staff Training



Separation from Tobacco Sales



Separation from Liquor Sales



Clear Packaging Guidelines for Edibles

Eros supports cannabis legalisation in Australia for the following reasons:

- Over a third of Australian adults have consumed illicit cannabis at least once in their lifetime.⁵ This number has remained steady for decades.
- The current illicit cannabis market is a major revenue source for organised crime. Organised crime currently costs the Australian public \$36 billion dollars a year.⁶ Legalisation would essentially collapse this flourishing black market.
- Legalising cannabis allows for better controls to ensure product safety and to ensure cannabis is not consumed by young people.
- Cost/benefit analysis has put the social and economic benefit of cannabis legalisation at \$727.5 million, largely due to increases in revenue from taxation.⁷

Eros Model for Cannabis Retail

Many models for cannabis retail have been tried globally including the pharmacy model in Uruguay, dispensary model in the United States and coffee shop model in the Netherlands.⁸

As noted, legalisation of recreational cannabis overseas has effectively restricted supply to adults and has not increased rates of dependency or addiction.⁹

Nevertheless, some issues of consumer safety have arisen – particularly around cannabis ‘edibles’.¹⁰

Eros has analysed the strengths and limitations of various cannabis retail models overseas and believes that the following principles should guide legalisation in Australia:

- 1 Cannabis retail should be formally legalised and not merely ‘tolerated’ at a municipal level as is the case in the Netherlands.
- 2 Cannabis retail should occur within an age-restricted environment with clear store policies in place to counter access by young people.
- 3 Cannabis retail should remain separate and distinct from tobacco retail and liquor retail.
- 4 Cannabis retailers should be formally trained in cannabis and its effects.
- 5 Cannabis ‘edibles’ should only be legalised in Australia if there are clear policies on adult-oriented packaging to ensure product is not unintentionally consumed by children.

Conclusion

Overall, Eros supports the legalisation of recreational cannabis in Australia.

Moreover, Eros emphasises that the adults-only retail sector is well placed to provide guidance on cannabis retail in. Providers of adult goods and services are ‘age-restriction specialists’ with a breadth of knowledge regarding regulated products.

The Eros Association will continue to provide advice to lawmakers to ensure cannabis legalisation occurs in a manner which is mindful of community concerns and prioritises consumer health and safety.

⁵National Drug Strategy Household Survey 2016: Detailed Findings

⁶The Costs of Organised Crime in Australia 2013-2014 Australian Crime Commission

⁷Shanahan, M and Ritter, ‘A Cost Benefit Analysis of Two Policy Options for Cannabis: Status Quo and Legalisation’ (2014) PLOS One Journal <https://doi.org/10.1371/journal.pone.0095569>

⁸European Monitoring Centre for Drugs and Drug Addiction, ‘Models for the Legal Supply of Cannabis: Recent Developments’ May 2016 <<http://www.emcdda.europa.eu/publications/pods/legal-supply-of-cannabis>>

⁹Dills, A, Goffard, S and Miron, J ‘Dose of Reality: The Effect of State Marijuana Legalizations’ Cato Institute, Policy Analysis No. 799

¹⁰Barrus, D., Capogrossi, K., Cates, S., Gourdet, C., Peiper, N., Novak, S., ... Wiley, J. (2016). Tasty THC: Promises and challenges of cannabis edibles. (RTI Press Publication No. OP-0035-1611). Research Triangle Park, NC: RTI Press. DOI: 10.3768/rtipress.2016.op.0035.1611