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November 21, 2022

Mr. Morris Rosenberg  
Chair of the Independent Expert Panel  
Health Canada

Dear Mr. Rosenberg:

**RE: *Cannabis Act* Legislative Review**

The Association of Municipalities of Ontario (AMO) is a non-partisan, non-profit association representing municipal governments across the province of Ontario. Municipal governments work through AMO to achieve shared goals and meet common challenges.

AMO is pleased to provide comments on the legislative review of the *Cannabis Act, 2018* in the enclosed submission. Municipal governments in Ontario and other jurisdictions have been expressing concerns over personal and designated medical cannabis production sites, particularly regarding the health and safety risks of production sites; lack of adherence to local planning requirements, zoning, building code standards, and permit requirements; and diversion of cannabis grown for medical purposes into the illicit market.

We provide in our submission an outline of measures that could be taken through this review to ensure that these issues are addressed. These include consolidating the medical and recreational streams to implement consistent requirements for licensing for both uses. This amendment would balance the need for access to medical cannabis with broader public health and safety priorities. In the interim, municipal governments in Ontario are also calling for ensuring that licenses for personal and designated grows adhere to local requirements, for information to be shared with municipal by-law enforcement officers to ensure compliance, and for a scaling up of enforcement resources and capacity.

We also wish to draw your attention to a concern around the timing of this review. Due to the recent municipal elections in Ontario and other provinces, municipal councils likely will not meet in time to provide comments on the discussion paper. AMO recommends that the Panel reach out to municipalities in Ontario and other provinces with recent municipal elections that have had issues with personal and designated medical cannabis grows in their communities for their input into the review.

Although it is beyond the scope of this review, our final recommendation is for a renewed cannabis excise tax funding arrangement that supports municipal governments to advance youth and community development programs in their communities. Federal leadership to support these arrangements in each province would go a long way towards ensuring municipal governments can effectively respond to youth mental health and addictions in our communities and to foster resilience and self-reliance. Further information about this proposal can be found in our 2018 paper [Towards a long-term vision for Municipal-use of the Cannabis Excise tax.](#)

We believe that the feedback provided in our submission will help to achieve the objectives of the *Act* in a way that responds effectively to some of the current challenges in Ontario municipalities and in communities across the country. AMO appreciates the opportunity to provide comments to the Expert Panel and encourages the Panel to continue consulting with municipal governments throughout their review process.

Sincerely,



Colin Best  
AMO President and Halton Regional Councillor

Encl. AMO's Submission to the Expert Panel on the *Cannabis Act* Legislative Review

cc: The Honourable Jean-Yves Duclos, Minister of Health  
The Honourable Carolyn Bennett, Minister of Mental Health and Addictions and Associate Minister of Health

# *Cannabis Act, 2018* Legislative Review

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AMO's Submission to the Expert Panel

November 21, 2022

## Introduction

The Association of Municipalities of Ontario (AMO) is a non-partisan, non-profit association representing municipal governments across the province of Ontario. Municipal governments work through AMO to achieve shared goals and meet common challenges.

AMO is pleased to see that the discussion paper for the *Cannabis Act, 2018* review includes the issue of personal and designated medical cannabis grows, along with municipal and law enforcement concerns regarding illegal market diversion. Municipal governments have been expressing concerns over designated medical cannabis production sites, particularly regarding the health and safety risks of production sites; lack of adherence to local planning requirements, zoning, building code standards, and permit requirements; and diversion of cannabis grown for medical purposes into the illicit market.

The Association of Municipalities of Ontario established a Personal and Designated Medical Cannabis Grows Staff Working Group to provide input from a municipal perspective on the impact of personal and designated medical cannabis grows in Ontario communities. This submission is informed by the feedback of this Working Group, as well as from the AMO Board of Directors.

## The Impact of the *Cannabis Act, 2018* in Ontario Municipalities

Many Ontario municipal governments as well as those in other jurisdictions have indicated that personal and designated medical grows can create issues in their communities. These types of grows can contain significant numbers of plants at one address and exist under the medical cannabis access regulations for which amounts of plants are calculated based on the cannabinoid needs of the patient. Municipalities also report that properties containing these grows are frequently divided into up to four facilities, increasing the number of plants four-fold.

Further, the Ontario Provincial Police have identified the medical personal and designated grow system as a frequent target for organized crime to semi-legally grow significant amounts of cannabis for the illegal sale and diversion out of province to the United States. While still lucrative, recent decreases in prices for legal cannabis in Canada and moves by bordering US states to legalize cannabis should diminish this area of illegal activity.

Nevertheless, municipal governments are faced with a lack of awareness of facilities in their municipalities and difficulty in verifying authorizations, costs for by-law investigations and safeguarding employees, complaints by neighbours and costs for ensuring compliance with property standards and clean-up where a facility is closed by law enforcement. This puts significant pressure on local resources in communities where multiple facilities may be located and can significantly affect resident demand for action by the local government.

AMO recommends that the Act be amended to remove the two parallel streams of recreational and medical cannabis growing and licensing and instead implement consistent requirements for licensing for both uses. This amendment would balance the need for access to medical cannabis with broader public health and safety priorities.

Should the medical stream remain in place, AMO recommends that the Minister establish conditions to ensure that applications for personal and designated grows are consistent with municipal by-laws, zoning, building codes, fire codes, and other relevant local requirements prior to the approval of the authorization. Information should also be disclosed to municipal by-law officers for the purposes of municipal inspections or joint inspections with Health Canada. In cases where there is a violation of a license or of a local requirement, a process should be put into place for municipalities to be able to suspend a license pending a review or investigation by Health Canada into the reported violation and until the authorized grower complies with all requirements.

In addition to regulation and information, a rapid scaling up of enforcement is needed. Municipal governments do not have the resources and capacity to respond to the costly and complex issues around inappropriate personal and designated grows. AMO recommends that an agreement be made with the federal Attorney General to recoup the costs associated with enforcement related to medical cannabis grows. A portion of any fines and licensing fees collected should be transferred to municipal governments to cover the local cost of enforcement.

It is important to note that the timing of this consultation is problematic for municipal governments across Ontario. Municipal elections were recently held in Ontario, and in other provinces as well. As such, these councils will not have met in time to provide feedback to the Expert Panel on the discussion paper. AMO recommends that the Panel reach out to municipalities in Ontario and other provinces with recent municipal elections that have had issues with personal and designated medical cannabis grows in their communities for their input into the review.

Although it is beyond the scope of this review, our final recommendation is for a renewed cannabis excise tax funding arrangement that supports municipal governments to advance youth and community development programs in their communities. Federal leadership to support these arrangements in each province would go a long way towards ensuring municipal governments can effectively respond to youth mental health and addictions in our communities and to foster resilience and self-reliance. Further information about this proposal can be found in our 2018 paper [Towards a long-term vision for Municipal-use of the Cannabis Excise tax](#).

## Conclusion

The review of the *Cannabis Act, 2018* is important to ensure that the legislation is effectively protecting the health and safety of Canadians, while ensuring that cannabis is accessible, both in the recreational market and for those who use cannabis for medical purposes. We believe that the feedback provided in our submission will help to improve these objectives of the *Act* in a way that addresses and responds effectively to some of the current challenges in Ontario municipalities and in communities across the country. AMO appreciates the opportunity to provide comments to the Expert Panel and encourages the Panel to continue consulting with municipal governments throughout their review process.