



Ministry of
Public Safety and
Solicitor General

Non-Medical Cannabis Consumption Space Engagement

DISCUSSION PAPER
APRIL | 2022

Purpose & Context



The Ministry of Public Safety and Solicitor General is seeking feedback on non-medical cannabis consumption spaces from British Columbians, industry and public health and safety stakeholders, and local and Indigenous governments.

This discussion paper outlines why the Ministry is conducting this engagement, how it could approach work on cannabis consumption spaces, and the challenges and opportunities that consumption spaces could present.

Feedback from this engagement will help inform decisions by the Province on whether to allow consumption spaces, and if so, how this should be done.

The deadline for feedback is **May 9, 2022**.

When non-medical cannabis was legalized in 2018, the Province chose not to allow consumption spaces. This was because of the limited time frame to prepare a regulatory framework in advance of the federal legalization date, and because unlike alcohol, B.C. had decided to allow cannabis use in public spaces (with some exceptions). The Province is now taking a closer look at whether consumption spaces should be permitted, and if so, how they should be regulated. For clarity, the Province is not considering new restrictions on how and where cannabis can be used in public spaces.

Stakeholders have suggested a range of possible consumption spaces, including:

There are two ways for you to provide your input:

- » Online survey (<https://feedback.engage.gov.bc.ca/636867?lang=en>).
- » Written submission (<https://engage.gov.bc.ca/cannabisconsumptionspaces/written-submission-guidelines/>). Please read the guidelines for submissions.

What are Cannabis Consumption Spaces?

“Cannabis consumption space” is a general term that refers to a business such as a cannabis lounge, a special event or other establishment that has cannabis for sale and use on-site. Under the current rules, only licensed or authorized retail stores are permitted to sell non-medical cannabis in BC, and on-site consumption is not allowed. It is also prohibited to market or advertise a place as a space to use cannabis or spend time after using cannabis, even if the cannabis was purchased legally off-site.

RETAIL EXPERIENCE	SPECIAL EVENTS	CANNABIS LOUNGE	OTHERS
<p>A paid sampling experience during a tour of a cannabis farm.</p> <p>A designated area for patrons to use after purchase at a retail store.</p>	<p>A ticketed event with tastings.</p> <p>A class on cooking with cannabis extracts.</p> <p>A “cannabis garden” at a music festival or country fair</p>	<p>Offering edibles, beverages, and extracts with full or limited food service (no alcohol).</p> <p>Sale and use at an entertainment venue (e.g., music or comedy).</p>	<p>A restaurant serving both alcohol and cannabis beverages.</p> <p>Spa or registered massage therapist using cannabis topicals.</p>

Provincial Approach to Cannabis Consumption Spaces



If the Province decides to allow non-medical consumption spaces, its approach would be guided by the following principles:

Prioritize Public Health and Safety

Consumption spaces should only be permitted if they are compatible with provincial public health and safety objectives, including promoting responsible use. If the Province allows consumption spaces, key public health and safety protections would continue to apply, for example, indoor smoking and vaping would **not** be allowed in consumption spaces.

Encourage Consumers to Transition to Regulated Products

Consumption space policies should encourage people to transition from illicit to legal cannabis products. However, the availability of consumption spaces should not contribute to significant increases in problematic cannabis use.

“Start Low and go Slow”

Consumption spaces should be implemented using a phased approach. This would allow regulators to learn about consumption spaces and use these experiences to inform decisions about whether or how to license other spaces. Regulators could start with lower complexity spaces or spaces where cannabis consumption is already likely to occur, such as by allowing licensed sales at music festivals, as this may help manage public safety risks like impaired driving. Special events could be used to trial different consumption spaces and learn about their impacts.

Collaborate with Indigenous Peoples

The Province is seeking input from Indigenous peoples and individuals on cannabis consumption spaces. If the Province proceeds with cannabis consumption spaces, it is committed to working in partnership with



Indigenous peoples to identify and address their interests. Some Indigenous nations and organizations involved in cannabis have already been contacted about consumption spaces. There will be opportunities for further dialogue with Indigenous nations during and after this engagement.

Respect Local Control over Land-use Decisions

Under provincial cannabis legislation, local governments and Indigenous nations play a key role in determining whether and where licensed cannabis sales can take place in their communities — this approach would also apply to cannabis consumption spaces. This role ensures that surrounding land-uses and infrastructure impacts are considered (for example, considering whether a proposed consumption space has adequate transportation options to address concerns about impaired driving). Cannabis businesses that are interested in cannabis agri-tourism or hospitality opportunities located on the Agricultural Land Reserve (ALR), including cannabis consumption spaces, may also be also restricted in what non-farm use activities they can pursue.

What are the challenges and opportunities?



Based on research and preliminary engagement with key stakeholders, the following issues have been identified as key considerations for whether and how consumption spaces might be permitted.

Economic Impact and Business Viability

Consumption spaces could create cannabis, tourism, and hospitality jobs – especially in areas that have a history of growing cannabis or at existing tourism destinations. Consumption spaces could provide opportunities to educate consumers about cannabis, raise brand awareness for legal cannabis products, and generate excitement about BC's legal industry. They may also contribute to the development of a robust and sustainable legal cannabis economy. Stakeholders have expressed that the ability to offer consumption experiences is key to helping small businesses differentiate themselves and be competitive in the cannabis market.

However, the economic viability of consumption spaces will depend on what types of activities are authorized, and what restrictions are in place (for example, the restriction on indoor smoking and vaping). International, federal, provincial, Indigenous, and local government rules would also have an impact. For example:

- » There are strict [federal rules](#) regarding the marketing and advertising of cannabis sales.
- » Cannabis is illegal in most countries, so marketing outside of Canada may not be viable.
- » Federal rules require cannabis products to be sold in [original sealed packaging](#). This could present challenges for providing a 'full-service' cannabis experience at a consumption lounge or café as consumers would need to open the cannabis packaging themselves.
- » Land use restrictions will limit where consumption spaces are allowed, particularly on the Agricultural Land Reserve.

Encouraging Participation in the Legal Cannabis Market

Cannabis is an important agricultural crop in British Columbia and a significant economic driver in some rural regions. Regulated cannabis businesses maintain high standards and contribute tax revenue that supports public services that British Columbians rely on. However, in 2020, Statistics Canada reported that an estimated 55% of the \$936M in household spending on non-medical cannabis in British Columbia was in the illicit market. Illicit cannabis operators are not subject to the same high standards as legal businesses, illicit products often contain pesticides and other contaminants, and illicit sales do not contribute to tax revenues.

By offering new experiences for cannabis consumers that weren't a common part of the historical illicit market, consumption spaces could encourage consumers to choose legal sources and help increase the legal market's share of the cannabis economy.





Smoking and Vaping

According to the 2021 Canadian Cannabis Survey, smoking is the most common method of cannabis consumption (72.9%) in British Columbia. There are significant public health concerns about cannabis smoking, including that it might contribute to re-normalizing smoking behaviour and increase second-hand smoke exposure. Some of the risks associated with smoking are more pronounced indoors. **The Province is not considering permitting indoor smoking and vaping.**

However, the Province is considering whether to permit outdoor smoking and vaping in consumption spaces. This reflects the provincial objective of transitioning consumers away from using illicit cannabis and recognizes smoking is the most popular method of consumption. In evaluating whether outdoor smoking and vaping could be compatible with public health and safety goals, it will be important to consider appropriate mitigations to minimize child and youth exposure to cannabis consumption and reduce the potential increased risk of second-hand smoke exposure.

Increased Rates of Cannabis Use

Consumption spaces could provide greater public access and exposure to cannabis, leading to increased cannabis-use rates and negative health and safety outcomes. Research on substance use shows that increased alcohol and tobacco availability, exposure, and social acceptance can lead to higher rates of substance use. This can lead to negative health and safety impacts for individuals and society. As cannabis was only recently legalized, research on how access and exposure to cannabis impacts cannabis use rates is minimal compared to alcohol and tobacco. However, public health experts anticipate similar trends for cannabis. Some public health stakeholders suggested that venues where cannabis consumption already occurs could become regulated consumption spaces without increasing rates of cannabis use while decreasing risks such as impaired driving.

Drug-Affected Driving

Cannabis consumption spaces could lead to increased drug-affected driving by providing new opportunities for people to use cannabis outside their homes. This could increase risks of accidents and require increased enforcement by police, especially in rural areas where transportation options are more limited.

Cannabis products are available in several forms and concentrations, can cause a wide range of effects on the user, and, unlike alcohol, do not have standardized serving sizes. How much and how quickly a specific form of cannabis is used can influence individual experiences or level of impairment. Cannabis edibles and extracts products can have delayed onset of effects, which may lead users to overconsume or to start driving before the effects have started or worn off. This makes responsibly serving cannabis to customers a challenge.

In preliminary engagements, both industry and public health and safety stakeholders expressed strong interest in actions to reduce the risks of drug-affected driving including at consumption spaces. They raised examples such as public awareness campaigns, training for servers (e.g., Serving It Right), designated driver programs, access to public transportation, and additional impaired-driving prohibitions as possible measures to mitigate risks.



Co-Locating Cannabis and Alcohol Consumption

Some businesses have expressed an interest in non-medical cannabis being made available at places that also serve alcohol (“co-location”). Some consumers prefer cannabis over alcohol, and co-location would allow a person to have a cannabis product, like a beverage or an edible, at a restaurant or other licensed establishment that also serves alcohol. If co-location were allowed, restaurants and other establishments could apply for a licence to sell cannabis without giving up their liquor licence.

However, there is considerable concern from public health and safety stakeholders about co-location. Public health experts emphasized that co-location would lead to co-use (consuming both substances at the same time can increase the impairing effects of both substances). They noted that even if there were regulatory measures to prohibit co-use, these measures would be very difficult to enforce. Public health and safety stakeholders strongly opposed allowing cannabis and alcohol to be sold and consumed at the same location. Other jurisdictions that allow cannabis consumption spaces generally do not allow these spaces to sell alcohol.

Diversity, Equity and Access

Stakeholders have consistently raised the importance of ensuring equity and diversity within the cannabis industry, and opportunities for safe, legal access to cannabis for people living in BC.

There is limited information on Indigeneity, race, gender, and other socio-economic indicators in the cannabis market. However, early evidence and some stakeholder accounts suggest that the legal market is less representative of women and people of colour than the pre-legalization cannabis market and the Canadian population. Some stakeholders have emphasized the importance of applying an equity lens to cannabis policy decision-making.

When considering access, provincial rules on public cannabis consumption struck a balance between ensuring that people could safely use cannabis while preventing non-medical cannabis use in places where children tend to gather and preventing modes of use that may affect others’ health. However, local and Indigenous governments, strata associations and landlords can further restrict public use. For some people, the combination of provincial and other rules could make it difficult to find a space to smoke or vape cannabis, especially in some dense urban areas.



What do you think?



The Province of British Columbia is looking for your feedback on **whether** and **how** to allow cannabis consumption spaces. There are two ways for you to provide your input:

- 1| Complete the online survey (<https://feedback.engage.gov.bc.ca/636867?lang=en>).
- 2| Provide a written submission (<https://engage.gov.bc.ca/cannabisconsumptionspaces/written-submission-guidelines/>). Here are some guiding questions:
 - » Do you agree with the principles outlined in the discussion paper? Why or why not?
 - » What are specific examples of cannabis consumption spaces that you would like to see allowed? What would make these spaces economically feasible as businesses? How do you think challenges raised in this paper could be addressed (for example, preventing impaired driving)?
 - » Are there types of cannabis consumption spaces that should not be considered? Why?

The deadline for providing feedback is **May 9, 2022**.



Background



Provincial Legalization of Non-Medical Cannabis

In October 2018 Canada legalized non-medical cannabis and BC enacted the *Cannabis Distribution Act* (CDA) and *Cannabis Control and Licensing Act* (CCLA).

Provincial Goals Guiding the Cannabis Regulatory Framework

BC's approach to the legalization of cannabis aims to protect and promote public health and safety while establishing a safe and responsible cannabis sector and reducing the illegal market. BC's five cannabis goals are to: prioritize public health and safety, protect children and youth, reduce crime and the illegal market, address cannabis-affected driving, and support economic development.



Prioritize Public Health & Safety



Protect Children & Youth



Support Economic Development



Reduce Crime and the Illegal Market



Address Cannabis-Affected Driving



Understanding the Current Rules for Non-Medical Cannabis in BC

Allowing cannabis consumption spaces would provide additional opportunities to buy and use non-medical cannabis in BC. When considering your feedback on whether government should allow consumption spaces, it is important to understand the current rules.

Legal Age

Individuals must be 19 years or older to buy, use, or grow cannabis in BC.

Possession

Adults 19+ can carry up to 30 grams of dried cannabis, or its equivalent, in a public place. Cannabis transported in a motor vehicle needs to be in a sealed package, or inaccessible to vehicle occupants.

Public Use

Adults 19+ can generally smoke or vape cannabis in public spaces where tobacco smoking and vaping are allowed. Smoking and vaping cannabis is not allowed in places such as public buildings, workplaces, or common areas of apartments, condos, or dormitories, and within six metres of air intakes, windows, and doorways attached to these places.

To minimize child and youth exposure, smoking and vaping of cannabis is also prohibited in public areas frequented by children, including community beaches, parks, and playgrounds. Use of cannabis in any form is prohibited for all occupants in vehicles. It is also prohibited to promote a place (including a business or event) to use cannabis or spend time after using cannabis, even if the cannabis was purchased legally off-site

Purchasing

Non-medical cannabis can only be purchased at government-run stores, licensed or authorized private retailers, and the BC government's online store. Provincially licensed cannabis retail stores may not sell liquor, tobacco, medical cannabis or any items other than cannabis, cannabis accessories, and ancillary items.



BC Cannabis Excise Stamp

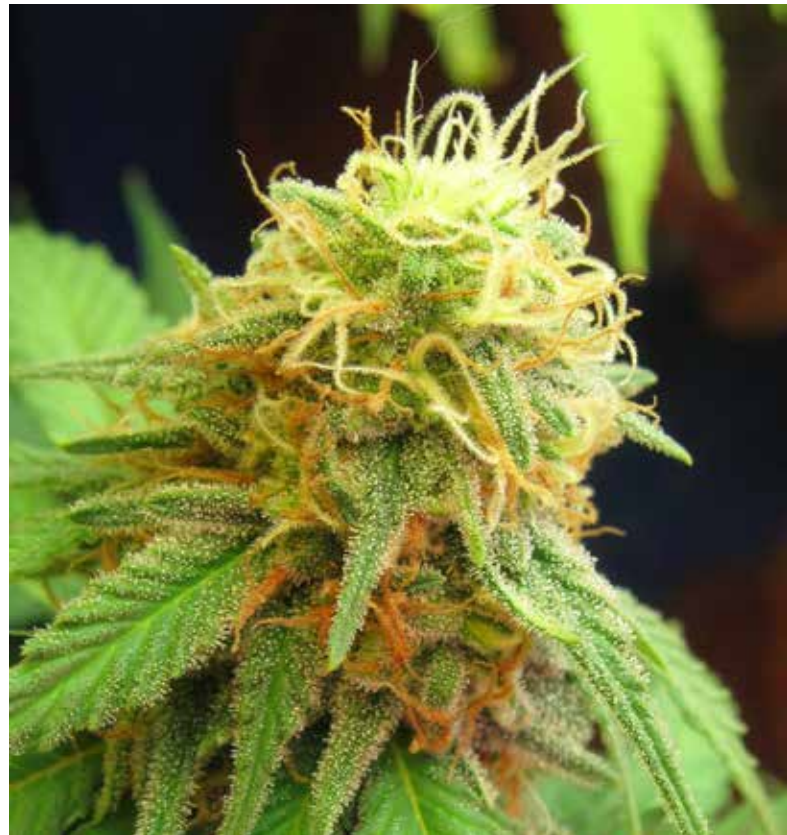
Legal cannabis has an excise stamp attached to its packaging — if the product does not have a British Columbia stamp, or is not in its original sealed package, it cannot be legally sold in BC.

Drug-Affected Driving

Drug-affected drivers can face serious consequences like fines, licence prohibitions and jail-time.

New drivers in the Province's Graduated Licensing Program have a zero-tolerance restriction for the presence of drugs, such as cannabis and cocaine, in their body. In addition, the Administrative Driving Prohibition (ADP) was expanded to include a 90-day administrative driving prohibition for any drug-affected driver, or driver with a blood drug concentration equal to or exceeding the legal limits under the provincial Motor Vehicle Act.

For additional information on BC's regulatory framework for cannabis, please visit: <https://cannabis.gov.bc.ca/>



Preliminary Engagement on Non-Medical Cannabis Consumption Spaces: Participants



In the Fall of 2021, the Cannabis Secretariat received initial feedback from the organizations listed below to help inform the engagement approach to cannabis consumption spaces. Additional groups were invited to participate in the preliminary engagement but did not attend.

Public Health and Safety

- » Canadian Centre on Substance Use and Addiction
- » Canadian Institute for Substance Use Research
- » BC Centre on Substance Use
- » BC Alliance for Healthy Living
- » First Nations Health Authority
- » MADD Canada
- » BC Association of Chiefs of Police
- » BC Association of Municipal Chiefs of Police

Local Governments and Indigenous Organizations

- » First Nations Leadership Council
- » Union of BC Municipalities (UBCM)
- » City of Vancouver
- » Cowichan Valley Regional District
- » Regional District of Central Kootenay
- » Agricultural Land Commission

Cannabis Industry

- » Association of Canadian Cannabis Retailers (ACCRES)
- » Craft Cannabis Association of BC
- » Kootenay Cannabis Economic Development Council
- » Cannabis Cultivators of British Columbia
- » Cannabis Council of Canada
- » BC Craft Farmers Co-op

Tourism and Hospitality Sectors

- » Destination BC
- » Indigenous Tourism BC
- » Tourism Industry Association of BC