

October 11, 2018

Standing Committee on Social Policy  
99 Wellesley Street West  
Room 1405, Whitney Block  
Queen's Park  
Toronto, ON M7A 1A2

Dear Committee Members,

**The Ontario Federation of Labour (OFL), which represents one million workers across this province, strongly advocates that the sale of recreational cannabis be delivered through a publicly owned operation – one that is guided by policy objectives of public health and public safety as well as predicated on decent jobs.** It is also important to note that we endorse the recommendations of the Ontario Public Service Employees Union.

On October 17, 2018, Canada will become the second country in the world to legalize cannabis.<sup>1</sup> While legalization is a federal decision, provinces and municipalities have distinct and shared responsibilities. Each province, for example, is responsible for establishing where cannabis can be purchased and consumed as well as how much can be possessed at any given time. In response, this government has introduced Bill 36, *The Cannabis Statute Law Amendment Act*, which dramatically shifts the manner in which Ontarians have access to recreational cannabis.

Initially, the Ontario Cannabis Retail Corporation (OCRC) was legislated to be the sole legal retailer and distributor of recreational cannabis in the province. A publicly owned distribution network meant that the government directly controlled access to this psychoactive substance. Now, private retailers – who are motivated by profit and for whom, public health and public safety are secondary – will be able to market and sell cannabis.

The reality is that a psychoactive substance, like cannabis, cannot – and should not – be sold like any other consumer good.

**A government that proclaims itself to be “for the people” should then protect the people and uphold the public good.**

Research shows that jurisdictions with a public monopoly on alcohol sales are less likely to experience alcohol-related harm than those with private retail systems.<sup>2</sup> It is undeniable that this logic should also extend to the sale of recreational cannabis – which like alcohol, is not a benign substance.<sup>3</sup>

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<sup>1</sup> CNN (2018). Canada becomes second nation in the world to legalize marijuana.

<https://www.cnn.com/2018/06/20/health/canada-legalizes-marijuana/index.html>

<sup>2</sup> Anderson, Chisholm & Fuhr (2009). Alcohol and Global Health 2: Effectiveness and cost-effectiveness of policies and programmes to reduce the harm caused by alcohol.

<sup>3</sup> Government of Canada (2018). Health effects of cannabis.

<https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/health-effects/effects.html>

For instance, the controlled sale of alcohol in Ontario has been rather successful in upholding ideals of public health and public safety – namely in preventing sales to minors, intoxicated adults, and those purchasing for either party. In fact, social responsibility is an integral part of the Liquor Control Board of Ontario’s (LCBO)’s mandate and is reflected in the training and experience of LCBO staff. These frontline workers provide an effective means of regulating consumption and minimizing harm. In 2017, for example, LCBO staff challenged more than 14.4 million individuals for failing to produce valid ID, appearing intoxicated, or attempting to purchase for a minor or an impaired individual. Service was refused to more than 258,000 people – more than 80 per cent of which was a result of age.<sup>4</sup>

Previous legislation specified that – under the purview of the LCBO – the Ontario Cannabis Retail Corporation (OCRC) was responsible for the sale of recreational cannabis. It was restricted to government-run stand-alone outlets and a government website. The fact is LCBO staff already have expertise in dealing with a controlled substance and have demonstrated that the importance of protecting the public supersedes the importance of solely making a profit.

Private retailers, on the other hand, who are solely for-profit, have no accountability in terms of achieving public policy objectives. Minors, for instance, are among the highest consumers of cannabis and are therefore a significant demographic for retailers.<sup>5</sup> Without proper government oversight, there are fewer barriers to selling to minors or intoxicated individuals.

Furthermore, relinquishing the Province’s monopoly on cannabis sales potentially forfeits millions of dollars over the long-term that can be invested throughout our communities, including in our schools and in our hospitals. According to 2018 projections from the Ministry of Finance, the government was slated to collect \$100 million in 2021 from the OCRC.<sup>6</sup> While the extent to which private sector pressure will negatively affect the government’s ability to maximize public revenue is unknown, its effect is not. The reality is that the revenue from cannabis sales can provide meaningful investment into various public services, such as underfunded addiction programs and/or public awareness and education campaigns.

This government must prioritize the interests of Ontarians – particularly minors – over the interests of the private sector cannabis industry.

**A government that proclaims itself to be “for the people” should then create decent jobs.**

Ontario’s economy is built and sustained by workers. They deserve decent jobs.

The OCRC was initially mandated to operate 150 cannabis storefronts by 2020, and as a subsidiary of the LCBO, it was expected to create more than 1000 unionized jobs in this province.<sup>7</sup>

This is no longer the case.

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<sup>4</sup> LCBO (2018). Challenge & Refusal: Preventing sales to minors and intoxicated adults. <http://www.lcbo.com/content/lcbo/en/responsibility/responsibility/challenge-and-refusal.html#.W75HUWhKjIU>

<sup>5</sup> Statistics Canada (2018). Cannabis Stats Hub. <https://www150.statcan.gc.ca/n1/pub/13-610-x/cannabis-eng.htm>

<sup>6</sup> Ontario Ministry of Finance (2018). 2018 Ontario Budget. p. 216 <http://budget.ontario.ca/2018/budget2018-en.pdf>

<sup>7</sup> CBC (2017). Union says Ontario pot store employees will be ready for legalization amid doubts. <https://www.cbc.ca/news/canada/toronto/union-cannabis-store-employees-training-ontario-1.4283301>

We know that unionized jobs are decent jobs. Because of the collective strength of workers, unions can negotiate fair wages and fair work hours. In fact, unionized workers in Ontario earn nearly \$6.60 per hour more than non-unionized workers.<sup>8</sup> This benefit also extends into the community. Because of unionized workers' higher wages, the Ontario economy reaps nearly \$370 million more every week.<sup>9</sup>

Investing in workers means investing in the economy and the future prosperity of this province.

Research shows that insecure jobs (i.e., jobs defined by low income, few workplace benefits, little or no job security, uncertainty over work scheduling, and little or no protection through unions) can harm the economy.<sup>10</sup> We know that the lack of income security associated with insecure work reduces consumer confidence, resulting in workers and their families spending less. In turn, this reduces business profits and investments, diminishing government revenue.

It is also important to understand that every time a union secures better pay, better benefits, and/or better working conditions for its members, it helps raise the standard of work across the board. It makes it that much easier for other unionized and non-unionized workers to win similar rights and benefits.

Together, we need to be raising the bar for decent work – for workers, for their families, and for the economy – not engaging in a race to the bottom.

**To promote and to preserve public health, public safety, and decent jobs, this government must amend Bill 36, *The Cannabis Statute Law Amendment Act*, and regain its monopoly on cannabis retail and distribution. A government that proclaims itself to be “for the people” should then be champions of the people.**

Sincerely,



**CHRIS BUCKLEY**  
President



**PATTY COATES**  
Secretary-Treasurer



**AHMAD GAIED**  
Executive Vice-President

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<sup>8</sup> CLC (2015). The Union Advantage: Provincial and territorial breakdown.  
<http://canadianlabour.ca/why-unions/provincial-and-territorial-breakdown/ontario>

<sup>9</sup> Ibid.

<sup>10</sup> United Nations (2017). Productive employment and decent work for all is achievable.  
<http://lagos.sites.unicnetwork.org/2017/02/08/productive-employment-and-decent-work-for-all-is-achievable/>