Patients, doctors upset by Canada's commercialization of marijuana

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When Health Canada got into the medical marijuana business, it was a small market: Just 477 people were licensed to legally buy medical marijuana in 2002, one year into the program.

But that was then. There are now 37,000 licensed users, a figure the federal government projects will grow to more than 400,000 in the next decade, all of them with access to a drug subsidized heavily by taxpayers. So, as numbers and costs mount, Ottawa is getting out of the game – switching from middleman to regulator.



The city of Denver, in a first step toward regulating newly legal recreational marijuana, will ask voters to approve a 3.5-per-cent sales tax on pot sales in a citywide ballot measure in November, a city official said on Tuesday. The municipal sales tax, if approved at the polls, would be on top of a proposed 25-per-cent sales and excise tax that voters statewide will also be asked to adopt in November to fund the regulation and enforcement of non-medical cannabis use. The Canadian Press



A marijuana starter plant is for sale at a medical marijuana dispensary in Seattle. An analysis by Sea Change Strategies, a research firm for non-profit organizations, estimated the medical marijuana market could grow to \$8.9-billion (U.S.) by 2016. REUTERS

Producers are rushing to get a piece of what Health Canada projects will be a \$1.3-billion business by 2024, but it's a move nonetheless fraught with confusion. Current users and Canada's doctors are among those opposing it.

"We've been trying to fight it, but it's something they're going to push through regardless," said Marcel Gignac, 50, a medical marijuana user from Nova Scotia. Mr. Gignac has an advancing form of multiple sclerosis and has used the drug since 2008. "It was the only thing I could get to get some relief from the pain and spasms," he said.

Under the old system, licensed users could grow their own marijuana, buy from licensed small-scale home growers or buy through the government. But that program was "open to abuse," and in-home growers posed fire and public safety risks, Health Canada said in a statement this week. All those options will be off the table as of April 1.

The old system is also costly – roughly \$13.8-million a year to administer, a figure set to rise with thousands of new users. The cost is due to the administrative burden – an application took 10 weeks to process – and loss from sales, with users covering only about a quarter of the government's purchase costs.

Under the new Marihuana for Medical Purposes Regulations, introduced in June, the government will license commercial producers, who in turn deal directly with buyers, who are required to get approval from a doctor. All Health Canada will do is license and inspect the producers.

Ottawa expects its administrative costs to drop even as the industry expands. So far, 171 producers have applied, and two – Prairie Plant Systems Inc., which had been Health Canada's sole grower, and its subsidiary CanniMed Ltd. – have been approved.

In a statement, Health Minister Rona Ambrose said the new rules will boost safety, by doing away with the small-scale home grow-ops that fire officials say pose risks, while reducing government costs.

The move is the latest overhaul of drug policy by the Conservative government. This week, Ms. Ambrose blocked a bid to prescribe heroin and also made changes to ensure that cocaine, LSD, ecstasy, mushrooms and "bath salts" cannot be prescribed. Meanwhile, the government has attacked Liberal Leader Justin Trudeau's support for the legalization of marijuana. Court rulings compel the government to provide medical marijuana.

But Mr. Gignac and fellow medical marijuana users, or patients, are fighting the changes and considering a legal challenge, saying costs will soar and the quality will drop. It was cheap to grow, and the government sold it at \$5 a gram. Meanwhile, CanniMed is advertising prices of \$9 to \$12 a gram – out of the reach, Mr. Gignac said, of many of the terminally ill users who cannot work.

Commercial sales also cannot top 150 grams per month – not enough for some users. Mr. Gignac, for instance, uses 900 grams per month. He suspects many current users will buy it on the street or continue to grow their own – both illegal after April 1. "Other patients are looking at what their other options are," he said.

Health Canada had been the gatekeeper – now, doctors will be. (Provinces are also free to allow pharmacists and nurses to prescribe marijuana.) And physicians across the country have sounded the alarm

"We're being asked to write prescriptions, and it's akin to having a blindfold on," said Louis Hugo Francescutti, president of the Canadian Medical Association. Research into the

effectiveness of marijuana is incomplete, and doctors worry they could face penalties from their regulatory bodies or from the courts, he said.

"It's rather unfortunate that the federal government dumped this problem onto the lap of physicians. I don't know if it's going to serve patients' best interest, because physicians – at least the ones I talk to – are very leery of getting involved in prescribing in marijuana," Dr. Francescutti said.