



Via e-mail: fin.cannabis-taxation-cannabis.fin@canada.ca

December 18, 2017

Office of the Minister of Finance
Government of Canada

Re: Consultation on Proposed Excise Duty Framework for Cannabis Products

Dear Sir/Madam,

The Canadian Nurses Association (CNA) is the professional voice of more than 139,000 registered nurses and nurse practitioners representing all jurisdictions across Canada. As such, CNA advances the practice and profession of nursing to improve health outcomes and strengthen Canada's publicly funded, not-for-profit health system.

We welcome the opportunity to provide input into the proposed *Excise Duty Framework for Cannabis Products*. CNA has been active in providing a nursing perspective to the development of legislation and regulations related to medical and non-medical cannabis use as Canada moves forward with the legalization of non-medical cannabis.

CNA recommends:

That the federal government's Excise Tax Act be amended to a zero-tax rating for medical cannabis

CNA applauds the federal government's work to table challenging legislation associated with the legalization, regulation and restriction of access to non-medical cannabis. CNA supports the passing of Bill C-45, the Cannabis Act, and believes that proposed legalization is an excellent option for addressing the harms of non-medical cannabis. Legalization can support the regulation of quality, dose and potency while minimizing social harms and the costs of prohibition.¹ CNA agrees that taxation of non-medical cannabis is an important method to ensure legalization does not promote use, while simultaneously generating revenue for governments which can be re-invested into public education, health and social programs, and research into both the harms of non-medical cannabis and benefits of medical cannabis.²

What legalization of non-medical cannabis, and related taxation, should *not* do is serve as a barrier to persons in Canada who use cannabis for medical purposes. CNA has advocated for the continuation of a two-system approach to medical and non-medical cannabis once non-medical cannabis is legalized.³ Such a two-system regulatory approach can support continued access to specific strains and dosages that

¹ (Canadian Nurses Association [CNA], 2017a)

² (CNA, 2017b)

³ (CNA, 2016)

have been determined by the patient and their health-care provider to be most effective at managing their underlying medical condition for which they use medical cannabis.

CNA recommends the zero-tax rating of medical cannabis for the following reasons:

- Taxing a product approved to be used for medical purposes is inconsistent with the principles of primary health care⁴ and social justice⁵ as well as a publicly funded, not-for-profit health system. All prescription medicines in Canada are tax exempt, and medical cannabis should be treated as such. Adding a financial levy of an additional 10% to a product used by approximately 300,000 people in Canada adds a disproportionate financial burden on individuals, many of whom live with chronic illness and face significant financial barriers already. Applying an excise tax, or any tax, to medical cannabis can potentially inadvertently push patients to access other options that may not be as effective or safe for them, including opioid use.^{6,7}
- The proposed excise tax on medical cannabis could potentially divert medical users out of the medical system for reasons such as convenience or cost, as noted by the Canadian Pharmacists Association.⁸ A zero-tax approach to medical cannabis, consistent with tax approach towards prescription drugs in Canada, would ensure a modest, yet important, price difference between medical and non-medical cannabis, which could help to keep medical users within the medical framework, where they have access, support and follow-up from their authorizing health professional.
- The proposed excise tax on medical cannabis as a mechanism to prevent inappropriate access or diversion to the medical system devalues the role of health-care providers, including physicians and nurse practitioners who, under the *Access to Cannabis for Medical Purposes Regulations*, are able to provide authorization to patients for use of medical cannabis. These health-care providers work within their scope of practice to assess their patients, determine a treatment plan, and follow their patients to assess outcomes. The premise that a tax is necessary to ensure inappropriate authorization of medical cannabis to non-medical users is discourteous to health-care providers and undervalues the important role they play in the continuum of care. As noted in a multiprofessional joint submission on the same topic, “a claim that non-medical cannabis users would abuse access to the medical stream of cannabis assumes complicity on the part of Canadian physicians [and nurse practitioners].”⁹
- Jurisdictions in the United States with both medical and non-medical cannabis systems do not tax medical cannabis at the same rate as non-medical. In those states, medical cannabis is either taxed at a lower rate, or not at all.¹⁰

⁴ (CNA, 2015)

⁵ (CNA, 2010)

⁶ (Bachhuber, M. et al, 2014)

⁷ (Boehnke, K. et al, 2016)

⁸ (Canadian Pharmacists Association, 2016)

⁹ (Arthritis Society, et al. 2017)

¹⁰ (Rough, 2017)

Thank you for the opportunity to provide input on how the proposed *Excise Duty Framework* could act as a barrier to the approximately 300,000 patients using medical cannabis in Canada. As Canada's largest group of health-care providers, nurses understand how such barriers can change the range of options for patients and ultimately the trajectory of their health outcomes.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Villeneuve", with a long horizontal flourish extending to the right.

Michael Villeneuve, RN, MSc.
Chief Executive Officer
Canadian Nurses Association

References:

Arthritis Society, Canadian AIDS Society, Canadian Arthritis Patient Alliance, Canadian Hospice and Palliative Care Association, Canadian Pharmacists Association, Canadian Spondylitis Association, Canadians for Fair Access to Medical Marijuana, Cardiac Health Foundation of Canada, Crohn's and Colitis Canada, Gastrointestinal Society, Huntington Society of Canada & Save Your Skin Foundation. (2017). Joint submission to the consultation on the proposed Excise Duty Framework for Cannabis Products. Retrieved from <https://cfamm.ca/wp-content/uploads/2017/12/Cannabis-Excise-Tax-Joint-Submission-FINAL-Dec-7-2017.pdf>

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Rough, L. (2017). Cannabis tax rates: A state-by-state guide. *Leafly*. Retrieved from <https://www.leafly.com/news/industry/marijuana-tax-rates-by-state>