



# Cannabis in Australia

*Penington*

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# CEO Foreword

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**JOHN RYAN**  
**CEO**  
**PENINGTON INSTITUTE**

The pace of change across the world in the understanding of cannabis and its regulation and management has accelerated dramatically in recent years. Many jurisdictions are providing regulated access rather than simple prohibition with medicinal cannabis now mainstream in many countries. In Australia a shift to diversion from the criminal justice system more than 20 years ago was led by the Howard Government. More recently, significant reform to enable national medicinal cannabis access was introduced by the Abbott Government.

The Australian community's perspective continues to evolve but is sometimes undermined by a lack of access to evidence, misunderstanding and even misinformation. Penington Institute is committed to improving the management of drugs through community engagement and knowledge sharing and so I am pleased to share with you Penington Institute's latest report, *Cannabis in Australia 2022*. Our inaugural report on cannabis presents the findings

from many months of research and around 100 expert interviews, which we have condensed into a concise overview of cannabis use in Australia today.

In the landscape of psychoactive drugs, cannabis occupies a unique place. Once considered enemy number-one by proponents of the 'war on drugs', cannabis is still illegal to possess or use without a medical prescription in Australia, with the limited exception of the ACT. Despite its legal status, cannabis is readily available with more than a third of Australians over the age of 14 admitting to having used it.

Compared to other common drugs, cannabis has a low harm profile with negative health impacts less than those associated with nicotine and alcohol. In the context of medicinal use, the potential for serious side effects such as dependence pales into insignificance when considered alongside the painkillers and sleeping pills that are routinely prescribed across Australia.

Cannabis can have negative consequences including a risk of dependence for some people, however the demonstrated harms and enormous financial burden associated with Australia's simplistic prohibition approach is much more harmful than the substance itself.

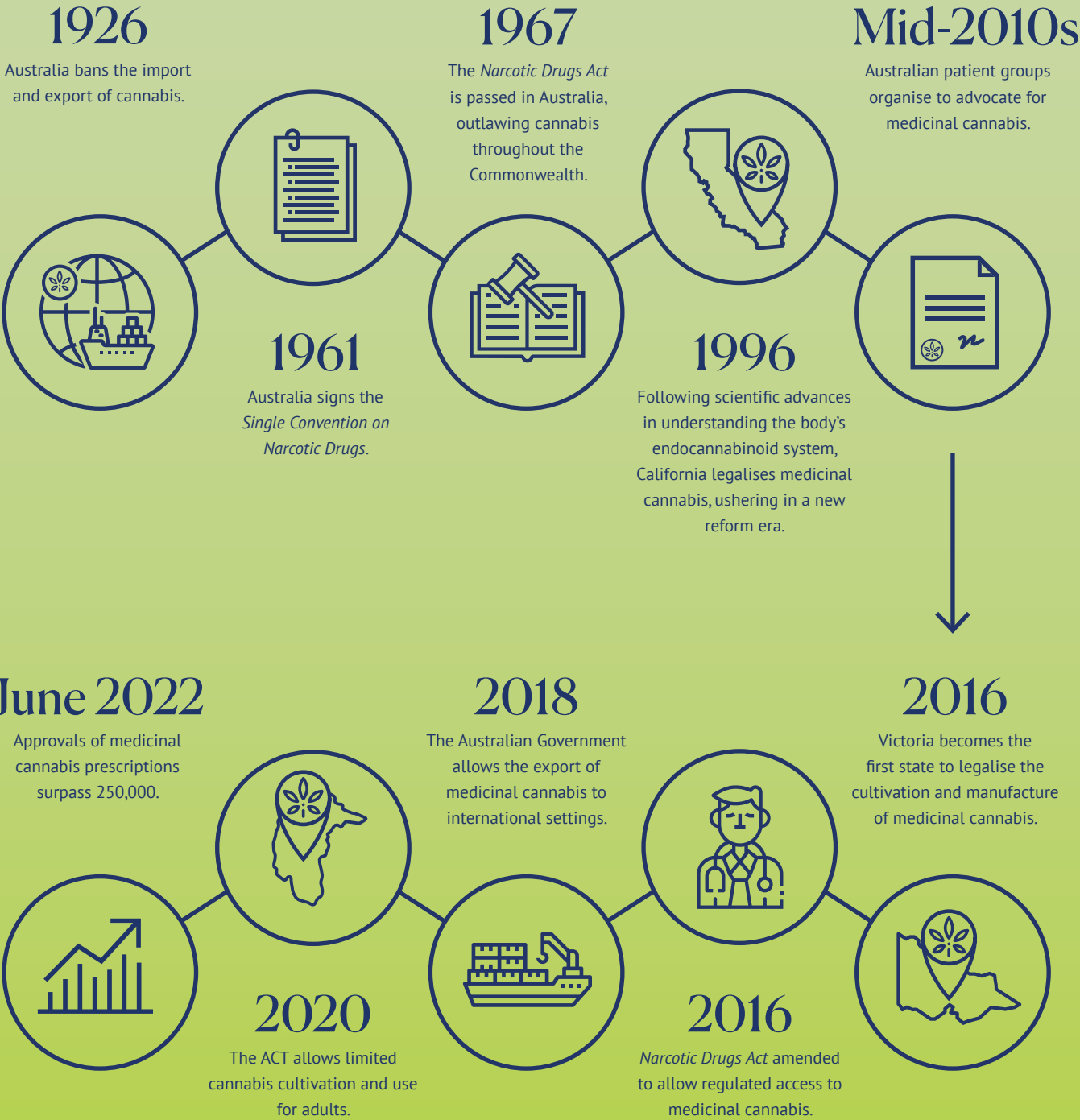
Since 2010-11, there have been 702,866 cannabis-related arrests in Australia, more than 90 per cent of which were for personal use or possession. In 2019-2020, nearly half of all drug-related arrests (46.1 per cent) were for cannabis.

Then there is the economic question. While we invest taxpayer dollars on a prohibition model – more than \$1.7 billion on cannabis-related law enforcement was spent in 2015-16 – Australians in need are too often unable to afford medicinal access. The quality of Australian-grown cannabis is world-standard, but our farmers are forced to stand by and watch as producers in North America and elsewhere seize the markets that could be theirs, including our domestic market. Onerous regulations and a lack of government investment are holding the Australian industry back from this significant opportunity.

This report aims to promote understanding of cannabis in Australia. At the forefront of discussion should be the questions of how to improve medicinal access for those who need it and how we can better reduce the harm caused by our laws and the substance itself as we progress toward a more informed and compassionate community.

**John Ryan,**  
CEO, Penington Institute

# Historic Timeline of Cannabis



# Cannabis is the most widely used illicit drug in Australia and around the globe.

More than a third of Australians aged over 14 have used cannabis at least once – 37%, or 7.6 million people. Around 2.4 million Australians used cannabis in 2019, as did 200 million people worldwide.

As its popularity grows, many countries are rethinking how they regulate and manage cannabis, moving away from prohibition towards various forms of decriminalisation and legalisation.

These global reforms, combined with the drug's significant presence in Australia, make it timely to document our nation's current approaches to cannabis.

At Penington Institute, we are committed to driving an informed national conversation around the management, control and impact of drugs.

As part of our mission to maximise community health and safety around drugs, we have developed this *Cannabis in Australia 2022* report.

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## What is cannabis?

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The cannabis plant is versatile and complex, containing at least 500 different compounds, of which more than 140 are cannabinoids. The two most well-known of these are tetrahydrocannabinol (THC), which causes the psychoactive effects of cannabis, and cannabidiol (CBD), which also has therapeutic properties but doesn't make people 'high'.

This report examines three main uses of the cannabis plant:

- **Medicinal cannabis:** products that are legally prescribed for various health conditions.

- **Non-prescribed cannabis:** products that are generally illegally grown, supplied, possessed and used. The most common form is the dried flower, which is usually smoked.
- **Hemp:** a form of the cannabis plant that has very low levels of THC and potentially high levels of CBD. Hemp seeds are edible and its fibre is used in various products such as textiles.<sup>1</sup>

# How is cannabis regulated and managed?

People have used cannabis since ancient times, with evidence of medicinal use dating back to 2800 BCE.<sup>2</sup> Hemp has been farmed in China, India and elsewhere for thousands of years.<sup>3</sup>

Cannabis first arrived in Australia with the First Fleet in 1787 in the form of hemp seeds for use in food, textiles and paper. In 1926 the Australian Government banned its import and export. Victoria declared cannabis illegal in 1928, and was soon followed by all other states and territories.

In 1961, Australia signed the *Single Convention on Narcotic Drugs* as part of global efforts to stop the use, production and supply of drugs. The *Narcotic Drugs Act 1967* was passed to ensure the nation met these international obligations.

Over time, this law enforcement approach led to harsher penalties and rising numbers of drug-related arrests.<sup>4</sup> In the past ten years, there have been 702,866 arrests in Australia relating to cannabis.<sup>5</sup> More than 90% of these related to consumers – people who are found possessing or using cannabis. Less than one in ten related to people who are selling the drug.<sup>6</sup>

It wasn't until the late 1980s that some Australian jurisdictions began diverting people caught with small amounts of cannabis away from the criminal justice system. While cannabis remained illegal, the enforcement of laws governing its possession and use began to change.

Since then, Australia's approach to regulating and managing cannabis has continued to evolve.

## Medicinal cannabis law reform

Public debate in Australia on whether to legalise medicinal cannabis began in the 1980s during the AIDS epidemic. In 1999, the New South Wales Working Party on the Use of Cannabis for Medical Purposes<sup>7</sup> recommended allowing patients suffering chronic pain or debilitating or terminal illness to grow cannabis for personal use while under their doctor's care.

Advocacy intensified in the mid-2010s, and in 2016, medicinal cannabis was legalised federally, largely in response to the recommendations of a 2015 Victorian Law Reform Commission review.<sup>8</sup>

Australia is one of a growing number of countries to take this step, including Israel (in 1999), Canada (in 2001), New Zealand (in 2020) and much of the European Union, led by the Netherlands in 2003. Medicinal cannabis is now legal across most of the United States (although still illegal at the federal level),<sup>9</sup> with California allowing its use since 1996.

While Australian cannabis growers were initially only able to sell their product domestically, by 2018 they were able to export to those countries complying with the *Single Convention on Narcotic Drugs*.

## Illicit cannabis law reform

The global pace of illicit cannabis law reform has accelerated over the past 20 years, with a trend away from prohibition. Surveys reveal a growing acceptance of cannabis use as part of many people's lives and decreasing support for police efforts to charge people for its use or possession.

Law reforms have typically followed one of two paths:

- *Decriminalisation* aims to keep those caught with cannabis for their own use out of the criminal justice system. Instead, they may be fined or have to attend drug treatment or education sessions. Supplying cannabis remains illegal.
- *Legalisation* goes a step further by making cannabis supply, possession and use legal but with varying levels of regulation.

There are several key advantages to legalisation. Regulated supply controls the potency and quality of cannabis; it protects users from criminal suppliers and frees up police resources. By allowing for taxation schemes, legalisation can also direct crucial funding into prevention and treatment efforts.

## Hemp industry law reform

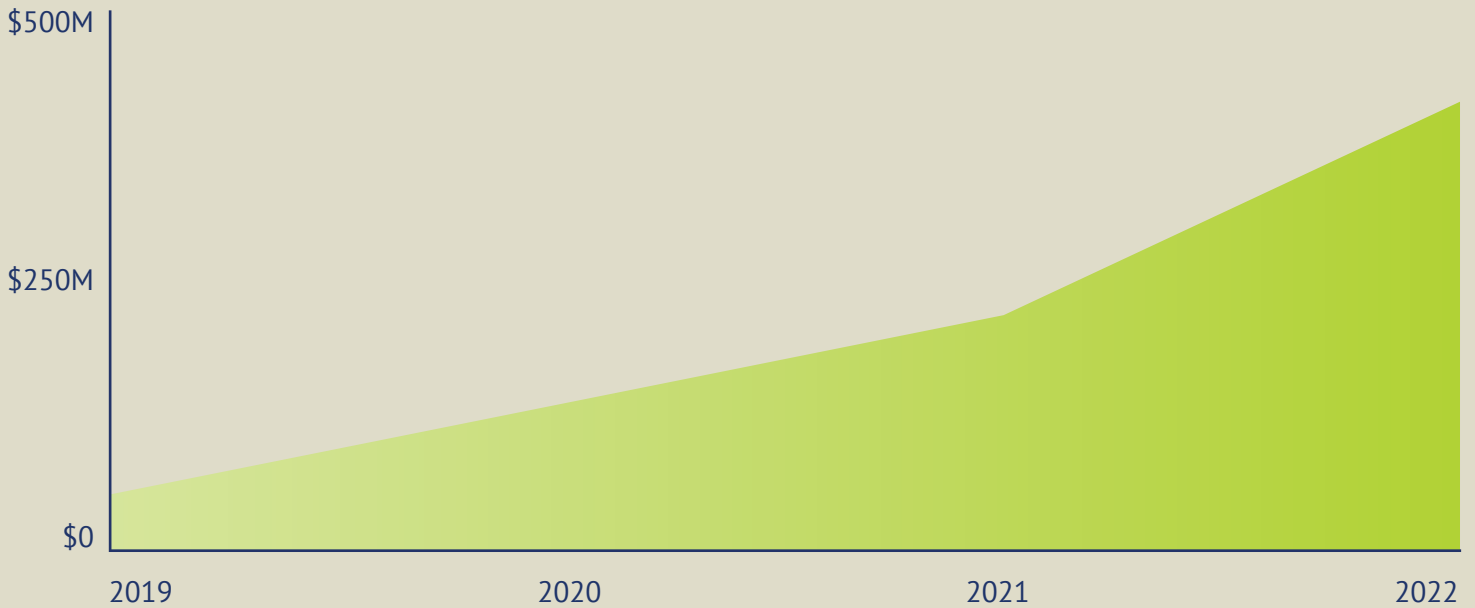
Industrial hemp is cannabis that contains no more than 1% THC in its flowering head and leaves.

Since 2017, it's been legal to sell hemp seed and hemp seed oil in Australia for personal consumption.<sup>10</sup> While the hemp industry is heavily regulated, the import and export of hemp seed products is also permitted.

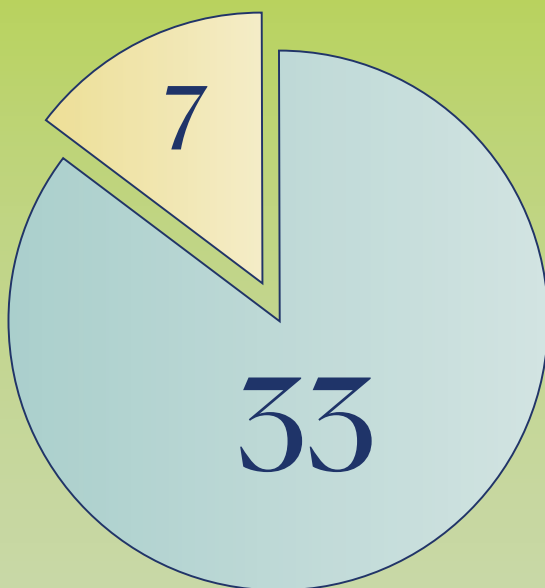


# The Australian Medicinal Cannabis Market

REVENUE OF THE AUSTRALIAN MEDICINAL CANNABIS MARKET (2019-2022)



NUMBER OF STOCKS LISTED ON THE ASX INVOLVED IN THE MEDICINAL CANNABIS MARKET



○ NUMBER WITH MARKET CAPITALISATION >\$100 MILLION

COMBINED MARKET CAPITALISATION OF THE 20 LARGEST ASX-LISTED COMPANIES WITH EXPOSURE TO MEDICINAL CANNABIS

## \$2 Billion



# What do we know about medicinal cannabis in Australia?

## Regulating medicinal cannabis

The regulation of medicinal cannabis varies across Australian states and territories.

At a national level, Australian manufacturers must comply with a range of requirements, including:

- A strict license and permit system for cultivation, production and manufacture.
- All medicinal cannabis exported from or supplied in Australia must meet strict quality standards set by the Therapeutic Goods Administration (TGA).<sup>11</sup>

Offshore cannabis producers have not been subject to the same strict controls. This has led to a large volume of cheaper imported products entering Australia that not only undermine the local industry but are of unknown quality.

The expansion of the nation's medicinal cannabis industry is undoubtedly constrained by the strict regulatory framework. It is also being undermined by the looser controls on imports. But strict regulation does mean that Australian products are internationally recognised as safe and high quality.

Only two of more than 300 medicinal cannabis products currently available in Australia<sup>12</sup> are included in the Australian Register of Therapeutic Goods (ARTG). All remaining products are unregistered and can only be accessed with TGA approval via the Special Access Scheme (SAS).

The Special Access Scheme includes a Category A pathway (SAS-A) for terminally ill patients and a category B pathway (SAS-B) for other patients.<sup>13</sup>

Both of these pathways were designed for exceptional use, not for the tens of thousands of patients now seeking access to medicinal cannabis.

## The Australian medicinal cannabis market

Australia's medicinal cannabis market is rapidly expanding, with revenue in 2021 estimated at \$230 million – up from just \$30 million in 2019.<sup>14</sup> Around 40 companies involved in the medicinal cannabis market are listed on the Australian Stock Exchange (ASX); the 20 largest have a combined market capitalisation of more than \$2 billion.<sup>15</sup>

The TGA has given more than 250,000 approvals since 2016 under the most commonly used SAS-B pathway. Almost half of these were given just in 2021.<sup>16</sup> It's clear that demand for medicinal cannabis is growing in Australia.

Most medicinal cannabis approvals are for chronic pain, with almost 70,000 approvals for this condition in 2021. Medicinal cannabis is also commonly approved for anxiety, sleep issues and cancer pain.

Medicinal cannabis also has potential as a treatment for cannabis use disorder.<sup>17</sup> Helping people with cannabis dependence to transition away from illicit cannabis would stop them using products of unknown quality and would encourage them to use cannabis



more safely. It would also allow other health and mental health issues associated with their dependence to be addressed.

Most TGA approvals are for cannabis in the form of an oral liquid, typically for older women. But the use of flower products has increased recently, mostly for young men diagnosed with anxiety.<sup>18</sup>

The age profile of patients is also changing – while approvals were initially most common for people aged 45 and older, that has now shifted to those aged between 18 and 44.

It is likely that the number of people who use prescribed cannabis is dwarfed by the number who rely on illicit cannabis.

### **Barriers to accessing medicinal cannabis**

Despite soaring demand for medicinal cannabis, accessing it remains a challenge for many, especially those in rural and regional areas, or from culturally and linguistically diverse (CALD) communities.

Research shows it can be difficult to find a doctor willing to prescribe medicinal cannabis. A 2021 survey found that only half of doctors feel confident in handling patients' inquiries and only 22% had prescribed cannabis. At the same time, most doctors consider cannabis to be less hazardous than prescription opioids (64%), benzodiazepines (64%) and chemotherapy drugs (57%).<sup>19</sup>

Reluctance among doctors to prescribe cannabis stems from a perceived lack of evidence about how well medicinal cannabis actually works for different conditions, lack of confidence that they know enough about cannabis to be able to prescribe safely, and perceptions that the approval process is too onerous.

Pharmacists also report feeling unsure about how to discuss medicinal cannabis with customers.<sup>20</sup>

Even if patients can get a prescription, many can't afford medicinal cannabis. Costs can vary

wildly – from \$50 to \$1,000 per patient per week<sup>21</sup> – and patients also have to pay private consultation fees if attending a specialised medicinal cannabis clinic, leaving them to pay significant out-of-pocket expenses.

Limited coverage of medicinal cannabis products by private health insurers and a lack of subsidies through the federal Pharmaceutical Benefits Scheme (PBS) compound these financial barriers.

A Commonwealth Senate inquiry recommended that access could be improved by:<sup>22</sup>

- Introducing a new Medicare item for consultations of 60 minutes or more, to enable doctors to consider the use of medicinal cannabis in the context of patients' other medications
- Creating industry-led compassionate pricing models
- Establishing a Commonwealth Compassionate Access Subsidy Scheme

The Australian Government has not implemented these recommendations.

The cost barrier is also significant for our veteran community. Many veterans suffer from post-traumatic stress disorder, anxiety or other mental health conditions after they return from service. But the Department of Veterans' Affairs doesn't readily subsidise medicinal cannabis for mental health conditions, leaving many of our veterans struggling to cope with the after-effects of their time in the military.

A third major barrier to medicinal cannabis use is drug testing of drivers.

Police conduct roadside tests for a number of drugs, including THC, although these only detect the presence of THC; they do not measure impairment. Drivers testing positive for THC (regardless of whether they've used prescribed or illicit cannabis) are likely to lose their licence and be fined.

# Professional Perceptions of Medicinal Cannabis

LEVEL OF GP CONCERN ABOUT THE COST OF MEDICINAL CANNABIS IN 2021



LEVEL OF GP COMFORT IN HANDLING ENQUIRIES ABOUT MEDICINAL CANNABIS IN 2021



LEVEL OF GP CONCERN ABOUT CLINICAL EFFICIACY OF MEDICINAL CANNABIS IN 2021



PROPORTION OF GPs THAT HAD PRESCRIBED MEDICINAL CANNABIS FOR A PATIENT IN 2021



Research shows that THC can be detected in the body for days, but actual impairment only lasts for a few hours.<sup>23</sup> The evidence shows that the impact of cannabis on crash risk is small, and is lower than for driving with a blood alcohol concentration (BAC) of 0.05 or for driving at 5 km/h above a 60 km/h limit in an urban speed zone.

Tasmania is the only state that allows medicinal cannabis patients to drive, as long as they are not intoxicated – medicinal cannabis is treated in the same way as other prescription drugs such as opioids and benzodiazepines, which are known to cause drowsiness.<sup>24</sup> To prevent hazardous driving, these types of medications come with warning labels that alert people to avoid driving if impaired.

### **Community views of medicinal and illicit cannabis**

Having a regulated medicinal cannabis market offers Australians – those who can access and afford it – a way to manage the terrible side-effects of a number of medical conditions and treatments.

But nearly six years after these products became legal in Australia, many people who describe their cannabis use as therapeutic still rely on black market supply.

The 2018 Cannabis as Medicine Survey showed that 98% of those using cannabis to self-medicate had bought their cannabis illegally; by the 2020 survey, this had fallen to 62%. Among people who continued to access cannabis from the illicit market, almost half said they couldn't afford to access medicinal cannabis legally, while just over a third didn't know a doctor who would prescribe it. Around one in eight of these people didn't know that cannabis could be prescribed.<sup>25</sup>

Many Australians also remain unsure about the distinction between medicinal and illicit cannabis, particularly around the key differences between CBD and THC.

# What do we know about illicit cannabis in Australia?

## Controlling illicit cannabis in Australia

All Australian states and territories maintain some level of prohibition of cannabis.

Their strategies vary: South Australia and the Northern Territory, for example, have decriminalised low-level cannabis use and possession by replacing criminal penalties with fines.

In 2020, the Australian Capital Territory (ACT) went further than any other jurisdiction, allowing adults to grow up to two cannabis plants<sup>26</sup> and possess small amounts of cannabis for personal use.<sup>27</sup> Larger-scale cultivation, any form of supply or sale of cannabis and use by people aged under 18 remain illegal.

Arrests for low-level cannabis offences plummeted following the ACT reforms, and data show there have been no negative effects on public health.

## Who uses illicit cannabis?

People who use cannabis come from every sector of our society.

More than a third (37%) of Australians over the age of 14 – 7.6 million people – have used cannabis at least once, and 12% have used cannabis in the past 12 months.<sup>28</sup> Research suggests that the number of users is 1.9 times higher than reported<sup>29</sup> – taking the number of Australians who have used cannabis in the past year to around 4.6 million.

Cannabis is mostly used experimentally and occasionally.<sup>30</sup> Of the 2.4 million people who reported using cannabis in the past year, most used just once or twice.<sup>31</sup> There is no direct evidence that people who use cannabis go on to use more dangerous types of drugs.<sup>32</sup>

Other key indicators of use include:

- Younger people are more likely to have used cannabis in the past year. Almost a quarter (24%) of Australians aged 20 to 29 have recently used cannabis – the highest prevalence of any age group.<sup>33</sup> But even they use infrequently: 34% use only once or twice per year.
- Among people who have used cannabis in the past 12 months, daily cannabis use is most common among people aged in their 40s (21%), 50s (18%) and 60 and older (17%).<sup>34</sup>
- People who had been diagnosed or treated for a mental illness were 1.8 times more likely to report using cannabis in 2019 than those who had not (19% compared with 11%).<sup>35</sup>
- Cannabis use is slightly higher outside of metropolitan areas: in 2019, 12% of people in major cities reported using cannabis, compared with 13% in regional areas and 14% in remote areas.<sup>36</sup>

While cannabis is used across society, heavy use appears to be concentrated among socially disadvantaged groups, where people who

regularly use cannabis report that it helps them cope with significant daily stressors.

For these people, given that daily use of cannabis can potentially impair one's abilities, it would be better if they were to transition from illicit cannabis to prescribed cannabis so they can be supervised by a healthcare professional.

### The prohibition paradox

The black market for cannabis in Australia is large and enormously lucrative.

There were almost 13,000 detections of attempts to smuggle cannabis into Australia and more than 60,000 cannabis seizures nationally between July 2019 and June 2020.<sup>37</sup>

Large-scale cultivation operations are typically run by organised crime, with profits funding other illegal activities, including manufacturing and importing drugs far more dangerous than cannabis, such as methamphetamine.<sup>38</sup>

Cannabis accounts for almost half of all arrests for illicit drugs in Australia.

In 2019-20, there were almost 77,000 cannabis-related arrests nationwide. Of these, 91% involved people caught with cannabis for their own personal use.

In Victoria – where police data are most transparent – there were almost 9,000 cannabis use and possession offences in the year to September 2021, compared with 823 dealing and trafficking offences. Use and possession accounted for 92% of all cannabis offences in Victoria during this time.

# Cannabis-Related Arrests

PROPORTION OF DRUG-RELATED ARRESTS IN 2019-2020

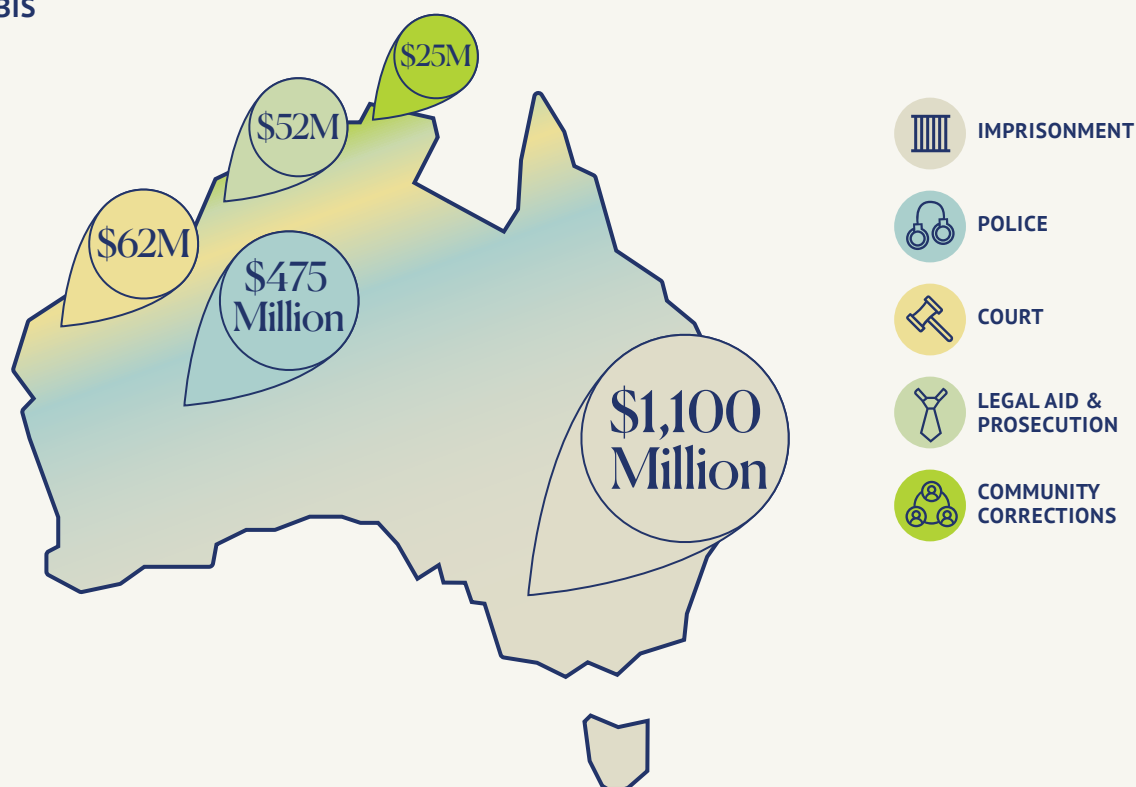


PROPORTION OF CANNABIS-RELATED ARRESTS IN 2019-20, BY INTENT



# Costs of Controlling Cannabis

## COSTS OF LAW ENFORCEMENT RELATING TO CANNABIS (2015–2016)



In the three years to June 2019, 11,498 people were sentenced in the Magistrates' Court of Victoria for simple possession. When looking only at individual charges, more than one in 10 charges of cannabis possession resulted in imprisonment (10.6%, or 1,369 charges), while a fine was the most common outcome (39.2%).

There is rising concern that, as well as failing to curb demand or supply, prohibition is also inflicting real harm, specifically:

- *Impact on marginalised groups:* Despite widespread diversion programs for people caught with cannabis for their own use, only a third of these police encounters typically result in diversion.<sup>39</sup> Research shows that diversion is less likely for First Nations people and others from

socially disadvantaged groups,<sup>40</sup> putting them at greater risk of harm from being criminalised by prohibition.<sup>41</sup>

- *Exposure to criminal networks:* People sourcing cannabis through the black market may be exposed to the violence and other crime that typically occurs in drug markets.<sup>42</sup> It also gives them access to more dangerous drugs.
- *Cost of enforcement:* Enormous taxpayer resources are dedicated to enforcing current laws. The average cost per person for police and court activities around a cannabis charge is estimated at \$1,918.<sup>43</sup> In 2015-16, more than \$1.7 billion was spent on enforcement, including: \$1.1 billion on imprisonment, \$475 million on police, \$62 million on courts, \$52 million



on legal aid and prosecution, and \$25 million on community corrections.<sup>44</sup>

While criminals enjoy huge profits, cannabis use increases and millions of otherwise law-abiding Australian citizens are criminalised, especially some of our most marginalised and vulnerable.

The current prohibition model appears both ineffective and inefficient: it fails to control supply, leaves the market in the hands of criminals, and costs billions of dollars in enforcement, all while exposing people to the harms of criminalisation.

Prohibition has also prevented research into the potential benefits of cannabis and has distorted research into the negative consequences of its use.

An open and rational conversation about the regulation, impact and uses of cannabis in its many forms should be a national priority.

### **Support for a new approach to managing cannabis**

Using cannabis does not come without risk. There is a higher risk of dependence and health problems among those who use it frequently, start using when very young or are predisposed to some illnesses. Despite this potential for harm, cannabis is less dangerous than many other substances. One Australian report ranked it 13th behind amphetamines (10th), prescription opioids (7th), heroin (3rd) and alcohol (most harmful).<sup>45</sup>

But substances that mimic natural cannabis can be especially harmful. While naturally-occurring cannabinoids such as THC are extremely unlikely to cause an overdose, synthetic cannabinoid receptor agonists (SCRAs) are far stronger than THC and highly toxic.<sup>46</sup>

Extensive community education and prevention activities are needed, particularly for young people to prevent or delay their first forays into cannabis use. But the drug's illegal status makes it difficult to have frank and informed conversations with those most at risk.

Against this backdrop, public sentiment is shifting as more and more Australians reject prohibition.

Support for legalisation has steadily increased and in 2019, overtook opposition for the first time, with 41% in favour and 37% opposing it.<sup>47</sup>

Notably, more than half of respondents to the National Drug Strategy Household Survey in 2019 felt that possessing cannabis for personal use should result in a caution or no action, with 24% supporting a referral to treatment or education programs.

Only 22% believed that possessing cannabis for personal use should be a crime.<sup>48</sup>

More effective ways of managing cannabis, such as decriminalisation, are attracting attention.

By removing criminal penalties for possession and use offences, decriminalisation keeps users away from the criminal justice system. But by leaving supply to the black market, it doesn't protect them from criminals or poor quality cannabis, which often contains contaminants such as pesticides.

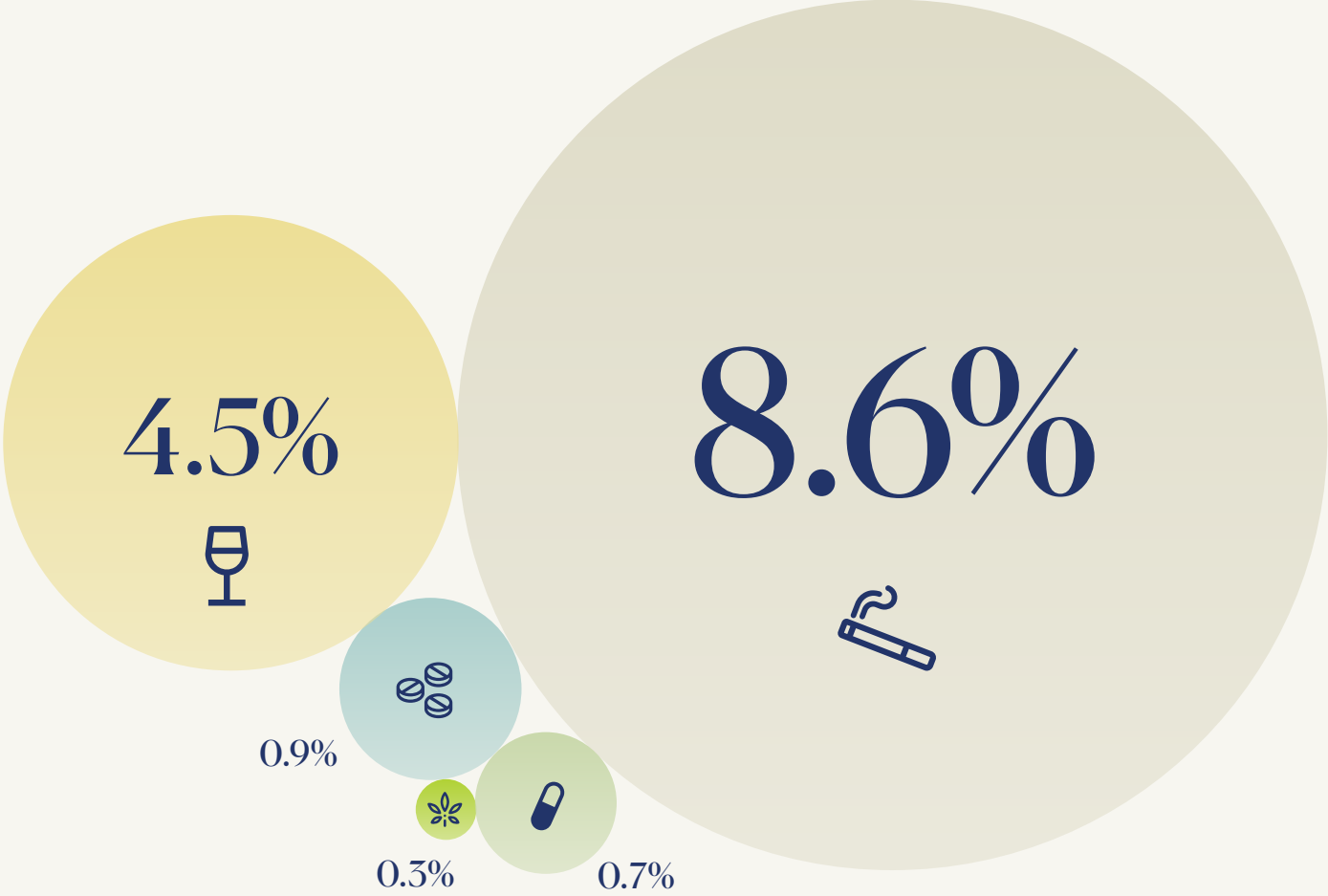
These flaws have led a number of countries towards legalisation. In jurisdictions where supply has been legalised, evidence suggests that there has not been a significant increase in cannabis use or cannabis-related harms, although definitive evidence on the impact of reform is yet to emerge.<sup>49</sup>

Medicinal cannabis schemes offer another regulated path. Giving people access to cannabis via prescription and under professional care replaces the harmful and uncontrolled black market with safe supply of a quality product.

Whatever its shape, an alternative approach to the policy of prohibition seems inevitable.

# Burden of Disease Relating to Cannabis Use

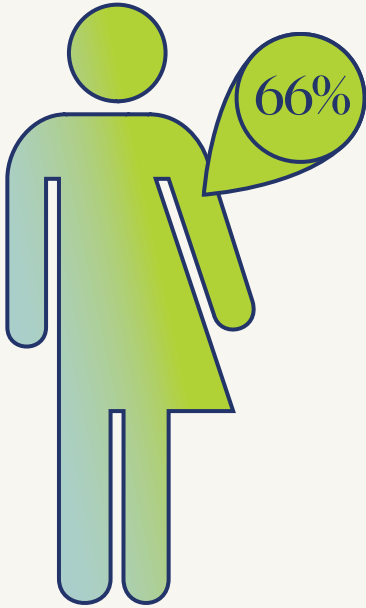
PROPORTION OF ANNUAL BURDEN OF  
DISEASE AND INJURY IN 2018



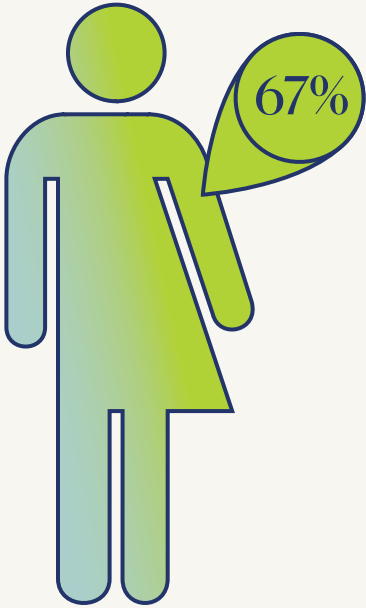
# Perceptions of Legalisation

THE PROPORTION OF PEOPLE WHO AGREE THAT THE POSSESSION OF CANNABIS FOR PERSONAL USE SHOULD NOT BE A CRIMINAL OFFENCE

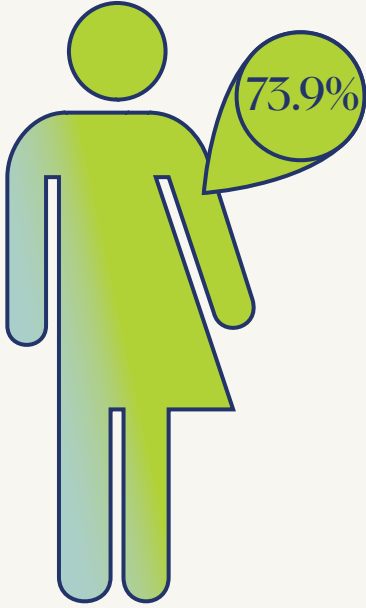
- POSSESSION SHOULD NOT BE A CRIME
- POSSESSION SHOULD BE A CRIME



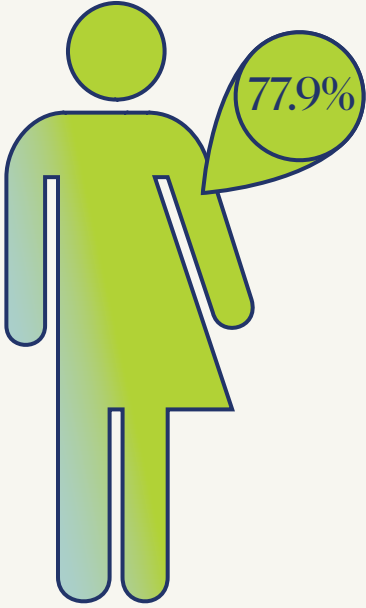
2010



2013



2016



2019

# What do we know about hemp in Australia?

## Regulating hemp in Australia

Hemp is grown across Australia in an expanding domestic industry led by Tasmanian producers.<sup>50</sup>

Despite this expansion, Australian production continues to lag significantly behind other countries.<sup>51</sup>

## Perceptions of hemp

Hemp can be used in many different products, from food to building materials and fibre. The seeds are edible and nutritious, with high levels of omega-3 and omega-6 fatty acids and protein.<sup>52</sup>

Hemp, however, is largely unknown in Australia. People generally understand little about what it is or how it can be used, with some assuming it's psychoactive or addictive. But with less than 1% THC, hemp can't be used to 'get high'.<sup>53</sup>

A 2020 national survey found that only 41% of people are aware that hemp is grown in Australia for food and beverage production. More than half of those surveyed were unsure about the THC levels in hemp food products, while only a third knew that CBD levels were too low to have any therapeutic benefits.<sup>54</sup>

Extensive community education is clearly needed to demystify hemp and its potential.

## The impact of federal drug laws

Australia's hemp industry is strictly controlled. For example, despite extremely low levels of THC in all parts of the hemp plant, federal drug laws mean hemp flowers and leaves must be destroyed unless the grower is licensed to manufacture medicinal cannabis.

This stifling regulatory *status quo* excludes Australian producers from a lucrative global market such as in the United States, where sales of CBD products were worth \$4.6 billion (US) in 2020.<sup>55</sup>

If hemp-derived CBD were removed from the definition of 'drug', many of the unintended obstacles to growing and manufacturing hemp products would be resolved. If farmers were allowed to use or sell the flowering buds and leaves of the plant, under an industrial hemp license, this would not only support the growth of the Australian hemp industry but may also improve access to CBD-only products for Australian consumers.

# Key Findings

1.	An open and rational conversation about the regulation, impact and uses of cannabis in its many forms should be a national priority.
2.	Many doctors are wary of medicinal cannabis because of the lack of evidence of its efficacy, lack of confidence in their own knowledge, and perceptions that the approval processes is too complex.
3.	Many pharmacists are unsure about medicinal cannabis and the advice to provide when dispensing a prescription.
4.	The cost of medicinal cannabis remains prohibitively high. Many people who might benefit from medicinal cannabis don't know how to seek help.
5.	Medicinal cannabis is treated differently to other medicines. The fear of testing positive to THC while driving, regardless of actual impairment – unlike for other medications – deters many people from choosing medicinal cannabis medicines.
6.	There is poor public understanding of our nation's most widely used illegal drug and the key differences between medicinal and illicit cannabis. The old stepping-stone theory 'from cannabis to hard drugs' is a fear campaign; there is no direct evidence that people who use cannabis go on to use more dangerous types of drugs.
7.	Despite diversion programs for personal possession and use of cannabis, many people are still arrested.
8.	Cannabis accounts for around half of all drug-related arrests. In 2019-20 more than 90% of these were people caught with cannabis for their own use, rather than people selling it.
9.	Using illicit cannabis brings some risk, particularly for those who use it more frequently, start using at a young age or are predisposed to some illnesses.
10.	Decriminalisation is an important step toward improving public health and safety by reducing the harms of justice system involvement. However, its value in improving community safety is limited as it leaves the supply of cannabis in the hands of criminals.
11.	Australians are increasingly rejecting prohibition; global reforms show that there are other ways to manage cannabis.
12.	Widespread public education is needed to reduce misconceptions around hemp products in order to realise this industry's huge potential.
13.	Despite containing minimal levels of THC, cultivation and sale of hemp are so tightly controlled that the hemp industry is unable to thrive.

- <sup>1</sup> See: <https://www.odc.gov.au/hemp-products>.
- <sup>2</sup> See: <https://www.sydney.edu.au/lambert/medicinal-cannabis/history-of-cannabis.html>
- <sup>3</sup> For an overview of industrial hemp in Australia, see AgriFutures Australia: <https://www.agrifutures.com.au/farm-diversity/industrial-hemp/>.
- <sup>4</sup> See: [https://www.druglibrary.org/schaffer/library/studies/aus/can\\_ch3\\_5.htm](https://www.druglibrary.org/schaffer/library/studies/aus/can_ch3_5.htm).
- <sup>5</sup> The ACIC defines 'arrests' as 'recorded law enforcement action against a person for suspected unlawful involvement in illicit drugs. It incorporates enforcement action by way of arrest and charge, summons, diversion program, notice to appear, caution, cannabis expiation notice (South Australia), simple cannabis offence notice (Australian Capital Territory), drug infringement notice (Northern Territory), and cannabis intervention requirement (Western Australia)'. ACIC (2021). *Illicit Drug Data Report 2019-20*. Canberra: ACIC, p. 165.
- <sup>6</sup> ACIC (2016). *Illicit Drug Data Report 2014-15*. Canberra: ACIC, p. 191; ACIC (2021). *Illicit Drug Data Report 2019-20*. Canberra: ACIC, p. 174.
- <sup>7</sup> *Report of the Working Party on the Use of Cannabis for Medical Purposes (2000)*.
- <sup>8</sup> The review, led by Dr Ian Freckleton QC, pointed out that the Commonwealth would need to legislate to allow the states to legalise medicinal cannabis. See further: [Victorian Law Reform Commission \(2015\). \*Medicinal cannabis: Report\*](#). Melbourne: VLRC.
- <sup>9</sup> As of February 2022, medicinal cannabis is legal in 37 states, three territories and the District of Columbia. See further: [National Conference of State Legislatures \(2022\). \*State medicinal cannabis laws\*](#).
- <sup>10</sup> See: <https://www.foodstandards.gov.au/code/Pages/default.aspx>.
- <sup>11</sup> *Therapeutic Goods (Standard for Medicinal Cannabis) (TGO93) Order 2017*.
- <sup>12</sup> For a list of available products, see: <https://www.tga.gov.au/medicinal-cannabis-products-active-ingredients>.
- <sup>13</sup> The Category A pathway (SAS-A) is for seeking approval to prescribe medicinal cannabis to terminally ill patients and the Category B pathway (SAS-B) is for patients who are not terminally ill. There is also the Category C pathway, for doctors seeking approval to prescribe medicines with an established history of being used for particular conditions. See: <https://www.tga.gov.au/form/special-access-scheme>.
- <sup>14</sup> FreshLeaf Analytics (2021). *Australian Medicinal cannabis Market - Patient, Product and Pricing Analysis*.
- <sup>15</sup> See: <https://www.smh.com.au/business/companies/pot-luck-australia-s-2-billion-cannabis-stock-sector-on-a-high-20210324-p57dkn.html>.
- <sup>16</sup> *Therapeutic Goods Administration Medicinal Cannabis Special Access Scheme Category B data*. See: <https://www.tga.gov.au/medicinal-cannabis-special-access-scheme-category-b-data>.
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