

The Case for Parity in Alcohol and Cannabis Beverage Marketing, Promotion, and Distribution in Canada

Alcohol is costly:

- **\$14.5 billion** in annual costs to Canadian economy in health care, criminal justice, and lost productivity (vs. \$1 billion for cannabis)
- **39%** (14.7 billion) of the \$38 billion abuse burden to Canadians

Alcohol is harmful:

- Leading risk factor for disease burden worldwide
- 7th leading cause of death and disability in Canada in 2016
- As a known carcinogen, alcohol has been directly linked to chronic health conditions, including cancer, diabetes, and liver disease, among others
- 20% of all violent crime committed in Canada is related to alcohol use

Legal cannabis-infused beverages as a solution:

- October 2018: Canada enacted The Cannabis Act, allowing the legalization of recreational use of cannabis in bud and flower format.
- October 2019: Estimated timing for the legalization of cannabis edibles
- As an alternative to alcohol, cannabis-infused beverages can play an important role in Canada's harm reduction and health protection strategies

Recommendations:

- **Access:** Cannabis-infused, adult format beverages should be granted selling rights in all locations where alcohol is legally allowed to be sold in Canada.
- **Convenience and safety:** Familiar formats, such as wine and beer, allow Canadian consumers to buy regulated products in the same locations for consistency while controlling access to minors

Rationale

- **Recent research:** A recent study found the safest level of drinking alcohol is none. In U.S. states where cannabis is legal, alcohol consumption rates declined by up to 22%
- **Safety:** Overconsuming cannabis is physiologically impossible
- **Similar effects:** Cannabis-infused beverages offer a social lubricant with similar onset and duration, but with far fewer negative health and societal impacts
- **Consumer appeal:** Unlike alcohol, cannabis offers medicinal, therapeutic, and social benefits
- **Consumer demand:** Deloitte found **58%** of likely consumers plan to purchase and use edibles
- **Aligns with federal policy:** Cannabis-infused beverages support the Canadian government's aims of harm reduction, health protection and elimination of the black market

Results

- **\$4 billion** in reduced costs of societal harm from converting from beer with alcohol to cannabis-infused beer alone (plus lost productivity and criminal justice cost savings)
- Of the \$14.1 billion of societal costs created by alcohol, Canada could realize:
 - **\$4.37 billion** in related harm reduction savings
 - **25,700** fewer hospital visits
 - **7%** reduction of all violent crime