

Could the community alcohol licensing trust model be applied to regulate legal cannabis?

KEY POINTS

- We conducted an online survey of people living in West Auckland and Invercargill alcohol licensing trust areas
- There was strong support for non-commercial and community managed approaches to cannabis law reform
- Sixty-two percent chose non-commercial and community managed reform options, 23% preferred commercial models and 15% various forms of prohibition
- Thirty-nine percent supported utilising the community alcohol trust model for legal cannabis
- Cannabis users and younger people were more likely to support a community trust approach to legal cannabis
- The distribution of the profits from cannabis sales back to local communities was the most valued element of the trust model for legal cannabis

Purpose

The Purpose of this research bulletin is to present preliminary findings from a Massey University pilot study of the potential application of the community alcohol trust model to regulate legal cannabis.

Background

The New Zealand government has announced its intention to conduct a national referendum on the personal use of cannabis at the next general election in 2020^[1], signalling the potential for a major change in policy direction. Overseas, concerns have been raised about the profit driven legal cannabis regimes established in the U.S., including declining cannabis prices, increasing use of high-potency products, accidental poisonings from cannabis edibles, use of unregulated pesticides, aggressive marketing of new cannabis products, and cannabis industry influence on regulation-making^[2-5]. Drug policy experts have pointed out there are a range of alternative reform options available, including “not-for-profit” regimes with a focus on returning sales income to the community^[6-8]. However, there is little existing research on alternative approaches, reducing the likelihood they will be seriously considered by policymakers.

Invercargill and West Auckland are among a handful of districts that currently have experience with the retail sale of alcohol via community-owned entities called “licensing trusts”^[9,10]. Under the *Sale and Supply of Alcohol Act*, Licensing Trusts have a near-monopoly right to operate off-license alcohol retail outlets and taverns (pubs) in their districts. Privately-owned alcohol retailers are not allowed to operate in Trust areas and alcohol is not sold from supermarkets. Profits from alcohol sales are distributed by the Trusts to community causes (e.g. sports, arts, health and wellbeing) via a system of grants and donations to community organisations. The Trusts also claim they reduce alcohol availability and contribute to lower alcohol related harm. The alcohol licensing trust model offers an alternative to private ownership of profits from alcohol sales which could potentially be applied to regulate cannabis.

Aims

To investigate preferred policy reform options for cannabis and explore support for applying the licensing trust model to regulate legal cannabis in communities living in alcohol licensing trusts in West Auckland and Invercargill.

Method

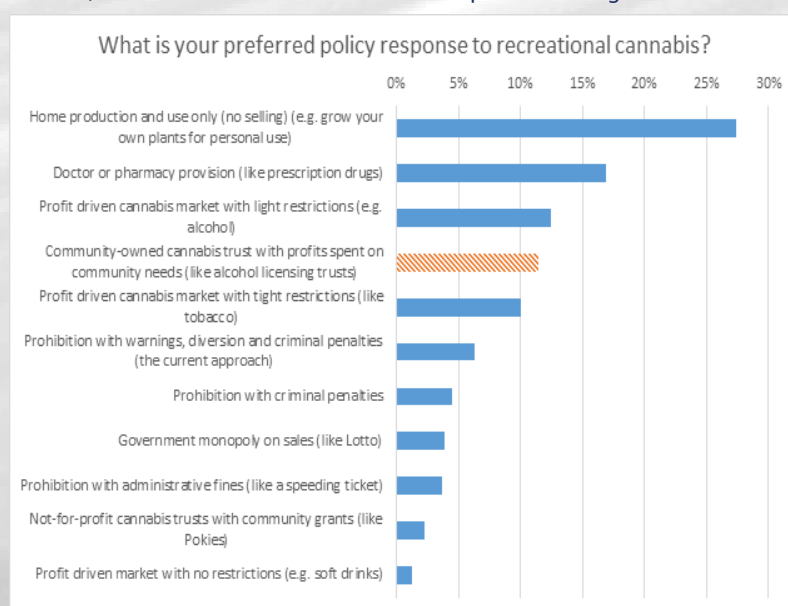
An anonymous online survey was promoted via a targeted

Facebook™ campaign from September to October 2018. Participants living in Invercargill and West Auckland were targeted via the Facebook™ location option. A total of 2,379 people completed the survey. Participants were asked about their support for the utilisation of the alcohol trust model to regulate legal cannabis using a 7-point scale, where 1 meant “no support at all” and 7 “full support” (with 4 = “neither support nor oppose”). Participants were asked about reasons for their support or lack of support for the idea. Participants were also asked about their preferred option for cannabis law reform using a list of 11 different policy reform options (including the existing prohibition regime).

Results

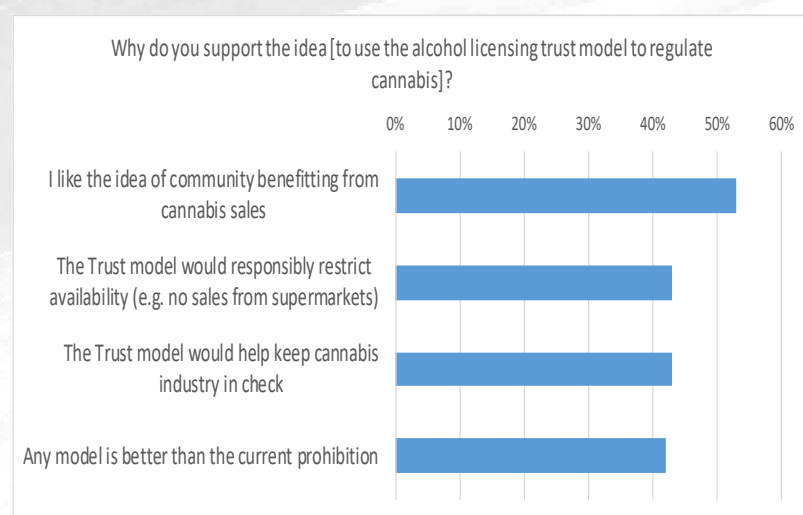
Sixty-five percent of respondents were from West Auckland and 35% from Invercargill, reflecting the larger population in West Auckland (i.e. 280,000 vs 55,000). Fifty-one percent of the sample was female. The average age of respondents was 40 years, ranging from 18 to 83 years. Nineteen percent of the sample were Māori. Seventy-nine percent were employed, 6% were students and 15% were unemployed, retired or on a sickness benefit.

The community trust model for cannabis was the fourth most preferred option for cannabis policy reform (11%), following home-growing (27%), restricted availability via pharmacies or under doctor’s supervision (17%), and a commercial profit-driven market similar to alcohol (12%). Overall, 62% of respondents chose a middle-ground regime as their preferred cannabis law reform regime (combined responses for grow-your-own, not-for-profit and community trusts, government monopoly and restricted sale through pharmacies) compared to 23% who preferred fully commercial profit-driven markets, and 15% who chose various forms of prohibition regimes.

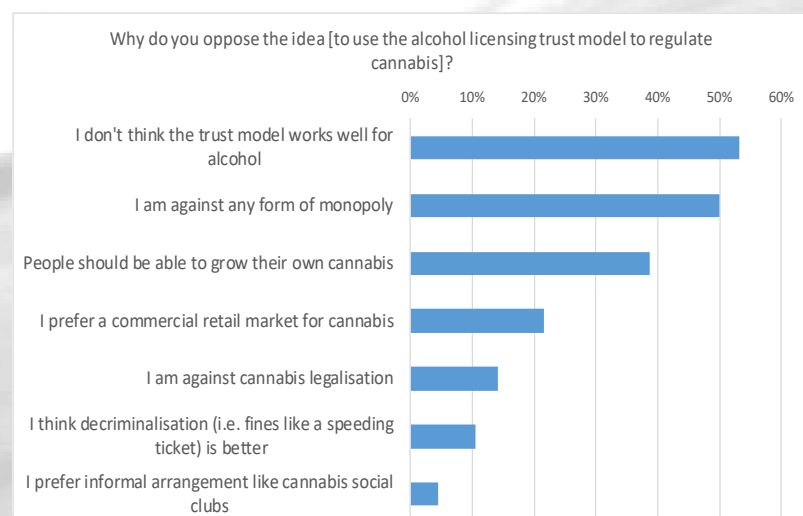


For a separate question specifically asking about the application of the alcohol trust model to legal cannabis, 39% of respondents supported the proposal (i.e. a score of 5 or more on a 7-point scale). Participants who were satisfied with the alcohol licensing trust in their district were much more likely to support the idea of regulating cannabis in a similar way. Younger people and those who had recently used cannabis (i.e. use in the past 6 months) were also more likely to support utilisation of the community trust model to regulate cannabis.

Those who supported the proposal to apply the alcohol trust model to cannabis (n=776) most often explained their support with reference to the social benefits to the local community from trust donations (53%), responsible restrictions on cannabis sales (e.g. no availability in supermarkets) (43%) and the ability to keep the cannabis industry in check (43%). Forty-two percent of those who supported the idea also expressed that any model is better than the current prohibition.



Those who opposed the trust model for cannabis (n=902) most often explained their lack of support by dissatisfaction with their existing alcohol licensing trust (53%) and a wider philosophical opposition to economic monopolies (50%). A range of other preferences for the regulation of cannabis were also used to explain their lack of support for the trust model, including the grow-your-own regime which was by far the most preferred alternative.



Limitations

The survey is not a representative sample of populations living in West Auckland and Invercargill, however the sample does broadly reflect the demographic profile of the New Zealand population.

Conclusions

Our findings indicate significant support for non-commercial and community-managed approaches to regulate cannabis as opposed to commercial markets, with the grow-your-own option by far the most popular. The distribution of the

profits from cannabis sales back to local communities was the most valued element of the trust model for legal cannabis, followed by the increased ability to restrict cannabis sales and availability, and control of the cannabis industry.

Application of the community trust model to legal cannabis should take into account public opposition to monopoly market regimes. These concerns could be addressed by allowing multiple trusts to work in the same district.

Acknowledgements

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