1 June 2016

Members
Justice and Electoral Select Committee
Youth Parliament 2016

Inquiry into the decriminalisation of recreational drugs

The Justice and Electoral Committee has been asked to conduct an inquiry into: “Should we decriminalise recreational drugs?” on 19 July 2016. This paper has been prepared to assist the Committee with its examination. Issues are identified and possible lines of inquiry are provided for the Committee to consider. The Committee may also wish to raise these matters with the witnesses who have been asked to appear before the Committee to give evidence on this inquiry.

Introduction

A full discussion of different drugs and varied approaches to drug policy is outside the scope of this paper. Therefore this paper will focus on recreational drugs only (substances such as cannabis, ecstasy, amphetamines, cocaine, opiates and injected drugs), excluding alcohol and tobacco. This paper will also briefly examine options to decriminalise recreational drugs.

Context

New Zealand has high levels of illicit substance use compared to many other jurisdictions outside of Oceania.1 A recent survey found about one in two New Zealand adults aged 16–64 years has used a prohibited drug for recreational purposes at some time in their life (49 percent).2 A typical New Zealander’s experimentation with drugs begins at a young age - the most common age to first use drugs is 15-17 years old. One in five people had first used drugs when they were aged 14 or younger.

Substance abuse is harmful, and has been linked with poor health, education, and social outcomes. Substance abuse can result in addiction, inhibit educational attainment, limit employment opportunities, and affect personal relationships.

Drug use is also often linked to crime, resulting in exposure to the criminal justice system. Two-thirds of New Zealand prisoners have substance abuse problems and more than 50 percent of crime is committed by people under the influence of drugs and alcohol.3

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Māori suffer disproportionate harm from the use of drugs, especially alcohol and cannabis. Along with Pacific people and young people, Māori have been identified as being at greater risk of drug-related harms than other New Zealanders.\(^4\)

Drug use is currently illegal in New Zealand. For almost a century, there have been stringent and legally enforceable restrictions around the use of illicit substances. However, this has had limited effect on changing attitudes towards drugs, where drug use (both for medical purposes and recreational use) forms an entrenched part of life for many New Zealanders.\(^5\)

There are many ways to impact on the problem of drug use in society, with policy and legislation being only one method.

**Defining the issue**

**Definitions**

The term “decriminalise" is often confused with “legalise”. These are two very different concepts. To decriminalise something does not make it legal; it merely means it is no longer criminal. To legalise something means that it is completely lawful, and not capable of attracting criminal or civil punishment.

Therefore, if drugs were decriminalised this would mean that civil penalties (such as fines) could still be handed down, but an offender could not be imprisoned for a drug related offence.

The following table lists some key definitions which are useful for understanding the context of this paper.\(^6\)

| Drug | A medicinal substance  
| Recreational drug | A drug taken for pleasure rather than  
  |  | for medical reasons, or  
  |  | because of an addiction  
| Decriminalise | Cease to treat as criminal. To reclassify (an activity) so that it is no longer considered criminal in law  
| Legalise | Make lawful; bring into harmony with the law  
| Lawful | Conforming with, permitted by, or recognised by, law not illegal or illegitimate  
| Illegal | Not legal or lawful; contrary to, or forbidden by, law  

**How drugs are defined in legislation**

The main legislation governing recreational drugs in New Zealand is the Misuse of Drugs Act 1975 (the Act). Drugs under this Act are defined as Class A, B or C, dependant on “the risk of harm the drug poses to individuals, or society, by its misuse”.\(^7\) For example, methamphetamine falls under the Class A category – therefore it has a very high risk of harm, and Cannabis falls under the Class C category – meaning it poses a moderate risk of harm.

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\(^6\) All definitions from [www.oed.com](http://www.oed.com)

\(^7\) Misuse of Drugs Act 1975, at section 3A.
The Expert Advisory Committee on Drugs was established by the Act and is responsible for making recommendations to the Minister of Health on what Class substances should be classified as. The committee is made up of experts in: pharmacology; toxicology; drug and alcohol treatment; psychology; community medicine; as well as one representative each from the Ministry of Justice and New Zealand Police.

National Drug Policy

The National Drug Policy 2015-2020 (the Policy) frames the Government’s approach to minimise harm from alcohol and drug (AOD) use for the next five years. The Policy is a cross-agency strategy, and is the guiding document for policies and practices responding to alcohol and other drug issues. It is based on the understanding that New Zealand has high rates of alcohol and other drug use.

The Policy recognises the multi-faceted harm that stems from AOD abuse, and therefore seeks to engage a range of agencies to help respond to AOD issues. It aims to guide decision-making by Government bodies, local services, communities and NGOs, to improve collaboration and maximise the effectiveness of the system as a whole.

The shared goal of the Policy is to minimise AOD-related harm and promote health and wellbeing for all New Zealanders. The Policy therefore views drug use firstly as a health and a social issue, and then proposes health-based responses. This is entirely different to a punitive approach to drug use, which would have a focus on criminal punishment rather than health.

There are three complementary strategies which will measure whether the objectives of the Policy are being achieved. They are:

- supply control: aims to prevent or reduce the availability of AOD
- demand reduction: aims to reduce the desire to use AOD
- problem limitation: aims to reduce harm that is already occurring to those who use or are affected by AOD use.

The National Drug Policy is important as it provides agencies with a coordinated approach to AOD issues in New Zealand. It is due to be refreshed in 2017.

Options for drug regulation

New Zealand’s current regulatory system – prohibition

When it comes to drug use, New Zealand has traditionally taken the approach of total prohibition. Under the Misuse of Drugs Act, section 7 makes it an offence to possess or use controlled drugs. This means that drugs are illegal in New Zealand. (The exception to this is medicinal cannabis, which can only be used after first obtaining the approval of the Minister of Health). Penalties available under the Act for possession reflect the relative harm of the different classes of drug, and include:

- imprisonment of three to six months;
- fines of $500 to $1000; or
- a combination of both imprisonment and a fine.

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9 This process is regulated by the Misuse of Drugs Regulations 1977, regulation 22.
10 Misuse of Drugs Act 1975, section 7.
Dealing, importing, exporting or manufacturing drugs have significantly higher penalties under the Act – eight years to life imprisonment.

New Zealand has also acceded to, or ratified three international drug conventions. Generally these conventions have the purpose of restricting the possession, movement and manufacture of illicit substances. The international conventions are:

- United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances 1988 (ratified)
- Single Convention on Narcotic Drugs 1961 (ratified)
- Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs 1931 (acceded).

Our current drug laws are reflective of these conventions which require signatory countries to maintain a system of prohibition.

**Option 1 – Prohibition with diversion or cautioning**

This option would still retain the illegal and criminal status of all drugs, but a softer approach to punishment would be used.

Offenders caught possessing small amounts of drugs could be cautioned by Police, or offered diversion from the criminal process. Offenders could be referred to health agencies such as drug treatment clinics or an education session on the effects of drugs. This approach has been employed in Brazil where Brazilian legislation removed the possibility of a jail penalty for possession of drugs, and issues addiction treatment or community service sentences instead.\(^\text{11}\)

Under this approach, if an offender were manufacturing, supplying, importing or exporting illegal drugs then imprisonment would still be the appropriate response.

**Option 2 – Prohibition with civil penalties**

This option would also retain the criminal status of drugs, but would instead use fines or administrative sanctions as punishment.

Again, this approach could only be applied to possession of a small quantity of drugs, where an offender would be issued a fine or have their driver’s licence taken away temporarily. This approach has been used in the Czech Republic, where an offender will receive a warning or a fine if caught with a small amount of any drug. It is intended that possession of a small amount of a drug is usually only for personal use and not for supply. Criminal offences and jail terms of up to five years still apply in the Czech Republic for larger possession offences.

Manufacturing, supplying, importing or exporting illegal drugs would still attract criminal penalties under this option.

**Option 3 - Total decriminalisation**

Full decriminalisation of drugs removes any drug offences from the criminal law’s control. This means that drugs are not legal and penalties still apply, but without a criminal law focus.

Portugal is quite revolutionary for having decriminalised the personal possession, acquisition and use of all drugs. The Portuguese have opted to treat drug use as a health and addiction

issue, rather than a criminal issue. Offenders caught with any drug are now referred by Police to Commissions for the Dissuasion of Drug Addiction. These Commissions have a primary aim of supporting drug users in getting treatment, but they can also impose penalties such as fines, community service, or place bans on the person attending certain places.\textsuperscript{12} However, the manufacture, importation and sale of drugs in Portugal is still illegal.

The system in Portugal has seen no rise in overall drug use, but instead a reduction in problematic drug use, youth drug use and the financial burden on the criminal justice system.\textsuperscript{13}

However, critics have argued that the decriminalization in Portugal has led to a perception of acceptability of illicit drug use and caused an increase in illicit drug use.\textsuperscript{14}

\textit{Option 4 – Licensing}

One option which is closer to legalisation is licensing, where drugs are technically legal, but are heavily regulated – similar to alcohol and tobacco. This means there are still criminal penalties applied when the regulations are breached, for example supplying a minor.

The Government would need to develop regulations to control where and to whom recreational drugs are sold, as well as regulations to control potency and to limit risks. There would need to be regulations around what age a person can use recreational drugs, who can supply others recreational drugs, or whether all drugs can be used in public or only used in private residences.

Further, if the sale of recreational drugs is brought into the legal domain, then such sales can be taxed by the Government creating a source of government revenue.

As with developing the new civil regime in Portugal, this option would require a lot of work in terms of developing researched policy, legislation and regulation, which could take a number of years to get right.

\textit{Option 5 – Legalisation}

This approach would make the possession, use, manufacturing, import, export and supply of drugs fully legal - with minimal restrictions placed on drugs by the Government. There would essentially be no penalties imposed for any drug-related activity.

Offenders sentenced to prison time for drug offences made up 12.6 percent of the total prison population in 2014.\textsuperscript{15} In theory this approach would reduce the burden on the criminal law system – including Police resources, reduction in court time and costs, or a reduction in the number of people incarcerated for drug offences.

However, full legalisation of all recreational drugs could lead to an increase in consumption. And since more than 50 percent of crime is committed by people under the influence of drugs and alcohol, an increase in drug use could lead to an increase in crime overall.

\textsuperscript{12} Cannabis Policy: Moving beyond Stalemate, Robin Room et al, 2010, page 89.
\textsuperscript{14} “What can we learn from the Portugese decriminalisation of illicit drugs?”, Caitlin Elizabeth Hughes and Alex Stevens, British Journal of Criminology, Vol. 50 (2010) page 1005.
\textsuperscript{15} Department of Corrections data available at: www.corrections.govt.nz/resources/research_and_statistics/quarterly_prison_statistics/CP_December_2014
International case study: Cannabis policy in Australia

Australia is one of New Zealand’s closest neighbouring countries. It is a country with a similar history to ours, similar societal values and similar attitudes toward drug enforcement.

Australia also has similar trends of drug use with New Zealand. A national 2012 survey found that 38 percent of Australians aged 14 years or older had used an illicit drug in their lifetime, comparable to 49 percent in New Zealand.16 As with Māori, Indigenous Australians suffer more harm from drugs, for example cannabis is twice as common in Indigenous Australian communities.17

While all of the states and territories of Australia are self-governing and have separate jurisdictions, they also operate a similar legal system to New Zealand. Interestingly, cannabis accounted for 71 percent of illicit drug arrests in 2004–2005.18 Most cannabis charges are usually for minor offending. Therefore reforming cannabis policy in Australia would have a large impact on drug enforcement.

As Australia is similar to New Zealand, both in terms of societal values and the type of legal system in place, there is an opportunity to learn from the way that Australia has treated drugs in their legal system.

When it comes to the regulation of drugs, Australia has a comparable history of total prohibition. Currently, cannabis is illegal in all states and territories of Australia; however in recent years separate policies have been implemented that subvert the notion of total prohibition. There has been an increasing shift towards treating cannabis use as a health issue rather than a criminal issue. The case study below seeks to understand some of the approaches to cannabis regulation that have been taken in different Australian states and territories.

Prohibition with cautioning schemes

Four of Australia’s eight states and territories (New South Wales, Victoria, Queensland, and Tasmania) apply a ‘prohibition with cautioning’ scheme for minor cannabis offending (Room et al, 2010). This means that offenders who are caught with a small amount of cannabis (15-50 grams) or with any smoking equipment in their possession agree to complete an intervention that is stipulated by the caution. The scheme is not triggered if the offending concerns cultivation, supply, importation or exportation of cannabis.

However, the cautioning scheme can only be applied if the offender admits to the offence and depending on the jurisdiction, the offender must agree to either:

- attend an education session on cannabis, or
- complete an assessment session concerning drug use problems, or
- undertake a drug treatment programme.

Prosecution for the offending still occurs but is suspended for a period, usually 2-4 weeks, to allow the person to complete the intervention specified. Failure to complete the intervention results in the offender being charged with the original offence.

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18 Ibid, page ix
Depending on the jurisdiction, cautions may be applied to the first, second or third cannabis offences, but criminal sanctions will apply for subsequent offending. Violent offenders are also usually barred from accessing the scheme.

**Prohibition with civil penalty schemes**

Prohibition with civil penalty schemes operate in four jurisdictions in Australia – South Australia (since 1987), the Australian Capital Territory (1992), the Northern Territory (1996) and Western Australia (2004) (Room et al, 2010). As with cautioning schemes, civil penalty schemes apply only to minor possession of cannabis (30-100 grams). However, civil penalty schemes in some of these jurisdictions can also apply to small-scale cultivation (ranging from 3 plants to 1 non-hydroponic plant).

Offenders who fit the category of minor cannabis offending are issued with a Cannabis Infringement Notice (CIN). Note the CIN is sometimes referred to as a Cannabis Expiation Notice (CEN). The CIN specifies that the offender either:

- receives a fine ($50-$200), or
- must attend a Cannabis Education Session, or
- can elect to have the matter heard and determined by a court.

Prosecution for the offence will occur if the offender does not pay the fine on time (60 days to pay).

Typically these schemes cannot be employed by repeat offenders, but application of the scheme differs across jurisdictions. For example, in South Australia the Police are required to issue a CIN to all eligible offenders. Conversely, in Western Australia, the Police have the discretion to issue a notice or a criminal charge, depending on the seriousness of the offending (eg. being charged with supply).

**Are these schemes considered to be successful?**

Reviews have varied in terms of how the schemes have impacted on cannabis offending. For example, early studies of the prohibition with civil penalty scheme in Southern Australia found that there was no increase in cannabis use in the region, which was attributable to the introduction of the CEN scheme. However, another comparative study between South Australia and Western Australia found that in Western Australia “cannabis users reported that an expiation notice or conviction had little or no impact upon subsequent cannabis or other drug use”. This indicates that in practical terms, there has been variation in how successful the alternative schemes have been in reducing cannabis related offending.

In terms of effects on justice resources, there has been strong support by law enforcement and criminal justice personnel for the CEN scheme, and little support for a return to the former approach in South Australia. It is also widely held that “infringement notice systems, formal cautioning schemes and other diversionary approaches...tend to provide a less expensive response to low-level offending, with greater opportunities for diversion into treatment where that is required.” This indicates that overall the cost of applying the alternative schemes is less than if cannabis related offending was treated as a purely

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criminal matter. Alongside this sits the social benefit of providing opportunities to educate offenders about their drug habits, rather than providing only a punitive response.

CIN schemes appear to be well regarded by the general public. In a household survey in Western Australia in 2005, it was found that 79 percent of the sample thought the civil penalty scheme was a ‘good idea’.\(^2^3\) The same survey also found that 77 percent of the public indicated high levels of support for the use of education rather than criminal sanctions to reduce the use of cannabis in the community.\(^2^4\) This lends support to the idea that prohibition with cautioning or civil penalty schemes are favoured by the public, rather than viewing cannabis offending as a criminal justice issue.

From a New Zealand perspective, the Law Commission has indicated that an ideal approach to regulating personal possession and use of drugs would be one that is “in line with the approach taken in all Australian states and territories” – meaning a system that “provides greater opportunities in the criminal justice system to divert drug users into drug education, assessment and treatment.”\(^2^5\) This illustrates a preference for drug policy to be considered from a health and wellbeing focus, rather than a solely criminal justice issue. This approach also aligns with the aims of the National Drug Policy in New Zealand.

**Past papers considered by Youth Parliament**

Previous Youth Parliaments have considered issues around restricting alcohol and drug use before. The following are summaries of past Youth Parliament inquiries, background papers and mock bills, the outcomes of which could be helpful in deciding whether to decriminalise recreational drugs today.

*Inquiry into whether young people are taking enough responsibility for reducing and preventing substance abuse or whether this should be the Government’s role (2013)*

This background paper was written for the Health Committee in 2013. The paper notes that substances are typically used by young people out of curiosity, peer pressure, to get intoxicated or alleviate depressive moods. This in turn often results in poor health, wellbeing and psychological outcomes, and can lead to risky behaviour such as offending.

It firstly identifies recent research which indicates that substance abuse by young people is reducing. The paper also canvases existing Government-led legislation and policy initiatives. These aim to regulate substance use and reduce harm caused by substance abuse, such as the Alcohol Reform legislation and the National Drug Policy.

The paper goes on to identify cross-sector approaches to preventing and reducing substance abuse such as (the then) Social Sector Trials and Drivers of Crime. It also notes that there is capacity for school based and social approaches to be employed to reduce substance abuse by young people.

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Inquiry into how to support young people to be safe with alcohol (alcohol has a massive impact for young people) (2010)

This was a question put to the Social Services Select Committee for Youth Parliament in 2010. The Select Committee report noted that New Zealand has a worrying culture of binge drinking. Young people are introduced to alcohol at an early age and consumption increases steadily.

It was suggested that this could be addressed by increasing taxation on alcohol and restricting where alcohol can be purchased. Further measures discussed also included the introduction of a zero blood alcohol limit for young people under the age of 20, and lowering the blood alcohol limit for people over the age of 20.

This report illustrates that Government regulation is one way to respond to the social and criminal harms, and health effects caused by substances such as alcohol.

Should Party Pills (BZP) be illegal? (2007)

This paper was written in 2007 and briefly discusses the process to make party pills containing BZP illegal in New Zealand. This was largely achieved by reclassifying BZP to a Class C1 drug under the Misuse of Drugs Amendment Act 2005. Marijuana is also a Class C1 drug.

The main arguments for reclassification were based on health and safety issues. It was noted that consumption of BZP can have some toxic risks and has some negative effects such as palpitations or seizures.

It was also noted that allowing BZP to remain legal could contribute to establishing a legal market for psychoactive drugs in New Zealand. Comparisons were also drawn with how BZP is treated in domestic law in jurisdictions such as Canada, USA, Australia and Sweden.

Mock Bill – Cannabis (Partial Decriminalisation of Marijuana for Personal Use) Bill 2000

The 2000 Youth Parliament debated the pros and cons of decriminalising marijuana for personal use. The topic was chosen following feedback given by Youth MPs.

This was seen as a chance for the Government to gain understanding on young people’s views on changing the law around recreational drugs. This topic was interesting as debate on decriminalisation of marijuana often focuses on the perceived impact that law change would have on young New Zealanders.

The Partial Decriminalisation of Marijuana for Personal Use Bill did not seek to legalise possession, use or supply of Class C marijuana. The Bill set out a new process to provide softer penalties for those caught with the possession of small amounts of marijuana for personal and private use.

The debate in the House was robust, with speeches given in promotion of the Bill and arguments against passing this legislation. The Youth MPs had mixed views regarding the treatment of cannabis in New Zealand law. Many were interested in debating that idea that young people would have less chance of having a criminal record if the Bill was passed. One Youth MP noted: “We must vote for decriminalisation to show all New Zealand that the young people of this country are ready to engage in serious debate on the role of marijuana in our society.”

26 Courtenay Mackie, Cannabis (Partial Decriminalisation for Personal Use) Bill second reading, 29 August 2000.
The health issues surrounding cannabis were often raised, as was a lack of education on the effects of drug use. Many Youth MPs noted that cannabis featured often in a typical New Zealand adolescence. One Youth MP noted:

“New Zealand has a cannabis problem. There is a large demand for the production of cannabis within our society…Changing the punishment for possession of small amounts for personal use will have absolutely no effect on the wider problem.”

The Bill was defeated in the second reading, with 47 ayes and 69 noes.

**Report to the House**

The Committee is required to report its findings on this inquiry to the House. The purpose of your report is first to inform the House and stimulate debate. In doing so your report should reflect both the oral and written evidence the Committee received, the issues the Committee considered in-depth, and the views of the members. From these the Committee should develop conclusions and recommendations to the Government.

Hanna Shaw  
Ministry of Justice  
Report Writer  
Youth Parliament 2016

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27 Tabitha Pasco, Cannabis (Partial Decriminalisation for Personal Use) Bill second reading, 29 August 2000.
Members may wish to ask:

1. What can we learn from different approaches taken to drug policies in international jurisdictions?
   a. Would any of those approaches work in New Zealand?
   b. Can we learn anything from Australia in particular?

2. If we decriminalise recreational drugs, who in the New Zealand population will that affect most?

3. How would decriminalisation of recreational drugs impact young people specifically?

4. If we decriminalise recreational drugs, would we want to have health remedies available? If so, what kinds (rehabilitation centres, addiction services, etc)?

5. What sorts of civil penalties would we want to have in place if recreational drugs were decriminalised? Fines? Mandatory orders to attend rehabilitation services? Something similar to community service? Education sessions?

6. Would we want to decriminalise all recreational drugs, or only those defined as Class C drugs in the Misuse of Drugs Act 1975 (such as cannabis)?
   a. If certain drugs are decriminalised, does this pave the way for other drugs to also be decriminalised?
   b. Could this eventually lead to legalisation of all drugs?

7. What effect will decriminalisation of drugs have on Police resources? Will decriminalisation free up Police resources, or add to their workload?
References


NOT GOVERNMENT POLICY: IN CONFIDENCE

Further reading

www.corrections.govt.nz – search ‘alcohol and drug abuse’


www.lawcom.govt.nz – search ‘drugs’


www.ndp.govt.nz – National Drug Policy Committees website

www.police.govt.nz - search ‘drugs and alcohol’

www.unodc.org

www.drugfoundation.org.nz

www.drugfreeworld.org

www.drughelp.org.nz

www.globalcommissionondrugs.org

www.legalise.org.nz

www.undrugcontrol.info

www.ndarc.med.unsw.edu.au – search ‘legalise’

www.drugwise.org.uk – search ‘legalise’

www.druginfo.org.adf.au

www.aihw.gov.au

As well as considering this background paper, Youth MPs are welcome to undertake their own research on their committee topic (or on the Bill or any other aspect of Youth Parliament 2016). The Parliamentary Library has agreed to accept one question per Youth MP which they will endeavour to answer to inform your work. If you have not already done so, please contact jill.taylor@parliament.govt.nz to take advantage of this opportunity.