

**EMBARGOED – 7PM – Wednesday 28 November 2024**

## **With the medicinal cannabis industry booming, Penington Institute urges governments to review their policy options**

THE pressing need for governments to more effectively regulate cannabis in Australia is a pivotal theme that emerges from Penington Institute's authoritative annual report, released today.

The third in the *Cannabis in Australia* series, the 2024 report outlines the persistently high demand for both medicinal and non-prescribed cannabis in this country and emphasises the evolving public attitude towards its availability and consumption.

The report documents the significant upsurge in the Australian medicinal cannabis market over the past two years, with Australians expected to spend a billion dollars on prescribed medicinal cannabis in 2024.

It also charts an increase in the number of Australians who say they have consumed cannabis during their lifetime and reveals that more than 80 per cent of participants in a 2024 survey stated their belief that the possession of cannabis for personal use should not be a criminal offence.

Penington Institute CEO John Ryan said community health and safety must be the paramount consideration in policy approaches to cannabis and these would be best served by the co-existence of robust regulatory frameworks for both medicinal and adult-use cannabis.

“Australia's policy approach to cannabis is well past its expiry date. The costs of our stubborn commitment to ineffective strategies are visible across every aspect of cannabis policy,” Mr Ryan said.

“The current criminalised model when it comes to personal use by Australian adults means that we leave ‘quality control’ for the production and distribution of cannabis largely to criminal gangs, whilst punishing people who use cannabis with criminal sanctions.”

“A regulated adult-use market would also provide opportunities to offer support, health guidance and advice to consumers.”

Figures in the Penington Institute report show that the medicinal market is booming, with Australians spending approximately \$402 million on medicinal cannabis in first six months of 2024, which is only marginally less than the estimated \$448 million they spent over the entirety of 2023 and a dramatic rise from the 2022 figure of \$235 million.

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Mr Ryan said that while there were legitimate concerns about the conduct and sales methods of a small number of medicinal cannabis companies, most operators in the space conducted themselves ethically and professionally.

“It is important that we have stringent regulations, so that anyone who breaches those standards is held accountable for their actions,” Mr Ryan said. “Patient health and safety must always be front-of-mind.

“As it stands the medicinal cannabis industry is thriving – what is crucial is to ensure that it is focused on catering first and foremost for patients, rather than revenue growth. Regulating access to cannabis for all adults would let people who simply want lawful access to cannabis to do so and enable the medicinal cannabis framework to focus on treating patients.”

Penington Institute is working on detailed modelling for how a regulated market for adult use might work in Victoria and is about to launch a public campaign on the issue.

Other noteworthy data takeaways from the *Cannabis in Australia 2024* report are:

### **PERSONAL USE CANNABIS**

- The number of Australians aged 18 and over who have used cannabis at least once in their life was up from 38.1 per cent in 2019 to 42.3 per cent in 2022-23. Those figures were at almost 50 per cent in WA and NT."
- A May 2024 economic analysis estimated the size of Australia's illegal cannabis market at about \$5 billion a year, with a substantial share of the revenue accruing to serious organised crime networks.
- An estimated \$2.1 billion per year is spent on cannabis law enforcement. Cannabis accounted for nearly half (47.1 percent) of the 140,624 drug-related arrests across Australia in 2020-21, with 90 percent of arrests affecting cannabis consumers, rather than suppliers.
- New analysis suggests that the amount of cannabis seized in domestic and border law-enforcement operations in Australia amounts to only about 2.6 per cent of the hundreds of tons of cannabis that Australians consume each year.

### **MEDICINAL CANNABIS**

- In 2022-23 at least 700,000 Australians who were surveyed said they had used cannabis for medicinal purposes in the previous 12 months, of whom 200,000 obtained their cannabis via prescription.

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- In the first six months of 2024 more than 2.87 million medicinal cannabis products were sold in Australia, up considerably from the 1.68 million sold in the second half of 2023.
  - In 2023 Australians largely accessed imported cannabis compared to locally produced products. The overwhelming majority of these imports were from Canada.
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**Penington Institute CEO John Ryan is available for comment.**

To arrange an interview, contact Senior Media Advisor Warwick Green on 0439 647 144 or email [w.green@penington.org.au](mailto:w.green@penington.org.au)

*Penington Institute is an independent, evidence-based not-for-profit organisation that supports cost-effective approaches to maximising community health and safety in relation to drugs, including pharmaceuticals and alcohol. For more information go to [www.penington.org.au](http://www.penington.org.au).*

*John Ryan is a leader in public health and safety and the inaugural CEO of Penington Institute. John actively works to promote sensible and harm-minimising approaches to drug use in the community and provides expert advice, including to governments.*