Clearing the Haze
The Impacts of Marijuana in the Workplace

HRPA
Human Resources Professionals Association
# Table of Contents

## 01 Introduction
- 04 Expected Increase
- 04 Impact on the Workplace
- 05 Included Research
- 06 Recommendations

## 02 Safety in the Workplace
- 08 The Challenge
- 08 How Will We Know They’re Impaired?
- 09 Zero Tolerance
- 10 Per Se Limit
- 10 What Should Be Done

## 03 Employers Duty to Accommodate
- 13 The Challenge
- 15 What Should Be Done

## 04 Drug Plans
- 16 The Challenge
- 16 What Should Be Done

## 05 Drug Testing
- 18 The Challenge
- 18 What Should Be Done

## 06 Recommendations

## 07 Conclusion

## 08 Endnotes
Introduction
Medical cannabis, or marijuana, has been legal in Canada since 1999; however, there have been multiple changes to the laws and a marked increase in the number of Canadians who have registered to purchase medical marijuana. According to Health Canada data, almost 167,000 Canadians were registered to purchase cannabis in the last quarter of 2016/17. The number of registered users is up 32% in the last quarter alone and has grown to fifteen hundred times its size since the first documented quarter in June 2014. This surge is already creating problems for employers who have tried to manage the impact on their workforce. Earlier this year, the government of Canada announced its intention to legalize recreational marijuana by July 1, 2018. Because of this change, many experts expect a similar rising trend in recreational users when the proposed Cannabis Act comes into effect. These changes will exponentially increase the potential issues for employers, and need to be fully understood.

**EXPECTED INCREASE**

The proposed Cannabis Act will create a legal framework for the sale and possession of marijuana for recreational purposes in Canada. To date Uruguay is the only other country in the world to have legalized the possession, cultivation and sale of recreational marijuana on a national level, though it is legally available in several US States.

A major increase in consumption of cannabis for recreational purposes is expected post-legalization. According to a poll by Deloitte, currently 22% of the Canadian adult population consumes recreational cannabis on at least an occasional basis. A further 17% show some willingness to try it if it were legal which is close to 40% of the adult population. Additionally, spikes in the number of marijuana users in states where recreational use is legal indicate a likelihood that the number of Canadians using marijuana will increase after full legalization.

**IMPACT ON THE WORKPLACE**

While adult cannabis use is not a new issue, employers are concerned about how the legalization and subsequent increased use will affect the workplace.

A survey completed by over 650 HRPA members between June 1, 2017 and June 9, 2017 found that 45% of respondents do not believe that their current workplace policies address potential new issues that may arise with the legalization of marijuana. Respondents’ concerns ranged from attendance and decreased work performance to increased insurance claims.

Given the significance of this issue to employers, the HRPA has developed this white paper to help employers and the government understand the challenges ahead. This paper explores four key areas:

1. Safety in the workplace
2. Employers’ duty to accommodate
3. Drug plans
4. Drug testing

**Total Number of Canadians Registered for Medical Marijuana Use**

INCLUDED RESEARCH

While international examples are helpful informing what could happen after full legalization, there is no perfect comparison. As mentioned, Uruguay is the first country to fully legalize the cultivation, possession and sale of cannabis, but the law will not come into effect until July of 2017.6

There are eight U.S. states where marijuana has been legalized: Washington, Oregon, California, Nevada, Alaska, Colorado, Massachusetts and Maine;7 however, these do not offer exact comparisons for two major reasons. First, the legalization of cannabis is currently being enacted on a state-by-state basis while federal laws continue to classify the drug as an illegal narcotic. Second, employers in states such as Oregon do not have the same duty to accommodate as courts have determined Canadian employers have.

This paper will therefore draw on international examples but will also use data from an exclusive HRPA member survey to identify employers’ concerns and potential issues for policymakers to consider.

Uruguay is the first country to fully legalize the cultivation, possession and sale of cannabis, but the law will not come into effect until July of 2017.

ACCESS TO CANNABIS FOR MEDICAL PURPOSES REGULATIONS

These regulations
• Allow for Canadians with prescriptions to access quality-controlled cannabis from Health Canada or another licensed producer; or,
• Produce a small amount for themselves; or,
• Designate an individual to produce it for them.

Currently regulations do not allow for purchase of medical cannabis from storefront locations.

Regardless of how they obtain the medical marijuana, licensed users may only possess the lesser of 150 grams or a 30-day supply.

THE CANNABIS ACT

The proposed Cannabis Act will:
• Create a legal framework for the sale and possession of cannabis in Canada;
• Permit Canadians without prescriptions to purchase small amounts of cannabis from authorized retailers or to order online from federally licensed producers in provinces where retailers have yet to be authorized;
• Allow users to share their marijuana with other adults;
• Permit the cultivation of up to four plants at home.

Restrictions
• Prohibit the sale of cannabis to anyone under the age of eighteen, although provinces have the option to set the minimum age higher;
• Create new criminal offences for those who give or sell cannabis to youth.

Regulations for marketing and taxation have not yet been introduced, although strict marketing restrictions are expected.
TOP 5 CONCERNS OF IMPACT ON WORKFORCE

1. EMPLOYEES OPERATING MOTOR VEHICLES
2. DISCIPLINARY PROCEDURES
3. DECREASED WORK PERFORMANCE
4. EMPLOYEES USING HEAVY MACHINERY
5. ATTENDANCE

SOURCE: HRPA JUNE 2017 MEMBER SURVEY
02
Safety in the Workplace
THE CHALLENGE

The foremost concern for employers preparing for full legalization of cannabis relates to workplace safety.

Canadian employers are required by law to ensure safety in the workplace, and there are several new challenges being introduced with the legalization of cannabis.

Marijuana is already the most commonly encountered substance in workplace drug testing, but its use is expected to grow exponentially after full legalization. There is widespread concern among employers that increased use of cannabis, led by social normalization, will result in higher incidences of impairment in the workplace. Many employers are expecting the occurrence of workplace accidents to increase, especially in safety-sensitive industries. Indeed, over half of HRPA member respondents indicated that they were concerned with employees operating motorized vehicles.

Experts argue that because the cognitive requirements for driving and other safety-sensitive tasks overlap, the studies on cannabis-impaired driving can be translated into the context of the workplace. A joint guidance statement from the American Association of Occupational Health Nurses and the American College of Professionals and Employers explains it well. It states, “Because much of the knowledge regarding impairment and accident risk in the workplace due to alcohol intoxication has been gleaned from studies of driving impairment and crash risk, these same types of studies can be used to assess impairment in the workplace from cannabis.”

HOW WILL WE KNOW THEY’RE IMPAIRED?

Employers will need to set specific policies regarding cannabis use in the workplace, but how do they know when an employee is too impaired to work safely? Is there a blood test they can perform? How much cannabis is too much?

Do you believe your existing policy for marijuana adequately covers off on any potential new workplace issues that may arise with the legalization of recreational marijuana?

54% YES
46% NO
According to the HRPA survey, only 11% of respondent companies have a policy in place to address medical marijuana, and 45.9% do not believe their existing policy adequately covers any potential workplace issues that may arise with the legalization of recreational marijuana.

Unlike alcohol, there is no current consensus on safe limits for consuming cannabis. The effects of cannabis on individuals vary widely depending on the THC content (the active ingredient in marijuana), frequency of use, and other factors such as combined use with alcohol or other drugs.11 Typical effects described by cannabis users are relaxation, euphoria, increased appetite, overall happiness and heightened senses. Some observable effects are lack of concentration, impaired learning and memory, changes to thought formation and expression, and drowsiness.12

Again, it is helpful to use the context of impaired driving to inform approaches to drug impairment in the workplace. In places where marijuana is legal for medical or recreational use, different jurisdictions have different ways of dealing with drug-impaired driving. The AAA Foundation for Safety goes over these approaches in their report, “An Evaluation of Data from Drivers Arrested for Driving Under the Influence in Relation to Per se Limits for Cannabis.”13 The first approach is a “zero-tolerance” policy, under which no level of cannabis consumption is considered safe before driving. The second major approach is to establish a “per se limit” on acceptable cannabis levels in the blood, similar to Blood Alcohol Content guidelines. There are advantages to both approaches, but neither provides a standard definition for what constitutes impairment.

**ZERO-TOLERANCE**

A zero-tolerance cannabis policy is problematic in the workplace due to employers’ duty to accommodate. A zero-tolerance policy could cause discrimination against employees who use cannabis to treat or relieve the symptoms of a disability.14 To confidently enact a zero-tolerance policy, employers would have to be prepared to establish that sobriety is a bonafide occupational requirement (BFOR) if anyone brought a human rights case against them. Many argue that safety-sensitive workplaces have BFOR and should therefore allow for zero-tolerance policies.

Enform, a safety association for the Alberta oil and gas industries, was one group that submitted recommendations to the federal task force on cannabis legalization. In their submission, they detailed the risks associated with cannabis use and the implications for safety-sensitive work environments. They recommended that:

*At minimum, there must be an express prohibition on the use of marijuana in safety-sensitive workplaces. There must also be an express prohibition on using marijuana in close temporal proximity to attending work on a safety-sensitive worksite. An express prohibition on the possession, storage, use or sale of marijuana on safety-sensitive workplaces or facilities associated with those workplaces must also be included.*15

Thus while zero-tolerance policies are not advisable in every workplace, there may be a place for them in the safety-sensitive sector. The duty to accommodate medical cannabis will be discussed in the next section of this paper.
PER SE LIMIT

Establishing a per se limit for THC is considered by many to be the most reliable way of identifying impairment, but there is still no consensus on the appropriate limit. Studies also show that there does not seem to be a pattern in the amount of THC in a person’s system when they have determined to be impaired as people seem to be affected differently.

WHAT SHOULD BE DONE

Recommendation 1: The government should set a clear legal definition of “impairment” and the grounds under which an employee can be tested in relation to cannabis use. Special considerations for safety-sensitive industries may be necessary.

Recommendation 2: As with medical marijuana, recreational cannabis should be clearly labeled with the THC and other relevant content to allow employees to guide their choices and provide an indicator on impairment levels.

Recommendation 3: Provincial governments should coordinate recreational marijuana legislation and regulations as much as possible to ensure that employers with a national workforce can easily adhere to the policies and communicate these rules to their employees.

Recommendation 4: Employers should regularly review ongoing legislation and legal developments and update their policies accordingly.

For the time being, employers can update other health and wellness policies based on what they already know. First, a prescription for cannabis does not entitle the employee to smoke in the workplace. Smoke-free laws apply to smoking marijuana in the same way they do to smoking regular cigarettes. Employers should update any smoking policies to make note of this. Second, employers may have to deal with scent-related complaints about employees who use cannabis. Employers should examine their current scent policies to ensure these complaints are covered for cannabis that is smoked or applied topically.

According to the HRPA survey, only 11% of respondent companies have a policy in place to address medical marijuana, and 45.9% do not believe their existing policy adequately covers any potential workplace issues that may arise with the legalization of recreational marijuana.
Employers’ Duty to Accommodate
The Challenge

Employers preparing for increased normalization of cannabis use must better understand how it will affect their duty to accommodate. In Ontario, employers are required by law to accommodate the disabilities of employees up until the point of undue hardship. This may include accommodating an employee’s use of prescribed cannabis, as well as accommodating unseen disabilities such as substance abuse and addiction.18

Despite medical marijuana being a prescribed treatment since 1999 in Canada, the HRPA’s survey identified that very few HR Professionals have actual experience dealing with duty to accommodate situations related to cannabis use. The survey found that only 11% of respondents have had to accommodate an employee that requires medical marijuana.

A common mistake that some employers make in accommodating medical marijuana is assuming using it will impair the employee’s ability to do the essential duties of their job. Because cannabis can be taken in various forms and doses, the level of impairment can fall across a broad spectrum. Employment lawyer Parisa Nikfarjam cautions against making accommodation decisions based on a perceived disability. She explains, “Employers should be cautioned from making stereotypical assumptions about the abilities of an employee who has been prescribed medical marijuana. While some assumptions may be valid where safety is a concern (such as driving), it may be improper, for example, diminish an employee’s duties based solely on assumed impairment.” Instead, when an employee requests accommodation, they should inquire as to whether the employee will be able to perform the essential duties of the job and what kinds of accommodation may be necessary.19

Have you had to accommodate an employee that requires medical marijuana?

11% YES

89% NO
This does not, however, mean that an employee is entitled to choose the exact form of accommodation. Human rights case law confirms that the role of the employer is to accommodate the employee’s needs, not their preference. Where more than one form of accommodation is possible, the employer has the right to choose the less expensive or disruptive option. Thus, an employer may request that the employee consume medical marijuana privately, even away from designated smoking areas, as found in the example of Gibson v. Ridgeview Restaurant Limited. In this case, the Human Rights Tribunal of Ontario found no discrimination against the complainant who was dismissed for going against the employer’s request that he not smoke marijuana within six feet of the restaurant entrance.

In addition to accommodating employees with prescriptions for medical marijuana, employers may soon be dealing with employees whose performance is affected by recreational cannabis use. If there are significant changes in an employee’s performance because of substance abuse, part of the progressive discipline process may involve asking whether the employee needs any accommodation. The Ontario Human Rights Commission provides an example in which an employer does not know that an employee has a drug addiction but notices performance difficulties and signs of distress. If the employer disciplines or dismisses the employee without using progressive discipline or attempting to accommodate, they may be found to have discriminated against the employee on the basis of a disability. While employers should not look for substance abuse problems, they should ensure that their progressive discipline policies cover situations like these.

“A common mistake that some employers make in accommodating medical marijuana is assuming using it will impair the employee’s ability to do the essential duties of their job.”

–PARISA NIKFARJAM | Employment Lawyer
WHAT SHOULD BE DONE

Recommendation 5: The government should keep two separate regulatory streams (medical and recreational) to allow employers to determine their duty to accommodate. A separate medical stream allows employers to more easily verify when they have a duty for medical purposes.

Recommendation 6: The government should give employers two sets of guidelines for marijuana use—one for medical marijuana and one for recreational cannabis. Employers are requesting guidance from government on how to handle marijuana in the workplace. Progressive discipline policies should indicate when it is appropriate to ask if the employee requires accommodation.

Recommendation 7: Employers should enact a clear drug policy that includes the definition of “impairment” in a way that captures medical marijuana use and when/where it is acceptable. Policies on drug use must define what it means to be impaired and provide details on how the policy applies to medical cannabis. Any prescription drug policies should be enforced in a uniform manner to ensure that medical marijuana is treated equally with other prescriptions.
Drug Plans
THE CHALLENGE

As the number of Canadians with marijuana prescriptions continues to grow, pressure is mounting for benefits programs to cover medical cannabis. Currently most benefits programs do not offer this coverage, and indeed according to the HRPA’s survey, almost no employers (only 4%) offer coverage for medical marijuana.

Despite the low level of current extended medical benefit coverage of marijuana, recent legal developments call into question whether this will become a larger issue in the future. In Skinner v. Board of Trustees of the Canadian Elevator Industry Welfare Trust Fund, the Nova Scotia Human Rights Tribunal found that a board of trustees had discriminated against a disabled employee for denying his claim for medical marijuana. This case is not considered precedent for employers in the province to be required to cover all medical marijuana claims, but it does put the onus on them to either justify the discrimination or prove undue hardship in denying such requests for coverage.23 With such rapid changes happening in the realm of medical marijuana, why aren’t more organizations preparing to address requests from their own employees? The United States offers little guidance in this area as marijuana is still a schedule I substance under the federal Controlled Substances Act. In addition, to date, no court cases have set the precedence requiring coverage of medical marijuana claims.

There are two regulatory roadblocks cited by employers that stand in the way of coverage. These are that medical marijuana is not an approved drug under the Food and Drugs Act, and that it does not yet have an assigned Drug Identification Number (DIN).24

In the case of Skinner v. Board of Trustees, the Tribunal did not consider these to be sufficient evidence of undue hardship, as the benefit program had not set them as specific requirements for coverage.25 The Canada Revenue Agency also took steps to simplify marijuana coverage in 2015 when they added medical cannabis to the list of medically exempt tax credits, which means it is payable through employer-provided healthcare spending accounts.26 So while it would be helpful for Health Canada to remove barriers to medical marijuana coverage, employers may not need to wait to begin covering these claims.

WHAT SHOULD BE DONE

Recommendation 8: Employers should explore the benefits of medical marijuana coverage. HR professionals should liaise with insurance companies to evaluate what restrictions might currently be in place and to gauge the provider’s flexibility on individual claims.

Recommendation 9: Employers should be prepared to answer questions from employees on medical cannabis coverage. Whether or not their organization decides to cover medical marijuana costs, employers should educate themselves on the subject in order to answer questions they will likely hear from employees.

POTENTIAL COST SAVINGS FOR EMPLOYERS

The main goal of benefit plans should always be to support the employee’s quality of life, but some argue that medical marijuana coverage could actually save them money.

The cost of medical marijuana can in some cases be far less compared to conventional medications. For example, Benefits Canada points out that the anti-nausea drug Zofran (used for chemotherapy patients) costs about $40 per pill, while a marijuana joint costs about $2 or $3.


Has your workplace done any work to get medical marijuana covered within your existing benefits plan?

78% 20% 2%

NO, AND WE’RE NOT PLANNING TO
NOT YET, BUT WE’RE PLANNING TO
YES

05
Drug Testing
THE CHALLENGE

The issue of drug testing in Canadian workplaces can be controversial, but nonetheless employers maintain a variety of rights to test for impairment. According to the HRPA survey, 9.8% of respondent organizations perform some type of drug testing on their employees. Of those respondents, 75.8% believe the legalization of recreational marijuana will have either a great or moderate impact on their drug testing policy.

If the use of cannabis for both medical and recreational purposes does indeed rise as expected, it would seem logical for more employers to implement drug testing, especially for safety-sensitive positions. The difficulty, however, is that current drug testing cannot sufficiently determine the extent of cannabis impairment. Until a reliable form of impairment testing is available, employers will have to continuously revisit their drug testing policies. Before medical or recreational marijuana were legal, a urine test showing the presence of THC would have been sufficient to trigger disciplinary procedures. This is no longer the case. In order to prove the employee was in violation of the workplace drug policy, the employer will have to prove the employee was impaired. The urine analysis test commonly used by employers looks for a THC metabolite that can be present in a person’s system for weeks after use.27 The ACOEM says that detecting this metabolite is about as useful to employers as detecting the “80-hour” ethanol metabolite (ethyl glucuronide) in the urine of a social drinker; neither indicate acute impairment.28 Employers need more information on detecting impairment, but the available studies are somewhat outdated. Many of the studies on cannabis impairment were conducted when the concentration of THC in marijuana was much lower than it is today.29 Studies on blood and saliva tests show some promise, but it is clear that research on testing methods is desperately needed.

Before implementing a marijuana testing policy in the workplace, employers should be able to establish that the motive is based in a legitimate concern for safety. In their latest Policy on Drug and Alcohol Testing, the Ontario Human Rights Commission states, “The primary reason for conducting drug and alcohol testing should be to measure impairment, as opposed to deterring drug or alcohol use or monitoring moral values among employees.”30 There are three scenarios in which an employer might test someone for drug impairment: as a pre-employment screening method, reasonable grounds or post-incident testing, or random drug testing in safety-sensitive workplaces.31 Without a reliable method for measuring impairment, employers may have issues making disciplinary decisions in these situations.

WHAT SHOULD BE DONE

Recommendation 10: Given the rapid advancements in testing technology, employers should often revisit their drug testing policies. Until a clear method for establishing impairment is available, employers will have to keep track of the latest updates in testing technology and case law.
| 01 | The government should set a clear legal definition of “impairment” and the grounds under which an employee can be tested in relation to cannabis use. Special considerations for safety-sensitive industries may be necessary. |
| 02 | As with medical marijuana, recreational cannabis should be clearly labeled with the THC and other relevant content to allow employees to guide their choices and provide guidance on impairment levels. |
| 03 | Provincial governments should coordinate recreational marijuana legislation and regulations as much as possible to ensure that employers with a national workforce can easily adhere to the policies and communicate these rules to their employees. |
| 04 | Employers should regularly review ongoing legislation and legal developments and update their policies accordingly. |
| 05 | The government should keep two separate regulatory streams (medical and recreational) to help employers to determine their duty to accommodate. A separate medical stream allows employers to more easily verify when they have a duty for medical purposes. |
| 06 | The government should give employers two sets of sample guidelines for marijuana use—one for medical marijuana and one for recreational cannabis. Employers are requesting guidance from government on how to handle marijuana in the workplace. Progressive discipline policies should indicate when it is appropriate to ask if the employee requires accommodation. |
| 07 | Employers should enact a clear drug policy that includes the definition of “impairment” in a way that captures medical marijuana use and when/where it is acceptable. Policies on drug use must define what it means to be impaired and provide details on how the policy applies to medical cannabis. Any prescription drug policies should be enforced in a uniform manner to ensure that medical marijuana is treated equally with other prescriptions. |
| 08 | Employers should explore the benefits of medical marijuana coverage. HR professionals should liaise with insurance companies to evaluate what restrictions might currently be in place and to gauge the provider’s flexibility on individual claims. |
| 09 | Employers should be prepared to answer questions from employees on medical cannabis coverage. Whether or not their organization decides to cover medical marijuana costs, employers should educate themselves on the subject in order to answer questions they will likely get from employees. |
| 10 | Given the rapid advancements in testing technology, employers should often revisit their drug testing policies. Until a clear method for establishing impairment is available, employers will have to keep track of the latest updates in testing technology and case law. |
Conclusion
As the date for legalization of recreational marijuana in Canada approaches and the number of registered medical marijuana users continues a steep trend upwards, employers will need to be prepared for the new regulatory landscape. It is crucial that governments at all levels provide employers and employees with specific guidance on how to operate within this new environment.

Research shows that employers are looking to government to provide them with information on issues ranging from how to determine impairment to guidance related to safety-sensitive workplaces. Governments must consider these important issues and do what they can to ensure that employers and employees have the information they require. Wherever possible, all provinces should coordinate with each other in the development of new policies and regulations related to marijuana use.

In addition, because marijuana is both a recreational and a medical drug the government must keep two separate product streams and require a prescription for medical use. This will allow employers to continue to determine when they have a duty to accommodate an employee for a medical condition and not accommodate recreational use.

By implementing the ten recommendations laid out in this paper, governments and employers can help smooth the transition to a country where recreational marijuana is legal. These steps will help reduce confusion, increase transparency and ensure safe and healthy work environments.
Endnotes


03 Uki Goni. May 27, 2017. Uruguay, the first country where you can smoke marijuana wherever you like. The Guardian. Accessed at:


23 https://www.thestar.com/business/2017/03/30/shoppers-loblaw-employees-covered-for-medical-marijuana.html


