

City of Mississauga  
**Corporate Report**



<p>Date: March 26, 2025</p> <p>To: Chair and Members of General Committee</p>	<p>Originator's files:</p>
<p>From: Raj Sheth, P.Eng, Commissioner of Corporate Services</p>	<p>Meeting date: April 9, 2025</p>

## Subject

**Repeal of Methadone and Medical Marihuana Licensing By-laws**

## Recommendation

1. That the Methadone Licensing By-law 0166-2014, as amended and the Medical Marihuana Licensing By-law 0057-2015, as amended, be repealed, as outlined in the corporate report from Commissioner of Corporate Services, dated March 25, 2025, and entitled "Repeal of Methadone and Medical Marihuana Licensing By-laws".
2. That the User Fees and Charges By-law 0221-2024, as amended, be further amended to remove methadone and medical marihuana licensing fees.

## Executive Summary

- Since 2014, owners of methadone clinics and pharmacies have been required to obtain an operating licence, as stipulated in the Methadone Licensing By-law 0166-2014. There are four facilities that are currently licensed.
- Since 2015, owners of medical marihuana production facilities in Mississauga have been required to obtain an operating licence, as stipulated in the Medical Marihuana Licensing By-law 0057-2015. There is one facility that is currently licensed.
- Methadone is a controlled substance that falls under the purview of multiple federal legislation and regulations. While the requirement for obtaining an exemption from Health Canada to prescribe and administer methadone was removed, resulting in the inability of the City to verify compliance, other mechanisms exist for the federal government to continue regulating methadone.
- With the enactment of the *Cannabis Act* in 2018, marihuana (more prevalently known as cannabis) came under the jurisdiction of the federal government.
- Given methadone and marihuana are regulated by a higher authority, staff recommend repealing both by-laws. This aligns with the approach taken by neighbouring jurisdictions and removes duplicative regulations and administrative burden.

## Background

### Methadone Licensing By-law

On July 2, 2014, Council passed the Methadone Licensing By-law 0166-2014, as amended (the “Methadone Licensing By-law”), requiring owners of methadone clinics and pharmacies to obtain an operating licence. While licensing and regulating methadone clinics by a municipality were not common practices, the by-law was passed with the intention of further protecting public health, safety and the well-being of persons. The enacted By-law complemented existing federal and provincial rules and regulations at the time.

### Federal and Provincial Regulations Related to Methadone

Health Canada regulates controlled substances to ensure that they remain in legal distribution channels and do not interfere with valid commercial, medical and scientific activities related to these substances. Methadone, a controlled substance, is regulated under the Controlled Drugs and Substances Act (S.C 1996, c.19) (CDSA), the Narcotic Control Regulations (C.R.C, c.1041) (NCR) and the Narcotics Safety and Awareness Act, 2010, S.O. 2010, c. 22. Pharmacists who dispense methadone are also regulated by the Ontario College of Pharmacists (Appendix 1).

In 2018, Compliance and Licensing Enforcement received confirmation that as of May 19, 2018, practitioners can prescribe and administer methadone without obtaining an exemption from Health Canada under subsection 56(1) of the CDSA. Pharmacists no longer needed to contact Health Canada to verify if a practitioner held a valid subsection 56(1) exemption to prescribe methadone, and Health Canada no longer processed such exemption applications. Despite the removal of this requirement, practitioners and pharmacists are still required to meet all other applicable provisions of the Narcotic Code Regulations as well as the regulations established by their province or territory or licensing authority.

### Medical Marihuana Licensing By-law

On March 11, 2015, Mississauga City Council passed the Medical Marihuana Licensing By-law 0057-2015, as amended (the “Medical Marihuana Licensing By-law”), requiring owners of medical marihuana production facilities to obtain an operating licence. The intent of this by-law was to facilitate tracking of such facilities to allow for monitoring and emergency response and to complement the federal rules and regulations that were in place for medical marihuana production facilities. Licensing was also intended to assist in ensuring public safety by requiring compliance with Ontario Building, Electrical Safety Authority and Fire Codes.

### Federal Cannabis Act Regulations

On October 17, 2018, the federal *Cannabis Act* came into force. The *Cannabis Act* legalized and regulated the sale of cannabis in Canada, by specifying the rules and standards related to the production, distribution, sale and possession of cannabis across Canada. Under the *Cannabis Act* and its regulations, all cannabis producers, for medical or recreational purposes, are required to obtain a licence issued by Health Canada to conduct various activities with

cannabis, including growing, selling, researching, and testing (Appendix 1). While the term “cannabis” is more prevalent, the terms “marihuana” and “cannabis” are used interchangeably throughout the report.

The purpose of reviewing these two by-laws is to determine whether the City should continue with its licensing scheme, given that methadone and cannabis are federally regulated.

## **Present Status**

### **Methadone Licensing**

Methadone clinics and pharmacies have been licensed by the City of Mississauga since 2014. The number of licensed facilities has been decreasing since 2018, when a total of seven licences were issued (Appendix 2). Compliance and Licensing Enforcement currently licenses four methadone clinics and pharmacies and is not aware of any unlicensed facilities operating in Mississauga.

Since 2014, there have been a total of five methadone licensing complaints received. These complaints were all related to clinics or pharmacies allegedly operating without a licence. Note that a number of these complaints were determined to be unfounded.

### **Medical Marihuana Licensing**

Enforcement issued the first medical marihuana facility licence in 2017 and since then, a total of two licences have been issued (Appendix 2). Currently, Compliance and Licensing Enforcement licenses one medical cannabis production facility, noting the other restructured, underwent operational changes, and no longer produces/grows cannabis in Canada.

Since the By-law was enacted in 2015, Enforcement has received a total of four medical marihuana facility-related complaints. These complaints were all related to facilities allegedly operating without a licence, with half of these complaints about facilities that were not medical marihuana production facilities.

Additionally, in 2023, staff became aware of one unlicensed facility and have taken enforcement action to bring them into compliance. Staff is not aware of any other unlicensed medical cannabis production facilities operating in Mississauga.

## **Comments**

### **Jurisdictional Scan**

Staff conducted a scan of ten comparable jurisdictions: Barrie, Brampton, Calgary, Hamilton, London, Oakville, Ottawa, Toronto, Uxbridge and Vaughan (See Appendix 3). With regards to methadone licensing, none of the jurisdictions examined, except for London and Uxbridge, has ever licenced methadone clinics or pharmacies.

London repealed their methadone licensing by-law in 2021, stating that the by-law was no longer required as clinics and pharmacies are regulated by other legislation and regulations. Except for Barrie and Calgary, these jurisdictions do not currently license medical marijuana production facilities and have never licensed them.

### **Repeal of By-laws**

#### **Repeal of Methadone Licensing By-law**

The Methadone Licensing By-law was enacted to licence and regulate methadone clinics for the protection of public health, safety and well-being of persons. However, with Health Canada's removal of federal exemptions for practitioners, City staff are unable to verify that a clinic or pharmacy is compliant with federal and provincial regulations, a licensing requirement of the City. In addition, there are a number of regulations and procedures pertaining to methadone that are currently in place through the federal government and regulatory bodies such as the Ontario College of Pharmacists. As both are better positioned to regulate methadone and achieve the objectives noted above, additional value is not being provided through municipal licensing.

As a result, staff recommend repealing the Methadone Licensing By-law. The decreasing number of licensed clinics and pharmacies and the few complaints received by the City over the past ten years indicate that repealing this By-law will have a minimal impact on residents. This recommendation aligns with the approach taken in comparable jurisdictions and removes administrative burden from clinics and pharmacies.

#### **Repeal of Medical Marijuana Licensing By-law**

Health Canada cannabis licensing includes a licensing category of sale for medical purposes. The materials documents required by the City, as part of its licensing process, complement the rules and regulations that were enacted by the federal government, including its licensing application requirements. The City also requires the applicant to provide a zoning certificate indicating that the use for the proposed site is permitted.

One of the main purposes of licensing medical marijuana production facilities was to track such facilities to enable monitoring and emergency response. These objectives can still be achieved given the federal requirement for applicants to notify the local municipal government, fire authority and police force.

Additionally, Health Canada requires licensees to comply with provincial and municipal regulations including building, electrical and fire codes and zoning by-laws, which assists in ensuring public safety.

Given Health Canada's role in regulating marijuana, in particular facilities and businesses, and the ability of other existing legislation and regulations to achieve the objectives of the Medical Marijuana Licensing By-law, staff recommend repealing this by-law.

As the by-law has received a total of four complaints in the nine or so years it has been in effect, the impact on residents will be minimal. Additionally, this aligns with the approach taken by neighbouring jurisdictions and removes duplicative regulations.

#### Implementation

The Methadone and Medical Marihuana Licensing By-laws will be repealed on April 16, 2025. Once the By-laws are repealed, staff will stop accepting applications and refund any licensees within three months. Should the tracking of medical marihuana production facilities remain a concern, standard operating procedures and tracking mechanisms can be established by the City, based on Health Canada's notification requirements.

#### Enforcement

Staff will continue to investigate any cannabis production or methadone clinic or pharmacy-related zoning complaints. Staff will direct any complaints about unauthorized methadone distribution to the Ontario College of Pharmacist and complaints about cannabis production facilities to the federal government. This enforcement approach will continue to ensure public safety.

### **Financial Impact**

The financial impact will be minimal and equivalent to a reduction of licensing renewal fee revenues of \$1,096.83 as currently there is only one licensed marijuana facility (renewal fee of \$242.31) and four licensed methadone clinics and pharmacies (renewal fee of \$213.63).

### **Conclusion**

Staff reviewed the Methadone and Marihuana Licensing By-laws to determine whether the City should continue with its licensing scheme, given that both substances are federally regulated. Staff examined current licensing numbers, reviewed federal regulations and conducted a scan of comparable jurisdictions. Given the low number of complaints and the robust nature of related federal regulations, staff recommend repealing the Methadone and Medical Marihuana Licensing By-laws.

These changes remove duplication and administrative burden while still enabling the City to retain the ability to achieve the objectives of these by-laws, including ensuring public safety.

## **Attachments**

Appendix 1: Federal and Provincial Regulations

Appendix 2: Licensing Background

Appendix 3: Jurisdictional Scan



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