



Canada's Adult-Use Cannabis Regulation Law

In June 2018, the Canadian Parliament approved a final, reconciled version of Bill C-45. Beginning on October 17, 2018, marijuana will be legal for adults and regulated throughout Canada.

The objectives of Bill C-45 are “to prevent young persons from accessing cannabis, to protect public health and public safety by establishing strict product safety and product quality requirements and to deter criminal activity by imposing serious criminal penalties for those operating outside the legal framework. The Act is also intended to reduce the burden on the criminal justice system in relation to cannabis.”

Here are key features of Bill C-45:

Adult-Use Possession and Cultivation Limits

- 30 grams of cannabis (just over an ounce) or its equivalent
 - Home cultivation of up to four plants per dwelling will be allowed.
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Age Limit

- It will be federally illegal for anyone under 18 to buy or possess cannabis.
 - Provinces may — and some have — set higher age limits.
 - In Alberta and Quebec, the age limit is 18.
 - In Ontario, British Columbia, Nova Scotia, and Saskatchewan, the limit is 19.
 - In those provinces, the age limit mirrors the province’s limit for alcohol and tobacco.
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Federal Licensing

- Entities that are licensed by the Minister of Health to produce medical cannabis may also produce adult-use cannabis.
 - A federal government ministry will issue licenses and permits for the sale, distribution, and cultivation of cannabis, and establish conditions for those permits.
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Provincial Control Over Sales and Distribution

- Cannabis may not be sold or distributed except as allowed by the province’s law.

- In Ontario, Quebec, and Nova Scotia, only government-run entities may sell cannabis.
 - Alberta will allow private retailers to sell cannabis. There will also be government-run online sales, which include home delivery.
 - Saskatchewan will allow about 60 private retailers to sell cannabis.
 - British Columbia will allow sales both from privately run and government stores.
 - Several provinces will operate government-run distribution networks.
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Federal Regulations

- Manufactured edible products may not be purchased until a year after the law takes effect.
 - Cannabis products must be sold in plain packaging.
 - Labels must include the producer's name, the strain name, THC and CBD content, and a warning about health risks.
 - Regulations will govern issues including quality, testing, composition, packaging and labeling, storage, disposal, and preservation of cannabis, along with the qualifications required for individuals in the cannabis business, and the characteristics, strength, potency, and sensory attributes — including appearance and shape — of cannabis products.
 - The promotion of cannabis is greatly restricted, similarly to restrictions on promoting tobacco.
 - Cannabis may not be displayed in a way that can be seen by a young person.
 - Regulators may:
 - order the recall of cannabis if there are reasonable grounds to believe it is necessary for public health or safety;
 - perform inspections and require the production of documents and samples; and/or
 - require a cannabis tracking system.
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Prohibited Conduct

- The bill imposes harsh penalties on the illegal sale, production, import and export of cannabis, and the possession of more than 30 grams of cannabis in public. Only licensed businesses may sell cannabis.
 - Import/export is only allowed for hemp or medical or scientific purposes.
 - Driving under the influence remains illegal. A separate proposal, Bill C-46, would make changes to Canada's drug-impaired driving laws and testing.
 - Marijuana may not be smoked in workplaces where tobacco cannot be smoked. Provinces have also passed further laws to prohibit the public use of cannabis.
 - In Ontario, cannabis cannot be used in any public place.
 - In British Columbia, cannabis may be smoked in some public places, but not where cigarettes are banned or in areas frequented by children, such as parks and beaches.
 - In Alberta, cannabis may be consumed in some public places where tobacco is allowed, but not in cars, or within a specific distance of sensitive locations, including playgrounds, zoos, and pools. Municipalities may create additional restrictions.
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Taxation

- The taxation piece will be enacted as part of a separate budget. Canadian Finance Minister Bill Morneau's [budget proposal](#) would:
 - Tax cannabis at \$1 Canadian per gram (\$0.77 U.S.), or 10% of the price, whichever is higher.
 - The federal government will keep the lower of 25% of the revenue, or \$100 million per year. The remainder will go to the provinces.
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