

In a glimpse

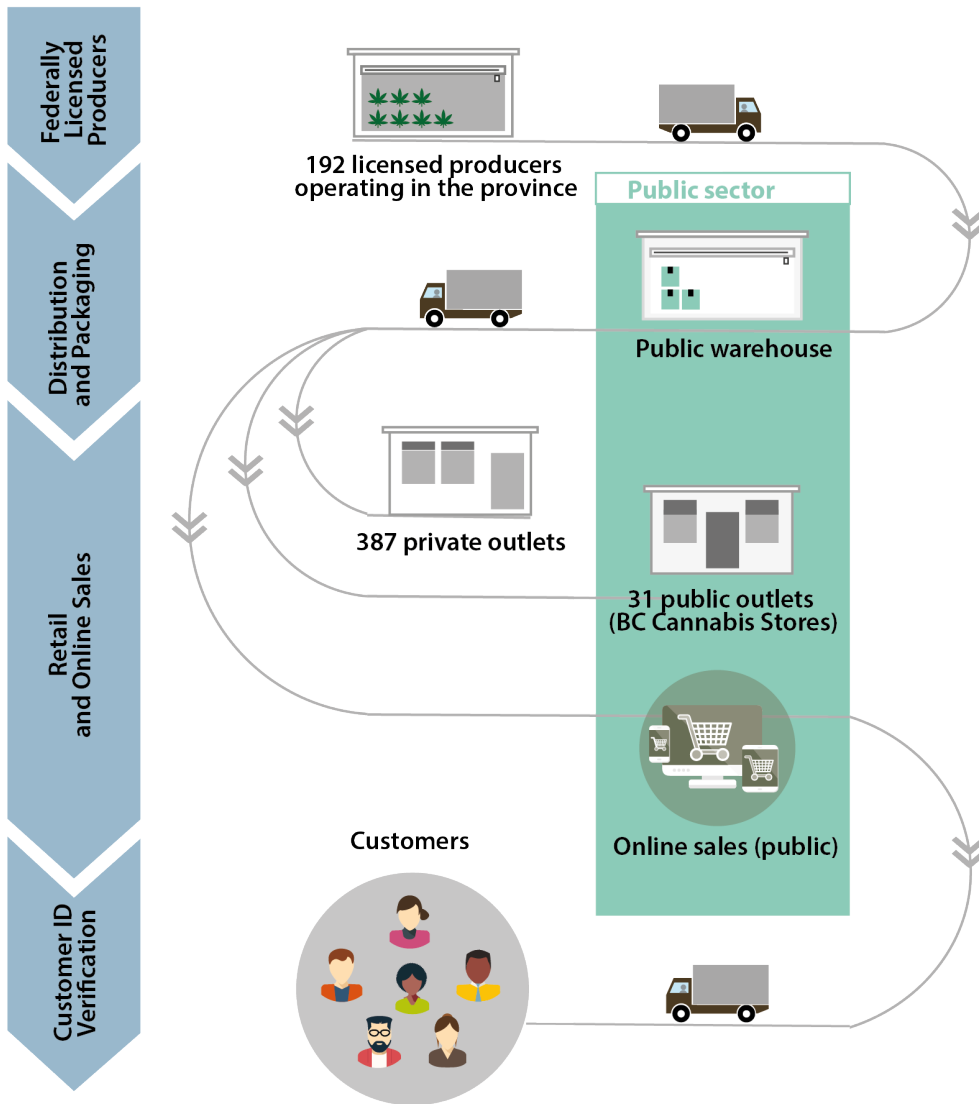
APRIL 2023

The legalisation of cannabis in British Columbia: background, implementation, and assessment (2018-2022)

Canada legalised cannabis for non-medical use in October 2018. While the federal government organises the production of cannabis, it has left it up to its 13 provinces and territories to define a distribution and retail model. Among the range of cannabis regulatory systems introduced in North America, the example of British Columbia demonstrates a cautious regulatory approach, centred on the gradual introduction of cannabis on the market, which is designed to be reasonable and guided by a step-by-step evaluation of the reform. A few years after the 2018 reform, what assessment can be made of cannabis regulation on British Columbia, one of Canada's most densely populated provinces with a history of high prevalence of cannabis use? This case study is based on a qualitative survey of interviews with the stakeholders responsible for implementing this regulation, supplemented by direct observations in October-November 2021, and an analysis of official sources and grey literature. It describes the conditions under which cannabis regulation is being implemented and the related practical issues following legalisation.

The first part of the report describes the background and nature of the reform in British Columbia, which has been characterised by the widespread availability of cannabis for several decades and a policy of tolerance from local authorities. As a result, the accessibility and visibility of cannabis were already widespread and socially accepted before October 2018. These factors help to explain the choices made by the provincial government in the process of developing the British Columbia regulatory model in application of the federal reform: use of a participatory approach to establish the reform on a consensual basis; the choice of stricter regulation than in other provinces; objectives of a reform based on the transition from illicit markets to the legal sector. In practice, this caution is reflected in number of choices aimed at maintaining control over the conditions under which cannabis is offered. The distribution of cannabis is supervised by a public body, which also controls the distribution of alcohol. It is also the only Canadian province, along with Nunavut, that has opted for a mixed model for cannabis sales, authorising both public and private outlets. It is also one of the few jurisdictions to have set a limit on the possession of cannabis in the home. British Columbia also stands out for its efforts to curb the supply of cannabis-derived products: the British Columbia government has suspended the sale of products containing delta-8 THC (including vaping cartridges, edibles, drinks, oils, and topical products), grounded on a precautionary principle. Finally, British Columbia has set a cap on the number of sales outlets per operator, to prevent concentration in the marketing sector.

Legal cannabis distribution chain in British Columbia



Source: Diagram based on cross-referenced LDB and Health Canada data

The second part of the report analyses the conditions under which legislation was implemented and a model for regulating cannabis was developed. It describes the wide range of actors who have organised themselves within the legal cannabis sector. It highlights the watchful and controlled approach to implementing reform (*start low and go slow*), justified by the need to promote social acceptability and allow time for the gradual restructuring of cannabis markets. The precautionary approach has been widely criticised by the economic operators in this emerging market, who mention a number of obstacles (complex authorisation procedures, red tape, management costs, etc.) and sometimes even denounce unfair competition practices on the part of the public sector. This is an original aspect of the portrait of the actors in this market, divided between strict compliance and demands for less regulation.

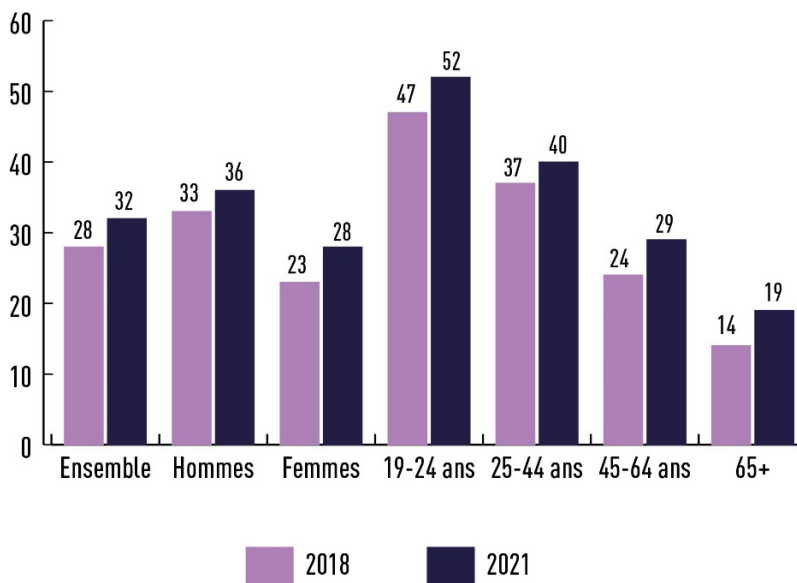
Cannabis sales in British Columbia

Fiscal year (to 31 March)	2018/2019	2019/2020	2020/2021
Share of sales in public shops (%)	78.3	23.8	19.5
Share of sales in private shops (%)	21.7	76.2	80.5
Total sales (in millions of dollars)	17 992	135 923	327 278
Total sales (in volume/kg)	2 083	17 618	54 266

Source: LDB Oracle Financial System

The final section offers a mid-assessment of the reform, with a limited time frame (four years), outlining the challenges and controversies under discussion in 2022-2023. It shows the decline in the black market in British Columbia, even if this is more moderate than in other provinces. In terms of public health, the impact of the reform is still difficult to assess, but the initial observations point to an increase in cannabis use in certain age groups among adults, as a result of the diversification of supply, which has increased significantly. After four years of implementation, cannabis reform in British Columbia continues to be the subject of debate within the small sector or market players, who are becoming more structured.

Trends in annual cannabis use in British Columbia (2018-2021), by gender and age group



Source: BCCUS

This monograph is part of a collective research project entitled “ASTRACAN – Pour une Analyse STRAtégique des politiques de régulation du CANnabis” (“For A strategic Analysis of Regulatory Cannabis Policies”), financed by the Fund for Combatting Addiction (FLCA¹) and led by the French Monitoring Centre for Drugs and Drug Addiction (OFDT). This comparative analysis of cannabis regulation models focused on three Canadian jurisdictions (Ontario, Quebec, and British Columbia) and three American jurisdictions (California, Washington State, and Oregon). The reports for Quebec (Benoit, 2023) and Ontario (Lévesque, 2023) are available online. The summary report on the three US cases will be available shortly.

Further reading

The full report (in French): Obradovic I. (2023) [La légalisation du cannabis en Colombie-Britannique : genèse, mise en œuvre et bilan \(2018-2022\)](#), Paris, OFDT, 72 p.

Benoit M. (2023) [The legalisation of cannabis in Quebec: implementation \(2018-2022\)](#). Paris, OFDT, 58 p.

Lévesque G. (2023) [Cannabis policy implementation in Ontario \(2018-2022\)](#). Paris, OFDT, 47 p.

Lévesque G. (2020) [The legalization of cannabis in Canada. Case studies: British Columbia, Ontario, Quebec](#). Literature review, 110 p.

¹ This fund contributes to the financing of actions to combat all addictions, both those linked to psychoactive substances (tobacco, alcohol and illicit substances) and those known as "substance-free" (screens, video games, gambling).