Canadian Centre on Substance Use and Addiction
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Cannabis Legalization: Legal Access and the Illegal Market

Findings

- An objective of *the Cannabis Act* is to provide legal production of cannabis and access to a quality-controlled supply of cannabis. Another objective is to restrict illegal activities to reduce the burden on the criminal justice system by implementing appropriate sanctions and enforcement measures.
- Most cannabis consumers perceive legal cannabis to be more convenient, safer to consume, better quality and more expensive than illegal cannabis (Wadsworth et al., 2022). However, more frequent consumers had less favourable perceptions of these factors than less frequent consumers.
- Many studies have shown that consumers have been switching to the legal market (Health Canada, 2021; Rotermann, 2021; Wadsworth et al., 2021).
- Since legalization, there has been a significant expansion in cannabis retail store density and product diversity (CCSA, 2022a). Perceptions of price have also improved as the price of legal cannabis has decreased (Wadsworth et al., 2022).
- The 2021 Canadian Cannabis Survey (CCS) found that 90 per cent of respondents reported accessing cannabis products through legal sources (Health Canada, 2021). This suggests reasonable access to legally available cannabis for people living in Canada.
- Cannabis-related harms have been associated with increased commercialization of cannabis (Myran et al., 2022). Therefore, continuing the restriction of access to cannabis favours a public health and safety approach.
- The 2022 CCS found that 61 per cent of people who used cannabis in the past 12 months got their cannabis from legal sources (Health Canada, 2022). This was an increase from 53 per cent from 2021 (Health Canada, 2021). It also found that 48 per cent of respondents always obtain cannabis from legal sources, while five per cent always obtain it from illegal or unlicensed sources (see appendices).
- Despite the promising changes in purchasing patterns, the illegal market is still active with a particular hold online (Décary-Hétu et al., 2021). A contributing factor is that consumers can have a difficult time determining whether an online retailer is legal or illegal.
- The appearance of being a legal source as well as the ease of payment were two factors that people listed on why they favour the online illegal market over the street-level legal market (CCSA, 2022b).

- Cannabis extracts in the legal markets can contain more than 90 per cent tetrahydrocannabinol (THC). Permitting products with high levels of THC can combat the illegal market; however, there is risk of harms associated with higher potency cannabis products, such as cannabis use disorder and psychosis (Petrilli et al., 2022).
- Furthermore, there is an elevated risk of overconsumption with edible products. This is exacerbated by THC limits per edible package being misinterpreted as a serving size (Gabrys, 2020).

Policy Considerations

There has not been enough time to fully understand the impacts of cannabis legalization. More time is needed to build concrete evidence. Furthermore, it takes time to shift consumer habits from the illegal market to the legal one. In the interim CCSA is in support of the following:

- Evaluating whether the capturing of the illegal market through legally available high-potency THC products outweighs the risk to public health and safety by having these products legally available.
- Increasing surveillance of online cannabis distribution, including understanding their enticement and products.
- Creating clear identification for legal online cannabis retailers to deter people from accidentally purchasing from illegal online retailers.
- Implementing serving sizes or “standard dose” on cannabis products, especially for edibles to reduce the risk of over-consumption, which is increased due to the delayed effects of edible products.
- Maintaining the current THC limit for packages of edible products (10 mg of THC per package).
- Conducting further research on the equitability of access to the regulated cannabis supply.
- Investigating strategies for increasing knowledge and understanding of the health and safety benefits of accessing cannabis through legal sources and how to identify legal retailers in physical and online stores.
- Continuing analysis of the appropriate pricing and availability of the legal supply to be able to overtake the illegal supply and encourage a competitive market without increasing public health risks.

CCSA Resources

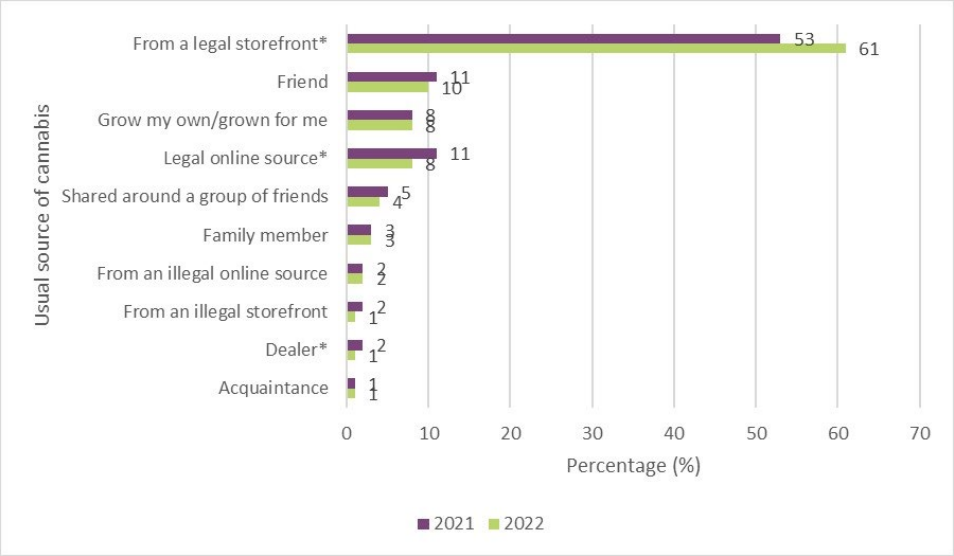
A Public Health Perspective of Cannabis Legalization and Regulation in Canada

Cannabis Legalization: 2021-2022 Observations

Public Safety and Cannabis: Taking Stock of Knowledge Since Legalization: A Virtual Cannabis Policy Research Symposium Report

Appendices

Appendix 1: Past 12 months, from whom cannabis was usually obtained among people who used cannabis in the past 12 months, 2021 to 2022



Source: Health Canada, 2022

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Canadian Centre on Substance Use and Addiction

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