Cassels

Liquor Control Board to Distribute Cannabis in Quebec

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On September 29, 2017, government sources confirmed to Radio-Canada that Quebec's liquor board, the Société des alcools du Québec or Quebec Alcohol Corporation (SAQ), will oversee the distribution of recreational cannabis in the province following legalization in July 2018. Sources also confirmed that the legal age to purchase cannabis in Quebec will be set at 18, aligning it with both the mandatory minimum age proposed by the Government of Canada in Bill C-45 and with the province's minimum drinking age.

While no official announcement has been made to confirm these reports, Quebec's Public Health Minister, Lucie Charlebois, is expected to introduce a provincial bill on cannabis legalization in the near future that could include details with respect to storefronts, locations for legal cannabis use and the future of dispensaries currently operating in the province, among other particulars.

Once confirmed, Quebec is set to become the third Canadian province (following Ontario and New Brunswick) to release plans for implementing the proposed legalized cannabis regime. Both Ontario and New Brunswick have also indicated that distribution and sales will be managed through a crown corporation.

Ontario

On September 8, 2017, Ontario announced its planned approach to federal cannabis legalization. This announcement indicated that the mandate to distribute, sell and retail cannabis products for recreational consumers in Ontario will be operated by a subsidiary of the Liquor Control Board of Ontario (LCBO), a crown corporation, and will involve a combination of retail stores and provincially-managed online sales. The province expects 40 retail locations to be operational for the Government of Canada's targeted July 2018 implementation date and intends to increase the number of retail locations to 80 within the first year, with additional locations being added over time for a goal of 150 cannabis-specific storefronts by the end of 2020.

Ontario has confirmed that it will restrict cannabis sales to those aged 19 and older, which is also in line with the province's minimum drinking age.

Please see our previous blog post for additional highlights from the September 8, 2017 Ontario media announcement.

New Brunswick

Shortly after Ontario's announcement, New Brunswick became the second province to announce certain

details of its plan for recreational cannabis sales following federal legalization. On September 15, 2017, the province announced the creation of a new crown corporation to oversee the sale of recreational cannabis. While details on the size and nature of the retail landscape in the province have not yet been released, the New Brunswick government has confirmed that this Crown corporation will not directly conduct retail operations; rather, it will engage with another entity to provide that framework.

Although the province has not made any final decision on the age of consumption, a government working group interim report released in June 2017 recommended a minimum age of 19 to consume and possess cannabis in New Brunswick, again in line with the province's minimum drinking age.

The New Brunswick government also announced on September 15, 2017 that it signed agreements to partner with two federally licensed producers to supply cannabis to the province following legalization next year.

We can help

For more information about how Cassels can assist your business, please contact a member of our firm's cross-disciplinary Cannabis Group.

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.