

Draft Cannabis Act Released by Canadian Federal Government

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Today the federal government released Bill C-45, the draft *Cannabis Act*. If enacted, this will make Canada the first G7 country to legalize recreational cannabis. Cannabis will remain illegal as the bill moves through the legislative process. If it is approved by Parliament, the bill could become law with a target date of no later than July 2018, [according to the Government of Canada](#).

[As reported in our blog post from December 13, 2016](#), this bill comes following a consultation process that engaged more than 30,000 Canadians and the issuance of the [comprehensive Task Force report](#) on cannabis legalization and regulation.

The draft *Cannabis Act* sets out the federal regulatory framework for legalization of cannabis for non-medical purposes; however, many aspects of the Canadian framework remain unanswered. The proposed *Cannabis Act* provides significant discretion to the provinces and reserves significant discretion to be introduced through yet-to-be released regulations.

Here are some key highlights of what the *Cannabis Act* proposes:

- 1. Licensing Regime** – The ACMPR regulation of cannabis for medical purposes will continue in effect, but will be subject to future review, as per the Task Force recommendations. The Cannabis Act proposes federal licensing powers for the production, sale, testing, packaging, labelling, sending, delivery, transportation, sale, possession and disposal of cannabis for non-medical purposes. It also proposes the establishment of security requirements, product standards, inspections and recall powers, among others. It is expected that details of this licensing structure will be set out in the yet-to-be released regulations.
- 2. Provincial Discretion** – The proposed regime would defer significant powers to the provinces. This includes powers to authorize the distribution, sale and retailing of cannabis and cannabis products, establishing the minimum age for purchase and possession (the *Cannabis Act* proposes a minimum age of 18 years), restrictions on where adults can consume cannabis, lowering of the personal possession limit within their jurisdiction, and the creation of additional rules for growing cannabis at home.
- 3. Products** – The proposed legislation would prohibit products combining cannabis and either caffeine, ethyl alcohol or nicotine. It appears that various forms of cannabis products would be permitted, including edible products, resins, and concentrates, but this may also be subject to yet-to-be released regulations.

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4. Packaging & Labelling – Under the proposed legislation, product packaging and labelling will be permitted to provide factual and accurate information. Misleading claims, any text or images appealing to children, self-service displays, and vending machines will be prohibited. Packaging requirements will also be subject to additional restrictions in the yet-to-be released regulations.

5. Criminal Law Changes – Various amendments are proposed to the *Criminal Code* including decriminalizing the possession of fewer than 30 grams of cannabis. Significant amendments relating to impaired driving, police powers and road-side oral fluid testing are also proposed. [Bill C-46](#) was also released by the federal government today in connection with the draft *Cannabis Act*, where certain proposed amendments of the *Criminal Code* can be found.

[A copy of the proposed Cannabis Act can be found here.](#)

For more information regarding the proposed *Cannabis Act*, please contact a member of our firm's Cannabis Group.

The authors of this alert gratefully acknowledge the contributions of Articling Student Michael Garbuz.

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