



Congratulations Canada on the Second Anniversary of Cannabis Legalization

It's hard to believe that two years have passed since Canada made history with the legalization of adult-use cannabis. As Canada's national association of licensed cannabis producers and on behalf of thousands of our employees, the Cannabis Council of Canada would like to THANK Canadians, our customers and our governments for their confidence and trust. To help commemorate two years in the life of a start-up sector, we've put together a report card that highlights our collective successes and emphasizes places where progress is ongoing.

Rick Savone
Rick Savone
Chair

George Smitherman
George Smitherman
President & CEO

Cannabis Legalization Report Card

Issue	Grade	Rationale
Support for Cannabis Legalization	B+	Robust public support for legalization has remained largely consistent since the enactment of the Cannabis Act, with the percentage of Canadians in opposition diminishing modestly year-over-year to only 24%.
Keeping cannabis away from Children and Youth	B+	While Canadians remain concerned about risks of youth consumption, preliminary estimates from Statistics Canada suggest cannabis use among 15- to 17-year-olds to have fallen over the first year of legalization by 9.4%.
Combatting the Illicit Market	C-	Uncompetitive pricing, namely due to excise taxation and wholesale markups, presents a barrier to further integration of the illicit market. As a result, the legal market accounts for only 50.5% of all cannabis-related spending country-wide.
Consumer Awareness	C	Industry remains limited in its ability to communicate product attributes, effects, and composition directly to consumers – reducing the criteria for differentiating between products to potency and price. To this end, 62% of Canadians support increased communication capability for license holders.
Government Leadership	B+	Canadians are generally aligned with the nation's leadership role in the sector, with 41% supportive of Canada taking a greater role in promoting the industry globally and fewer than 1/4 of respondents expressing opposition to global market outreach.
Cannabis Amnesty	D	Unfortunately, just under 3% of eligible Canadians have successfully applied for the Cannabis Record Suspension Program. This result calls for a marked change in approach, particularly given 70% of Canadians support deletion of criminal records for personal possession.
Jobs and the Economy	C+	Billions in investment in Canada's cannabis industry has spawned employment throughout multiple sectors and most regions of the country. Sustained growth in retail employment has offset production-related job reduction, while continued illicit market operations and barriers to exports suppress the sector's full economic impact, including for Indigenous and diverse communities.
Medical Patient Access	D	Cannabis medicine, unlike other medicines, is subject to an excise tax. This contributes to an affordability problem, resulting in 60% of patients feeling as though they must buy cannabis from the illicit market. In tandem, 70% of Canadians support adding medicinal cannabis products to public and private drug plans.
Justice and Law Enforcement	B+	Broad community compliance with legislation is recognized, and 85% of Canadians demonstrate a strong awareness of the risks of driving under the influence. Similarly, fewer cannabis consumers report an interaction with law enforcement related to driving under the influence.
Research, Development, and Innovation	D	The Task Force that preceded legalization noted further research into cannabis is "needed urgently." Recent changes to research study requirements and persistent delays in the issuance of Research Licenses are threatening Canada's global leadership in cannabis research.

For additional detail on the report card, please visit our website at cannabis-council.ca