

## Cannabis Retailing Across Canada

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### **Current Regime**

- Only medicinal cannabis under the ACMPR is legal
- No legal dispensaries
- Concurrent federal and provincial legislation
  - federal *Cannabis Act* (legalizes recreational cannabis, labeling requirements, also personal growth) – passed second reading in the Senate on March 22, 2018
  - each province will have its own legislation which will govern how cannabis can be sold and consumed in that jurisdiction

### **Recreational Cannabis**

- Provinces/Territories to decide on retail sales model
- Public models, private models, hybrid models for in-store sales
- Online Sales mostly run by governments, with exceptions: Saskatchewan
- Federal system will be in place to fill any gaps
- Territories also have their own models
- Edibles to follow 12 months later with specific regulations by federal government; then up to each province to decide how it wants to regulate

### **Leasing Issues to Consider**

- Community rights and zoning restrictions
- Hours of operation
- Use clause
- Waste disposal
- HVAC
- Noise/Smells
- Transfer Rights
- Termination Rights
- Landlord's Access
- Distress
- Security, loitering

Issues will vary in importance depending on the retail model (i.e. governmental retail stores vs. privately-operated)

## **Emerging Issues in Recreational Cannabis Leasing**

- Provincial restrictions on who can run a cannabis business
- Food and beverages
- Future of medicinal cannabis
- "Craft" producers and on-site consumption
- More of a concern with industrial – think about what could happen in the future if LPs are allowed to sell product at their production facilities similar to breweries

Jurisdiction	Retail Sales Model	Retail Operation	Public Consumption	Legal Age	Status of Legislation
<b>Alberta</b>	Private	<p><b>Stores:</b> Private retailers under supervision of AGLC; 250 licenses in 2018 (one entity may not own more than 15% of stores)</p> <p><b>Online:</b> Sales managed by AGLC</p>	Allowed in public spaces where smoking is permitted, except in spaces frequented by children.	18	<p><i>Bill 26: An Act to Control and Regulate Cannabis</i>  <b>Royal Assent:</b> December 15, 2017</p> <p><i>Bill 6: Gaming and Liquor Statutes Amendment Act, 2018</i>  <b>Second Reading:</b> April 12, 2018</p>
<b>British Columbia</b>	Hybrid	<p><b>Stores:</b> B.C. Liquor Distribution Branch will be only wholesaler; retailers will be both private and government (private in urban areas)</p> <ul style="list-style-type: none"> <li>• Municipalities must approve locations!</li> </ul>	Allowed in public spaces where smoking is permitted, except in spaces frequented by children	19	<p><i>Bill 30: Cannabis Control and Licensing Act</i>  <b>First Reading:</b> April 26, 2018</p> <p><i>Bill 31: Cannabis Distribution Act</i>  <b>First Reading:</b> April 26, 2018</p>
<b>Manitoba</b>	Hybrid	<p><b>Stores:</b> Limited private sales (4 groups), but LGAM will be only wholesaler and regulator</p> <ul style="list-style-type: none"> <li>• A municipality may hold a plebiscite to prohibit the operation of cannabis stores in the municipality.</li> </ul>	No consumption in public places	19	<p><i>Bill 11: The Safe and Responsible Retailing of Cannabis</i>  <b>Second Reading:</b> April 23, 2018</p> <p><i>Bill 25: The Non-Smokers Health Protection and Vapour Products Amendment Act (Prohibiting Cannabis Consumption in Outdoor Public Places)</i>  <b>Second Reading:</b> April 23, 2018</p>
<b>New Brunswick</b>	Public	<b>Stores:</b> Up to 20 CannabisNB stores	Only in private residences	19	<p><i>Bill 16: Cannabis Control Act</i>  <b>Royal Assent:</b> March 16, 2018</p>

Currency Date: April 30, 2018

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		<i>Online:</i> CannabisNB-run			<i>Bill 17: Cannabis Management Corporation Act</i> <b>Royal Assent:</b> March 16, 2018
<b>Newfoundland &amp; Labrador</b>	Private	<i>Stores:</i> Private retailers (four classes of stores; estimated 41 stores), but NLLC will act as distributor (potential for government-run stores in areas with no private interest)  <i>Online:</i> NLLC-run	Only in private residences	19	<i>Bill 23: An Act to Amend the Liquor Corporation Act</i>  <b>Royal Assent:</b> December 7, 2017
<b>Nova Scotia</b>	Public	<i>Stores:</i> To be sold from existing NSLC stores – 9 outlets only (4 in Halifax); none in South Shore or Annapolis Valley  <i>Online:</i> NSLC-run	Allowed in public spaces, except for provincial parks, beaches, nearby an outdoor playground, trail or sports area.	19	<i>Bill 108: Cannabis Control Act</i> <b>Royal Assent:</b> April 18, 2018
<b>Ontario</b>	Public	<i>Stores:</i> OCRC to operate 40 stores in 14 municipalities by July 2018; 80 by 2019; 150 by 2020  <i>Online:</i> OCRC-run, through Shopify platform	Only in private residences	19	<i>Bill 174: Cannabis, Smoke-Free Ontario and Road Safety Statute Law Amendment Act, 2017</i> <b>Royal Assent:</b> December 12, 2017
<b>PEI</b>	Public	<i>Stores:</i> 4 government-run	Only in private	19	<i>Bill 29: An Act to Respond to the</i>

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		stores (PEILCC)  <i>Online:</i> PEILCC-run	residences; potential for expansion into designated public spaces		<i>Legalization of Cannabis</i> <b>First Reading:</b> April 10, 2018
<b>Quebec</b>	Public	<i>Stores:</i> SQC to operate 20 stores province-wide in 2018; 100 after three years.  <i>Online:</i> SQC-run	Allowed in public spaces where smoking is permitted, except in spaces frequented by children and other specified locations	18	<i>Bill 157 : An Act to constitute the Société québécoise du cannabis, to enact the Cannabis Regulation Act and to amend various highway safety-related provisions</i> <b>Adoption in Principle:</b> February 7, 2018
<b>Saskatchewan</b>	Private	<i>Stores:</i> SLGA will issue approximately 60 permits in 40 municipalities and First Nations communities to private retailers (only communities with more than 2,500 people)  <i>Online:</i> Private, licensed and regulated by SLGA	No consumption in public places	19	<i>Bill 121: The Cannabis Control Act</i> <b>Royal Recommendation:</b> March 19, 2018