



Press Release

Cannabis Act Review welcomed, but urgency needed to protect the health and safety gains of legalization

Public health and safety successes of cannabis legalization in peril as licensed producers and processors of cannabis struggle to compete to with illicit cannabis industry

Ottawa, ON, September 22, 2022 – Today’s Health Canada announcement about the Statutory Review of the Cannabis Act is welcomed by Canada’s licensed producers and processors of cannabis.

The legal cannabis sector has long called for urgent government action to protect the health and safety gains of cannabis legalization, and while the sector applauds the scope and independence of this Statutory Review, we believe it does not recognize or reflect the urgent need for relief from the excessive tax and regulatory burden hampering the ability of the legal cannabis industry to support the health and safety objectives of the Cannabis Act.

“We, along with the cannabis community and the all-party Parliamentary Cannabis Caucus, have worked tirelessly to ensure that the Cannabis Act Review would be led by an independent panel and that its focus would be broad in scope,” said George Smitherman, President and CEO of the Cannabis Council of Canada (“C3”). “While we are encouraged by today’s announcement, we must underscore the need for urgent federal government action on the regulatory and commercial changes needed to compete with an unbridled, untaxed, and unregulated illicit cannabis industry. The legal cannabis sector cannot wait 2+ years for changes,” concluded Smitherman.

The Cannabis Council of Canada is calling on the Government of Canada for immediate action on its “Five Big Asks” for reform of Canada’s legal cannabis sector.

1. Address the financial viability of Licence holders by fixing the excise tax, provincial distributor mark-ups and fees.



2. Level the playing field with the illicit market.
3. Allow Licence holders to communicate with consumers, including about the effects of cannabis.
4. Eliminate costly “red tape” and unnecessary “Nanny State” regulations.
5. Strengthen patient access to medical cannabis.

For background please see:

An industry makes its mark – The economic and social impact of Canada’s cannabis sector (Deloitte, 2021)

Economic Analysis of Cannabis Excise Duties, Mark-Ups and Regulatory Fees, Phase 1 Report (EY Parthenon, May 2022)

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For media inquiries

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