



## **NEWS RELEASE**

### **BC Government strike inaction endangers public health and safety and further undermines struggling cannabis sector**

#### ***C3 urges BC government to develop contingency plan to re-establish legal supply of cannabis to British Columbians***

Ottawa, ON, August 29, 2022 – The Cannabis Council of Canada (“C3”) is calling on the Government of British Columbia to develop a contingency plan for the supply of legal cannabis to British Columbians in response to a BC General Employees’ Union (BCGEU) strike at BC Liquor Distribution Branch (“BCLDB”) warehouses. The result of the strike on the cannabis industry has been a disrupted supply chain with no shipments in or out of distribution centers, resulting in the halt of cannabis products from licensed producers and processors to retail stores and consumers.

With a diminishing supply of cannabis at the retail level, consumers are turning back to the illicit market for cannabis, putting public health and safety at risk. According to “Chemical Analysis of Illicit Cannabis<sup>1</sup>,” a recent BC government report, almost all illicit cannabis samples tested were contaminated with pesticides, mold, heavy metals, or other dangerous contaminants.

“The job action in BC, along with the current strike in Quebec, and the recent supply disruption in Ontario, shines a spotlight on the ineffectiveness and adverse consequences of provincial monopolies on cannabis distribution and the shortcomings of the federal government’s governance of legal cannabis,” says George Smitherman, President and CEO of Cannabis Council of Canada. “We urge the BC government to work with licensed cannabis producers and processors to execute a contingency plan solution before the public health and safety gains of legalization evaporate and the livelihoods of the thousands of British Columbians working in the legal cannabis sector in are irreparably damaged.”

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<sup>1</sup> [Chemical Analysis of Illicit Cannabis](#), Ministry of Public Safety and Solicitor General (July 2022)



Licensed producers and retailers have been competing with the illicit cannabis market since legalization. Unlike illegal operations, producers and retailers are excessively regulated, over-taxed, and operate on thin margins, while unregulated operations have well-established and robust supply chains. As the BCLDB strike continues to unfold, these sophisticated criminal operations can thrive, increasingly endangering BC communities as the profits of illegal cannabis are used to foster additional crime.

British Columbia's legal cannabis industry is already struggling, and without the development of a contingency plan, the economic destabilization of the cannabis sector will force hundreds of retailers to close and imperil B.C.'s legal producers of cannabis, putting thousands of jobs at risk. The strike and the lack of execution of a contingency plan on the part of the government has led to a number of unacceptable outcomes.

"As a B.C.-based licensed producer of cannabis, we could lose everything we've worked so hard to achieve in this province since cannabis legalization if government doesn't act now. Public health, consumer trust, people's livelihoods—there's so much at risk," says Mandesh Dosanjh, President and CEO, Pure Sunfarms and a C3 member. "There are several solutions available that have the power to alleviate this problem immediately. We have deep supply chain expertise and would welcome the opportunity to have a conversation with government about re-establishing a safe supply quickly to market while respecting worker's right to strike."

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**For media inquiries**

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