

Changes in Canada's cannabis retail market two years after legalization

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A recent study by public health researchers published in *Drug and Alcohol Review* documents the rapid expansion of the cannabis retail market in Canada in the two years following legalization.

The researchers found that the [legal cannabis market](#) increased from 158 stores (0.5 stores per 100,000 individuals) one month after [legalization](#) to 1,183 stores (3.7 stores per 100,000 individuals) two years after legalization—a 648% increase.

Similar to the team's previous study 6 months after legalization, they found there were twice as many cannabis stores concentrated in low-income neighborhoods compared to high-income neighborhoods.

There was also enormous variation in [market](#) maturity between provinces and territories. For example, Alberta and the Yukon had 24 times more cannabis stores per capita than Quebec two years after legalization.

Jurisdictions with private retail models (where cannabis stores are privately owned and operated) had more stores and saw a 913% increase in [store](#) growth over time, compared to public models (where stores are owned and operated by the government) which saw a 75% increase in store growth.

The researchers suggest the variations between jurisdictions may impact their ability to meet the public health goals of cannabis legalization—reducing harmful youth use and eliminating the illicit market.

In addition, the team notes that Canada's legal market remained immature in many regions two years after legalization. This market immaturity cautions against studies assessing the impact of legalization on cannabis use and related- [health outcomes](#) using data only for the first two years.

"A lot of studies to date have looked at cannabis use in the year following legalization, not seen very dramatic changes, and concluded

that legalization really doesn't have much of an impact on cannabis use and related health outcomes," said Dr. Daniel Myran, a postdoctoral fellow at The Ottawa Hospital and the University of Ottawa Department of Family Medicine. "What our data suggests is that we should not really have expected major changes right after legalization because of market immaturity. I anticipate that its only now that the market is taking off that we will see the potential impacts of legalization on cannabis use and related [health](#) outcomes."

More information: Daniel T. Myran et al, How has access to legal cannabis changed over time? An analysis of the cannabis retail market in Canada 2 years following the legalisation of recreational cannabis, *Drug and Alcohol Review* (2021). [DOI: 10.1111/dar.13351](https://doi.org/10.1111/dar.13351)

Provided by The Ottawa Hospital

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