
Ontario's Cannabis Retail and Distribution Model

September 8, 2017 11:15 A.M.

The federal government's [Cannabis Act](#), if passed, would make it legal to produce, use and sell cannabis across Canada by July 2018.

Once legalized, cannabis will be a carefully controlled substance in Ontario - subject to strict rules when it comes to retail and distribution.

Ontario is proposing a safe and sensible approach to the retail of recreational cannabis, overseen by the LCBO through a subsidiary corporation. This would meet the standards of control and social responsibility that people expect, while responding to consumer demand and eliminating the illegal market.

Under the proposed approach, approximately 150 standalone stores will be opened by 2020, including 80 by July 1, 2019 servicing all regions of the province. Online distribution will be available across the province.

These decisions have been guided by Ontario's extensive experience and expertise with substances like alcohol and tobacco, input from the public and experts, and lessons drawn from other jurisdictions that have legalized cannabis.

Retail Stores

Dedicated stores will be set up to sell only cannabis. Cannabis will not be sold alongside alcohol.

Trained and knowledgeable staff will sell products in a safe and socially-responsible manner to restrict access for minors and give consumers the information they need.

These stores will operate with the same socially-responsible retailing standards that apply to alcohol, as well as additional federal requirements for cannabis sales. For example:

- Ontario will comply with federal requirements that restrict advertising, do not permit products to be visible to youth and require a behind-the-counter type of retail environment similar to how tobacco is now sold.
- All sales will be assisted via counter service, and there will be no self-service. Retail staff will follow strict requirements for age verification.

- There will be mandatory training for retail staff. Staff will have knowledge of the individual products and public health information about how to use cannabis responsibly.
- Product types and formats will need to meet the federal government's requirements, including forthcoming federal regulations on packaging and labelling information.
- Ontario would work closely with municipalities to consider community priorities when choosing store locations (e.g., proximity to schools).

Illicit cannabis dispensaries, including those representing themselves as legal retailers of medical cannabis, are now and will continue to be illegal under the new rules. Ontario will work with and support law enforcement to shut down these illegal operations.

Medical cannabis can only be purchased directly from a federally licensed producer online or over the phone and delivered by secure mail. This federal program would continue under the new model.

Online sales

Online sales will allow for secure and safe delivery across the province.

Products would be stored, packed and distributed in a safe and controlled manner. All of the same delivery safeguards that exist now for online alcohol sales would apply, including:

- ID checks
- signatures upon delivery
- no packages left unattended at the door.

Next steps

Ontario intends to consult closely with municipalities, Indigenous communities and stakeholders to determine additional details about the retail and distribution system, which will ensure a safe and sensible approach to this new marketplace.

This approach will support Ontario's priorities of protecting youth and vulnerable populations, focusing on public health and safety, promoting prevention and harm reduction, and eliminating the illegal market.

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