

B.C. Releases its Initial Plan for How Pot Will Be Sold in the Province

Description

Over the past several months, we've seen many different provinces announce their plans for how cannabis will be sold and distributed. In September, Ontario [released a very restrictive model](#) that would see only government-operated stores sell pot, and it would shut down any existing pot shops.

Neighbouring Manitoba, however, [released a much more liberal plan last month](#) that would open the door for private retailers to sell cannabis, while the supply would be managed by the existing liquor board.

This week, it was B.C.'s turn to provide details on how the province plans to distribute pot. I'll have a look at what the province announced and what it means for investors.

Minimum age set to 19

We've seen provinces so far set minimum ages of either 18 or 19, so B.C. is falling in line. The province wants it to be consistent with the age of majority as well as what the current age requirements are for tobacco and alcohol consumption.

Province to follow a hybrid approach that will allow private business to sell pot

Like we've seen with other provinces, B.C. plans to allow private retailers to sell pot, but further details on that will not be available until January or February.

However, this is an important consideration, because given the strong popularity of pot in the province, a model like Ontario's would likely not succeed and wouldn't do much to keep consumers from going to the black markets.

Liquor board to manage sales

The B.C. Liquor Distribution Branch will act as the wholesaler and manage pot sales in the province. This will allow for strong controls to be put into place for the sale and distribution of pot, while also allowing the flexibility for approved and licensed stores to sell cannabis as well.

Still many questions left to be answered

As with many other plans we've seen, while some questions have been answered, many others remain outstanding. There was no word on whether online sales will be permitted and how the government will deal with impaired driving risks.

Overall, details were fairly minimal for the province, despite significant input from 141 different governments and nearly 50,000 British Columbians.

What this means for investors

How the province will decide on retailers will have a significant impact on big pot producers such as **Canopy Growth Corp.** ([TSX:WEED](#)) and **Aurora Cannabis Inc.** ([TSX:ACB](#)). Although Ontario is the largest province in the country, B.C. could be the crown jewel for the industry due to the popularity of pot in the province and how crucial it will be to growth prospects for the industry.

If the province is serious about trying to shift demand from the black market, it won't be able to do that without a fairly liberal approach to the sale and distribution of cannabis. Once we get details as to how difficult or easy it will be for retailers to sell cannabis, we'll have a better idea of the approach the province is taking.

The details released from the province have, unfortunately, provided little insight and won't do much in the way of answering many questions.

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