

LEGALIZATION OF MARIJUANA IN CANADA

From October 17, Canada can freely sell and buy marijuana. The government in Ottawa believes that the new law will eliminate the shadow market of cannabis and reduce the consumption of soft drugs among adolescents.

From Wednesday, the seventeenth of October, Canadians get the right to buy, own, and consume marijuana (official name - cannabis) not only for medical purposes, but for the so-called recreational purpose - that is, for entertainment. And in Canada in the near future expect the emergence of a multi-billion dollar legal market of marijuana. According to the government, in 2017, the country's residents spent nearly four billion euros on the purchase of illegal marijuana.

With the legalization of "grass", Canada became the first member of the G-7, in which cannabis is legalized at the national level. The sale of this drug has already been legalized in the US, but not in the whole country, but only in a number of states.

Canadians broadly support marijuana legalization, but amid the euphoria, there was also caution. "Legalization of cannabis is the largest public policy shift this country has experienced in the past five decades," said Mike Farnworth, British Columbia's minister of public safety.

In a stinging editorial published on Monday, for example, the Canadian Medical Association Journal called the government's legalization plan an "uncontrolled experiment in which the profits of cannabis producers and tax revenues are squarely pitched against the health of Canadians. **It's an octopus with many tentacles, and there are many unknowns,**" he added. **"I don't think that when the federal government decided to legalize marijuana it thought through all of the implications."** [4]

However, in Canada, marijuana will be sold not immediately, but after a transitional period of 8-12 weeks. Every adult resident in Canada (depending on the province from 18 or 19 years old) will be able to purchase it, at an approximate price of 6.5 euros (about \$5.40 in United States dollars per gram).

A special marijuana excise tax, to be divvied up between the federal government and the provinces, will be included in the price; sales tax will be added at the cash register. Illegal drug dealers across the country have already responded by lowering their prices. Some in Montreal, for example, are offering two joints for the price of one. The federal government has left the country's 13 provinces and territories to carry out the new legislation and set their own rules, creating a patchwork of regulations. Among many open questions are how the police will test drivers who may be high and how employers deal with employees who smoke before coming to work. After some time personal possession is limited to 30 grams. In addition, the new law allowed to grow in his own home no more than four hemp shrubs for personal use.

Who will control "hemp freedom"? The Canadian Government will be able to regulate the price of marijuana through taxes. From October 2018, suppliers of cannabis will have to deduct to the budget one dollar for each sold gram. This is excluding VAT, which is 13 percent in Canada.

The new law has become a peculiar example of Canada's decentralization in action. So, three quarters of the tax revenue from the sale of marijuana will remain on the ground. The government will control the issuance of licenses to large producers at the national level, and small businesses will be taken care of by local authorities.

Also, the provinces are left with a decision on where and in what form it will be possible to sell marijuana. In some regions, sales can only be allowed in state-owned stores, while others will need to hold local referenda for such restrictions.

Deficit or overproduction of marijuana? Representatives of the online platform New Cannabis Ventures, which combines marijuana manufacturers, expect that liberalization of the market in Canada will lead to its deficit.

At present, licensed manufacturers barely satisfy the high demand for medical cannabis. Experts estimate that the rest of the products are exported and will not be available on the local market.

However, there is no unity in the estimates. Other analysts, on the other hand, believe that in the long term, Canada is more likely to face the overproduction of marijuana. Local growers of hemp from time to time announce the increase in capacity.

And in early 2018, the Canadian market of cannabis took a large-scale takeover: marijuana maker Aurora for 2.2 billion dollars bought shares of competitor MedReleaf.

How will the marijuana market developed? Similar deals open up great perspectives, but they also have a lot of risks. Nevertheless, large manufacturers of cannabis decided to expand. Leaders of industry - Aurora Cannabis and Canopy Growth - are regularly accused of purposefully crowding out small players.

According to the analyst company New Frontier, consumption of cannabis per capita in Canada is higher than in the United States. By 2025, the total turnover of the Canadian marijuana market could reach almost six billion dollars.

In addition, in the United States, the legalization of marijuana has led to a revival in the labor market - in some US states, almost 300 thousand new jobs were created. This also applies to Canada, especially if you take into account the fact that, unlike American companies, Canadian marijuana manufacturers do not forbid the export of products.

In addition to tax revenues and new jobs, the Canadian government pays a boost to the growing importance of marijuana in the world. More and more countries are beginning to produce medical cannabis.

So, in Germany, the cultivation of medical hemp is pushed through rigid state regulation, but local pharmacies have not been left without commodities - they get marijuana from Canada and the Netherlands. [1]

The main things is the price! Legalization of cannabis was the pre-election promise of the young Prime Minister of Canada, Justin Trudeau, who had previously admitted that he used marijuana 4-5 times, in particular, already in adulthood. "We will receive a system that will remove our teenagers from cannabis and save organized crime from profit," he said victorious after a successful vote in the parliament.

And it's really possible, says Professor of Economics at Düsseldorf University Justus Gaukap, who had previously headed the Federal Reserve Commission for Monopoly Affairs. Gaukap refers to the experience of the state of Colorado, where in 2014 legalized the use of marijuana for recreational purposes.

"It's impossible to destroy the black market in one day, it will take some time," Gaukap accepts, who deals with how much tax revenue to the Federal Reserve will

increase in the event of full legalization of marijuana in the country (from 2017 in Germany you can buy cannabis in Prescription Drug Store - Ed.).

Gaukap itself supports such a step. However, at one time with the legalization of marijuana, it is necessary to carry out information campaigns to explain the negative consequences of its use, the expert observes.

However, how lucid marijuana lovers will refuse from the services of the black market will depend on the price of marijuana. According to Gaukap, it should not be very high.

Thus, in Colorado, the price of cannabis after legalization increased by 10-20 percent compared with the value of an illegal product. Meanwhile, the official permission for the sale of marijuana will make it possible to provide quality control, because the bought from the dealer cannabis is often diluted, contains pesticides and other harmful impurities.

Too cheap legal cannabis should also not be, because the Canadian authorities do not seek to encourage citizens to mass consumption of "grass", the expert points out.

Where can you buy it? **The legalization of cannabis has led to a so-called "green rush," with licensed cannabis growers pressing to get a foothold in what is expected to be a \$5 billion industry (6.5 billion Canadian dollars) by 2020, buttressed by the expected arrival of thousands of pot tourists from the United States. For example, in the province of Alberta, hemp can be purchased from 17 private traders.**

At the same time, the Toronto-based capital of Ontario is working on its sales rules, so while its residents can still order marijuana only on websites. Others across Canada were ordering pot online from government stores. As online demand soared, stocks quickly ran out, creating fears of marijuana shortages.

How do you know what you are buying? The package must contain all the information that is necessary for the consumer to make a reasoned decision. It should include the name of the manufacturer, the strains of marijuana, the content of tetrahydrocannabinol, the substance containing the plant, and the cannabidiol, the therapeutic substance.

How many cannabis can be stored? **Adults are allowed to carry up to 30g of dried hemp in public places, including their own vehicle.**

This means that 30g is the maximum amount of hemp that you can buy at a time.

A person who carrying more than this amount of marijuana risks to get rid of the will for up to 5 years.

What's the legal smoking age? The legal age for marijuana use will be 19 in most provinces, and 18 in Quebec, although its newly elected government has vowed to raise the minimum age to 21. It will be a federal crime to supply marijuana to minors — with a penalty of up to 14 years in prison. [2]

Can a villager buy marijuana from her neighbor in order not to go to the city? Absolutely not. If a neighbor is not a licensed retailer, he is forbidden to sell hemp to another, otherwise he may receive a fine of \$ 5,000 or 14 years imprisonment. The same punishment awaits those who sell hemp to minors.

Can you rise marijuana in recruitment goals? Yes, but not in all provinces, because some of them hold the position that hemp needs to be grown only in safe places. Only 4 plants up to one meter can be grown where it is allowed to grow.

Can you make a grass at work? The policy of drug in the workplace is determined by the employer. Legalization is not anarchy. This does not apply to medicinal cannabis.

Can you smoke at home? In many provinces, the home is the only place where you can smoke. But if a person leases an apartment or a home, the owner can enter into an agreement with a tenant in which to ban smoking in the house. The same applies to ordinary cigarettes. [3]

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