

Provincial and Territorial Cannabis Economic Accounts, 2017

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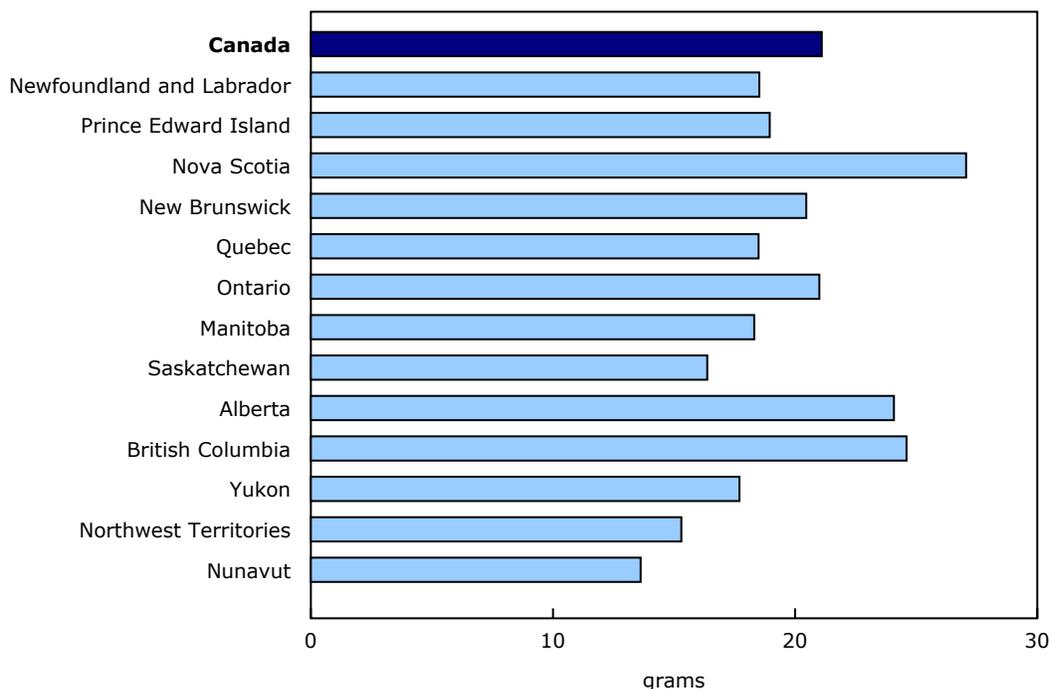
In 2017, about 4.9 million Canadians aged 15 to 64 spent an estimated \$5.6 billion on cannabis for medical and non-medical purposes. This is a small downward revision (-1.8%) from the national estimate of \$5.7 billion released in January.

The Cannabis Provincial and Territorial Economic Accounts are a set of provisional estimates related to the production, consumption and distribution of cannabis in the provincial and territorial economies in Canada. The data are deemed provisional and subject to revisions because they rely on a number of assumptions, models and sparse data sources related to the production of the mostly illegal cannabis industry.

Household consumption of cannabis varies across Canada

Consumption of cannabis products across Canada varied across provinces and territories in 2017. The highest per capita usage was in Nova Scotia (27.1 grams per person per year). British Columbia (24.6 grams) and Alberta (24.1 grams) were the provinces with the next highest consumption levels. Saskatchewan, along with the three territories, were the regions with the lowest per capita consumption.

Chart 1
Consumption of cannabis per capita



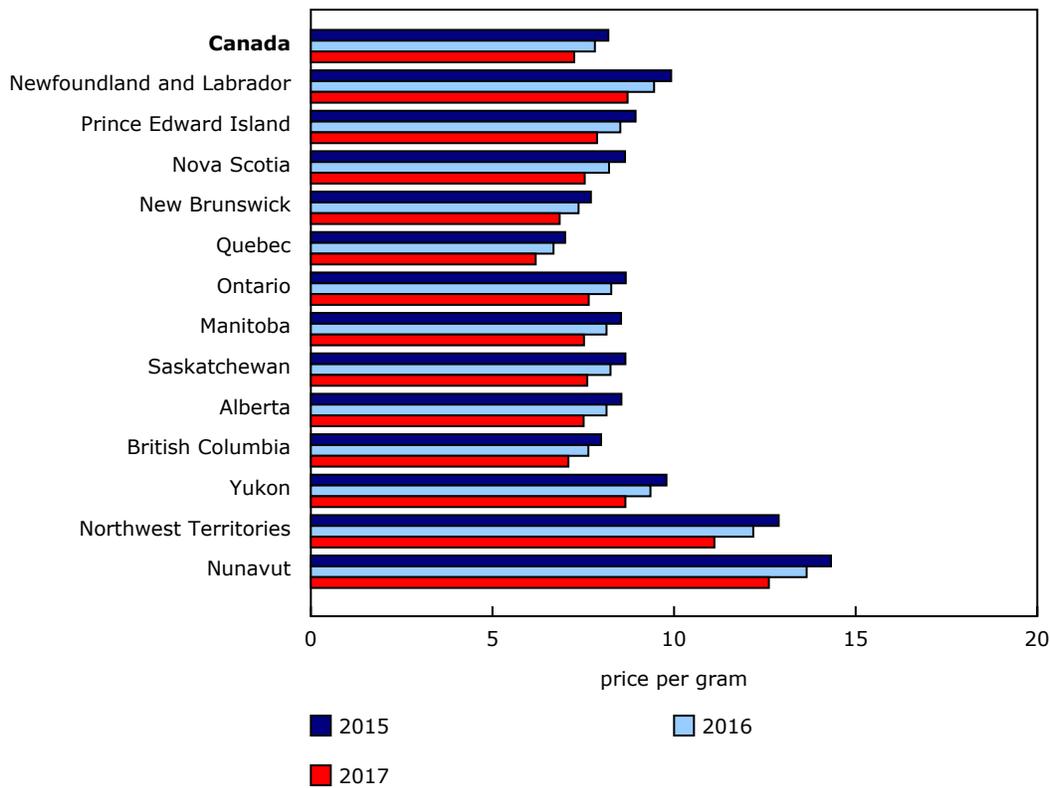
Source(s): Statistics Canada, National Gross Domestic Product by Income and by Expenditure Accounts (IEA) survey no. 1901.



When measured in dollars spent per capita, Quebec (\$115 per person per year) had the lowest level of spending in 2017. The low spending levels in Quebec reflected the low prices in that province. Quebec (\$6.19 per gram) had the lowest price for cannabis products across all of Canada. New Brunswick (\$6.85 per gram) and British Columbia (\$7.09 per gram) had the next lowest prices. The highest prices were in the Northwest Territories and Nunavut.

Prices for cannabis products have been generally trending downward in Canada since 2004. Average prices in 2017 were lower than in 2016 for all provinces and territories.

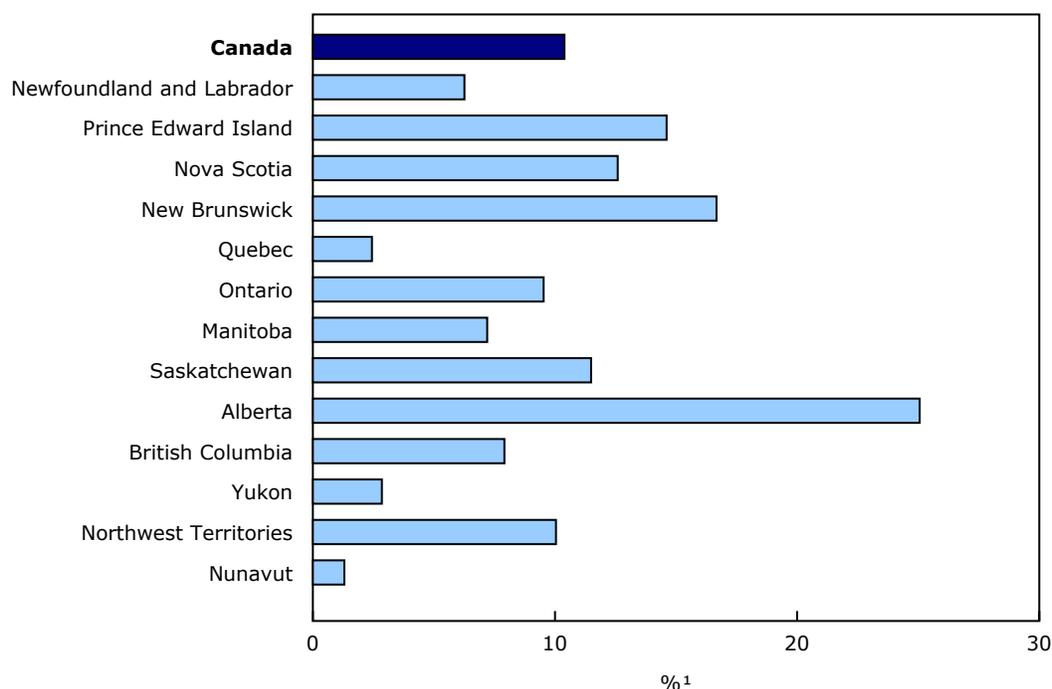
Chart 2
Price of cannabis by province and territory



Source(s): Statistics Canada, National Gross Domestic Product by Income and by Expenditure Accounts (IEA) survey no. 1901.

Of the cannabis products consumed in Canada in 2017, only a small portion (10.4%) was obtained legally (purchased with a medical document). However, this was up from 1.3% in 2015. Among the provinces, Alberta had the highest share of purchases (25.1%) that were undertaken with a medical document. Conversely, Quebec had the lowest share at 2.4%. Newfoundland and Labrador (6.3%), Manitoba (7.2%), British Columbia (7.9%) and Ontario (9.5%) were also below the national average.

Chart 3
Proportion of medical users



1. Percentage of cannabis for medical purposes to overall consumption.

Source(s): Statistics Canada, National Gross Domestic Product by Income and by Expenditure Accounts (IEA) survey no. 1901.

Production of cannabis

British Columbia produced the most cannabis products in Canada in 2017. The province accounted for 36.6% of total production. Quebec (31.0%) and Ontario (22.7%) were the second and third largest producers, respectively.

British Columbia and New Brunswick produced all the cannabis that was consumed in their provinces. These were the only two provinces that produced more cannabis than they consumed.

Value added

In 2017, the gross value added of the cannabis industry was \$2.8 billion. British Columbia's economy contributed \$1.1 billion or 39% of the Canadian total. By comparison, using 2014 as a reference year, the cannabis industry in British Columbia was about three times larger than the greenhouse industry. In Quebec, it is estimated that in 2014 the cannabis industry was slightly larger than the forestry and logging industry in the province.

Sales to and from abroad

Canada sold just over \$1 billion of cannabis products abroad in 2017. British Columbia accounted for 59% of these sales. Cannabis products were also traded across provinces. Quebec contributed just over half of the total inter-provincial sales of cannabis in 2017.

Note to readers

The data presented here are based on several surveys, which lack certain details and are infrequently collected. Statistics Canada has had to make assumptions about the frequency with which Canadians consume cannabis; the volume consumed per day; and the price paid to purchase cannabis. For example, Statistics Canada assumes that when someone reports consuming cannabis at least once a week, they actually consume cannabis 208 times per year, although this could range from 52 to 365 times.

Input costs of greenhouse, nursery and floriculture production industry were adjusted to estimate unit production cost of cannabis, and margins from tobacco and alcohol products were adjusted to estimate margins of cannabis products, assuming a higher risk associated with cannabis production and sale. The estimates were refined based on the findings of various research papers.

Because the government is planning to legalize cannabis in the summer of 2018, Statistics Canada is releasing experimental historical data in advance.

Therefore, estimates provided in the article should be treated as preliminary and used with caution. Statistics Canada is compiling further information and examining additional studies to improve the data.

Definitions, data sources and methods: survey number 1901.

The *Latest Developments in the Canadian Economic Accounts* ([13-605-X](#)) is available.

The *Cannabis Stats Hub* ([13-610-X](#)) is available.

The *User Guide: Canadian System of Macroeconomic Accounts* ([13-606-G](#)) is available.

The *Methodological Guide: Canadian System of Macroeconomic Accounts* ([13-607-X](#)) is available.

The [System of Macroeconomic Accounts](#) module features an up-to-date portrait of national and provincial economies and their structures.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).