

Estimating the demand for cannabis, fourth quarter 2018

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Cannabis products will become legal for recreational purposes on October 17, 2018. In anticipation of this change, Statistics Canada has estimated how large the cannabis market may be in the fourth quarter. The estimates are derived using census population data and statistics from the National Cannabis Survey.

The population eligible to purchase cannabis includes all persons 18 or 19 years of age or older, depending on the province or territory of residence. The demand of this population for cannabis will depend on how many current users of illegal cannabis switch to legal cannabis and on how many current non-users of illegal cannabis decide to use cannabis after its legalization. The National Cannabis Survey provides information on these factors and also on the amounts currently being spent on illegal cannabis.

Using this information, it is estimated there will be 5.4 million people wanting to purchase legal cannabis in the fourth quarter and 1.7 million continuing to buy illegal cannabis. Expenditure on legal cannabis in the fourth quarter may range from \$816 million to \$1,018 million while purchases of illegal cannabis may range from \$254 million to \$317 million. The estimates imply illegal cannabis sales may account for about 24% of the total market.

Note to readers

Statistics Canada is collecting information on cannabis prices through a crowdsourcing site, [StatsCannabis](#). Please visit the site and share your information with confidence; participation is anonymous.

Definitions, data sources and methods: survey numbers 1901 and 5263.

The document, "[Estimating the demand for cannabis](#)," which is part of *Latest Developments in the Canadian Economic Accounts* ([13-605-X](#)), is now available.

For more details on cannabis, consult the Cannabis Stats Hub ([13-610-X](#)).

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

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

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).

