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# Government in Canada Proposes Amendments to Cannabis Law, Lifting Burdens

The Canadian government is proposing amendments to federal cannabis regulations to ease the burden on cannabis businesses. These changes include adjustments to packaging and reporting requirements, aiming to simplify operations for producers and distributors.

**Expected Benefits**

Health Canada expects these amendments to provide $41 million in annual savings from reduced administrative and compliance costs. The proposed changes include allowing bulk outer packaging for individual packages and permitting lids and containers to display different colors, cut-out windows, and QR codes.

**Streamlined Processes**

Producers could package multiple products together, provided the total remains under the 30-gram limit. Additionally, mandatory paper copies of information sheets and notices for new dried or fresh cannabis products would be eliminated. Reporting on promotional efforts and cultivation waste would no longer be required.

**Industry Challenges**

These amendments aim to address the issues the cannabis industry faces, including bankruptcies and market consolidation since legalization in 2018. The oversupply of cannabis, which resulted in $53.7 million of unsold products last December, highlighted the need for regulatory changes.

**Alcohol Sales Impact**

A recent study in the Drug and Alcohol Dependence journal found that beer sales in Canada have declined since cannabis legalization in 2018, while spirit sales remained unaffected. The proposed changes to cannabis regulations could further influence these trends by supporting the growth of the cannabis market.

**Future Outlook**

The proposed amendments reflect recommendations from a federal group that studied Canada’s cannabis laws. By easing regulatory burdens, the Canadian government hopes to support the cannabis industry’s sustainability and growth.

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