

# ONTARIO CANNABIS MARKETPLACE: BY THE NUMBERS

2023







# THE OCS PUBLISHES **ONTARIO CANNABIS MARKETPLACE: BY THE NUMBERS** AS A RESOURCE FOR ALL ADULT ONTARIANS.

As Ontario’s wholesaler and distributor of legal recreational cannabis, the Ontario Cannabis Store (OCS) is mandated to provide a competitive alternative to the illegal market, champion a socially responsible cannabis industry and return its profits to the people of Ontario. The OCS is proud to share data aimed at informing adult Ontarians about the progress being made in the legal cannabis industry, supporting our vision to help enable Canada’s largest and most vibrant cannabis marketplace.

The information contained in this publication demonstrates the span and scope of retail cannabis operations across Ontario and the growth in access to legal cannabis over time. This document is intended to provide an overview of key facts and figures for the period between January 1 and December 31, 2023, as well as relevant year-over-year historical data from 2022. Going forward, the OCS plans to update and publish *Ontario Cannabis Marketplace: By the Numbers* twice annually.

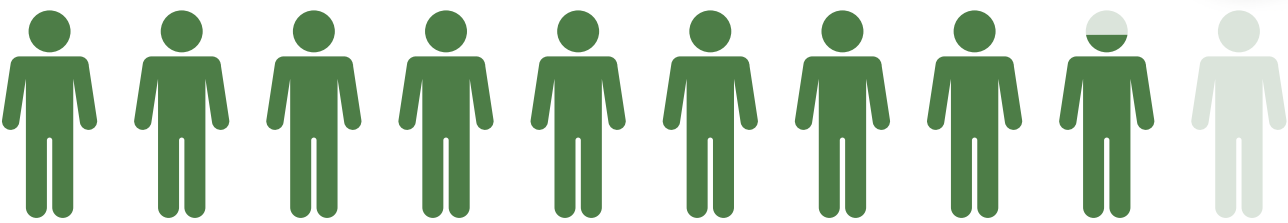
*Ontario Cannabis Marketplace: By the Numbers* will evolve over future editions, and the OCS welcomes feedback to improve the value of this publication for adult Ontarians. Send comments and feedback to the OCS at [inquiries@ocs.ca](mailto:inquiries@ocs.ca).

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Ce document est également publié en français. Il est disponible sur [OCS.ca](https://ocs.ca).





**88% OF ONTARIO’S ADULT POPULATION IS SERVED BY 1,714 AUTHORIZED CANNABIS STORES IN 353 MUNICIPALITIES ACROSS THE PROVINCE.**



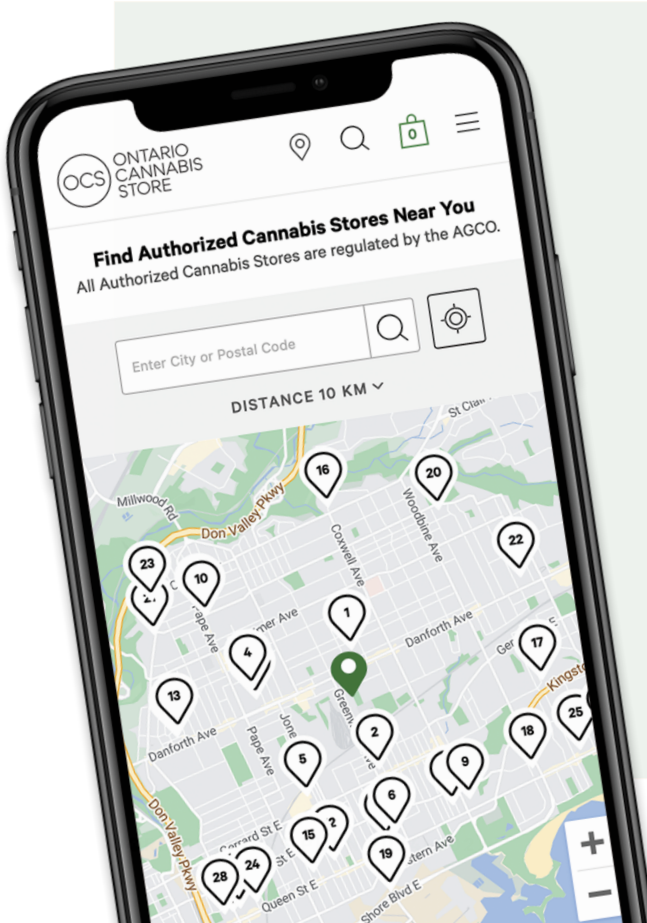
Total sales in 2023 at Authorized Cannabis Stores in Ontario  
**\$1,941,213,130**

Total units shipped to Authorized Cannabis Stores across Ontario in 2023  
**94,507,896**

Number of active product SKUs in Ontario  
**3,983**

Average wholesale price per gram (dried flower)  
**\$4.05**

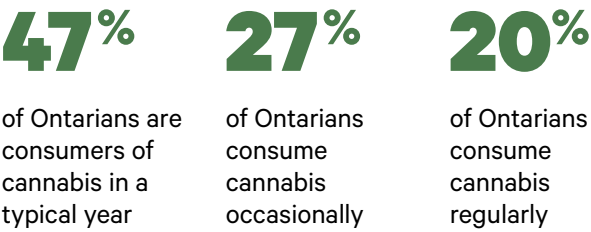
Weighted average wholesale price per gram, without HST, includes dried flower and pre-rolls



**CONSUMER ACCESS TO LEGAL CANNABIS GREW WITH 80 NET NEW STORES ADDED TO ONTARIO’S MARKETPLACE.**

**74% OF RESPONDENTS THINK CANNABIS LEGALIZATION HAS BEEN GOOD FOR CANADA.**

Consumer usage and attitudes



Consumer purchase channels



Source: OCS-commissioned research with adult Ontarians



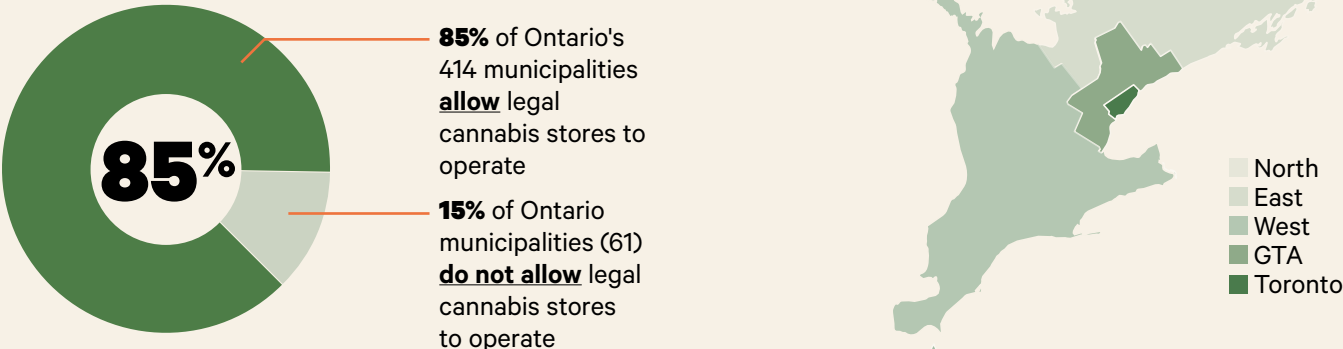
Total number of Authorized Cannabis Stores in Ontario

1,714 ↑ 5%

Number of Authorized Cannabis Stores by region 2023



Municipalities opted in to cannabis retail



Number of adults aged 19 and older served by Authorized Cannabis Stores in Ontario

10,155,606

Average distance to an Authorized Cannabis Store in Ontario

3.16 km

down from 3.57 km in 2022

\*Glossary of terms on page 18



Store onboarding and offboarding\*



**AUTHORIZED CANNABIS STORE ONBOARDINGS OUTPACED STORE OFFBOARDINGS BY 94% IN 2023.**

\*Number of Authorized Cannabis Stores that have been onboarded to do business with the OCS. This number does not represent the number of net new brick and mortar openings.





**373,699,940 GRAMS OF CANNABIS WERE SHIPPED FROM THE OCS DISTRIBUTION CENTRE IN GUELPH, ONTARIO, IN 2023. THAT'S 26% MORE THAN IN 2022.**

Total deliveries made to stores

**67,670**

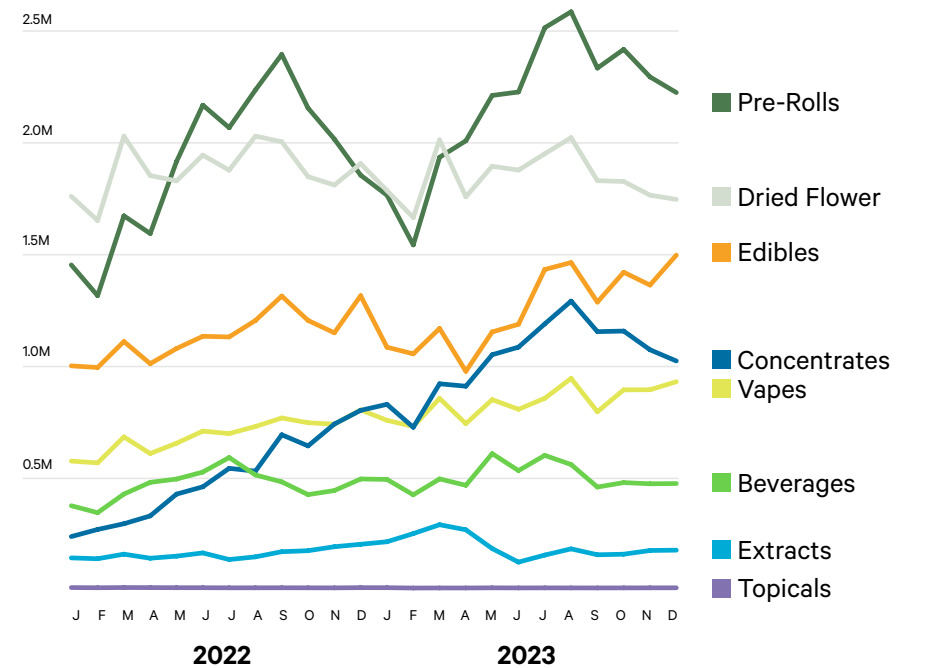
Average deliveries made to stores per week

**1,301**

Average deliveries made to stores daily

**260**

Units distributed to stores per month

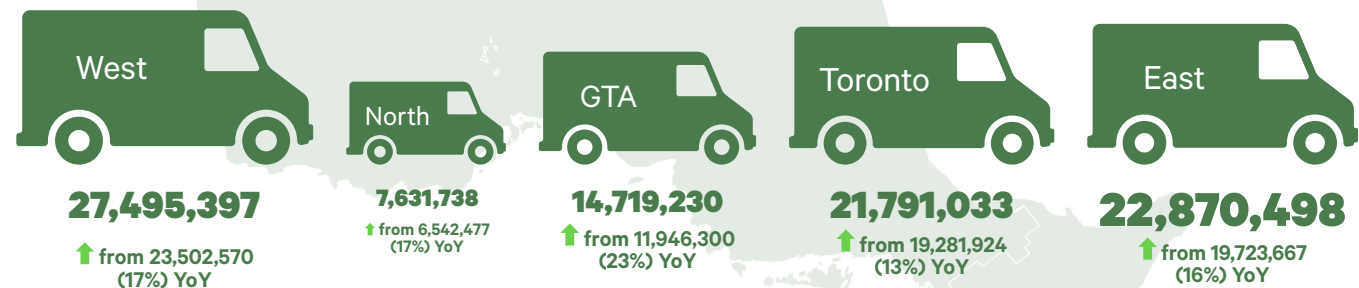


Units shipped to stores across Ontario

**94,507,896**

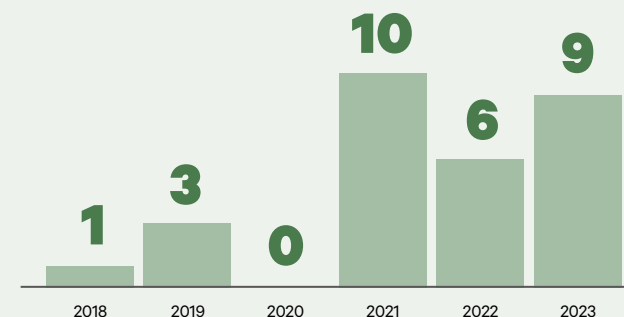
↑ from 80,996,938 units shipped in 2022

Units shipped to stores, by region

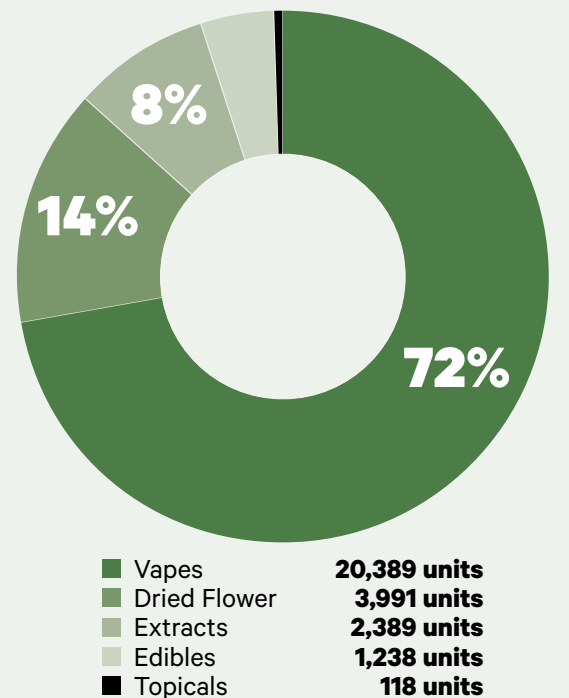


## PRODUCT QUALITY ASSURANCE

Number of recalls in Ontario by year



Number of complaints by category

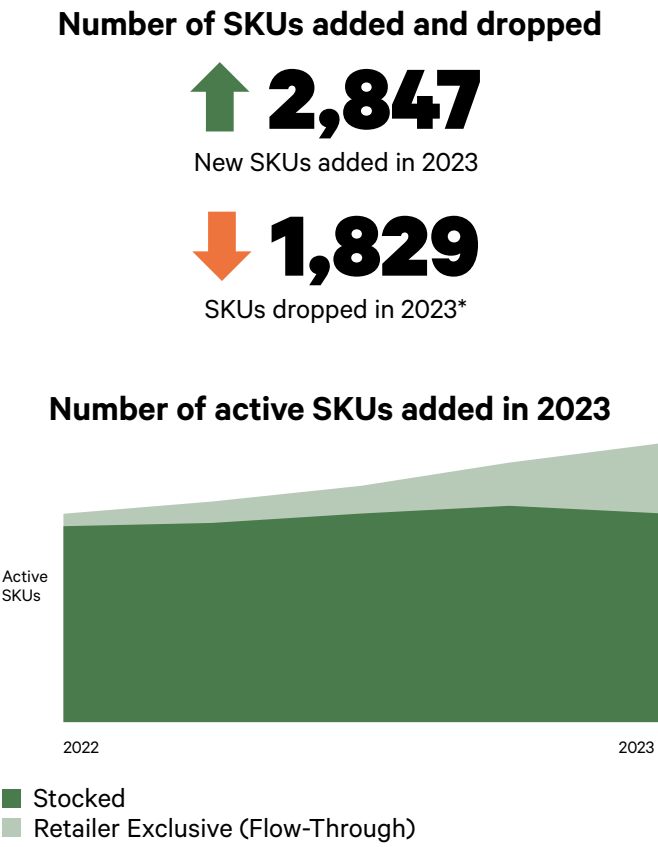




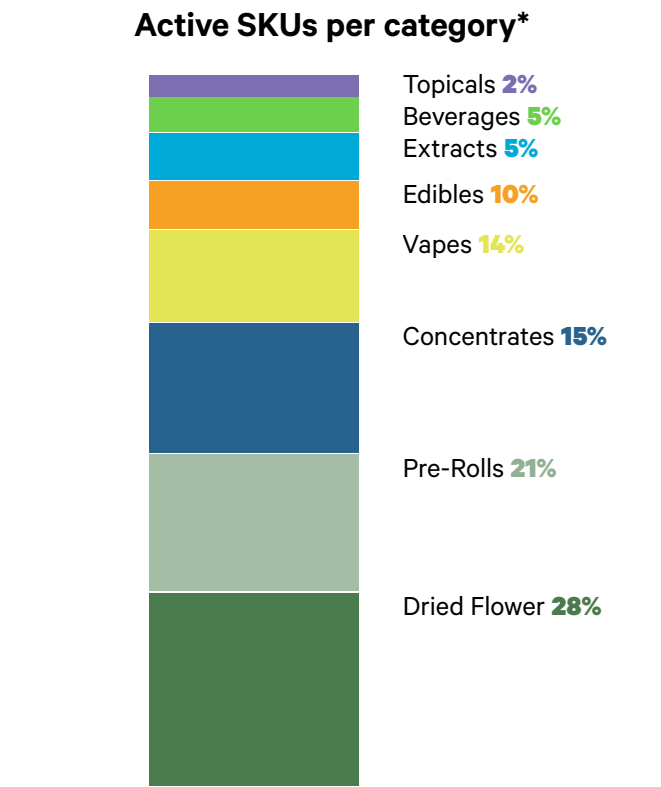
Total active product SKUs  
as of Dec. 31, 2023

**3,983**

That's ↑ 1,018 more than in 2022



\*Most SKUs are dropped at the request of Licensed Producers as part of their internal SKU rationalization processes



\*Values rounded to the nearest whole number





Total grams of cannabis sold

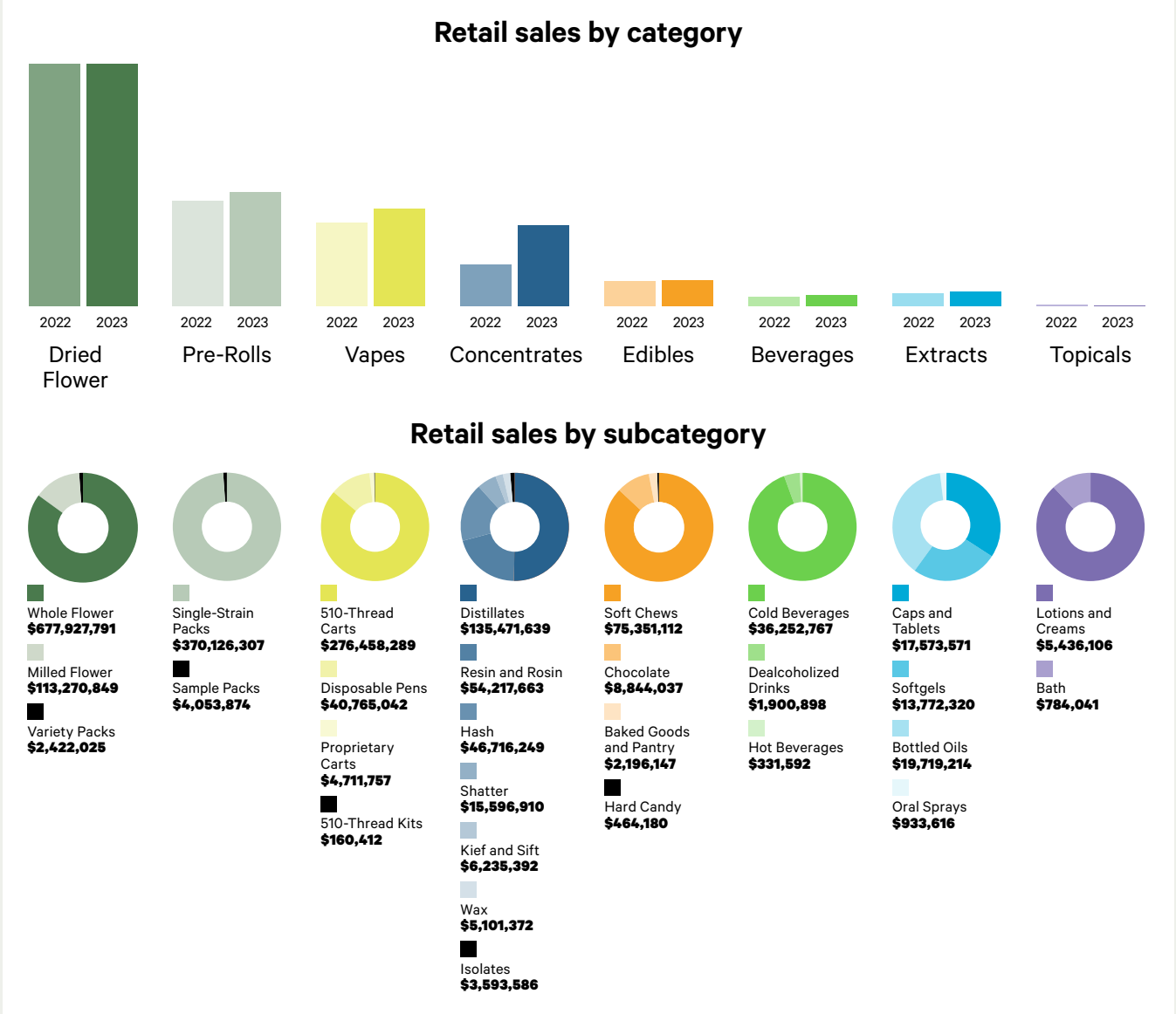
**338,606,177 g** **↑23.3%**

YoY increase, compared to 274,593,958 g sold in 2022

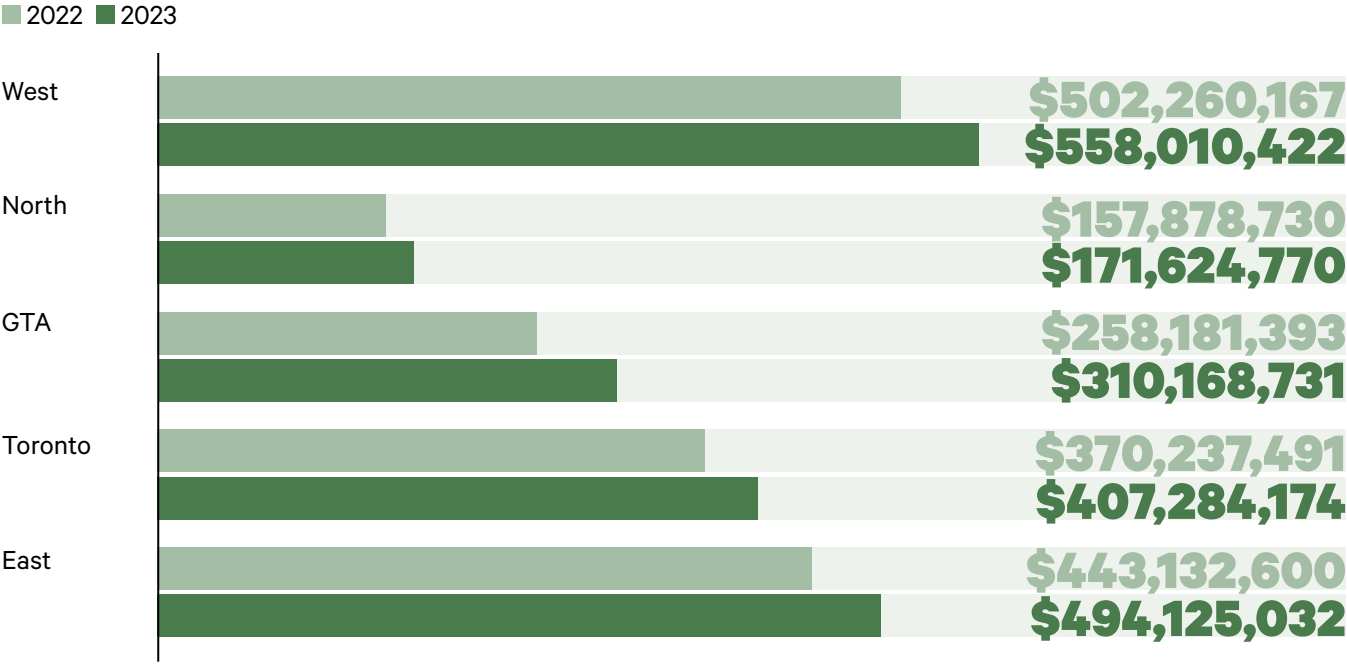
Total value of legal cannabis sales

**\$1,941,213,130** **↑12.1%**

YoY increase, compared to \$1,731,690,382 sold in 2022



**Retail sales by region**





ON AVERAGE, THE  
WHOLESALE PRICE  
PER GRAM OF DRIED  
FLOWER\* IS \$4.05  
IN ONTARIO.














































Wholesale price per gram (dried flower), by format

|           | 2022   | 2023   |   | YoY |
|-----------|--------|--------|---|-----|
| Pre-Rolls | \$5.45 | \$5.04 | ↓ | 8%  |
| 3.5 Grams | \$6.06 | \$5.47 | ↓ | 10% |
| 7 Grams   | \$3.31 | \$3.41 | ↑ | 3%  |
| 14 Grams  | \$4.06 | \$3.92 | ↓ | 3%  |
| 28 Grams  | \$3.03 | \$2.88 | ↓ | 5%  |

The OCS establishes wholesale prices for cannabis sold to Authorized Cannabis Stores. The assortment of available SKUs in different price tiers can lead to varying prices per gram, by format. These wholesale prices also inform end-consumer pricing on OCS.ca. In Ontario, Authorized Cannabis Stores set their own pricing. As a result, prices may vary among different types of products, store to store.

\*Weighted average wholesale price per gram, without HST, includes dried flower and pre-rolls

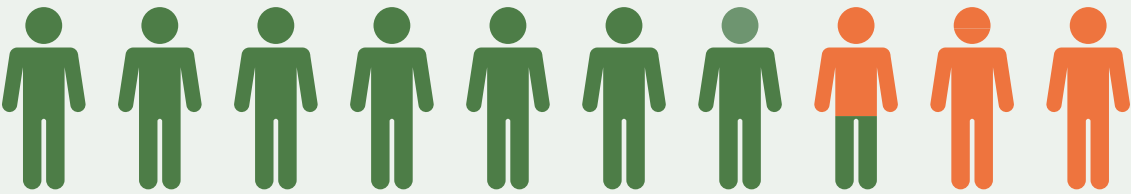
TOP FIVE BRANDS PER  
CATEGORY BY UNITS SOLD

|              |   |   |   |   |   |
|--------------|---|---|---|---|---|
| Dried Flower |    |    |    |    |    |
| Pre-Rolls    |    |    |    |    |    |
| Vapes        |    |    |    |    |    |
| Concentrates |   |   |   |   |   |
| Edibles      |  |  |  |  |  |
| Beverages    |  |  |  |  |  |
| Oils         |  |  |  |  |  |
| Capsules     |  |  |  |  |  |
| Topicals     |  |  |  |  |  |



The OCS commissions research with adult Ontarians to understand the cannabis market in Ontario, some key insights are shared below.

# 74% OF RESPONDENTS THINK CANNABIS LEGALIZATION HAS BEEN GOOD FOR CANADA.



### Benefits to cannabis legalization (RANKED)

- 1. Allows access to safer cannabis products
- 2. People are no longer convicted for using or possessing personal cannabis
- 3. Legal cannabis sales generate tax revenues

### Downsides to cannabis legalization (RANKED)

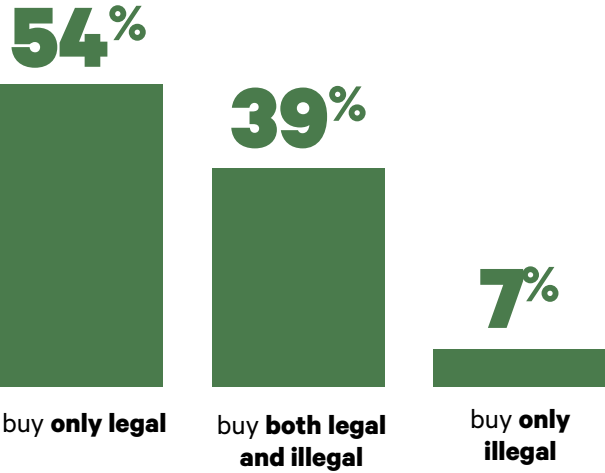
- 1. Creates safety concerns if people use cannabis irresponsibly (e.g., while driving)
- 2. Expands access for people who shouldn't be using cannabis
- 3. Normalizes cannabis use

When surveyed, adult Ontarians agreed with the following statements the most (RANKED)

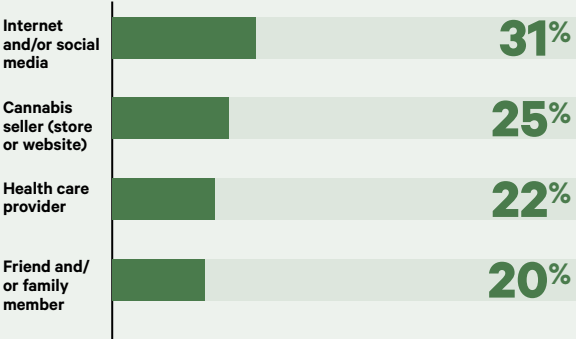
- 1. “Ontario benefits financially from legal cannabis” tied with “Legal cannabis helps generate jobs in Ontario”
- 2. “Legal cannabis supports local businesses in Ontario”
- 3. “Benefits of legal cannabis outweigh the risks”



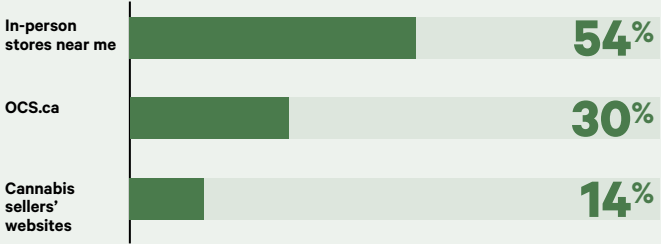
### Consumer purchase channels



### Where consumers look for information about cannabis



### Types of cannabis sellers consumers go to for answers to their questions





# GLOSSARY

## Active SKUs

Products available for sale through the OCS Catalogue, either through Stocked or Flow-Through fulfillment.

## Alcohol and Gaming Commission of Ontario (AGCO)

The Alcohol and Gaming Commission of Ontario (AGCO) licenses eligible retail store operators and regulates the sale of cannabis through Authorized Cannabis Stores in Ontario. It sets operational standards for licensed retail store operators to adhere to the *Cannabis Licence Act, 2018* and its Regulations. These standards are outlined in the AGCO’s Cannabis Retail Regulation Guide.

## Authorized Cannabis Store

In Ontario, consumers can legally purchase cannabis in person only from AGCO-Authorized Cannabis Stores. Authorized Cannabis Stores have bricks-and-mortar locations and can offer online ordering for delivery or curbside pickup. Authorized Cannabis Stores can be identified by the black and white Provincial Retail Seal located outside the store entrance.

## Cannabis legalization

The *Cannabis Act* is a federal law that came into force Oct. 17, 2018, legalizing access to recreational cannabis in Canada. The law governs the production, distribution, sale and possession of cannabis across Canada and protects public health and safety.

## Distribution Centre

The OCS’s 220,000-square-foot warehouse facility operated by Domain Logistics in Guelph, Ont. It operates 24 hours a day, seven days a week, and delivers to every corner of the province.

## GTA region

The Greater Toronto Area region, or GTA region, refers to the following census divisions, but does not

include the Toronto census division: Durham, York, Peel and Halton.

## Legal purchase channels

In Canada, provinces and territories are responsible for setting their own rules around how cannabis can be sold and where stores may be located, among other regulations. In Ontario, legal recreational cannabis is available for purchase only by adults 19 years of age or older and only through Authorized Cannabis Stores licensed by the AGCO, and online at OCS.ca. It is illegal to purchase cannabis from non-licensed sources.

## Licensed Producer

A Licensed Producer is an organization licensed by Health Canada to perform activities with cannabis that include cultivation, processing, research and development, and selling cannabis for medical and non-medical purposes. Health Canada maintains a full list of [Canadian Licensed Producers](#).

By law, the OCS only purchases cannabis from Licensed Producers authorized by Health Canada to sell cannabis for the legal recreational market.

## OCS.ca

The Province’s online e-commerce platform, which delivers legal cannabis products to consumers aged 19 and older in every corner of Ontario. Beyond operating as a retail site, OCS.ca prioritizes public education through initiatives like [Cannabis Made Clear](#), which helps new and experienced consumers learn more about recreational cannabis and responsible use.

## Offboarded

Locations where the legal owner on file has ceased doing business and has worked with the OCS to settle and close their account. The location may still be in business under a new owner with a separate OCS account.

## Onboarded

Retail Store Authorization (RSA) holders who have engaged the OCS and completed the onboarding process to become an OCS customer for a specific location. This includes locations that have not yet opened, and accounts created for new owners of existing locations.

## Ontario Cannabis Store (OCS)

The Ontario Cannabis Store (OCS) is a Crown agency solely owned by the Province of Ontario that operates the largest legal and centralized wholesale cannabis organization in the world. It provides Ontario adults aged 19 and older with safe access to tested and traceable recreational cannabis products. The OCS is mandated to provide a competitive alternative to the illegal market, champion a [socially responsible cannabis industry](#) and return its profits to the people of Ontario. The OCS’s mission is to enable a vibrant cannabis marketplace through great customer experiences, rooted in selection, service and quality.

## Price per gram (dried flower)

Represents the average wholesale price per gram of dried flower sold by the OCS to Authorized Cannabis Stores in Ontario. This price does not represent the average retail price for dried flower; Authorized Cannabis Stores can set product prices at their own discretion.

## Product category

Refers to the type of cannabis product (for example, dried flower, vapes and edibles).

## Product subcategory

Refers to a specific product type within a product category (for example, whole flower and milled flower are subcategories of dried flower).

## Recall (cannabis)

A cannabis product recall includes any action taken by a Licensed Producer to correct or remove product from sale and distribution, and to notify all affected supply chain customers and

the public. Recalls are initiated when cannabis products may present a health or safety risk or do not meet regulatory requirements.

Health Canada documents and monitors recalls, provides guidance to Licensed Producers and verifies compliance with the recall requirements set out in the *Cannabis Act* and its Regulations.

## Region(s)

Five geographical areas categorized by location, which together make up the province of Ontario: East region, GTA region, North region, Toronto region and West region.

Each region is composed of various census divisions as outlined by Statistics Canada. For example, West region includes the following census divisions: Dufferin, Wellington, Hamilton, Niagara, Haldimand-Norfolk, Brant, Waterloo, Perth, Oxford, Elgin, Chatham-Kent, Essex, Lambton, Middlesex, Huron, Bruce, Grey and Manitoulin.

## Retailer Exclusive (Flow-Through)

Flow-Through refers to an OCS distribution model in which Authorized Cannabis Stores can order products from an expanded catalogue of items that are not stored in the OCS Distribution Centre. These items ship from the Licensed Producer to the OCS Distribution Centre, where they are packaged and shipped to the retailer. Flow-Through products are retailer exclusive and not available for purchase on OCS.ca.

## Stocked

Stocked is an OCS designation for products that are physically stored and held in inventory at the OCS Distribution Centre prior to sale. Items designated as Stocked are made available for sale to Authorized Cannabis Stores through the OCS Business to Business (B2B) Portal and to Ontario adults through OCS.ca.



# GLOSSARY

**Stock-keeping unit (SKU)**

A stock-keeping unit (SKU) represents one product (in this case, a legal cannabis product) and is the unit of measure in which stock is managed.

**Units**

Refers to individual cannabis products of a defined format available for sale. This information indicates how much of a particular product or SKU is held in inventory, its rate of sale and more.

**Wholesale price**

The amount paid to the OCS (the seller) by an Authorized Cannabis Store (the purchaser) for goods rendered.

**Year-over-year (YoY)**

A defined period of time that is used to compare sequential results from one year to the next.

**Beverages**

Available in a wide variety of formats, cannabis-infused beverages include ready-to-drink sodas, lemonades and other flavoured beverages, tea bags and hot chocolate.

**Concentrates**

Concentrates are potent forms of cannabis available in a variety of solid and liquid formats. They are made by separating active ingredients such as cannabinoids, terpenes and flavonoids from plant material, such as buds, leaves and stems. Examples include distillates, hash, kief, shatter and wax.

**Dried flower**

Dried flower is cannabis plant matter that has been cured and dried, and is ready to smoke or vaporize. Examples include whole flower and milled flower.

**Edibles**

Edibles are products containing cannabis that are intended to be ingested, meaning they are consumed in the same manner as food. Products include soft and hard candy, chocolate and baked goods.

**Extracts**

Cannabis extracts are made by separating (extracting) the active ingredients in cannabis using solvents. After extraction, they may also be combined with a carrier oil to prepare the extracts for ingestion. Examples include products such as capsules, bottled oils, softgels and oral sprays.

**Pre-rolls**

Pre-rolls are pre-rolled joints that have been assembled and rolled by a Licensed Producer for purchase in a ready-to-consume format.

**Topicals**

Topicals refer to products such as lotions and oils that have been infused with cannabis extracts and are meant to be applied to the external body surface, which includes hair, skin and nails.

**Vapes**

A vape is a device used for vaping cannabis. This battery-powered accessory can be purchased as an all-in-one disposable product or as a cartridge that fits with a rechargeable battery. Inside disposable vapes and vape cartridges is the cannabis consumed through vaping, in the form of a liquid cannabis product, such as distillate, full-spectrum extract or live resin.

# METHODOLOGY

This publication is a compendium of insights from the legal cannabis industry within Ontario in 2023. Data gathered from various sources provides insights related to: legal cannabis access, breadth of assortment, volume and sales information, consumer research and more to provide the public with a holistic view of the health of Ontario's legal cannabis sector.

## Sources

**Retail Footprint: Average distance to an Authorized Cannabis Store – Per Capita**

**Source:** AGCO Authorized Retail reporting, Statistics Canada – Adult population (20+): Characteristic ID (13+24-14), January 2024

**Retail Footprint: # of communities with access to legal cannabis**

**Source:** AGCO, List of Ontario municipalities prohibiting or allowing cannabis retail stores, January 2024

**Product Quality Assurance: Total number of recalls in Ontario (year-over-year)**

**Source:** Government of Canada, Advanced search – Recalls, advisories and safety alerts – Canada.ca, 2023

**Sales by category / subcategory (dried flower, pre-rolls, edibles/ beverages, concentrates, vapes, oils/ingestible, topicals)**

**Source:** AGCO Authorized Retail reporting

**Regional Sales Trends: Total sales (\$) by region (year-over-year)**

**Source:** AGCO Authorized Retail reporting, Statistics Canada – Adult population (20+): Characteristic ID (13+24-14), January 2024

**Regional Sales Trends: Total volume sold by region (year-over-year)**

**Source:** AGCO Authorized Retail reporting

**Consumer Behaviour:**

OCS-commissioned research with adult Ontarians

**All other data points:**

Multiple internal sources





**OCS.ca**