

December 6, 2011

The Honourable Deb Matthews  
Minister – Minister's Office  
Ministry of Health and Long-Term Care  
Hepburn Block  
80 Grosvenor Street, 10<sup>th</sup> Floor  
Toronto, ON M7A 2C4

Dear Minister Matthews:

**Subject: Tobacco Control**

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The Board of Health for the North Bay Parry Sound District Health Unit would like to commend the Provincial Government for its continued commitment on tobacco control. Following the recent changes to the Ontario Government ministries, specifically with regards to the Ministry of Health Promotion and Sport, we would like to strongly encourage the Ministry of Health and Long-Term Care to maintain a strong focus on tobacco control.

Respectfully yours,

*Original signed by*

Daryl Vaillancourt, Chairperson  
Board of Health

Attachments (2)

Copied to:

1. The Honourable Dwight Duncan, Minister of Finance
2. The Honourable Leona Aglukkaq, Minister of Health
3. The Honourable Vic Toews, Minister of Public Safety
4. Members of Provincial Parliament (within the North Bay Parry Sound District Health Unit service area)
5. Members of Federal Parliament (within North Bay Parry Sound District Health Unit service area)
6. Tim Hudak, Leader of Progressive Conservative Party of Ontario
7. Andrea Horwath, Leader of New Democratic Party of Ontario
8. Dr. David Butler-Jones, Chief Public Health Officer, Public Health Agency of Canada
9. Dr. Heather Manson, Scientific Director, Health Promotion, Chronic Disease and Injury Prevention, Public Health Ontario
10. Daina Mueller, Manager, Tobacco and Chronic Disease Prevention, Smoke-Free Ontario, Ministry of Health Promotion and Sport
11. Lidija Halovanic, Senior Coordinator, Tobacco Enforcement, Tobacco and Chronic Disease Prevention, Smoke-Free Ontario, Ministry of Health Promotion and Sport
12. Chiefs, First Nations (within the North Bay Parry Sound District Health Unit service area)
13. Ontario Boards of Health
14. Ontario Medical Officers of Health
15. Linda Stewart, Executive Director, Association of Local Public Health Agencies
16. Member Municipalities (within the North Bay Parry Sound District Health Unit service area)
17. Michael Perley, Director, Ontario Campaign for Action on Tobacco
18. Leila Tikkanen Pilon, Regional Coordinator, North East Tobacco Control Area Network, Smoke-Free Ontario

December 6, 2011

The Honourable Dwight Duncan  
Minister of Finance – Minister's Office  
Ministry of Finance  
Frost Building South  
7 Queen's Park Crescent, 7<sup>th</sup> Floor  
Toronto, ON M7A 1Y7

Dear Minister Duncan:

**Subject: Contraband Tobacco Problem**

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The Board of Health for the North Bay Parry Sound District Health Unit would like to commend the Provincial Government for its efforts in addressing the contraband tobacco problem. Following the recent changes to the Ontario Government ministries, specifically with regards to the Ministry of Revenue, we would like to strongly encourage the Ministry of Finance to continue with these efforts to control the contraband tobacco problem.

Respectfully yours,

*Original signed by*

Daryl Vaillancourt, Chairperson  
Board of Health

Attachments (2)

Copied to:

1. The Honourable Deb Matthews, Minister of Health and Long-Term Care
2. The Honourable Leona Aglukkaq, Minister of Health
3. The Honourable Vic Toews, Minister of Public Safety
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**NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT  
BOARD OF HEALTH**

**RESOLUTION**

**DATE:** November 23, 2011                      **MOVED BY:** John Stopper  
**RESOLUTION #** BOH/2011/11/08                      **SECONDED BY:** Mike Poeta

*Whereas, Contraband tobacco products are available in our community; and*

*Whereas, Consumption of tobacco products increases when tobacco prices are lower; and*

*Whereas, 42.0 % of smokers in the North have purchased at least one pack of cigarettes on First Nations reserves in the past six months; and*

*Whereas, 53% of students in Ontario who smoke (grades 7-12) have smoked contraband cigarettes in the past year; and*

*Whereas, The Liberal party's election platform stated that "we'll build on our contraband strategy to choke off the supply of cheap, illegal tobacco sold to our kids by doubling our enforcement efforts";*

*Now Therefore Be It Resolved, That the Board of Health for the North Bay Parry Sound District Health Unit send a letter to The Honourable Deb Matthews, Minister of Health and Long-Term Care, and The Honourable Dwight Duncan, Minister of Finance, commending the work of the provincial government with regards to controlling the contraband tobacco problem, as well as encouraging these Ministries to continue to maintain a strong focus on tobacco control; and*

*Furthermore Be It Resolved, That a copy of this resolution be forwarded to:*

- *The Honourable Leona Aglukkaq, Minister of Health*
- *The Honourable Vic Toews, Minister of Public Safety*
- *Members of Provincial Parliament within the North Bay Parry Sound District Health Unit service area*
- *Members of Federal Parliament within the North Bay Parry Sound District Health Unit service area*
- *Tim Hudak, Leader of Progressive Conservative Party of Ontario*
- *Andrea Horwath, Leader of New Democratic Party of Ontario*
- *Dr. David Butler-Jones, Chief Public Health Officer, Public Health Agency of Canada*
- *Dr. Heather Manson, Scientific Director, Health Promotion, Chronic Disease and Injury Prevention, Public Health Ontario*
- *Daina Mueller, Manager, Tobacco and Chronic Disease Prevention, Smoke-Free Ontario, Ministry of Health Promotion and Sport*
- *Lidija Halovanic, Senior Coordinator, Tobacco Enforcement, Tobacco and Chronic Disease Prevention, Smoke-Free Ontario, Ministry of Health Promotion and Sport*
- *Chiefs, First Nations within the North Bay Parry Sound District Health Unit service area*
- *Ontario Boards of Health*
- *Ontario Medical Officers of Health*
- *Linda Stewart, Executive Director, Association of Local Public Health Agencies*
- *Member Municipalities within the North Bay Parry Sound District Health Unit service area*
- *Michael Perley, Director, Ontario Campaign for Action on Tobacco*
- *Leila Tikkanen Pilon, Regional Coordinator, North East Tobacco Control Area Network, Smoke-Free Ontario.*

**North Bay Parry Sound District Health Unit  
Board of Health Resolution #2011/11/08  
Date: November 23, 2011**

**CARRIED:** \_\_\_\_\_ ✓ \_\_\_\_\_

**DEFEATED:** \_\_\_\_\_

**AS AMENDED:** \_\_\_\_\_

**CHAIRPERSON:** \_\_\_\_\_  
*Original signed by  
Daryl Vaillancourt*

**CONFLICT OF INTEREST DECLARED AND SEAT(S) VACATED:**

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**RECORDED VOTE:**

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Against:

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## BRIEFING NOTE

**To:** Board of Health, North Bay Parry Sound District Health Unit

**Prepared By:** Chris Bowes, Research and Policy Analyst, Research, Surveillance and Evaluation  
Lydia Weiskopf-Tran, Community Health Promoter, Healthy Living

**Reviewed By:** Brenda Marshall, Manager, Healthy Living  
Louise Gagné, Manager, Research, Surveillance and Evaluation  
Monique Lugli, Executive Director, Community Services  
Dr. Jim Chirico, Medical Officer of Health/Executive Officer

**Subject:** Contraband Tobacco

**Date:** November 14, 2011

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For Information

For Discussion

For A Decision

### Issue:

The presence of contraband tobacco products has been identified in the area serviced by the North Bay Parry Sound District Health Unit. These products can have various negative consequences on our community, such as an increase in consumption, youth access, and criminal activity. The Federal and Provincial Governments are both taking steps to address the contraband tobacco problem. However, following recent changes to the Ontario Government ministries, specifically with regards to the Ministry of Health Promotion and Sport and the Ministry of Revenue, this Briefing Note is intended to provide the Board of Health of the North Bay Parry Sound District Health Unit with an understanding of the contraband tobacco problem in order to pass the recommended action outlined below.

### Recommended Action:

*Whereas, Contraband tobacco products are available in our community; and*

*Whereas, Consumption of tobacco products increases when tobacco prices are lower; and*

*Whereas, 42.0 % of smokers in the North have purchased at least one pack of cigarettes on First Nations reserves in the past six months; and*

*Whereas, 53% of students in Ontario who smoke (grades 7-12) have smoked contraband cigarettes in the past year; and*

*Whereas, The Liberal party's election platform stated that "we'll build on our contraband strategy to choke off the supply of cheap, illegal tobacco sold to our kids by doubling our enforcement efforts";*

*Now Therefore Be It Resolved, That the Board of Health for the North Bay Parry Sound District Health Unit send a letter to The Honourable Deb Matthews, Minister of Health and Long-Term Care, and The Honourable Dwight Duncan, Minister of Finance, commending the work of the provincial government with regards to controlling the contraband tobacco problem, as well as encouraging these Ministries to continue to maintain a strong focus on tobacco control; and*

*Furthermore Be It Resolved, That a copy of this resolution be forwarded to:*

- *The Honourable Leona Aglukkaq, Federal Minister of Health*
- *The Honourable Vic Toews, Federal Minister of Public Safety*
- *Local Members of Provincial and Federal Parliament*
- *Dr. David Butler-Jones, Chief Public Health Officer, Public Health Agency of Canada*
- *Dr. Heather Manson, Scientific Director, Health Promotion, Chronic Disease and Injury Prevention, Public Health Ontario*
- *Daina Mueller, Manager, Tobacco and Chronic Disease Prevention, Smoke-Free Ontario, Ministry of Health Promotion and Sport*
- *Lidija Halovanic, Senior Coordinator, Tobacco Enforcement, Tobacco and Chronic Disease Prevention, Smoke-Free Ontario, Ministry of Health Promotion and Sport*
- *Ontario Boards of Health*
- *Ontario Medical Officers of Health*
- *Linda Stewart, Executive Director, Association of Local Public Health Agencies*
- *Member Municipalities within the North Bay Parry Sound District Health Unit service area*
- *Michael Perley, Director, Ontario Campaign for Action on Tobacco*
- *Leila Tikkanen Pilon, Regional Coordinator, North East Tobacco Control Area Network, Smoke-Free Ontario.*

**Background:**

When a tobacco product is sold without the appropriate taxes being paid, it is referred to as contraband tobacco (Smoke-Free Ontario Scientific Advisory Committee, 2010, p. 53). The Smoke-Free Ontario Scientific Advisory Committee (2010) identifies contraband tobacco as “genuine or counterfeit tobacco products smuggled across borders by large-scale criminal organizations or small-time bootleggers, illicit manufacturing and the diversion of tax-free products intended for specific groups (e.g., First Nation peoples) to the general public” (p. 53). Not only does the lower cost of contraband tobacco lead to an increase in consumption, but it also includes consequences such as “decreased government revenue (from taxation), increased criminal activity and increased, easy and unmonitored access by youth” (Smoke-Free Ontario Scientific Advisory Committee, 2010, p. 53).

*Contraband Cigarettes in Ontario*

In 2007, the Ontario Tobacco Research Unit reported that over one-third of Ontario smokers (37%) have ever purchased cigarettes on First Nations reserves, and over one-quarter of Ontario smokers (26%) have purchased at least one pack of contraband cigarettes in the past six months. Further, 11.7% of current smokers in Ontario usually purchase cigarettes on reserves and 14% of all cigarettes smoked in Ontario were bought on reserves. When examining contraband cigarettes at a regional level, the North (areas with an 807 or 705 area code) has differing numbers from the province. In the North over half of smokers (54.1%) reported ever purchasing cigarettes on First Nations reserves (Luk, Cohen & Ferrence, 2007).

Additionally, 42.0 % have purchased at least one pack of contraband cigarettes in the past six months, while approximately one in five smokers (21.7%) usually purchased these cigarettes on First Nations reserves (Luk, Cohen & Ferrence, 2007).

It is estimated that the Ontario government failed to collect \$72.3 million and the federal government failed to collect \$49.9 million in tax revenues during the 18-month time frame of data collection for this research from January 2005-June 2006 (Luk, Cohen & Ferrence, 2007).

#### *Contraband Cigarettes and Youth*

In 2009, the Centre for Addiction and Mental Health reported that 53% of students in Ontario who smoke have smoked contraband cigarettes in the past year. Further 6.4% of all students in Ontario have smoked contraband cigarettes in the past year. This represents approximately 60,000 students (Paglia-Boak et al, 2009).

#### ***Recent Government Initiatives (summary from Ontario Campaign for Action on Tobacco):*** ***Federal:***

In April 2010, the Cornwall Regional Task Force was jointly re-established by the RCMP, the OPP, the Cornwall Community Police Service and the Ontario Ministry of Revenue (Peeling, 2010). In addition, on May 28<sup>th</sup>, 2010, the Federal Government announced “further initiatives to combat contraband tobacco and to provide awareness of the damaging effects of contraband tobacco in our communities” (Public Safety Canada, 2010, para. 1). This included a \$20 million investment that would incorporate initiatives such as: “the Royal Canadian Mounted Police ...[establishing] a Combined Forces Special Enforcement Unit Contraband Tobacco Team; the Canada Border Services Agency ... [establishing] a Detector Dog Service in Montreal and Vancouver, regions with the highest amount of contraband activity, including illegal tobacco; and, the Canada Revenue Agency ... [developing] a multi-media ad campaign to raise awareness among Canadians of the negative impacts of purchasing contraband cigarettes” (Public Safety Canada, 2010, para. 6). Further initiatives included “the Government of Canada's new excise tobacco stamp became mandatory on all tobacco products destined for the Canadian duty-paid market on April 1, 2011” (Canada Revenue Agency, 2011, para. 1), as well as the creation of a RCMP unit in Cornwall, which consists of 50 members (Peerenboom, 2011).

#### ***Provincial (Ontario):***

On April 21, 2011, the McGuinty Government announced: “building on significant progress made through its Smoke-Free Ontario Strategy, today the government will introduce new legislation to cut the supply of contraband tobacco” (Ministry of Revenue, 2011, para. 2). Subsequently, on June 1, 2011, Bill 186 *Supporting Smoke-Free Ontario by Reducing Contraband Tobacco Act, 2011* was passed and received Royal Assent. This legislation includes:

“stronger controls over all types of raw leaf tobacco grown in or imported into Ontario, new fine levels for possessing illegal cigarettes, authority for police officers to seize illegal, unmarked tobacco [and] a marking scheme for fine-cut tobacco, similar to that used on cigarette packaging” (Ministry of Revenue, 2011, para. 3).

**Briefing Note: Contraband Tobacco**

**Date: November 14, 2011**

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More recently, in their 2011 party election platform, the Liberals stated that “we’ll build on our contraband strategy to choke off the supply of cheap, illegal tobacco sold to our kids by doubling our enforcement efforts” (Liberal Ontario, n.d., p. 36).

**Financial Implications:**

No financial implications are anticipated.

## References

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- Luk, R., Cohen, J.E., and Ferrence, R. (2007). *Contraband Cigarettes in Ontario*. Toronto: Ontario Tobacco Research Unit.
- Ministry of Revenue. (2011, April 21). *Strengthening a smoke-free Ontario: McGuinty Government takes new steps to protect youth and help smokers quit*. Retrieved from <http://news.ontario.ca/rev/en/2011/04/strengthening-a-smoke-free-ontario.html>
- Ministry of Revenue. (2011, June 1). *A stronger smoke-free Ontario: McGuinty Government protecting youth and reducing illegal tobacco*. Retrieved from <http://news.ontario.ca/rev/en/2011/06/a-stronger-smoke-free-ontario.html>
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- Paglia-Boak, A., Mann, R.E., Adlaf, E.M., Rehm, J. (2009). *Drug Use Among Ontario Students, 1977-2009* (CAMH Research Document Series No. 27). Toronto: Centre for Addiction and Mental Health.
- Peeling, M. (2010). Joint anti-smuggling task force revived in Cornwall. *Standard Freeholder*. Retrieved from <http://www.standard-freeholder.com/ArticleDisplay.aspx?e=2524476&archive=true>
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- Public Safety Canada. (2010, May 28). *Government of Canada announces further initiatives to combat contraband tobacco*. Retrieved from <http://www.publicsafety.gc.ca/media/nr/2010/nr20100528-1-eng.aspx>
- Smoke-Free Ontario Scientific Advisory Committee. (2010). *Evidence to guide action: Comprehensive tobacco control in Ontario*. Retrieved from <http://www.oahpp.ca/services/evidence-to-guide-action-ctc-in-ontario.html#downloads>