

For Immediate Release:
May 8, 2002

TOBACCO TAX INCREASE BADLY NEEDED AND OVERDUE: HEALTH AGENCIES

ONTARIO TAX LEVELS LOWEST IN CANADA

Toronto – Health agencies including the Canadian Cancer Society's Ontario Division, the Ontario Medical Association, the Ontario Lung Association, and provincial Medical Officers of Health today called on Premier Eves to raise tobacco tax levels by \$15/carton immediately in order to reduce tobacco consumption and increase health care funding.

"Tax increases are the most effective means of reducing tobacco consumption, particularly among young people," said Ted Wheatley, past President of the Canadian Cancer Society – Ontario Division. "We cannot expect young Ontarians to believe anti-tobacco messages they receive in school if they also know that Ontario cigarettes are the cheapest in Canada," Mr. Wheatley said. "A \$15/carton tax increase is essential."

Dr. Elliot Halparin, President of the Ontario Medical Association, pointed to the number of lives which could be saved by increased taxes: "Our researchers have calculated that a \$15/carton tobacco tax increase will lead to an estimated 63,000 fewer tobacco-related deaths in Ontario. Avoiding mortality of this magnitude, along with the cost savings from the decreased demand for health care services, will help reduce pressure on our already-overburdened system," said Dr. Halparin.

Ontario Lung Association President Ross Reid expressed concern that low tax levels undermine other tobacco control programs: "Our agency and the government have invested significant resources in educating young people about the dangers of tobacco use. But when they see cheap cigarettes easily available in every convenience store, what kind of message does this send about the real risks of tobacco use? We need consistent tobacco control policies throughout Ontario which reach all Ontario residents, from early school grades through to adults. The number one tobacco control tool is a significant tax increase," said Mr. Reid.

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"As Medical Officers of Health in Ontario, we have been given significant responsibilities for initiating, supporting and helping implement smoke-free by-laws. While smoke-free by-laws are important in our overall effort to reduce tobacco use and can have a significant effect on making tobacco use less acceptable and attractive to youth, low prices continually undercut the effectiveness of this work," stated Ottawa Medical Officer of Health Dr. Robert Cushman. "Combined with the resources currently spent by municipalities on smoke-free by-law campaigns, resources which must be taken from other areas, the health care cost burden of tobacco use in Ontario is nowhere near matched by tax revenues," added Dr. Cushman.

In the 1980's, Canada had world precedent-setting declines in tobacco consumption largely due to high tobacco taxes. This leadership position was severely damaged by the tobacco industry-fuelled smuggling and resulting tax rollbacks in 1994. A

\$15/carton increase would be a significant step toward repairing the health damage caused by the 1994 roll backs," said Garfield Mahood, Executive Director of the Non-Smokers' Rights Association.

"Ontario's low tax rates should concern the government for two reasons," said Andrew Scipio del Campo, President and CEO of the Heart and Stroke Foundation of Ontario. "First, the opportunity to reduce tobacco consumption dramatically is being missed. Second, the opportunity to generate significant revenue for the health care system and for tobacco control in particular, is also being missed." Mr. Scipio del Campo also noted that "recent tax increases in eastern and western provinces, led by Alberta's \$18/carton increase, should provide encouragement to increase taxes."

"Not only are Ontario's tax levels the lowest in Canada – they are also the lowest in North America," said Michael Perley, Director of the Ontario Campaign for Action on Tobacco, which represents provincial health agencies on tobacco control issues. "We expect the industry and its allies will raise renewed concerns about smuggling," Mr. Perley said, "but such concerns are baseless. Prices in U.S. border states are as much as \$79.58/carton CDN in New York. The lowest U.S. price is Kentucky at \$53.45/carton CDN. Together with last year's new federal export tax, the risk of U.S.-Canada smuggling has virtually been eliminated. If there is to be any smuggling, it's likely to occur between Ontario and western provinces: for example, a carton in Manitoba now costs nearly \$23 more than in Ontario," said Mr. Perley.

The agencies' concerns are the subject of newspaper advertising today, throughout the province.

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