

campaign for a **smoke-free** alberta

- NEWS RELEASE -

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CONVICTED SMUGGLERS TO SPEAK ABOUT CONTRABAND TOBACCO

Canada's largest tobacco company—Imperial Tobacco—is scheduled to speak today about tobacco smuggling at the CARWACS convenience store trade show in Calgary. In 2008, Imperial Tobacco was convicted of participating in tobacco contraband schemes in the 1990s and received a \$200 million fine for its role—the largest fine ever levied in Canadian history.

“This outrageous contradiction is akin to having former Bre-X officials speak about preventing investor fraud” said Angeline Webb with the Canadian Cancer Society – Alberta/NWT Division. “We believe that Imperial Tobacco has very little credibility on the issue of contraband tobacco given its criminal record on the subject. Convicted smugglers should not be taken seriously in any legitimate efforts to curb contraband tobacco”.

Although contraband tobacco is a significant problem in Ontario and Quebec, tobacco smuggling is not a significant problem in Alberta. When last measured in 2008, the Alberta contraband tobacco market represented less than two percent of the legal market according to the tobacco industry's own trade association. Alberta maintains some of the strongest anti-smuggling measures in Canada through its active enforcement of the Tobacco Tax Act.

Imperial Tobacco is leading the call for tobacco tax rollbacks to reduce tobacco smuggling—a measure that could have a devastating impact on public health. In the 1990s, Canadian tobacco companies campaigned forcefully to secure tobacco tax rollbacks. The resulting 1994 tobacco tax rollbacks resulted in half-price cigarettes in several provinces and contributed to higher youth smoking rates. Tobacco taxes are one of the most effective means of reducing tobacco use—especially among young people.

The Alberta government rejected repeated calls to rollback provincial tobacco taxes in 1994. Instead, Alberta joined the other western provinces in successfully fighting tobacco smuggling through aggressive regulation and enforcement.

“We urge Premier Stelmach to stay the course on tobacco taxes and protect kids from price discounts” said Tony Hudson, President and CEO of the Lung Association of Alberta and NWT. “Governments should not submit to tobacco companies by abandoning one of the most effective tobacco reduction measures available.”

Alberta cigarettes remain among the most affordable in Canada for young people aged 15 to 24 based on their average wages. Health groups are urging the Alberta government to keep increasing tobacco taxes while continuing to successfully fend off smuggling through vigorous enforcement and regulation.

The provinces of Manitoba and Saskatchewan recently increased their tobacco taxes while stepping up efforts to fight contraband tobacco.

Tobacco is the leading avoidable cause of premature death in Alberta resulting in over 3,000 deaths annually. Fifteen percent of Alberta youth aged 15 to 19 years of age are regular smokers.

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