



### **Preventing Youth Smoking: A shared objective**

Distributors work very closely with retailers and we all share in the desire to prevent youth smoking. As legitimate businesses who collect taxes for governments, we also have a shared interest in ensuring that legislative decisions do not fuel the contraband market. Distributors and retailers operate in a highly regulated environment with age-testing, rather than criminals who are willing to sell to anybody who is willing to buy.

### **Bans fuel the illegal market**

History has demonstrated that bans simply fuel the illegal market. Youth have easy access to this market as criminal organizations target high schools with cheap contraband product. In fact, close to 50% of high school youth who have ever smoked report using contraband product according to the Center for Addiction and Mental Health (CAMH).

We are concerned that a product ban will fuel this existing illegal market, and negate the intent of the bans. The unintended consequence of product bans is best evidenced by the results of the federal government's ban on little cigars. The RCMP saw a nearly 1000% increase in the number of little cigars seized following the implementation of the ban in 2010 (140,000 seized in 2010 vs. 1,164,000 in 2011).

The reality is that any kind of ban increases activity in the contraband market. Eliminating the availability of legal tobacco products from our warehouses to retailer's shelves does not address the demand for these products. This demand is being met by black market illegal tobacco traffickers who offer untaxed, unregulated, non-age restricted versions of these products to all consumers, including minors.

### **Menthol is an Adult product**

It is unfortunate that groups in favour of a ban have been using statistics from the Propel report to suggest that youth smokers have been using flavoured tobacco products in far greater numbers than is actually the case. This is not only completely wrong, but an inappropriate basis upon which to create legislation that will damage legitimate businesses employing thousands of Ontarians.

While NACDA agrees that any percentage of youth smoking is too high, the actual number of youth in Ontario who have smoked menthol is 3%, not 28% as some groups have claimed. When they say that 28% of Ontario youth that smoked at least 1 cigarette in the past 30 days used a menthol product, that is inaccurate. The actual numbers are that 11% of youth in Ontario smoked 1 cigarette in the past 30 days. Out of those 11%

who smoked at least one cigarette, 28% smoked a menthol product, which is actually 3%.

### **Menthol contraband brands are available in greater numbers than legal brands**

The attached document demonstrates the prevalence of contraband menthol cigarettes that are produced on aboriginal reserves. This market would continue to flourish should a menthol ban be enacted.

### **The solution**

#### **The issue is access**

We firmly believe that any legislation that impacts the sale of legal tobacco must be complemented by deterrence and enforcement measures to address the illegal tobacco trade. High school kids are smoking because they are getting (illegal) access to tobacco products in general. The issue of youth smoking is not one of product design (flavours), but rather product "access".

#### **Penalties for illegal sale and possession**

There is really only one way to reduce youth smoking. That is to enforce strict penalties for possession. If government really wants to reduce smoking they should start with the criminal organizations that distribute illegal product to high school kids. Both the groups who sell illegal product and the youth who buy them should face very serious penalties.