

1 in 3 Cigarettes Sold in Ontario are Contraband

Illegal Cigarette Rates in Ontario as High as 64%

Ottawa - (April 25th, 2017) Today, the National Coalition Against Contraband Tobacco (NCACT) released results of a study highlighting 33% of cigarettes purchased in Ontario were illegal. In some parts of Ontario, 2 in 3 cigarettes were illegal.

“Ontario continues to have the worst contraband tobacco problem in Canada- 1 in 3 of all cigarettes purchased in the province are illegal,” said Gary Grant, a 39-year veteran of the Toronto Police Service and national spokesperson for the NCACT. “This has been consistent since before the last provincial election. With the provincial budget to be delivered this week, now is the time to introduce proven, effective anti-contraband tobacco measures.”

Contraband was highest in Northern Ontario, where illegal cigarettes represented 64% of all cigarettes purchased- the highest rate ever observed. 35% of cigarettes in Southern Ontario were illegal, as were 28% in Eastern Ontario and Ottawa. About 1 in 5 cigarettes in the GTA were illegal. The survey of 1500 adult smokers in Ontario was conducted by GFK over a 12-week period ending on March 4th, 2017. Respondents were asked through a continuous online tracking study about their cigarette purchases over the past 7 days.

“It’s clear that Ontario continues to spin its wheels on contraband tobacco, with little change to volumes despite some recent provincial efforts. Clearly, this is a problem that will not go away on its own. It is time that Ontario look east for proven solutions,” continued Grant. “Quebec’s Bill 59 and Acces Tabac program increased powers to local law enforcement agencies and provided them with the resources they need to investigate illegal tobacco. Quebec was able to boast in its recent budget that Acces Tabac helped reduce contraband levels by about 50% and yielded an additional \$180 million in revenues in 2015-2016.”

The RCMP estimates that there are about 175 organized crime groups involved in the illegal cigarette trade. They use the profits from cigarette smuggling to finance their other illegal activities, including guns, drugs and human smuggling. The contraband tobacco trade is fueled by 50 illegal cigarette factories, based mostly in Ontario and Quebec, each of which can produce as many as 10,000 cigarettes a minute.

“Ontario has a real opportunity to make a difference on contraband tobacco before this term of government ends. Without more action, the problem will not go away and there is a real risk that it could get worse as measures like plain packaging are introduced,” concluded Grant. “There’s no time like the present to address contraband through increased enforcement and regulation of cigarette manufacturing materials like acetate tow. Taking contraband tobacco off our streets makes cigarettes harder to get and hurts organized crime.”

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About NCACT

The National Coalition Against Contraband Tobacco is a Canadian advocacy group formed with the participation of businesses, organizations and individuals concerned about the growing danger of contraband cigarettes. NCACT members share the goals of working together to educate people and urge government to take quick action to stop this growing threat.

The members of the NCACT are: Association des détaillants en alimentation du Québec (ADA), Association des marchands dépanneurs et épiciers du Québec (AMDEQ), Canadian Chamber of Commerce, Canadian Convenience Stores Association (CCSA), Canadian Manufacturers and Exporters, Canadian Taxpayers Federation, Canadian Tobacco Manufacturers Council, Conseil du patronat du Québec (CPQ), Customs and Immigration Union, Échec au crime Québec, Fédération des chambres de commerce du Québec (FCCQ), Frontier Duty Free Association (FDFA), National Convenience

Stores Distributors Association (NACDA), Ontario Chamber of Commerce, Retail Council of Canada, Toronto Crime Stoppers, United Korean Commerce and Industry Association (UKCIA), and National Capital Area Crime Stoppers.

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