

Canada's small business retailers demand action to fight illicit tobacco

Convenience stores warn public health objectives won't be met, and may increase illegal tobacco activity

OTTAWA, ONTARIO (May 1 2019) - Small business retailers are expressing disappointment at the finalization of regulations to require plain and standardized packaging for tobacco products. With final regulations unveiled today, it is clear that concerns of small businesses and evidence from other jurisdictions are not being heard as this policy becomes a reality in Canada.

"Politicians often cite that small businesses are the backbone of Canada's economy, but we continue to see policies implemented which don't take into account our concerns," said Anne Kothawala, President of the Convenience Industry Council of Canada. "Instead of addressing the 20% of tobacco that is sold illegally in Canada, government is adding one more burden to law abiding retailers who don't sell to minors, comply with display bans, and partner with government to collect and remit most of the \$9 billion in tobacco tax revenue every year.

Convenience stores point to the lack of evidence that plain packaging reducing smoking rates, which was raised when the House of Commons debated this Bill in 2017 and 2018. They have also noted an increase in illegal tobacco consumption in jurisdictions such as Australia and France, where plain packaging has been introduced. Given that Canada already has a significant illegal tobacco problem, retailers are worried that making it easier to manufacture plain packages will only worsen the situation. "Effectively, our stores will be competing with the contraband tobacco industry and the absence of any brand elements will make it very difficult for retailers, consumers and law enforcement to distinguish which products are legal, and which are not" said Kothawala. "Decision-makers have not addressed the impact plain packaging will have on contraband through new resources and tools for law enforcement, so we anticipate this will hurt our businesses."

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About the Convenience Industry Council in Canada

The Convenience Industry Council of Canada (CICC) is a new association that brings together retailers, distributors and manufacturers that sell a variety of products in convenience stores across the country. Our mission is to advance the interests of the convenience industry through effective advocacy and education. We are proud to represent an industry that contributes over \$22 billion in taxes, employs over 250,000 Canadians and brings convenience to communities from coast to coast. We reflect the communities we serve and offer opportunity to new Canadians.

One of CICC's key pillars is our commitment to responsible retailing. We are in the process of launching a brand new program called ID Please which educates members and their staff about the legal requirements of asking for ID in the purchase of all age-restricted products. We take our responsibility to protect youth and our communities very seriously.

CONTACT INFORMATION

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