

The CICC 5 Point Action Plan to Combat Youth Vaping

The Convenience Industry Council of Canada (CICC) and our members, including established national and regional retail banners, as well as the wholesalers and distributors that comprise the convenience store supply chain take our role as community leaders very seriously.

Since the introduction of regulated vaping products onto the Canadian market in 2018, there has been a drastic increase in the number of adults who have transitioned from smoking traditional cigarettes to using these potentially reduced risk products. However, there has, at the same time, been a drastic and unacceptable increase in underage consumption of these products as well.

Convenience stores have an excellent track record of selling age-restricted products to adult consumers. Our members recognize the role they have in responsibly retailing age-restricted products, and our members have a zero-tolerance policy on their sale to youth. In fact, Health Canada data shows that 88% of youth who vape, or who have tried vaping are accessing these products from older friends and relatives, specialty vape stores and through online purchases.¹ It should also be noted that our members only sell products that are approved and regulated by Health Canada and are sourced from a rigorous supply chain that includes legal manufacturers and reputable wholesalers and distributors.

Despite our successes in keeping these products out of the hands of minors, there is more that can be done to combat this growing problem. The CICC, and our retail members, are ready to work with all governments to develop and implement effective policies to reduce and eliminate youth vaping. To achieve this, we are proposing a ***5 Point Action Plan to Combat Youth Vaping***. Our 5 Point Plan recommends our partners in government:

1. **Create a real deterrent against sales to minors through increased enforcement** activities on all retailers and **increased financial penalties** for those found selling age-restricted products illegally.
2. **Limit the access and appeal** of vaping products to youth by banning the sale of open-system devices and e-liquids in convenience stores, while allowing for the sale of pod-based e-cigarettes and a **limited selection of adult oriented flavours with simplified naming and packaging**, in the convenience channel.
3. Implement **mandatory third-party age verification and signature on delivery** for all online sales of vape products.
4. **Restrict in-store advertising** in retail locations, while allowing retailers the ability to communicate with adult consumers about product availability and brand information.

¹ <https://www.canada.ca/en/health-canada/services/canadian-tobacco-alcohol-drugs-survey/2017-summary.html#n2>

5. Call for **federal leadership** to establish a national framework to create an effective anti-youth-vaping strategy.

Backgrounder

Since the introduction of legal and regulated e-cigarettes onto the Canadian market in May 2018, the number of adult consumers of traditional tobacco that have transitioned to potentially reduced-risk products has resulted in a dramatic decline in the number of cigarettes sold. In Ontario, for example, there has been a 13% decline in the overall number of cigarettes sold between May 2018 and May 2019, perfectly coinciding with the introduction of legal and regulated e-cigarettes to the Canadian market².

Certainly, this is a trend that should be encouraged and supported by governments as a tool to help reduce smoking and smoking related illnesses caused by traditional burned tobacco, a goal of every public health agency in Canada.

However, during that same time period, the number of youth who vape, or who have tried vaping, has also seen a drastic and unacceptable increase. The CICC and our members want to work with our partners in government on a real plan that will eliminate youth access to vaping products, while maintaining the ability to provide the alternatives to traditional cigarettes that our adult consumers seek from our stores every day.

Convenience stores are already a trusted partner with governments across the country and have been trusted to sell a variety of age-restricted products like tobacco, lottery, vaping products and beverage alcohol in a safe and responsible manner. In fact, several jurisdictions in Canada are increasingly turning to convenience retailers as private retailers, or agency stores, to sell beverage alcohol. Mystery shopping efforts, both government and industry run, in jurisdictions across the country show that the convenience sector has an excellent track record of selling age restricted products. For example, Ontario convenience retailers pass government run mystery shopping tests at a rate above 96%³.

In fact, the federal government's "*Canadian Tobacco, Alcohol and Drug Survey*", shows that 88% of all youth who have tried a vaping product borrowed, shared, or bought them from an older friend or relative, bought them online, or purchased them from a specialty vape shop with a relatively small percentage being purchased from conventional convenience stores⁴.

However, these numbers do provide room for improvement, and the sale of any vape products to minors is unacceptable to our members. This is why we have created a **5 Point Action Plan to Combat**

² Nielsen Answers C&G Provincial Data, May 2019

³ In 2018, 19,679 mystery shopping checks were conducted in Ontario convenience stores by public health units across Ontario in support of the Smoke-Free Ontario Act. Pass rate is calculated from data obtained from the Ministry of the Attorney General on violations of Section 3 of the Smoke-Free Ontario Act: 3. (1) No person shall sell or supply tobacco to a person who is less than 19 years old. 1994, c. 10, s. 3 (1)

⁴ <https://www.canada.ca/en/health-canada/services/canadian-tobacco-alcohol-drugs-survey/2017-summary.html#n2>

Youth Vaping that calls upon governments across the country to implement policies that will actually address the ability of youth to access these products.

Our 5 Point Action Plan recommends the following:

1. Increased Penalties and Enforcement Activities

Governments in every jurisdiction must increase age-verification enforcement on all retailers of vape and tobacco products. If any retailer is selling these products to minors, they should be stopped, and they should be punished. Increased enforcement activities should be strengthened with a system of significantly increased financial penalties that will act as a real deterrent against the sale of these products to minors.

These penalties should be scalable for repeated offenders and could include increasingly higher fines, temporary loss of license to sell age restricted products, or permanent loss of license to sell age restricted products. Although such penalties exist in many jurisdictions, they are rarely enforced to the extent they could be.

The single most effective way to keep vaping products out of the hands of children is to guarantee that retail clerks actively ask for ID, that they are properly trained to do so, and they are informed about the laws and regulations on the sale of age-restricted products. Information from a Health Canada study, conducted prior to the introduction of electronic cigarettes containing nicotine to the Canadian market, shows that when retailers ask for ID they refuse to sell e-cigarette products to minors at a rate of 98%, but that youth were only asked to provide ID in 64% of attempted purchases.⁵ Although the study has flaws and was conducted prior to the introduction of vape products containing nicotine, the numbers tell a compelling story about the link between asking for ID and refusal to sell to minors.

Unfortunately, no similar government conducted studies on similar retail behavior have been published following the introduction of products containing nicotine in May 2018.

A well designed and strictly enforced “Responsible Retailing” program would drastically increase the likelihood that youth get challenged for ID upon an attempt to purchase age-restricted products. As such, governments across the country should create and implement (or alter an existing) “Responsible Retailing Program” and ensure strict compliance through regular inspections of all retailers of these types of products.

Similar “responsible retailing” programs are currently used across the country for servers and staff at bars, restaurants, and other venues where beverage alcohol is sold, and regular inspections ensure compliance. Any clerk that sells, or has access to, vape, tobacco, or other age-restricted products should be required to take an approved course, pass required tests, and achieve proper certification prior to being able to sell age-restricted products.

⁵ https://buyandsell.gc.ca/cds/public/2018/11/26/fe94d9ebfadbb90d86ae04601c0b03b9/app_e_en_e-cigarettes_report_-_final_february_2016_eng.pdf

The critical importance of responsible retailing is underscored by CICC's development of our own proprietary responsible retailing program called "ID Please". The program is bilingual and requires that clerks be trained and certified in proper age verification techniques and the rules and regulations around a variety of age-restricted products available in their jurisdiction.



Every clerk must take the online course and pass a test to receive certification before they are eligible for employment at one of our member's stores. A similar type of government mandated training and certification program that was strictly enforced would help achieve the goal of reducing youth access to vaping products.

2. Limiting Access and Appeal of Vaping Products

Government should ban the sale of more complex "open system" e-cigarette devices, and the thousands of readily available e-liquids these systems utilize, in the convenience store channel and only allow the sale of "pod-based" systems that adhere to rigorous Health Canada regulatory and inspection systems and are sourced from trusted supply chain distribution channels.

Unlike specialty vape and online shops, where hundreds of flavours for "open-system" devices that appeal to younger consumers are readily available, the vast majority of convenience retailers only sell "pod-based" systems with an extremely limited assortment of flavours that appeal to adult consumers. These devices and flavor pods have been regulated and approved by Health Canada, are designed to be tamper-proof, and are distributed through a safe and secure supply chain system.

The CICC further recommends that all e-liquids, nicotine pods, vapes and vape accessories sold by any retailer should be plainly packaged, appropriately labelled, and approved by Health Canada as appropriate for adult consumption.

The elimination of all flavours, or further restrictions on the sale of the limited flavours through the convenience store channel, will not reduce youth vaping. It will only reduce the ability of adult consumers to transition to these products and send young consumers to the online marketplace or the underground economy.

3. Regulate Online Sales

The unrestricted availability of under-regulated and uninspected "open-system" devices and the hundreds of flavoured nicotine e-liquids available online, purchased without any form of age verification, is a major source of underage access. A recent experiment conducted by the CICC of the top 20 online Canadian retailers of vaping products showed that 19 of the 20 allowed the purchase of these



products using a fake name and a pre-paid credit card and were shipped and delivered without any age verification whatsoever.

Any efforts to reduce access to devices, flavours, or accessories in any jurisdiction without also addressing the ease with which these products are purchased online will simply result in lowered adult use and youth continuing to access them from online retailers that operate in an increasingly borderless world.

Government should implement mandatory third-party age verification and techniques and signature on delivery for the online sale of all e-cigarettes, e-liquids and accessories sold by Canadian retailers. Similar age-verification techniques are used across the country for the online sale and delivery of other age-restricted products, like cannabis, that are sold and shipped by government retailers in jurisdictions across the country. These methods are an effective tool that can reduce youth access to vaping products and are an affordable tool that retailers can easily implement.

4. In-Store Advertising and Customer Communication

Governments should ban all in-store advertising in the convenience store channel while maintaining the ability of our employees to communicate with properly age-verified adult consumers, about the availability, features, flavours, and brands of potentially reduced risk alternatives to traditional tobacco.

Convenience stores are the primary destination for adult consumers seeking tobacco products. They are also the primary destination for adult consumers who want to try a vaping product for the first time. Visits to vape shops, specialty tobacconists, and online vape stores are not in the daily routine of the vast majority of adult smokers. Deciding to try an alternative to cigarettes is a momentary decision and removing information about these alternatives at the point of sale of tobacco will lower the ability of adults to make a different choice.

Health Canada has stated that transitioning existing smokers to potentially reduced risk products is a public health goal worth supporting. If we want to achieve this goal, then our clerks must be able to effectively communicate with customers about the options available to them in the moment they make that purchase decision. These communications need to include basic information about particular brands, their features, and flavor availability, and can easily occur after proper age-verification has been conducted by the retail clerk.

5. Establish a Federal Framework

In an increasingly connected, borderless, and online world the importance of national leadership to combat national problems cannot be overstated. Jurisdictions across the country have each taken their own approach to combat the issue of youth vaping but none of these efforts will amount to much if a 16-year-old can go online with a prepaid credit card and purchase products banned in their home province or city.



To combat youth vaping, we need a national approach complete with Federal leadership and oversight that works in partnership with every provincial government. Legislation, regulation, enforcement, and compliance activities need to be coordinated between federal, provincial, territorial and municipal governments as well as with retail and manufacturing stakeholders.

We recommend that a First Ministers' Meeting be held with the provincial and territorial Health Ministers to set a national framework on the youth vaping issue so that efforts to address this issue are effective and consistent across the country.

Moving Forward

One thing is perfectly clear. Youth smoking and usage of vape products is unacceptable. The CICC is dedicated to supporting the government's efforts to reduce youth vaping. Our *5 Point Action Plan to Combat Youth Vaping* is a fair and balanced approach that supports the ability of adults to make informed choices, reduces youth access, and supports taking vaping out of the hands of minors.