



CICC CONVENIENCE INDUSTRY
COUNCIL OF CANADA

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March 7, 2023

Convenience Industry Council of Canada (CICC) Statement on Manitoba's 2023 Budget

The Convenience Industry Council of Canada (CICC) congratulates Premier Heather Stefanson on tabling Budget 2023 for Manitoba. Like most Manitobans, convenience store operators and wholesale distributors are facing challenges on many fronts.

The CICC applauds the government's recognition that community safety is a priority with their Safe Streets initiative. Our operators are vital partners in maintaining and sustaining healthy and vibrant communities. However, Budget 2023 failed to address or even acknowledge the growing problem of contraband tobacco and the other illegal activities that accompany its proliferation.

"Convenience stores play an essential role in communities across the province. Too many of them are closing. In one year alone 43 stores closed across Manitoba: that's jobs, convenience and tax dollars gone for good. While CICC welcomes the absence of new or increased taxes in this year's budget, it won't be enough to address the impact of contraband," noted Sara MacIntyre, CICC's Vice-President for Western Canada.

In fact, Budget 2023 notes, "other taxes are forecast to decrease by \$71-million compared to budget. The decrease reflects lower revenue projections from lower fuel consumption as well as lower tobacco sales."¹ Ironically, government is acknowledging the impact of lower tobacco sales on their bottom line but failing to act on fixing the problem: the illegal market.

"Store owners are also reporting significant reduction in legal tobacco sales. The massive proliferation of contraband tobacco across the province is not only a massive illegal industry but directly impacts local corner stores while threatening community safety. The Safer Streets initiative should have also dedicated resources to help fight contraband tobacco, and organized crime. Unfortunately, Budget 2023 missed the mark."

"Failure to control contraband tobacco strikes at the province's tobacco control strategy. Contraband makes tobacco cheap, thwarting public health objectives and reducing tax dollars. We are asking the Premier and Minister Goertzen to establish a dedicated contraband tobacco unit. It will help keep communities safe and convenience stores open," concluded MacIntyre.

The CICC is a national, not-for-profit association uniting retailers, manufacturers and distributors in the convenience industry who employ more than 212,000 Canadians and sell more than \$55 billion annually in goods and services. In Manitoba, the CICC represents more than 904 stores and employ more than 7,774 Manitobans and thousands more indirectly.

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¹ https://www.manitoba.ca/asset_library/en/budget2023/budget-2023.pdf_page_10