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## Eby's Election Budget Misses the Mark (Again)

The Convenience Industry Council of Canada (CICC) responded to British Columbia's 2024 Budget with disappointment.

"Clearly, this is an election year and the big-ticket promises and spending in this year's budget were expected. However, the government had an opportunity to adopt effective measures to stem the massive revenue losses from the illicit tobacco trade," noted Sara MacIntyre, CICC's Vice President for Western Canada.

According to the government's own data, tobacco tax revenue has dropped a whopping 41 per cent since 2018 (pages 148/155, [see here](#)). In 2018 provincial tobacco tax revenue was \$781 million and for 2023/4 it was \$399 million.

"The province is misleading British Columbians suggesting that huge portions of smokers quit during that time, but that is not true. In fact, tobacco taxes increased in the past five years so the revenue trendline should be going up not down. The reason: cheap contraband tobacco is plentiful in British Columbia."

The CICC published study prepared by EY Canada in 2023 that highlights extraordinary growth in the contraband tobacco market in Canada, and particularly in British Columbia.

"The profits of contraband tobacco fund other more dangerous crimes, as evidenced in the latest and biggest bust by the [CFSEU](#) that included guns, drugs, boats and cars worth more than \$11 million." The EY Report findings can be found [here](#).

"The convenience sector plays an important role in British Columbia's economy. We directly employ more than **18,000 British Columbians** and hundreds more in indirect employment. Our industry alone collects approximately **\$2.5 billion in taxes** annually for your government. Although many sectors have fully recovered to pre-pandemic operations and sales, the convenience industry continues to face some daunting headwinds: fewer people commuting, inflationary pressures, reduced gas sales, increased theft and security costs and decreasing foot traffic.

Stores are closing throughout the province, most notably in rural parts of British Columbia where they often act as a lifeline for residents. It is in these rural areas where the local store is often the only close by source for essential goods. In just three years, 225 convenience stores closed their doors for good in British Columbia. The main culprit: contraband tobacco.

"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 Farnworth to establish a dedicated contraband tobacco unit. It will help keep communities safe and convenience stores open," noted MacIntyre.

“On behalf of the 18,000 British Columbians that work in the convenience industry, we also want to, once again, voice our deep frustration with the Eby government’s defamatory comments about our sector. In the government’s recent decision to pull the sale of nicotine pouches from our stores, he suggested our retailers were irresponsible. We take our reputation as responsible retailers seriously. That is why the CICC put in place proactively, guidelines for the sale of nicotine pouches for all our retail members. Our members are still waiting for the Premier to apologize for his misspoken characterization of our employees and industry,” concluded MacIntyre.

[Guidelines for the Sale of Nicotine Pouches](#)

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About the Convenience Industry Council of Canada  
CICC is a national, not-for-profit association uniting retailers, manufacturers and distributors in the convenience industry who employ more than 200,000 Canadians and sell more than \$53 billion annually in goods and services. In British Columbia, the CICC represents 2,125 stores, collects \$2.5 billion in provincial taxations, and directly employs more than 18,000 British Columbians and thousands more indirectly.

