

Canadian Coalition for Action on Tobacco

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

Tobacco use is the leading preventable cause of disease and death in Canada, killing 37,000 Canadians each year. It is essential that the federal government do everything it can to reduce tobacco use through implementation of a comprehensive strategy that includes tobacco taxation, legislation and programming. Smoking rates in Canada, including among youth, remain unacceptably high. Reducing tobacco use would increase worker health and workplace productivity and thus economic growth. Unhealthy workers are less productive workers. Further, smoking breaks and higher absenteeism due to smoking-related illness also reduce productivity. Overall in Canada, tobacco use causes \$4.4 billion in direct health care costs per year, and \$17 billion per year in total economic costs (including health care costs). Tobacco taxes are a highly effective means to reduce tobacco use. Regrettably, there has not been a net increase in federal tobacco taxes in a decade, since 2002. Actual federal tobacco tax rates are being eroded due to inflation. The federal government should implement further measures to reduce tobacco contraband, which in turn would result in increased government revenue. Actions should include effective measures to block the supply of raw materials to unlicensed tobacco factories; persuading the US government to shut down illegal tobacco factories on the US side of Akwesasne; and revoking the licenses of licensed tobacco manufacturers that act illegally.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Government revenue from tobacco taxation, including reduced contraband, could in part finance government initiatives that would support job creation.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

With Canada's aging population, it should be emphasized that there are health benefits to quitting smoking at any age. That is why it is essential that a full range of taxation, legislative and programming initiatives be in place to create an environment supportive of quitting, and that provide direct support in quitting. Further, the potential for deleterious and expensive health consequences for aging Canadians because of smoking is extremely significant. Reducing smoking rates would reduce these severe consequences.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

As discussed in question 1, reduced smoking would increase workplace productivity.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

The recommendations in this submission focus on budget-related measures related to tobacco taxation and preventing tobacco contraband. Such measures are components of a broader comprehensive federal government tobacco control strategy that should include enhanced cessation and prevention programming; a ban on all flavoured tobacco products; plain and standardized packaging; extending new picture warnings on packages of cigarettes and little cigars to all other tobacco products; and numerous other measures. This submission is made on behalf of the Canadian Coalition for Action on Tobacco. Members of the Coalition include: Action on Smoking and Health, Canadian Cancer Society, Canadian Council for Tobacco Control; Canadian Dental Association; Canadian Dental Hygienists Association, Canadian Lung Association; Coalition québécoise pour le contrôle du tabac; Heart and Stroke Foundation of Canada; Non-Smokers' Rights Association; Physicians for a Smoke-free Canada.