

March 28, 2017

His Worship Mayor Matt Brown  
Office of the Mayor's Office  
City of London  
London City Hall  
Suite 214 – 300 Dufferin Avenue  
London, ON N6B 1Z2

Dear Mr. Mayor,

Please find attached Report No. 072-16 “***Anti-Contraband Tobacco Campaign Funded by Tobacco Industry Front Groups Intend to Block Tobacco Control Measures***” from the December 8, 2016 Middlesex-London Board of Health meeting. This report describes how a leaked slide deck from Imperial Tobacco Canada Ltd. (ITCL) has confirmed that the tobacco industry uses anti-contraband front groups to prevent tobacco tax increases and to block the implementation of additional tobacco control regulations.

Specifically, the slide presentation describes the key roles of the National Coalition Against Contraband Tobacco (NCACT) and the Ontario Convenience Store Association (OCSA) in disseminating anti-contraband tobacco messages across Ontario communities. The slide deck does not specify the funding levels for these groups; however, it does infer that they receive substantial financial support from the tobacco industry.

London is named within the industry documents as an important and strategic market for the tobacco industry's anti-contraband tobacco campaign. Over the last few years, the NCACT and the OCSA have been soliciting signatures and posting advertisements within our community, petitioning for a halt to tobacco taxation in order to meet ITCL's twin goals of “no tobacco control regulation” and “no taxation.”

Between 2009 and 2012, a number of Ontario municipalities were visited by the NCACT and/or the OCSA seeking municipal council endorsements for their campaign. Approximately forty to fifty Ontario municipalities complied without being aware of the true nature of this campaign or its purpose, including [London City Council](#), on June 26, 2012.

The Middlesex-London Board of Health recommends that London City Council explicitly retract its endorsement of tobacco industry anti-contraband campaign activities, and commit to no further meetings or discussions about tobacco control issues with representatives of the NCACT, the OCSA, or individuals otherwise representing the tobacco industry. Appendix B provides a template motion for action by municipalities that have an endorsement of the tobacco industry's anti-contraband campaign on the public record, like the City of London.

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The Middlesex-London Health Unit has a rich history of working with the City of London, the County of Middlesex, the Government of Ontario and the Government of Canada to decrease the burden of illness stemming from tobacco use, including the implementation of tobacco control legislation to regulate the sale, promotion, advertising and the use of tobacco. Specifically, the Ontario Ministry of Finance has increased oversight of raw leaf tobacco and has amended the *Tobacco Tax Act* to reduce the supply of low-cost contraband tobacco through enhanced enforcement efforts, the use of information-sharing agreements with other enforcement agencies and the enactment of stricter penalties and greater controls.

Despite these achievements, Ontario is long overdue for a substantial tobacco tax increase. Effective February 26, 2016, Ontario increased the tobacco tax rate from 13.975 cents to 15.475 cents per cigarette (from \$27.95 to \$30.95 per carton of 200 cigarettes) and per gram of tobacco products other than cigarettes and cigars. While the Middlesex-London Board of Health applauded this action, a greater tobacco tax rate increase is required.

According to prices calculated by the [Non-Smokers' Rights Association](#), as of February 2017, Ontario has the second-lowest average price of a carton of 200 cigarettes among Canadian provinces and territories; and the price differential is quite significant. Tobacco taxes are a proven, effective way to reduce smoking rates and prevent individuals, especially youth, from starting in the first place. Research also indicates that tobacco taxes are effective at reducing overall tobacco consumption.

The release of the tobacco industry documents provides an opportunity to rebut this industry campaign and reduce the credibility of two leading tobacco industry front groups, the NCACT and the OCSA. The Middlesex-London Board of Health recommends that the City of London call upon the Ontario Ministry of Finance to raise tobacco excise taxes by at least \$10 per carton and to enhance enforcement activities designed to reduce the presence of contraband tobacco in our community.

The Middlesex-London Board of Health looks forward to continuing to work with the City of London and appreciates your consideration of this important public health issue.

Yours sincerely,



Jesse Helmer, Chair  
Middlesex-London Board of Health

cc: Councillor Mo Salih, Chair, Community and Protective Services Committee  
Ms. Cathy Saunders, City Clerk