



Fall Economic Update:

Green light for the introduction of tobacco cost recovery fees that would force manufacturers to pay cost of tobacco-related investments

Montreal, November 21, 2023 – The **Quebec Coalition for Tobacco Control** welcomes the inclusion in the **Liberal government's fall economic update** of a proposal to “*amend the Tobacco and Vaping Products Act to enable the fixing of fees, levies or charges, and related compliance and enforcement tools to implement a tobacco cost recovery framework.*” This potential measure would impose fees on tobacco manufacturers aimed at reimbursing government spending with respect to the federal tobacco control framework. Tobacco remains the leading cause of preventable illness and death in Canada.

“We are pleased with today’s announcement, even if this is only the first step in making this a reality. Indeed, the measure still requires enabling legislation to be introduced, debated and passed, and even more time until it comes into force. Given that this is a 2021 election promise, we’d like to see it implemented before the next election,” says **Flory Doucas, Co-Director and Spokesperson for the Coalition.**

According to **Ms. Doucas**, *“Fees that allow governments to recover the costs of regulating certain products already exist in various forms in Canada and other countries, including those that have applied since 2018 to [cannabis products in Canada](#) and those that have applied since 2009 to [tobacco products in the United States](#). It’s high time the Trudeau government got the Canadian tobacco industry to foot the bill as well.”*

What about the costs related to vaping products and contraband?

“We hope that it’s the government’s intention to cover not only the costs of tobacco regulatory oversight and related programs, but also the oversight of vaping products as well as efforts to counter contraband.”

“The cost recovery proposal seems to dismiss the cost of vaping-related interventions. Yet a considerable portion of the national tobacco control strategy’s current budget of [some \\$66 million](#) is now being spent on regulating and monitoring the sale and promotion of vaping products. Why would the government consider not applying this fee structure to the vaping industry, when efforts to counter youth vaping have been eating away at the funds required to fight smoking prevention and cessation? In fact, tobacco manufacturers are big players in the vaping industry. It’s imperative that the final legislation not drop the costs associated with electronic cigarettes and all other recreational products containing nicotine, » adds **Ms. Doucas**.

The provinces should follow the federal example

Finally, *“all Canadian provinces should also look to recover their own investments and all public costs arising from the tobacco and vaping business. These are industries that make huge profits from the sale of dangerous and addictive products that require a range of controls and interventions: regulatory frameworks, surveillance, education campaigns, cessation programs and anti-contraband operations. It shouldn’t be up to taxpayers to pay for these interventions, when profits are being made at the expense of public health,”* concludes **the spokesperson**.

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Information : Flory Doucas, 514-515-6780