

FOR IMMEDIATE RELEASE

April 23, 2015

Ontario continues to fail on tobacco taxes

Toronto, ON – The Ontario government maintained its disappointing record on tobacco taxation when Finance Minister Charles Sousa tabled the new provincial budget at Queen’s Park today.

Disregarding appeals from the Ontario Lung Association and tobacco control groups, the government has opted for the status quo, leaving Ontario with the lowest provincial tobacco tax and the second cheapest cigarettes among all Canadian provinces and territories.

“We applaud the Wynne government’s announcement that it will fund a major expansion of regional public transit networks,” said George Habib, president and CEO of the Ontario Lung Association. “These investments will promote better lung health by reducing air pollution caused by traffic congestion in the Greater Toronto and Hamilton area.

“Sadly, while Ontario shows leadership on air quality, it risks losing ground on another important lung health issue – tobacco control. The government’s continued refusal to bring Ontario’s tobacco tax into line with the rest of Canada is undermining all of its other initiatives to reduce smoking rates,” said Habib.

Smoking is the number one cause of preventable illness and death in Ontario, where it is responsible for about 13,000 deaths a year – that’s 36 deaths every day. Smoking causes lung cancer, chronic obstructive pulmonary disease (COPD), cardiovascular disease and many other illnesses. Tobacco-related diseases account for at least half a million hospital stays each year and cost the Ontario economy \$1.6 billion in health care and \$4.4 billion in lost productivity.

The World Health Organization says that raising taxes to make cigarettes and other tobacco products more expensive is the single most effective way to encourage people to quit smoking and to discourage others from starting.

“We know that when retail tobacco prices go up 10 per cent, smoking rates go down by four percent,” said Habib. “No other intervention produces results so reliably and so rapidly.”

Apart from a minor increase in last year’s budget, however, Ontario has not had a significant tobacco tax hike in almost a decade. It is now one of only three jurisdictions in Canada – along with Quebec and Yukon – where a pack of 20 cigarettes costs less than \$10.

Habib welcomed new measures announced in the budget to combat contraband tobacco but dismissed warnings from the tobacco industry and cigarette retailers that higher taxes will mean more smokers turning to contraband cigarettes. “This is fearmongering from groups with a strong financial interest in keeping people smoking,” he said. “Every independent study on this issue finds no link between contraband use and changes in tobacco taxes.”

Habib said that higher tobacco taxes would not only drive down smoking rates, they would also generate revenue to fund proven, evidenced-based and cost-effective smoking cessation programs, part of a comprehensive lung health action plan that will save lives and billions of health-care dollars.

About the Ontario Lung Association

The Ontario Lung Association is a registered charity that assists, educates and empowers individuals living with or caring for others with lung disease. We provide programs and services to patients and health-care providers, invest in lung research and campaign for improved policies on lung health. Our Lung Health Information Line – 1-888-344-LUNG (5864) – is staffed by certified respiratory educators.

-30-

For more information: John Chenery, Ontario Lung Association
416-864-9911 ext. 292 | Cell: 647-293-9911 | jchenery@on.lung.ca