

FOR IMMEDIATE RELEASE

Quebec Tax Increase Will Support Criminal Gang Activity

February 8th, 2023 – The National Coalition Against Contraband Tobacco’s (NCACT) responded to the Government of Quebec’s eight dollar increase on cartons of cigarettes sold in the province.

“While we commend the government for taking a prudent approach to tobacco taxation over the past years, an immediate 27% increase on the cost of cigarettes in the province will shock the market and lead many to seek out the illegal market,” began Rick Barnum, Executive Director of the NCACT and the former Deputy Commissioner of the Ontario Provincial Police.

In the 2021 federal budget, an immediate increase in tobacco taxation was also passed. In response, the Parliamentary Budget Officer report found that the tax increase would not increase government revenue, but would have an impact on growing the contraband tobacco market.

“History shows that surprise tobacco tax increases do not increase government revenues and drive smokers to the illegal market. This tax increase will have a direct impact on increasing the organized crime activity related to contraband tobacco in Quebec, as has been recently seen in British Columbia who are dealing with an all-time high contraband tobacco rate following tobacco tax increases,” continued Barnum.

The RCMP continues to estimate that over 175 organized crime groups are trafficking in contraband tobacco across Canada, with over 50 illegal factories in Ontario and Quebec creating millions of illegal cigarettes an hour. The millions of dollars made every day from illegal cigarettes funds other illicit activities, such as drugs, guns, and human trafficking.

“While the government estimates that this will reduce the amount of smokers in the province by 60,000, instead it will have the opposite effect. This will include driving smokers to the illegal market, helping to fund criminal gangs and taking millions of dollars away from the public treasury. To curb these impacts, the government must resume a prudent taxation approach that reduces smoking rates, while also combating organized crime,” concluded Barnum.

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The National Coalition Against Contraband Tobacco is a Canadian advocacy group formed by organizations and associations concerned about the growing danger of contraband cigarettes. NCACT members share the goals of working together to educate people and urge government to take quick action to stop this growing threat. More information about the Coalition can be found on our website, www.stopcontrabandtobacco.ca.

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