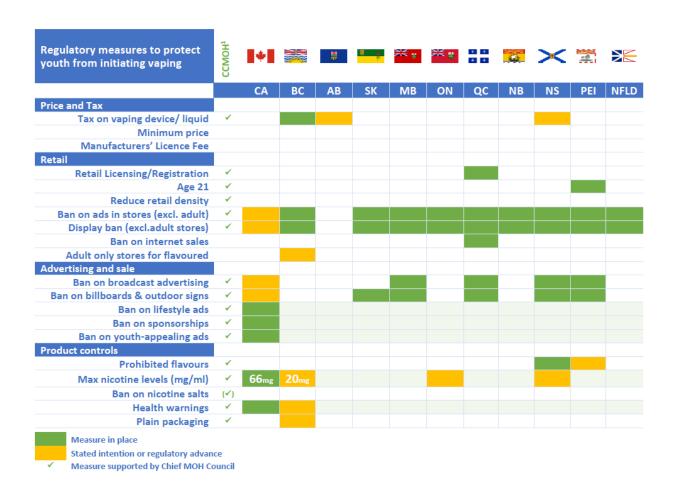
# Tobacco in Canada

Addressing Knowledge Gaps Important to Tobacco Regulation Environmental Scan – Winter 2019-2020



April 1, 2020

Physicians for A Smoke-Free Canada

134 Caroline Avenue ♦ Ottawa ♦ Ontario ♦ K1Y 0S9 www.smoke-free.ca ♦ psc @ smoke-free.ca

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# I. FEDERAL GOVERNMENT ACTIVITIES

# **A) POLICY AND REGULATION**

#### Minister's mandate

**In December 2019, Prime Minister Trudeau** directs health minister **Patty Hajdu** to "in cooperation with other orders of government and key stakeholders, address the rapid rise in youth vaping. This should start with regulations to reduce the promotion and appeal of vaping products to young people and public education to create awareness of health risks. You are encouraged to explore additional measures." <sup>1</sup>

# **Departmental priorities**

In March 2020, Health Canada released its revised Departmental Plan.<sup>2</sup> Profiled "new" activities included several to "reduce the appeal of and access to vaping products among youth, including development of new regulatory proposals, public education, and compliance and enforcement."

#### Vaping priorities included:

Finalizing regulations restricting the promotion of vaping products to youth and developing additional regulations to further reduce the appeal of these products to young Canadians (e.g., reducing nicotine concentration limits; establishing further significant flavour restrictions, building on those already in place in the legislation);

Building on and expanding delivery of the public education campaign targeting youth, with the goal of raising awareness of the potential harms associated with vaping;

Increasing compliance and enforcement activities: promoting compliance and conducting inspections of tobacco products and activities related to new requirements; conducting online inspections of websites where advertising or promotion of vaping products is accessible to youth; conducting on-site inspections of vaping products and activities, as well as product sampling; and making public the results of key compliance and enforcement activities.

#### Tobacco priorities included:

Enforcing plain packaging requirements on all tobacco products to reduce their appeal and encourage Canadians to make healthy choices;

Finalizing new health warning messages, health information messages and statements about toxicity as part of renewed tobacco product labelling requirements;

Conducting activities that promote compliance, inspections of tobacco products, and activities related to new requirements.

<sup>1</sup> Prime Minister's Office. Minister of Health Mandate Letter. December 13, 2019 https://pm.gc.ca/en/mandate-letters/minister-health-mandate-letter

<sup>2</sup> Health Canada Departmental Plan 2020-2021. https://www.canada.ca/en/health-canada/corporate/transparency/corporate-management-reporting/report-plans-priorities/2020-2021-report-plans-priorities.html

#### **Progress indicators**

The federal government tracks 9 indicators towards its 3 tobacco control goals.3 4

			Date to	Data
Goals	Target	Baseline	achieve target	source
Percentage of Canadian students (grades 7-12) who have used any tobacco product (including cigarettes) in the past 30 days	At most 10%	12%	March 2023	CSTADS
Percentage of Canadian students (grades 7-12) who have used a vaping product (e-cigarettes only) in the past 30 days	At most 10%	6%	March 2023	CSTADS
Percentage of Canadians (aged 12+) who are current cigarette smokers (by sex and overall)	At most 5%	16%	March 2021 (sic) <sup>5</sup>	CCHS

#### Federal regulations coming into force

#### Regulations requiring Plain and Standardized Appearance (SOR/2019-107)

On November 9, 2019, the 200<sup>th</sup> day after the regulations were published (April 24, 2019), cigarette manufacturers were required to comply with plain and standardized packaging of cigarettes, with retailers required to comply after an additional 90 days, i.e. until February 7<sup>th</sup>, 2020.

Other provisions of the regulations come into force in 2021, such as requirements for slide and shell packaging of cigarettes (November 9, 2021).

#### Federal government regulations finalized

#### Vaping Products Labelling and Packaging Regulations

On June 22, 2019 proposed *Vaping Products Labelling and Packaging Regulations* were published in the Canada Gazette, Part I.<sup>7</sup> The proposed measures would require refillable vaping products and devices to be child resistant. They would also establish labelling requirements for nicotine containers, including mandatory listing of ingredients, and the presence of the warning ""WARNING: Nicotine is highly addictive" on all products with a nicotine concentration of 0.1 mg/mL or more. The comment period for these regulations expired in the first week of September.

On December 25, 2019, the final version of the *Vaping Products Labelling and Packaging Regulations* was published in Canada Gazette Part II. <sup>8</sup>

<sup>3</sup> Government of Canada. Treasury Board. Infobase. https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#orgs/program/H-BVH12/infograph/results

<sup>4</sup> Government of Canada. Treasury Board Infobase. https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#orgs/dept/127/infograph/results

<sup>5</sup> The strategy sets a 5% prevalence goal for 2035, this document may have a date mis-stated.

<sup>6</sup> Canada Gazette, Part II, Vol. 153, Number 9. Tobacco Products Regulations (Plain and Standardized Appearance): SOR/2019-107. https://laws-lois.justice.gc.ca/eng/regulations/SOR-2019-107/page-6.html#docCont.

<sup>7</sup> Canada Gazette, Part I, Volume 153, Number 25: Vaping Products Labelling and Packaging Regulations http://gazette.gc.ca/rp-pr/p1/2019/2019-06-22/html/reg4-eng.html

<sup>8</sup> Canada Gazette, Part II, Vol. 153, no. 26. Vaping Products Labelling and Packaging Regulations http://www.gazette.gc.ca/rp-pr/p2/2019/2019-12-25/pdf/g2-15326.pdf

#### **Regulations in development**

# Vaping product promotion regulations

A consultation paper was issued in August 2017,<sup>9</sup> and a summary of comments received was made public in April 2018.<sup>10</sup> A Notice of Intent was published on February 5, 2019 with a deadline for comments of March 22. The What We Heard report was issued in July 2019. <sup>11</sup> Publication of proposed regulations in the Canada Gazette Part 1 was done on December 21, 2019, with responses due by January 19, 2020.<sup>12</sup>

#### Vaping Products Reporting Regulations

These regulations would require manufacturers and importers of vaping products to provide Health Canada with reports on certain business activities, and for the Minister to make this information available to the public. A consultation paper was issued in August 2017, <sup>13</sup> and a summary of comments received was made public in April 2018. <sup>14</sup>

Publication of proposed regulations in the Canada Gazette Part 1 is "expected to take place in winter 2020 and last 75 days." <sup>15</sup>

#### • Tobacco Products Labelling Regulations

Health Canada will amend labelling requirements for cigarettes and other tobacco products. "The goal would be to increase awareness of the health hazards and health effects associated with tobacco use." The last time that labelling regulations were changed for cigarettes was in 2011. Regulations for cigars, pipe tobacco, bidis, kreteks and smokeless tobacco have not been changed since 2000. 16

A consultation paper was circulated in October 2018,<sup>17</sup> and a summary of comments was published in August 2019.<sup>18</sup> Publication of proposed regulations in the Canada Gazette Part 1 is "expected to take place in winter 2021 and last 30 days." <sup>19</sup>

- 9 Health Canada. Proposals for the regulation of vaping products. 2017
- https://www.canada.ca/en/health-canada/programs/consultation-regulation-vaping-products/proposals-regulate-vaping-products.html
- Health Canada. Consultation summary: proposals for the regulation of vaping products. 2018 https://www.canada.ca/en/health-canada/services/publications/healthy-living/consultation-summary-proposals-regulation-vaping-products.html#a3-3
- Health Canada. Consultation Summary: Notice of Intent Potential Measures to Reduce the Impact of Vaping Products Advertising on Youth and Non-users of Tobacco Products
  - https://www.canada.ca/en/health-canada/programs/consultation-measures-reduce-impact-vaping-products-advertising-youth-non-users-tobacco-products/notice-document/summary.html
- 12 Canada Gazette, Part I, Volume 153, Number 51: Vaping Products Promotion Regulations http://www.gazette.gc.ca/rp-pr/p1/2019/2019-12-21/html/reg1-eng.html
- Health Canada. Proposals for the regulation of vaping products. 2017
  - https://www.canada.ca/en/health-canada/programs/consultation-regulation-vaping-products/proposals-regulate-vaping-products.html
- 14 Health Canada. Consultation summary: proposals for the regulation of vaping products. 2018 https://www.canada.ca/en/health-canada/services/publications/healthy-living/consultation-summary-proposals-regulation-vaping-products.html#a3-3
- 15 Health Canada. Forward Regulatory Plan 2019-2021: Vaping Products Reporting Regulations. https://www.canada.ca/en/health-canada/corporate/about-health-canada/legislation-guidelines/acts-regulations/forward-regulatory-plan/plan/vaping-reporting.html
- Health Canada Forward Regulatory Plan 2019-2021: Tobacco Products Labelling Regulations https://www.canada.ca/en/health-canada/corporate/about-health-canada/legislation-guidelines/acts-regulations/forward-regulatory-plan/plan/regulatory-initiative-package-labelling-pursuant-tobacco-act.html
- 17 Health Canada New Health-Related Labelling for Tobacco Products. Document for consultation. https://www.canada.ca/en/health-canada/programs/consultation-tobacco-labelling/document.html
- 18 Health Canada New Health-Related Labelling for Tobacco Products. Consultation Summary. New Health-Related Labelling for Tobacco Products CONSULTATION SUMMARY
- 19 Health Canada Forward Regulatory Plan 2019-2021: Tobacco Products Labelling Regulations https://www.canada.ca/en/health-canada/corporate/about-health-canada/legislation-guidelines/acts-regulations/forward-regulatory-plan/plan/regulatory-initiative-package-labelling-pursuant-tobacco-act.html

#### Amendments to the Tobacco Reporting Regulations

Tobacco manufacturers have been required to provide Health Canada with periodic reports on their activities since 2000. Health Canada proposes to revise these regulations to "improve the information" and to provide for some disclosure of information.

A Notice of Intent was published in the Canada Gazette in December 2017, specifying 8 areas in which the regulations would be amended or expanded.<sup>20</sup> Publication of proposed regulations in the Canada Gazette Part 1 is "expected to take place in winter 2020 and last 75 days." <sup>21</sup>

# Reducing Youth Access and Appeal of Vaping Products: Potential Regulatory Measures In April 2019, Health Canada released a consultation paper on measures that could be adopted to address the increase of youth vaping in Canada. The consultation period ended on May 25<sup>th</sup>, 2019. Proposed regulations included:

- prohibiting the manufacture and sale of vaping products with certain flavours or flavour ingredients and/or prohibiting the promotion of certain flavours;
- restricting the concentration and/or delivery of nicotine in vaping products;
- regulating design features;
- restricting online retail access;
- restricting product packaging.

The "What We Heard" report was made public on December 19, 2019.22

In the 2020-2021 Departmental Plan, Health Canada identifies that it is "developing additional regulations to further reduce the appeal of these products to young Canadians (eg, reducing nicotine concentration limits, establishing further significant flavour restrictions, building on those already in place in the legislation.)"<sup>23</sup>

Health Canada indicated that the concentration under consideration was 20 mg/ml when it surveyed vaping product manufacturers in February 2020 about the impact this would have on their business.<sup>24</sup>

On March 30, 2020 NGOs were asked their views on a proposed limit of 20 mg/ml in vaping products.

<sup>20</sup> Health Canada. Notice to interested parties — Proposals to amend the Tobacco Reporting Regulations http://www.gazette.gc.ca/rp-pr/p1/2017/2017-12-02/html/notice-avis-eng.html

<sup>21</sup> Health Canada Forward Regulatory Plan 2019-2021: Amendments to the Tobacco Reporting Regulationshttps://www.canada.ca/en/health-canada/corporate/about-health-canada/legislation-guidelines/acts-regulations/forward-regulatory-plan/plan/ammendments-tobacco-reporting-regulations-bill-s-5.html

<sup>22</sup> Health Canada. What We Heard: Reducing Youth Access and Appeal of Vaping Products: Consultation Summary. https://www.canada.ca/en/health-canada/services/publications/healthy-living/consultation-summary-reducing-youth-access-appeal-vaping-products.html

<sup>23</sup> Health Canada. Departmental Plan. 2020-2021. https://www.canada.ca/en/health-canada/corporate/transparency/corporate-management-reporting/report-plans-priorities/2020-2021-report-plans-priorities.html

<sup>24</sup> Health Canada. Regulatory Option on Limiting Nicotine Concentration in Vaping Products – Consultation on Potential Costs to Manufacturers and Importers of Vaping Products. https://vitaofcanada.com/wp-content/uploads/2019/11/CBA-Questionnaire-2020Fe10.pdf

#### Regulatory proposals in consultation stage

- In January 2020, Health Canada and Environment Canada publish Draft Science Assessment of Plastic Pollution<sup>25</sup> for a 60-day public comment period.<sup>26</sup>
- A full record of government consultations can be found at the federal "Consultation and Feedback" website.<sup>27</sup>

# **Enforcement and compliance actions**

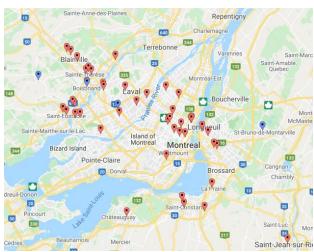
• In December 2019, Health Canada made public the results of some of their enforcement and compliance activities with respect to the *Tobacco and Vaping Products Act*.

In the last six months of 2019, Health Canada inspectors visited 3,000 retail establishments, including

1,000 vaping specialty establishments and 2,000 convenience stores, to verify compliance with the TVPA and the Canada Consumer Product Safety Act (CCPSA). <sup>28</sup>

[B]etween July and December 2019, Health Canada inspectors visited more than 3,000 specialty vape shops and convenience stores across the country, seizing more than 80,000 units of non-compliant vaping products. More than eighty percent of the specialty vape shops inspected were found to be selling and promoting products in violation of the law. The Department has also taken action to shut down illegal promotions by major national brands this year.<sup>29</sup>

In December, the department sent letters to vaping manufacturers and importers<sup>30</sup> and retailers<sup>31</sup> to inform them that inspection results would be published online.



Montreal area stores found non-compliance with federal vaping laws

- 25 Environment and Climate Change Canada. Health Canada. Draft science assessment of plastic pollution. https://www.canada.ca/en/environment-climate-change/services/evaluating-existing-substances/draft-science-assessment-plastic-pollution html
- 26 Canada Gazette. Part I. January 31, 2019. Publication of the draft science assessment of plastic pollution http://www.gazette.gc.ca/rp-pr/p1/2020/2020-02-01/html/notice-avis-eng.html#nl3
- 27 Government of Canada. Consultations and Feedback. https://www.canada.ca/en/government/system/consultations/consultingcanadians.html
- https://www.canada.ca/en/government/system/consultations/consultingcana
  Health Canada. Vaping Compliance and Enforcement.
- https://www.canada.ca/en/health-canada/services/smoking-tobacco/vaping/compliance-enforcement.html
- 29 Health Canada. Press Release. December 19, 2019. Health Canada proposes to ban advertising of vaping products wherever they can be seen or heard by youth https://www.canada.ca/en/health-canada/news/2019/12/health-canada-proposes-to-ban-advertising-of-vaping-products-wherever-they-can-be-seen-or-heard-by-youth.html
- 30 Health Canada. Health Canada's letter to vaping product manufacturers and importers. December 19, 2019. https://www.canada.ca/en/health-canada/services/smoking-tobacco/vaping/product-safety-regulation/letter-vaping-manufacturers.html
- Health Canada. Health Canada's letter to vaping and retail associations https://www.canada.ca/en/health-canada/services/smoking-tobacco/vaping/product-safety-regulation/letter-vaping-retail-associations-dec-2019.html

- A first "Quarterly Vaping Compliance and Enforcement report" was made public for the period July to September 2019. In it, 239 vaping stores were cited for non-compliance with federal law.<sup>32</sup>
- In answer to a parliamentary question, Health Canada identified enforcement actions taken between
  May 2018 and December 2019 which included, among others, the following steps: \* letters to 20,000
  manufacturers and retailers in June 2019, letters to associations and manufacturers calling on industry to
  take immediate action to remove vaping product promotions that could be seen by youth, inspection of
  16 social media influencers, issued warning letters to Imperial Tobacco, JUUL, Logic, and Stlth.<sup>33</sup>
- Before these enforcement actions were undertaken, widespread objectionable vaping advertising was observed (PSC, May 2019. Towards the end of the enforcement period, many objectionable vaping advertisements were still being observed (Globe and Mail, Dec. 2019).

#### Other

 Health Canada provided a grant to the Centre for Addictions and Mental Health (CAMH) to develop Guidelines for Lower Risk Nicotine Products for Healthcare practitioners and consumers.

# B) FINANCIAL POLICY

#### Tax rates

- In February, the House of Commons Standing Committee on Finance recommended that the next budget should "increase the federal tobacco tax, which has proven effective in reducing tobacco use among youth."<sup>35</sup>
- In February, Finance Canada announced there would be an inflationary increase in tobacco taxers of about 5 cents per package from \$28.43 to \$28.85 per carton. <sup>36</sup>
- Tobacco tax rates continue to vary across Canada, with the lowest rates still in the most populous provinces.<sup>37</sup>

<sup>32</sup> Health Canada. Quarterly Vaping Compliance and Enforcement Report July - September 2019 https://www.canada.ca/en/health-canada/services/smoking-tobacco/vaping/compliance-enforcement/quarterly-report-july-september-2019.html

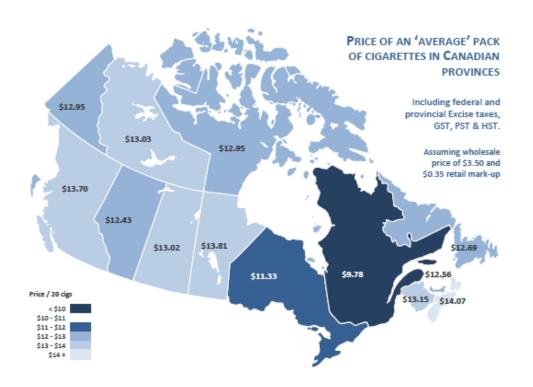
<sup>33</sup> House of Commons Sessional Paper 8555-431-243. www.smoke-free.ca/SUAP/2020/8555-431-243.pdf

<sup>34</sup> Brent Friesen. Presentation to Family Medicine Summit. March 2020. https://acfp.ca/wp-content/uploads/2020/03/SS2A\_FriesenVaping-Update.pdf

<sup>35</sup> House of Commons Standing Committee on Finance. Report #1. Canadian Ideas: Leveraging our strengths. February 2020. https://www.ourcommons.ca/Content/Committee/431/FINA/Reports/RP10665205/finarp01/finarp01-e.pdf

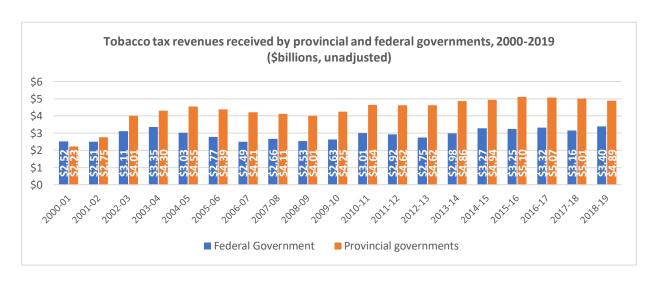
Government of Canada. Excise Duty rates. Excise duty on stamped tobacco products. https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/edrates/excise-duty-rates.html#\_Toc527013627

<sup>37</sup> Physicians for a Smoke-Free Canada. Taxes on Cigarettes in Canadian jurisdictions. April 2020. http://www.smoke-free.ca/pdf\_1/taxrates.pdf



# **Revenues**

• In December 2019, the federal government released the public accounts for 2018-2019. Federal revenues from excise taxes on tobacco products had increased modestly over the past year 50 \$3.4 billion from \$3.16 billion.<sup>38</sup> The total tax revenues received by provincial governments fell slightly to \$4.9 billion from \$5 billion.<sup>39</sup>



<sup>38</sup> Public Accounts of Canada, 2000-2001 to 2018-2019.

<sup>39</sup> See appendix for details and sources.

#### **Expenditures**

- In February 2020, information on federal expenditures for tobacco control was provided in response to
  questions from parliamentarians. The information, together with that from responses to the same
  questions in previous years, is presented below. 40 41 42 43 44
- Indigenous Services does not provide information on whether money was spent on tobacco control
  initiatives, only that "Funds were allocated in full to First Nations and Inuit and spent accordingly with
  their priorities."

Funding allocation for Federal Tobacco Control Strategy / Canada's Tobacco Strategy by department

	_				
Amount allocated	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
	Q779-Q780	Q-1327	Q-64	Q-64	Q-64
Canada Revenue Agency		\$890K	\$890K	\$890K	\$890K
Public Safety	\$610K	\$610K	\$610K	\$610K	\$610K
Canada Border Services Agency	\$2.2M	\$2.9M	\$3M	\$3M	\$3M
RCMP	\$1.7M	\$1.8M	\$1.8M	\$1.8M	\$1.9M
Health Portfolio	\$37.6 M	\$38.6M	\$32.1 m	\$31.9m	\$31.9M
Indigenous Services <sup>45</sup>			\$6.5	\$5	\$6.8
(Total)	\$42.11M	\$43.91M	\$44.01M	\$42.31M	\$44.21M

Expenditures for Federal Tobacco Control Strategy by Health Portfolio

Amount spent		2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
		Q779-Q780	Q-1327	Q-64	Q-64	Q-64
Health Portfolio		\$32.5 M	\$35.1 M	\$31.0 M	\$33.2 M	\$34.7 M
<ul> <li>Mass Media</li> </ul>		\$0	\$0	Indirectly	Indirectly	Indirectly
<ul> <li>Policy and regulat</li> </ul>	ory development	\$9.6 M	\$5.7 M	\$6.5M	\$9.5M	\$5.5M
<ul> <li>Research</li> </ul>		\$3.8M	\$2.7 M	\$1.4M	\$1.6M	\$3.6M
<ul> <li>Surveillance</li> </ul>		\$4.1 M	\$2.9 M	\$3.4M	\$2.5M	\$3.1M
<ul> <li>Enforcement</li> </ul>		\$5.2M	\$6 M	\$5.9M	\$5.2M	\$4.6M
<ul> <li>Grants &amp; Contribu</li> </ul>	tions	\$1.4M	\$1.4M	\$1.9M	\$3.0M	\$1.9M
<ul> <li>Litigation</li> </ul>		\$3 M	\$2.5 M			
<ul> <li>Legal Services and</li> </ul>	administrative costs			\$5M	\$6 M	\$9.5 M
<ul> <li>Corporate Costs</li> </ul>			\$4.8 M	\$5 m	\$4.6M	\$5.5M
<ul> <li>Re-allocation</li> </ul>		\$7.1 M	\$2.5 M	\$1.4 M		
<ul> <li>Programs for About</li> </ul>	riginal Canadians	\$4.2M	\$6.2M			

<sup>40</sup> Question on the Order Paper No. 64. Marilyn Gladu. 2020

<sup>41</sup> Question on the Order Paper No. 1327. Don Davies. 2017.

<sup>42</sup> Question on the Order Paper No. 780. Don Davies. 2016.

<sup>43</sup> Question on the Order Paper No. 779. Don Davies. 2016.

In order to provide consistency, minor adjustments were made to the information as reported to Parliament. In 2016-17 and 2017-2018, Breakitoff campaign costs were included in research activities. Mass Media promotion of quitline services was done through MOA with provinces in 2016-2017, 2017-2018 and 2018-2019.

<sup>45</sup> Indigenous Services does not provide information on whether money was spent on tobacco control initiatives. In Question No. 64, the department responded that "Funds were allocated in full to First Nations and Inuit, and spent accordingly with their priorities."

On the federal InfoBase for spending, Treasury board reports that "In 2018-19, the Tobacco Control program planned to spend \$31.5 million and employ 131 full-time equivalents (FTE). It actually spent \$26.5 million and employed 158 FTEs." It also noted that the \$29.5 million in planned expenditures represented 0.1% of the planned federal expenditure of \$52.4 billion on health. Spending for 2022-23 is planned to be \$29.2 million with a departmental staff of 138 full-time equivalents. 46

#### C) COMMUNICATIONS

On October 11, 2019 the Council of Chief Medical Officers of Health issued their second statement on vaping,<sup>47</sup> cautioning non-smokers against using and expressing concern about the environment which made this more likely:

We cannot stand by and watch a new generation of Canadians become dependent on nicotine or be exposed to products that could have significant negative consequences for their health.

We need to create environments that prevent youth vaping by strengthening regulatory frameworks and policies that restrict the accessibility and availability of vaping products and reduce the appeal of such products to youth. This includes plain packaging, health warnings and regulating the sale and marketing of vaping products and flavourings and putting in place school and community policies that reduce use and encourage positive youth development.

On January 22, 2020, the CCMOH issued their third statement on vaping, encouraging Canadians "needing support with nicotine addiction to speak with a health care provider and seek out proven cessation therapies, such as medication or approved nicotine replacement therapies." They also identified specific measures that could be taken by different levels of government to address vaping, identified in the table below. <sup>48</sup>

# MEASURES PROPOSED BY COUNCIL OF CHIEF MEDICAL OFFICERS OF HEALTH, JANUARY 22, 202049

Measure	Recommended level of government
Ban all flavoured vaping products and then provide regulatory exemptions or market authorizations for a minimum set of flavours to support smokers who choose to use vaping to end or reduce their use of nicotine-containing products	Fed or Prov or Terr
Limit the nicotine content in vaping products, including pods, to a maximum of 20mg/ml (levels lower than this may further decrease the addictive potential for youth) and adopt other appropriate standards regarding nicotine delivery (e.g. temperature, use of nicotine salts) as evidence on vaping products evolves	Fed or Prov or Terr
Regulate all constituents of e-liquids based on potential to cause harm when inhaled rather than oral ingestion	Fed or Prov or Terr
Tax vaping products in a manner consistent with maximizing youth protection while providing some degree of preferential pricing as compared to tobacco products	Fed or Prov or Terr
Consider making the age of 21 the minimum sales age for both tobacco and vaping products, knowing that establishing the legal minimum sales age requires balancing	Fed or Prov or Terr

<sup>46</sup> Treasury Board Secretariat.

https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html # orgs/program/H-BVH12/infograph/financial and the state of the

- 48 Council of Chief Medical Officers of Health. Statement from the Council of Chief Medical Officers of Health on Nicotine Vaping in Canada. January 22, 2020
  - https://www.canada.ca/en/public-health/news/2020/01/statement-from-the-council-of-chief-medical-officers-of-health-on-nicotine-vaping-in-canada.html
- 49 Council of Chief Medical Officers of Health. Statement from the Council of Chief Medical Officers of Health on Nicotine Vaping in Canada. January 22, 2020
  - https://www.canada.ca/en/public-health/news/2020/01/statement-from-the-council-of-chief-medical-officers-of-health-on-nicotine-vaping-in-canada.html

<sup>47</sup> https://www.canada.ca/en/public-health/news/2019/10/statement-from-the-council-of-chief-medical-officers-of-health-on-vaping-incanada.html

government policy objectives to minimize an illegal market while delaying the onset of youth use	
policy objectives to minimize an illegal market while delaying the onset of youth use	
through limiting access through social sources	
Create requirements for age-verification of internet purchases of vaping products that Fed or Prov or Terr are the same as those required for cannabis	
Enhance surveillance and reporting of vaping product use and population health Fed or Prov or Terr impacts	
Restrict the advertising/marketing/promotion/sponsorship of vaping devices in a Fed	
manner consistent with maximizing youth protection, including online	
advertising/promotion and social influencers, while allowing adult-oriented marketing	
of vaping devices as a product that supports adult smokers solely to end or reduce their	
use of all nicotine-containing products	
Require product manufacturers to disclose all ingredients of vaping devices to Health Fed	
Canada as a condition of being marketed, including establishing consistency in reporting	
nicotine levels in both open and closed vaping systems	
Require plain and standardized packaging along with health risk warnings for all vaping Fed	
products	
Include vaping as part of smoke-free restrictions for locations under federal jurisdiction Fed	
Enhance compliance, enforcement and public reporting of the provisions of Fed the Tobacco and Vaping Products Act	
Ban all point of sale advertising of vaping devices and products with an exception for Prov/Terr	
specialized vaping product stores accessible only to those of minimum age	
Require a vendor's licence for those selling vaping devices and products  Prov/Terr	
Include vaping as part of provincial/territorial smoke-free restrictions Prov/Terr	
Routinely use youth test purchaser programs for all tobacco and vaping product retail Prov/Terr locations	
Include vaping as part of municipal smoke-free restrictions Mun.	
Restrict the density of tobacco and vaping products retail sites and ban the sale of waping products and devices within at least 250 metres of a school	
Enhance public awareness and educational initiatives on the risks of vaping products Fed/Prov/Terr in collaboration	1
targeted at youth, parents, educators and health care professionals	
Establish comprehensive cessation initiatives for people with nicotine addiction, Fed/Prov/Terr in collaboration	l
especially for youth	
Monitor and research the short and long-term health effects of vaping products  Fed/Prov/Terr in collaboration	
Research the effectiveness of vaping products in supporting smokers to end or reduce Fed/Prov/Terr in collaboration	1
their use of all nicotine-containing products	
Research the effectiveness of policy approaches to address youth vaping  Fed/Prov/Terr in collaboration	
Develop a broad regulatory approach to all alternative methods of nicotine delivery  Fed/Prov/Terr in collaboration	l
(i.e. other than tobacco products) that offers strong youth protection while allowing	
appropriate access for adult smokers to products if they are proven effective in decreasing or stopping the use of all nicotine-containing products. A key component of	
any such regulatory approach should be the requirement for the manufacturer to	
provide enough evidence to satisfy the regulator that allowing any new product on the	
market is in the public interest before that product can be legally sold.	

#### II. MONITORING AND SURVEILLANCE

#### Disease surveillance

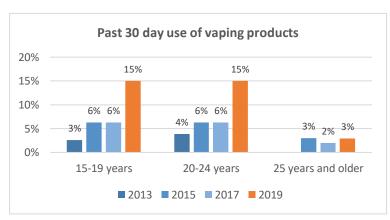
- On December 3rd, 2019, Health Canada provided an update on the number of vaping related illnesses. At that time, there were 13 reported cases. As of March 25, 2020, that number had increased to 19 cases. No deaths were reported.<sup>50</sup>
- In March, the Canadian Cancer published estimates of cancer in Canada in 2020, concluding that in Canada:<sup>51</sup>
  - Lung cancer deaths among men continue to fall, although those among women are falling less.
  - 72% of lung cancers are attributable to tobacco smoke.

	December	February	March
	3, 2019	25, 2020	30, 2020
15 to 19	3	4	5
20 to 34	3	5	5
40 to 49	3	4	4
50 years +	4	5	5
Female	7	8	8
Male	6	10	11
Nicotine only	7	10	11
Tetrahydrocannabinol (THC)	3	4	4
only			
Flavoured vaping liquid only	1	1	1
Nicotine, THC and other	2	3	3
substances			
Total	13	18	19

# Monitoring of smoking and vaping behaviours

- During this period, the results of two major federal health surveys were made public.
  - In March, Statistics Canada released limited data from the Canadian Tobacco and Nicotine Survey (CTNS).<sup>52</sup>

The results, when compared to the terminated Canadian Tobacco Alcohol and Drug Survey, show a significant increase in vaping among young people, but not adults. CTNS results for tobacco use are not yet released.



CTADS, 2013, 2015, 2017; CTNS, 2019

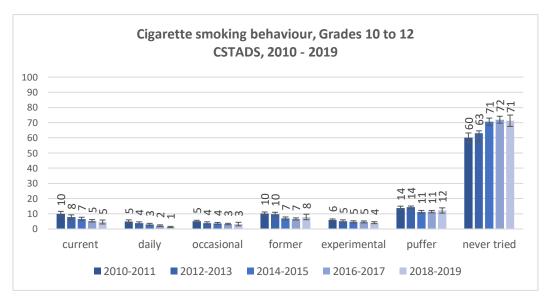
Figure 1: CTADS, 2013, 2015, 2017; CTNS, 2019

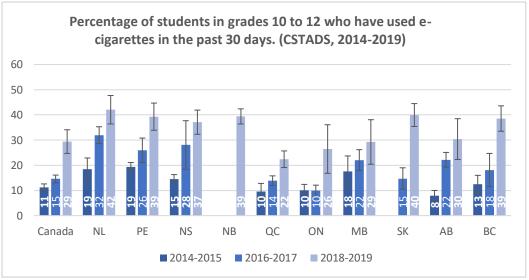
<sup>50</sup> Government of Canada. Vaping associated lung illness. https://www.canada.ca/en/public-health/services/diseases/vaping-pulmonary-illness.html

<sup>51</sup> Brenner, DR et al. Projected estimates of cancer in Canada in 2020. CMAJ 2020 March 2;192:E199-205. https://www.cmaj.ca/content/cmaj/192/9/E199.full.pdf

<sup>52</sup> Statistics Canada. The Canadian Tobacco and Nicotine Survey, 2019. March 5, 2020. https://www150.statcan.gc.ca/n1/daily-quotidien/200305/dq200305a-eng.htm

 In December, Health Canada released data from the Canadian Student Tobacco, Alcohol and Drug Survey (CSTADS).<sup>53</sup> The results show a continuing steady decline in cigarette smoking among school-aged children and a sharp increase in vaping.

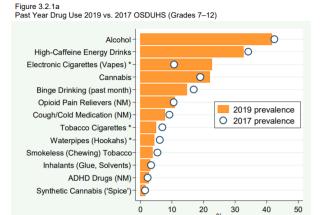




Health Canada. Canadian Student Tobacco, Alcohol and Drugs Survey. December 19, 2019
https://www.canada.ca/en/health-canada/services/canadian-student-tobacco-alcohol-drugs-survey.html
Definitions used: Current smoker includes daily and occasional smokers; former smokers are those who have smoked at least 100 cigarettes but is not smoking at the time of the interview, experimental are those who have smoked between 1 and 100 cigarettes; puffers are those who have puffed on a cigarette but never smoked a whole one.

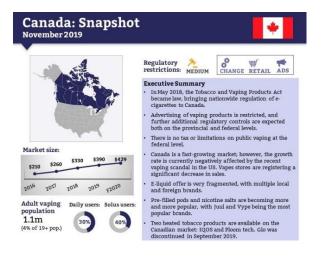
Provincial surveys released during this period included the Ontario Student Drug Use and Health Survey (OSDUHS).<sup>54</sup>

• The OSDUHS reported continuing and steady declines in cigarette smoking, with large increases in e-cigarette use. One-fifth of students reported using e-cigarettes for the first time in the past 12 months. Of the more than a dozen substances surveyed, increased use was found for only two substances: ecigarettes and cannabis.



Notes: \* indicates a significant difference (p<.01) between 2017 and 2019; NM=no or without a doctor's prescription; ADHD=Attention-Deficit/Hyperactivity Disorder

 E-cigarette Intelligencer is a subscription-based information service on e-cigarettes. In November 2019 it estimated there were 1.1 million adult vapers in Canada. Of these 30% (330,000) were daily users and 60% (660,00) were dual users.<sup>55</sup>



<sup>54</sup> Centre for Addiction and Mental Health. Drug use Among Ontario Students 1977-2019. February 2020. https://www.camh.ca/-/media/files/pdf---osduhs/drugusereport\_2019osduhs-pdf.pdf?la=en&hash=7F149240451E7421C3991121AEAD630F21B13784

<sup>55</sup> Ecicgaretteintelligence.com

# II. PROVINCIAL GOVERNMENT ACTIVITIES

#### **A**LBERTA

- On October 24, 2019, the Alberta government released its 2019-23 fiscal plan, including an increased tax on tobacco products (\$5 per carton) and
  - announcing an intention to tax e-cigarettes.<sup>56</sup> The responses received from the industry have been made public.<sup>57</sup>
- On October 25<sup>th</sup>, Alberta health minister
  Jeremy Nixon announced a review of the
  provinces *Tobacco and Smoking Reduction*Act.<sup>58</sup> The review included an on-line survey
  and meetings with industry and public
  representatives. Notes from meetings with
  the industry were posted on its website. <sup>59</sup>
- On February 27, the Alberta Budget was presented. It includes a new 20% tax on vaping products, but an implementation date is not yet set.<sup>60</sup>

# **BRITISH COLUMBIA:**

 On November 18, British Columbia Health Minister, Adrian Dix and Finance minister, Carole James and Education Minister, Rob Flemming announced a set of measures to address youth vaping.<sup>61</sup>

The new regulations will restrict the amount of nicotine in vapour pods and liquid to 20mg/ml

# British Columbia Response to Vaping 10-POINT ACTION PLAN SUMMARY:

- 1. Regulate nicotine content in vapour products.
- 2. Restrict the sale of flavoured vapour products.
- 3. Implement new labelling requirements to include plain packaging and health warnings.
- 4. Strengthen restrictions on public advertising.
- Enhance compliance and enforcement of provincial laws and regulations controlling vapour products.
- 6. Increase the provincial sales tax on vapour products and accessories.
- 7. Create a provincial youth advisory committee to support and advise on youth vaping, education, social awareness and other initiatives.
- 8. Distribute the B.C. Lung Association Vaping Prevention Toolkit to all schools for students, parents and educators.
- 9. Launch a 'stop vaping' youth social awareness and marketing campaign.
- 10. Enhanced QuitNow resources for youth wanting to quit vaping.

and will require plain packaging for vapour products that include health warnings. Public advertising of vapour products will also be restricted in areas where youth spend time, such as bus shelters or community parks. The sale of vapour flavours, other than tobacco flavours, will only be allowed in agerestricted shops.

Government of Alberta. Fiscal Plan A plan for jobs and the economy 2019–23 https://open.alberta.ca/dataset/3d732c88-68b0-4328-9e52-5d3273527204/resource/2b82a075-f8c2-4586-a2d8-3ce8528a24e1/download/budget-2019-fiscal-plan-2019-23.pdf

<sup>57</sup> Government of Alberta. Tobacco and smoking reduction review. Meeting notes. https://www.alberta.ca/tobacco-and-smoking-reduction-review.aspx

<sup>58</sup> Government of Alberta. Press release. Tobacco, smoking, vaping review. October 25, 2019 https://www.alberta.ca/release.cfm?xID=647072BDC1640-FDBC-2231-BBE32676541155AD

<sup>59</sup> Government of Alberta. Tobacco and smoking reduction review https://www.alberta.ca/tobacco-and-smoking-reduction-review.aspx

<sup>60</sup> Alberta Budget 2020. https://open.alberta.ca/dataset/05bd4008-c8e3-4c84-949e-cc18170bc7f7/resource/79caa22e-e417-44bd-8cac-64d7bb045509/download/budget-2020-fiscal-plan-2020-23.pdf

Government of British Columbia Press Release. Vaping restrictions to protect youth. November 18, 2019. https://news.gov.bc.ca/releases/2019HLTH0118-002192

- The province amends the *Provincial Sales Tax Act* to provide for the 20% sales tax on vaping products, instead of the normal 7% provincial sales tax.<sup>62</sup> It also increases cigarette taxes by \$4 per carton, effective January 1.
- On December 16, the health ministry released an Intentions Paper to solicit public feed back on its proposals, with a deadline in January.<sup>63</sup>

# **M**ANITOBA

On March 19, Manitoba increased its tobacco taxes by \$1.00 to offset a reduction in general sales tax<sup>64</sup>.

# **NEW BRUNSWICK**

 In the November 2019 Throne Speech, the government of New Brunswick indicated it would be advancing a strategy to address youth vaping. 65

Health risks associated with vaping, especially for young people, is a rising concern. Government will work with health specialists and advocates to develop a strategy to combat youth vaping in New Brunswick.

#### **NORTHWEST TERRITORIES**

 On March 31, 2020 new measures came into effect in the NWT. These include extending restrictions on smoking to public places and motor vehicles with children present.<sup>66</sup>

#### **NOVA SCOTIA**

- In December, health Minister Randy Delorey announced regulations to ban vaping flavours other than tobacco flavour would be effective on April 1, 2020, and that additional legislation would be forthcoming.<sup>67</sup> 68
- In February, Nova Scotia budget increased tobacco taxes by \$4 per carton and planned for a vaping product tax to be in place on September 15, 2020: \$0.50 per millilitre for substances, with 20% tax on devices.<sup>69</sup>
- In February, Nova Scotia introduced legislation giving it legislative authority to control nicotine levels in e-cigarettes. 70 The legislation passed in March. 71

<sup>62</sup> Bill 45, the Tax Statutes Amendment Act, 2019..https://www.leg.bc.ca/parliamentary-business/legislation-debates-proceedings/41st-parliament/4th-session/bills/progress-of-bills

<sup>63</sup> British Columbia Ministry of Health. Vapour Products Intentions Paper. https://www2.gov.bc.ca/assets/gov/health/vaping/vapour-products-intentions-paper.pdf

<sup>64</sup> Manitoba Budget. https://www.gov.mb.ca/budget2020/index.html

<sup>65</sup> https://www2.gnb.ca/content/dam/gnb/Corporate/pdf/ThroneSpeech/2019/TS-e.pdf

Northwest Territories Legislature. Bill 41. Tobacco and Vapour Products Control Act. https://www.ntassembly.ca/sites/assembly/files/reprint\_-\_bill\_41\_-\_tobacco\_and\_vapour\_products\_control.pdf Smoking Control and Reduction Act. https://www.ntassembly.ca/sites/assembly/files/reprint\_-\_bill\_40\_-\_smoking\_control\_and\_reduction.pdf

Government of Nova Scotia. Press release. Province Bans Sales of Flavoured E-Cigarettes, Commits to Legislation. December 5, 2019 https://novascotia.ca/news/release/?id=20191205001

<sup>68</sup> Government of Nova Scotia. Regulation 201/2019 https://novascotia.ca/just/regulations/regs/2019-201-TA-Tobacco\_Access.pdf.

Nova Scotia. Budget 2020.

https://beta.novascotia.ca/sites/default/files/documents/6-2046/ftb-bfi-041-en-budget-2020-2021.pdf

<sup>70</sup> Nova Scotia Legislature. Bill 233. https://nslegislature.ca/legc/bills/63rd\_2nd/1st\_read/b233.htm

<sup>71</sup> Letter to Cameron Friesen from Brian Pallister. Ministerial mandate letter. March 3, 2020. https://www.gov.mb.ca/asset\_library/en/executivecouncil/mandate/2020/hsal\_mandate.pdf

#### **N**UNAVUT

• *Nunavut's* health department sent letters to all retailers in the territory requesting a temporary halt to sale of vaping products, indicating that territorial regulations would be in development. <sup>72</sup>

# **PRINCE EDWARD ISLAND**

• In Prince Edward Island, Bill 121, An Act to Amend the Tobacco and Electronic Smoking Device Sales and Access Act, received third reading with unanimous all-party support on November 21, 2019.<sup>73</sup> The bill increases the minimum age for tobacco and e-cigarettes to age 21 (effective March 1, 2020), requires that all e-cigarettes be sold only in specialty shops, and establishes regulatory authority to restrict flavours in e-cigarettes.

#### **ONTARIO**

- In late October, Health Minister Christine Elliott announces that that in-store promotion of vaping products other than in specialty stores will be banned effective January 1.<sup>74</sup> New regulations under the Smoke-Free Ontario Act to make it easier to qualify as a specialty tobacconist were also proposed. <sup>75</sup>
- In Ontario, NDP backbencher France Gélinas introduces a bill to prohibit the promotion of vaping products, regulate what flavours are available, set a maximum amount of nicotine per milliliter of e-fluid, restrict sales to specialty shops, require Ontario Health to



- prepare an annual report on vaping usage and health effects and set tax money aside for research.76
- Public Health Ontario releases a comprehensive monitoring report for 2018., <sup>77</sup> including technical reports covering local-level statistics, sales figures, interventions, infrastructure.
- Ontario proposed to grant the Ontario Flue-Cured Tobacco Growers Marketing Board with greater autonomy, replacing government appointed boards to one elected by grower-members.<sup>78</sup>

<sup>72</sup> Nunatsiaq News. 14 January 2020. Nunavut asks retailers to temporarily pull vaping products off their shelves https://nunatsiaq.com/stories/article/nunavut-asks-retailers-to-temporarily-pull-vaping-products-off-their-shelves/

<sup>73</sup> Prince Edward Island. Bill 21. An Act to Amend the Tobacco and Electronic Smoking Device Sales and Access Act https://docs.assembly.pe.ca/download/dms?objectId=e2b3ef82-ac40-48dc-b77e-4276c9cb8c64&fileName=bill-112.pdf

<sup>74</sup> Ontario government news release. October 25, 2019https://news.ontario.ca/mohltc/en/2019/10/protecting-youth-from-the-dangers-of-vaping.html

<sup>75</sup> Ontario's Regulatory Registry. Regulation 268`18. https://www.ontariocanada.com/registry/view.do?postingld=30829&language=en

<sup>76</sup> NDP Press release. MPP Gélinas's bill would protect kids from picking up vaping. November 28, 2019. https://www.ontariondp.ca/news/mpp-g-linas-s-bill-would-protect-kids-picking-vaping.

Bill available at: https://www.ola.org/en/legislative-business/bills/parliament-42/session-1/bill-151

<sup>77</sup> Ontario Tobacco Monitoring Report. 2018. Published November 2019. https://www.publichealthontario.ca/en/health-topics/health-promotion/tobacco/otmr

<sup>78</sup> Ontario Ministry of Agriculture. Proposal 20-OMAFRA007. https://www.ontariocanada.com/registry/view.do?postingId=31770&language=en

#### **Q**UEBEC

• In late November, Quebec Health Minister, Danielle McCann strikes task force to advice on vaping regulations and asks for advice to be presented by April 2020.<sup>79</sup>

#### SASKATCHEWAN

• Saskatchewan introduces amendments to its Tobacco Control Act – changing it to *the Tobacco and Vapour Products Control Act*. 80 Bill introduced November 5 and given 3<sup>rd</sup> reading on December 6

#### YUKON

Following public consultations beginning in May 2019, the Yukon government introduced amendments
to the Smoke-Free Places Act.<sup>81</sup> The bill was introduced on October 7,<sup>82</sup> given second reading on October
10<sup>83</sup> and third reading on October 17.<sup>84</sup> The bill increased the minimum age for access to tobacco from 18
to 19 years of age, and aligned promotional and usage restrictions for vaping products with those for
tobacco.

#### **Response to COVID 19**

In March 2020, provincial governments across Canada implemented measures to encourage or enforce social distancing. Among these were actions which established categories of businesses which were considered "essential services." As of March 31, all provinces considered that convenience stores were essential services, although vaping stores were not essential services in many. The Canadian Vaping Association appealed to the Ontario government to be considered an essential service. 85



<sup>79</sup> https://www.cbc.ca/news/canada/montreal/vaping-special-task-force-1.5372147

<sup>80</sup> Saskatchewan Legislature. Tobacco Control Amendment Act, 2019 Bill 182.

Yukon. Bill No. 3. Tobacco and Vaping Products Control and Regulation Act. https://yukonassembly.ca/sites/default/files/inline-files/34-3-Bill003-Tobacco-Vaping-Control.pdf

<sup>82</sup> Yukon. Hansard, October 7, 2019
https://wukonassambly.ca/cites/default/files/hansard/3/

https://yukonassembly.ca/sites/default/files/hansard/34-3-002.pdf Yukon. Hansard, October 10, 2019.

https://yukonassembly.ca/sites/default/files/hansard/34-3-005.pdf Yukon. Hansard, October 17, 2019

https://yukonassembly.ca/sites/default/files/hansard/34-3-008.pdf

<sup>85</sup> Canadian Vaping Association. Ontario vape shops are essential and must stay open. March 24, 2020. https://www.globenewswire.com/news-release/2020/03/24/2005764/0/en/Ontario-Vape-Shops-Are-Essential-and-Must-Stay-Open.html

# III. MUNICIPAL GOVERNMENT ACTIVITIES

#### Vancouver

 Vancouver city councillors call for vaping regulations, and the motion is adopted by the city's Finance committee on November 6. 86 The regulations would limit proximity of vape retailers from schools and youth facilities, ban advertisements on city property and support a ban on flavoured products.

#### **Toronto**

- In October, Toronto City Council adopted business licence for vapour product retailers.
- In December, Toronto Board of Health voted in favour of tougher vaping regulations<sup>88</sup> and urges Ontario government to adopt legislation to ban flavours and limit point of sales locations.
- In January, Toronto city opens a consultation on hookah. 89
- In November 2019, Toronto Transit Commission adopts policy to no longer accept advertisements for vaping products.

# III. POLITICAL PARTIES

During the 2019 Election campaign, the 5 major political parties were issued questionnaires by health organizations seeking clarification on their commitments to specific tobacco control measures. The questions and answers are available elsewhere.<sup>91</sup>

In addition, the Conservative Party included a commitment to a tobacco manufacturer cost recovery fee in its manifesto. 92



- 86 City of Vancouver. Report to Council. November 6, 2019 https://council.vancouver.ca/20191106/documents/cfsc20191106min.pdf
- 87 City of Toronto. GL8.20. Proposed Business License for Vapour Product Retailers. October 29, 2019. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.GL8.20
- 88 https://toronto.citynews.ca/2019/12/09/toronto-board-of-health-vaping/ Decisions, Board of Health.
  - http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getDecisionDocumentReport&meetingId=15409 Background materials:
  - Update: https://www.toronto.ca/legdocs/mmis/2019/hl/bgrd/backgroundfile-140557.pdf
  - Toronto Public Health Position: https://www.toronto.ca/legdocs/mmis/2019/hl/bgrd/backgroundfile-140558.pdf Letters to Ministers of Health: https://www.toronto.ca/legdocs/mmis/2019/hl/bgrd/backgroundfile-140559.pdf
- 89 City of Toronto. Proposal to Address the Health Harms of Smoking in the City of Toronto. https://www.toronto.ca/community-people/get-involved/public-consultations/#item/784
- 90 CBC News. You won't be seeing vaping ads on the TTC any longer. Here's why. https://www.cbc.ca/news/canada/toronto/vaping-ads-ttc-1.5362947
- 91 Physicians for a Smoke-Free Canada. Responses to questions on tobacco control submitted to federal political parties by health organizations during the 2019 federal election. www.smoke-free.ca/SUAP/2020/election-2019-consolidation.pdf
- 92 Conservative Party of Canada. Andrew Scheer's Plan for you to get ahead. https://cpc-platform.s3.ca-central-1.amazonaws.com/CPC\_Platform\_8.5x11\_FINAL\_EN\_OCT11\_web.pdf

# **IV HEALTH CHARITY ACTIVITIES**

Heart and Stroke and the Canadian Lung Association launch ad "Get the Scoop" addressing the role flavours play in recruiting young people to nicotine. 93 94

Heart and Stroke Ontario calls for tax of 20% to 30% on vaping products. 95

Canadian Cancer Society calls for Newfoundland to raise tobacco age to 21. 96

# VI. JUDICIAL AND LITIGATION ACTIVITIES

As a consequence of their seeking protection under the *Corporations' Creditors Arrangement Act* (CCAA), all litigation against the three major tobacco companies was stayed during this period. The stay, which had initially been granted in March, and then extended in April and June, was again extended in October 2019 and February 2020.<sup>97</sup> It is now in place until September 30, 2020.

During this period, mediation talks continued among the provinces and class actions who had filed suits and the three companies. The mediation was managed by former Justice Warren Winkler.

On September 30, 2019 a class-action lawsuit was filed against JUUL Labs in Canada on behalf of representative Plaintiffs Jaycen Stephens and Owen Mann-Campbell. 98

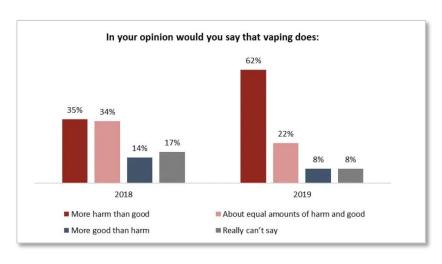
# VII POLLING

#### Non-governmental public opinion surveys.

- In November 2019, a majority of Canadians supported a temporary prohibition on the sale and distribution of e-cigarettes, according to a poll by **Research Co.**<sup>99</sup>
- In December 2019, **Smoke-Free Nova Scotia** released results of an on-line poll of children and young adults (aged 16 to 24). Of the 670 youth and young adults who participated, almost half (48%) said they would stop vaping if flavours were eliminated. Two-thirds (66.5%) used higher concentrations of nicotine
- 93 CBC News. Canadian health groups take aim at flavoured vapes in new public awareness campaign https://www.cbc.ca/news/health/vaping-flavours-youth-campaign-1.5421165
- 94 Video available at: https://www.youtube.com/watch?time\_continue=13&v=msaTp5\_R0B4&feature=emb\_logo
- National Post. Health advocacy group asks Ontario to tax vapes to cut down on teen use https://nationalpost.com/pmn/news-pmn/canada-news-pmn/health-advocacy-group-asks-ontario-to-tax-vapes-to-cut-down-on-teen-use
- 96 CBC News. Cancer Society calls on N.L. government to raise tobacco age to 21. February 25, 2020 https://www.cbc.ca/news/canada/newfoundland-labrador/cancer-society-vaping-campaign-1.5474080
- 97 See court orders for Imperial Tobacco at the following links. Similar orders are in place for the other two companies: April 26, 2019:
  - http://cfcanada.fticonsulting.com/ImperialTobacco/docs/Second%20Amended%20and%20Restated%20Initial%20Order%20as%20issued%20&%20entered(Imperial%20CCAA).pdf
  - http://cfcanada.fticonsulting.com/ImperialTobacco/docs/Stay%20Extension%20Order%20dated%20June%2026,%202019.pdf
    October 8, 2020: http://cfcanada.fticonsulting.com/ImperialTobacco/docs/Imperial%20-%20Order%20(Stay%20Extension).pdf
    February 20, 2020: http://cfcanada.fticonsulting.com/ImperialTobacco/docs/Imperial%20Tobacco%20CCAA%20%20Stay%20Extension%20Order%20dated%20February%2020,%202020.pdf
- 98 Supreme Court of British Columbia file S1910927.
  - https://www.citynews1130.com/wp-content/blogs.dir/sites/9/2019/09/30/Notice-of-Civil-Claim-filed-on-September-30-2019-1.pdf
- 99 Research Co. Three-in-Four Canadians Back Temporary Ban on Vaping Products. November 13, 2019. https://researchco.ca/2019/11/13/vaping-canada-2019/ Data set at: https://researchco.ca/wp-content/uploads/2019/11/Tables\_Vaping\_CAN\_13Nov2019.pdf

(50 mg/ml or higher). The "nicotine rush" was the most-like aspect of vaping for half (55%) of respondents. 100

- In early March 2020, the **Heart and Stroke Foundation** released results of a poll conducted on their behalf by Pollara Insights. The survey found that among Canadians: 101
  - 80% are concerned about vaping among youth.
  - 87% believe vaping is harmful to users' health and even 71% of people who vape nicotine agree.
  - 84% believe vaping is addictive.
  - 78% are concerned about the health impacts.
  - 75% support banning flavours (with very few exceptions such as tobacco flavour).
  - 83% are in favour of limiting nicotine concentrations.
  - 89% believe government must act this year to protect youth from vaping.
- The Angus Reid Institute
  compared public attitudes of
  adults (18+) to vaping in
  December 2019 with those
  from a year earlier. During
  this time, public views on the
  benefits of vaping had
  changed considerably.
  Roughly one-half of
  Canadians support banning
  vaping entirely, with a higher
  number (60%) supporting
  banning flavoured products.



have children aged younger than 19 say they are aware that their children have vaped. 102

#### Federal public opinion research

One-fifth of parents who

A number of federal government consumer research reports were made public during this period, including:

#### Vaping

- POR 014-19
   Advertising evaluation of Youth Vaping Prevention Campaign post ACET: methodological report.<sup>103</sup>
   This report measured recall and impact of the federal "consider the consequences" campaign.
- POR 019-19
   Health Care Providers' Views and Experiences with Smoking Cessation and Alternative Nicotine Products -Final Report<sup>104</sup>

<sup>100</sup> Smoke-Free Nova Scotia. Fact Sheet. The 2019 Youth and Young Adult Vaping Survey Findings

http://www.smokefreens.ca/wp-content/uploads/2019/12/Fact-Sheet-The-2019-NS-Youth-and-Young-Adult-Vaping-Survey-findings.pdf

Heart and Stroke Press Release. Public highly concerned about youth vaping, poll reveals. March 9, 2020

https://www.heartandstroke.ca/what-we-do/media-centre/news-releases/public-highly-concerned-about-youth-vaping-poll-reveals

Angus Reid Institute. Vanquishing vaping? Support for tougher regulations rise as positive views of e-cigarettes go up in smoke. January 6, 2020. http://angusreid.org/vaping-trends-canada/

<sup>103</sup> http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/health/2019/014-19-e/index.html

<sup>104</sup> https://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/health/2020/019-19-e/index.html

#### **Tobacco**

#### POR 026-19

Online qualitative testing of draft health warnings for cigars, pipe tobacco, smokeless tobacco and toxic statements for smokeless product packaging -2019.  $^{105}$ 

This report tested several graphic health warning messages for other tobacco products.

#### POR 025-19

Qualitative testing of new health information messages, including placement options, as well as the thematic linking of labelling elements -2019: final report.<sup>106</sup>

This report tested several proposed health information messages and new package formats for presenting them.

#### POR 141-18

Vapers' Panel Survey to Measure Attitudes and Behaviours Regarding Vaping Products. <sup>107</sup> This panel of current vapers assessed their patterns of use and associated beliefs.

#### Other

#### POR 139-18

"Spring 2019 Focus Groups" 108

Focus group research conducted by the Prime Minister's department in pre-election period also probed for public attitudes towards vaping and smoking.

POR 130-18.

The Canadian cannabis survey 2019: methodological report<sup>109</sup> This includes information on public perceptions of risks associated with using e-cigarettes, tobacco, alcohol and cannabis.

#### VIII. SELECTED INTERNATIONAL ACTIVITIES

#### **WORLD HEALTH ORGANIZATION**

In December 2019, the WHO released an update on prevalence of tobacco use:<sup>110</sup>

#### **UNITED STATES**

#### FDA Activities - Fall-Winter 2019-2020:

- October 22, 2019. FDA permits Swedish match to advertise snus smokeless tobacco as less harmful than
  cigarettes. The Food and Drug Administration, for the first time ever, will allow a tobacco company to
  advertise products as less harmful than smoking cigarettes.
- October 22, 2019. FDA permits the sale of IQOS, setting specific rules for its marketing. <sup>111</sup>
- November 2019. FDA is reported to have dropped reference to reducing nicotine levels in cigarettes as part of tis agenda. <sup>112</sup>

 $<sup>105 \</sup>qquad http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/health/2020/026-19-e/index.html \\$ 

 $<sup>106 \</sup>qquad http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/health/2020/025-19-e/index.html \\$ 

<sup>107</sup> http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/health/2019/141-18-e/index.html

 $<sup>108 \</sup>qquad http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/privy\_council/2019/139-18-e/index.html$ 

<sup>109</sup> http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/health/2019/130-18-e/index.html

<sup>110</sup> WHO global report on trends in prevalence of tobacco use 2000-2025, third edition

https://www.who.int/publications-detail/who-global-report-on-trends-in-prevalence-of-tobacco-use-2000-2025-third-edition

FDA News Release. FDA permits sale of IQOS Tobacco Heating System through premarket tobacco product application pathway. April 30, 2019. https://www.fda.gov/news-events/press-announcements/fda-permits-sale-iqos-tobacco-heating-system-through-premarket-tobacco-product-application-pathway

Washington Examiner. Trump administration backs off plan to cut nicotine content in cigarettes. November 20, 2019. https://www.washingtonexaminer.com/news/trump-administration-backs-off-plan-to-cut-nicotine-content-in-cigarettes

- December 12, 2020. Dr. Stephen Hahn is confirmed as new head of the FDA.<sup>113</sup>
- December 17, 2020 FDA permits sale of reduced nicotine cigarettes. <sup>114</sup>
- January 2, 2020. FDA changes its policy with respect to enforcing the prohibition on e-cigarettes.
   Previously, all products had been given an exemption from enforcement action until May 2020, at which time they were required to submit a premarket tobacco product application PMTA) or withdraw from the US market. On March 30, the FDA sought permission from the courts to have that deadline extended until September 9, 2020. After February 6, the FDA will enforce against the sale of flavoured cartridge-based e—cigarettes (other than tobacco-or menthol-flavoured), products for which the manufactured has failed to take adequate measures to prevent minors' access and any products that are targeted to minors.<sup>115</sup>
- FDA launches videos "my vaping mistake" as part of its "The Real Cost" youth e-cigarette prevention campaign.
- February 3, 2020. It is reported that in his budget proposal, President Trump signals an intention to shift oversight of tobacco products from the FDA to an agency under the U.S. Department of Health and Human Services. <sup>116</sup>
- March 17, 2020. The FDA releases a final rule requiring 11 picture warnings to appear on the top 50% of cigarette packages. Implementation date is June 2001.<sup>117</sup>
- March 31, 2020. The FDA applied to Maryland Court for a 120 day extension to the May 12 deadline by which e-cigarette manufacturers must file premarket application.<sup>118</sup>

# **US Federal Trade Commission (FTC)**

deemed-products

- In October 2019, the US Federal Trade Commission (FTC) orders JUUL to hand over information about how they market e-cigarettes.<sup>119</sup>
- In December 2019, the US FTC released a new report on cigarette promotions, updating information to 2018. Advertising and promotional expenditures by the industry were USD 8.6 billion, of which 73% was represented by discounted prices.

# **US Department of Health and Human Services**

 January 2020: US Surgeon General issues Report on Cessation, providing scientific support for conclusions that smoking is beneficial at any age, and can add as much as a decade to life expectancy,

- 113 NBC News. Senate confirms FDA head Stephen Hahn despite his silence on the vaping crisis. December 14, 2020. https://www.nbcnews.com/think/opinion/senate-confirms-fda-head-stephen-hahn-despite-his-silence-vaping-ncna1102106
- 114 US FDA. FDA permits sale of two new reduced nicotine cigarettes through premarket tobacco product application pathway. December 17, 2019. https://www.fda.gov/news-events/press-announcements/fda-permits-sale-two-new-reduced-nicotine-cigarettes-throughpremarket-tobacco-product-application
- 115 US Food and Drug Administration. CTPConnect—January 2020 https://www.fda.gov/tobacco-products/ctp-newsroom/ctpconnect-january-2020?utm\_source=CTPTwitter&utm\_medium=social&utm\_campaign=ctp-newsletter#1
- 116 CNN. Tobacco Oversight May Move From FDA Under Trump Budget. February 13, 2020. https://www.wltz.com/2020/02/13/tobacco-oversight-may-move-from-fda-under-trump-budget/
- 117 U.S. Federal Register. Tobacco Products; Required Warnings for Cigarette Packages and Advertisements. March 18, 2020 federalregister.gov/d/2020-05223
- FDA. Required Cigarette Health Warnings (Reference Document): https://www.fda.gov/media/136157/download

  US FDA. FDA Submits Request to Court to Extend Premarket Application Deadline for Certain Deemed Products. March 31, 2020 https://www.fda.gov/tobacco-products/ctp-newsroom/fda-submits-request-court-extend-premarket-application-deadline-certain-
- 119 Federal Trade Commission. FTC to study e-cigarette manufacturers' sales, advertising and promotion methods. October 3, 2019. https://www.ftc.gov/news-events/press-releases/2019/10/ftc-study-e-cigarette-manufacturers-sales-advertising-promotional
- 120 Federal Trade Commission. Cigarette Report. 2018. https://www.ftc.gov/system/files/documents/reports/federal-trade-commission-cigarette-report-2018-smokeless-tobacco-report-2018/p114508cigarettereport2018.pdf

that there are equity gaps in smoking cessation, that approved medications are cost-effective cessation strategies, that insurance coverage is cost effective, and that cessation can be increased by raising the price of cigarettes and adopting other tobacco control strategies. The report finds there is "presently inadequate evidence to conclude that e-cigarettes, in general, increase smoking cessation." <sup>121</sup>

#### **U.S. Congress:**

- In December, legislation to amend the federal Food, Drug and Cosmetic Act is passed, raising the federal minimum age of sale of tobacco products from 18 to 21.
- In February, a proposal to impose a federal tax on vaping products was approved by the U.S. Congress House Ways and Means committee. 122
- In February, the House Committee on Energy and Commerce held hearings on "Vaping in America: E-cigarette manufacturers' impact on public health." 123

# U.S. state and municipal actions

State lawsuits against JUUL.

Nine U.S. states file lawsuits against JUUL, including:
 Arizona, <sup>124</sup> California, <sup>125</sup> Illinois, <sup>126</sup> Massachusetts, <sup>127</sup> Minnesota, <sup>128</sup> New York, <sup>129</sup> North Carolina, <sup>130</sup> Pennsylvania <sup>131</sup> and Washington DC. <sup>132</sup>

State restrictions on flavoured tobacco and e-cigarettes.

- In the fall of 2019, several states imposed temporary or emergency bans on the sale of flavoured tobacco products, including Massachusetts, Michigan, Montana, New York, Oregon, Rhode Island, Utah and Washington. Several of these were overturned by courts.<sup>133</sup>
- In November, Massachusetts was the first state to restrict the sale of flavoured tobacco products (including e-cigarettes). Flavoured e-cigarettes were banned immediately, and other flavoured tobacco products are restricted as of June 1, 2020. After that date, they can only be sold in licensed smoking bars where they can be sold only for on-site consumption. 134
- 121 U.S. Centers for Disease Control and Prevention. Smoking Cessation: A Report of the Surgeon General. January 2020. https://www.cdc.gov/tobacco/data\_statistics/sgr/2020-smoking-cessation/index.html
- 122 U.S. Congress. Resolution 4742. https://www.congress.gov/bill/116th-congress/house-bill/4742
- House Committee on Energy & Commerce. https://energycommerce.house.gov/committee-activity/hearings/hearing-on-vaping-in-america-e-cigarette-manufacturers-impact-on-public
- 124 Arizona Statement of Claim. January 2020. https://www.azag.gov/sites/default/files/docs/press-releases/2020/complaints/Juul complaint.pdf
- 125 California Statement of Claim. November 2019 https://oag.ca.gov/system/files/attachments/press-docs/91186258.pdf
- 126 Illinois Statement of Claim. December 2019.
  - https://news.wttw.com/sites/default/files/article/file-attachments/JUUL\_Complaint\_Stamped\_Filed.pdf
- 127 Massachusetts Statement of Claim. February 2020. https://www.mass.gov/doc/juul-complaint/download
- 128 Minnesota Statement of Claim. December 2019.
  - https://www.ag.state.mn.us/Office/Communications/2019/Documents/20191204\_JUULComplaint.pdf
- 129 New York Statement of Claim. November 2019 https://ag.ny.gov/sites/default/files/11-18-2019\_juul\_complaint\_-\_final\_dated\_and\_signed\_correct.pdf
- North Carolina Statement of Claim. May 2019. https://ncdoj.gov/download/141/files/17884/juul-complaint
- 131 Pennsylvania Statement of Claim. February 2020. https://www.attorneygeneral.gov/wp-content/uploads/2020/02/2020-02-10-JUUL-Complaint.pdf
- 132 Washington DC statement of Claim. https://oag.dc.gov/sites/default/files/2019-11/JUUL-Pax-Complaint.pdfhttps://oag.dc.gov/sites/default/files/2019-11/JUUL-Pax-Complaint.pdf
- 133 Tobacco Free Kids. State & Localities that have restricted the sale of Flavored tobacco Products. February 2020. https://www.tobaccofreekids.org/assets/factsheets/0398.pdf
  - See also: Physicians for a Smoke-Free Canada. Timeline of selected regulatory actions on electronic nicotine devices. www.smoke-free.ca/SUAP/2020/vaping-regs-timeline.pdf
- 134 Massachusetts Department of Public Health. Guide 2019 Tobacco Control Law. https://www.mass.gov/guides/2019-tobacco-control-law#-new-tobacco-control-law-

• In January, New Jersey passed legislation to ban the sale of flavoured e-cigarettes, effective April 20, 2020.

#### State taxes on e-cigarettes

- Massachusetts ads an excise tax of 75% on vaping products, effective June 1, 2020.<sup>135</sup>
- Maine tax on e-cigarettes comes into effect (43% of wholesale price) in January 2020. 136
- New Hampshire implements tax on vaping products (\$0.30 per ml for closed cartridges and 8% of wholesale price) in January 2020.<sup>137</sup>
- Nevada imposes a tax of 30% of wholesale value in January 2020.<sup>138</sup>

#### State limits on nicotine in e-cigarettes

- In December 2019, Massachusetts limits the sale of nicotine products with more than 35 ml/mg to specialty vape shops to which young people are not allowed access. The restriction comes into effect immediately.<sup>139</sup>
- In December, the Utah Electronic Cigarette Substance Standards come into effect. The regulation limits nicotine to 24 mg/ml.<sup>140</sup>

#### Municipal restrictions

- New York City signs law to ban retail sale of nearly all flavoured e-cigarette products, effective July 1, 2020. 141
- San Francisco ban on the sale of all e-cigarettes came into effect in January 2020. 142

# **EUROPE**

#### **European Commission.**

• The European Commission published a review of taxation of tobacco and e-cigarettes in the region in February 2020. The study provides estimates of the regional sales volumes of tobacco, e-cigarettes, cigarettes and heated tobacco, as well as other relevant data. It concludes that higher taxes are required to deter young Europeans from smoking, and that the low prices in some jurisdiction encourage smuggling (which it estimates at 8% of all cigarettes consumed).

<sup>135</sup> Massachusetts Department of Public Health. Guide 2019 Tobacco Control Law. https://www.mass.gov/guides/2019-tobacco-control-law#-new-tobacco-control-law-

<sup>136</sup> Vapor Products Tax. https://vaporproductstax.com/new-england-states-tax-vapor-products/

<sup>137</sup> Vapor Products Tax. https://vaporproductstax.com/new-england-states-tax-vapor-products/

<sup>138</sup> Government of Nevada. Chapter 370-Tobacco, Licenses and Taxes. https://www.leg.state.nv.us/NRS/NRS-370.html#NRS370Sec450

<sup>139</sup> Government of Massachusetts. Guide. 2019 Tobacco Control Law. https://www.mass.gov/guides/2019-tobacco-control-law

<sup>140</sup> Utah. Rule R384-415. Electronic-Cigarette Substance Standards. https://rules.utah.gov/publicat/code/r384/r384-415.htm#T5

New York City Press Release. Protecting Young New Yorkers: De Blasio Signs Ban of Flavored E-Cigarettes Into Law. December 16, 2019 https://www1.nyc.gov/office-of-the-mayor/news/620-19/protecting-young-new-yorkers-de-blasio-signs-ban-flavored-e-cigarettes-law#/0

<sup>142</sup> City of San Francisco. Environmental Health. E-cigarettes régulations. https://www.sfdph.org/dph/EH/Tobacco/ecigarettes.asp

European Commission. SWD(2020)32 Final. Commission Staff Working Document. Evaluation of the Council Directive 2011/64/EU of 21 June 21 on the structure and rates of excise duty applied to manufactured tobacco. https://ec.europa.eu/taxation\_customs/sites/taxation/files/10-02-2020-tobacco-taxation-report.pdf

# Belgium

- The Belgian parliament approves ban on all tobacco advertising (including for e-cigarettes) as of January 2021. Some exceptions are being discussed for e-cigarettes.<sup>144</sup>
- Belgium makes public a list of all e-cigarette brands permitted for sale.<sup>145</sup> <sup>146</sup>

#### Denmark

The Danish Minister of Health announces an agreement with several political parties to implement a National Action Plan against Children and Young People's Smoking on December 18, 2019. The plan includes plain packaging for e-cigarettes and tobacco, a ban on flavours of e-cigarettes other than tobacco and menthol, stricter rules on advertising and a price increase for tobacco to bring the cost to DKK60.<sup>147</sup>



With the agreement, the tobacco is stored away in the stores, which introduces standardized packaging for all tobacco products and e-cigarettes in order to avoid the special brands or symbols being added to or attributed to role models, etc. Efforts such as smoking-free school hours at primary and secondary schools, stricter penalties and stricter advertising bans should also prevent young people from starting smoking. At the same time, banning the sale of e-cigarette liquids with all tastes other than tobacco and menthol must prevent the e-cigarettes from becoming a path to nicotine and ordinary cigarettes for young people.

• In January 2020, legislation was introduced to tighten advertising restrictions, <sup>148</sup> and in December 2019, tobacco taxes were increased. <sup>149</sup>

#### **Estonia**

 Estonia gives notice of a proposal to ban the sale of flavoured heat-not-burn tobacco. (Estonia already bans the sale of flavoured e-cigarettes). The comment period ended in October 2019.<sup>150</sup>

Brussels Times. Belgium will ban all tobacco advertising from 2021. February 4, 2020. https://www.brusselstimes.com/all-news/belgium-all-news/93400/belgium-will-ban-all-tobacco-advertising-from-2021-newsagents-shop-facade-poster-cigarettes-store-smoking/

<sup>145</sup> Government of Belgium. Notification of E-cigarette products https://www.health.belgium.be/en/notification-des-produits-de-la-e-cigarette

Government of Belgium. Positive list of e-cigarette products in Belgium.

https://www.health.belgium.be/sites/default/files/uploads/fields/fpshealth\_theme\_file/euceg\_be\_positivelist\_126.pdf

Sundheds-OG Aeldreministeriet. Ny national handleplan skal sikre et rogfrit liv for born og unge. https://www.sum.dk/Aktuelt/Nyheder/Forebyggelse/2019/December/Ny-national-handleplan-skal-sikre-et-roegfrit-liv-for-boern-og-unge.aspx

Government of demark. Draft law amending the Act on the Prohibition of Tobacco Advertising, etc., the Tobacco Products Act, the Electronic Cigarette Act, etc. and various other laws (Implementation of the National Action Plan against Children and Young People's Smoking), by the Minister of Health and Elderly https://www.ft.dk/samling/20191/almdel/SUU/bilag/186/2140379.pdf

Denmark. Notification to the EU. 2020/85/DK. February 24, 2020. https://ec.europa.eu/growth/tools-databases/tris/en/search/?trisaction=search.detail&year=2020&num=85

<sup>150</sup> Estonia. Draft amending the Tobacco Act. Notice 2019/280/EE. https://ec.europa.eu/growth/tools-databases/tris/en/search/?trisaction=search.detail&year=2019&num=280

#### **France**

 France continued to put semiannual increases on tobacco taxes and recorded significant decreases in sales.<sup>151</sup> The price increase in February raised the price of most popular brands to over €10 per pack. <sup>152</sup>

#### Hungary

 Hungary revises its law so that ecigarettes can only be sold in the state monopoly tobacco retailers.<sup>153</sup>

Graphique 2. Ventes de cigarettes (en millions d'unités) et prix annuel moyen du paquet de cigarettes de la marque la plus vendue (source : DGDDI)

#### **Netherlands**

• In early 2020, the Netherlands legislature adopted a motion aimed at significantly reducing the number of retail outlets, with the goal of restricting sales to tobacco only age-restricted stores. The legislature asked government to work with supermarkets and gas stations, and to use legislation to require change if required in 2022. (Tobacco product displays are banned in the Netherlands as of July 1, 2020 and in smaller stores on January 1, 2021). 155

#### Norway:

 Norway notifies the European Commission of draft regulations relating to e-cigarettes. It proposes to adopt the EU TPD standards, and to exempt e-cigarettes from the retail display ban.<sup>156</sup>

#### Romania

 Romania gives notice to the EU that it intends to strengthen controls on tobacco, heated tobacco and ecigarette advertising, sales and use. It also proposes to impose a regulatory charge on all tobacco and e-

<sup>151</sup> Observatoire Francais des drogues et des toxicomanies. Tabagisme et arrêt du tabac en 2019. Fevrier 2020. https://www.ofdt.fr/ofdt/fr/tt 19bil.pdf

Legifrance. Arrêté du 4 décembre 2019 portant homologation des prix de vente au détail des tabacs manufacturés en France, à l'exclusion des départements d'outre-mer. https://www.legifrance.gouv.fr/jo\_pdf.do?id=JORFTEXT000039457467

Hungary. Amendment to certain acts on the reduction of under-age smoking and the protection of non-smokers. EU Notification 2019/383/2019. https://ec.europa.eu/growth/tools-databases/tris/en/search/?trisaction=search.detail&year=2019&num=383 Hungary Today. E-cigarette sales restricted to State-run shops. December 3, 2019. https://hungarytoday.hu/hungary-e-cigarette-national-tobacco-shops/

Netherlands Legislature. Legislation 35321. Wijziging van de Tabaks- en rookwarenwet ter uitbreiding van het rookverbod. (Amendments to the Tobacco Act). www.tweedekamer.nl/downloads/document?id=1b3a6c7a-203d-4ef0-8243-659ecd4c5527&title=32321%2C%20eindtekst.doc

<sup>155</sup> IAMExpat. Dutch MPs want to ban cigarette sales at supermarkets and gas stations. 22 February 2020. https://www.iamexpat.nl/expat-info/dutch-expat-news/dutch-mps-want-ban-cigarette-sales-supermarkets-and-gas-stations

Norway. Draft regulations relating to tobacco and nicotine products, electronic cigarettes and refill containers. Notification 2019/9019/N.

https://ec.europa.eu/growth/tools-databases/tris/en/search/?trisaction=search.detail&year=2019&num=9019

cigarette products. In invoking emergency regulatory provisions of the EU, it identifies that children's use of e-cigarettes and heated tobacco has increased, and that smoking among adults has increased. 157

#### Sweden

- Sweden's new requirements for tobacco retailers to be licensed comes into effect November 1, 2019.<sup>158,159</sup>
- In February, the Swedish Minister of Social Affairs initiated an inquiry into the adequacy of Sweden's tobacco regulations. 160

# **United Kingdom**

Public Health England publishes its Sixth evidence update on vaping. <sup>161</sup>

# **European Conference on Tobacco or Health (ECToH)**

The 8<sup>th</sup> ECToH was held in Berlin in February 2020. The conference declaration provided a 10-point action plan for governments.<sup>162</sup>

- 1. All countries should adopt a comprehensive approach to tobacco control based upon the WHO FCTC;
- 2. Particular attention should be given to addressing inequalities and empowering citizens as part of these efforts;
- 3. To enable this, countries have a responsibility to shape societal conditions and environments in a way that promotes healthy lives;
- 4. Governments and civil society organisations should work together to ensure a whole of government approach to meet the legal obligations of the WHO FCTC;
- 5. Governments should reinforce implementation of WHO FCTC Article 5.3 in order to protect policies from tobacco industry interference;
- 6. Countries should strengthen cooperation in sharing good practices and scientific knowledge and recognise the importance of funding independent research;
- 7. Countries must use taxation policy to reduce affordability of and eliminate the price gap between all tobacco products;
- 8. Countries should also adopt a minimum excise duty on electronic cigarettes and like products to discourage use among youths;
- 9. Countries should eliminate exemptions for electronic cigarettes, non-cigarette tobacco products and surrogates with regard to flavours, packaging, advertising on all platforms, marketing, promotion and sponsorship;
- 10. Public awareness campaigns and social media can play a key role in achieving a Healthy Europe

Romania. Notification of a legislative proposal amending legislative acts in the field of regulation of tobacco products. Notification 2020/95/RO. February 26, 2020.

https://ec.europa.eu/growth/tools-databases/tris/en/search/?trisaction=search.detail&year=2020&num=95

<sup>158</sup> Sweden Ministry of Social Affairs. Obligation to sell tobacco. November 1, 2019. Ny lag om tobak och liknande produkter https://www.regeringen.se/artiklar/2019/11/tillstandsplikt-for-forsaljning-av-tobak/

<sup>159</sup> Sweden proposal 2017/18:156. https://www.regeringen.se/493c3e/contentassets/507611a60846447e817f4fde688be741/ny-lag-omtobak-och-liknande-produkter-prop-2017 18-156.pdf

<sup>160</sup> Committee directive from the Ministry of Social Affairs. Översyn av vissa frågor på tobaksområdet \*Review of certain tobacco matters.( https://www.regeringen.se/rattsliga-dokument/kommittedirektiv/2020/02/dir.-20209/

 $<sup>161\</sup> Vaping\ in\ England:\ 2020\ evidence\ update\ summary.\ March\ 2020.$ 

https://www.gov.uk/government/publications/vaping-in-england-evidence-update-march-2020/vaping-in-england-2020-evidence-update-summary

<sup>162</sup> Eight ECToH. February 2020. Berlin Declaration. https://www.europeancancerleagues.org/wp-content/uploads/Eight-ECToH-Berlin-Declaration-ECL-2020.pdf

#### **OTHER REGIONS**

#### Israel

 Israeli requirements for plain packaging of tobacco vaping products are implemented in January 2020.<sup>163</sup>

#### Mexico

 In February, Mexico issues a presidential decree to ban the import of e-cigarettes. 164 165 166

#### New Zealand.

 On February 24, 2020, the New Zealand Minister of Health, Jenny Salsa, introduces the "Smokefree Environments and Regulated Products (Vaping) Amendment Bill"<sup>167</sup> The proposed measures take a "balanced" approach and promote vaping as a form of harm reduction.

#### **Philippines**

 Legislation is adopted in February 2020 to regulate ecigarettes, restricting sales to those over 21 years of age, bans advertising, using in no-smoking zones, requiring registration of products.<sup>168</sup>

# Saudi Arabia

Plain packaging came into force in December 2019.

#### India

 India adopted legislation prohibiting e-cigarette manufacture import and sale. <sup>169</sup>



Photo courtesy of Smoke-Free Israel

COUNTRY	MANUFACTURER LEVEL	RETAIL LEVEL ▼
AUSTRALIA	October 1, 2012	December 1, 2012
FRANCE	May 20, 2016	January 1, 2017
UNITED KINGDOM	May 20, 2016	May 20, 2017
NEW ZEALAND	March 14, 2018	June 6, 2018
NORWAY	July 1, 2017	July 1, 2018
IRELAND	September 30, 2017	September 20, 2018
THAILAND	September 10, 2019	December 8, 2019
URUGUAY	December 21, 2019	December 21, 2019
SAUDI ARABIA	August 23, 2019	January 1, 2020
SLOVENIA	January 1, 2020	January 1, 2020
TURKEY	December 5, 2019	January 5, 2020
ISRAEL	January 8, 2020	January 8, 2020
CANADA	November 9, 2019	February 7, 2020
SINGAPORE	July 1, 2020	July 1, 2020
BELGIUM	January 1, 2020	January 1, 2021
HUNGARY	January 1, 2022	January 1, 2022

Tobacco Free Kids. Standardized or Plain Tobacco Packaging https://www.tobaccofreekids.org/assets/global/pdfs/en/sta ndardized\_packaging\_developments\_en.pdf

<sup>163</sup> Israel. Restriction of advertising and marketing of tobacco products law. https://www.tobaccocontrollaws.org/files/live/Israel/Israel%20-%20Amdt.%207%20to%20Marketing%20Law.pdf

Government of Mexico. SEGO. Diario Oficial de la Federacion. Feb 19, 2020.

http://www.dof.gob.mx/nota\_detalle.php?codigo=5586899&fecha=19/02/2020

Government of Mexico. Comison Federal para la Proteccion contra Riesgos Sanitarios. Blog. Por decreto presidencial, a partir de mañana queda prohibida la importación de cigarros electrónicos. February 19, 2020. https://www.gob.mx/cofepris/articulos/pordecreto-presidencial-a-partir-de-manana-queda-prohibida-la-importacion-de-cigarros-electronicos-235401?idiom=es

Government of Mexico. Diario Oficial de la Federacion. DECRETO por el que se modifica la Tarifa de la Ley de los Impuestos Generales de Importación y de Exportación. February 19, 2020. http://dof.gob.mx/nota\_detalle.php?codigo=5586899&fecha=19/02/2020

<sup>167</sup> New Zealand Parliament. Smokefree Environments and Regulated Products (Vaping) Amendment Bill https://www.parliament.nz/en/pb/bills-and-laws/bills-proposed-laws/document/BILL\_94933/smokefree-environments-and-regulated-products-vaping

<sup>168</sup> Philippines. Executive Order No. 106, s. 2020. https://www.officialgazette.gov.ph/downloads/2020/02feb/20200226-EO-106-RRD.pdf

<sup>169</sup> Gazette of India.. The prohibition of Electronic Cigarettes Act, 2019. http://egazette.nic.in/WriteReadData/2019/214523.pdf

#### **South Africa**

South Africa announces an intention to tax e-cigarettes starting in 2021. <sup>170</sup>

#### **Thailand**

• Plain packaging came into force in December 2019.

#### Turkey

- Plain packaging came fully into force in Turkey on January 5, 2020
- The Turkish government issues a presidential decree in February 2020 to ban the import of ecigarettes.<sup>171</sup>

#### **United Arab Emirates**

• On January 1, 2020, a 100% tax on e-cigarettes came into effect. 172

# Countries which do not permit sale of non-medical nicotine vaping products <sup>173</sup>

 At the end of March 2020, there remained 39 countries representing one-third of the world's population which do not permit the sale of vaping devices as consumer products, although they may permit the use of such products and tolerate illegal sales. <sup>174</sup>

Country	Population	Country	Population
Antigua and Barbuda	97,118	Mexico	127,575,529
Argentina	44,780,677	Mauritius	1,198,575
Australia	25,203,198	Nepal	28,608,710
Bhutan	763,092	Nicaragua	6,545,502
Brazil	211,049,527	North Korea	25,666,161
Bahrain	1,641,172	Oman	4,974,986
Brunei	433,285	Panama	4,246,439
Cambodia	16,486,542	Qatar	2,832,067
Chile	18,952,038	Seychelles	97,739
Colombia	50,339,443	Singapore	5,804,337
Egypt	100,388,073	Sri Lanka	21,323,733
Ethiopia	112,078,730	Suriname	581,372
Gambia	2,347,706	Syria	17,070,135
India	1,366,417,754	Thailand	69,037,513
Iran	82,913,906	Turkey	83,429,615
Japan	126,860,301	Turkmenistan	5,942,089
Jordan	10,101,694	Uganda	44,269,594
Lebanon	6,855,713	Uruguay	3,461,734
Malaysia	31,949,777	Venezuela	28,515,829

<sup>170</sup> EY. Global Tax Alert. 28 February 2020. South Africa's Minister of Finance delivers 2020 Budget Review https://www.ey.com/gl/en/services/tax/international-tax/alert--south-africas-minister-of-finance-delivers-2020-budget-review

<sup>171</sup> Turkey. Resmigazete. Karar Sayisi: 2149. https://www.resmigazete.gov.tr/eskiler/2020/02/20200225-23.pdf

<sup>172</sup> EY. Indirect Tax Alert. UAE announces anticipated expansion of excise tax https://www.ey.com/Publication/vwLUAssets/UAE\_announces\_anticipated\_expansion\_of\_excise\_tax/\$FILE/2019G\_001062-19Gbl\_Indirect\_UAE%20announces%20anticipated%20expansion%20of%20excise%20tax.pdf

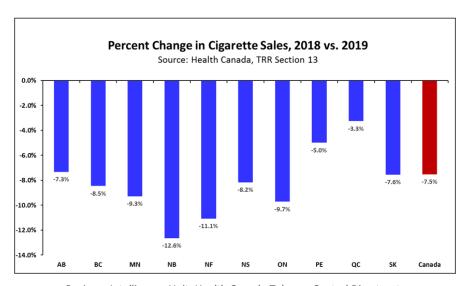
<sup>173</sup> Global Tobacco Control. E-cigarette Policy Scan.

<sup>174</sup> List of countries compiled by: John Hopkins University. Global Tobacco Control. lobaltobaccocontrol.org Knowledge-Action-Change. Global State of Tobacco Harm Reduction. https://gsthr.org/

#### IX. CANADIAN MARKET DEVELOPMENTS

#### MARKET SIZE, SHARE AND REVENUE

- Philip Morris International reports that the total market for cigarettes in Canada was "down by 7.7%, primarily due to the impact of cumulative price increases, as well as the growing prevalence of e-vapor products." It reported market decreases in other countries, including Australia (5.9%), France (7.4%), Germany (2.5%), Italy (1.5%), Russia (5.25%), Ukraine (12%), Japan (5.6%).
- Imperial Tobacco Canada, Rothmans Benson and Hedges and JTI-Macdonald report that cigarette sales were lower than expected beginning in the summer 2019. "The tobacco industry in Canada appears to be experiencing a higher than historic downward trend in the volume of cigarettes sold," ITL reported in September 2019.176 The same trend was reported by Rothmans, Benson and Hedges. 177



Business Intelligence Unit, Health Canada Tobacco Control Directorate

- Health Canada made public cigarette wholesale sales data for 2019.<sup>178</sup> Total volume of cigarettes sold fell from 25.8 billion to 23.9 billion, a reduction of 7.5%.
- Manufacturers' sales revenue increased during the same period, due to price increases. Industry revenue grew to \$4.19 billion in 2019, compared with \$3.10 billion in 2014, a 35% increase in revenue over 5 years.
- Localized pricing (charging different prices for the same brands in differing neighbourhoods) was
  observed in Montreal, as it had been in previous years. The revenue of tobacco suppliers (manufacturers
  and retailers) had increased for the cheapest brands by an average of \$9.00 per carton over the past two
  years. Differences in pricing for vaping products was also observed. 179

<sup>175</sup> Philip Morris International. 10K filing. February 2020.

https://philipmorrisinternational.gcs-web.com/static-files/fce588e1-64a4-4c5c-8c62-834263948994

Ontario Superior Court File No. CV-19-616077-00CL. Imperial Tobacco Canada Limited. Fifth report of the monitor. September 2019 http://cfcanada.fticonsulting.com/ImperialTobacco/docs/The%20Monitor\_s%20Fifth%20Report%20-%20hyperlinked.pdf

<sup>177</sup> See Monitors reports available at: https://documentcentre.eycan.com/Pages/Main.aspx?SID=1452

<sup>178</sup> Health Canada. Business Intelligence Unit. 2019 Canadian Cigarette Market Update. February 2020.

<sup>179</sup> Physicians for a Smoke-Free Canada. Cigarette prices in downtown Montreal, 2017-2019. http://www.smoke-free.ca/suap/2019/Pricing-in-Montreal-2017-2019.pdf

#### **BRAND DEVELOPMENTS**

- With the introduction of plain packaging, manufacturers reduced the number of brand variants.
- Imperial Tobacco Canada owns the Marlboro trademark in Canada. With the introduction of plain

packaging, it increased its promotion of this brand.

 BAT signalled that it intended to phase out tank-system vaping products, focusing only on ePOD and ePEN 3, and change the name of VYPE to VUSE. 180

# RETAIL

 Imperial Tobacco introduced new signage in chain and independent convenience stores, promoting agerestrictions.

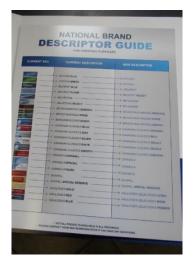






Photo courtesy of Robert Schwartz

# **INDUSTRY PUBLIC RELATIONS ACTIVITIES**

During this period, tobacco companies launched, funded or participated in the creation of a number of communications activities. These included:

#### The Vaping Industry Trade Association.

This organization was founded in September 2019 and became known in October. Major Canadian tobacco companies are acknowledged as "founding directors" as is JUUL. VITA reports that it has a \$600,000 annual budget. 181

# Plainpack.ca

Imperial Tobacco launched this site in the fall of 2019. It provides information on the effect of plain and standardized packaging regulations as well as the company's position.



<sup>180</sup> BAT Investor Presentation. March 18, 2020, Step Changing New Categories. slide 46. https://www.bat.com/group/sites/UK\_\_9ZTFCM.nsf/vwPagesWebLive/DOBMTGMW/\$FILE/4.0\_Step\_Changing\_New\_Categories.pdf?op enelement

Physicians for a Smoke-Free Canada. Big tobacco funds and controls the new Vaping Industry Trade Association (VITA). November 25, 2019. https://smoke-free-canada.blogspot.com/2019/11/big-tobacco-funds-and-controls-new.html

#### "Facts not Fear"

This campaign was launched by Imperial Tobacco opposing vaping regulations. 182 It involved advertising on billboards, print media, electronic media and others.

# Rights for Vapers

One focus of this organization "of vaping advocates" during this period was the holding of rallies in Atlantic Canada and British Columbia. 183

Canadian Constitutional Foundation
 issued a legal opinion that vaping regulation "risks
 inflicting serious harm on current smokers" and could consequently be judged as unconstitutional.<sup>184</sup>



# **INTELLECTUAL PROPERTY**

#### New trademarks by BAT and its subsidiaries

BAT changed its corporate look and trademark.



Old New

Among other trademarks initiated or completed by Nicoventures in this period were: Hunter, Festival, Dance, Laser, Audio, True Me, Vuse True Me, Vuse V, CBD Zone, Vuse Creations, Vuse Inspiration Store, Accelerating transformation, a Better Tomorrow.

<sup>182</sup> Imperial Tobacco. Facts not Fear. https://factsnotfear.ca/home

Rights4Vapers. Press release. February 15, 2020. From Coast to Coast, Canadian Vapers Rally to Denounce Provincial Vaping Regulations https://www.newswire.ca/news-releases/from-coast-to-coast-canadian-vapers-rally-to-denounce-provincial-vaping-regulations-832950343.html

<sup>184</sup> Sirota, L. Canadian Vaping Law. Overview and Constitutional Issues. Canadian Constitutional Foundation. February 2020 https://theccf.ca/wp-content/uploads/2020/02/Vaping-Report-2020.pdf

<sup>185</sup> Industry Canada Trade Mark Database, Search March 26, 2020.

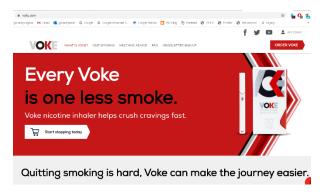
Among the trademarks initiated or advanced by British American Tobacco in this period were: VELO,
 Lucky Strike, COOL Flow and Design, Press & Roll, White Blend, Slow Burn, Xtend Filter, Cool Tip, Steamed
 Leaf, World of White, White leaf, COOLIT, glo pro.



Recemt BAT/Nicoventures trademarks filed or processed in Canada

# Voke changes ownership, and is launched in the UK

- BAT-Nicoventures formally abandons VOKE trademark (a pharmaceutical vaping product) (including abandoning goodbye smoking, hello voking. <sup>186</sup> The product is launched by Kind Consumer in the United Kingdom in November 2019, <sup>187</sup> following an agreement made with BAT in 2017. <sup>188</sup>
- The VOKE trademark registration was initiated by Kind Consumer in Canada in 2018.<sup>189</sup>



<sup>186</sup> Industry Canada Trade Mark Database. Applications 1576438 1584843.

<sup>187</sup> Kind Consumer Ltd. Press release. New first-of-its-kind nicotine inhaler medicine offers fresh hope to people looking to quit smoking. November 11, 2019. https://www.pharmiweb.com/press-release/2019-11-11/new-first-of-its-kind-nicotine-inhaler-medicine-offers-fresh-hope-to-people-looking-to-quit-smoking

<sup>188</sup> British American Tobacco. Press release. January 5, 2017. https://www.bat.com/group/sites/UK\_\_9D9KCY.nsf/vwPagesWebLive/DOAHBCWG

<sup>189</sup> Industry Canada Trade Mark Database. Applications 1890967, 1890983, 1890990 1890994, Canada

# New trademarks by Philip Morris and its associated companies

Trademarks initiated or advanced by PMI included: UNSMOKE CANADA CLEANUPS (charitable services to run volunteer programs),<sup>190</sup> APRICITY RAY (vaporizer), IQOSPHERE (marketing platform), OUR WORLD IS NOT AN ASHTRAY (Education, entertainment), SENSORIAL MODE, DIMENSIONS, RESPONSIVE DRAW, Q-LAB CORNERS (retail services), VEEV, CONNECT TO



THE WORLD OF VEEV, BIODIVE ("technology that enables computer users to calculate public health effects of changes in personal health risk factors", "providing health information"), ILUMA, TEREA, MESH, VEEV PODS.

# New trademarks by Japan Tobacco and its associated companies.

• Trademarks initiated or advanced by JT International include stylized spheres intended for use on electronic cigarettes, the terms "arctic pear", "arctic menthol", "arctic berry",









#### New trademarks by major vaping companies

trademarks initiated or advanced by JUUL include: JUUL Pass (customer incentive program).

On World No Tobacco Day 2019, RBH employees were engaged cleaning streets in Toronto. "PMI employees took to the streets of downtown Toronto to take part in a street-clean, clearing up cigarette butts. Around 60 employees, wearing "Unsmoke" t-shirts, swept up streets around Yonge-Dundas Square, and spoke to passers-by about the purpose of Unsmoke and how the movement can help keep the streets of Canada permanently clear of cigarettes." https://www.unsmokeyourworld.com/en/news/pmi-wants-to-unsmoke-canada.html. Accessed March 25, 2020.

#### RELATED RESOURCES PRODUCED BY PSC IN THIS PERIOD

# **Regulation and policy**

- Timeline of selected regulatory actions on electronic nicotine devices www.smoke-free.ca/SUAP/2020/vaping-regs-timeline.pdf
- Responses to questions on tobacco control submitted to federal political parties by health organizations during the 2019 federal election www.smoke-free.ca/SUAP/2020/election-2019-consolidation
- Cigarette taxes in Canadian Jurisdictions www.smoke-free.ca/PDF 1/tobacco taxes
- Trade obligations and lengthy implementation periods for tobacco control regulation www.smoke-free.ca/SUAP/2020/transition-periods.pdf
- Tobacco taxes paid by smokers www.smoke-free.ca/pdf\_1/Tax-per-smoker.pdf
- Tax revenues from Tobacco sales www.smkoe-free.ca/pdf 1/totaltax.pdf

#### **Business activities**

- Tobacco sales in G7 and selected other countries www.smoke-free.ca/SUAP/2020/cigarette sales - 2019.pdf
- Canada' Tobacco Companies and their use of Insolvency Protection. February 2020 update www.smoke-free.ca/SUAP/2020/Litigation update - February 2020.pdf
- BAT marketing of Vype www.smoke-free.ca/SUAP/2020/vypeprice-factsheet-January2020.pdf
- Fontem/Imperial Brands marketing of Blu www.smoke-free.ca/SUAP/2020/Bluprice-factsheet-January2020.pdf
- JUUL vaping devices www.smoke-free.ca/SUAP/2020/Juul-January-2020-final.pdf
- Japan Tobacco Logic Vaping Devices www.smoke-free.ca/SUAP/2020/Logic-January 2020.pdf
- Cigarette prices in downtown Montreal 2017-2019
   www.smoke-free.ca/SUAP/2019/Pricing-in-Montreal-2017-2019.pdf

#### Health

- Pass the salt. Why nicotine salts make vaping products more addictive www.smoke-free.ca/SUAP/2020/nicotine salts.pdf
- Propylene glycol & vegetable glycerin Old and new evidence that these chemicals are not safe to inhale www.smoke-free.ca/SUAP/2019/ propylene-glycol-and-vegetable-glycerin-and-vaping-oct2019.pdf
- Health Effects of Vaping http://www.smoke-free.ca/SUAP/2019/health%20effects%20of%20vaping.pdf