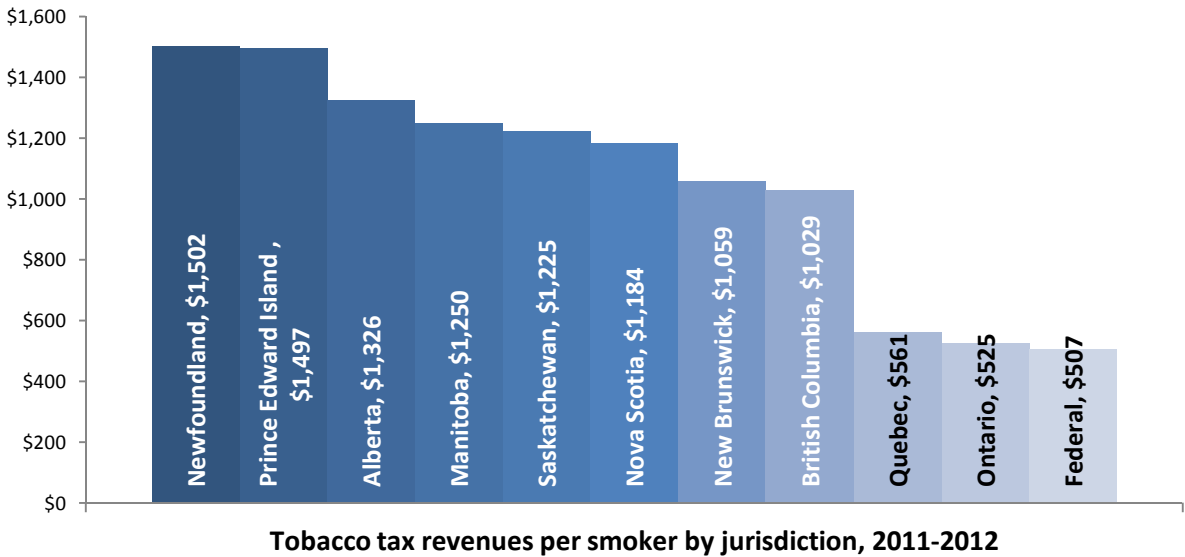


Revenues from tobacco taxes

The average Canadian smoker pays \$1,294 a year in tobacco taxes.

Excise taxes on tobacco products are applied by all provincial governments, as well as the federal government. The rate of taxes varies across the provinces, as does the practice of applying additional sales taxes to these products.¹ In 2011, the federal government applied a \$17 per carton excise tax on cigarettes (and comparable taxes on other tobacco products), as well as a 5% GST. Taxes on cigarettes varied from a low of \$21.80 per carton in Quebec to a high of \$50.80 in Prince Edward Island.²

Tobacco tax revenues per smoker - 2011-12	
Federal government	\$507
Newfoundland & Labrador	\$1,502
Prince Edward Island	\$1,497
Nova Scotia	\$1,184
New Brunswick	\$1,059
Quebec	\$561
Ontario	\$525
Manitoba	\$1,250
Saskatchewan	\$1,225
Alberta	\$1,326
British Columbia	\$1,029
Canadian average (incl. federal)	\$1,294



¹ Provinces which did not apply additional sales taxes were Alberta, Quebec, Prince Edward Island

² The highest rate in Canada in 2011 was in Northwest Territories (\$57.20). The territories are not included in this review.

The average Canadian jurisdiction receives 2% of its tax revenues from tobacco sales.

The relative contribution of tobacco tax revenues to provincial and federal treasuries also varies widely. The province with the highest proportion of tax revenues made up from tobacco taxes, Alberta, has a three times greater reliance than the province with the lowest, Ontario.

	Percentage of total tax revenues	Percentage of total revenues
	2011-12	2011-12
Federal	1.47%	1.19%
Newfoundland & Labrador	2.309%	1.827%
Prince Edward Island	5.296%	2.628%
Nova Scotia	4.532%	2.188%
New Brunswick	4.132%	1.896%
Quebec	2.143%	2.107%
Ontario	1.521%	1.048%
Manitoba	4.128%	2.222%
Saskatchewan	4.823%	2.184%
Alberta	5.654%	2.283%
British Columbia	3.312%	1.551%
All Canada	1.990%	1.424%

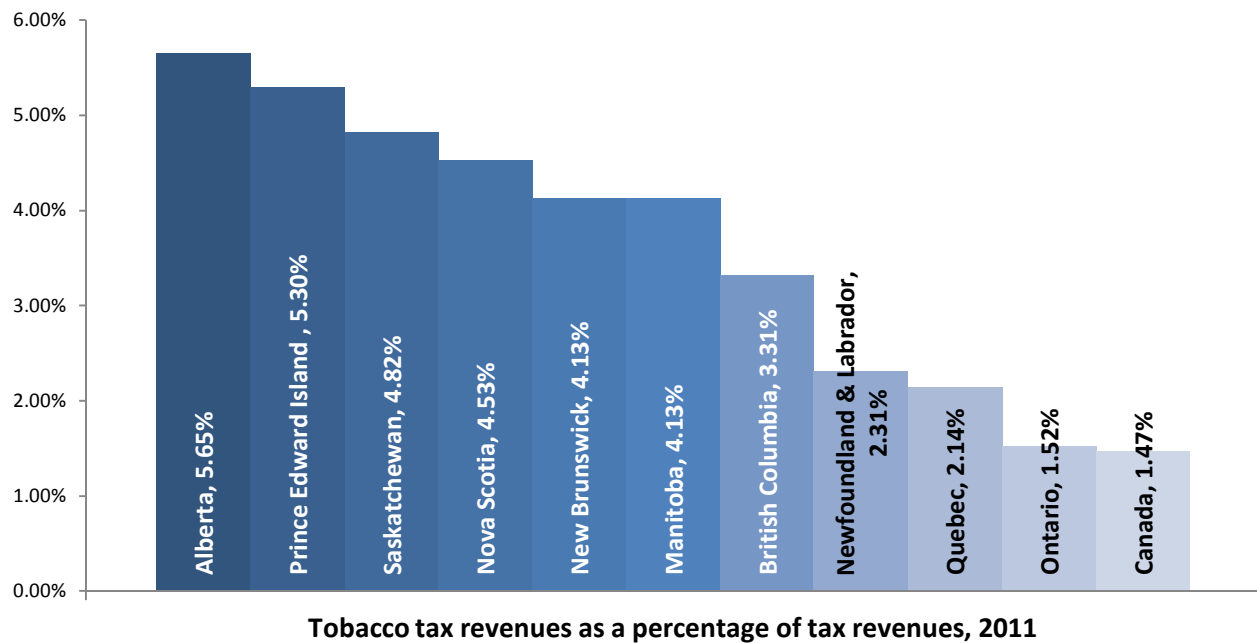


Table 1: Number of smokers and tax revenues for Canadian jurisdictions

	Number of smokers	Tobacco tax revenues	Total tax revenues	Total revenues
	2011	2011-12	2011-12	2011-12
Canada	5,764,843	2,923,438,120	199,377,101,000	245,203,486,000
Newfoundland & Labrador	90,734	136,279,000	5,903,224,000	7,458,641,000
Prince Edward Island	26,116	39,100,000	738,344,500	1,487,598,500
Nova Scotia	176,224	208,631,000	4,603,868,000	9,535,578,000
New Brunswick	139,523	147,700,000	3,574,400,000	7,789,000,000
Quebec	1,428,422	801,601,000	37,402,664,000	38,046,786
Ontario	2,191,502	1,150,000,000	75,598,000,000	109,773,000,000
Manitoba	198,837	248,600,000	6,022,000,000	11,187,600,000
Saskatchewan	198,230	242,853,000	5,035,307,000	11,120,431,000
Alberta	675,966	896,000,000	15,848,000,000	39,249,000,000
British Columbia	617,970	636,000,000	19,203,000,000	40,998,000,000

Sources:

- Canadian Community Health Survey, 2011
- Public Accounts or budgets from each jurisdiction