REFORMING THE RETAIL LANDSCAPE FOR TOBACCO

Why We Need to Do It &
How It Can Be Done

Reforming the Retail Landscape for Tobacco: Why We Need To Do It & How It Can Be Done is a publication of the Non-Smokers' Rights Association (NSRA) and the Smoking and Health Action Foundation (SHAF). The NSRA is a national health organization with offices in Ottawa, Toronto, and Montreal. SHAF is the research arm of the NSRA.

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Introduction

Many in the Canadian and global tobacco control communities believe the time has come for a significant restructuring of the retail environment for tobacco products.[1] Incremental measures to control the way in which tobacco products are marketed and sold at retail have been implemented for decades, beginning with bans on the sale of tobacco products to minors. Over the past twenty years, tobacco sales have been prohibited in various types of outlets, primarily establishments that are focused on promoting health and serving the needs of youth. As well, all Canadian provinces and territories now prohibit the display and promotion of tobacco products in retail outlets.

Despite these advances, tobacco products continue to be available 24 hours a day, seven days a week in most communities in Canada, sold in essentially every corner store, gas station and grocery store, as well as a myriad of other outlets.

While significant progress has been achieved in reducing tobacco consumption, the US Institute of Medicine, in its seminal report *Ending the Tobacco Problem: A Blueprint for the Nation*, makes the case that continued success in reducing tobacco use demands a new and more radical response, including strict regulation of tobacco retail marketing and sales practices:[2]

> *"The committee believes that substantial and enduring reductions in tobacco use cannot be achieved simply by expecting past successes to continue. Continued progress will require the persistence and nimbleness needed to counteract industry innovations in marketing and product design as well as the larger cultural and economic forces that tend to promote and sustain tobacco use."*

Why Fewer Outlets?

There are many arguments in support of reducing the availability of tobacco products at retail.

1. Greater availability increases consumption.

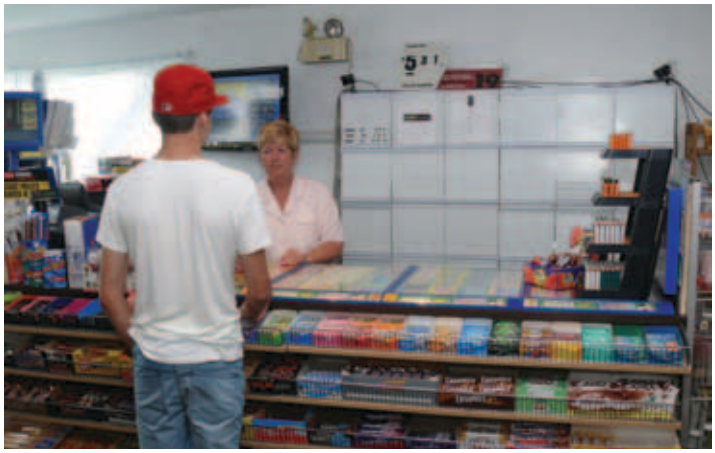
Fundamental laws of supply and demand tell us that the widespread availability of tobacco products increases tobacco use. Competition among many retailers for tobacco sales results in lower prices. And easy access reduces the total cost of use (the price plus other factors such as transportation cost and time).

By providing frequent cues to smoke, ubiquitous outlets prompt impulse buys among experimental and occasional smokers and smokers trying to quit. For former smokers, confronting temptation in places where they must regularly shop for the necessities of daily living contributes to high rates of relapse.

2. The ubiquity of tobacco retailers normalizes tobacco products and tobacco use.

The proximity of tobacco products to everyday consumer goods like candy, gum, and the daily paper renders them commonplace by association. The pervasiveness of tobacco outlets and the size and prominence of (covered) gantries of tobacco products contribute to the widely-held belief among youth that "everyone" smokes.

3. The widespread availability of tobacco products undermines health warnings.



At present, there is a significant discord between the risk messaging of government authorities and health groups about tobacco products and the contextual cues at the point-of-sale which suggest that tobacco products are relatively benign products.

Source: Denis Côté, Info-Tabac

Youth access initiatives and retail display bans have helped to correct public perceptions of the dangers of tobacco use, but much more needs to be done when tobacco products are available for purchase around the clock in virtually every convenience store, gas station and supermarket.

4. Fewer outlets would enhance enforcement efforts.

It is clear that the more outlets there are, the thinner enforcement resources are spread, leaving authorities less able to monitor compliance with the laws intended to restrict the promotion and sale of tobacco products. The research recommends that compliance checks of every retailer be conducted quarterly, yet strained budgets mean that they are rarely conducted more than once a year at any one outlet.[3]

How Many Is Too Many?

The precise number of points-of-sale for tobacco products in Canada is not known because not all governments require tobacco retailers to be licensed. Moreover, none of the estimates includes the several hundred smoke shacks and black market distribution channels for contraband tobacco. While illegal, these outlets nonetheless serve to increase the availability and accessibility of tobacco, in particular cigarettes priced substantially below market value.

A 2006 report by Health Canada estimates that there are 60,000 points-of-sale in Canada, including vending machines.[4] This figure is considerably higher than most other estimates. A 2010 report by the Smoke-Free Ontario Scientific Advisory Committee states that there are 14,500 outlets in Ontario.[5] Given that Ontario accounts for 40% of the Canadian tobacco market, this would mean that there are just over 36,000 vendors in Canada. A similar figure comes from tobacco manufacturer Rothmans, Benson & Hedges, who reported that there were approximately 32,000 tobacco outlets across the country in 2008, with about 22,000 accounting for 91% of domestic tobacco sales.[6] This number is consistent with the contention of the Canadian Convenience Stores Association that there were just over 23,000 convenience stores in Canada in 2010. Because this figure does not take into account grocery stores and the many small volume sellers across the country, the total number of tobacco retailers is somewhat higher.[7]

While the exact number of retailers is not known, what is certain is that the number and types of tobacco vendors have decreased over the past decade. There are several reasons for this, in particular, legislated bans on tobacco sales in certain types of outlets.[8] In addition, economic challenges facing the convenience store sector, including the growth in the contraband market, the increase in credit card fees, and “channel blurring” (increased competition for convenience food sales from a variety of store types), have led to store closures.[9] As well, increasing controls on tobacco sales practices have motivated some retailers with low sales volumes to stop selling tobacco.

To put the number of tobacco retailers in perspective, we can compare the number of smokers per retailer with the number of alcohol consumers per alcohol vendor (both on- and off-premises outlets). The province of Ontario was chosen as an example, because alcohol sales in Canada are regulated provincially and because Ontario is the most populous province.

In 2009 there were approximately 14,500 tobacco vendors in Ontario and a total of 18,420 licensed establishments and off-premises outlets selling alcohol. This means there was one tobacco vendor for every 114 smokers in the province, compared to one liquor outlet for every 460 alcohol consumers. In other words, with four times more vendors of tobacco per consumer than alcohol, tobacco products were much more accessible, and yet tobacco use causes four times more deaths, 75% more hospital days, and 30% more direct health care costs every year in Canada.[10]

Ontario, 2009	Tobacco	Alcohol
Number of stores	14,500[11]	1,757[12]
Number of on-premises outlets	N/A	16,663[13]
Total number of outlets	14,500	18,420
% of population who use	15.4%[14]	79%[15]
Population age 15+	10,738,000[16]	10,738,000
Number of users	1,653,652	8,483,020
Outlets per 1,000 users	8.8	2.2
Users per outlet	114	460

Policy Options to Reduce Retail Availability

This document explores three policy options to reduce the retail availability of tobacco products—mandating provincial/territorial and/or municipal retailer licensing provisions; using local zoning bylaws; and restricting sales to designated tobacco outlets. Each of these models has begun to generate some discussion within the tobacco control community and each has precedents that can help to inform the analysis.

Licensing: Using licensing to reduce the availability of tobacco products involves requiring all tobacco retailers to possess a valid licence and imposing various conditions on the licence to gradually reduce the number and/or density of retailers in a community or province/territory.

Zoning: Zoning is another means by which the availability of tobacco products could be reduced, for example, by setting limits on the number of retailers per zone; by permitting new retailers only in zones with specific classifications, such as light industrial; and/or by not permitting any tobacco retailers within a certain distance of elementary and high schools.

Designated outlets: A third policy option is to restrict tobacco sales to a limited number of controlled outlets, a model that is used for the sale of alcoholic beverages (with limited exceptions) in Ontario.

Licensing

In many countries, local governments license private sector businesses to regulate their activities, to raise revenue, or both.[17] When governments mandate that an activity be licensed for regulatory purposes, the regulated activity is considered a privilege and not a right, and governments typically require that certain conditions be met in order for the privilege to be granted and sustained:

- paying a fee
- passing background checks
- undergoing mandatory training and/or providing proof of qualification
- complying with rules regulating how and/or when the activity is carried out.

Numerous jurisdictions in Canada and across North America require tobacco retailers to be licensed. In the US, 37 states require retailers to have a licence for both over-the-counter and vending machine sales, and eight states do not require tobacco retailers to be licensed at all.[18] The terms and conditions and the rationale for these licences, as well as the jurisdiction responsible for the licensing, vary considerably.

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In many cases, licensing is under the purview of the provincial/state revenue agency and its main purpose is to promote compliance with tax laws. Tobacco retailers are often licensed as well by municipal governments as a means of monitoring compliance with local business regulations and/or raising revenues. Relatively few jurisdictions license tobacco retailers as a tobacco control measure, and those that do use licensing as a tool primarily to promote compliance with legislation prohibiting sales to minors.

In Canada, eleven provinces/territories require some form of tobacco retailer licence, but only New Brunswick and Nova Scotia impose a fee, and only in the case of Nova Scotia are the terms meaningful. Various municipalities in the provinces of Alberta and Ontario also require retailers to hold licences. The Alberta community of St. Albert leads the way in Canada with the highest licence fee, at $500 per year, and with the most rigorous licensing conditions. Several Ontario cities, including Hamilton and Ottawa, charge several hundred dollars in licensing fees, but most communities levy only a token fee.[19]

The inadequacies of most tobacco retailer licensing programs are underscored by the marked differences in the typical requirements to obtain a liquor licence compared to a tobacco licence. In the province of Ontario, anyone wanting to sell alcoholic beverages on-premises must apply to the Registrar of the Alcohol and Gaming Commission of Ontario for a Liquor Sales Licence. The applicant must complete a detailed six-page application, as well as other supporting documents, and pay a fee of $1,055 for a new licence, which is valid for two years. The process takes a minimum of 6-8 weeks. The public is given mandatory notice of an application for a liquor licence, at the applicant's expense, and an opportunity to register objections. As well, all new licence applicants, as well as all managers, servers of alcohol, and security staff, must undergo *mandatory* training and earn a Smart Serve certificate.[20]

In contrast, while the Ontario government requires all tobacco retailers to have a valid tobacco retail dealer's permit issued by the Revenue Ministry under the *Tobacco Tax Act*, applicants must simply complete a three-page application form that asks for basic business information. There is no fee for this permit. Under the *Smoke-Free Ontario Act*, the owner of a business where tobacco was sold to a minor is deemed liable for the sale unless the owner "exercised due diligence to prevent such a contravention"; however, the legislation does not specify what constitutes due diligence. The federal *Tobacco Act* is silent on the need for proprietors to exercise due diligence, meaning training of salespeople to ensure compliance with the law is purely voluntary. The public has no opportunity to express concern about the intended presence or location of another tobacco retailer in the community.

Clearly, the requirements to obtain a tobacco retailer licence and the conditions of licensing should be expanded to achieve tobacco control policy objectives beyond the prohibition against sales to minors. The mandatory licensing of all tobacco retailers would enable authorities to maintain a relatively accurate database of vendors in their jurisdiction that sell tobacco—the first step in using licensing to restrict the number of outlets that sell tobacco products. A substantial reduction in availability could be achieved by capping the total number of available licences in a jurisdiction and then reducing this number over time. There are various means by which the total number and/or the density of vendors in particular neighbourhoods or zones could be decreased:

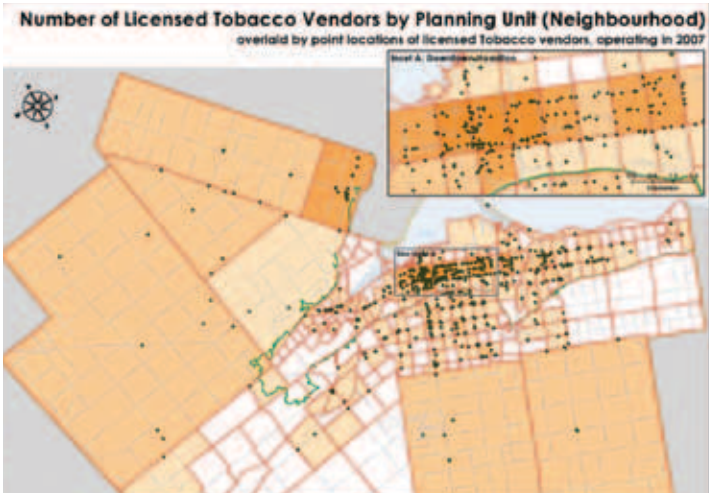
- by attrition;
- by not permitting any new licences or limiting the total number of licences in new developments;
- by not renewing the licences of retailers who contravene tobacco control laws;
- by not granting new licences to a particular class of trade or by banning sales in a class of trade if there is evidence of consistently higher rates of non-compliance with tobacco sales laws;

- by holding a lottery for the limited number of available licences to determine which retailers have the right to continue selling tobacco;
- by auctioning off the limited number of available licences to the highest bidders."[21]

Zoning

The field of urban planning originated in response to public health needs, giving rise to a long history of and a strong legal basis for using zoning laws to enhance health. Urban planning and public health share common missions and approaches, and both are making increasing use of Geographic Information Systems (GIS) mapping tools to examine trends, factor local evidence into policy debates, and address environmental justice issues. Zoning measures offer creative ways for communities to influence public health and welfare at the local level, for example, by reducing the availability of harmful consumer products.[22,23,24]

GIS mapping is proving useful in tobacco control research regarding availability and accessibility questions, providing visual documentation of problems related to the location and number of retailers and tobacco sales infractions. The City of Hamilton is a pioneer in Canada in this regard. Shown below is one in a series of GIS maps, this one illustrating the location and density of tobacco vendors by planning unit.[25]



Source: City of Hamilton

GIS mapping in Hamilton has revealed that there is a much higher concentration of tobacco retailers in neighbourhoods with low socio-economic status (SES). The neighbourhood with the lowest income level has 2.5-3 times more vendors per 10,000 residents than the two neighbourhoods with the highest SES. The neighbourhood with the lowest SES also has the highest proportion of vendors with sales-to-minors offences. GIS mapping shows further that there is a high concentration of tobacco retailers in the City of Hamilton operating close to schools; in fact only two schools have no tobacco retailer within a kilometre of the property.

Zoning laws could be used in a number of ways to reduce tobacco product availability:[26]

- Prohibit tobacco sales along certain access routes to schools that are designated "safe routes";
- Prohibit retailers from selling tobacco within x metres of a school or other youth-oriented facility;
- Prohibit tobacco retailers from locating in residential zones;
- Limit the proximity of tobacco retailers to each other;
- Restrict the location of tobacco retailers to particular zones in a community, for example, "light industrial."

Designated Tobacco Outlets

Under the current system, both tobacco manufacturers and retailers have a vested interest in maximizing tobacco sales. This includes a significant financial incentive not to comply with prohibitions on tobacco sales to minors. For manufacturers, young people are their future market, since at least 80% of smokers begin smoking before the age of majority.[27] For retailers, tobacco sales to youth and for youth amount to a conservative estimate of $5.7 million in annual net revenue.[28]

In contrast to the private profit motive of retailers, the prime motivations of government in taking control of tobacco sales would be to enhance public health by reducing tobacco use and to lessen the financial burden of tobacco-caused disease on the health care system and the economy. Governments would have

a vested interest in ensuring that minors do not have access to tobacco.

Permitting tobacco sales only in designated government outlets would deprive tobacco manufacturers of control over an important element of the marketing mix—place—and would deny them valuable point-of-purchase marketing opportunities. Although retail tobacco displays and promotional signs have been banned in all Canadian provinces/territories, tobacco companies continue to exploit their large network of tobacco vendors, now relying on incentive programs using retailers themselves as the prime promotional vehicle to push tobacco sales.[29]

As the proprietor, governments would likewise have a vested interest in ensuring that the retail environment does not serve in any way to promote tobacco use. The photo below depicting a Liquor Control Board of Ontario outlet in the late 1960s provides a model of what a designated tobacco outlet could look like. Customers made their choice from a list of available products and handed the order form to a clerk. No product was visible until the sale was complete and there was no form of promotion.[30]

Another significant benefit of a system of designated government outlets is that it would eliminate the influence of the current network of over 30,000 retailers in their lobbying efforts against tobacco control interventions. It is well-known that retailer associations function as front groups for the tobacco manufacturers, giving voice to the interests of the industry with greater legitimacy in the eyes of the public and policy-makers than the manufacturers themselves.[31]

Source: Liquor Control Board of Ontario

As the place that tobacco users must go to obtain their product, government-controlled outlets logically could also serve as resource centres to promote cessation. The outlets could sell non-prescription nicotine replacement therapies, provide information on quitting and referrals to community programs, and train staff to offer brief cessation advice. With no ulterior motive such as promoting dual use or keeping smokers in the tobacco market, trained staff could also provide advice on reduced harm products for those unable or unwilling to quit.

Limiting tobacco sales to designated outlets would substantially decrease the number of outlets, thus reducing the availability and accessibility of tobacco products. Significantly fewer outlets would facilitate compliance with sales laws, while at the same time decreasing enforcement costs.[32]

Designated outlets would also send a powerful message regarding the true nature of tobacco products. Limiting sales to highly controlled outlets devoid of promotion would help to break the image of tobacco as just another consumer product that belongs in corner stores alongside everyday necessities and small indulgences such as bread, milk and candies and would help reposition tobacco as the addictive and lethal product it is.

The most important benefit of reduced accessibility and the concomitant reframing of tobacco products will be decreased consumption. Reducing accessibility increases the cost to the smoker in terms of the time, effort, and money required to obtain tobacco from a vendor. The higher cost will serve as a deterrent to youth initiation and progression to regular use, since youth are among the most price-sensitive consumers.[33] Occasional smokers, who by definition are less addicted than regular smokers, may be more motivated to quit given the increased cost. Restricting sales to designated outlets will also likely have a significant impact on heavily addicted smokers, since they traditionally purchase cigarettes from supermarkets, where they can buy larger quantities at lower prices.[34]

There are several potential downsides to this model. Research shows that a monopoly often results

in lower prices due to the purchasing power and economies of scale that can be achieved. A lower pre-tax price does not have to translate into a lower retail price, however. With control over price setting under this system, the government could choose to benefit from a lower wholesale price by increasing taxes and yet maintaining the retail price or by setting minimum prices to ensure that the price paid by the consumer does not decline.

The government can also be expected to incur significant start-up costs related to establishing designated outlets. It is also possible that financial compensation packages for affected retailers may be deemed politically desirable or legally necessary.[35] Another drawback to a government monopoly is that the significant revenues from tobacco sales may intensify public perception that the government lacks sincerity in seeking to reduce tobacco use, a perception that already exists among certain groups as a result of the billions of dollars governments collect each year in tobacco taxes.

An option similar to government-controlled outlets is a private sector monopoly responsible for tobacco sales. This is the system that operates in France, whereby the government grants licences to sell tobacco to selected retailers, called "les buralistes." There are approximately 31,000 buralistes in France, yielding a ratio of one tobacco outlet for every 450 smokers. The buraliste must be a sole proprietor and must meet several conditions in order to sell tobacco, including the completion of training. None of the conditions, however, relates to achieving health objectives, and the buralistes often oppose tobacco control measures regarding them as a threat to their livelihood.[36]

There are many similarities between a public and private sector tobacco retail monopoly. The pre-tax price of cigarettes would likely fall because of the efficiencies of scale possible in such a large-scale operation. The availability of tobacco would still be reduced as a result of fewer outlets, resulting in decreased consumption, improved health, and future health care cost savings.

There would, however, be a few trade-offs with a private sector monopoly. While the government would not incur the start-up and maintenance costs of operating a retail chain, nor would it earn significant revenues from tobacco sales. Furthermore, a private sector monopoly would expand the market power of a specific company, with economic consequences for other tobacco retailers and free-market competition in general. Arguably the most significant difference is that the profit motive behind selling tobacco would not be eliminated, and thus the resultant decrease in tobacco consumption would not likely be as great. The retailer would retain a vested interest in maximizing tobacco sales, requiring government to continue monitoring and responding to point-of-sale marketing efforts.

Research Evidence

There is a growing evidence base examining the relationship between the availability of tobacco products in retail outlets and tobacco use, as well as a significant body of mature research demonstrating the impact of various changes in the availability of alcohol products on alcohol consumption and concomitant harms.

Increased availability increases consumption

Various studies show that neighbourhood characteristics, including the availability of tobacco products for sale and the community norms regarding tobacco use, exert an influence on individual behaviours such as smoking; however, community characteristics are often inter-related, making it difficult to attribute a behaviour change to a specific characteristic. Furthermore, the fact that many of the studies on tobacco retail availability are cross-sectional means that the direction of causality cannot always be determined. Despite these limitations, a number of studies reveal that the density of tobacco outlets has an impact on both youth and adult smoking.

A study by Chuang and colleagues of four cities in California found that convenience store density was associated with individual smoking, after taking account of individual level SES. In neighbourhoods with a high density of convenience stores, individuals

with high SES had a similar level of smoking to those with low SES, suggesting that the protective effect of higher income is reduced when individuals live in neighbourhoods with a high density of tobacco outlets.[37] A national study in New Zealand by Pearce likewise found a modest association between outlet density and smoking rates after adjusting for individual SES, but no association after controlling for neighbourhood SES.[38]

Several studies show the importance of retailer proximity to a smoker's home. According to a national survey of 4,000 Canadian smokers, convenience—defined as proximity to home—is by far the most important factor in determining where to purchase cigarettes, so important that one-third said they would smoke less if they had to travel further to obtain cigarettes.[39] The California study by Chuang also found a correlation between distance to the nearest tobacco retailer and individual smoking. A groundbreaking study by Reitzel assessed the impact of retailer characteristics on quitting. The study found that proximity of the smoker's home to a tobacco retailer predicted success in smoking cessation. Participants living within a short walking distance (< 500 metres) of a retail outlet were less likely to maintain continuous abstinence for six months following a quit attempt than those who lived farther from the closest outlet. No relationship was found between outlet density and cessation.[40]

Source: Denis Côté, Info-Tabac

To date a handful of studies have been published that examine the relationship between tobacco outlet density and youth smoking. In a study of middle school students in eleven Illinois towns, Pokorny found that higher levels of retailer availability were related significantly to smoking initiation among youth who did not live with an adult smoker.[41] Novak and colleagues found that higher retail outlet density was associated with higher smoking rates among youth in diverse Chicago neighbourhoods.[42] Both Leatherdale[43] and Henrikson[44] observed higher smoking rates among students in schools with a greater number of retailers in the surrounding neighbourhood. The Henrikson study found that prevalence was 3.2 percentage points higher in schools with more than five tobacco retailers in the vicinity compared to schools with no tobacco retailer.

Many research studies conducted in a wide range of jurisdictions over several decades show that increased availability of alcohol products leads to increased alcohol consumption and related behavioural problems, regardless of price. As a result, various international bodies have recommended control of alcohol outlet density as a means of reducing alcohol-related harms:[45]

- In 1999 a rigorous scientific review by the US Center for Substance Abuse Prevention concluded that there was a "medium" level of evidence supporting controls on alcohol outlet density as a means of reducing harms from alcohol misuse.
- In 2003 a major study sponsored by the World Health Organization (WHO) recommended that the physical availability of alcohol be regulated through restrictions on time and place of sale and reduced outlet density.
- In 2009 the US Task Force on Community Preventive Services conducted a systematic review of the literature up to November 2006 on initiatives intended to reduce alcohol misuse and related harms. The Task Force found sufficient evidence to endorse the regulation of alcohol outlet density, among other policies.

Several valuable studies have been published since the Task Force completed its review. A study conducted in British Columbia between 2003-04 and 2007-08 found that there was a significant increase in per capita alcohol consumption for every 10% increase in the density of outlets, regardless of type, with the exception of government-controlled stores. According to the researchers, the evidence "support[s] strongly" the conclusion that there is a positive relationship between density of liquor outlets and alcohol consumption. Furthermore, local variations in population density of liquor outlets are strongly associated with differences in per capita consumption in those communities. The study also revealed that the percentage of privately-owned versus government-controlled liquor stores is significantly associated with per capita sales of alcohol, when controlling for the density of stores and on-premises outlets.[46]

The Task Force also found sufficient evidence to recommend two other strategies to reduce alcohol availability—limits on days of sale and limits on hours of sale.[47] The Task Force documented strong evidence of effectiveness of limits on the days of sale based on studies showing that removing such limits resulted in small increases in alcohol consumption as well as increases in related motor vehicle deaths. Similarly, the Task Force found sufficient evidence of effectiveness to recommend maintaining existing limits on the hours of sale at on-premises outlets.

Decreased availability can reduce use

Just as there are numerous studies showing the impact of liberalized policies on alcohol sales and consumption, so too is there research evidence of the corollary—the impact of reduced accessibility on sales and consumption. A time series cross-sectional analysis of alcohol consumption and the density of alcohol outlets in all fifty US states found that a 10% decrease in the density of outlets would reduce consumption of spirits by 1-3% and of wine by 4%.[48]

Studies of bans on alcohol sales by the Task Force on Community Preventive Services showed that bans on alcohol sales in northern communities resulted in significant reductions in alcohol-related harms, except suicide. Studies of sales bans in less isolated communities yielded mixed results, leading the Task Force to conclude that the effectiveness of bans in reducing alcohol consumption and related harms is likely dependent on the availability of alcohol in the surrounding communities.[49]

The experience in jurisdictions around the world with tobacco control measures that have decreased tobacco product availability likewise supports the contention that whether a policy results in decreased consumption depends on whether *accessibility* is actually reduced. Such policies include prohibiting tobacco sales in a variety of locations including pharmacies; prohibiting tobacco sales to minors; and banning the sale of tobacco products altogether in the Kingdom of Bhutan and in two cities in Saudi Arabia. When examining the impact of such policies on smoking behaviours, it is critical to consider the extent to which such measures are effectively enforced. Experience with sales-to-minors legislation over the past 15-20 years has taught that a policy is only as good as it is enforced; and with some policies, enforcement requires regular compliance monitoring and penalties that are severe enough to serve as deterrents.

Studies show that there is a difference between reducing retail sales to minors and reducing actual access to tobacco products by youth. Results suggest that because of the large number of tobacco vendors in most communities and the availability of social sources, retail compliance must approach 100% to reduce the accessibility of tobacco to youth.[50] Nonetheless, a number of studies have concluded that retail controls have contributed to reduced youth tobacco use. Researchers believe that the decline in youth smoking in these cases is due to changed perceptions of availability and decreased social acceptability of youth tobacco use as a result of the intervention.[51] There is an important link between such perceptions and tobacco use: the more youth overestimate the prevalence of smoking among their peers and adults, the more likely they are to start smoking.[52]

Tobacco control legislation in all Canadian provinces/territories includes a prohibition on tobacco sales in certain types of outlets, typically those that promote health, education, youth services, and cultural/artistic pursuits. The ban on tobacco sales in these locations reinforces societal messaging that non-smoking is the norm and that the risks of tobacco use render tobacco products incompatible with broader community objectives, particularly the promotion of health. In addition, banning tobacco sales in social venues such as restaurants, bars, and gaming facilities serves to reduce both impulse purchases among current smokers and relapse among smokers who are trying to or have succeeded in quitting.

In 2002, **all commercial activities involving tobacco products, including using, buying, selling, and advertising, were prohibited in the cities of Medina and Mecca, Saudi Arabia**. According to a report by the WHO, while retail stores no longer sell tobacco, tobacco remains readily accessible within the two cities through the black market. As well, the sales ban is undermined by weak enforcement of the smoking ban, such that smoking remains highly visible on the streets. However, the prohibition against tobacco sales has reduced the availability of tobacco and, together with the advertising ban, has eliminated all forms of visible tobacco product promotion within the two jurisdictions. The impact of these measures on tobacco use and related attitudes has not yet been evaluated.[53]

The success of the 2004 **ban on tobacco sales in the Kingdom of Bhutan** has likewise been mixed. Tobacco users have experienced greater difficulty obtaining tobacco since the ban, with 60% saying that tobacco is less available and 40% saying that tobacco is never or rarely available. Nonetheless, two-thirds indicated that shops continue to be a place where people usually buy tobacco. The decrease in the availability of tobacco products occurred following the sales ban despite the fact that no additional resources were devoted to enforcement, penalties were inadequate to serve as deterrents, and import quotas far exceeded the amount necessary for personal consumption, providing a ready supply of product for the black market. Many of these problems have since been addressed with the passage of the *Tobacco Act* in June 2010.[54]

The idea of **banning tobacco sales** as a means of reducing tobacco use has begun to gain traction among certain circles. A tobacco sales ban has been proposed for the US military, for example.[55] In addition, tobacco control professionals in New Zealand have recently posed the idea of implementing a set of policies that would phase out the sale of tobacco products by 2020.[56] The proposal would reduce the supply of tobacco products by allocating a national sales quota among all tobacco manufacturers and importers and then gradually reducing the quotas to zero over a ten-year period, with serious penalties for exceeding a quota. Proponents believe that it would be simpler and more effective to impose a declining sales quota on manufacturers and importers in New Zealand than to reduce the number of tobacco vendors. There are fewer than twenty manufacturers/importers compared to 8,000-9,000 retailers, and the researchers believe that decreasing the number of retailers would merely serve to concentrate sales in the remaining outlets, with little effect on total sales for years.

The Public Favours Major Reforms

Significant public support for substantive reforms to the way tobacco is sold goes back at least 15 years and in some cases pre-dates public discussion of the policy options. A 1996 national survey of Canadian adults by Environics Research Group revealed strong majority support for reducing the number of places where tobacco can be sold (68%) and restricting tobacco sales to special outlets to which minors do not have access (75% in all provinces except Quebec and 63% in Quebec).[57]

A national survey for Health Canada in 2005 by Corporate Research Associates likewise found significant support for changes to the tobacco retail environment.

Two-thirds of Ontario adults do not support the continuation of tobacco sales in multiple types of outlets. More than half want the sale of cigarettes ended now (27%) or within 10 years (30%).
(Centre for Addiction & Mental Health, 2009)

More than two-thirds (69%) of Canadians support the licensing of establishments that sell tobacco. Support for licensing remains strong regardless of smoking status, geography, and age, although it is highest among young adults 18-34 years, at 81%.[58]

A majority of Canadians (56%), including a majority in all provinces, are also in support of a more radical measure than licensing—limiting where tobacco can be sold in order to reduce the number of establishments that sell cigarettes. The percentage in favour increases when this reform is proposed as a means of reducing youth access to tobacco. Almost half of Canadians (47%), including one-quarter of smokers, are opposed to the sale of cigarettes in places where everyday products such as bread, milk, and candy are sold.

A 2009 survey of Ontario adults by the Centre for Addiction and Mental Health revealed significant support for radical changes in the retailing of tobacco products. More than two-thirds (69%) believe that "the number of retail outlets that sell cigarettes should be greatly reduced," and only one-third support the continuation of sales in multiple types of outlets as they are now. When asked whether the sale of cigarettes should continue, 30% said it should be phased out over 5-10 years and 27% said it should be ended as soon as possible.[59]

Conclusions and Recommendations

In Canada alone, some 37,000 preventable deaths are attributed to tobacco use each year.[60] Globally the annual death toll exceeds five million.[61] Tobacco products kill half of their long-term users, half of them prematurely.[62] Furthermore, for every premature death caused by smoking, there are at least twenty smokers living with a serious smoking-related illness.[63] Indeed, tobacco products cause disease in virtually every organ of the body.[64] Tobacco use itself is often called a pediatric disease, because most users become addicted during adolescence, before they have the ability to fully understand the consequences of their actions.[65]

Given the magnitude of the burden imposed on individuals, families, and society by tobacco products, the question is not whether the retail sale of tobacco can be regulated to reduce accessibility, but rather why has it not already been done. Veteran tobacco control researcher Simon Chapman has a simple answer; Chapman blames the "trivialisation of tobacco retailing" for the current situation and believes that "concerted and imaginative effort will be needed to successfully reframe tobacco retailing away from its current laissez faire status."[66]

Numerous surveys conducted in the province of Ontario and nationally in Canada over the past fifteen years show a consistently strong public appetite for measures that would radically reform the way in which tobacco products are sold.

Until recently, the tobacco control community has prioritized other measures, in part because of a perceived lack of political will for major retail reforms. Reframing how tobacco retailing is perceived is a critical first step to building sufficient support for reform. The dichotomy between how alcohol and tobacco sales are regulated underscores the fact that controls on tobacco retailing do not reflect the nature of the product or society's desire to protect the public, especially youth, from enticements to purchase and use tobacco.

The relative lack of gravity accorded tobacco products and thus tobacco sales is reflected in the minimal fees for a tobacco retailer licence in most Canadian jurisdictions, the inadequate penalties imposed for non-compliance, and the failure to take public policy goals into consideration when determining whether a retailer licence should be granted. The end result is that tobacco outlets are much more prevalent than alcohol. In Ontario, for example, there is one tobacco vendor per 114 smokers but one alcohol vendor for 460 alcohol consumers.

The comparison between tobacco and alcohol also works in terms of providing a solid evidence base that demonstrates the potential impact of reduced accessibility on consumption. There is a large body of excellent research on alcohol control policies, conducted over several decades and in many countries, that demonstrates that increased availability results in increased alcohol consumption and related harms and that decreased availability has the opposite effect. A number of tobacco-specific studies on retail availability indicate that increased availability contributes to increased tobacco use among youth.

The alcohol and tobacco literature provide a strong case for using licensing and/or zoning provisions or designated outlets to reduce the accessibility of tobacco retailers. And while it is not possible to ascertain a precise formula by which to reduce accessibility and thus tobacco use, the research does provide some clear guidance regarding the provisions that can be expected to yield the best results.

Recommendation 1: All provinces/territories should broaden the categories of outlets that are prohibited from selling tobacco products to at least equal the Nova Scotia standard, and to include outdoor recreational facilities such as amusement parks.

Recommendation 2: All jurisdictions should make it an immediate priority to develop and maintain an accurate database of tobacco retailers. This information should be shared with other levels of government, with enforcement agencies, and with the public.

Recommendation 3: All provinces/territories should require licensing of all wholesalers and retailers of tobacco products. The licensing system should be administered by the health ministry and not by the revenue or finance ministry.

Recommendation 4: The conditions of licensing should reflect the addictive and lethal nature of tobacco and the need to prevent children from experimentation and subsequent addiction to the product. The following conditions represent the minimum requirements:

- A condition of licence should be compliance with all applicable tobacco control laws.
- A separate licence should be required for each individual venue and must be prominently displayed.
- Licence fees should be set high enough to cover all costs associated with administration and enforcement, training of applicants and relevant staff, and provision of information to licensees and the public.
- There should be a graduated penalty structure, including substantial fines, licence suspension, and permanent revocation of a retailer's licence.

Recommendation 5: The province/territory should cap the number of tobacco retailer licences at the current total and set a target that would substantially reduce the number of outlets within five years.

Recommendation 6: Local governments should retain the right to enact more stringent measures than the minimum standard set by the province/territory. A committee of council should review the local situation and develop a plan to reduce the number and density of outlets and the presence of tobacco retailers in areas frequented by youth.

Recommendation 7: In the near term, the ministry of health and local and provincial health groups should work with one or more willing municipalities to pilot test a substantive restructuring of the tobacco sales environment in the community. This should include an aggressive target for the reduction in the number and density of outlets within a few years. The target could be achieved using appropriate licensing and zoning measures or by relegating sales to designated tobacco outlets. The provincial government should provide funding for research and surveillance both before and after the intervention.

Recommendation 8: One or more provincial/territorial government(s) should provide funding for an in-depth analysis of the consequences of limiting sales to designated outlets, including the impact on consumption and prevalence of tobacco use and related attitudes, as well as the economic impacts on the government and tobacco retailers.

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