

# Tobacco wars

## *The bloody battle between good health and good politics*

Charlotte Gray

In Brief

A BATTLE TO INTRODUCE NEW ANTITOBACCO LEGISLATION in Canada has caused political battles within the Liberal Party. While one side is worried about the need to protect people's health, another is worried about the potential loss of jobs within the tobacco industry — many of which are located in politically volatile Quebec. Charlotte Gray writes about the machinations that led to the introduction of new smoking legislation in the House of Commons in November.

En bref

UNE LUTTE DONT L'ISSUE PORTE SUR LA PRÉSENTATION D'UNE NOUVELLE législation anti-tabac au Canada a provoqué des querelles politiques au Parti libéral. Pendant que certains cherchent à protéger la santé des gens, d'autres s'inquiètent de la perte possible d'emplois dans l'industrie du tabac — dont un grand nombre se trouvent au Québec, province volatile sur le plan politique. Charlotte Gray décrit les machinations qui ont débouché sur la présentation d'une nouvelle mesure législative sur le tabac à la Chambre des communes en novembre.

For all their high-flown rhetoric, successful politicians are pragmatists: they decide the direction they wish to head, then carefully inch forward. Like soldiers crossing no man's land, they duck every time they hear a nearby rifle shot or a falling mortar shell. The bold, reckless move that might end with not only a medal but also a coffin does not interest politicians. They prefer the incremental advances that not only nudge policy forward but also ensure survival.

Prime Minister Jean Chrétien is probably the most experienced politician on Parliament Hill today, and he is certainly a pragmatist *par excellence*. Although he never gets too far ahead of public opinion and always backs away from slug-it-out political confrontations, he usually ends up winning his political battles. His caution and insistence on balancing as many interests as possible is the key to his political longevity.

The Chrétien political style now typifies his entire government's response to issues as varied as deficit cutting, human rights and pension reform. On most issues, the government feels its way towards a policy it thinks most Canadians can live with. This makes it a difficult target to attack, and also helps explain the prime minister's popularity.

When it comes to antitobacco legislation, however, Jean Chrétien's government has failed to reflect popular opinion. It has also failed to enact good public policy — a powerful lobby seems to have made well-meaning ministers buckle at the knees. Until they finally introduced an antitobacco package late this fall, some people were asking whether the Liberals have put their own political longevity ahead of the health of Canadians.

### The background

To understand the latest round in the tobacco wars, do a quick flashback. The



Features

Chroniques

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battles have been going on for years as successive governments used the weapons at their disposal, from tax increases to advertising restrictions, to persuade Canadians to butt out. The focus has always been on stopping adolescents from beginning to smoke; most of us accept that it is hard to detach many adults from an addiction that is perfectly legal. By and large, the federal strategy worked throughout the 1980s. Tobacco sales dropped steadily, although the drop was sharper among some groups (middle-income men) than among others (teenage girls).

But the strategy was abruptly derailed in the early years of the Chrétien government. By 1994 tobacco smuggling had become a \$5-billion-a-year business, with more than 2 million Canadians buying cigarettes smuggled here from the US. In February 1994 Ottawa decided that this constituted a serious erosion of public morality that was damaging the tax system, so it cut the federal tax on a carton of cigarettes. When combined with related cuts in provincial taxes and the GST, the price of cigarettes was more than halved for most Canadians.

A year later, the Supreme Court struck down a ban on tobacco advertising that had been enacted in 1988 as part of the Tobacco Products Control Act. The law had included a blanket provision that "no person shall advertise any tobacco product offered for sale in Canada." Tobacco trademarks were banned on promotional material such as T-shirts, and tobacco companies were required to put "prominent" health warnings on cigarette packs. The Supreme Court decided that this constituted a violation of tobacco companies' right to freedom of speech.

Dr. Grant Hill, the Reform Party's health critic, says that the tax rollback and court decision combined to create a "black hole" for Canada's antitobacco campaign. He has calculated the impact on tobacco consumption, including legal sales and smuggling, since the rollback, and concluded that there has been a "dramatic uptake. After a steady drop between 1982 and 1993, consumption has shot up by 9%. More people are smoking, and people are smoking more."

Hill is not the only parliamentarian appalled by these trends. As soon as David Dingwall, the feisty Cape Bretoner, was appointed to the health portfolio in January 1995, he made it clear that he wanted a new antismoking law. Dingwall, a reformed smoker himself, has a personal commitment to the antismoking cause. He has

witnessed within his own family the damage smoking can do, and wants to ensure that his children don't start the habit. He is also ambitious and knows that antismoking legislation is a vote-getter. His predecessor, Diane Marleau, had already issued a discussion paper to serve as a framework for the new legislation, and Dingwall promised quick action.

That's when the trouble began, as the altruistic moral objective of protecting the health of millions of Canadians ran headfirst into the brutal politics of jobs, money and influence.

You cannot move within the federal circles for long before realizing the tobacco industry's power. It has the smoothest lobbyists, the best political connections and the most consistent representation at any event, be it a political dinner or a parliamentary committee hearing, that might affect its interests. Two chiefs of staff to former prime ministers are on its payroll, as are veteran Liberal organizers and three senators. The head of the Canadian Tobacco Manufacturers Council is Rob Parker, a former member of Parliament and one of Ottawa's best-known faces. Its communications director is Marie-Josée Lapointe, Brian Mulroney's former press secretary.

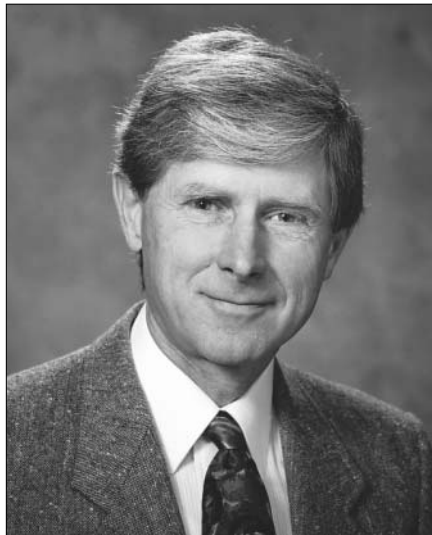
They have been hired because they know how Ottawa works, how policy is developed, drafted into legislation, put on the parliamentary timetable, amended, passed or defeated, and how a quiet word whispered in the right ear can lead to a crucial change.

At lunchtime you'll find them at Hy's, a pricey Ottawa steakhouse. At night they'll be out in force at the capital's cultural and sports events, which they have usually helped to subsidize — they were chockablock at the Governor-General's Awards for the Performing Arts in November.

Whenever their interests are threatened, they can coordinate massive protest campaigns. Soon after Marleau's blueprint for new legislation was published, the tobacco lobby marshalled a campaign that saw tobacco-selling retailers swamp MPs' offices with phone calls, faxes and postcards objecting to the proposals. And when Dingwall's proposed antitobacco legislation finally reached cabinet this fall, the tobacco lobby was ready.

## The politicking

For anybody in the health field, let alone any parent wanting to stop their children from becoming addicted to tobacco, there is no argument about what should be done.



**Dr. Grant Hill: "More people are smoking, and people are smoking more."**



Physicians for a Smoke-Free Canada says thousands of episodes of childhood illness are caused by smoking and each year 120 000 young Canadians join the ranks of "new smokers." Ontario's chief medical officer of health says the province spends more than \$1 billion a year treating diseases linked to tobacco. Given this arsenal of facts, how can any government that uses terms like "health promotion" and "disease prevention" even hesitate before implementing change?

Quite easily, it turns out. The tobacco lobby had managed to divert the argument from health concerns to other issues. In a country worried stiff about national unity and job losses, it made survival of the tobacco industry a national-unity issue by pointing out that most of Canada's cigarettes are made in Quebec. If the government squeezed the industry, said the lobbyists, it would kill jobs in the already-depressed Montreal economy. This would simply give the Quebec government another stick with which to beat Ottawa.

The tobacco lobby then added a Canadian nationalism twist to its defence. It bankrolled a new pressure group, the Alliance for Sponsorship Freedom, to represent 250 arts groups sponsored by tobacco companies. It in turn bought newspaper ads to warn that many cultural and sporting events, such as the Montreal Jazz Festival and the duMaurier Open tennis tournaments for men and women, depend on tobacco sponsorship. They would be jeopardized if sponsorship was banned.

Both arguments had an effect when they reached the Liberals' ears. The government, badly shaken by the nearly disastrous results of the Quebec referendum, didn't want to lose any more support in the province. And it knew it was vulnerable to charges it was already eroding the foundations of Canadian culture because of cuts to the CBC, publishing houses, magazine postal subsidies and granting councils.

An even more effective, if unstated, factor was ministers' unwillingness to alienate some of their most generous donors. Imasco, Imperial Tobacco's parent company, donated \$63 447 to the Liberals in 1995, and \$92 053 the year before. Many ministers have also received individual contributions from industry executives.

To give David Dingwall credit, last September he characterized the tobacco lobbyists as "tough, vicious and personal." In October he became so frustrated by the lobby's ef-

forts and his colleagues' prevarication that he announced publicly that voters should not vote for the Liberals if the bill was not law by the next election. In mid-November his office let it be known that he was ready to introduce his planned crackdown.

And then, at the eleventh hour, the minister's press conference was cancelled. It is a measure of the power plays and paranoia surrounding this issue that the abrupt cancellation led to all kinds of rumours. The stated reason was that there had been a leak of sensitive tax information, after CTV announced that Ottawa was going to raise tobacco taxes by 60 cents a carton; this would have allowed tobacco wholesalers and retailers to stockpile cheap cigarettes before the change was made. But was this the real reason? It was well known that the finance minister and the health minister don't see eye to eye on this issue. Paul Martin and Dingwall fit in different wings of the same party: Dingwall is a Trudeau-era Liberal who equates Liberalism with social programs, while Martin is a 1990s' business-style Liberal preoccupied by the deficit. Martin, who represents a Montreal riding and used to sit on the Imasco board, listened to Montreal MPs from both the Liberal Party and the Bloc Québécois who were working hard to soften the bill. Plenty of observers regarded the whole mess as another Machiavellian Liberal tactic designed to delay their tobacco crackdown until after the next election because they didn't want to risk any Quebec votes.

"I'm deeply disappointed that the government cannot get its act together," fumed Dr. Keith Martin, a Reform MP. "These ministers should be ashamed of themselves for taking so long to bring forward legislation about tobacco when they could regulate soft cheese without any problems. The Prime Minister's Office is playing politics with this."



## The package

The following week, a package of measures was finally introduced, but it was clear that the earlier blueprint has been watered down. Although tobacco ads are banned in public places and inside stores, they are still permitted in print publications with a “primarily adult readership.” (This includes *Maclean’s* but probably excludes *Sports Illustrated*.) Although the display of brand names at cultural or sports events is limited to 10% of the available signage, sponsorship is still permitted. It will be more difficult for young people to buy cigarettes, although the amount of money set aside to enforce the new restrictions is minuscule. (Physicians for a Smoke-Free Canada calculates that the government currently receives \$90 million in tax revenue from illegal sales to children alone out of the \$2.2 billion it receives annually through tobacco sales, but it is only allocating \$10 million annually to enforcement and prevention.)

The price of cigarettes will rise, but only marginally. A pack of 20 cigarettes will now cost about \$2.75 in Ontario and Quebec, compared with more than \$5 in BC, Newfoundland and other provinces that never went along with the 1994 tax rollback.

“The proposed legislation is definitely a step in the right direction,” says Dr. Mark Taylor, president of Physicians for a Smoke-Free Canada, “but we still have serious concerns. Even if the tobacco company’s logo can only occupy one-tenth of a sign, if that sign is on the side of a barn door or the wall of a concert hall, the logo will still be huge. And what does ‘adult readership’ mean? I don’t like hearing the example of *Maclean’s* being used, since I think we should be encouraging teenagers to read news-magazines.

“I’m also anxious because the 1988 Tobacco Products

Control Act had only tiny little loopholes and the industry was able to drive several trucks through them. This act already has gaping great holes in it.”

When the bill goes to committee hearings, both industry spokespeople and antismoking groups will butt heads over its provisions. “If the provisions on advertising or sponsorship are lost,” says Taylor, his group will withdraw its support because the bill would just be a “sham.”

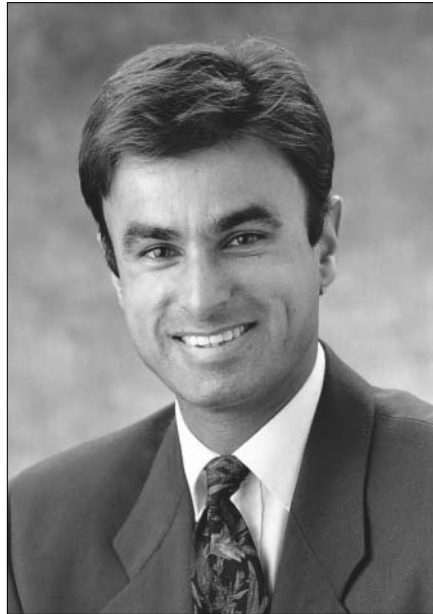
However, the government has taken steps to ensure it can control tobacco products without having to introduce new legislation. “The outstanding element in this bill is that it will allow cabinet to issue regulations,” explains Taylor. “A government could gradually reduce the concentration of nicotine in cigarettes, for instance, and even eliminate addiction over time. Or it could increase the pH level of smoke, making it more obnoxious and therefore discouraging adolescent smokers.”

Most observers expect the legislation to become law before the next election. The Reform Party has pledged to fast-track the bill through the house. “Usually Reformers are against taxes or government intrusion

into the market place,” says Grant Hill, “but this is one area where we need regulation. It’s a question of public health.” How the Bloc Québécois will approach the bill is less clear, although no party wants to appear to support smoking.

Both Hill and Taylor agree that Dingwall seems deeply committed to controlling tobacco sales and is anxious to move quickly. For physicians, that’s the good news. The bad news is that no one says the same about the government. If the bill dies on the Order Paper, warns Keith Martin, there will be “egg all over the minister’s face.

“He was the guy who said, ‘Don’t vote Liberal if there is no law.’”<sup>3</sup>



**Dr. Keith Martin:** “The Prime Minister’s Office is playing politics with this.”