

Ontario Municipal Tobacco Retail Licence Fees Should be Increased

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Issue Overview

Municipalities in Ontario have the ability to require municipal licences for tobacco retailers and to determine licence fees. The Canadian Cancer Society believes that all Ontario municipalities should require tobacco retail licences and that municipalities should substantially increase tobacco retail licence fees.

Why Implement a Retail Licence Fee?

1. Increase revenue

Licensing is an opportunity to generate revenue for municipalities. For example, for every 100 retailers, a \$500 annual licence fee would raise \$50,000 per year.

2. Assist with enforcement

Without licences, there is no record of who is selling tobacco products in the community. Knowing the location of all retailers assists inspectors efficiently enforcing laws regarding tobacco sales to minors, tobacco displays/promotion, flavoured tobacco products and contraband. Furthermore, if there is a violation of the law, the possibility of suspending a licence provides enforcement officers with an effective tool.

3. Ensure responsibility

Given the addictive nature of the product, it is perfectly reasonable to require that a licence be necessary to sell tobacco products and that a licence fee be required.

4. Cost recovery

Revenue from tobacco licences can offset municipal costs, such as those related to enforcement and to litter.

Municipalities have the opportunity to increase revenue and to assist with tobacco control enforcement activities. Many municipalities have already adopted licencing systems, as summarized on the next page.

Retailers selling electronic cigarettes (vaping products) should also be required to have an annual licence and to pay an annual fee, as Hamilton and London have required. The rationale for such a requirement is similar to the licence requirement for tobacco retailers.

List of Municipal Tobacco Retail Licence Fees (Annual Fees)

Ontario

Ottawa	\$893
Hamilton	\$637
Markham	\$383
Richmond Hill	\$297
London	\$277
Kingston	\$275
Brampton	\$228
Mississauga	\$220
Vaughan	\$222
Windsor	\$191
Greater Sudbury	\$150
Chatham-Kent	\$150
Burlington	\$145
North Bay	\$50
Cornwall	\$40

Alberta

Lloydminster, AB/SK (if flavoured tobacco sold)	\$1100
Lloydminster, AB/SK (if flavoured tobacco not sold)	\$750
St. Albert	\$714
Edmonton	\$479
Hinton	\$160
Calgary	\$146

Municipal Licence Fees for E-Cigarette Retailers (Annual Fees)

Hamilton	\$559 (or \$68 additional fee if also have tobacco retailer licence)
London	\$277

Municipal tobacco retailer licensing fees are not known to have been required in premises outside Ontario and Alberta.

For more information, please contact:

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