



TOBACCO CONTROL IS QUEBEC'S CONVENIENCE STORE ASSOCIATION FUNDED BY TOBACCO COMPANIES?

[Translated by [CQCT](#)]



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The Association québécoise des dépanneurs en alimentation (AQDA), Quebec's convenience store association, which has campaigned for months to convince the government to "save" menthol cigarettes from being banned, categorically refuses to disclose the portion of its budget provided by the tobacco industry.

As of today, a group of MNAs will put the final touches to Bill 44, which aims to ban the sale of flavoured tobacco products in Quebec. Since the spring, these elected officials have been under pressure from AQDA, which contends that the menthol ban "will amount to giving smugglers exclusive privileges on a silver platter."

Michel Gadbois, President of the AQDA, has long used the smuggling argument to oppose public health policies against smoking. In the early 1990s, he was involved in a campaign against smuggling orchestrated by the tobacco industry, which rocked the government and led to lower cigarette taxes.

On their website, AQDA describes itself as "a non-profit organization" with more than 1,700 members, including suppliers and major convenience store chains such as Alimentation Couche-Tard. AQDA also states that it has become a "qualified representative for the Quebec industry with the media and government."

AQDA, however, has become increasingly seen as the "front group" for tobacco companies, which use the Association to get their messages out to the public and influence Quebec elected officials. These tactics, well-known to anti-smoking groups around the world, aim to give a veneer of credibility to the arguments coming from an industry that has very little of it in the public's opinion.

Michel Gadbois has not responded to our requests for interviews. As a non-profit organization, AQDA is not required to disclose its financial statements.

Éric Gagnon, Senior Director, Corporate Affairs at Imperial Tobacco, says that "like any business, Imperial Tobacco Canada's funding of organizations and associations is confidential."

Testifying before the Health and Social Services Committee on August 20, Michel Gadbois refused to disclose the portion of AQDA's budget from provided by tobacco companies, under the pretext that he did not know how much "by heart." PQ MNA Jean-François Lisée expressed his astonishment, "especially since on the issues of menthol, smuggling and flavours, the positions you've taken are identical to those of the tobacco industry."

Michel Gadbois countered that tobacco companies share "common interests" with AQDA. "Basically, I share common interests with SAQ and Loto-Québec, which are members of our association," explained Mr. Gadbois before the MNAs.

Fact check: The SAQ is not a member of AQDA. Loto-Québec is a member and pays \$1,700 (plus taxes) in dues.

"Being an AQDA member does not mean support for the organization's positions."

— Danny Racine, Loto-Québec's spokesperson

Mr. Racine added, "Loto-Québec subscribes and adheres to the Government of Quebec's positions on smoking."

ORGANIZED SMUGGLING

In 1994, Michel Gadbois was President of the Association des détaillants en alimentation (ADA). At the time, the Mouvement pour l'abolition des taxes réservées aux cigarettes (MATRAC), presented as a spontaneous movement of small, defiant retailers, maintained discreet ties with ADA and tobacco manufacturers.

"The widespread movement of retailers – which consist of selling contraband cigarettes to force governments to lower their taxes – is the result of an extremely well-planned strategy," revealed at the time a La Presse investigation. This strategy was developed in ADA's offices in the presence of a tobacco industry representative.

The aim of the campaign was to create a political crisis over smuggling. In a letter to its parent company, British American Tobacco, an Imperial Tobacco Canada spokesperson expressed his delight over the media coverage, "especially regarding the plight of small retailers whose concerns have considerable public sympathy."

The MATRAC campaign worked perfectly, forcing the government to lower taxes. Of course, even if smuggling had indeed plummeted, it's primarily because the tobacco companies themselves stopped supplying the smugglers.

During the crisis, the tobacco manufacturers exported their products to duty-free warehouses in the State of New York, knowing full well that smugglers were stocking up on these contraband cigarettes to resell them in Canada through the Akwesasne Reserve.

The three major Canadian tobacco manufacturers — Imperial Tobacco, Rothmans, Benson & Hedges and JTI-Macdonald - have acknowledged their involvement in the smuggling. Under agreements signed in 2008 and 2010, they had to pay \$1.7 billion to the Governments of Canada and Quebec.

"SAVE MENTHOL"

Among the various associations representing convenience store owners in the province, only AQDA has pulled out all the stops to try to convince the government not to ban the sale of menthol cigarettes.

The "Save menthol" campaign was launched on May 25, with the financial support of the tobacco industry. Michel Gadbois toured the province, and a 12-page colour booklet was produced, addressed to elected officials.

The issue, however, seems relatively small — since menthol cigarettes represent only 5% of sales in Quebec.

"We will not publicly get in an uproar because they're going to ban menthol."

—Florent Gravel, ADA's current President

Mr. Gravel admits that ADA was "very well-funded by tobacco companies" until the departure of Michel Gadbois, in 2007. Ever since, tobacco companies "conducts their business almost exclusively with AQDA."

"Menthol is not an issue that concerns us," said Yves Servais, Executive Director of Association des marchands dépanneurs et épiciers du Québec. "No retailers call me to complain about the menthol ban. AQDA is making it a major issue because it is somewhat at the beck and call of the tobacco industry."

The campaign in favour of menthol does not seem to have convinced the MNAs, who are proceeding with the clause-by-clause review of Bill 44. "This does not concern us," said Flory Doucas, Co-Director of the Quebec Coalition for Tobacco Control. "This bill, we have been waiting for it for five years. What AQDA has managed to do is slow down the process by relentlessly brandishing the threat of contraband."

National Coalition Against Contraband Tobacco

The address of the National Coalition Against Contraband Tobacco belongs to a public relations firm in Ottawa. Is it just empty shell [front group]?

"AN EMPTY SHELL"

The National Coalition Against Contraband Tobacco (NCACT) does not have a director nor any other staff. Its members do not meet. The address supplied on its' press releases is the Ottawa-based head office of Impact Public Affairs, a communications firm that also has offices in Montreal. "It's an empty shell," said PQ MNA Jean-François Lisée in an interview with *La Presse*. NCACT has 18 members, including the Canadian Tobacco Manufacturers Council, the primary lobby of the tobacco industry, and the Customs and Immigration Union (CIU), whose "credibility is indisputable," says Carlos Godoy, Vice President of Impact Public Affairs. He is the one that approached CIU to join the NCACT, subject to an annual contribution of a few hundred dollars.

AGAINST SMUGGLING, FOR TOBACCO

Like the Association québécoise des dépanneurs en alimentation (AQDA), NCACT refuses to reveal the extent of the financial support provided by tobacco manufacturers. Retired police officer Michel Rouillard, the official spokesman of NCACT, also claims to be in the dark about who exactly pays his salary. "For me, it's very simple," he said. "I get paid by the act. They ask me to do an interview with you or a radio host, or go on TV to talk about smuggling, and I'm glad to do it. Who invests how much, I don't see it as an issue for me to know that with any certainty."

A DIRECTED INTERVIEW

Michel Rouillard was hired as the spokesperson for the NCACT by Impact Public Affairs. The former police officer's interview with *La Presse* on Monday was monitored by the Vice President of the firm, Carlos Godoy, who intervened during the telephone conversation to redirect the conversation. So when we asked Michel Rouillard to tell us who gives him his mandates, Carlos Godoy cut us off, asking us to stick to Bill 44 aimed at strengthening the fight against smoking. Mr. Godoy refused to disclose NCACT's finances.

THE TOBACCO INDUSTRY MESSAGE

"We, the Coalition, believe that removing every flavoured product from the market — including menthol — opens the door wide to smuggling. We clearly wish for the minister to reconsider her position on this issue," explains Michel Rouillard. This is the message of the tobacco industry, which systematically brandishes the threat of smuggling to oppose public health policies to fight smoking. In Quebec, however, the rate of smuggling has been stable for many years, around 15%, despite taxes hikes and the implementation of many tobacco control measures.