

The Tobacco Reduction Targets Act

An Act to reduce the diseases caused by tobacco use.

Her Majesty, by and with the advice and consent of the Senate and House of Commons enacts as follows:

SHORT TITLE

1. This Act may be cited as the Tobacco Reduction Targets Act.

INTERPRETATION

2. The definitions in this section apply in this Act:
 - “emission” has the same meaning as given in the Tobacco Reporting Regulations, but does not include nicotine.
 - “tobacco product” means a product composed in whole or in part of tobacco or derivatives from tobacco, including tobacco leaves, any extract of tobacco leaves, or nicotine. It includes combustible and non-combustible products, cigarette papers, tubes and filters but does not include any food, drug or device that contains nicotine that is approved for sale under the authority of the Food and Drugs Act.
 - “manufacturer” in respect of nicotine-delivery products, includes any entity that is associated with a manufacturer, including an entity that controls or is controlled by the manufacturer or that is controlled by the same entity that controls the manufacturer, and includes an importer
 - “Minister” means the Minister of Health.

HER MAJESTY

3. This Act is binding on Her Majesty in right of Canada or a province.
4. Notwithstanding the rights and duties of tobacco manufacturers and importers under the *Canada Business Corporations Act*, in the case of conflict between this Act and another Act, the *Tobacco Reduction Targets Act* shall take precedence.

This clarifies that the obligations of manufacturers to meet the health goals of this law are not diluted by their obligations to shareholders.

PURPOSE

5. This purpose of this Act is to reduce the diseases caused by tobacco use and nicotine addiction by obliging manufacturers of tobacco products to meet performance requirements.

MANUFACTURERS' RESPONSIBILITIES

6. Every manufacturer shall provide the Minister with the information prescribed by regulation.
7. No manufacturer shall manufacture or sell a tobacco product unless all of the information required under this Act and its regulations is submitted to the Minister.
8. On an annual basis, every manufacturer shall reduce by 10% the total volume of emissions produced by their tobacco products in the preceding year, or by such other quantity as may be established by regulation
9. On an annual basis, every manufacturer shall reduce by 3% the total volume of nicotine produced by their tobacco products in the preceding year, or by such other quantity as may be established by regulation.
10. The method of calculating the volume of emissions and the volume of nicotine and their annual reductions will be measured as prescribed.

Manufacturers are obliged to reduce the volume of conventional tobacco sold.

The Government can alter the speed by which manufacturers must reduce sales.

Manufacturers have an incentive to shift smokers to less harmful forms of non-combustible tobacco use. The use of these products must also be reduced, but at a slower rate.

REGULATIONS

11. The Governor in Council may make regulations respecting the information that must be submitted by manufacturers to fulfill the purpose of this Act.
12. The Governor in Council may make regulations setting the minimum annual levels by which emissions and nicotine must be reduced.
13. When establishing levels referred to in section 12, the Governor in Council may consider all relevant factors, including contraband sales, as well as the advice from provinces, the business community, civil society and the public provided that any information or advice is made public when notice of such regulation is provided.
14. The Governor in Council may make regulations establishing programs and other measures for the use of economic and financial instruments and market-based approaches, including emissions trading, for the purposes of this Act.
15. The Governor in Council may make regulations prescribing anything that is to be prescribed.

Adjustments for contraband trade or other mitigating circumstances may be made. This must be done in a transparent manner.

The government can allow cap-and-trade and other mechanisms to facilitate the achievement of targets.

CONSEQUENTIAL AMENDMENTS

16. Section 2 of the *Tobacco Act* is amended by changing the definition of "tobacco product" to the following:
"tobacco product" means a product composed in whole

Electronic cigarettes are allowed for sale in Canada, but under the same regulations as

or in part of tobacco or derivatives from tobacco, including tobacco leaves, any extract of tobacco leaves, or nicotine. It includes combustible and non-combustible products, cigarette papers, tubes and filters but does not include any food, drug or device that contains nicotine that is approved for sale under the authority of the Food and Drugs Act.

tobacco products.

17. (1) Section 4 (2) of the *Consumer Product Safety Act* is deleted.

Manufacturers of electronic cigarettes and other non-therapeutic nicotine products must meet the requirements of the *Consumer Product Safety Act*.

(2) Schedule 1 of the *Consumer Product Safety Act* is amended by adding the following:

REPORT AND REVIEW

18. (1) Within seven years after this Act receives royal assent, a comprehensive review of the provisions and operation of this Act shall be undertaken by such committee of the House of Commons as may be designated or established by House of Commons for that purpose.

The House of Commons will be given the opportunity to review the bill after the first six years of operation.

(2) The committee referred to in subsection (1) shall, within a year after a review is, submit a report on the review to Parliament, including a statement of any changes that the committee recommends.

COMING INTO FORCE

19. This Act shall come into force on a date fixed by proclamation that is not more than 365 days following the date of Royal Assent to this Act.

All parties have one year to prepare for implementation of this law.

20. Notwithstanding Section 19, section 4 of the Act will come into force on Royal Assent