TRIPLING TOBACCO TAXES TO PREVENT 200 MILLION PREMATURE DEATHS

A video news release on the study is available at www.cghr.org

TRIPLING TOBACCO tax globally would cut smoking by a third, and prevent 200 million premature deaths this century from lung cancer and other diseases, according to a Cancer Research UK review published in the *New England Journal of Medicine\** today, (Wednesday).

Boosting the tax by a large fixed amount per cigarette would narrow the price gap between the most and least expensive cigarettes, so it would encourage people to quit smoking altogether rather than switch to a cheaper brand, and would help stop young people from starting.

This would be especially effective in low-to-middle-income countries where the cheapest cigarettes are relatively affordable. But it would also be effective in richer countries: France cut cigarette consumption from 1990 to 2005 in half raising taxes well above inflation.

Study co-author Professor Sir Richard Peto, Cancer Research UK epidemiologist, said: "The two certainties in life are death and taxes. We want higher tobacco taxes and fewer tobacco deaths. It would help children not to start, and it would help many adults to stop while there's still time.

"Globally, about half of all young men and one in ten of all young women become smokers, and, particularly in developing countries, relatively few quit. If they keep smoking, about half will be killed by it, but if they stop before 40, they'll reduce their risk of dying from tobacco by 90 per cent."

He added: "The international tobacco industry makes about £30bn (\$50bn) in profits each year – that's a profit of approximately £6,000 (\$10,000) per death from smoking."

Governments have agreed to prioritise reducing premature deaths from cancer and other chronic diseases in the United Nations General Assembly and in the WHO's 2013 World

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Health Assembly. Smoking is the largest cause of premature death from chronic disease, and governments agreed a global target of reducing smoking by a third by 2025.

Tripling tobacco taxes would decrease worldwide consumption by about a third, but despite this it would also increase government revenues from tobacco by a third, from £180bn (US\$300bn) a year now to £240bn (US\$400bn) a year – income which could be spent on better healthcare.

In the European Union, tobacco now causes 300,000 deaths a year under the age of 70 (250,000 men, 50,000 women). An EU-wide doubling of cigarette prices would prevent 100,000 deaths a year in the under 70s.

Co-author Professor Prabhat Jha, St. Michael's Hospital and University of Toronto, said: "Controlling tobacco marketing is also key to helping people give up smoking."

In the UK an independent review concluded that standardised plain packaging would reduce the appeal of cigarettes. The UK could be ready to switch to standardised plain cigarette packaging before the next election. Australia changed to standardised plain packaging in 2012 – a measure New Zealand plans to copy.

Dr Harpal Kumar, Cancer Research UK's chief executive, said: "Worldwide, around half a billion children and adults under the age of 35 are already – or soon will be – smokers, and many will be hooked on tobacco for life. So there's an urgent need for Governments to find ways to stop people starting and to help smokers give up. This immensely important study demonstrates that tobacco taxes are a hugely powerful lever, and potentially a triple win – reducing the numbers of people who smoke and who die from their addiction, reducing the health care burden and costs associated with smoking and yet, at the same time, increasing Government income. We urge all Governments, not least the UK Government, to take action by regularly raising tobacco taxes above inflation, and using occasional steep tax hikes starting with the next budget.

"Young adult smokers will lose about a decade of life if they continue to smoke – they've so much to gain by stopping."

## **ENDS**

For media enquiries please contact Emma Rigby on 020 3469 8300 or, out-of-hours, the duty press officer on 07050 264 059.

## **Notes to Editors:**

\*Global Effects of Smoking, of Quitting, and of Taxing Tobacco. Prabhat Jha and Richard Peto. *New England Journal of Medicine*. 1 Jan 2014. DOI: 10.1056/NEJMra1308383. The review examined 63 research papers on the causes and consequences of tobacco use in many different countries. Paper and power points, a video and other materials are available at <a href="https://www.cghr.org/tobacco">www.cghr.org/tobacco</a>.

- Smokers lose, on average, at least ten years of life, but stopping before age 40, and preferably well before age 40, avoids more than 90 per cent of the increased risk among those who continue to smoke, while stopping before age 30 avoids over 97 per cent of it.
- About 1.3 billion people smoke, most in low and middle-income countries.
- Two-thirds of all smokers are, in descending number of smokers, in China, India, the EU, Indonesia, the United States, Russia, Japan, Brazil, Bangladesh and Pakistan.
- China consumes over two trillion cigarettes a year, out of a world total of six trillion.
- Smoking causes about 12-25 per cent of all deaths in middle-aged men in China,
   India, Bangladesh and South Africa, and these proportions are set to rise as
   successive generations in which few people have smoked throughout adult life are
   being replaced by generations in which many people have smoked throughout adult
   life.
- Numerous studies find that a 50 per cent higher inflation-adjusted price for cigarettes reduces consumption by about 20 per cent, with stronger reductions among the young and among the poor.
- We call for a tripling of the "specific excise tax", and have defined exactly what this term means. (Roughly, it's a fixed tax per packet.) There are also other cigarette taxes (eg, the "ad valorem" tax [which depends on the supposed value of the product and

- could be very different from one type of cigarette to another], the sales tax, local taxes, and so on).
- In most high-income countries, about 50-60 per cent of the retail price of a pack of cigarettes is the specific excise tax (ie, the tax per pack). By contrast, this proportion is only about 30-40 per cent in most low- and middle-income countries.
- About £180bn (\$300bn) in revenue is raised from tobacco worldwide. Tripling the tax
  would double the price and reduce consumption by about a third, but despite this
  decrease it would net an extra £60m (\$100bn) in revenue.
- A low excise tax is the main reason cigarettes are cheaper in many low and middleincome countries than in high-income countries.
- About 10 per cent of all cigarettes manufactured worldwide are then smuggled.
   Smart taxation enforcement strategies can greatly reduce smuggling. Even with some smuggling, higher taxes reduce consumption and increase revenues.
- Non-price interventions such as bans on promotion, plain packaging (already used in Australia) pictorial warning labels, smoke-free laws and support for cessation help reduce smoking, and raise support for higher taxes.

## **About Cancer Research UK**

- Cancer Research UK is the world's leading cancer charity dedicated to saving lives through research
- The charity's pioneering work into the prevention, diagnosis and treatment of cancer has helped save millions of lives.
- Cancer Research UK receives no government funding for its life-saving research.
   Every step it makes towards beating cancer relies on every pound donated.
- Cancer Research UK has been at the heart of the progress that has already seen survival rates in the UK double in the last forty years.
- Cancer Research UK supports research into all aspects of cancer through the work of over 4,000 scientists, doctors and nurses.
- Together with its partners and supporters, Cancer Research UK's vision is to bring forward the day when all cancers are cured.

For further information about Cancer Research UK's work or to find out how to support the charity, please call 0300 123 1861 or visit <a href="www.cancerresearchuk.org">www.cancerresearchuk.org</a>. Follow us on <a href="Twitter">Twitter</a> and <a href="Facebook">Facebook</a>