

Raise tobacco tax to save lives

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As the globe marks world no-tobacco Day today, experts say it is time for South Africa to hike up tobacco taxes to save lives.

“Higher taxes both increase government revenues and reduce consumption, making it the most cost-effective tobacco control measure available to governments,” says Dr Yussuf Saloojee from the National Council Against Smoking (NCAS). “Despite this, tobacco tax is comparatively low in South Africa.”

Research shows that a tax hike that increases tobacco prices by 10 percent, decreases tobacco consumption amongst adults by about four percent in high-income countries and by up to eight percent in most low- and middle-income countries.

International bodies like the WHO and the World Bank say that tobacco taxes should equal at least 66 or 70 percent of retail prices. However, the tobacco tax rate in South Africa makes up about half of the retail price but has risen just two percent in the past 14 years.

“There is room to significantly increase tobacco excise tax rates in South Africa and this will result in both higher tax revenues for the government and lower smoking rates,” argues Saloojee.

According to Saloojee, higher taxes are especially effective in encouraging young people not to start using tobacco.

“In South Africa, smoking among the youth is a big challenge,” says Dr Vash Mungal-Singh, CEO of the Heart and Stroke Foundation South Africa. “Shockingly, about one in five grade

8 to 11 learners smoke tobacco, three out of four are exposed to harmful second-hand smoke and seven percent start smoking under 10 years of age.”

Opposition to the increase in tobacco tax is mainly based on the fear that it will fuel smuggling. But Saloojee argues that the link between the illicit trade in tobacco and excise tax rates is weak. He adds that countries with high tobacco tax rates often have lower levels of smuggling than countries with low tax levels.

But the Tobacco Institute of South Africa’s Francois van der Merwe disagrees, saying that the WHO’s recommendation to increase tobacco tax will harm the country. He claims the government has lost more than R18 billion on taxes due to the illicit trade in cigarettes since 2010.

Never too late to quit In a statement, the Department of Health encouraging South Africans to quit smoking, but remained mum on whether it intends to increase tobacco tax or not.

“The damage caused by smoking is devastating. I urge people to quit smoking right away,” Health Minister Dr Aaron Motsoaledi says in the statement. “Smoking causes death from lung cancer and heart diseases, and these are diseases of lifestyle that can be prevented.”

According to Mungal-Singh, quitting smoking almost immediately improves a person’s health and it is never too late.

“Within one year the risk of a heart attack falls to about half that of a smoker and after five years, the risk of heart disease or stroke can fall almost identical to a non-smoker,” says Mungal-Singh, who adds that within 10 years of quitting smoking, a former smoker’s risk of lung cancer will be half that of a current smoker.