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Irish Girl Guides support Irish Cancer Society in push for cigarette taxation increase

With rapidly deteriorating public finances, major window of opportunity should be exploited and will yield €420 million to State

Jim Power, leading Irish economist has recently stated that the imposition of a tax increase of at least €2 on a packet of 20 cigarettes which currently costs €8.10 on average, is a policy option that the Government should seriously consider in mini Budget 2009. Such an increase will generate up to €420 million in Government revenue for the State in a difficult economic environment when public finances are rapidly deteriorating.

The Irish Girl Guides is the largest youth organisation for women in Ireland and health promotion is a large part of what the organisation is about. The Irish Girl Guides has been awarded the Gold Q Mark by the National Youth Health Programme since 2003. The members of IGG also participate in a Health Promotion syllabus as part of their Unit activities.

Speaking on the issue John McCormack, CEO, Irish Cancer Society said “We are not proposing this price increase without due consideration and would not be asking for it unless it was going to make a real difference in the fight against cancer and all the other smoking related illness. Price acts as a real disincentive for people taking up smoking and an incentive for those who want to quit. But our Government needs to step in and do more to help those who want to quit. Currently the Irish Government spends 52 cent p/a per capita on tobacco control and quitting smoking initiatives in comparison to the UK which spends €1.79 p/a per capita and has a smoking prevalence of 24%. There is no reason why some of the money raised from a cigarette price increase could go towards community programmes to help people to quit.”

Mr. Jim Power presented the arguments put forward against a significant increase in tobacco taxation by those that have a vested interest in the tobacco industry. These arguments are that a significant price increase will; push up Consumer Price Inflation (CPI) and consequently wage demands, increase smuggling and have a disproportionate impact on the lower paid and the poor, who have a higher prevalence of smoking.

Jim Power said “An increase of €2 in taxation per packet of cigarettes will add approximately 0.9% to the annual rate of CPI. However given that inflation in Ireland is currently negative to the tune of 0.1% and is set to decline by around 3% for 2009 as a whole, adding 0.9% to inflation is not an issue in the current environment. There is now a major window of opportunity that should be exploited.”

“€54 million in smuggled cigarettes was seized by customs in 2008 but an inability to control this ‘black market’ is not a good enough reason not to make a major public health initiative that will reduce the prevalence of smoking and smoking related illnesses and ultimately decrease the associated health costs. This is a matter for the forces of law and order and the Revenue Commissioners” continued Jim Power.