

A smoke-free country? New Zealand taxes aim for it

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In this Jan. 18, 2012 photo, a smoker puffs on a cigarette in the central business district in Auckland, New Zealand. New Zealand's government on Thursday, May 24, 2012, squeezed smokers more than ever by announcing a 40 percent hike in tobacco taxes over the next four years. Officials hope higher taxes and new restrictions will bring the nation of 4.4 million closer to a recent pledge to snuff out the habit entirely by 2025. (AP Photo/New Zealand Herald, Brett Phibbs) New Zealand Out, Australia Out

(AP) -- There are smoke-free bars, smoke-free parks, even smoke-free college campuses. But a smoke-free country?

New Zealand's government on Thursday squeezed smokers more than ever by announcing a 40 percent hike in [tobacco taxes](#) over the next four years. Prices here are already among the highest in the world, and by 2016 they will top 20 New Zealand dollars (\$15) a pack on average.

Officials hope higher taxes and new restrictions will bring the nation of 4.4 million closer to a recent pledge to snuff out the [habit](#) entirely by 2025. Other countries have lauded the idea of trying to wean their populace off tobacco, but few, if any, have been willing to put a date on it.

[Health officials](#) here are so serious they recently considered hiking the cost of a pack of cigarettes to 100 New Zealand dollars (\$75). Although that idea was dismissed, another measure, which will force retailers to hide cigarettes below the counter rather than putting them on display, will come into effect in July.

Smoking rates among New Zealand [adults](#) have fallen from about 30 percent in 1986 to about 20 percent today. [Cigarette sales](#) have fallen more sharply, suggesting that even people who haven't quit cut back as prices rose.

People who are still smoking aren't happy about where prices are going.

Chris Hobman said the cost is "horrendous" and could drive some low-income people to commit crimes to support their habit. He said the government needs to provide more support and alternatives to [smokers](#) if it's serious about making them quit.

Wellington resident Hayley Mauriohoo, who has smoked for about 20 years, said that although it would be good if more people quit, higher taxes won't stop her.

"It's quite ridiculous for the government to be concentrating on that," she said. "They have bigger things to worry about."

New Zealand's Cancer Society reacted to Thursday's announcement by sending out a press release titled "Thumbs Up!"

Michael Calhoun, a spokesman for the anti-smoking lobby group ASH, said the fact that a higher percentage of low-income people smoke will mean the tax increases will force many to cut back or quit entirely because they simply won't be able to afford their habit.

The New Zealand branch of cigarette company British American Tobacco says the tax increases will force consumers to turn to the black market.

"Consumer demand is far better served by legitimate companies than by the illegal operators that will surely grow as the government makes it increasingly difficult for people to buy their product of choice," wrote Susan Jones, head of corporate and regulatory affairs, in an email.

So far, New Zealand officials have seen few cases of illegal tobacco sales.

The South Pacific nation's smoking statistics are similar to those in other developed countries. According to a 2011 study by the World Health Organization, about 20 percent of adult New Zealanders smoke. That compares to about 16 percent of adults in the U.S., 17 percent in Australia, 23 percent in China and 27 percent in France.

New Zealand already charges more than 70 percent tax on [cigarettes](#), compared to 41 percent on average for China, 45 percent on average for the U.S., 64 percent for Australia and 80 percent for France.

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