

Cutting smoking saves more in health bills than lost tax, EU says

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The cost and health benefits of getting people not to smoke and better still, not to start, more than outweigh the taxes the tobacco industry pays to governments, the European Commission said Monday.

Irish [Health Minister](#) James Reilly, presenting the EU's new draft tobacco law in the [European parliament](#), said smokers paid some 20 billion euros (\$26.4 billion) annually in tax but [health costs](#) associated with smoking came to 23 billion euros.

On top of that were another eight billion euros in lost production and other costs due to smokers' higher rates of sickness, leading to days off and lower efficiency.

It is a "no-brainer, ethically and economically," Reilly told parliament, dismissing out of hand the argument that tobacco is too important economically to be tampered with.

EU Health Commissioner Tonio Borg made the same point, noting that some 700,000 people die prematurely as a result of smoking each year—equal to a city about the size of Frankfurt in Germany.

The new tobacco directive, which parliament and all 27 member states will have to approve, aims simply to save those lives, Borg said, adding that the legislation needed to be brought up to date as the industry introduces new products, especially those targeting the young.

"Tobacco should look and taste like tobacco," Borg said, holding up new products brightly coloured and looking like lipstick or perfume so as to attract younger people.

Accordingly, the directive stipulates that 75 percent of a cigarette package must carry [health warnings](#), and that certain "characterising" flavours such as vanilla or menthol be banned.

"My aim is that when people look at a tobacco product they realise that it will damage their health," Borg said.

In January, thousands of tobacconists from across Europe marched on European Union headquarters to protest against the planned directive which will take about three years to come into effect once passed.

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