



Legco Members
Legco Panel on Health Services
Financial Secretary

26th January 2012

Dear Members,

The Financial Secretary has previously stated that tobacco taxation is a preventative health measure. This is true and the intention is to prevent children and youth smoking by making these toxic pathogenic products beyond affordability to them. However the last excise tax increase in 2011 was glaringly insufficient to have a significant effect.

The diabolical result is shown below: youth smoking has increased and needs to be stopped.

EFFECT OF 2011 BUDGET EXCISE TAX INCREASE ON HONG KONG DAILY SMOKING RATE / JUST 1 STICK PER HEAD LESS PER DAY THAN 2010						
2009	2010	QTY	2011	QTY		
50% EXCISE HIKE	NO EXCISE TAX HIKE		41.45% EXCISE HIKE		REDUCTION	INCREASE
EXCISE HK\$ 1200 PER 1000 STICKS	EXCISE HK\$ 1200 PER 1000 STICKS		EXCISE HK\$ 1700 PER 1000 STICKS			
(2001-2008 EXCISE \$804 PER 1000 STICKS)	LEGAL EXCISE PAID STICKS	3,137,462 BN	LEGAL EXCISE PAID STICKS	2,877,130 BN	260,332,000 STICKS	
	EXCISE REVENUE HK\$	3,817,388,053	EXCISE REVENUE HK\$	4,372,179,904		HK\$554,791,911
			637,000 DAILY SMOKERS		1.08 STICKS PER DAY	
<9 YRS OLD CHILDREN STARTED SMOKING	<9 YRS OLD CHILDREN STARTED SMOKING					
7,600 CHILDREN	7,000 CHILDREN				600 CHILDREN	
10-19 YRS OLD YOUTHS STARTED SMOKING	10-19 YRS OLD YOUTHS STARTED SMOKING					
383,000 YOUTHS	383,900 YOUTHS					900 YOUTHS
http://www.censtatd.gov.hk/products_and_services/products/publications/statistical_report/social_data/index_cd_B1130248_dt_detail_t.jsp						

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Hong Kong tobacco remains too affordable for our youth and the number of youth smokers in 2010 has **increased** above 2009 figures.
Tobacco excise tax needs to at least match the levels of Singapore to start to become effective in stopping youth smoking.

Herewith please find up to date comparative tobacco prices from first world countries that are taking effective action against youth smoking.
 Hong Kong has a higher cost of living than the following countries yet our excise tax levels remain far lower.
 Please urge the Financial Secretary to make significant increases in excise levels or we will consign even more youth to a life of addiction.

PRICE COMPARISON OF CIGARETTE RETAIL PRICES JANUARY 2012 INCLUSIVE OF LOCAL TAXES						
AUSTRALIA			x-rates.com		HONG KONG	
PRODUCT	PACK SIZE	PRICE A\$	PRICE HK\$		PRODUCT	PACK SIZE PRICE HK\$
MARLBORO	20	15.4	125		MARLBORO	20 50
MARLBORO	25	18.9	147.7			
SUPER KING	20	13	105.6			
RED FORTUNE	20	11.3	91.8			HK\$
WINFIELD	25	18.3	148.6		WINFIELD	20 44
BENSON+HEDGES	25	18.8	152.7			
PETER JACKSON	30	20.7	168			
Longbeach	40	26.8	217.6			
(ASH Australia)						
NEW ZEALAND		NZ\$	HK\$			HK\$
MARLBORO	20	13.8	86.5		MARLBORO	50
(stuff.co.nz)						
USA NEW YORK		US\$	HK\$			HK\$

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MARLBORO	20	15	117	MARLBORO	20	50
(NY Times)						
IRELAND		£				HK\$
MPPC	20	7.41	89.6	DOUBLE HAPPINESS	20	45
UK						
MPPC	20	6.95	84	VICEROY	20	46
SWEDEN						
MPPC	20	5.71	69	WINSTON	20	44
FRANCE						
MPPC	20	5.12	61.9	WEST	20	42
(MPPC most popular price category - product and brand will vary by country)						
(http://www.the-tma.org.uk/tma-publications-research/facts-figures/eu-cigarette-prices/)						
SINGAPORE		S\$				HK\$
MARLBORO	20	12	73.27	MARLBORO	20	50
(7eleven)						

Yours sincerely,

James Middleton
Chairman

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NZ - Tobacco price hike to kick in

Published: 3:34PM Saturday December 31, 2011 Source: ONE News

<http://tvnz.co.nz/national-news/tobacco-price-hike-kick-in-4670985>



Cigarettes on display in a shop - Source: ONE News

Vowing to give up cigarettes may be a New Year's resolution for more smokers than usual this year as the tax on tobacco increases from the first day of 2012.

The last of the three-tiered tax increase will push the cost of the most popular brand of cigarettes to **NZ\$13.80 for a 20 pack (HK\$ 83)** and to NZ\$31 for a 30g pack of loose tobacco.

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Quitline Chief Executive Paula Snowden said January is a notoriously busy time of year and the tax increase will only increase the number of smokers looking for support. "80% of smokers wished they'd never started smoking and we expect the January tax jump will be a trigger for many to quit," said Snowden. "Those who use Quitline support are up to five times more likely to succeed than going it alone."

Snowden said the tax hike will mean smokers can look forward to saving NZ\$4500 in 2012 if they give up in time for the New Year. "For a family with one adult smoking one packet a day, that equates to a tank of petrol a week. "Over a month it's an average week's rent or a car payment -serious money out of the family budget," said Snowden.

In January 2011, 9,383 people quit smoking with the help of Quitline - almost double the number who used the service in January 2010. Anyone wanting support can call Quitline for free on 0800 778 778 or visit www.quit.org.nz for online support.

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Legco Members
Legco Panel on Health Services
Financial Secretary

26th January 2012

Dear Members,

Effective tobacco control requires effective staffing levels of the enforcement and cessation bodies.

The current funding allocated to tobacco control and treatment in Hong Kong is frankly pathetic and shows the current Government has no political will to effectively enforce breaches of the legislation.

The current anti smoking law is defective in that unlike other first world countries, the enforcement is against the smoker inside workplaces and licensed premises whereas overseas the licensee of the premises is held responsible if smoking or evidence of smoking is found on the premises. This can cost the licensee the trading / liquor licence of the premises. Accordingly the licensees become extra enforcers of the legislation.

Hong Kong has 107 Tobacco Control Office (TCO) staff to cover the whole of HKI, KLN, NT and Islands over two shifts in a territory with 7.2 million population and 42 annual million tourists, more than half of which come from the Mainland where 60% of males smoke.

Macau's new Tobacco Control body has 70 officers and they are recruiting 25 auxiliaries – Macau has 514,000 population and less tourists than Hong Kong. It seems the Government tactic is to finally issue flawed legislation then deliberately fail to supply sufficient enforcement personnel. They have done the same with the engine idling law.

The result is that TCO can only act on complaints from the public and make inspections of the reported premises some days later. If no-one is smoking at the time of the visit, even if the place is covered in ash trays and smoke in the air there is nothing they can do. Even so the TCO issued 7,952 FP Notices and 93 Summonses last year earning Government HK\$11.98 million. Legco can help fix this situation by simply amending condition 7 of the existing liquor licence conditions which states:

7. The licensee shall not permit any person to occupy or use any portion of the premises for any immoral or illegal purpose.

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To this:

7. The licensee shall not permit any person to occupy or use any portion of the premises for any immoral or illegal purpose **including the permitting of persons to carry or use lit tobacco products within.**

This simple **amendment** will allow the Liquor Licensing Board (LLB) to make informed decisions on the renewal or continuance of Liquor Licences. At present persons can smoke at will in premises where the licensee does not object (or encourages smoking) with limited chance of the offenders being caught. The LLB has already imposed a similar condition on one bar only (see below) which would seem manifestly unfair not to impose the like condition on all licensed premises (in a level and fair playing field competitive marketplace).

‘Magic’

酒牌續期申請

酒牌續期申請

同意續發為期 9 個月的酒牌，並修訂原有的附加持牌條件及附加新持牌條件如下：

- i) 持牌人須於每天下午 6 時至翌晨 3 時留駐處所當值，每週星期日例假除外； (修訂)
- ii) 晚上 11 時至翌日下午 6 時，處所的所有門窗必須保持關閉；及(新增)
- iii) 持牌人須確保處所內無人吸煙或攜帶燃着的香煙、雪茄或煙斗。(新增)

Premises "Magic"

Agreed to a nine-month renewal of liquor license, and to amend existing licensing conditions attached and additional new licensing conditions are as follows:

- i) the licensee is required every day from 6 pm to 3:00 am the following morning except Sunday; (Amendment)*
- ii) 11 pm to 6 pm the next day, the premises must remain with all doors and windows closed ; and (New)*
- iii) The licensee shall ensure no smoking or carrying a lighted cigarette, cigar or pipe in the premises. (New)*

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How much is their annual Funding from Government ?

TCO and COSH combined get HK\$113.3 m.

What else does Government fund ?

For smoking cessation, the total sum is HK\$42m for DH and community based services.

Hospital Authority has an additional HK\$19.5M on top of their baseline for smoking cessation services.

Of the 5 DH Smoking Cessation Clinics, **only the Ngau Tau Kok Clinic is open to the public. The other 4 DH clinics serve civil servants only.**

The Hospital Authority is the main provider for smoking cessation services in the public sector. Tung Wah Group of Hospitals operates 6 community based smoking cessation clinics. Pok Oi Hospital operates mobile clinics covering 90 sites and provide free acupuncture and counselling smoking cessation services.

We make that a paltry **HK\$ 174.8 million** per year's funding in total.

So how much tobacco income goes into the General Fund ?

In 2011 the Government received **HK\$ 4,372,179,964** from tobacco Excise duties and **HK\$ 11.98 million** from smoking Fixed Penalty contraventions.

We make that HK\$ 4.384 billion+ or HK\$ 12 million per day revenue.

The Government spend only 15 days' tobacco income on tobacco control and cessation.

This is manifestly inadequate. We need sufficient TCO officers to enable them to patrol and more cessation clinics. We have the money and Government must be made to spend it on tobacco control and cessation rather than pouring more concrete white elephants.

Yours sincerely,

James Middleton
Chairman

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Effect of excise tax hike on consumption of duty paid cigarettes in Hong Kong - products remain too affordable						
No Tax hike 2010				2011 after Feb Budget 41.45% Tax hike		
2010	('000) Sticks	Excise \$ (m)		2011	('000)sticks	Excise \$ (m)
Jan-10	251,595	303.42		Jan-11	563,888	680.05
Feb-10	548,395	661.36		Feb-11	612,197	738.32
Mar-10	53,932	65.04		Mar-11	6,152	10.49
Apr-10	113,966	137.44		Apr-11	45,206	77.06
May-10	225,751	272.25		May-11	75,554	128.8
Jun-10	267,910	323.1		Jun-11	164,305	280.3
Jul-10	234,212	282.46		Jul-11	206,423	352.16
Aug-10	259,777	313.29		Aug-11	238,979	407.7
Sep-10	319,381	385.17		Sep-11	238,572	407
Oct-10	255,420	308.04		Oct-11	237,731	405.57
Nov-10	295,978	356.95		Nov-11	229,933	392.27
Dec-10	311,145	375.24		Dec-11	258,190	440.47
Total	3,137,462	3783.76		Total	2,877,130	4320.19
					(down 260,322m sticks on 2010)	(+\$536.43m on 2010)
Tobacco Excise Tax Received Hong Kong						
Tax received	Cigarettes HK\$ tax	Cigars \$	prepared tobacco	Other	HK\$ paid to Govt general fund	Excise HK\$ per day
2006	2,078,711,482	19,665,277	891,399	1,853,738	2,701,121,896	7,400,333
2007	2,810,568,481	20,958,679	790,586	1,771,023	2,834,088,771	7,764,626
LeapYear 2008	3,047,334,913	20,611,449	649,905	1,943,275	3,070,539,544	8,398,452
2009	3,109,968,392	20,805,693	944,488	2,310,599	3,140,029,172	8,602,819
2010	3,783,773,407	29,284,463	1,067,551	3,260,630	3,817,388,053	10,458,597
2011	4,320,186,492	41,580,204	1,008,160	8,805,049	4,372,179,904.00	11,978,575
Daily cigarette smokers (2011) 657,000 http://www.smokefree.hk/en/content/web.do?page=news20110825						
Annual Cost to HK society for health treatment of tobacco related illness + loss of productivity - HK\$ 5.3 billion (at 1998 rates) http://sph.hku.hk/upload/news/941975592233.pdf						



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"James Middleton"

28/01/2012 21:37

To

cc

Subject 2012BudgetSubmprices.xlsx

Dear Financial Secretary

Cc

Legco Panel on Health Services

Herewith suggested excise increase points to enable Hong Kong to match the required FCTC recommendation of at least 75% of the retail price of tobacco products.

Please note that your previous adjustments made no allowance for inflation which should also be considered (with the result that youth smoking has increased in 2010 above 2009 rates.)

Kind regards,

James Middleton

Chairman

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2012BudgetSubmprices.pdf

HK Excise 2011	7 eleven	street vendor	FCTC recommended 75% of retail	Mfr share	7eleven	Vendor share
Current 34.12 /pack	Retail	Retail	Marlboro is HK's most popular product			
Marlboro	52	50	Marlboro			
Margin	17.88	15.88	Margin shared by mfr and street vendor	12.7	5.18	3.18
	65.61%	68.24%	% of retail			
Suggested 2012						
New excise 60 /pack	82	80	Marlboro			
2012	22	20	Margin shared by mfr and vendor			
	73.17%	75%	% of retail			
Ineffecrive 2012						
New 44.12/pack	62	60	Marlboro			
Margin	17.88	15.88	Margin shared by mfr and vendor	12.7	5.18	3.18
(+50c per stick)	71.16%	73.53%	% of retail			
Suggested at least						
Match Singapore						
New excise 53/pack	73	71	Marlboro			
Margin	20	18	Margin shared by mfr and vendor	14.8	5.2	3.2
	72.60%	74.64%	% of retail			
or						
New excise 53/pack	72	70	Marlboro			
Margin	19	17	Margin shared by mfr and vendor	13.8	5.2	3.2
	73.61%	75.70%	% of retail			
COMPARISON 2012		HK\$	Retail price inclusive of all local taxes			
AUSTRALIA		125	MARLBORO (all are 20 sticks)			
USA NEW YORK		117	MARLBORO			
IRELAND		89.6	MARLBORO			
NEW ZEALAND		86.5	MARLBORO			
UK		84	Most Popular Price Category			
SINGAPORE		73.3	MARLBORO			
SWEDEN		69	Most Popular Price Category			
FRANCE		61.9	Most Popular Price Category			



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Letter to Editor SCMP 2nd Feb 2012

John Tsang has previously stated correctly in budget speeches that tobacco taxation is the most effective preventative health measure with the intention to prevent youth smoking by making tobacco beyond affordability. The vast majority of nicotine addicts commence smoking in the 10-19 age group. There was no tobacco excise tax increase in the 2012 Budget despite HK being legally bound by the FCTC Treaty mandating same and ignored requests from doctors, NGO's and Government's own health bodies. Thematic surveys show in 2009, 383,000 10-19 year olds started smoking; in 2010 the number GREW to 383,900. The situation cried out for a realistic preventative excise tax increase but was flagrantly ignored by this business friendly Administration. A packet of the most popular cigarettes costs HK\$50 here in a city with the highest cost of living in the world. Compare the same packet cost in world cities where authorities have genuine political will against smoking: Sydney 125, New York 117, Dublin 90, Auckland 87, London 84, Singapore 73, Copenhagen 69, Paris 62. The WHO's FCTC Treaty binds 174 countries including China and SAR's to specific tobacco control actions which are repeatedly ignored by our arrogant officials. Our Government earned HK\$ 4.384 billion from tobacco excise tax in 2011, paid into the concrete pouring General Fund. How much of this did Government invest in tobacco control in 2011 ? a meagre HK\$ 174.8 million (Tobacco Control Office (TCO) and COSH HK\$ 113.3 million, cessation funding HK\$ 42 million, Department of Health (DH) HK\$19.5 million.) TCO 's 7,952 fixed penalty notices and 93 summonses earned HK\$ 12 million. DH has 5 smoking cessation clinics only one of which is for the public, whereas four are for Government servants only. TCO is woefully understaffed by a factor of at least 6; they have 107 staff covering 2 shifts for the whole of HKI, Kowloon, NT and Islands and can only act on complaints without preventative patrols. This tobacco friendly Government issued flawed legislation with no onus on licensees to prevent smoking in liquor licensed premises then failed to allocate adequate staff for enforcement. Hong Kong's male smoking rate is 25% higher than Australia's. It seems the only political will of the Tsang administration is to keep our youth smoking, keeping the merchants of death in business and showing a flagrant lack of Duty of Care to Hong Kong's children destined to be addicted to nicotine and future misery.

396 words

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Quotes by Hong Kong Financial Secretaries

Tobacco Control 1991

*"It has been put to me persuasively... **that for health reasons a hefty increase [in tobacco excise] is now justified.** So with a particular view to reducing the attractiveness of smoking to young people, I am proposing an increase of 200% in the rate of duty".*

Piers Jacobs P. Second Reading of Appropriation Bill, 1991, Official Report of Proceedings, Hong Kong Legislative Council. 1991. Hong Kong Office of the Legislative and Executive Councils, p. 38

Tobacco Control 2009 Text of the Budget speech on Tobacco Tax: Feb 25 2009 Medical and Health 108. John Tsang

*"Separately, **for public health reasons, I propose to increase tobacco duty** by 50 per cent with immediate effect. The duty on cigarettes will increase from around \$0.8 to about \$1.2 per stick. We will also continue to step up our efforts on smoking cessation, as well as on publicity and enforcement in tobacco control."*

Tobacco Control 2011 161 John Tsang

*"Studies by the World Health Organization have clearly shown that increasing tobacco duty is an effective means of tobacco control. **For public health protection, I propose to increase the duty on cigarettes** by \$0.5 per stick or 41.5 per cent. Duties on other tobacco products will also be increased by the same percentage. The above adjustments take immediate effect by way of a Public Revenue Protection Order gazetted today. The Customs and Excise Department will step up law enforcement to contain cigarette smuggling. We will also make greater effort to provide smoking cessation services."*

Tobacco Control 2012 John Tsang

Silence and pandering to Big Tobacco.



<http://whqlibdoc.who.int/publications/2003/9241591013.pdf>

WHO Framework Convention on Tobacco Control

PART III: MEASURES RELATING TO THE REDUCTION OF DEMAND FOR TOBACCO

Article 6

Price and tax measures to reduce the demand for tobacco

The Parties recognize that price and tax measures are an effective and important means of reducing tobacco consumption by various segments of the population, **in particular young persons.**

2. Without prejudice to the sovereign right of the Parties to determine and establish their taxation policies, each Party should take account of its national health objectives concerning tobacco control and **adopt or maintain, as appropriate, measures which may include:**

(a) implementing tax policies and, where appropriate, price policies, on tobacco products so as to contribute to the health objectives aimed at reducing tobacco consumption; and

(b) prohibiting or restricting, as appropriate, sales to and/or importations by international travellers of tax- and duty-free tobacco products.

3. The Parties shall provide rates of taxation for tobacco products and trends in tobacco consumption in their periodic reports to the Conference of the Parties, in accordance with Article 21

<http://siteresources.worldbank.org/INTETC/Resources/375990-1113853423731/chapter4.asp>

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<http://www.cosh.org.hk/en/content/web.do?page=news20120130>

IGNORED !

COSH advocates to Financial Secretary for raising tobacco tax in financial year 2012-2013 2012.01.30

To prevent smoking among children and youth and encourage smoking cessation, COSH issued an open letter to Financial Secretary for raising tobacco tax to at least 75% of the retail price in financial year 2012-13.

Justifications for raising tobacco tax :

1. Tobacco Kills

Cigarette smoking is highly hazardous to health of smokers as well as non-smokers exposed to secondhand smoke and thirdhand smoke and children's health is seriously affected. Public health and medical researchers have confirmed that 25% of smokers will be killed by tobacco-attributed diseases prematurely in mid-ages and an additional 25% of them will be killed in older ages. On average, the life span of smokers is at least ten years shorter than non-smokers. The smoking prevalence of daily cigarette smokers aged 15 or above was 11.1% in 2010 which was equivalent to 657,000 smokers. In addition to around 50,000 current occasional smokers, tobacco use has brought along serious health problems on these 700,000 smokers as well as the many non-smokers in Hong Kong.

According to the study of School of Public Health and Department of Community Medicine, The University of Hong Kong, tobacco is responsible for 5,600 and 1,300 deaths caused by smoking and secondhand smoke respectively and community costs of more than HK\$5.3 billion annually in Hong Kong, with an average of 20 deaths every day. Although over HK\$3.8 billion and HK\$3.5 billion of the government revenue was collected from tobacco tax in 2010 and first 10 months of 2011 respectively, tobacco costs our community more money, plus loss of lives, resources and productivity.

2. Impacts of Raising Tobacco Tax

The World Bank has suggested that the amount of excise tobacco tax should be 67% to 80% of the marked price of the cigarettes whereas WHO has recommended that the respective percentage shall be over 70%. The amount of the tobacco tax in Hong Kong is just 68% of the cigarette pack (average selling price HK\$50- per pack), which is generally affordable and does not meet the minimum level suggested by WHO.

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Currently, at least 27 countries and territories have set the tobacco tax at 75% or above of the retail price. Many countries have adopted tobacco tax as an effective tobacco control policy to discourage smoking and will raise tobacco tax in 2012 so as to encourage smoking cessation and deter children and youth from starting smoking. The Hong Kong SAR Government should raise tobacco tax continuously so as to address the inflation rate and catch up the global trend in raising the price of cigarettes.

3. **Raise Tobacco Tax for Smoking Cessation**

The recent two tobacco tax increases for the health of the public have motivated many smokers to quit. After the announcement of raising tobacco tax in February 2009, the total number of people who called the cessation hotline in the following 10 months almost tripled the total number of calls received during the same period in 2008. The daily number of calls to cessation hotline further increased from an average of 40 calls to 200 calls after announcement of raising tobacco tax in February 2011. As at mid-December 2011, the number of calls to cessation hotline in 2011 was almost 20,000, which shows that raising tobacco tax can effectively encourage smoking cessation.

Many participants of 2009 and 2010 COSH “Quit to Win” Smoking Cessation Contests revealed that expensive tobacco products encouraged them to quit smoking. It is discovered that the successful quit rate for smokers who quit for the sake of increased tax reached 45%. This shows that the raise in tobacco tax is effective in reducing tobacco consumption, deterring youth smoking and preventing relapse of ex-smokers.

The School of Public Health of The University of Hong Kong Li Ka Shing Faculty of Medicine has conducted surveys to monitor the prevalence of youth smoking for years. The study showed that the 50% increase in tobacco tax in 2009 had lowered the adolescent current smoking rate from 6.9% to 4.8% in early 2010 and 3.4% in late 2010, i.e. an overall 51% drop in adolescent smoking. This research provides strong evidence that the increase in tobacco tax is effective in reducing smoking rate among adolescents.

Immediately after the tobacco tax hike in 2011, the School of Public Health and Primary Care of The Chinese University of Hong Kong had conducted a telephone survey on smokers to investigate their changes of smoking behaviours. It was found that among 260 respondents, they, on average, had reduced their cigarette consumption by a pack of cigarettes every week and 40% of them had tried to quit after the tax increase. While 48% of them planned to quit in the future 6 months, about 30% believed that they could quit smoking.

4. **Construction for a Smoke-free Hong Kong**

To respond to the WHO FCTC and MPOWER, many countries have set their ultimate targets in tobacco control. The government of Finland was

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urged to undertake policies that make Finland smoke-free by 2040 whereas the government of New Zealand, has made a commitment in 2010 to make the country smoke-free in 2025 by tightening various smoke-free measures.

The smoking prevalence of Hong Kong (11.1%) is much lower than these 2 countries and the Hong Kong SAR Government should set a long-term target on tobacco control. It is projected that the Hong Kong population will reach 8 million in 2030s. Even though our smoking prevalence could be kept at around 10% level, the number of smokers will not fall significantly. Through comprehensive and multi-pronged tobacco control measures, such as continued tobacco tax increase, expansion of statutory no smoking areas, allocation of more resources for smoking cessation and smoke-free education and publicity programmes, etc, the government should set an annual target for a continued decrease of smoking prevalence by 0.5 percentage point so that the smoking prevalence could be dropped to 5% or lower after 13 years, i.e. 2025.

5. **Tobacco Tax and Tobacco Smuggling**

The tobacco industry and their associated organizations always claim that an increase in tobacco tax makes cigarette smuggling and trading of contraband cigarettes even more lucrative. In fact, raising tobacco tax and reinforcing actions against illicit cigarettes can effectively reduce tobacco smuggling. A halt in raising tobacco tax will not reduce smuggling. Refusing tax increase on tobacco will reduce quitting and increase tobacco consumption which will boost a bigger market for tobacco smuggling.

The past experiences of countries such as Canada and Spain reflect that tighter legislation and strengthened law enforcement can reduce the problems of tobacco smuggling effectively. High tobacco tax rate is a necessary and effective tobacco control measure.

For the sake of the public health of all Hong Kong people, COSH advocates to the Financial Secretary for raising the tax of tobacco in 2012/13 Budget and allocating the revenue from tobacco tax to support smoking cessation service and researches as well as strengthening educational and publicity programmes on tobacco control. Therefore, more smokers could be encouraged to quit and children and youth would be deterred from smoking so that Hong Kong will become a leading smoke-free and healthy city in the world.

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