

Experts: Increasing excise duty can curb smoking

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PETALING JAYA: As the battle against tobacco continues, there have also been growing calls to raise the excise duty on cigarettes.

Experts are saying that consistent increases in excise duty are needed to curb smoking, but this must be coupled with strong enforcement.

Assoc Prof Dr Norashidah Mohamed Nor of Universiti Putra Malaysia (UPM)'s Faculty of Economics and Management said the government should increase excise duty on cigarettes every year.

"Increasing the excise tax is an effective tool to reduce cigarette consumption since the price of cigarettes will increase, as proven by many studies globally," she said.

A 2016 study by the Health Ministry and UPM showed that a 10% rise in cigarette prices would reduce tobacco consumption by 5.9%.

It also indicated that the higher excise tax in 2015 was predicted to reduce the number of smokers in the country by 8.8% in the long run.

Dr Norashidah said the market size of illicit cigarettes was not significantly determined by prices but by governance indicators such as corruption and enforcement.

"Other countries such as Singapore and Australia have high prices for cigarettes but low consumption of illicit cigarettes.

"Then there are countries such as the Philippines which have low cigarette prices but still see a high illicit cigarette market share," she said.

She added that a consistent increase in excise duty and proper enforcement of smoke-free legislation would help to curb smoking.

"It is also important to organise an awareness and education campaign on a large scale. No policy can be done in silos; instead, they should complement each other," she said.

Universiti Malaya Centre of Addiction Sciences (Umcas) chief coordinator Assoc Prof Dr Amer Siddiq Amer Nordin said illicit cigarette use was not significantly related to high excise duty.

"Illicit cigarette use is another thing altogether and the solution should be to increase enforcement.

"Cigarette excise duties should be increased. It is effective in reducing the number of people who start smoking and encourages those who are smoking to quit," he said.

The National Cancer Society of Malaysia said since the country is a signatory to the Framework Convention of Tobacco Control, it must be committed to raising the tax on cigarettes to 75% of its retail price.

Its health literacy, education, promotion and policy manager Mandy Thoo said increasing taxes of cigarettes was the most cost-effective way of reducing tobacco use.

"This has been proven in coun-

tries that have done so; a 10% price increase will reduce demand by 5% in low- and middle-income countries," she said.

Federation of Malaysian Consumers Association's Tobacco Control Initiative@Smoke Free Malaysia coordinator Muhammad Sha'ani Abdullah said excise duty must be accompanied by enforcement to prevent smuggling of illegal cigarettes.

"Malaysia should ratify the Protocol to Eliminate Illicit Trade in Tobacco Products which targets to effectively handle smuggling of tobacco products, as this involves cross-border co-operation," he said.

Malaysia saw a 14% cigarette excise duty hike in 2013, 12% in 2014 and 36% in 2015.

But Deputy Health Minister Dr Lee Boon Chye previously said the amount spent to treat patients with smoking-related diseases was four times the government's collection of excise duty on cigarettes.