

Budget 2020: No rise to tobacco tax; anti-smoking group praises Govt

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An average pack of 25 cigarettes in New Zealand is close to \$41 after last year's tax increase. Photo / 123rf NZ Herald

For the first time four years no increase to New Zealand's tobacco tax was announced as part of the Government's Budget.

An anti-smoking advocacy group say this is good news as too often it was vulnerable groups that were hit the hardest and it wasn't effective to helping people quit.

Deborah Hart, director of Action for Smokefree 2025 (ASH), told the Herald the increase in tobacco taxation over the years had helped New Zealanders who couldn't afford it quit.

"But now what we have left is people from low socio-economic groups who are smokers and increasing the taxation is just punitive and wouldn't be serving what we want which is to help people to quit."

The last annual tobacco tax increase of 11.5 per cent, on 1 January this year, took an average pack of 25 cigarettes to over \$41.

Hart said ASH supported the Government's call not to hike tobacco tax, particularly at the moment where a lot of people were finding themselves in economic hardship. "Increasing the taxation would just be inappropriate."

Hart said if smoking rates increased it would not be because of lack of increase in tax.

"What we need to help people quit is targeting specific groups, community-led initiatives, smokefree plan, we need the vaping legislation, we need a lot but it doesn't include more taxation."

Nancy Loucas, Director of Aotearoa Vapers Community Advocacy (AVCA), echoed Hart's response saying the tax had little impact on the likes of Maori with 31 per cent still smoking.

"AVCA does not support tobacco tax hikes. Too often they've been used as a revenue gathering exercise and always hit the vulnerable the hardest".

"Sure, we've seen New Zealand's overall smoking rates fall to a record 12.5 per cent low, but that's largely due to education and the arrival of vaping.

"We support the Government investing in campaigns via its own Health Promotion Agency to encourage smokers to switch to vaping. However, we don't support the Government effectively taxing our poorest households more. Thank goodness that has stopped," Loucas said.

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