

Smokefree Action Coalition Briefing

The economic impact of the introduction of plain, standard tobacco packs on employment in tobacco manufacturing and tobacco packaging in the UK

March 2013

Key points

1. Smoking remains the major preventable cause of premature death and disease in this country – with half of all long term smokers dying from their addiction, and many suffering considerable disease and disability before death.
2. In 2010 the overall economic cost of smoking was estimated at just under £14 billion a year.¹
3. Smoking is an addiction of childhood with two thirds of smokers taking up the habit before the age of 18.²
4. Putting cigarettes in plain, standard packs is designed to reduce youth uptake and is not going to lead to an immediate and significant decline in the number of tobacco packs required by the industry.
5. There are only 10 enterprises involved in tobacco manufacturing in the UK, employing no more than 5000 people in this country³ - accounting for 0.022% of employment in the private sector.
6. Tobacco cartons amount to less than 5% of sales of folding cartons in the UK and very little tobacco packaging is produced in the UK.⁴
7. Therefore, the introduction of plain, standardised packaging of tobacco products is not a threat to employment – except through long term reductions in smoking rates.

Background

Claims that the introduction of plain, standardised packaging would lead to many job losses in tobacco companies and companies making tobacco packaging in this country are unfounded. Cigarettes will still be manufactured and contained in packaging. All that will change is the specification.

- Plain packaging aims to reduce the number of children who start smoking in the UK each year – estimated to be more than 200,000.⁵ It is also expected to have a small effect on the 10 million existing, addicted, smokers.⁶ This means that the predicted reduction in the overall number of smokers will be gradual so that those who depend on tobacco for their livelihood will have time to adjust.
- The number of enterprises involved in the manufacture of tobacco is just 10 in the UK³ and these will not be threatened by the introduction of plain, standardised packaging.
- 5000 people are estimated to be employed in tobacco manufacturing in the UK.³

- Employment in tobacco manufacturing represents 0.022% of all employment in the private sector in the UK in 2011.⁷
- Sales of tobacco cartons manufactured in the UK amount to less than 5% of the sales of all folding cartons made in this country.⁴
- The value of tobacco cartons manufactured in the UK in 2011 was less than £50 million.⁸
- The number of people employed in manufacturing tobacco cartons is estimated to be no more than 325 in total for the whole of the UK.⁴

¹ [Inquiry into the effectiveness and cost-effectiveness of tobacco control](#). All Party Parliamentary Group on Smoking and Health, 2010.

² Robinson S & Bugler C. Smoking and drinking among adults, 2008. [General Lifestyle Survey 2008](#). ONS, 2010

³ [Annual Business Survey, provisional results for 2011](#), Section C – manufacturing, classification 12 for Manufacture of Tobacco Products. Office for National Statistics, 15 Nov 2012

⁴ British Printing Industries Federation (BPIF) personal communication. April 2012

⁵ Analysis by Cancer Research UK based on figures from [Smoking, drinking and drug use among young people in England in 2011](#)

⁶ [Smoking Statistics: Who smokes and how much](#). ASH Fact sheet no. 1, March 2013

⁷ Labour Force Survey for Dec 2011. Office for National Statistics, 13 Feb 2012. [A01: Summary of labour market statistics](#) (last updated January 2013) (Excel sheet 6983Kb)

⁸ ONS Prodcom Data – Products of the EC – Division 17 - Manufacture of Paper and Paper Products. [Intermediate Estimates 2011](#), Office for National Statistics, 20 Dec 2012