

Comprehensive smoke-free policies are good for health and good for business. They clear the air of cancer-causing chemicals and encourage people who smoke to quit, improving health and decreasing health care costs. In addition, there is a growing body of economic research that reaches the same conclusion: smoke-free policies do not have an adverse economic impact on the hospitality industry.<sup>1</sup>

**Smoke-free policies decrease health care costs and increase worker productivity by helping people quit smoking or smoke less, and by reducing people's exposure to secondhand smoke.**

## DECREASED EMPLOYEE CIGARETTE CONSUMPTION

- Smoke-free workplaces reduce total cigarette consumption per employee by 29 percent.<sup>2</sup>

## DECREASED HEALTH CARE COSTS

- Secondhand smoke costs more than \$9.5 billion each year in the United States in direct and indirect medical costs.<sup>3</sup>

## INCREASED WORKER PRODUCTIVITY

- Cigarette smoking and exposure to secondhand smoke cost \$92 billion a year in productivity losses.<sup>4</sup>
- Employees who smoke have twice the lost production time per week for personal health reasons than workers who never smoked — at a cost of \$27 billion to U.S. employers.<sup>5</sup>

## INCREASED PROFITS

- Business tax receipts for New York City restaurants and bars increased 8.7 percent from April 1, 2003, to January 31, 2004 (after implementation of a smoke-free law), compared to the same period in 2002-2003.<sup>6</sup>
- A study of U.S. restaurant sales showed a median increase of 16 percent in the sale price of a restaurant covered by a smoke-free law compared to a similar restaurant in a community without such a law.<sup>7</sup>

## INCREASED OVERALL EMPLOYMENT

- Despite New York City's smoke-free law going into effect on March 30, 2003, 164,000 people on average worked in city bars and restaurants during the year — the highest number recorded in at least a decade. In fact, in the nine months following the law's enactment, bars and restaurants gained 10,600 jobs.<sup>6</sup>
- Bars and restaurants in California had 218,300 more jobs in 2005 than in 1995, before a statewide smoke-free policy was implemented.<sup>8</sup>

In 2006, the United States Surgeon General reported that smoke-free policies and regulations *do not have an adverse economic impact on the hospitality industry*. Based on the evidence from peer-reviewed studies, the finding was part of the most comprehensive scientific report ever produced on the health harms of secondhand smoke — the first Surgeon General's report on secondhand smoke since 1986.<sup>1</sup>

<sup>1</sup> The Health Consequences of Involuntary Exposure to Tobacco Smoke: A Report of the Surgeon General. U.S. Department of Health and Human Services. 2006.

<sup>2</sup> Fichtenberg CM, Glantz SA. Effect of smoke-free workplaces on smoking behavior: systematic review. *BMJ*. 2002.

<sup>3</sup> Behan DF, Eriksen MP, Lin Y. Economic Effects of Environmental Tobacco Smoke. 2005.

<sup>4</sup> Armour BS, Woollery T, Malarcher A, Pechacek TF, Husten C. Annual smoking-attributable mortality, years of potential life lost, and productivity losses — United States, 1997-2001. *JAMA*. 2005.

<sup>5</sup> Stewart WF, Ricci JA, Chee E, Morganstein D. Lost productive work time costs from health conditions in the United States: results from the American productivity audit. *J of Occupational & Environmental Medicine*. 2003.

<sup>6</sup> The State of Smoke-Free New York City: A One-Year Review. New York City Departments of Finance, Health & Mental Hygiene, Small Business Services and the New York City Economic Development Corporation. 2004.

<sup>7</sup> Alamar BC, Glantz SA. Smoke-Free Ordinances Increase Restaurant Profit and Value. 2004.

<sup>8</sup> Industry Employment & Labor Force — By Annual Average. California Employment Development Department, Labor Market Information Division. 2006.