Cigarettes Cheaper than E-cigarettes in 44 of 45 Countries Studied

First Study to Compare Costs of Cigarettes to E-cigarettes

ATLANTA – March 28, 2016–Combustible tobacco cigarettes cost less to purchase than equivalent amounts of electronic cigarettes (e-cigarettes) in 44 of 45 countries sampled around the world, according to a new American Cancer Society study. The study, appearing in *Tobacco Control*, concludes the gap exists despite the fact that e-cigarettes are not yet widely subjected to comparable excise taxes as combustible cigarettes.

Warnings that e-cigarettes are a cheap, tax advantaged product relative to heavily taxed combustible cigarettes have been repeatedly claimed in the scientific literature and lay media. These claims, however, do not appear to be based on empirical price data. The researchers say the pervasiveness of this claim may lead some policymakers to consider imposing e-cigarette taxes without accurate information.

To find out, researchers led by Alex Liber of the American Cancer Society and the University of Michigan School of Public Health compared the cost of combustible cigarettes to those for two major kinds of e-cigarettes: disposable e-cigarettes (non-refillable); and rechargeable e-cigarettes, which can be refilled with nicotine liquid

The researchers found that on average, the price of a pack of combustible tobacco cigarettes was just over half the price of a disposable e-cigarette ($5.00 and $8.50, respectively). They also found that while the liquid nicotine used to refill e-cigarettes can cost a couple of dollars less than a pack of regular cigarettes, the minimum price to purchase a rechargeable e-cigarette to use this liquid nicotine is more than $20. The rechargeable e-cigarettes preferred by most daily e-cigarette users cost even more.

The authors note that there is considerable debate in the public health community and media about e-cigarettes and similar new products. While some see e-cigarettes playing a potential role in helping smokers quit, others point to strong concerns about youth uptake, lack of information about potential harms, lack of product regulation, and industry marketing practices, among other issues.

Among those who see a role for e-cigarettes to reduce tobacco-related death and disease, some argue that price differences between combustible cigarettes and e-cigarettes could be effective in moving current combustible users to e-cigarettes. This paper establishes that a difference in price between combustibles and e-cigarettes already exists, albeit with e-cigarettes being the more expensive product.

The study's authors reinforce the importance of increasing the price of cigarettes through excise taxes, but suggest that how to tax e-cigarettes is complex. Some jurisdictions around the world, notably the United Kingdom, with a pack of cigarettes averaging the equivalent of nearly US $14, have achieved price equality between cigarettes and e-cigarettes. Whether and how that policy changes the use of the two products in the UK and around the world remains to be seen.

The views represented in the study are not official policy positions of the American Cancer Society or its advocacy affiliate, the American Cancer Society Cancer Action Network.

Article: Liber AC, Drope JM, Stoklosa M. "Combustible Cigarettes Cost Less to Use than E-Cigarettes: Global Evidence and Tax Policy Implications". Tob Control. ePub 28 Mar 2016. doi: 0.1136/tobaccocontrol-2015-052874.

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