

# Vaping industry fears jobs may be lost

Business Day 3 Aug 2018 [+10 more](#) Tamar Kahn Science and Health Writer [kahnt@businesslive.co.za](mailto:kahnt@businesslive.co.za)

The government's proposed new laws for tobacco control threaten the future of the vaping industry and will put jobs at risk, the Vapour Product Association says. The draft Control of Tobacco Products and Electronic Delivery Systems Bill proposes to bring e-cigarettes into the regulatory net.

The government's proposed new laws for tobacco control threatened the future of the vaping industry and will put jobs at risk, the Vapour Product Association said on Thursday.

The draft Control of Tobacco Products and Electronic Delivery Systems Bill contains provisions that subject e-ciga-

rettes to the same strictures as traditional tobacco products, with tight control on their use, marketing and sales.

The public comment period for the bill closes on August 9.

"As it stands the bill will ban any form of marketing or communication with retailers and even prohibit [vaping] retailers from showing their products in their own shops. The reality is millions of smokers who might switch to safer alternatives will just keep smoking and dying instead as a result of this new law," said association CEO Zodwa Velleman.

"Vaping products must be reg-

ulated separately. International evidence shows that they are at least 95% less harmful ... and countries that have embraced them, like the UK and the US, have seen their smoking rates plummet in recent years," she said.

Public Health England published a report earlier in 2018 showing that vaping posed a fraction of the health risks of smoking, and switching completely to e-cigarettes conveys substantial health benefits.

The local e-cigarette market generated more than R1.16bn in sales in 2017 and was projected to triple over the next decade, but this growth was threatened

by the bill, the association said, citing research it commissioned from Canback Consulting.

Taxing e-cigarettes at the same level as traditional tobacco products such as cigarettes would have a chilling effect on the market, it said.

Canback's market analysis of the vaping industry, which excluded the effects of illicit products on which no excise tax was paid, concluded local market growth was constrained by affordability. While prices had fallen in the past three years, e-cigarettes were affordable for just 16% of the population, said Canback vice-president Arshad

## Related Stories

Huffing and puffing over tobacco bill

Weekend Argus (Saturday Edition) 4 Aug 2018

More taxes on 'sin products' eyed

Philippine Daily Inquirer 2 Aug 2018

Abba. In the absence of legislative changes that constrained sales, increased competition that led to price cuts and growing affluence would help drive market growth, he said.

If these products were taxed in line with traditional tobacco products it would have a significant effect on their retail price, he said. "The category would drop off suddenly in the first year of implementation and then slowly recover," he said.

Restrictions in the bill on advertising and display of e-cigarettes would also constrain sales and knock specialist re-

tailers hard, Abba said.

By 2017, the vaping sector had created more than 4,300 jobs. If the sector was not hampered by regulatory intervention, that number was expected to grow to 14,690 jobs by 2027.

MILLIONS OF SMOKERS WHO MIGHT SWITCH TO SAFER ALTERNATIVES WILL JUST KEEP SMOKING AND DYING

THE CATEGORY WOULD DROP OFF ... IN THE FIRST YEAR OF IMPLEMENTATION, AND THEN SLOWLY RECOVER