

Enforcing tobacco bill among informal traders is impractical and will cost jobs

This week we woke up to news reports that the portfolio committee on public works has withdrawn the Expropriation Bill. The bill was passed by parliament in 2016, but was sent back by then president Jacob Zuma in 2017 due to concern about the inadequate public participation process followed by the National Council of Provinces.

As this session of parliament nears its end ahead of next year’s general election, various committees are making last-ditch efforts to push through as many pending bills as they can. But have these bills undergone enough public consultation?

The Control of Tobacco Products and Electronic Delivery Systems Bill aims to amend the Tobacco Products Control Act. It seeks to ban all branding on tobacco packages so they all look the same, ban retailers from displaying tobacco products at their place of business, ban the sale of single cigarettes and ban smoking in public spaces, including bars and taverns.

As the Food and Allied Workers Union (Fawu) we support efforts to reduce smoking. What is not acceptable is for health minister



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Aaron Motsoaledi to rush a bill through parliament without carefully considering its far-reaching economic implications and whether it will really help to make South Africans smoke-free.

Motsoaledi is under increasing pressure because the public health system is on the verge of collapse.

But instead of fixing the system, he is focusing attention on the tobacco sector and giving priority to this problematic bill.

The tobacco value chain accounts for an estimated 11,000 jobs, some of them in the agricultural sector and the informal economy, which have been identified as key sectors for job creation in a country with a 37.2% expanded unemployment rate. Instead of assisting to create jobs and fight poverty, Motsoaledi’s drive will achieve the exact opposite,

First, imposing a ban on retailers displaying tobacco products is completely unworkable in the informal economy. It can only inconvenience spaza shops and street-corner hawkers who derive substantial income from the sale of tobacco. Where exactly must a hawker using a table top on a street corner hide their cigarettes?

And how will they protect themselves from thieves if they have to search for cigarettes wherever they have hidden them whenever a potential customer wants to buy a cigarette?

For these survivalist traders, their tobacco trade yields more than 30% of total profits, and almost all of that is made from the sale of single cigarettes – which will also be banned. Customers will have to buy full packs, which most can’t afford, at least at current prices, which include excise and other duties.

So what will smokers do? They will look for illegal cigarettes, which are cheaper and easy to find. In fact, an association representing many suspected illicit cigarette traders said as much last month on national TV. They said they support the bill because it will promote the sale of cheap cigarettes. This is how normalised these illicit cigarettes have become in our society.

The trade in illicit cigarettes, which is already at alarming levels, will certainly flourish on the back of plain packaging if this bill is passed into law. This will also ripple throughout the value chain of the legally operating and taxpaying cigarette industry, including tobacco leaf production and cigarette manufacturing.

In short, we are talking about a bill that will achieve nothing except destroy the livelihood of those who rely on cigarette sales.

Fawu supports restrictions on where people will be allowed to

smoke in public spaces and workplaces – to protect children and nonsmokers – but we view the implementation of this measure as impractical if the 10m-proximity provision is to be applied. This will not work in the townships and will negatively affect taverns.

The bill will also create a massive enforcement problem. With our criminal justice system already clogged up and our law enforcement authorities having their hands full chasing real criminals, who will police these new laws?

Motsoaledi does not seem to care about this or impending job losses in the tobacco value chain if his bill becomes law. His only justification is that tobacco controls have been implemented in other countries and SA should be no exception.

But this ignores that other countries where these extreme tobacco measures have been implemented do not depend on a booming informal economy, as we do. Solutions for countries like the UK, where new tobacco controls were implemented last year, are not necessarily suitable for SA.

The minister must do the wise thing and withdraw this bill instead of rushing it through. He must consult on it widely across all affected sectors.

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