



SECONDHAND SMOKE: ECONOMICS -- FACT SHEET #2

Clean indoor air ordinances have been proven to reduce medical costs and lost work time due to secondhand smoke-related illnesses. And despite the tobacco industry's claims, smoking bans do not negatively impact businesses as has been demonstrated in California, Colorado and several large municipalities around the country. Several businesses, in fact, have shown positive gains.

The Cost of Smoking to Employers

- Secondhand smoke has very real costs to businesses. One study indicated that businesses face additional costs of \$1,300 per year for each employee who smokes due to higher health insurance claims and costs, plus maintenance and cleaning costs for furniture, drapery and carpeting. (*Making Your Workplace Smokefree – A Decision Maker's Guide, U.S. Department of Health and Human Services; p 5*)
- Facilities that allow smoking drive some patrons away. A study in California conducted in 2000 found that 75% of bar patrons rated a smoke-free environment as "important," or "very important." The same study showed that 91% of bar patrons either go to bars and nightclubs more often or have not changed their habits following the enactment of the smoke-free ordinance. (*Field Research Corporation, California, October 16, 2000*)
- Since 94 percent of Americans favor work place smoking restrictions, morale at the office or workplace is boosted when companies go smoke free. Employers that create smoke-free workplaces send the clear message that they care about the health and safety of their employees. . (*Making Your Workplace Smokefree – A Decision Maker's Guide, U.S. Department of Health and Human Services; p 12*)
- In 1987, secondhand smoke accounted for \$661 million in annual medical expenditures. (*American Journal of Public Health, 1997, 87: 205-209*)

How Clean Indoor Air Laws Influence the Bottom Line

- In California, which banned smoking in bars in 1998, 91 percent of patrons either go to bars more often or have not changed their habits two years after the ban took effect. (*Field Research Corporation, California, October 16, 2000*)
- Asked last week what he thought of the now two-year-old ban. Mr. McBratney sounded changed. "I'll have to admit," he said sheepishly, "I've seen no falloff in business in either establishment." The President of the Staten Island Restaurant and Tavern Association went on to describe what he once considered unimaginable: customers actually seem to like it, and so does he. City officials point to data from the first year of the ban showing that restaurant and bar tax receipts were up 8.7percent over the previous year's. (*New York Times, "As Air Clears, Even Smokers Are Converted", February 6, 2005, Rutenberg & Koppel.*)
- An article examining the impact of clean indoor air ordinances in the tobacco-friendly state of North Carolina found that the strict ETS regulations in the five counties with the strongest ordinances had no economic impact on restaurant sales in these counties. (*Goldstein A, Sobel R. Environmental Tobacco Smoke Regulations Have Not Hurt Restaurant Sales in North Carolina: North Carolina Medical Journal, 1998; 59: 284-287*)
- Hotel revenues increased in Los Angeles, San Francisco and New York after restaurant smoking bans went into effect, according to a study by Stanton A. Glanz, Ph.D., and Annemarie Charlesworth, MA. Their study, covering three states and six different cities found that these ordinances had no significant effect on tourist revenues as a fraction of total retail sales or compared with the rate of change in the United States as a whole. (*Glanz S, Charlesworth A. Tourism and Hotel Revenues Before and After Passage of Smoke Free Restaurant Ordinances. JAMA. 1999; 281: 1911-1918.*)

Working to protect the health of workers and patrons through a smoke-free workplace ordinance in Illinois.

Secondhand Smoke Kills. Everyone Deserves Smoke-Free Indoor Air.
<http://www.smokefreeillinois.org>