

**MEASURING SUSTAINABLE DEVELOPMENT**

---

**APPLICATION OF THE GENUINE PROGRESS INDEX  
TO NEWFOUNDLAND & LABRADOR**

---

**THE ECONOMIC IMPACT  
OF SMOKE-FREE WORKPLACES:**

**AN ASSESSMENT FOR  
NEWFOUNDLAND & LABRADOR**

---

*Prepared by:*

Ronald Colman, Ph.D, **GPI Atlantic**

With research assistance from Jeffrey Wilson and Rob Rainer

March 2003

---

## EXECUTIVE SUMMARY

### **Exposure to Second-Hand Smoke is a Serious Health Risk**

- There is a consensus among the most reputable scientific and medical academies and government agencies on the serious health hazards of second-hand smoke or environmental tobacco smoke (ETS). Exposure to second-hand smoke causes heart disease, lung cancer, nasal sinus cancer and respiratory ailments in adults, and it causes sudden infant death syndrome, fetal growth impairment and a wide range of respiratory conditions in infants and children, including bronchitis, pneumonia, middle ear disease and asthma exacerbation. ETS exposure causes about 115 deaths per year in Newfoundland & Labrador and is the leading cause of workplace death. More recent research has linked ETS exposure to cervical and breast cancer, stroke, and miscarriages in adults; and to asthma induction, decreased lung function, cystic fibrosis, and cognition and behaviour problems in children.
- Restaurant, bar and casino workers are particularly at risk from workplace exposure to second-hand smoke.<sup>a</sup> In restaurants, second-hand smoke levels are twice as high as in other workplaces that do not have smoking restrictions. In bars and casinos, they are 3-6 times as high. Food service workers have a 50% higher rate of lung cancer than the general population. Excess mortality for workers in smoking lounges, bars, restaurants, casinos, and bowling alleys is 15-26 times higher than the U.S. Occupational Safety and Health Administration (OSHA) “significant risk” level.
- Smoke-free workplace legislation would reduce ETS exposure among Newfoundlanders by 80%, cut cigarette consumption among smokers by at least 20%, and save Newfoundland & Labrador at least \$109 million (2001\$) a year in avoided health care costs, productivity losses, and smoking-related expenses incurred by employers.

---

<sup>a</sup> While there are no casinos at present in Newfoundland & Labrador, this study includes results from studies conducted in casinos for their significance as indicators of the effects of ETS.

Savings Categories	\$ (millions 2001\$)
<i>Health Care Savings</i>	
Savings from reduction in active smoking	\$ 29.7
Savings from reduction in passive smoking	8.1
<i>Sub-total Health Care Savings</i>	37.8
<i>Productivity Savings</i>	
Savings from reduction in active smoking	35.3
Savings from reduction in passive smoking	15.8
<i>Sub-total Productivity Savings</i>	51.1
<i>Employer Savings</i>	
Savings in smoking area costs	5.1
Savings in life insurance premium costs	4.5
Savings in workplace maintenance, damage costs	11.0
<i>Sub-total Employer Savings</i>	20.6
<b>Total Savings</b>	<b>\$ 109.5</b>

### Ventilation Does Not Remove Toxins or Prevent ETS Exposure

- Expert assessments, empirical evidence, risk assessment procedures, and internationally accepted indoor air quality and ventilation standards have determined that ventilation and non-smoking sections do not remove the toxic constituents of tobacco smoke from the air and provide no solution to the problem of exposure to second-hand smoke.

Instead, the recommendations of expert scientific panels on ETS exposure are “*clear, consistent and unanimous – all involuntary exposure is harmful and should be eliminated.*”<sup>1</sup> The U.S. Surgeon-General has called for “*100% smoke-free environments in all public areas and workplaces, including all restaurants and bars.*”<sup>2</sup>

### Smoke-free Policy Has No Adverse Impact on Business and May be Good for Business

- Without exception, every objective study using official sales tax data demonstrates that smoke-free legislation has no adverse impact on restaurant, bar, hotel and tourism receipts. Two studies find an initial decline in receipts in the first 1-2 months following enactment, but no evidence of any overall or aggregate decline in the longer term. Indeed, several studies find that restaurant, bar, hotel and tourism receipts increase following smoke-free legislation, indicating that it may be good for business as non-smokers frequent eating and drinking establishments more often and smokers adjust to the new rules.

- Given the consistency of the evidence, the enormous and costly toll of second-hand smoke exposure, the economic benefits of smoke-free workplace legislation, and the demonstrated lack of any adverse impact on business, there is a clear case for such legislation in Newfoundland & Labrador. This is particularly true in light of the growing body of legal precedent indicating that governments and employers are bound by law to ensure safe working environments for employees and to remove known health hazards from the workplace.

### **Tobacco Industry Arguments Have Been Proven False**

- Past obstacles to smoke-free workplace legislation can only be understood by reference to tobacco industry resistance and opposition. Tobacco industry documents reveal extensive industry efforts to prevent public smoking restrictions by denying the overwhelming evidence on the health hazards of second-hand smoke and by working through and funding arms-length third parties to lobby against smoke-free legislation.
- Industry claims of declining revenues after implementation of smoking bans, when checked against objective sales tax receipts, have always been proven false.
- Active involvement by the health community has been shown to be the most determining element in ensuring the successful passage of smoke-free legislation in other jurisdictions.
- In Newfoundland proper, 90% of adults surveyed in 2001 supported no smoking policies in public places, with support very evenly distributed across the island.