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TITLE: Hiring a smoker costs US firms more

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Employees who smoke cost employers more than those who don't light up a study in the journal Tobacco Control reveals

PARIS: An employee who smokes, costs his or her employer nearly US\$6,000 more per year than a non-smoker, according to a study of the United States published on Monday in the journal Tobacco Control.

Absence for ill health, lower productivity because of smoking breaks and additional healthcare costs make up the bulk of the additional charge, it said.

"Our best estimate of the annual excess cost to employ a smoker is \$5,816," says the paper, led by Micah Berman at the College of Public Health and Moritz College of Law at Ohio State University.

The figure takes into account that pension costs are nearly \$296 lower for an employee who smokes, because smokers tend to die at a younger age than non-smokers.

Numerous employers in the US have begun charging smokers higher premiums for health insurance or declaring they will only hire non-smokers, the paper said.

Some have even threatened to fire employees who do not quit smoking within a given time, it added.

"Without an accurate estimate of smoking-related costs, such policies may seem arbitrary or unreasonable," it said. "A well-reasoned estimate allows companies to more fairly analyse the costs and benefits of such 'tobacco-free workforce' policies."

The investigation is based on previous research into various aspects of smoker versus non-smoker employment.

It calculates annual absenteeism among smokers for instance, to be 2.6 days more per person compared to non-smokers.

If an employee works seven and a half hours a day and the average hourly cost of wages and benefits is \$26.49, this works out to an additional charge per year to the employer of \$516.56.

Non-sanctioned smoking breaks are estimated to cost \$3,077 per year in lost productivity, on the basis of two 15-minute breaks per day, on the 232 working days per year.

As for medical costs, smoking-related problems account for around eight percent of all healthcare expenses, the researchers said.

Employers who provide health insurance to their staff, this drives up the bill accordingly. Insuring a smoker costs \$2,055.77 more than a non-smoker.

Employers can help themselves by implementing programmes to encourage smokers to quit their habit, the study said.

The cost of such programmes can be amortised in around four years, it added.

- CNA/sf