Proposed Australian Tobacco reforms

an utter waste of taxpayer resources

There seems to be a general lack of rationale, logic and facts to aspects of the proposed reforms. This rushed set of reforms seem to not address the key objectives of the need for regulation reform.

The Objective of the Tobacco proposed reforms (as per the Exposure draft document) is:

> The reforms represent a renewed focus on improving public health of Australians by discouraging smoking and the use of tobacco or e-cigarette products.
>
> The tobacco regulatory reforms and non-regulatory measures implemented by all Australian Governments have contributed to Australia's smoking prevalence being amongst the lowest in the world. However, tobacco use remains the leading cause of preventable death and disability in Australia and is estimated to kill over 20,000 Australians each year.

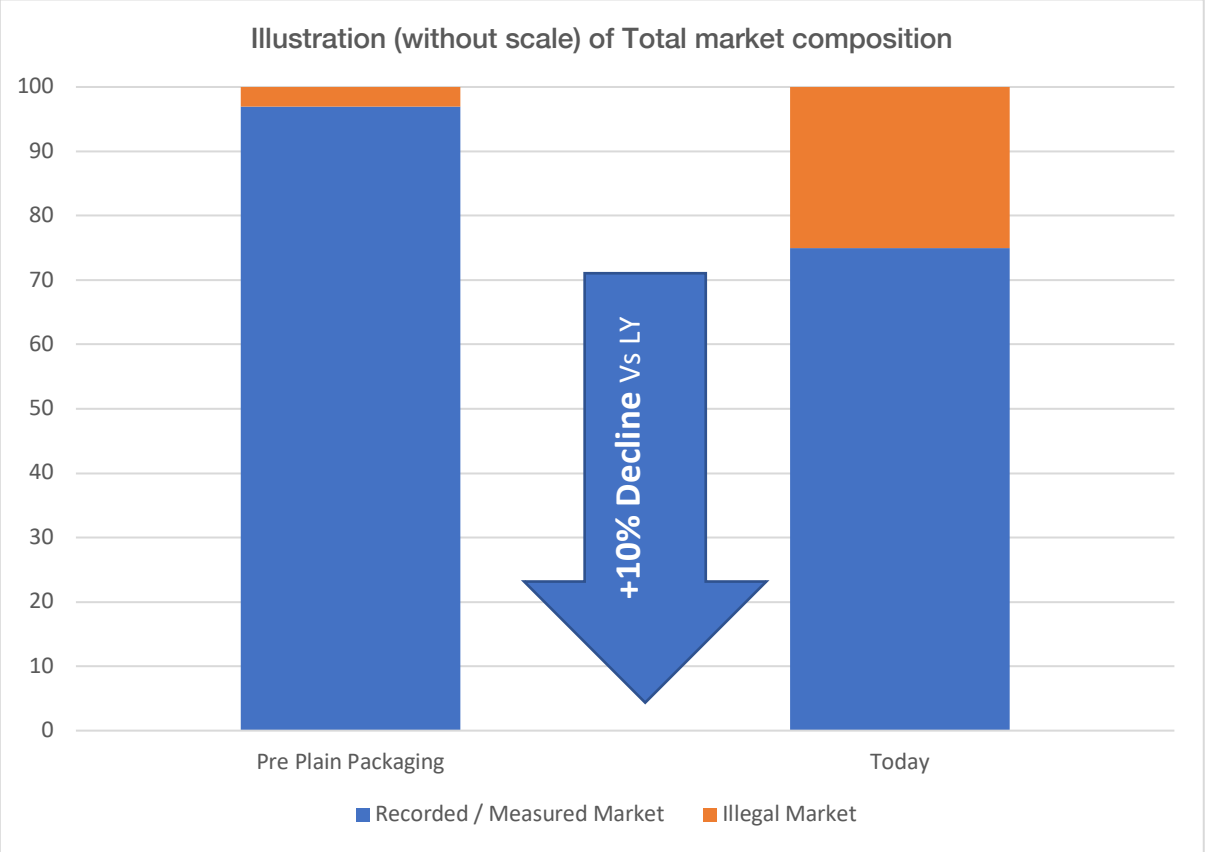
The industry data shows that the Major channels are in decline with indications that total recorded/legal industry (let's call it Plain Packaging compliant market) is in decline by above 15%. Unfortunately, that does not marry-up with independent studies and the ABS report that is being quoted when looking at smoking incidence and number of smokers.

Why is this so?

What the authorities are forgetting is that the Unmeasured, Uncontrolled Illicit Tobacco trade has grown to almost 25% of the market.

Policy makers should then realise that the root cause is the growing illicit trade because the Plain Packaging compliant market is in decline.

Perhaps a visual will illustrate this concept better

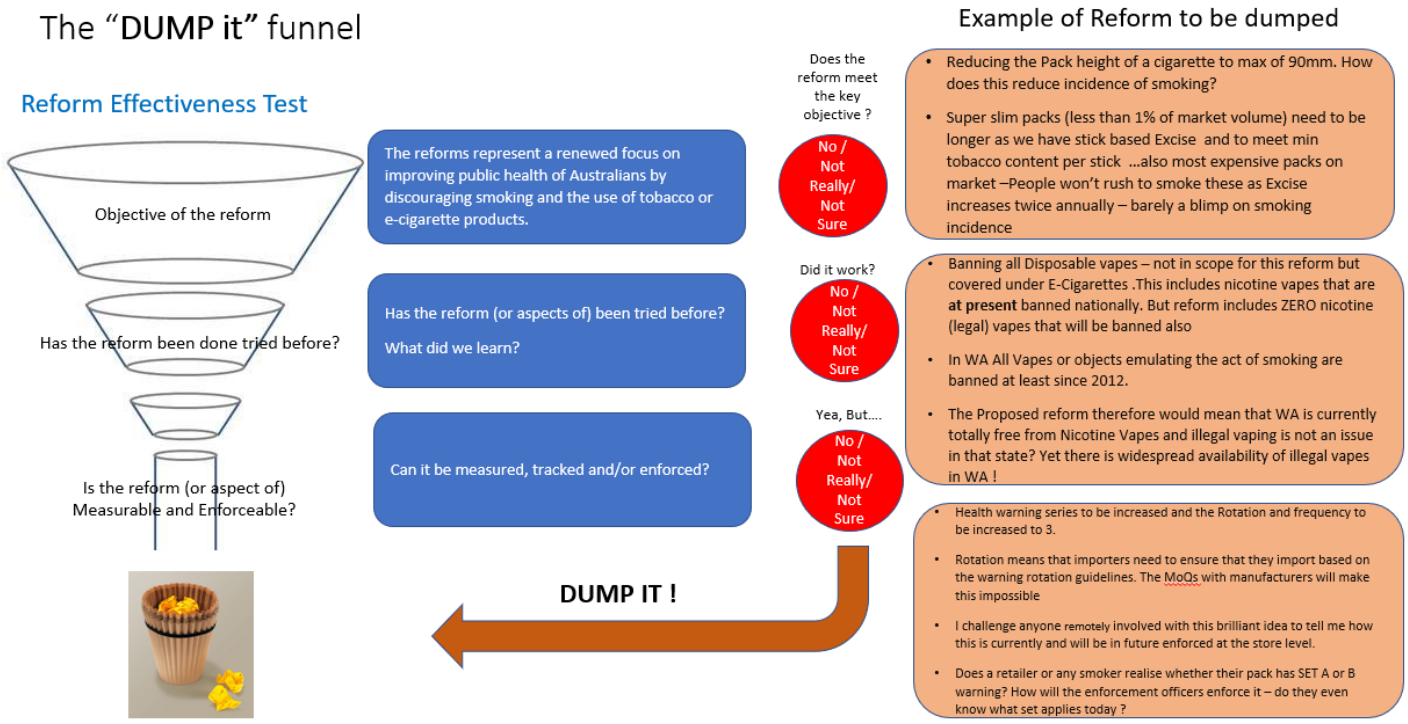


- All the reform focus is on Plain packaging products – which are already in decline!
- There are no reforms to address the Growing illicit trade – **the Key driver of increased incidence of smoking**.
- Previous Health department reports have hailed Plain Packaging as a success on the basis of reduction of Tobacco consumption volume (recorded market).
- So if the 'Recorded/measured Plain Packaging market' is declining, shouldn't the focus of the regulations be on how to the control the illicit trade? That would address the objective of the reforms faster and better.

Three Fundamental Questions

I would assess the relevance of each aspect of the proposed reforms based on 3 fundamental questions – I call the '**DUMP funnel'**. Perhaps this approach should be adopted by the consultation process.

1. Question how the proposed change in regulation would drive the goal of 'reducing the incidence of smoking and vaping?' If not DUMP the proposed reform.
2. Have we done parts of the proposed aspect of the reform previously? What was the outcome? Did it work? YES – what's the need for change? If NO – DUMP the proposed reform.
3. Can the Proposed reform be measured and enforced effectively? NO – DUMP the reform.



The cost to the industry to support and comply with these proposed reforms will far outweigh the actual benefits.

These resources would be better spent if they were directed at controlling illegal imports and the thriving illicit trade.