

Tobacco and Other Smoking Products Amendment Bill 2023

Submission No: 23
Submitted by: Australian Lottery & Newsagents Association, the Australian Association
Publication: of Convenience Stores and Master Grocers Australia Independent
Attachments: Retailers
Submitter Comments:

Queensland Government
Health and Environment Committee
Tobacco and Other Smoking Products Amendment Bill 2023.

Via email: HEC@parliament.qld.gov.au

Dear Madam/Sir

This is a joint submission by the Australian Lottery and Newsagents Association (ALNA), the Australian Association of Convenience Stores (AACS,) and Master Grocers Australia (MGA) Independent Retailers, regarding the Bill to amend the *Tobacco and Other Smoking Products Act 1998*.

The joint submission (stakeholders below) supports the TOBACCO AND OTHER SMOKING PRODUCTS AMENDMENT BILL 2023.

Stakeholders

As a collective we are major stakeholders of the proposed licencing regime including retail peak bodies that represent thousands of small to medium sized family, franchise and independent businesses, across Queensland. We are the following:

Australian Lottery and Newsagents Association (ALNA)

The Australian Lottery and Newsagents' Association (ALNA) is the peak national industry body representing Lottery Agents and Newsagents. There are more than 4000 Lottery Agents and Newsagents in Australia employing over 20,000 people. In Queensland, ALNA represent these small businesses in almost every rural town, regional centre, urban and metropolitan shopping centre.

The Australian Association of Convenience Stores (AACS)

AACS represents the interests of all businesses within the Australian convenience store channel. There are more than 7,000 stores nationally and our members range from high profile brands to independently owned stores, from global suppliers to sole traders.

Master Grocers Australia (MGA) Independent Retailers

MGA Independent Retailers (MGA) is a national registered employer industry association representing family enterprises and privately-owned businesses in the independent grocery, liquor and other retail sectors including hardware, in all States and Territories. MGA's members in Qld comprise 490 independent food and grocers' supermarkets that trade under brand names such as Drakes, IGA, Foodworks, Friendly Grocers, Ritchies and SPAR. They employ in excess of 21,000 people, generate retail sales in excess of \$2.8 billion, which is 156 million customer transactions per annum or 3 million customer transactions per week.

Retailer support for the Bill

AACS, ALNA and MGA are supportive of the draft amendments as they currently stand. As a collective we have engaged positively with the Queensland Government over the past 18 months to ensure that that the Bill deals adequately with issues affecting our members, most notably the

significant growth and damage caused to retailers and the community by the massive growth in the illicit tobacco trade in Queensland.

Illicit tobacco has long been a silent contributor to the loss of revenue within small business retail outlets, masked by disproportionate tax increases, with unit sales continuing to tumble as illegitimate business models driven by crime gangs becoming more prevalent. This has also been linked to major sales of vaping products to minors in Queensland.

Queensland's retail community has advocated strongly in numerous submissions and direct engagement with the State Government for an appropriate regulatory regime that includes licensing for the purpose of enabling greater identification and local enforcement of illegal trade, and effective compliance activity. We have also advocated strongly that the licensing scheme should be equitable, affordable and with minimal administrative impacts on small businesses in Queensland.

In particular, we support the following key elements of The Bill to amend the Act, including:

1. Establishing a licensing scheme for the wholesale and retail sale of smoking products

We support the recommended approach in the Bill to create a positive licensing scheme requiring retailers and wholesalers to apply for a licence prior to selling smoking products, including the provision to have a licence revoked due to illicit activity.

1. Ensuring that there are effective deterrents against the unlawful supply of smoking products, including strong penalties and the involvement of a stronger regime of enforcement by Queensland Health environmental health officers, supported by Queensland Police. Further, we support the move to empower Queensland Health to improve intelligence-sharing with other state, territory, and Commonwealth law enforcement agencies.

The significant increase in fines and the power to seize and more effectively prosecute for sales of illicit product is a major win for the legitimate retail industry. Our collective retail peak bodies have been active members of the State Government sponsored Retailer Working Group, which was established by the Minister for Health in December 2022.

The Working Group, led by the Health Prevention Unit and involving retailer representatives and Queensland Police, has been an effective forum to discuss the Bill and its effects, and has helped shape a sound legislative framework. We applaud the Government for its consultative approach.

The new regime will establish Queensland Health as the lead agency to enforce the new legislation and crack down on people who sell illicit tobacco. It will ensure only "fit and proper" people are licenced to sell tobacco products. We are pleased that Queensland Health officials will have the support of police for investigative and enforcement activities.

It is also positive that the enforcement of the controls on supply of illicit smoking products are drafted to start when the Bill receives Royal Assent and will not be delayed. This is important for the retail industry which will continue to be impacted by the illicit trade until enforcement is boosted.

Finally, we strongly support the Bill containing improved information-sharing provisions, which will allow Queensland Health to share details of any illicit tobacco contravention with other relevant entities, including Queensland Police and the Commonwealth - effectively putting the person or entity on their monitoring and enforcement radar.

Further, while we support the proposed fee to run the licensing scheme it is important that any further rises in the fee are constrained (at or below CPI). We have seen in other jurisdictions government's hiking fees, which has had a big impact on many small businesses.

Finally, we would like to record our appreciation for the professionalism and consultative approach taken by the State Government on this issue, under the direction of the Department of Health's Health Prevention Unit (HBU), particularly Mark West, Coleen Smyth and Rebecca Whitehead.

Thanks also to Minister Yvette D'Ath and Police Minister Mark Ryan who have shown strong leadership to deliver the key improvements promised by the Bill, and in particular their recognition of the financial, health and community impact of illicit tobacco sales.

The Queensland retail industry looks forward to working with the Queensland Government to effectively implement the legislation in a consultative and timely manner.

Kindest Regards



**Australian
Lottery &
Newsagents
Association**



Theo Foukkare
CEO

**Australian Association of
Convenience Stores**

Ben Kearney
CEO

**Australian Lottery &
Newsagents Association**

David Inall
CEO

Master Grocers Australia