

## Health Legislation Amendment Bill 2025

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## BAT Australia Ltd's submission to the Health Legislation Amendment Bill 2025

## EXECUTIVE SUMMARY

BAT Australia Ltd (BAT) welcomes the Queensland Government's proposed amendments under the Health Legislation Amendment Bill 2025, particularly those aimed at streamlining the forfeiture and destruction of illicit vaping products and enhancing cost recovery following enforcement action. These are sensible and necessary reforms to strengthen the State's response to the growing illicit tobacco and vaping trade.

However, while the proposed legislative changes are a step in the right direction, they will have limited impact unless the broader issue of enforcement is addressed.

The current enforcement body—Queensland Health—does not have the operational capacity or investigative capability to effectively respond to what is now a highly sophisticated and entrenched black market, increasingly linked to organised crime. This is no longer solely a public health matter; it is a significant law enforcement issue.

BAT strongly urges the Queensland Government to consider taking the same steps as other states and transfer enforcement and compliance responsibilities from the Queensland Health department to a more appropriate regulatory body, such as the Office of Liquor and Gaming Regulation (OLGR), which has the experience and authority to manage complex, criminal compliance environments.

Without this shift, Queensland risks continuing to fall short in curbing illicit trade, supporting law-abiding retailers and protecting communities from the escalating threats posed by illegal tobacco operations.

## Introduction

BAT is committed to supporting a well-regulated and lawful tobacco market in Australia. We strongly support the Government's implementation of high penalties and increased powers for law enforcement to deter and disrupt illicit operators.

The Health Legislation Amendment Bill 2025 proposes a range of sensible amendments to the Tobacco and Other Smoking Products Act 1998 (TOSPA). BAT supports these reforms in principle—particularly the proposed measures to streamline the forfeiture and destruction of seized vaping goods and the introduction of court-ordered cost recovery from convicted offenders.

However, through engagement with stakeholders across the country, BAT understands that the high costs associated with seizing, storing and destroying illicit products remain a key barrier to law enforcement agencies assuming primary responsibility for tobacco compliance.

Despite policy and legislative efforts, enforcement in Queensland continues to lag significantly behind the scale, complexity and organisation of the illicit trade. Without structural reform to the enforcement model—specifically, the agency

responsible—these legislative changes risk falling short of their intended impact.

## Amendments

BAT supports the following amendments included in the Health Legislation Amendment Bill 2025:

### **1. Immediate forfeiture of seized vaping goods**

### **2. Cost recovery through court orders**

### **3. Technical and clarifying amendments**

However, BAT emphasises that these amendments will have limited impact if the underlying enforcement structure remains unchanged.

## Illicit Tobacco in Queensland

BAT acknowledges the Queensland Government's efforts to address illicit tobacco, including the introduction of a licensing scheme, increased penalties and expanded powers for enforcement agencies. These are important foundations. However, more must be done to close the enforcement gaps that organised criminal networks continue to exploit.

South Australia offers a model of effective reform. After recognising that illicit tobacco had evolved into a serious crime issue, the South Australian Government transferred enforcement and compliance responsibilities from SA Health to Consumer and Business Services (CBS), while SA Health retained responsibility for broader policy and health oversight. Anecdotal early results from this model have shown encouraging signs, including a modest return of consumers to the legal market.

In contrast, despite Queensland's regulatory progress, illegal activity continues to surge. Retailers across the state report widespread non-compliance—from unlicensed “pop-up” stores to black-market vendors openly selling on social media. Many have told us that they believe Queensland Health is not taking meaningful enforcement action, even when information about suspected offenders is reported through the government's online reporting tool.

As reported in Queensland media, an example of retailers taking matters into their own hands is Mansfield Tobacco and Gifts, a business repeatedly targeted by criminal gangs. After suffering multiple break-ins, the owner resorted to reinforcing the storefront with steel barriers. Despite these extreme measures, the business continues to face attacks, rising insurance costs and lasting emotional and financial strain<sup>1</sup>.

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<sup>1</sup> 7 News Brisbane (19 March 2025). Mansfield Tobacconist Builds Steel Wall Against Arsonists. Retrieved from [https://x.com/7NewsBrisbane/status/1902272863299829967?\\_sm\\_nck=1](https://x.com/7NewsBrisbane/status/1902272863299829967?_sm_nck=1)

The illicit tobacco trade in Queensland has escalated beyond a regulatory challenge—it now poses a serious threat to public safety, the viability of small businesses and community confidence.

## Strengthening Enforcement

One of the primary barriers to addressing illicit tobacco in Queensland is the lack of effective enforcement.

In conversations with retailers across the state they continue to report deep frustration with the lack of meaningful action from Queensland Health. Our retailers have informed us despite reporting cases of suspected illegal operators in their area, these businesses have remained open for months—without any consequences.

This is not a reflection on the dedication of frontline health compliance officers, but rather a recognition that Queensland Health is not equipped to manage the criminal and commercial complexity of today's illicit tobacco and vaping market. Organised syndicates have identified Queensland as a weak link in enforcement—and are exploiting that gap with growing confidence.

BAT strongly recommends that responsibility for tobacco compliance and enforcement be transferred from Queensland Health to OLGR. OLGR has the personnel expertise to manage regulated industries, investigate criminal conduct and coordinate effectively with law enforcement.

This approach mirrors the successful model adopted in South Australia, where enforcement was transferred from the health department to Consumer and Business Services—delivering stronger compliance outcomes and better community protection.

Due to the nature of OLGR's responsibilities in liquor and gaming it is far better positioned to:

- Investigate complex supply chains and financial links
- Conduct coordinated raids with police and other agencies
- Apply and enforce penalties consistently and effectively
- Deter organised crime through targeted, high-visibility enforcement operations

To tackle the scale and seriousness of illicit tobacco in Queensland, enforcement must be placed in the hands of an agency with experience in compliance in highly regulated industries.

## Conclusion

BAT supports the proposed amendments in the Health Legislation Amendment Bill 2025 as a positive and necessary step toward improving Queensland's regulatory response to illicit tobacco and vaping products.

However, more is required to curb the scale and impact of the illicit trade. The critical gap lies in enforcement—and unless this is urgently addressed, the reforms risk being symbolic rather than effective.

