




Speech By
James Lister

MEMBER FOR SOUTHERN DOWNS

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TOBACCO AND OTHER SMOKING PRODUCTS AMENDMENT BILL

 **Mr LISTER** (Southern Downs—LNP) (4.11 pm): I, too, rise to make a contribution on the Tobacco and Other Smoking Products Amendment Bill 2023. I applaud the intent of the bill, particularly around dealing with the scourge of illicit tobacco products, which has been a real problem in my community of Southern Downs. I have been approached by retailers, legitimate hardworking retailers, whose business depends upon a level playing field. The sale of tobacco products is already quite highly regulated and those who flout the law and supply tobacco illegally have an enormous advantage and that advantage disadvantages legitimate businesses.

Prior to the introduction of this bill the matter of illicit importation and tobacco sales and so forth was largely the province of the federal government because it concerned federal laws regarding excise and importation. It rested perhaps more properly in the realm of the Australian Federal Police to identify offenders and prosecute them. It was not entirely the federal government's responsibility. We know that the Queensland Department of Health did or does currently have some jurisdiction. I listened intently to the contribution made by my honourable friend the member for Lockyer when he talked about some of the illicit tobacco suppliers being presented with infringement notices and fines, which obviously did not serve as an appropriate deterrent under the law as it now stands simply because of the scale of the profits that can be made from selling untaxed tobacco.

In my electorate of Southern Downs there are two prominent illegal tobacco outlets. In spite of many complaints to many agencies with responsibility in this field, including the federal agencies, it appears that no enforcement action has been taken against them. That is a very irritating and depressing situation for legitimate retailers who see the illegal competition being tolerated by the authorities.

I listened to the member for Nanango's earlier contribution and I was astonished to hear—although thinking about it, that makes a lot of sense—that an illicit supplier in her electorate had an ATM inside the door so customers could withdraw cash and pay in cash. This does fit with the pattern that I am aware of in my own electorate. I understand that if you wish to pay by electronic means a \$20 or \$50 surcharge is applied because these businesses obviously do not want to have their transactions occur in a legitimate space; they do not want to identify what is happening in their business. Obviously if the operation is sophisticated enough to have an ATM inside the front door, it is a very profitable business.

The member for Morayfield made a number of remarks, most of which I agreed with—and I am sure we agree with one another around the House on most aspects of the bill. He made the point that it is commonplace for people—and I presume he was referring to members on this side of the House—to complain about the creation of red tape and additional regulation. He was saying that this bill that the industry has been asking for is red tape. I think that misses the point. I think the real point here is that industry has been begging for enforcement. Without wanting to quibble about the past, I think there should be no misunderstanding about business yearning for extra regulation. What business wants is a fair playing field and a reasonable regulatory environment.

Mr McDonald: Hear, hear!

Mr LISTER: I thank the member for Lockyer. They want a government that taxes sparingly, that regulates sparingly and that provides the infrastructure, the state resources and the law and security that allows business to prosper.

I had occasion to write to the federal police commissioner—and I copied in the Hon. Mark Dreyfus, the federal Attorney-General—with my concerns about unlawful tobacco sales. I table that letter for the benefit of the House.

Tabled paper: Letter, dated 22 November 2022, from the member for Southern Downs, Mr James Lister MP, to the Australian Federal Police Commissioner, Mr Reece Kershaw APM, regarding enforcement action for unlawful tobacco sales [718](#).

I outlined the breadth of concerns I have about the sale of illicit tobacco, which were more than just the obvious forgone excise and so forth. I will go through the concerns I spoke about. Small businesses are impacted, and we have heard many stories of local businesses that are losing a great deal of money. I spoke with Frank Spano—I believe he was one of the submitters to the bill—who operates two IGA supermarkets in my electorate of Southern Downs, one in Stanthorpe and one in Warwick. He said he was losing many hundreds of thousands of dollars in revenue per year to the sale of cigarettes by these illegal outlets. Very concerningly, he said that it worked out to be approximately \$170,000 of forgone wages for staff who would otherwise have been working in the service and the sale of those legitimate tobacco products, so there is a real impact on the community there.

We know that if these businesses are not concerned about trading openly in front of the whole world where everyone knows they are located they certainly would not be concerned about something more sinister such as supplying children with tobacco products. If they are flying under the radar on excise, I think you could bet penny to a pound that kids who go in with dollars in their hand would be provided with the tobacco products, and obviously that is repugnant. Then there is biosecurity; these products are brought in without the oversight of the proper biosecurity regime that the federal government operates. In an electorate like Southern Downs that is a very important thing. We do not know what kinds of diseases, pathogens and so forth could be coming in with these products because they are completely unregulated. The stakes are extremely high in that particular field.

I object particularly to the obvious involvement of organised crime. Let's face it, these outlets where the scale of profits is so great obviously have connections to the underworld in order to secure these tobacco products and are operating as organised crime. I think history would tell us that organised crime never operates away from drugs, violence and other unlawful businesses such as unlawful prostitution, gambling, liquor sales and so forth. I think it is important that these businesses be shut down and that there be resolute and unrelenting action to prevent them from reopening.

The last thing I might say is that when good law-abiding people and the operators of businesses that are undertaking lawful tobacco sales see their competitors trading openly for months or years with little or no intervention from authorities they can be forgiven for drawing the inference that there must be corruption involved. That inference, that understandable inference, undermines confidence in the law and in government and that is always the beginning of a very slippery slope.

I welcome the additional legislative ability for the Queensland government to enforce the tobacco laws and stamp out the trading in illicit tobacco. However, I join many of my colleagues in the LNP opposition in saying that this ought to be resourced properly. Whilst I have heard the member for Lockyer say that public health officials had engaged in some enforcement action, that is the only example I have heard of.

In fact, in my electorate, word on the street is that it was a low priority for Health—that they have competing priorities and this is one of the lower ones. There is also the possibility that fear of the dangers of confronting illegal operators discourages public servants from participating. I would like to see the state government genuinely resource the Department of Health officers who have the power to enforce the law regarding tobacco products. What is at stake here is forgone revenue, the cost to the community of extending tobacco use and the succour that these businesses give to organised crime. These costs are very significant indeed, and it is worth the department investing what it should in order to provide the workforce necessary to stamp out the sale of illegal tobacco.