

Australian Government

Australian National Preventive Health Agency

Mr. Steve Georganas MP Committee Chair Standing Committee on Health and Ageing House of Representatives PO Box 6021 Parliament House **CANBERRA ACT 2600**

Submission No. 61

(Plain Packaging Bill) Date: 26/07/2011

Dear Mr Georganas,

Inquiry into Tobacco Plain Packaging

The Australian National Preventive Health Agency is pleased to provide the attached submission to your Inquiry in to Tobacco Plain Packaging Bill 2011 and Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011.

If you have any questions or wish to discuss this matter, I can be contacted on 02 6289 2876 or by email at lisa, studdert@anpha.gov.au

Yours sincerely

Dr Lisa Studdert

A/g Chief Executive Officer

25 July 2011

The Hon Nicola Roxon, Minister for Health & Ageing cc.



Australian Government

Australian National Preventive Health Agency

Australian National Preventive Health Agency (ANPHA) submission to:

The House of Representatives Standing Committee on Health and Ageing Inquiry into Tobacco Plain Packaging

22 July 2011

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1. ANPHA's role in preventive health for all Australians

The Australian National Preventive Health Agency (ANPHA) was established on 1 January 2011 to strengthen Australia's investment in preventive health, following the commencement of the *Australian National Preventive Health Agency Act 2010* on the same day.

The Council of Australian Governments (COAG) agreed to establish ANPHA in November 2008, as part of the *National Partnership Agreement on Preventive Health*. The creation of a national preventive health agency was also recommended in the National Health and Hospitals Reform Commission's Report (released in July 2009) and in the final report of the National Preventative Health Taskforce (released in September 2009).

ANPHA will contribute to improving health outcomes for Australians by helping to turn the tide on the rising prevalence of preventable chronic diseases. ANPHA will support all Australian Health Ministers in managing the complex challenges of preventable chronic diseases. ANPHA supports the development and implementation of evidence-based approaches to preventive health initiatives targeting obesity, alcohol, tobacco and other substance abuse.

2. What is the current burden of tobacco use on Australians' health?

- Since 1950, when the dangers of smoking were recognised, almost one million Australians have died because they smoked.²
- Tobacco use accounts for 15,500 Australian premature deaths each year, and is the nation's single largest cause of preventable mortality and morbidity.³
- Almost three million Australians, 16.6 per cent of our population aged 14 years and over, still smoke daily.⁴
- Prevalence rates of smoking among adult Indigenous Australians remains very high with 50 per cent reporting to be daily smokers in 2007.³
- Smoking is responsible for 20 per cent of deaths in our Aboriginal and Torres Strait Islander communities.⁵

Morbidity and Health System Costs

• In 2001-02, it was estimated that almost 300,000 hospitalisations, costing \$682 million, were attributable to tobacco smoking.⁶

Community and Economic Costs

- Half of the smokers who continue to smoke for a prolonged period will die early, half of them in middle age when their children and grandchildren depend on them and while they are in the most productive years of their working lives.⁷
- Tobacco use cost the Australian community approximately \$31.5 billion in 2004-05.8

COAG 2008. National Partnership Agreement on Preventive Health. Available at

 $http://www.federal financial relations.gov.au/content/national_partnership_agreements/HE004/Preventive_Health.pdf$

² Jamrozik K and Le M 2001. Tobacco's uncounted victims. *Medical Journal of Australia* 174:490-1.

³ Begg S et al. 2007. The burden of disease and injury in Australia 2003. PHE82. Canberra: Australian Institute of Health and Welfare,

⁴ Australian Institute of Health and Welfare 2008. 2007 National Drug Strategy Household Survey: detailed findings. Drug Statistics series no. 22. Cat no. PHE 107. Canberra, AIHW.

⁵ Vos T, et al. 2007. The burden of disease and injury in Aboriginal and Torres Strait Islander people 2003. Brisbane: School of Population Health, The University of Queensland.

⁶ Hurley SF 2006. Letter. Hospitalisations and costs attributable to tobacco smoking in Australian: 2001-2001. Medical Journal of Australia 184(1), 45.

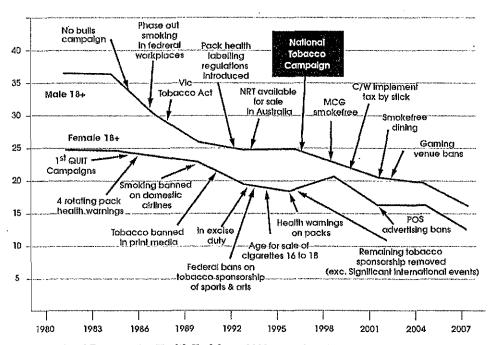
⁷ Doll R, Peto R, Boreham J and Sutherland I 2004. Mortality in relation to smoking: 50 years' observations on male British doctors. Br Med J. 2004;328:1519.

⁸ Collins D and Lapsley H 2004. The costs of tobacco, alcohol and illicit drug abuse to Australian society in 2004-05. P3 2625. Canberra: Department of Health and Ageing.

3. What has Australia's preventive health approach to smoking cessation and tobacco control achieved so far?

3.1 Key milestones in Australian tobacco control

The efforts to reduce smoking prevalence have been a combined and multi-faceted effort of governments, non-government organisations, researchers and health professionals over many years. Key milestones in the process over the past 30 years are depicted, along with the overall trend in smoking prevalence amongst men and women, in the figure below.⁹



Source: National Preventative Health Taskforce, 2009. Australia: The Healthiest Country by 2020 – National Preventative Health Strategy - Overview. Available at http://www.preventativehealth.org.au/internet/preventativehealth/publishing.nsf/Content/nphs-overview

3.2 Changes in daily smoking rates in Australia

The sustained, coordinated and cooperative preventive health effort by the Australian Government, all State and Territory Governments, and a wide range of public health researchers, health service providers and community organisations has significantly reduced Australian smoking rates over the past thirty years.

The most recent national figures on tobacco prevalence from the Australian Institute of Health and Welfare show that daily smoking rates for smokers aged over 14 years have fallen from 22.5 per cent in 1998 to 16.6 per cent in 2007. ^{10 11} This reduced rate is among the lowest in the world and has contributed to Australia achieving one of the highest average life expectancies of any country.

3.3 Challenges for further reductions to daily smoking rates in Australia

However, smoking prevalence rates remain higher among those from lower socio-economic communities, and a higher number of Aboriginal and Torres Strait Islanders also reported smoking daily (50 per cent compared with 16.6 per cent of all Australians aged 14 years and over). The Preventative Health Taskforce Technical Report on tobacco control in Australia noted that smoking by people from disadvantaged backgrounds may be becoming a barrier to acceptance in more

National Preventative Health Taskforce, 2009. Australia: The Healthiest Country by 2020 – National Preventative Health Strategy - Overview. Available at http://www.preventativehealth.org.au/internet/preventativehealth/publishing.nsf/Content/nphs-overview
 Adhikari P & Summerill A 2000. 1998 National Drug Strategy Household Survey: detailed findings. Drug Statistics Series. Cat. no. PHE 27. Canberra: AIHW.

¹¹ Australian Institute of Health and Welfare 2008. 2007 National Drug Strategy Household Survey: detailed findings. Drug Statistics series no. 22, Cat no. PHE 107. Canberra, AIHW.

advantaged social networks.¹² Australian Government social marketing campaigns have been planned to enable targeted, effective messages to reach and influence people in lower socioeconomic and Indigenous communities, including the recently announced '*Break the Chain*' campaign launched in March 2011.

4. What is the preventive health context of the Tobacco Plain Packaging Bill 2011 and the Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011?

4.1 Australia

4.1.1 National Preventative Health Taskforce recommendations on tobacco control and plain packaging in 2009

The report of the National Preventative Health Taskforce, *Australia: the healthiest country by 2020* identifies accelerating the decline in smoking as one of three key areas for preventive health action in Australia in the decade to 2020. The Taskforce report recommended a target of reducing the prevalence of daily smoking among adult Australians to 10 per cent or lower by 2020.

The Taskforce report identifies as a specific action for Australia to "eliminate promotion of tobacco products through design of packaging". In support of the adoption of plain packaging it cites:

- evidence from consumer research that plain packaging will reduce the appeal and perceptions of enjoyment and desirability of smoking;¹⁴ 15 16 and
- evidence from market research that plain packaging will significantly restrict the tobacco industry's ability to promote its products.

4.1.2 The Australian Government's response to National Preventative Health Taskforce recommendations on tobacco control and plain packaging in 2010

The Australian Government responded to the Taskforce Report on 19 May 2010, with *Taking Preventative Action*. ¹⁸ In this Response, the Government reiterated its commitment, announced on 29 April 2010, that it would develop legislation to introduce mandatory plain packaging of tobacco products from 1 January 2012 with full implementation from 1 July 2012.

The Government's Response noted that "with restrictions on other forms of marketing, the branding and design of cigarette packs is now the primary means by which tobacco companies communicate brand image" and cites:

 evidence from consumer research that removing the design elements on branded packs of cigarettes changes how favourable the packs are perceived, including attitudes to those who smoke that brand and the quality of cigarettes in the packs.¹⁹

¹² Scollo M 2009. Australia: the healthiest country by 2020. Technical Report No. 2: Tobacco control in Australia, Making smoking history. Canberra, Commonwealth of Australia.

¹³ The National Preventive Health Taskforce 2009 *Australia*; the Healthiest Country by 2020. Comprises 5 reports which can be accessed at http://www.yourhealth.gov.au/internet/yourhealth/publishing.nsf/Content/nphs-report-roadmap

¹⁴ Beede P and Lawson R. 1992. The effect of plain packages on the perception of cigarette health warnings. *Public Health* 106:315-322.

<sup>322.

15</sup> Goldberg M et al 1999. The effect of plain packaging on response to health warnings. *American Journal of Public Health* 89:1434-1435.

¹⁶ Strahan EJ et al. 2002. Enhancing the effectiveness of tobacco package warning labels: a social psychological perspective. Tobacco Control. 11:183-190

¹⁷ Morgan Stanley Research Europe 2007 Tobacco: Late to the Party. London: Morgan Stanley Research

¹⁸ Commonwealth of Australia 2010 Taking Preventative Action – A Response to Australia: The Healthiest Country by 2020 – The Report of the National Preventative Health Taskforce. Available at

http://www.yourhealth.gov.au/internet/yourhealth/publishing.nsf/Content/take-prev-action-toc

¹⁹ Wakefield MA et al 2008. How does increasingly plainer cigarette packaging influence adult smoker's perceptions about brand image? An experimental study. *Tobacco Control* 17:416-21.

4.1.3 Australia's National Tobacco Actions

The Council of Australian Governments has agreed to a target of reducing the smoking rate among the Australian population to 10 per cent by 2018, and halving the smoking rate among Aboriginal and Torres Strait Islander people.

The National Tobacco Strategy is a policy framework for the Australian Government and state and territory governments to work together and in collaboration with non-government agencies to improve health and to reduce the social costs caused by tobacco. The National Tobacco Strategy 2004-2009 has been evaluated. Following consideration of the findings of the evaluation, a new National Tobacco Strategy will be developed during 2011.

A comprehensive strategy initiated by the Australian Government to meet this target includes the following programs and activities:

- a 25% increase in tobacco excise in April 2010, the first increase above inflation for more than a decade;
- the introduction of plain packaging for tobacco products;
- the introduction of legislation to bring restrictions on internet advertising of tobacco products into line with advertising in other media;
- record investments in anti-smoking social marketing campaigns, including the '4,000 chemicals' campaign in 2010, and the new \$61 million National Tobacco Campaign 'Every cigarette brings cancer closer' in 2011;
- a further \$27.8 million over four years for social marketing campaigns targeted to high-risk and hard to reach groups;
- investment of \$14.5 million in the Indigenous Tobacco Control Initiative which is funding 18
 innovative pilot projects in Indigenous communities around Australia;
- the \$100.6 million COAG Closing the Gap in Indigenous Health National Partnership, Tackling Smoking measure which will employ a tobacco action workforce in 57 regions across Australia by 2012-13;
- the first ever Aboriginal and Torres Strait Islander-specific national anti-smoking television campaign 'Break the Chain' launched in March 2011; and
- \$102.4 million to support extended listings on the Pharmaceutical Benefits Scheme for nicotine replacement therapies.

4.2 Is plain packaging consistent with current international approaches to tobacco control?

The World Health Organization Framework Convention on Tobacco Control (WHO FCTC) is the first international health treaty negotiated under the auspices of the WHO.²⁰ It was adopted by the World Health Assembly on 21 May 2003, Australia became a Signatory on 5 December 2003, and the treaty entered into force on 27 February 2005. The core demand reduction provisions in the WHO FCTC are contained in articles 6-14 and include:

- (i) Price and tax measures to reduce the demand for tobacco, and
- (ii) Non-price measures to reduce the demand for tobacco, namely:
 - Protection from exposure to tobacco smoke;
 - Regulation of the contents of tobacco products;
 - Regulation of tobacco product disclosures;
 - Packaging and labelling of tobacco products:
 - Education, communication, training and public awareness;
 - Tobacco advertising, promotion and sponsorship; and
 - Demand reduction measures concerning tobacco dependence and cessation.

²⁰ World Health Organization 2005. *WHO framework convention on tobacco control*. A56/8. Geneva: WHO. Available at http://www.who.int/fcte/text_download/en/index.html

At its meeting in November 2008 the WHO FCTC Conference of the Parties adopted guidelines for Article 11 and Article 13 recommending that Parties to the FCTC consider introducing plain packaging. 21 22

4.3 What are other jurisdictions current approaches to plain packaging of tobacco products?

Many countries have supported the Australian Government's world leading tobacco control reforms, including plain packaging. Countries such as New Zealand and the United Kindom have indicated that they are carefully monitoring the progress in Australia. Other countries are moving in a similar direction to Australia's tobacco control, with Canada announcing health warning labels which will cover 75 per cent of cigarette packs, and Uruguay will have 80 per cent covered with similar labels.

5. What evidence supports plain packaging as a preventive health strategy to reduce smoking?

5.1 What is the current state of play in tobacco marketing and cigarette packaging?

In 1973, Australian state and territory governments introduced mandatory requirements for health warnings on cigarette packs.²³ A nationally agreed system was then implemented and has been coordinated by the Australian Government since 1985.²⁴ Health warnings have shifted over time from a message only format to pictorial health warnings on cigarette packs which have now been implemented in more than 30 countries, including in Australia from 2004. 25 26

Tobacco companies initially responded to the rising levels of health concern and growing public awareness of the health risks of smoking by adopting marking strategies that used the words 'light', 'mild' and 'low-tar' to imply to consumers lower levels of health risk.²⁷ In response, more than 50 countries, including Australia, have now enacted legislation prohibiting the marketing of tobacco using misleading information.²⁸

However, subsequent consumer research with cigarette smokers in four countries including Australia, concluded that changing consumers' beliefs that some cigarettes are less harmful than others was going to require more than simply removing particular descriptive terms.²⁹

The tobacco industry has further responded to these legislative changes by again adjusting consumer marketing strategies particularly regarding the design of cigarette packaging; reportedly adopting a mixture of alternative terms in different markets (e.g. 'smooth'; 'fine', 'refined', 'ultimate') and/or colour differentiation on cigarette packs.^{30 31}

²¹ WHO FCTC Conference of the Parties 2008. Guidelines for implementation of Article 11 of the WHO Framework Convention on Tobacco Control (Packaging and labelling of tobacco products) Decision FCTC/COP3(1).

²² WHO FCTC Conference of the Parties 2008. Guidelines for implementation of Article 13 of the WHO Framework Convention on Tobacco Control (Tobacco advertising, promotion and sponsorship) Decision FCTC/COP3(12).

²³ Borland R & Hill D 1997. The path to Australia's tobacco health warnings. Addiction 92(9)1151-7.

²⁴ Commonwealth Department of Health and Aged Care 2001. Review of Health Warnings on Tobacco Products in Australia: discussion paper, Commonwealth of Australia, Canberra.

²⁵ Hammond D 2011. Health warning messages on tobacco products: a review. *Tobacco Control*. Available at: http://www.ncbi.nlm.nih.gov/pubmed/21606180

²⁶ Australian Government 2004. Graphic Health Warnings on Tobacco Product Packaging.

²⁷ Hammond D & Parkinson C 2009. The impact of cigarette package design on perceptions of risk. *Journal of public health*

<sup>31(3)345-53.

28</sup> Mutti S et al. 2011. Beyond light and mild: cigarette brand descriptors and perceptions of risk in the International Tobacco Control

⁽ITC) Four Country Survey. *Addiction* 106(6) 1166-75.

29 Borland R et al 2008. What happened to smokers' beliefs about light cigarettes when "light/mild" brand descriptors were banned in the UK? Findings from the International Tobacco Control (ITC) Four Country Survey, Tobacco control, 17(4)256-62,

³⁰ Borland, R. et al., 2008. What happened to smokers' beliefs about light eigarettes when "light/mild" brand descriptors were banned in the UK? Findings from the International Tobacco Control (ITC) Four Country Survey, Tobacco control, 17(4)256-62.

³¹ Moodie C & Hastings GB 2009. Making the Pack the Hero, Tobacco Industry Response to Marketing Restrictions in the UK: Findings from a Long-Term Audit. International Journal of Mental Health and Addiction 9(1)24-38.

5.2 Does the current design of cigarette packs influence the health behaviours of consumers and their perceptions of the health risks associated with smoking?

There is evidence that the packaging design and colour of cigarette packs is used to target particular groups of consumers, particularly young people. For example:

- a study of young women aged 18-25 in Canada found that 'female-branded' cigarette packs were associated with a greater number of positive attributes including glamour, slimness and attractiveness;³² and
- a study of adolescent smokers in Norway (where other forms of tobacco advertising have also been banned for more than 30 years) found that these young smokers perceive the cigarette brand as adding a social dimension to their smoking behaviour and communicate social status from their brand choices.³³

There is evidence that packaging design, wording and colour of cigarette packs influences some consumers to falsely believe that some cigarettes are less harmful to their health. For example:

a 2006 study of smokers in four countries including Australia found that 20 per cent of current smokers reported a belief that some cigarettes could be less harmful than others, and package design was a key indicator of this false belief, with those smoking 'gold', 'silver', 'blue' or 'purple' brands more likely to believe these brands were less harmful.³⁴

5.3 Will requiring plain packaging influence the behaviour of existing and potential smokers?

As there is not yet a jurisdiction that has enacted legislation to require plain packaging for cigarette packs, evidence of its likely effect on reducing smoking rates derives primarily from public health research.

A number of studies have used market-testing approaches to gauge the impact of the proposed plain packaging where current or potential smokers provide their responses and preferences to existing branded and mocked-up plain cigarette packs.³⁵ A sample of this research indicates that:

- as early as 1995, public health research in Canada indicated that plain packaging of cigarettes would impact on consumer attitudes and was likely to reduce the incidence of smoking uptake by non-smoking young people and increase the incidence of smoking cessation by both adolescent and adult smokers;³⁶
- a 2008 Australian study of smokers' perceptions of taste, strength and quality of products from plain packs concluded that smokers perceive plain cardboard brown packs with fewer branding elements less favourably than branded packs;³⁷ and
- a recent Canadian study found that young women who viewed plain packs were less likely to believe claims that smoking helps people control their appetite (a key predictor of smoking among young women) compared to women who viewed 'female-branded' cigarette packs.³⁸

Beyond market-testing approaches, a recent study among smokers aged 18-35 years in Glasgow, Scotland compared assessed perceptions and experiences of using plain packs compared to regular packs in real-life settings over a 4 week period. The study found that plain packaging increased negative perceptions and feelings about the pack and smoking, increased avoidant behaviour

³³ Scheffels J 2008. A difference that makes a difference: young adult smokers' accounts of cigarette brands and package design *Tobacco control* 2008 17: 118-122

35 Freeman B et al 2007. The case for plain packaging of tobacco products School of Public Health Monograph. University of Sydney.

³² Doxey J & Hammond D 2011, Deadly in pink: the impact of cigarette packaging among young women. *Tobacco control*, pp.1-8. Available at: http://www.ncbi.nlm.nih.gov/pubmed/21478476

³⁴ Mutti S et al. 2011. Beyond light and mild: cigarette brand descriptors and perceptions of risk in the International Tobacco Control (ITC) Four Country Survey. *Addiction* 106(6)1166-75.

 ³⁶ Goldberg ME et al. 1995. When packages can't speak: possible impacts of plain and generic packaging of tobacco products.
 ³⁷ Wakefield M et al 2011. Effects of increasing size of health warnings on plain vs branded pack. Presentation at Society for Research on Nicotine and Tobacco 17th Annual Meeting, February 17, 2011. Toronto, Canada

³⁸ Doxey J & Hammond D 2011. Deadly in pink: the impact of cigarette packaging among young women. *Tobacco control*, pp.1-8. Available at: http://www.ncbi.nlm.nih.gov/pubmed/21478476

(hiding the pack, covering the pack) and increased certain smoking cessation behaviours such as smoking less around others and thinking about quitting.³⁹

6. Conclusion

The success of tobacco control efforts to date are widely recognised as being attributable to a progressive, staged and comprehensive suite of actions including public information campaigns and health warnings on packs, advertising restrictions and bans on sponsorship in sports and the arts, work and public space smoking restrictions and the promotion of, and increased accessibility to, quit support programs including nicotine replacement therapies. These progressive and staged actions can continue and the introduction of plain packaging requirements is an important next-step consistent with evidence-informed public health approaches that will reduce tobacco use in the Australian community.

³⁹ Moodie C et al. 2011. Young adult smokers' perceptions of plain packaging: a pilot naturalistic study. Tobacco control (2011). doi: 10.1136/tc/2011.043911