April 11, 2024

Dear Sir/Madam,

I would like to submit the following comments/submissions in relation to The Australian government public consultation on amendments to the Vaping Reform Bill 2024:

### How a regulated retail market will reduce the incidence of youth vaping in Australia

Evidence from many countries where vapes are regulated (e.g. New Zealand, USA, UK), have shown significant reductions in youth vaping numbers. Effective regulatory settings within those markets to control youth access to vaping products (licensing and fines, product restrictions, point of sale restrictions, labelling and enforcement activities, etc.) were instrumental in reducing the numbers of youth vapers. Regretfully, such reductions have not been observed in Australia and perhaps there are lessons to be learnt from these other countries with regards to strategies and policies which are effective in reducing the incidence of youth vaping.

## The successful reduction of black-market operations in regulated retail markets

In markets where a total ban applies to vaping products, it is inevitable that an illicit 'black market' will become a major problem for the government. While policy settings could be envisaged to enhance enforcement activity (e.g. stricter and enhanced surveillance capabilities for entry into the country of illicit supplies of electronic cigarettes, increasing fines for selling, supplying and for possession, including jail time, etc.) such measures will require significant resources and may prove to be ineffective, almost futile, in the longer term as criminals will almost always be one step ahead in finding innovative ways to supply vaping devices and liquids to the black market. Domestic measures to curb black market operations also ignores the source of the problem, i.e. the likely external source of these illicit vaping products.

While the scope and size of this criminal activity is difficult to estimate, it is intuitively likely to diminish after regulation is introduced into the market. In addition to combating the black market, market regulation also provides a financial incentive for governments as it can obtain revenue through the implementation of a 'sin tax' levied on vaping products.

# Evidence of regulated retail vaping markets leading to a commensurate reduction in combustible tobacco consumption.

There is strong and persuasive global evidence that vaping offers long-term health benefits for people who are switching from combustible tobacco to vape. The evidence conclusively shows that vaping is 90-95% less harmful than smoking combustible cigarettes, and that it is more effective than NRTs in helping adults who want to quit smoking. A review of various studies performed recently have also indicated that vaping might actually be preventing young people from smoking who would have otherwise, contrary to a widely held belief of a 'gateway' effect where vaping eventually leads to young people smoking combustible cigarettes.

More specifically to regulated retail vaping markets, a recent modelling study by Levy et al (2022), which compared a 'permissive' vs a 'restrictive' vaping scenario between 2017-2080, showed that the use of vaping products in a 'permissive' scenario results in a 8% reduction in smoking- and vaping-attributable deaths and a 17% reduction in life years lost. The authors concluded that their model suggests the potential for public health gains to be achieved by relaxing vaping access regulations.

From an equity perspective, there are also additional benefits of vaping for communities with above-average incidences of smoking (e.g. the Maoris in New Zealand, indigenous Australian communities, and also rural and regional communities).

## General comments on vaping policies in regulated markets

Regulated vaping markets have many desirable features and advantages which should be considered as a way forward for amended Australian policies in this important area:

- 1. It will reduce the scope and size of illicit vaping devices entering the country through the 'black market' and save on public resources devoted to surveillance and enforcement activities;
- 2. It will provide a fiscal revenue stream through taxation imposed on vaping devices and liquidswith the caveat that taxation imposed should be proportionate to the health risk posed by such products compared to combustible cigarettes;
- 3. It will allow for regulations and measures which limit access to youth under 18 yrs of age;
- 4. It will allow for the systematic monitoring of the safety and quality of vaping devices and nicotine-containing vaping liquids being sold in the market;
- 5. It will allow for the regulation of the sale and marketing of vaping products including advertising, marketing, point of sale, permitted areas for use, labelling/health warnings, etc.;
- 6. At a socio-cultural level, it will allow the removal of the stigma and fear associated with using an illegal product;
- 7. It will allow the development of a robust retail industry for the sale of vaping products thus opening legitimate employment opportunities for many;
- 8. It will help stimulate local R&D efforts to produce vaping devices which are more affordable and accessible to those who want to use them, with an attendant export potential to countries in the region.

In conclusion, regulated vaping markets can play an important role in mitigating the harmful impacts of tobacco use from a legal, social and economic perspective. Importantly, it can help mitigate a major public health crises associated with the harmful effects of tobacco use and, at the same time, allowing individuals who want to quit smoking their human right to access an intervention which allows them to lead healthier lives and avoid premature death.

#### References

Levy et al 2022, The Australia Smoking and Vaping Model: The Potential Impact of Increasing Access to Nicotine Vaping Products. Nicotine Tob Res. 2023 Feb 9;25(3):486-497.

Yours sincerely,

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