



NORTHERN TERRITORY POLICE ASSOCIATION

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8 January 2026

Senate Legal and Constitutional Affairs References Committee
Inquiry into the Illegal Tobacco Crisis in Australia
PO Box 6100
Parliament House
Canberra ACT 2600
By email: legcon.sen@aph.gov.au

Northern Territory Police Association Submission – Inquiry into the illegal tobacco crisis in Australia

Executive Summary

The Northern Territory Police Association (NTPA) submits that the illegal tobacco market in Australia has escalated into a serious and organised crime threat with direct consequences for community safety, public health, government revenue and frontline police.

From an operational policing perspective, illicit tobacco is no longer a low-level regulatory or taxation matter. It is increasingly characterised by the involvement of transnational serious and organised crime (TSOC) groups, sophisticated supply chains, cross-jurisdictional distribution networks and a growing association with violence, intimidation, money laundering, firearms and other serious criminal activity.

The Northern Territory is particularly vulnerable due to its geographic size, remote communities, limited infrastructure and proximity to international borders. These factors are actively exploited by organised crime groups seeking to minimise detection and enforcement risk. NT Police officers are increasingly exposed to heightened operational risk when responding to illegal tobacco matters that intersect with broader organised crime activity.

Illicit tobacco undermines public health objectives by increasing access to cheaper, unregulated products, and causes substantial losses to Commonwealth revenue through excise and customs evasion. Critically, the profits generated are frequently reinvested into other forms of serious crime, amplifying harm well beyond the tobacco market itself.

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The NTPA submits that existing penalties and enforcement settings are insufficient to deter organised crime involvement. Illicit tobacco is widely perceived by criminal networks as a high-profit, low-risk enterprise. Current legislative and regulatory frameworks do not consistently reflect the seriousness of the conduct or its organised crime nexus.

The NTPA calls for decisive national action, including stronger criminal penalties, enhanced asset confiscation powers, improved intelligence sharing, increased resourcing for frontline police, particularly in regional and remote jurisdictions and formal recognition of illicit tobacco as a serious organised crime threat.

Without coordinated reform and sustained investment, the illicit tobacco market is likely to continue expanding in scale and sophistication, with an increased risk of violence and further entrenchment of organised crime networks across Australia.

Introduction

The Northern Territory Police Association (NTPA) makes this submission to the Senate Legal and Constitutional Affairs References Committee inquiry into the illegal tobacco crisis in Australia.

The NTPA represents sworn police officers of the Northern Territory Police Force and advocates for their safety, operational capability and professional interests. Members are increasingly exposed to the consequences of illicit tobacco activity in the course of frontline policing, including through investigations and responses involving serious and organised crime, violence, intimidation, money laundering, firearms, drug trafficking and cross-border criminal networks.

The NTPA submits that illicit tobacco has moved well beyond a revenue or regulatory compliance issue and now constitutes a significant and escalating law enforcement and community safety threat, particularly in regional and remote jurisdictions such as the Northern Territory.

Scale and Nature of the Illegal Tobacco Market

From an operational policing perspective, the illegal tobacco market in Australia is characterised by:

- High profitability coupled with comparatively low risk of detection and sanction.

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- Increasing involvement of transnational serious and organised crime (TSOC) groups.
- Clear links to violence, intimidation, money laundering and other serious criminal activity.

Operational intelligence available to NT Police indicates that illicit tobacco products are:

- Imported through maritime, air cargo and postal pathways.
- Distributed through established organised crime supply chains operating across multiple jurisdictions.
- Increasingly supplemented by domestic illegal cultivation, including in regional and remote locations.

The Northern Territory's geographic characteristics, vast distances, remote communities, limited transport infrastructure and proximity to international borders present vulnerabilities that are actively exploited by organised crime groups seeking to minimise detection and enforcement risk.

Impact on Public Health and Government Revenue

The NTPA acknowledges the substantial adverse impact of illicit tobacco on public health and Commonwealth revenue, particularly through:

- Increased accessibility of cheaper, unregulated tobacco products.
- Evasion of excise and customs duties.

From a policing standpoint, these impacts are compounded by the reinvestment of criminal proceeds into other serious criminal activities, including:

- Drug manufacture and trafficking.
- Firearms acquisition and distribution.
- Corruption, intimidation and coercion.
- Exploitation of vulnerable individuals and small businesses.

Illicit tobacco therefore represents not only a public health risk, but a key financial enabler of organised crime.

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Law Enforcement, Intelligence and Regulatory Responses

Penalties and deterrence measures

The NTPA is concerned that existing penalties for illicit tobacco offences do not adequately reflect the seriousness of the conduct or the organised crime nexus. Current penalty settings are frequently viewed by criminal groups as an acceptable cost of doing business.

Penalties and sentencing frameworks should more clearly recognise:

- The involvement of serious and organised crime.
- The association with violence, threats and intimidation.
- The broader economic, health and community harm caused.

Onshore and offshore disruption activities

NT Police work cooperatively with Commonwealth and interstate agencies; however, the effectiveness of disruption efforts is constrained by:

- Limited specialist investigative resources in regional and remote areas.
- Gaps and delays in cross-jurisdictional intelligence sharing.
- The speed with which organised crime networks adapt their methodologies.

Sustained offshore disruption, combined with coordinated onshore enforcement, intelligence-led targeting and asset confiscation, is essential to reducing the profitability and attractiveness of the illicit tobacco market.

Legislative and regulatory frameworks and inter-agency cooperation

The NTPA supports the development of stronger, nationally consistent legislative and regulatory frameworks, including:

- Enhanced and timely information-sharing arrangements between Commonwealth, state and territory agencies.

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- Clear and effective powers to investigate, disrupt and prosecute organised crime-linked tobacco offences.
- Improved cross-border coordination that reflects the national and transnational nature of the threat.

Social and Economic Impacts

From a frontline policing perspective, illicit tobacco activity has demonstrable social and economic impacts, including:

- Undermining legitimate retailers and small businesses, particularly in regional and remote centres.
- Increasing the risk of threats, extortion and violence directed at retailers and distributors.
- Contributing to broader community safety risks, including arson, property damage and firearms related incidents.

The circulation of unregulated tobacco products also presents unknown and potentially heightened health risks, particularly for vulnerable populations.

Forecasts and Future Threat Outlook

The NTPA submits that, in the absence of stronger and more coordinated intervention, the illicit tobacco market is likely to:

- Continue to expand in scale, sophistication and geographic reach.
- Become increasingly violent as organised crime groups compete for market control.
- Further entrench organised crime networks and associated harms within Australian communities.

There is a credible risk that the illicit tobacco market will increasingly resemble other organised crime markets in terms of violence, intimidation and risk to frontline police.

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Options for Reform

The NTPA recommends that the Commonwealth, in consultation with state and territory governments, consider the following reforms:

1. **Strengthening criminal penalties** for illicit tobacco offences, particularly where linked to serious and organised crime.
2. **Expanding unexplained wealth and asset confiscation powers** to directly target criminal profits.
3. **Increasing dedicated resourcing for frontline and specialist police**, particularly in regional and remote jurisdictions.
4. **Enhancing national intelligence coordination**, including timely, real-time information sharing across agencies.
5. **Formally recognising illicit tobacco as a serious organised crime threat**, rather than primarily a regulatory or revenue issue.

Other Related Matters

The safety and wellbeing of police officers must be a central consideration in any response. As organised crime involvement in illicit tobacco increases, so too does the risk to officers executing search warrants, conducting covert operations and responding to violent incidents associated with illegal tobacco operations.

The NTPA emphasises that an effective response requires a whole-of-government and whole-of-system approach, with frontline police adequately resourced, trained and supported.

Conclusion

The Northern Territory Police Association submits that decisive and coordinated action is required to address the illegal tobacco crisis in Australia. Without stronger penalties, improved legislative frameworks, enhanced intelligence sharing and increased resourcing, illicit tobacco will continue to undermine public safety, public health and the rule of law.



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The NTPA thanks the Committee for the opportunity to make this submission and would welcome the opportunity to provide further evidence or appear at a public hearing.

Yours Sincerely



Nathan Finn
CEO / President