

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Supplementary Budget Estimates 2015 - 2016, 21 October 2015

Ref No: SQ15-000987

OUTCOME: 1 - Population Health

Topic: Tobacco

Type of Question: Written Question on Notice

Senator: Marshall, Gavin

Question:

I note media reports and Senate debate outlining that tobacco companies are pushing low-cost cigarettes and other tobacco products into the Australia market and that many such products retail for less than \$20.

- a) Does the Government believe this down-trading seems part of a deliberate effort to keep smokers consuming this very harmful product, or to target younger Australians?
- b) Has the Government examined using a minimum retail price as a further deterrent to smokers and if so can these considerations be detailed?

Answer:

- a) The Government is aware of differential price points for tobacco products. In the absence of further information, it is inappropriate to speculate on the reasons behind tobacco companies' pricing strategies.
- b) The Government does not set a minimum retail price for tobacco products. The Government influences the price of tobacco through excise and excise equivalent customs duty.

Price measures are one component of the Australian Government's comprehensive set of national tobacco control measures which also include: education programmes and campaigns; plain packaging of tobacco products; labelling tobacco product packaging with updated and larger graphic health warnings; prohibiting tobacco advertising and promotion; and providing support for smokers to quit.