Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates 2014 - 2015

Department/Agency: Treasury

Question: AET 126

Topic: Tobacco Tax

Reference: written - 6 March 2015

Senator: Leyonhjelm, David

Question:

- 126. Does your reply to question SBT 4293 4294 suggest that tobacco tax clearance data is of limited usefulness to assess the impact of plain packaging on tobacco consumption?
 - a. If so, why did you not advise the Health Department of this caveat when you advised them of the clearance data?
 - b. Have you since advised the Health Department of this caveat? Have you suggested to the Health Department that the reference to Treasury on their website should refer to this caveat, or be removed?

Answer:

126.

The Department of Health asked whether the Treasury had any data to support ABS data on tobacco consumption.

Treasury advised that clearances of tobacco fell by 3.4 per cent in the 2013 calendar year relative to the 2012 calendar year.

The Department of Health publication 'Tobacco key facts and figures' (link: http://www.health.gov.au/internet/main/publishing.nsf/Content/tobacco-kff) states that 'Clearances are an indicator of tobacco volumes in the Australian market'.

Clearances provide an indication of domestic tobacco consumption, notwithstanding that there will be a lag between when tobacco products are cleared through the tax system and when the tobacco products are consumed.

a)

See the above response.

b)

No.