

THIS IS A PUBLIC SUBMISSION

5 November 2020

Select Committee on Tobacco Harm Reduction

Dear Committee Secretary,

The National Retail Association (NRA) welcomes the opportunity to provide this submission to the committee on the issue of Tobacco Harm Reduction and, in particular, the method of using smoke-free substances as a smoking cessation tool with an adequate regulatory framework.

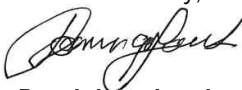
In 2019, Health Minister Greg Hunt announced a national health plan for reducing smoking rates to below 10% by 2025.¹ The NRA acknowledges the significant health impacts that smoking poses and supports Australian Government tobacco control initiatives that seek to reduce national smoking rates. The NRA believes that this committee has the unique ability to suggest a regulatory framework that all viable smoking cessation methods be made available to the general public to help achieve this national target.

Currently in Australia²:

- More than 3 million Australians still smoke (currently 14%, 11% daily);
- Over 21,000 people die in Australia every year as a result of smoking;
- Smoking is estimated to cost the community \$136.9 billion every year in social and economic costs;
- More than 520,000 Australians now vape, and 50 million people globally vape; and
- Tobacco excise will raise \$17 billion, but government only spends \$5 million a year on anti-smoking measures.

It is with this in mind that the NRA submission focuses largely on outlining a recommended regulatory framework for the use of smoke-free cessation products that empirically provides the best pathway forward. Our proposed approach will provide a suitable framework for suppliers to produce and retailers to distribute suitable, smoke-free products. Backed-up with appropriate regulation, our proposal will ensure the appropriate usage and quality control of these products.

Yours sincerely,



Dominique Lamb
Chief Executive Officer

¹ The Hon Greg Hunt MP, Minister for Health, 'National Press Club address – Long Term National Health Plan', 14/08/19. Available at: <https://www.health.gov.au/ministers/the-hon-greg-hunt-mp/media/national-press-club-address-long-term-national-health-plan>

² Australian Government, Department of Health, Australian Institute of Health and Welfare, 'National Drug Strategy Household Survey 2019', 16/07/20. Available at: <https://www.aihw.gov.au/reports/illegal-use-of-drugs/national-drug-strategy-householdsurvey-2019/contents/table-of-contents>.



INTRODUCTION

1. The National Retail Association (NRA) acknowledges the significant health impacts that smoking poses and supports government tobacco control initiatives that seek to reduce national smoking rates. According to the National Drug Strategy Household Survey, “tobacco continued to be the leading risk factor contributing to death and disease in Australia in 2015 and was responsible for 9.3% of the total burden of disease and injury.”³ The Australian Institute of Health and Welfare (AIHW) estimated that in 2015, 21,000 deaths were attributable to tobacco.⁴ Tobacco smoking continues to cause more ill health and premature death than alcohol and other drug use combined.⁵
2. Small businesses have spent many years making the case to the Department of Health for the opportunity to be involved in a properly regulated market for less harmful vaping products, including one overseen by strict retailing provisions akin to the way tobacco products are dealt with at present. This includes age verification, regulated packaging, advertising bans, ingredient and quality standards. Suitable models already exist globally with New Zealand recently adopting what is considered a best practice approach.
3. The NRA and its members argue that it is completely illogical that, while retailers across 20,000 locations in Australia are permitted to sell their customers’ cigarettes – universally acknowledged to be the most dangerous way for humans to consume nicotine – they are barred from retailing less harmful smoke-free vaping and heated tobacco products. Further, current regulation sees these products presently only being made available to Australians via mail order from overseas companies via the Government’s personal importation scheme.
4. The NRA commends the federal government for its acceptance of the need for safer smoke-free alternatives, however, we are concerned by the proposed prescription-based model. The NRA submits that this model will be counter-productive.
5. The NRA submission puts forward an alternative model – the development of an appropriate regulatory framework by the Australian Competition and Consumer Commission to regulate smoke-free products. This model recognises that 20,000 retailers – who already have trusting relationships with Australia’s 3 million smokers – are well placed to act as the frontline in helping customers move to a less harmful product category. And in time, with the right regulation, this model will result in Australia to becoming the first country in the world to eliminate the sale of cigarettes completely.

³ Australian Government, Department of Health, Australian Institute of Health and Welfare, ‘Tobacco use linked to more than 1 in 8 deaths, but burden easing’, 24/10/19. Available at: <https://www.aihw.gov.au/news-media/media-releases/2019/october/tobacco-use-linked-to-more-than-1-in-8-deaths-but>.

⁴ Australian Government, Department of Health, Australian Institute of Health and Welfare, ‘Tobacco use linked to more than 1 in 8 deaths, but burden easing’, 24/10/19. Available at: <https://www.aihw.gov.au/news-media/media-releases/2019/october/tobacco-use-linked-to-more-than-1-in-8-deaths-but>.

⁵ Australian Government, Department of Health, Australian Institute of Health and Welfare, ‘Tobacco use linked to more than 1 in 8 deaths, but burden easing’, 24/10/19. Available at: <https://www.aihw.gov.au/news-media/media-releases/2019/october/tobacco-use-linked-to-more-than-1-in-8-deaths-but>.



6. Our members seek urgent intervention to halt the implementation of the narrowly focused prescription model and instead recommend that the Committee consider a whole-of-government approach to the way smoke-free vaping products are regulated in Australia. Not only are the lives and health of tens of thousands of Australians at stake; so too are the livelihoods and very survival of the vast majority of this country's small and family retailers – and their staff and families.

ABOUT THE NATIONAL RETAIL ASSOCIATION

7. The NRA is Australia's largest and most representative retail industry organisation. We are not-for-profit and represent 28,000 outlets from every category of retail such as fashion, groceries, department stores, household goods, hardware, fast food, cafes and services. Most of these retailers are currently struggling in an extremely difficult operating environment.
8. We work with our members to develop industry-wide policy platforms or positions on issues affecting the Australian retail sector. We bring the insights and concerns of retailers to the table to ensure that regulation is realistic, cost-effective and manageable across all retail businesses.

A RESPONSIBLE REGULATORY FRAMEWORK

9. The NRA's position on the issue of smoke-free vaping products and vaping regulation is informed by three principles.
 - i. **Reducing harm** – The use of smoke-free products, including e-cigarettes, e-juice, heat-not-burn tobacco products, chewing tobacco, snuff and other novel nicotine products is significantly less harmful than smoking cigarettes.
 - ii. **Helping Australian smokers** – In order to promote switching by current adult smokers, smoke-free products should not be more difficult to obtain than cigarettes.
 - iii. **Protecting Australian kids** – Strict consumer protections should be applied to all smoke-free products, including ingredient and quality safety standards, enhanced strategies for preventing youth and 'never smoker' uptake, and other consumer product regulations, including flavours, advertising and packaging must urgently be applied.
10. The NRA also endorses the approach to smoke-free products taken by the New Zealand government, and recognises the delicate balance that needs to be struck in this policy area, which has been expressed as follows by the NZ Ministry of Health: "The potential of vaping products to help improve public health depends on the extent to which they can act as a route out of smoking for...smokers, without providing a route into smoking for children and non-smokers."⁶
11. In striking this balance it is important to recognise that smokers need to be given access to a legal and safely regulated product in which consumers can have confidence. As such, the NRA supports the development of an appropriate regulatory framework by the Australian Competition and

⁶ New Zealand Government, Ministry of Health, 'Position statement on vaping'. Available at: <https://www.health.govt.nz/our-work/preventative-health-wellness/tobacco-control/vaping-smokefree-environments-and-regulated-products/position-statement-vaping>.



Consumer Commission. As an independent Commonwealth statutory authority enforcing consumer product safety laws for the benefit of all Australians the ACCC is well-placed to regulate smoke-free products.

12. The NRA recommends the creation of a new legislative and regulatory framework to govern the manufacture, distribution and sale of smoke free products, which would sit comfortably within the existing Australian Consumer Law (ACL) framework. The ACL includes provisions which govern product safety regulation, standards, notification requirements, recalls and mandatory reporting. The NRA believes that such a comprehensive framework is necessary in order to properly regulate smoke-free products.
13. In addition to the features of Australia’s existing consumer product regulatory framework, the NRA supports a range of specific measures which are aimed at striking the balance between assisting Australian smokers to switch to a less harmful alternative while at the same time discouraging non-smokers from using any form of nicotine.
14. The NRA supports changes to the law that would allow Australian retailers to sell smoke-free products to adult smokers.
15. To help smokers who may wish to switch to less harmful alternatives the NRA also supports regulation that would allow for the dissemination of factual information to smokers so they are armed with the information they need in order to make an assessment about the reasons for switching. These messages could involve information about the relative risk of smoking and vaping, and the consequences of switching – including the health and financial consequences.
16. Importantly, retailers need to be able to have these discussions with customers so that smokers can make an informed decision. The simple messages contained on the New Zealand government’s “Vaping Facts” website provide an excellent example of the kind of messages that retailers should be encouraged to communicate to adult smokers about the use of smoke-free products.⁷
17. While allowing current smokers to have access to smoke-free products and information about smoke-free products is important, it is equally important to ensure that Australia’s regulations are designed in such a way as to prevent non-smokers, including young Australians, from purchasing and consuming nicotine products.
18. The NRA strongly supports:
 - A prohibition on the sale of smoke-free products to people under the age of 18
 - A prohibition on the advertising and sponsorship of smoke free products
 - A prohibition on the use of smoke free products in indoor spaces
19. The NRA also supports the development of a smoke-free products regulatory framework that mandates packaging and labelling requirements, including:
 - Listing of all ingredients

⁷ New Zealand Government, Ministry of Health, ‘Vaping Facts’. Available at: <https://vapingfacts.health.nz/>.



- Nicotine content
- Batch number
- A warning to “keep out of reach of children”
- Child-resistant packaging
- Tamper-evident packaging
- Protection against breakage and leakage
- Poisons line contact number
- Country of origin

20. Compliance and enforcement measures are critical to the success of any regulatory regime. The NRA supports strict compliance with a responsible regulatory framework and severe penalties for any entity that is found to have breached the regulations. These penalties should include significant fines and possible imprisonment for serious breaches of the law, including the sale of smoke-free products to anyone under the age of 18.

21. The NRA has also developed a draft Responsible Retailers code of conduct, to which smoke-free product retailers could sign up. The draft code of conduct appears below.

Responsible Retailers Code of Conduct for Smoke-Free Products

- Never sell vape products to anyone under the age of 18 or anyone purchasing on their behalf. Proof of age is to be requested if a customer is perceived to be under 25 years old.
- Ensure safeguards are in place to prevent anyone under the age of 18 purchasing vape products online or in store.
- Ensure any nicotine components are clearly labelled or available for the product.
- Never market to anyone who is not a current or former smoker, or a current vaper
- Avoid claiming any health benefits from the use of vape products.
- Ensure that all reasonable efforts are made to abide by the laws and regulations governing the manufacture, import, distribution, and sale of vape products.
- Never sell counterfeit products.
- Respect Intellectual Property and legal commercial agreements, including Trade Marks, Patents, Licences, Goodwill, and Distribution Agreements.
- Never sell a product known to be detrimental to vapers’ short term or long-term health.
- Keep records of adverse effects and incidents involving any products you have manufactured, imported, or sold and where necessary notify the relevant authorities.
- Never engage in activities likely to bring the independent vape sector into disrepute.
- Where required, register and accurately discharge GST responsibilities.
- Hold valid and appropriate product, and wider as necessary, personal and product liability insurance.
- Never misrepresent a products’ safety or performance criteria.
- Provide suitable warranties and guarantees consistent with prevailing consumer and sector related legislation and when defined, Government best practice.
- Pay an appropriate fee for retailing vaping products either online or in store.



WHY THE PRESCRIPTION MODEL WON'T WORK

22. There has been a recent move towards the legalisation of smoke-free products in Australia by the Therapeutic Goods Administration (TGA). In response to an application by the Commonwealth Department of Health, the TGA announced on 23 September 2020 its interim decision that smoke-free nicotine products would be made available to vapers willing to obtain a prescription and purchase at a pharmacy.⁸
23. The Department of Health says that this will allow for local manufacturing of vaping products to then be distributed by pharmacies via prescription. The Department has therefore shifted its position to now favour vaping products as a less harmful alternative to cigarettes. This change to its long-held opposition is to be congratulated, but there are significant issues with this proposal.
24. Based on feedback from our members, retailers are opposed to this highly deficient approach which represents the worst of both worlds in terms of disrupting local retail market dynamics and detracts from the public health opportunities at hand that a more inclusive retail model would deliver.
25. We submit that it defies common sense from a public health perspective that a regulatory model whereby products, in the form of cigarettes, contribute to the deaths of 21,000 Australians each year will continue to be freely available whilst less harmful ones, in the form of smoke free alternatives, would be less available. Given that vaping can be a smoking cessation tool, it is important that any regulatory framework allows for accessibility to be equal to or greater than cigarettes.
26. Retail businesses are already struggling in an extremely difficult operating environment. The Department's proposed model locks out 20,000 small businesses and the 400,000 Australians these businesses employ. Instead the proposal grants a monopoly to big pharma companies.

Vapers

27. Currently, Australian law already mandates the need for prescriptions. Even so, only 1-2% of vapers have a prescription and there are less than 20 General Practitioners (GP) who partake in providing prescriptions. This lack of GPs will be particularly problematic in regional areas, the areas in Australia with generally the highest smoking rates.⁹

Pharmacies

28. There has been long-term opposition by the retailing of vaping by the community pharmacy sector with the Pharmacy Guild of Australia telling the TGA this year in a submission on the matter that,

⁸ Australian Government, Department of Health, Therapeutic Goods Administration, 'Access to nicotine-containing e-cigarettes', 23/11/20. Available at: <https://www.tga.gov.au/media-release/access-nicotine-containing-e-cigarettes>.

⁹ Australian Government, Australian Bureau of Statistics, 'National Health Survey: First results', 12/12/18. Available at: <https://www.abs.gov.au/statistics/health/health-conditions-and-risks/national-health-survey-first-results/latest-release>.



“the Guild does not support the sale of personal vaporisers in pharmacies, regardless of whether or not they contain nicotine...”¹⁰.

29. The current structures within the retail pharmacy environment has seen the emergence of highly corporatised ‘big box’ publicly listed and privately-owned behemoth retail pharmacy interests, at the expense of traditional community orientated operators. Therefore, it can only be concluded given the community pharmacy opposition to vaping that the regulatory reform proposal as progressed will do nothing more than hand a virtual monopoly right to retail these products to a narrow cohort of highly concentrated ‘big box’ pharmacy commercial interests.

Suppliers

30. There are many suppliers that would look to move their manufacturing on-shore should smoke-free nicotine products be made legal.¹¹
31. What would make this untenable is for the product to be regulated by the TGA. Every product, including every flavour or composition, would have to be approved by the TGA which would incur huge costs to the supplier. This is why the regulation should be carried out by the ACCC who can ensure principles and standards of the product instead.

Smoking Rates

32. The use of smoke-free nicotine products is primarily as a smoking cessation tool. If this is to be effective in reducing the national smoking rate at the very minimum smoke-free nicotine products should be provided as a practical alternative to traditional cigarettes.
33. For this to happen, the NRA believes the only viable option is for traditional smokers to have equal access to vaping products as traditional cigarettes, but that these products also be made available on the same premises and at the time of the transaction of cigarettes.

Unnecessary costs to Government

34. A needless resource drain on the health budget given the cohort of 500,000 existing users of these products in Australia and any of the three million existing Australian smokers wishing to switch to smoke free alternatives will first be required to visit a General Practitioner (GP) to obtain a prescription before attending a pharmacy to fill their script.
35. Firstly the evidence shows that though the 500,000 Australians importing nicotine products are meant to have a doctor’s prescription, less than 1-2% actually do. If vapers are currently required to have a doctor’s prescription and this is largely ignored, there is clear evidence that the prescription model has failed and we question what change a pharmacy model will actually create.
36. Conservative estimates model that this will result in at a minimum extra two million GP visits occurring annually, costing the health budget more than \$300 million across the forward

¹⁰ Pharmacy Guild of Australia, ‘Comments by The Pharmacy Guild of Australia to the proposed amendments referred by the delegate for scheduling advice for consideration by the Advisory Committee on Medicines Scheduling’, 11/02/20. Available at: <https://www.tga.gov.au/sites/default/files/public-submissions-scheduling-matters-referred-acms-29-accs-27-and-joint-acms-accs-24-meetings-held-march-2020-pga.pdf>.

¹¹ Australian Retail Vaping Industry Association, ‘Tasmanian Economic Outline 2020’, 17/08/20.



estimates in funded short consultation fees paid to GPs (plus whatever gap fees are payable by the patient).

37. The NRA remains concerned that this extra regulatory barrier to vaping will result in less smokers transitioning to vaping products and creating more health-related effects from traditional cigarettes.

Additional stress on GP surgeries

38. The additional 2 million GP visits required will undeniably result in GP surgeries being clogged up with ex-smokers who are not sick and simply looking for a less harmful alternative than continuing to smoke. The impact of this will be that sick, frail and elderly Australians will be unable to get a timely appointment, leading to worse health outcomes and more expensive tertiary medical interventions.

Uncaptured sin excise tax

39. The pathway proposed by the Department of Health removes or severely limits the ability for the Commonwealth and states to capture revenue to fund critical services via traditional 'sin' excise tax on these products given their status as prescription and pharmacist over the counter. Similarly, it is unclear if they are proposed to be dealt with under the Pharmaceutical Benefits Scheme which if so, also means that GST would not be payable.

THE ECONOMICS OF VAPING PRODUCTS

Tobacco excise is a large and important source of Commonwealth Revenue

40. In 2019-20, the Commonwealth budget estimated Government Tobacco Excise revenue to be \$17.2 billion. This represents the third largest single source of Commonwealth Revenue (equivalent to 18% of Company Tax receipts in 2019-20). Other factors represent a huge loss of potential Commonwealth Revenue through evasion and missed opportunities. KPMG estimates that over 20% of total tobacco consumption is illicit, representing evaded excise of \$3.4 billion.¹²
41. An estimated 434,000 former cigarette smokers are now vaping daily in Australia.¹³ This model estimates that the Commonwealth could raise \$1.2 billion in 2021 from legalising and regulating vaping products (an amount currently 'lost' over and above illicit cigarettes)¹⁴. This model estimates total revenue lost from illegal, untaxed alternatives to tobacco represents \$6.3 billion in 2021.¹⁵

¹² KPMG, 'Illicit Tobacco in Australia 2019', 26/05/20. Available at: <https://www.taxpayers.org.au/media-releases/release-kpmg-report-shows-tobacco-tax-is-too-high>

¹³ Australian Government, Department of Health, Australian Institute of Health and Welfare, 'National Drug Strategy Household Survey 2019', 16/07/20. Available at: <https://www.aihw.gov.au/reports/illicit-use-of-drugs/national-drug-strategy-householdsurvey-2019/contents/table-of-contents>.

¹⁴ Euromonitor International, 'Nicotine Survey 2020: Key Insights and System Overview', 8/04/20. Available at: <https://www.euromonitor.com/nicotine-survey-2020-key-insights-and-system-overview/report>.

¹⁵ Australian Retail Vaping Industry Association, 'Tasmanian Economic Outline 2020', 17/08/20.



There is also a huge cost to the community that reduced smoking rates could help.

42. Over 21,000 people die in Australia every year as a result of smoking. The health impacts of smoking are estimated to cost the community \$136.9 billion every year in social and economic costs. The Australian Tobacco Harm Reduction Association estimates that a ‘pack-a-day’ smoker (20 cigarettes of the leading brand) spends \$10,580 per year on smoking. However, for those smokers who switch to less harmful vaping products, this cost is reduced significantly to around \$1,150 per year.¹⁶
43. Research into New Zealand’s liberalised approach to nicotine vaping found that, compared to maintaining lethal tobacco sales and the associated health costs and smoking related deaths, the nation is on track to save NZ\$3.4 billion in health system costs, or around NZ\$780 for every citizen.¹⁷

Legalising Vaping would help our economy

44. Australian vapers currently spend well over \$438 million annually on vape products, most of which is purchased online from New Zealand. According to the Australian Retail Vaping Industry Association’s 2020 Tasmanian economic outline, if Tasmania legalises nicotine sales, vape user surveys consistently show it will become the preferred location for Australian vapers to purchase their products online. As more of Australia’s three million smokers transition toward less riskier vaping products, the domestic market has the potential to grow to over \$4 billion over the next decade.¹⁸
45. In 2012 there were 700,000 vapers in the United Kingdom (UK), but by 2018 this number grew to 3 million, representing a 328% increase in just seven years.¹⁹ Globally, between 5 and 10 million smokers are switching to vaping each year. In 2012 there were an estimated 10 million vapers around the world, and by 2018 that number had grown to 42 million – a growth of 320% in seven years. On this trajectory, we estimate that there are well over 50 million vapers around the world in 2020.²⁰
46. Should smoke-free nicotine products be available at retail sites and be able to be produced in Australia our economy could benefit substantially from government tax revenue, local economic activity and a reduction in the overall health bill.

NICOTINE VAPING PRODUCTS

47. The NRA recognises that smoke-free vaping products are already legalised and regulated for sale by retailers in every comparable country to Australia including New Zealand, the UK, all of Europe,

¹⁶ Australian Tobacco Harm Reduction Association, Colin Mendelsohn, Available at: <https://www.athra.org.au/vaping/vaping-cost/>

¹⁷ Petrović-van der Deen et al, ‘Potential Country-level Health and Cost Impacts of Legalizing Domestic Sale of Vaporized Nicotine Products’, *Epidemiology*, Wolters Kluwer Health, 05/19. Available at: https://journals.lww.com/epidem/Citation/2019/05000/Potential_Country_level_Health_and_Cost_Impacts_of.14.aspx

¹⁸ Australian Retail Vaping Industry Association, ‘Tasmanian Economic Outline 2020’, 17/08/20.

¹⁹ Financial Times. Available at: <https://www.ft.com/content/d1c28478-18c1-11e8-9376-4a6390addb44>.

²⁰ Lora Jones, ‘Vaping: How popular are e-cigarettes?’ BBC News, 14/09/19. Available at: <https://www.bbc.com/news/business-44295336>.



the United States, Canada and Japan. In fact, vaping products are legal in every OECD country except for Australia and Turkey. Bizarrely, Australia would be the first country in the world to introduce a prescription model for tobacco products.

48. The weight of world health and scientific opinion is that smoke-free vaping products are a safer alternative to traditional cigarettes, and in many countries stand out as the most successful smoking cessation tool available in the market.
49. While it is difficult to ascertain a single factor that could cause a reduction in smoking rates in Australia, we can observe trends internationally that suggest the availability of regulated vaping products can help to accelerate the reduction in smoking rates. Britain is perhaps the greatest proponent of vaping products, whereby the National Health Service (NHS) believes them to be one of the best tools for smoking cessation.²¹
50. Currently, only 16% of those seeking to quit smoking choose to use nicotine products such as gums and patches.²² At the same time, the vaping market has expanded to 520,000 Australians, with 200,000 former smokers having quit smoking and switched completely to vaping and another 280,000 smokers who are currently vaping but are still transitioning from smoking.²³
51. The proposal to amend the Poisons Standard to allow smokers to obtain vaping products, submitted earlier this year by the Department of Health is a clear admission that the Government accepts that the use of e-cigarettes, e-juice, heat-not-burn tobacco products, chewing tobacco, snuff and other novel nicotine products is considerably less harmful than smoking.
52. Further, the NRA notes statements by a senior Department of Health official at a recent Senate Estimates hearing confirming that smoke-free nicotine products are safer alternatives than cigarettes. Under questioning from Senator Hollie Hughes, the Deputy Secretary of the Department for Health, Adjunct Professor John Skerritt, said “the evidence is in that vaping is less harmful than tobacco smoking.”²⁴
53. Based on available evidence, the NRA submits that vaping is not a risk to Australia’s youth, but we strongly advocate that a proper regulatory framework is developed to ensure that those under the age of 18 are prohibited from accessing nicotine products. This framework should be overseen by strict retailing provisions akin to the way tobacco products are dealt with at present as it relates to age verification, regulated packaging, advertising bans, ingredient and quality standards. Suitable and existing models already exist globally with New Zealand recently adopting what is considered a best practice approach.

²¹ National Health Service, ‘Using e-cigarettes to stop smoking’. Available at: <https://www.nhs.uk/live-well/quit-smoking/using-e-cigarettes-to-stop-smoking/>.

²² Australian Government, Department of Health, Australian Institute of Health and Welfare, ‘National Drug Strategy Household Survey 2019’, 16/07/20. Available at: <https://www.aihw.gov.au/reports/illicit-use-of-drugs/national-drug-strategy-householdsurvey-2019/contents/table-of-contents>.

²³ Colin Mendelsohn, ‘Over 500,000 vapers in Australia now, according to Government study’ Australian Tobacco Harm Reduction Association, 22/07/20. Available at: <https://www.athra.org.au/blog/2020/07/22/over-500000-vapers-in-australia-now-according-to-government-study/>.

²⁴ Australian Senate, Budget Estimates, Senate Community Affairs Legislation Committee (Department of Health), 27/11/20.



54. Given that we are now less than 5 years away from 2025, the NRA strongly supports smoke free alternatives being accessible to help Australians to move towards a less harmful product and reduce smoking rates in line with the target.

CONCLUSION

55. The National Retail Association (NRA) welcomes the opportunity to provide this submission to the committee on the issue of Tobacco Harm Reduction and, in particular, the method of using smoke-free substances as a smoking cessation tool with an adequate regulatory framework.
56. The NRA believes that this committee has the unique ability to suggest a regulatory framework that all viable smoking cessation methods be made available to the general public to help achieve the national target of reducing smoking rates to below 10% by 2025.
57. To reiterate, the NRA's position on the issue of smoke-free vaping products and vaping regulation is informed by three principles.
- i. **Reducing harm** – The use of smoke-free products, including e-cigarettes, e-juice, heat-not-burn tobacco products, chewing tobacco, snuff and other novel nicotine products is significantly less harmful than smoking cigarettes.
 - ii. **Helping Australian smokers** – In order to promote switching by current adult smokers, smoke-free products should not be more difficult to obtain than cigarettes.
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58. Based on feedback from our members, retailers are opposed to the prescription model which represents the worst of both worlds in terms of disrupting local retail market dynamics and detracts from the public health opportunities at hand that a more inclusive retail model would deliver.
59. The NRA has outlined a responsible regulatory model framework for the use of smoke-free cessation products that empirically provides the best pathway forward. Our proposed approach will provide a suitable framework for suppliers to produce and retailers to distribute suitable, smoke-free products. Backed-up with appropriate regulation, our proposal will ensure the appropriate usage and quality control of these products.
60. Thank you for this opportunity to provide our submission on behalf of the retail industry and our members.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Dominique Lamb', written in a cursive style.

Dominique Lamb
Chief Executive Officer