

Illegal tobacco trade

Hearing – 17/12/2025

Supplementary questions

QUESTION 1

In relation to strategic enforcement and risk assessment, what formal criteria are used to classify tobacconist premises as “high-risk”, and how often are those criteria reviewed against outcomes?

ANSWER

The Centre for Regulation and Enforcement uses information, intelligence, compliance holdings and community reporting to identify ‘high-risk’ premises.

These criteria were implemented with the establishment of the Centre for Regulation and Enforcement in August 2025. The process is iterative and reviewed on an ongoing basis, using additional information holdings as they become available.

QUESTION 2

Has there been, or is there planned, any independent evaluation or audit of the effectiveness of the licensing regime and closure orders in reducing illicit tobacco availability?

ANSWER

The licensing system and closure order provisions have been recently introduced. No independent evaluation has been undertaken or is planned in the immediate future.

In line with the *Public Health (Tobacco) Act 2008*, the Minister must conduct a review of the tobacco licensing scheme, the closure order provisions, and criminal intelligence provisions to identify if the policy objectives of the provisions remain valid, and the terms of the provisions remain appropriate for securing the objectives. The review must commence within 6 months from 1 July 2030.

QUESTION 3

What NSW-specific data is relied upon to quantify the scale of illicit tobacco consumption, as distinct from national or Commonwealth estimates?

ANSWER

There is no data currently available that can be used to accurately estimate the size of the illicit tobacco market in NSW. However, NSW Health uses data from the Population Health Survey to estimate the prevalence of smoking in NSW. This survey reports how many people smoke daily or occasionally, but not the total volume of tobacco consumed in NSW.

The NSW Survey of Tobacco and Nicotine has replaced the NSW Smoking and Health Survey and will include new questions on purchasing behaviours designed to better understand illicit tobacco use in the community, such as the prices people pay for tobacco products, and whether they are in compliant packaging.

QUESTION 4

How does NSW Health assess whether enforcement activity is reducing illicit tobacco availability rather than displacing sales to other locations or channels?

ANSWER

NSW Health works closely with state and federal partner agencies, including the Australian Border Force, the NSW Police Force and other relevant tobacco related taskforces. NSW Health is working in collaboration with these agencies to determine the impact of enforcement activity.

QUESTION 5

What indicators does NSW Health use to determine whether the current enforcement model is effective, as distinct from requiring additional time or resourcing?

ANSWER

The Centre for Regulation and Enforcement was established in August 2025 after a significant and ongoing period of regulatory reform, including the implementation of the NSW Tobacco Licensing Scheme in October 2025, and the introduction of closure order powers in November 2025.

NSW Health has identified its regulatory and operational priorities and linked success indicators and outcome metrics. These indicators include the number of seizures, recidivist offending, closure orders and prosecutions.

Enforcement is one lever in NSW Health's comprehensive tobacco control approach which includes public education and campaigns, cessation services and support, legislative reform and research.

QUESTION 6

What data gaps currently limit NSW Health's ability to make evidence-based recommendations on excise or regulatory reform?

ANSWER

NSW Health uses a range of evidence-based sources to inform recommendations on regulatory reforms. These include examining regulatory frameworks from other jurisdictions, both domestically and internationally, national and NSW data, published research such as *Generation Vape* and a stakeholder engagement approach with key stakeholders to assess impact and outcomes of potential reforms.

QUESTION 7

What is the current staffing contribution to the taskforce from NSW Health, NSW Police, Liquor and Gaming NSW, the NSW Food Authority and NSW Fair Trading?

ANSWER

The NSW Government has established a time limited, cross-agency NSW Illicit Tobacco Taskforce, with senior representatives from NSW Health, the NSW Police Force, the Department of Customer Service, the Department of Creative Industries, Tourism, Hospitality and Sport, the Department of Communities and Justice, and The Cabinet Office.