

## INQUIRY INTO ILLEGAL TOBACCO TRADE

**Name:** Name suppressed

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Partially  
Confidential

Good afternoon,

There has been increased reporting on illicit tobacco lately.

After over 3 years of inaction from all levels of government it is too little too late.

In 2021 when the first of the illegal tobacconists selling only illicit tobacco and vapes started to open up shop fronts all over the country is when something should have been done.

3 years ago we first reported the only illegal tobacconist in our regional town opening. NSW Health decided to do nothing about it. It is less than 300m from the police station. When reported to the police they laughed at us and said don't contact them again about it. The local police are avid supporters of the business, frequently going to the shop to buy chop chop themselves.

It was reported to the small business commissioner, who wrote a letter to NSW Health. Nothing happened, the shop still traded 7 days a week, advertising the sale of cheap smokes on the street.

Now there is 8 (soon to be 9 with a new one opening next week) illegal tobacconists, plus pubs, clubs, hairdressers, barbers and servos all selling illicit tobacco and vapes.

If something had been done about the 1 shop at the start, instead of all levels of government completely ignoring it, we wouldn't be here today, with illegal tobacconists operating without consequence openly on every street.

The police coming out today and playing dumb, saying they don't know what's going on and don't know where any of these shops are, just goes to show how little they care about criminal gangs making billions of dollars a year to fund other more extreme crimes.

Jim Chalmers believing that people will go from paying \$7 a packet to \$45 a packet overnight is delusional.

Mark Butler thinking that selling no legitimate cigarettes means that no one smokes is delusional.

The police minister saying the police don't know anything about the illicit tobacco industry is a flatout lie. When NSW Health conduct one raid in the regional areas a year they take with them 3 plain clothes police officers. Either these officers are not real police officers or they don't bother to share with the local police the location of these criminal run shops.

Once the new laws are introduced on July 1st there will be no changes to how many illegal tobacconists operate.

NSW Health are simply not interested in stopping this. So far some of the excuses given to us by NSW Health have been so pathetic. 'the girls are too young to fine' 'the girls that work there have only been there a week and don't know who employs them' 'the shop has no pos system so we can't prove they sold any of the illicit tobacco we confiscated from the store' 'the owner lives overseas' 'we don't know who owns the shop' 'there is no legislation against selling illicit tobacco so we can't do more than fine them \$1650'.

They are useless at their job of tobacco compliance and have not done a thing to stop it. The 20 tobacco compliance officers won't leave the area they live in to travel around enforcing any of the

rules, leaving the majority of the state open to criminals to make billions from illicit tobacco. Most of the NSW Health tobacco compliance officers are based in Sydney and with over 500 illegal tobacconists plus other businesses selling chop chop all day every day it is obvious NSW Health have no intention on stopping illicit tobacco being sold in a retail space.

Legitimate tobacco sales have fallen 30% a year for the past 3 years. As of July 2026 there will be no legitimate tobacco market left. Jim Chalmers and Mark Butler won't get any tobacco excise at all. The health care system will get no funding from tobacco sales at all. The healthcare system will still have to fund the care of millions of smokers.

The labour government is happy to let our legitimate business be destroyed and replaced with 9 illegal tobacconists. These illegal tobacconists do not give information over to the government on smoking rates so they can 'prove' smoking rates have fallen. The more legitimate shops that are shut down the more the government can say the tax rises work. They will ignore the fact that where there was only one shop there is now 9.

The insatiable greed for tobacco tax has given a green light to criminals to operate illegal tobacconists. This greed has caused gang warfare the likes has never been seen before on our streets. People are getting shot in the head at traffic lights over tobacco. Hundreds of shops have been burnt to the ground. Still Jim Chalmers and Mark Butler will cling to their greed and refuse to admit they have caused these murders and fires.

The new public health policy around tobacco is daylight executions, daily firebombings, an illegal tobacconist near every school, gang warfare and \$0 tobacco tax excise collected.

The tobacco industry now belongs to criminal networks. The legitimate tobacco industry is finished. There is no going back now. NSW Health are too hopeless to do anything and the police don't want to do anything.

It is time for government to publicly admit they are fine with criminals running tobacco shops and admit they will take the taxes from elsewhere to cover the loss.