

**Submission  
No 3**

## **INQUIRY INTO ILLEGAL TOBACCO TRADE**

**Name:** Mr Kerry Muir

**Date Received:** 25 May 2025

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The Vinnies Retail / Charity Office at 192 Bourke Street is adjacent to a Cigarette outlet (190 Bourke Street) and is a partner in a Strata Title that has Strata Title Building Insurance covering the three businesses operating 186-192 Bourke Street. While the business that has been operating as a general convenience store for years, includes a cigarette line of sales, it is being impacted by the so called 'cigarette wars' in the metropolitan areas of the state. The three businesses in the Strata Title had a single building insurance covering the three businesses at an annual premium at just over \$10,000 per annum. Each business pays a percentage of the building insurance according to the floor area of their individual shops. We are now being offered building insurance at a premium of over \$68,000 per annum because of the sales of cigarettes from the convenience store. The owners of this convenience store have abided by the legislation and rules in relation to selling cigarettes and only sells the legal product.

There are two newly opened specific cigarette outlets in the main business area of the town which sells the illegal cigarette products and vapes. Because of this illegal trade and the wariness of Insurance Companies to offer reasonable building insurance, as has been the case for this Strata Title for years, as mentioned the latest building insurance offer is \$68,000 plus increased excess of \$10,000 and \$50,000 arspm/malicious fire excell. This increased building insurance and excess amounts is beyond the practical cost for the Strata Title Building insurance. For an established block of retail outlets with legal product to now be charged such an outlandish increase in premium caused to the ongoing establishment of illegal cigarette/vapes outlets is unconscionable.