



Australian Government

Australian Institute of
Health and Welfare

*Authoritative information and statistics
to promote better health and wellbeing*

Committee Secretary
Parliamentary Joint Committee on Law Enforcement
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Secretary

Inquiry into illicit tobacco

At the Joint Committee on Law Enforcement's public hearing in Canberra on Friday 4 March 2016, the committee requested that the Australian Institute of Health and Welfare (AIHW) respond to some questions.

The responses to these questions are attached.

We trust that you will find this information useful to your inquiry. Should the committee have any queries about the information provided, please contact Mr Tim Beard, Acting Senior Executive, Housing and Specialised Services Group on (02) 6244 1270.

Yours sincerely

Andrew Kettle
Acting Director (CEO)
Australian Institute of Health and Welfare

24 March 2016

Inquiry into illicit tobacco

AIHW's responses to questions taken on notice

Is there a definition elsewhere in the survey for what you mean by 'unbranded'?

AIHW response: There are no other definitions provided for 'unbranded'. The definition is contained within the question and includes the description of 'loose' and 'chop chop'.

Question D29 asks:

Have you seen or heard of unbranded tobacco (also called 'chop chop') usually sold loose in plastic bags either as tobacco or rolled into cigarettes?

The tobacco questions were cognitively tested in 2013 and respondents commented that the description of unbranded loose tobacco in the question helped them understand what the product was. People who were aware of these products had no issue in understanding the questions but the description was less clear for some non-smokers.

In designing questions for the survey, the usefulness of the response is always weighed against the length of the questionnaire and comprehension of respondents. With this in mind, definitions are kept short and are kept within the questions wherever possible. See [Attachment 1](#) for details of the current and past versions of the relevant questions.

Would people consider a branded box of cigarettes, that has names and labels on it, as unbranded or 'chop chop' even though it is an illegal or illicit product?

AIHW response: A branded box of cigarettes would not be considered 'unbranded illicit tobacco', which Question D29 is attempting to measure. The following questions about purchasing products without graphic health warnings attempt to measure 'branded illicit tobacco'.

Question D27 asks:

In the last 3 months, have you seen tobacco products which do not have the new plain paper packaging with graphic health warning?

Question 28 asks:

How many of these packets have you purchased?

What is the exact wording of the unbranded tobacco question in the 2007 and 2010 surveys?

AIHW response: [Attachment 1](#) provides details of the exact wording used in each iteration of the survey for these questions, as well as a summary of key changes.

Can differences in the NDSHS methodology and the methodology used for the KPMG report explain different results for the share of the tobacco market attributable to the illicit sector?

AIHW response: The KPMG LLP *Illicit Tobacco in Australia* report (KPMG LLP 2015) uses the Roy Morgan Research (RMR) Establishment Survey (ES) to estimate illicit unbranded

tobacco, and the MSIIntelligence Research Empty Pack Survey (EPS) to estimate the illicit manufactured cigarettes. There are a number of differences between these surveys and the National Drug Strategy Household Survey (NDSHS), including methodologies; timing of each data collection; sample selection approaches; and specific population groups included. Most notably, the RMR Establishment Survey targets known smokers which may result in bias towards people more likely to use unbranded tobacco.

It is important to keep these differences in mind when considering data from different surveys.

The main limitation of the NDSHS questions that attempt to measure the proportion of smokers purchasing illicit branded tobacco – tobacco without plain packaging and graphic health warnings – is that the NDSHS is unable to estimate legal consumption of foreign packs (that is, cigarettes purchased overseas where plain packaging is not a legal requirement), which is fundamental to the estimate of prevalence of contraband cigarettes in Australia.

Reports by the Cancer Council Victoria contain further information on the limitations of the RMR ES and EPS

<<http://www.cancervic.org.au/plainfacts/browse.asp?ContainerID=illicittobacco>>

Do you have any feel for the impact of literacy on NDSHS response rates?

AIHW response: AIHW acknowledges that the survey is quite long and requires good comprehension of the English language. This is likely to have an impact on the response rates and representativeness of the survey. Past NDSHS surveys have shown a lower response rate from people living in very low socioeconomic decile Statistical Area Level 1 (SA1s).

Noting this, it should be acknowledged that overall the NDSHS samples were reasonably representative of the Australian population aged 14 years or older in scope of the collection.

With regard to the relationship between socioeconomic status and the purchase of tobacco products which do not have the new plain packaging with graphic health warnings, the results from the NDSH survey (table 4 in the AIHW submission) seem to be jumping all over the place and show no consistent trend across the quintiles from most disadvantaged to most advantaged. Could you offer any thoughts about why that is?

AIHW response: The results of the 2013 NDSHS showed no consistent pattern among people living in different socioeconomic areas and that socioeconomic status appears to have little impact on whether a smoker is more likely to purchase tobacco products which do not have the new plain packaging with graphic health warnings.

There is no immediately obvious reason for there being no consistent pattern. It is likely that there are other factors affecting the relationship between socioeconomic areas and use of illicit tobacco products, for example, availability of products in different areas. These cannot be ascertained from the available data.

Attachment 1: Comparison of the wording of unbranded tobacco questions in the NDSHS

	2001	2004	2007	2010	2013
Awareness question	E23. Have you come across unbranded loose tobacco (also called chop chop) sold in plastic bags or rolled into unbranded cigarettes	E28. Have you seen or heard of unbranded loose tobacco (also called chop chop) sold in plastic bags or rolled into unbranded cigarettes	D29. Have you seen or heard of unbranded loose tobacco (also called chop chop) sold in plastic bags or rolled into unbranded cigarettes	D31. Have you seen or heard of unbranded loose tobacco or 'chop chop' sold in plastic bags?	D29. Have you seen or heard of unbranded tobacco (also called 'chop chop') usually sold loose in plastic bags either as tobacco or rolled into cigarettes?
Change to question above since previous survey	New question	"come across" changed to "seen or heard of"	No change	'Unbranded' underlined Brackets removed Removed 'rolled into unbranded cigarettes' <i>**The following was specified in the 2010 report (see page 39). The survey questions relating to unbranded loose tobacco were modified in 2010 and only asked respondents about awareness and use of unbranded loose tobacco whereas in 2007 respondents were asked about awareness and use of unbranded loose tobacco and unbranded cigarettes. This should be taken into account when making comparisons between 2007 and 2010.</i>	Restored brackets Added 'usually sold' Restored 'rolled into cigarettes' Other small wording changes In 2013, the question was changed back to the 2004 and 2007 version, and worded it as consistently as possible as the 2004 and 2007 question but modified slightly to minimise any possible confusion with plainly packaged cigarettes which were mandatory since December 2012.
Use question	E24. Have you ever smoked it?	E29. Have you ever smoked it?	D30. Have you ever smoked it?	D32. Have you ever smoked unbranded loose tobacco or 'chop chop' sold in plastic bags?	D30. Have you ever smoked it?
Change to question above since previous survey	New question	No change	No change	Replaces 'it' with 'unbranded loose tobacco or 'chop chop' sold in plastic bags'	Restored 2007 version
Frequency of use question	E25. How often do you smoke this type of tobacco?	E30. How often do you smoke this type of tobacco?	D31. How often do you smoke this type of tobacco?	D33. How often do you smoke this type of tobacco?	D31. How often do you smoke this type of tobacco?
Change to question above since	New question	No change	No change	No change	No change

previous survey	E26. Would you say that you...? -Only smoke this type of tobacco -Mainly smoke this type of tobacco -Smoke this type of tobacco about half of the time -Smoke this type of tobacco less than half of the time -Occasionally smoke this type of tobacco	E31. Would you say that you...? -Only smoke this type of tobacco -Mainly smoke this type of tobacco -Smoke this type of tobacco about half of the time -Smoke this type of tobacco less than half of the time -Occasionally smoke this type of tobacco	D32. Would you say that you...? -Only smoke this type of tobacco -Mainly smoke this type of tobacco -Smoke this type of tobacco about half of the time -Smoke this type of tobacco less than half of the time -Occasionally smoke this type of tobacco	D33. Would you say that you...? -Only smoke this type of tobacco -Mainly smoke this type of tobacco -Smoke this type of tobacco about half of the time -Smoke this type of tobacco less than half of the time -Occasionally smoke this type of tobacco	D32. Would you say that you...? -Only smoke this type of tobacco -Mainly smoke this type of tobacco -Smoke this type of tobacco about half of the time -Smoke this type of tobacco less than half of the time -Occasionally smoke this type of tobacco	D33. Would you say that you...? -Only smoke this type of tobacco -Mainly smoke this type of tobacco -Smoke this type of tobacco about half of the time -Smoke this type of tobacco less than half of the time -Occasionally smoke this type of tobacco
Change to question above since previous survey	New question	No change	No change	No change	No change	No change
Tobacco or cigarettes question	—	—	—	—	—	D33. During the past 12 months when you smoked unbranded tobacco (often called chop chop) was that...? - Usually unbranded loose tobacco rather than loose cigarettes - Usually unbranded loose cigarettes rather than loose tobacco - Sometimes unbranded loose tobacco and sometimes unbranded loose cigarettes"
Change to question above since previous	—	—	—	—	—	New question

survey	—	—	—	—	—	—	—	—	—	—
Frequency of purchase of loose tobacco question										D34. On how many occasions in the last 12 months have you purchased unbranded loose tobacco? -Number of occasions (please specify) _____ -Have not purchased any in last 12 months -Not applicable/Have never purchased this New question
Change to question above since previous survey										New question
Quantity of purchase of loose tobacco question										D35. The last time you purchased unbranded loose tobacco, how much did you buy? -250gms -500gms -1kg -Other (please write in): _____gms OR _____kgs -Don't know
Change to question above since previous survey										New question
Frequency of purchase of loose cigarettes question										D38. On how many occasions in the last 12 months have you purchased unbranded loose cigarettes? -Number of occasions: _____

						-Have not purchased any in last 12 months -Not applicable
Change to question above since previous survey	—	—	—	—	—	New question
Quantity of purchase of loose cigarettes question	—	—	—	—	—	D39. The last time you purchased unbranded loose cigarettes, how many did you buy? (Mark one response only) -50 cigarettes -100 cigarettes -Other (please specify number of cigarettes): _____ -Don't know/can't say

References

ABS (Australian Bureau of Statistics) 2014. 2011 Census of Population and Housing, table builder. Canberra: ABS. Viewed 22 October 2014, <<http://www.abs.gov.au/websitedbs/censushome.nsf/home/tablebuilder?opendocument&navpos=240>>.

AIHW (Australian Institute of Health and Welfare) 2014. National Drug Strategy Household Survey detailed report 2013. Drug statistics series no. 28. Cat. no. PHE 183. Canberra: AIHW.

KPMG LLP 2015. Illicit tobacco in Australia: 2014 full year report. Available from: <http://www.pmi.com/eng/media_center/media_kit/Pages/2014_kpmg_report_illegal_tobacco_at_record_levels_in_australia.aspx>.