

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Additional Estimates 2010-2011, 23 February 2011

Question: E11-054

OUTCOME 1: Population Health

Topic: PLAIN PACKAGING – IMPACT ON STOCK MANAGEMENT

Written Question on Notice

Senator Ryan asked:

- a) Has the Department conducted a Regulatory Impact Statement on the impact on plain packaging on retailers? Small Retailers? Large Retailers?
- b) Has the Department provided any input into a Regulatory Impact Statement on plain packaging for tobacco products and what impact this will have on retailers? If not, why not?
- c) Have you calculated the financial cost to small business regarding stock management?
- d) If not, what are your plans for consulting small businesses?

Answer:

- a) Prior to the Government announcement of 29 April 2010 the Department prepared a draft Regulatory Impact Statement (RIS). The Department consulted with the Office of Best Practice Regulation (OBPR) regarding the Department's draft RIS during April 2010. The draft RIS was submitted to OBPR on 27 April 2010.

As the RIS was only in draft form, the analysis of possible impact on small business was not finalised. On 4 May 2010 the OBPR advised that a Post Implementation Review would be required to assess the regulatory impact on business.

- b) No.
- c) The Department does not consider that there will be any significant impact on stock management associated with plain packaging. The Department conducted targeted consultations with retailers and retail groups in January and February 2011 on the issue of handling in a retail environment. Retailers requested that the brand name continue to appear on the top, bottom and front of the pack to assist in stock management. The plain packaging to be mandated will provide for the brand name of the product on the top, bottom and front of the pack in a font that can be read from one metre. In addition, retailers will continue to be able to use shelf labels and price tickets, in accordance with state and territory law, to identify individual products.

- d) The Department consulted with the following organisations representing small retailers in January and February 2011 about implementation of the plain packaging measure:
- Council of Small Business of Organisations of Australia;
  - Australian Newsagents' Association;
  - Master Grocers Association;
  - Service Stations Association;
  - Tobacco Station Group; and
  - National Independent Retailers Association.