

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

23 – 24 February 2011

Question No: AET 22
Topic: ACCC – CHANNEL SHIFTING
Hansard Page: Written

Senator Ryan asked:

Is the Department aware that smaller retailers have expressed concerned about customers taking their patronage from small retailers to large supermarkets if plain packaging for cigarettes is introduced?

If yes, what steps has the Department taken to address those issues for small retailers? If not, will the Minister undertake to refer this matter for proper consideration?

Given that Coles and Woolworths has around 75 per cent of total market, what steps has the Department taken to address those issues for small retailers? If not, will the Minister undertake to refer this matter for proper consideration?

Has the Government received representations from large retailers, like Coles or Woolworths? What was the nature of those representations (please provide copies of materials supplied).

How many meetings, and on what dates did these meeting occur between representatives of Coles and Woolworths and your Department or with the Minister?

Will the Minister rule out compensating small retailers if plain packaging is introduced and shown that small retailers have lost revenue by channel shift to Coles and Woolworths.

Answer:

As with any introduction of measure to reduce smoking, there are always concerns raised by those affected commercially. The purpose of this legislation is to reduce the rates of smoking which has a significant social and economic cost to the community.