

**Senate Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates, 31 May to 2 June 2005

**Question: Bud 65**

**Topic: ACCC – Imperial Tobacco**

**Hansard Page: E74**

**Senator ALLISON asked:**

So no undertakings were given to Imperial at the time of encouraging them into the Australian market?

**Mr Cassidy**— No, certainly not in relation to this matter and, as far as I am aware, no undertakings full stop. In relation to your second question about whether light and mild cigarettes are the bulk or major part of what Imperial Tobacco sells in Australia

**Mr Antich**- I do not know if we can answer that question in terms of knowing their brands. Our understanding is that around 60 to 70 per cent of the market had light and mild descriptors. If Imperial were within that ballpark, it would not be any different from the other two.

**Senator ALLISON**-You might take that on notice. But, if you have been in heavy negotiations with them, I would be surprised if this point was not made if it is a relevant one. Not that I am defending Imperial; I am just trying to understand where you are at with them.

**Answer:**

No undertakings were given by the ACCC to Imperial Tobacco in relation to the light and mild matter at the time when they entered the Australian market.

It is the ACCC's understanding that, until recently, approximately 90 per cent of the cigarettes Imperial Tobacco Australia Limited sold in Australia had "light" and "mild" or similar descriptors on labelling or packaging. The ACCC understands that Imperial Tobacco has recently removed descriptors from Horizon, its leading brand in Australia and New Zealand.