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**BRITISH AMERICAN
TOBACCO**
AUSTRALASIA

Thursday, 17 July 2014

Smoking rates underestimated

British American Tobacco Australia (BATA) today says a government survey has underestimated Australian smoking rates and its decline is in line with historical trends and not a result of plain packaging.

Director of Corporate and Regulatory Affairs, Australasia Mark Connell says the numbers released overnight show an understated smoking rate of 12.8 per cent because they do not include casual smokers.

“Casual smokers make up 1 in 5 consumers but the report today hasn’t accounted for this and if it did, the smoking rate would be 16.4% or half a million more smokers than Government estimates.

“In addition, the government also collects data for those aged between 14 and 17, which drags down the smoking incidence figure significantly.

Mr Connell says the long-term decline in smoking rates cannot be attributed to plain packaging and points out that smokers are price sensitive.

“Excise on tobacco rose 25 per cent in 2010, which may have impacted smoking rates but to say the decline has come about as a result of plain packaging is incorrect. In fact, in the year following plain packaging industry volumes increased for the first time in over a decade.

“The excise increases have had a marked impact on the volume of cheaper legal cigarettes sold including illegal cigarettes.

“The 25 per cent ad-hoc excise increase in 2010 as well as the last 12.5 per cent rise on 1 December 2013 pushed price sensitive smokers to cheaper legal brands and illegal products and grew the low price segment to its highest level ever.”

Media contact: Vesna Ciric on 02 9370 1222 or follow on Twitter @ BATA_Media