Thursday, 1 September 2011

BATA welcomes illegal tobacco arrests

British American Tobacco Australia (BATA) spokesperson Scott McIntyre today congratulated the NSW Police, Australian Federal Police, Australian Customs and Operation Polaris on the seizure of 60 tonnes of illegal "chop chop" tobacco and 25 million counterfeit cigarettes.

Mr McIntyre said operations like this by authorities are a strong deterrent and would hopefully put a dent in the growing Australian illegal tobacco trade.

"We'd like to see the Federal Government invest more into resources to stop illegal tobacco which last year saw nearly three million tonnes of loose leaf tobacco and black market cigarettes make their way onto our streets," BATA spokesperson Scott McIntyre said.

"The illegal tobacco trade has grown 150% in Australia over the last three years, at a cost of $1.1 billion to the taxpayer in lost tobacco excise in 2010 alone.

"This will only increase under plain packaging legislation, which will provide a blueprint for crime syndicates to reproduce counterfeit cigarettes as all packs will look virtually the same.

"This is the third instance of our dedicated Police and Customs officers seizing large amounts of illegal tobacco in recent months.

"In July Customs and Border Protection officers discovered a cargo container holding 16.8 tonnes of illegal tobacco, worth almost $8 million, and The Australian Tax Office and Police officers also seized almost 20 tonnes of illegally grown tobacco in Western Sydney."

A recent update of the Deloitte report into illegal tobacco has found the level of counterfeit cigarettes in Australia has doubled in the last six months from 4% of the market to 8% while the size of the entire tobacco black market remains high at almost 16%.

"If plain packaging is introduced and all cigarette packs look the same then even honest retailers and authorities will have trouble distinguishing legally regulated tobacco products from illegal ones," Mr McIntyre said.

"Plain packaging will be great news for the smugglers and overseas manufacturers of counterfeit cigarettes.

"Australian retailers and taxpayers are hit heavily by these criminal groups importing and selling illegal black market tobacco.

"We are calling on the Federal Government to ensure Australian retailers are not hurt further by the tobacco black market with the possible introduction of plain packaging.

For more info: Visit www.plainpack.com or follow us on twitter @Scott_BATA

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