

AFTS RECEIVED

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15 October 2008

The Person in Charge
Australia's Future Tax System Secretariat
The Treasury
Langton Crescent
Parkes ACT 2600

Urgent

Dear Sir / Madam

The Smokeless Tobacco Group (S.T.A.G.) represents a large (thousands of members) and loosely joined together body of smokeless tobacco (S/T) users in Australia. STAG members are as mad as hell and requested I contact you to explain their situation and request your assistance in representing / assistance in the issue of dropping the tax on American and Swedish moist snuff to a minimum level and the reintroduction of retail sales of the safer American and Swedish moist snuff.

This would be in accordance to the recommendations published in the Australian Medical Journal by research experts Professor Wayne Hall and Dr Coral Gartner, University of Qld, School of Population Health. I have attached the link for your information and noting; http://www.mja.com.au/public/issues/188_01_070108/gar10502_fm.html

For your information it has also been suggested that there are up to 20,000 users of US and Swedish snuff/snus in Australia and we have found the need to lobby the past government over the unjustified tax laws affecting us.

In 2005 the customs tariff on S/T went from \$2.90 to over \$300+ per kilo which in essence forced S/T users to revert back to cigarettes. We had difficulty debating this point as the then government could not distinguish between a health problem and a tobacco problem. They also refused to comment on present S/T research and relied mainly on outdated and politically flavoured negative evidence.

I would like to take this opportunity to explain what the pertinent points of our concerns are;

- We believe that the present customs tariff was only brought in for sheer convenience for customs officials with no consideration given to the health effects it may have on present users.

STAG

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- Australian and New Zealand have the highest customs tariff on S/T in the world making it more expensive to purchase than cigarettes. STAG members have advised if they choose to import snuff, it would cost them \$23 to \$26 dollars per 34 gram can of Copenhagen snuff, very costly compared to cigarettes.
- Many health professionals both in this country and around the world are suggesting that S/T should be utilised in a harm reduction strategy but as present users we honestly are not concerned as we do not own shares in the S/T companies. We just want the customs tariff reduced to a reasonable level.
- U.S. and Swedish S/T are 98% safer to use than smoking and the customs tariff should reflect this gap. They are also products that are not produced in this country and therefore effect no industry expect the present cigarette companies.

Many Australian S/T users are unable to afford the present customs tariff on S/T due of the following reasons;

- It must be ordered either by phone or email from a foreign country.
- Purchased in bulk up to 30 cans at a time.
- Suffer a loss in the Australian dollar.
- Incur handling and freight costs.
- Taxed the same as smoking tobacco when S/T is 50% water. Smoking tobacco is dried out and much lighter.
- Long processing delays from Australian Customs.

Our members have advised this unfair tax on smokeless tobacco has left no alternative but to return to smoking cigarettes. We respectfully request your assistance to secure the following options;

- Remove or greatly reduce the current tax on American and Swedish moist snuff
- Incorporate a yearly tax exemption under the old permit system which allows the importation of 1.5kg of snuff per month for personal use.
- Reintroduce the safer alternative in American and Swedish moist snuff into Australia.

p.s. all this tax increase did was make snuff users smokers, espically our indigenous snuff users, they couldn't be bothered with all the mucking around.

Regards

David Fullarton, c/-22 Pineneedle Place, Sunnybank Hills , Qld 4109.

www.smokeless.com.au

