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# Happy Anniversary!

## *It's been two whole years since plain packaging was introduced on 1/12/2012.*

## *What's happened since then?*

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### **1. Still no post-implementation review**

*The government and tobacco control industry knew long before plain packaging was introduced to Parliament that only tax increases and continuous exposure to anti-tobacco broadcasts on TV can produce measurable downward pressure on smoking rates (Wakefield et al, 2008 - <http://1.usa.gov/1yadOpM> ).*

*- Further supported by Ernst & Young LLP (2014) (report below)*

### **2. New reports**

#### **“The Plain Truth about Plain Packaging: An Econometric Analysis of the Australian 2011 Tobacco Plain Packaging Act” (2014)**

Sinclair Davidson, Professor of Economics, RMIT University, and Institute of Public Affairs

Ashton de Silva, RMIT University

<http://bit.ly/1y6J8t4>

- Key finding: *“Despite our econometric efforts, the [ABS Household Survey] data refused to yield any indication this policy has been successful; there is no empirical evidence to support the notion that the plain packaging policy has resulted in lower household expenditure on tobacco than there otherwise would have been. There is some faint evidence to suggest, ceteris paribus, household expenditure on tobacco increased.”*

#### **“Illicit Tobacco in Australia: 2014 half year report” (2014)**

KPMG LLP

Please email [l.jeffery@mychoice.org.au](mailto:l.jeffery@mychoice.org.au) and I will forward you a PDF copy

- Key finding: *“Illegal tobacco use in the last 12 months has increased from 13.5% to 14.3% of total consumption.”*

#### **“Historical trends in Australian tobacco consumption: A case study” (2014)**

Ernst & Young LLP

<http://bit.ly/1y1GOjh>

Key findings

- *“A negative relationship between changes in price and total consumption”*
- *“We found no evidence that plain packaging in Australia has reduced total consumption to date. The analysis in this report does not seek to identify or predict any potential longer term impact of plain packaging.”*

#### **‘Plain packaging: a threat to the international property rights system’, *International Property Rights Index* (2014)**

Lara Jeffery, MyChoice Australia

Legal advisor: Alex Butterworth, intellectual property and privacy expert

<http://internationalpropertyrightsindex.org/australia>

Key findings:

- Increased daily smoking rates among 12-17 year olds (+~30%), and 70+ years old (+5%)
- Female smokers aged 18-29 and 70+ report smoking more cigarettes
- Major increase in market share of low-cost brands (+30%)