

18 January 2016

Mr David Jones General Manager - Adjudication Australian Competition and Consumer Commission (ACCC) GPO Box 3131 Canberra ACT 2601

Email: adjudication@accc.gov.au

Dear Sir,

## RE: British American Tobacco Australia Limited & Ors application for authorisation A91550

We refer to your letter dated 15 December 2016 advising that the ACCC has issued a draft determination in respect of the above application. Cancer Council WA agrees with the ACCC's draft determination that the proposed arrangements would be unlikely to result in a net public benefit, and urges the ACCC to affirm its decision to deny authorisation.

We reiterate the concerns expressed in our previous submission and our view that the application could undermine public health outcomes and agency efforts to enforce tobacco control laws and their underlying policies.

The enforcement of laws to reduce the supply of illicit tobacco is a matter for the Australian Government. The current legislative reform program is likely to strengthen the ability of the Commonwealth, state and territory law enforcement agencies to tackle illicit tobacco at all levels of the supply chain. Industry interference is unnecessary and, importantly, a serious and unjustifiable departure from Article 5.3 of the WHO Framework Convention on Tobacco Control. This recognises that there is an irreconcilable conflict between the tobacco industry's interests and public health policy interests.

Further, the proposed arrangement lacks transparency and accountability and has the potential to interfere with government investigations and operations.

The ACCC considers that "there is considerable uncertainty as to the extent to which the proposed arrangements are likely to reduce the supply of illicit tobacco" (see para 77). This observation, together with the public detriments outlined above, compels the conclusion that authorisation of the arrangement would not be in the public interest.

We thank the ACCC for the opportunity to provide comment on the draft determination. Please do not hesitate to contact Libby Jardine on 08 9388 4368 or email <u>ljardine@cancerwa.asn.au</u> if you wish to clarify any matters.

Yours sincerely,

Steve Pratt

Acting Education & Research Director

Cancer Council WA