



APPG on Smoking & Health Political Bulletin

Standardised Packaging Regulations: Parliament Will Vote Before General Election

On the 23rd February the Government tabled regulations on the standardised “plain” packaging of cigarettes. Health and medical organisations have warmly welcomed this step, which follows the Government’s announcement last month that it will ensure that Regulations are put to a vote in Parliament before the General Election.

The move to prevent cigarettes being sold in glitzy packaging will help protect the next generation of children and young people from starting to smoke. Two thirds of current smokers started when children, and half of all lifetime smokers will die from smoking related disease.

Speaking in an adjournment debate on the issue, Public Health Minister Jane Ellison MP said that: *“We will bring the regulations before Parliament in this Parliament. Should Parliament support the measure, we will be bringing the prospect of this country’s first smoke-free generation one decisive step closer.”*

The Government announcement follows a powerful cross-Party campaign in both Houses of Parliament. In July 2013, a cross Party group of peers tabled an amendment to the Children and Families Bill to give the Government powers to make Regulations on standardised packaging. On 28th November 2013 the Government announced that it would table its own amendment to the Bill (now Section 94 of the Children and Families Act 2014). This amendment was passed overwhelmingly in both the House of Lords (nem con) and House of Commons (only 24 MPs voted against).

Ministers have resisted strong lobbying from the tobacco industry [and a small minority of MPs]. Claims have been made that standardised packaging will lead to more illicit tobacco – although all the key security features on current packaging will be included on standard packs. In her speech in the adjournment debate, the Public Health Minister reported that HM Revenue and Customs had concluded that standardised packaging was unlikely to have a significant impact on the illicit tobacco trade. Their assessment has now been published and we review it in this Bulletin.



Meanwhile, Parliament has also passed another important new tobacco control measure, ending smoking in cars with children present. The British Lung Foundation has estimated that about 185,000 children between 11 and 15, are exposed to smoke in cars, every day or most days. MPs voted for the new Regulations by 342 votes to 74. They will come into effect in England and Wales on 1st October 2015.

Elsewhere in this Bulletin we report on the success of standardised packaging in Australia, which is working well despite tobacco industry claims to the contrary, and on the new strategy for tobacco control over the next five years being developed by the public health community.

Finally, I am delighted that the Department of Health Tobacco Control Team has been given the American Cancer Society’s “Luther Terry Award” for excellence in tobacco control, and you are warmly invited to the Parliamentary reception to celebrate their success.

Rt Hon Paul Burstow MP
Chair of the APPG on Smoking & Health

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Standardised Packaging in Australia

Australia was the first country in the world to require all tobacco products to be sold in standard packaging. The law came into effect on 1st December 2012.

The tobacco industry has waged an expensive but unsuccessful legal campaign against the Australian legislation. In August 2012, Australia's High Court dismissed constitutional challenges brought by tobacco companies, awarding costs in favour of the Australian Government. The industry is encouraging further challenges from Governments through the World Trade Organisation and under the Australia - Hong Kong Bilateral Investment Treaty, but these are also considered likely to fail.

In opposing the introduction of standardised packaging in Australia, the tobacco industry claimed that it would lead to an increase in serving times for customers in small retail outlets, and a consequential shift in trade to supermarkets; an increase in use of illicit tobacco; a collapse in prices of tobacco products, and a consequent increase in consumption. None of these claims is backed by independent evidence, although studies funded by the tobacco industry have purported to support them.

Tobacco industry predictions about the possible effect of standardised packaging on the retail trade were based on interviews with just a handful of retailers. Claims about the effects in the retail sector after the legislation was in place were based not on analysis of objective data but rather on surveys sponsored by Philip Morris Ltd seeking retailers' opinions. Peer reviewed studies by contrast which objectively measured retrieval time suggest that there was no significant long-term increase in serving time. [1]

The tobacco industry has repeatedly claimed that use of illicit tobacco products has increased in Australia since the introduction of plain packaging. However, data from Australian Customs does not support this. Sea cargo detections make up 95–99 per cent of the volume and value of illicit tobacco detected by the Australian Customs and Border Protection Service. The total weight of illicit tobacco detected by Australian Customs has remained roughly the same since 2007/8, while the proportion of tobacco seizures made up of manufactured cigarettes started to rise in 2009/10, well before the introduction of standardised packaging.

Philip Morris Limited argued in a submission on the Australian standardised packaging laws that the policy would *'inevitably drive overall market prices down'* citing an estimate by LECG Consulting that prices would reduce between 4.7 and 19.2%. But results from the Australian Bureau of Statistics' Consumer Price Index indicates that the price of

tobacco products has in fact risen steadily in Australia, with the index figure increasing from 52.2 in September 2001 to 113.1 in September 2013. [2]

During his Government-commissioned review of the public health evidence on standardised packaging, Sir Cyril Chantler was told by tobacco companies that sales had increased by 0.3% in Australia since the introduction of plain packaging.

However, this is flatly contradicted by the industry's own reports to investors, and by independent market research data. In reporting six monthly results for the first half of 2013, Imperial Tobacco's Chief Executive Officer Alison Cooper has stated that: *"As I'm looking at Asia Pacific, I should also mention Australia, we've had the first six months of the plain pack environment in Australia. We've seen the market decline roughly 2% to 3%, so maybe not as bad as we might have anticipated."*

Industry information analysed by independent market research company Euromonitor International also shows a decline in sales in Australia between 2012 and 2013.

[1] Wakefield M, Bayly M, and Scollo M. [Product retrieval time in small tobacco retail outlets before and after the Australian plain packaging policy: real-world study](#). Tobacco Control, 2014; 23(1):70-6. Bayly M, Scollo M, and Wakefield M. [No lasting effects of plain packaging on cigarette pack retrieval time in small Australian retail outlets](#). Tobacco Control, 2014.

[2] [Australian Bureau of Statistics. 6401.0 Consumer Price Index, Australia Table 11](#). CPI: group, sub-group and expenditure class, index numbers by capital city. Canberra: ABS, 2013.

Retail Display Ban in Force in Small Shops from 6th April

From April 6th this year, the ban on tobacco displays will take effect in small shops. The ban on displays in large shops came into force in England on 6th April 2012. A large shop is defined as having a relevant floor area exceeding 280 square metres. In England, Wales and Northern Ireland, breaches of the law could lead to prosecution in a magistrates' court and a fine of up to £5,000. In Scotland, trading standards officers can impose Fixed Penalty Notices.

The main reason for the display ban is to protect children and young people from the promotion of tobacco. Most forms of tobacco advertising are now banned in the UK under the Tobacco Advertising and Promotion Act 2002. The display ban and standardised packaging will remove the remaining loopholes allowing promotion of a lethal and addictive product.

Smoking Still Kills: The Next Steps for Tobacco Control

In June 2015, Action on Smoking and Health will be publishing a new five year strategy for tobacco control, "Smoking Still Kills". As with the 2008 strategy document "Beyond Smoking Kills", the aim is to bring together the public health community around a shared set of ambitions. The report has been written by an expert editorial board, informed by regional consultation events held in Birmingham, Bristol, Leeds and London. [1]



Regional events were held to help inform the new report

Although the 2008 document was seen as radical at the time, virtually all its proposals have now been adopted. Key recommendations in the 2008 report included: introducing plain packaging for all tobacco products; ending the displays of cigarette and tobacco products in shops; clamping down on smuggling; and improving the regulatory system to encourage the development of safer nicotine products.

Smoking prevalence rates in the UK have now fallen to below 20% for the first time since World War 2, but there are no grounds for complacency. Across the UK, 100,000 people a year still die prematurely from smoking-related disease. In some countries, where tobacco control policies lag behind the UK, smoking prevalence rates have stabilised or even started to rise.

Thousands of young people still start to smoke every year. Smoking also remains the single biggest cause of health inequalities in the UK, with prevalence rates higher in poor, deprived and marginalised groups. Reducing prevalence in these groups must be a priority. The need for new tobacco control policies, building on the success of those already in place, is therefore clear.

At both national and local levels, tobacco control measures are cost-effective. The benefits of any decline in smoking, including reduced health and social care costs and increased productivity,

outweigh the costs of tobacco control measures and any loss of tobacco tax revenues. The latest NHS England Five Year Forward View, published in October last year, makes it clear that: *"the future health of millions of children, the sustainability of the NHS, and the economic prosperity of Britain all now depend on a radical upgrade in prevention and public health."* Since smoking-related disease still remains by far the largest cause of preventable deaths, this objective cannot be achieved without continuing action to cut smoking prevalence rates.

One key recommendation in the ASH report already has strong support in the major political parties: a new revenue stream for evidence-based tobacco control work, created through a "Tobacco Company Obligation", an annual levy on tobacco companies, based on sales data.

The report will make clear that the first call on revenue raised through the Obligation should be to fund tobacco control policy, including high quality stop smoking services, mass media and social marketing to encourage smokers to quit, and support for tobacco control teams at local authority level. The recent Treasury consultation paper on a possible tobacco industry levy does not commit to spending the proceeds in this way: there is concern that they could be used simply to reduce the Government's current account deficit.

"Smoking Still Kills" will be an ambitious policy document, but it is likely to play an important role in setting tobacco control policy in the next Parliament. It is also intended to help shape the Government's next Tobacco Control Plan for England, after the current Plan expires at the end of this year.

[1] The Editorial Board for "Smoking Still Kills" is:

Chair:

Peter Kellner, President, YouGov

Board Members:

Alison Cox, Director of Cancer Prevention, Cancer Research UK

Dr Mike Knapton, Associate Medical Director, British Heart Foundation

Professor John Moxham, Professor of Respiratory Medicine, Director of Clinical Strategy, King's Health Partners & Chair, ASH

Professor John Britton, Chair RCP Tobacco Advisory Group

Professor Martin Jarvis, UCL

Deborah Arnott, Chief Executive, ASH

Hazel Cheeseman, Director of Policy, ASH

HMRC: Standardised Packs Won't Increase Illicit Trade

HM Revenue and Customs have published their assessment of the likely impact on the illicit tobacco trade of standardised packaging [1]

Their conclusion is that: *"we have seen no evidence that standardised packaging will have a significant impact on the overall size of the illicit market"*. The report points out that the actual size of the illicit market has fallen sharply over the last ten years, *"despite changes introduced to support public health objectives which might have been expected to impact on the illicit market"*. However, standardised packaging may lead to an increase in the proportion of the illicit market taken by "cheap whites", which are known brands manufactured abroad, but which have

no licit market in the UK. Enforcement action against illicit trade must continue to be improved, which the APPG believes requires central government funding and close co-operation between agencies internationally, nationally, regionally and locally. The introduction of a strong tracking and tracing system based on a secure coding system on tobacco packaging is required under the revised EU Tobacco Products Directive, and the WHO Illicit Trade Protocol.

[1] "The Introduction of Standardised Packaging for Tobacco: HMRC's Assessment of the Potential Impact on the Illicit Market".

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/403495/HMRC_impact_report.pdf

Wednesday 4th March 2015, 14.00 – 15.00, Attlee Suite, Portcullis House

APPG on Smoking and Health: Meeting on Electronic Cigarettes and Next Steps for Tobacco Control Policy

The meeting will provide an opportunity for Members of both Houses to hear the latest evidence on electronic cigarettes and discuss the next steps for tobacco control policy, including a tobacco levy. There will also be an update on the standardised ("plain") packaging of cigarettes.

Speakers: Martin Dockrell, Tobacco Programme Manager, Public Health England; Professor Robert West, University College London, and Deborah Arnott, Chief Executive, Action on Smoking and Health.

Chair: Rt Hon Paul Burstow MP, Chair of the APPG on Smoking and Health.

Please RSVP to appg@ash.org.uk.

Wednesday 25th March 2015, 16.00 – 18.00, Churchill Dining Room

Celebration of Luther Terry Award to the Department of Health's Tobacco Programme

You are warmly invited to celebrate the UK Department of Health's Tobacco Programme winning the Luther Terry award for "Exemplary Leadership by a Government Ministry". This prestigious triennial award by the American Cancer Society honours the UK as a world leader in tobacco control. Important tobacco control legislation from smokefree public places, to stopping smoking in cars with children and standardised packaging of tobacco products have all only come to pass with strong parliamentary support from across the political spectrum.

Speakers (from 17.00): Jane Ellison MP, Public Health Minister; Rt Hon Kevin Barron MP, Baroness Ilora Finlay of Llandaff, and Rt Hon Paul Burstow MP.

Please come and help us celebrate this success. Afternoon tea will be provided.

Please RSVP to appg@ash.org.uk.

Officers of the group:

Chair: Paul Burstow MP
Treasurer: Ian Mearns MP
Secretary: Bob Blackman MP

Vice Chairs: Kevin Barron MP
Lord Patel
Lord Rennard MBE
Baroness Finlay
Baroness O'Cathain OBE
John Robertson MP

The All Party Parliamentary Group (APPG) on Smoking and Health is a cross-party group of Peers and MPs which was founded in 1976

"To monitor and discuss the health and social effects of smoking; to review potential changes in existing legislation to reduce levels of smoking; to assess the latest medical techniques to assist in smoking cessation; and to act as a resource for the group's members on all issues relating to smoking and public health."

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