

The Hon. Mark Butler MP
Minister for Health and Aged Care

**EO&E TRANSCRIPT
PRESS CONFERENCE
PARLIAMENT HOUSE
WEDNESDAY, 31 MAY 2023**

***Topics: World No Tobacco Day; Taking action on smoking and vaping;
Cheaper medicines; Calvary Hospital ACT.***

MINISTER FOR HEALTH AND AGED CARE, MARK BUTLER: Today is World No Tobacco Day, which across the world reminds us of the need to continue the fight against tobacco products and all of the terrible health impacts that it has reaped over many, many decades. It's a reminder that although we have made enormous inroads across the globe, including here in Australia, in the public health impacts of tobacco use, there is still much to do. Here in Australia, still, tobacco or smoking is the leading cause of preventable death and disability in this country. Still, about 12 per cent of adults are daily smokers, although that number or that percentage has come down dramatically over recent decades, that still accounts for more than two million adults smoking on a daily basis. And those smoking rates have essentially flatlined. The reductions that were achieved over recent decades has largely been arrested by a lack of serious action against tobacco over the course of the last nine or 10 years.

It's also an important occasion to recognise that there are emerging threats. I've talked on a number of occasions now about the threat to all of the achievements, all of the work undertaken over recent decades to fight tobacco that is presented by vaping. Essentially a product that was presented to governments and communities around the world as a pathway out of cigarettes, a therapeutic product to help long term smokers kick the habit has demonstrably become a pathway into cigarettes, particularly for the youngest Australians. It is no accident given the huge increases we've seen in vaping rates among young Australians over the course of the last three years, that now the only cohort in the Australian community that is seeing smoking rates actually increase is the youngest members of our community.

Now 10 years ago, Australia was rightly regarded as a leader in the global fight against tobacco, substantially as a result of the world leading reforms that Nicola Roxon led as part of the former Labor Government to introduce plain packaging, and graphic warnings in particular. People will remember that those reforms were hard

fought by the tobacco industry. We had to deal with three legal challenges to those reforms, and we were victorious, we were successful in all three of those legal challenges. As a result of those reforms, there are today one million fewer smokers than would otherwise have been the case with all of the huge advantage that brings to the quality and the length of life, but also the lower cost to the public health system that is that is a result of that as well.

Over the last 10 years, it's clear that there has been no significant action being taken to build on the reforms that Nicola Roxon led a decade ago. The former Liberal and National Party Government recorded increases to tobacco excise through their term amounting to 152 per cent. Tobacco excise was increased by 152 per cent under the Abbott, Turnbull and Morrison Governments, but none of that additional revenue was reinvested into new tobacco control programs, or new public health measures of the type that were announced at the last Budget three weeks ago such as our introduction of a world leading lung cancer screening program. So very, very big increases in revenue through increases in tobacco excise, but no substantial new tobacco control measures were put in place by the former government. Perhaps that was no surprise because that government was populated by people who when in opposition to the last Labor Government did not support our tobacco control legislation until the very last day. People will remember, particularly, that Peter Dutton as the Shadow Health Minister described Nicola Roxon's reforms as 'a bridge too far.' 'A bridge too far' were the words he used to describe Nicola Roxon's package of world leading reforms that have been taken up by dozens and dozens of countries around the world.

Now, as a result of the lack of any additional action taken over the last nine years, as I said, smoking rates in Australia have essentially flatlined after decades of decline. A recent study published in the British Medical Journal only a couple of weeks ago, has indicated to us and to the community, that we are currently not on track to meet the targets that were agreed by all governments - initiated by the former government - agreed by all governments in the National Tobacco strategy. Particularly to reduce daily smoking rates to 10 per cent by 2025, and to 5 per cent across the community by 2030, as well as substantial inroads in indigenous smoking rates. That is why six months ago, I announced our intention as a government to renew the fight against tobacco and to build on the world leading reforms that Nicola Roxon initiated when we were last in government.

Today, I am publishing our draft legislation and a consultation paper on the

Department of Health website to indicate very clearly what I intend to introduce to the Parliament later this year. That draft legislation - which is substantial, amounts to about 300 pages - reflects the measures that I announced back in November. Those measures are deeply informed by research, which is obviously undertaken still across the world about effective measures to deal with tobacco, but also informed by some of the experience and action taken by countries to which we usually compare ourselves. Countries that have become global leaders in the fight against tobacco like New Zealand, like Canada, and the UK. Broadly, these measures that are contained in the draft legislation, seek to deal with marketing strategies that the tobacco industry has put in place to get around the intention of the plain packaging and graphic warning reforms we put in place 10 years ago. So, instead of seeking to market cigarettes to particularly new potential smokers through attractive packs, they now do it through individual sticks - individual cigarettes. They now do it through a range of different forms of naming, pack size, pack presentation which we intend to stamp out through these reforms.

I talked about these reforms six months ago, but very briefly, they go to some of these things: we intend to standardise package sizing and products, so that differentiation in those senses are not marketing advantages for tobacco companies. We intend to standardise the look and the size of filters, in particular, to deal with some of the vogue style cigarettes that the tobacco industry has attempted to market, particularly, to young people. We intend to prohibit flavours and additives, some people might be aware of things like the menthol bombs that are now marketed in individual cigarettes to give a burst of menthol flavour, two thirds or three quarters of the way through a particular cigarette, those will be stamped out. And we intend to limit and prohibit the use of names that are designed to mislead users, that the cigarettes that they are smoking are somehow going to be good for them. So, names that you'll readily find in cigarette stores, like smooth, or cool crush, or fresh burst, or fresh blast. These things that are a cynical, deliberate marketing strategy to bring new smokers into this public health menace will be prohibited in this legislation.

We also intend, as I said in November, to update the warnings and the graphic images that are on cigarette packs to deal with the fact that over the years those warnings, as research indicates very clearly, have largely become too familiar and they've been desensitised, essentially, through familiarity. We will be updating and upgrading those graphic warnings and graphic images. As I indicated in November, we intend to include health warnings on each individual cigarette. Not just on the

packs, but on each individual cigarette, which I'm advised would be a world leading reform. As well as that, we intend to require the tobacco industry to include public health inserts in all of their packs. So, for loose leaf tobacco, and for cigarettes or sticks, we intend to require the tobacco industry to include clear public health information as inserts into those packs.

This legislation, as I said, is in draft form being published as an exposure draft today along with a consultation paper, the consultation period will be open between now and the middle of July for six weeks. There'll be further consultation undertaken after that time, probably around August or September, particularly around the sort of intention that we have for the labelling on individual cigarettes, the updates for graphic images, and pack warnings as well. We're currently in the field undertaking market research about those, so there will be a further period of consultation about those things. I intend to introduce this legislation into the Parliament later this year. The legislation that was put in place by former Minister Roxon had a sunset date of 1 April 2024. So, if we do not pass replacement legislation, the current suite of regulations around plain packaging, graphic warnings and the like, will lapse on the first of April. We intend to get this legislation passed by the parliament by 1 April 2024. There will be a transition period of 15 months – the new regulations and requirements that will be contained in the updated suite of reforms will come into effect on 1 July 2025. Happy to take questions.

JOURNALIST: During estimates, concerns were raised about the access that tobacco lobbyists have to parliamentarians. Will the government consider restricting their access to Parliament House? And if not, why not?

BUTLER: As a member of the Labor Party and a member of the National Executive at the time, 20 years ago, I'm very proud of the fact that we banned political donations from the tobacco industry and are quite rigorous about our observance of obligations that we all have as public servants, as Members of Parliament and as Senators under the World Health Organization convention, not to deal directly with the tobacco industry. Now, that is not something that all of those on the Opposition observe. The National Party still receives donations, inexplicably, from the tobacco industry. I will be writing to all Members of Parliament and Senators as part of this process as the as the draft legislation is published to remind every single Member of Parliament and Senator, and public servant for that matter, that Australia is a signatory to a Convention under the World Health Organization instruments that warns very clearly against direct contact with the tobacco industry.

JOURNALIST: Then why allow them to roam freely around Parliament?

BUTLER: That is a matter not for government, that is a matter for the Speaker and the President. The World Health Organization is clear, as a matter of principle, the distance that public servants and Members of Parliament should maintain between themselves and their work and the tobacco industry on the other hand.

JOURNALIST: Minister, you mentioned smoking rates, essentially, are flatlining. Is it possible when it's getting close to rock bottom, that there is no amount of, no sort of graphic warning or restriction on flavour that's going to convince those people still smoking not to smoke? Surely, they know it's bad for them by now? And just a quick secondary question, do you have any concerns about the ACT Government's planned takeover of Calvary Hospitals do you have any intention of perhaps considering intervening there, for example?

BUTLER: Let me deal with them in turn. The first, let me be clear on, I'm not going to raise the white flag on smoking at 12 per cent of adults. I'm particularly not going to raise the white flag at a time when smoking rates amongst our youngest citizens is actually climbing, frankly, as a result of a deliberate strategy by the industry to create a pathway into smoking, to create a new generation of nicotine addicts. There is sometimes this sort of shibboleth idea, that the current group of smokers are hardened and are never going to be shifted. The research simply does not reflect that. The research shows quite clearly that existing smokers still want to quit the habit, still want to kick the habit. They want support to do that. And so, like likeminded countries around the world, I mentioned, Canada, UK and New Zealand, we are determined to keep renewing the fight against an industry that keeps changing its strategy, it seeks to change its marketing strategy to get around what a government might decide from time to time. You can't just set and forget, you've got to remain agile. You've got to recognise what the industry is doing to keep that market share, keep marketing the product of death - that really is what it's doing - and adjust accordingly. That is what we are doing. We are doing this not off the top of our head. We are doing it in accordance with clear research about effective tobacco control measures, learning from other countries about what they're doing effectively. We are determined to meet the targets that were set out in the National Tobacco Strategy that's been agreed by all governments.

As to your question about the Calvary Hospital here in the ACT. The operation of

hospitals is a matter for all state and territory governments. I've not been engaged, as I'm aware at least, either by the ACT government or by Calvary. I've not had any requests for us to become involved in essentially what is an operational matter between a territory government operating their public health system and a private hospital operator. I think it's important for us to say, my understanding is, this has nothing to do with the fact that Calvary Hospital happens to be operated by a Catholic provider. My understanding, and I'm only reading reports about this, is that this is a decision taken by the ACT government in the context of their view, about how they operate public health services in that territory, and it wouldn't be a decision that would have been taken any differently were the private hospital in question operated by a non-denominational provider. I think it's also important to stress that from my perspective, I see utterly no precedent value in this. Catholic and other non-government, including church providers, are such an important part of our hospital and broader health and aged care systems across our country. I had a baby only last year at a Calvary Hospital. They are a very important part of our system across the country. But this year in the ACT, as I understand it, is an operational decision by the ACT government. I've not had any request for involvement and tend to leave it to those two parties to deal with it.

JOURNALIST: Doctors and nurses in the ACT say there's been a lack of consultation, surely, we should be doing everything we can to retain doctors and nurses. Are you concerned about that?

BUTLER: We're all focused on making sure that we can attract and retain doctors and nurses, I don't intend to get into the details of negotiations between state or territory government providers or private hospital providers and their workforce. We engage as a group and I engage with private hospital providers very regularly about workforce strategies, but all I'm doing is reading reports, I'm no better informed, and frankly, nor should I be, it's not the job of the Federal Health Minister to get involved in the operation of state and territory hospitals.

JOURNALIST: You say in your comments here that you'd like Australia to regain its position as a world leader on tobacco control. Won't New Zealand continue to outpace us, given their recent reforms? Do you rule out going down that road of an age-based phase out of cigarettes?

BUTLER: It's not on the table right now. I've come up with this package as Minister, after pretty deep engagement with the tobacco control sector. I've participated

myself in two lengthy roundtables with tobacco control bodies, but also broader health bodies, like the AMA, and many, many others. That was not proposed to me. May well be a view held by some individual bodies, but it was not proposed to me as part of our package. There are elements of the package I'm announcing and publishing today that I think are genuinely world leading, for example, the idea of public health messages on individual cigarettes. Individual countries might sort of seek to push the envelope a little bit further in one respect. I think, as a package, this is a genuinely progressive world leading package that will make a real difference.

JOURNALIST: Why isn't the New Zealand model not the best approach? Why is the stronger approach not ideal? What's one of the downfalls?

BUTLER: I'm not arguing particularly against the New Zealand package, or that element of the New Zealand package, it's important to see packages in their full context. This was not a proposal put to me that we should consider, it's not on the table in Australia at this point in time.

JOURNALIST: I know the announcement today is more about tobacco but it does talk about capturing vaping it its advertising restrictions. Can you talk a bit about what people actually see changing around vape? And there's a separate piece of work that you proposed around the broader reform around vaping. When will people actually start seeing those sorts of changes in that area, because there's people walking around Parliament right now with vapes in their pocket, when will we start actually seeing those products removed from stores?

BUTLER: As I've said, there's a couple of pieces of work for us to do to start to see implementation and enforcement of the broad principles that I announced just before Budget. First of all, there is work across the Commonwealth Government that we're doing right now, particularly with agencies like the TGA - the Therapeutic Goods Administration – that will play an important role in this package of reforms I have announced, but obviously also Border Force. I mean, the chief job of the Commonwealth Government is to seek to prevent these products entering Australia in the first place, and ABF or Border Force obviously has a key role there. We're in discussions with them and with the TGA to get a whole of Commonwealth approach to implementation and enforcement of the reforms I announced, and we will then need to engage with our state and territory colleagues.

I have a meeting with my state and territory Health Minister colleagues next month.

These reforms are on the agenda for that meeting. We will also obviously need to engage with Police Minister level colleagues as well, which is not particularly a matter for me, but colleagues, Minister O'Neill and the Attorney General will be taking leadership of that. So, there is a bit more work to do to design that implementation and enforcement framework, we are committed to funding that properly. That will mean additional funding for the TGA, additional funding for the Australian Border Force. These are additional activities we will be expecting of those Commonwealth agencies. But I will say, in the several discussions I've had around these reforms with my state and territory Health Minister colleagues, there is a very high degree of commitment to pursuing these reforms between us. You will also have seen since my announcement a few weeks ago, a range of different initiatives, a range of initiatives put in place already by state and territory governments, either information campaigns into school communities that are marking this as their number one behavioural issue, or survey work that the Queensland Government published only over the weekend, showing just how dangerous the 200 or so chemicals are that people are ingesting into their lungs.

JOURNALIST: Vapes are already being sold under the counter, they are already being sold on the sly. I mean, what is the prospects of those sellers actually abiding by these restrictions on vaping advertising?

BUTLER: All governments need to put in place a framework of enforcement that makes it very clear that there will be serious consequences to vendors for not complying with the measures that we all put in place - the state, territory and Commonwealth governments.

JOURNALIST: As you move forward with your reforms to double dispensing of certain medicines, is there any openness at all on the government's part towards topping up the contribution to the dispensing fee, particularly maybe for regional pharmacies?

BUTLER: We are determined to implement the advice we received from the Pharmaceutical Benefits Advisory Committee that 60 days dispensing should be allowed for a range of common medicines designed to treat chronic disease. So, for patients who may be on these medicines, not just for years, but sometimes for decades, we're determined to implement that announcement. But we've also said that we will reinvest every single dollar saved by the Commonwealth through reduced dispensing and handling fees. We're very conscious to make sure that that

investment is targeted in the most effective way. We're conscious of differential impacts in different parts of the country, particularly between urban and rural pharmacies. I've been engaging with a range of my colleagues across the parliament about that and we will continue to engage with pharmacy sector representatives in that as well.

JOURNALIST: You mentioned there are harmful chemicals in vapes. Would you have any kind of consideration of legislating labelling what the ingredients in vapes are?

BUTLER: We'll consider that. It would be a very long label because these vapes have some 200 chemicals or so in them. What we have said is that we intend to take a much harder line about chemicals that will be prohibited from inclusion in the e-cigarettes or the vapes that will be available and permissible under prescription, available through a pharmacy as a genuine therapeutic product. That is work that the TGA will be undertaking as part of their consultation over the course of summer. They had a good discussion with health sector leaders about some of the chemicals that are in these products that, frankly, should not be. Even if you accept the therapeutic benefit of an e-cigarette from the perspective of a long-term smoker in consultation with their clinician, the fact that they are ingesting chemicals that are used for weed killer, for nail polish remover and those sorts of things cannot be good for their lungs.

JOURNALIST: On the topic of black market vapes and tobacco, estimates revealed that there was no funding in the Budget for enforcement for Border Force. What do these measures mean if they can't be enforced?

BUTLER: I've said that we are committed to providing additional funding. I think the Treasurer has said that as well - for the TGA and for Border Force. The precise shape of that funding is going to depend on the final details agreed with state and territory governments about our implementation framework. Those details are not yet finalised so it's not appropriate at this time to finalise the precise dollar amount of that additional funding. I cannot be clearer than this: the government is committed to providing additional funding to the Border Force and to the TGA for them to do their work in implementing the government's package of reforms in this area. Border Force is aware of that, they understand that. But everyone also understands that we need to agree the precise details of the implementation and enforcement framework across the Commonwealth, and with our state and territory colleagues before we

arrive at a precise dollar amount.

JOURNALIST: Just on that, the Australian Border Force Commissioner told estimates last week that banning vapes at the border won't be enough to stamp out the black market, and that his organisation was only managing to detect a quarter of the illicit drugs making their way into the country. Why is this the case? And what more needs to be done to fix this issue at the border because essentially that will be stopping all these illegal vapes getting into the country?

BUTLER: I think what the Commissioner reflects is the reality that we understand that these things are not coming in to Australia in big shipping containers with a 'vapes' label on the side of them. They're coming in a variety of forms, sometimes in quite small packages with no labelling at all. I think the Commissioner is just reflecting the enormous challenge that he and his staff have in managing our borders, whether it's illicit drugs or therapeutic products like vapes. We are realistic enough to understand the scale of the challenge involved, and the reality that products will slip through the net. What we are determined to do, and this is why I reject - not that you're making it - but why I reject sometimes the idea that this is similar to other products that are coming in in an unauthorised fashion into the country, those products are not quite openly sold in shops deliberately opened up down the road from a school and that is what we currently have with vapes. I'm real world enough to understand that vapes will continue to slip through the border. And it's very difficult to control every single thing that is being imported in small packages that that are often only labelled for an individual person. But we will do everything we can to stop the import of products that are not captured by our regulatory or therapeutic stream, which is approved products that comply with a whole range of criteria set out by the TGA, which are destined only for therapeutic sale through a pharmacy on prescription.

JOURNALIST: On the tobacco regulation and the vape reform, should they be more aligned to come into effect at around the same time so that we don't see, for example, people that are currently vaping slip over and pick up cigarette smoking.

BUTLER: We're very conscious of that risk, and we've talked to tobacco control experts about that risk, which is why we've decided through the Budget to do a number of things, first of all, to resume increases in tobacco excise, they stopped in 2020-2021. So that over the last few years, the price of cigarettes have actually reduced in real terms, because tobacco excise has not kept up with inflation, it's

linked to wage cost indices. We've recognised the reality that a cheaper cigarette is a more attractive cigarette, and we are resuming the increase in tobacco excise over the next three years. But we also recognise there's been no serious public information campaign about tobacco for a good decade. There is substantial funding allocated in the Budget to get back out into the community and make the case for quitting. We will also be doing that in a very targeted way for young people to understand the risks of vaping and cigarette smoking. Jason Clare and I have already written to our Health Minister and education colleagues at a state and territory level to start work on designing what a campaign like that might look like, feeding into school communities. We've also got additional funding for support services, so Quitline counsellors and the like to make sure that we are actually putting our money where our mouth is to support people to quit. The timeframes around the reforms that I'm announcing today, and we are publishing in draft form today, are driven very much by the sunset date that was put in place a decade ago. The former government didn't do anything to deal with that, we've had to deal with that as we've come to government, as I said, 1 April 2024 is the key date in that respect. Thanks very much.

ENDS