Government's tunnel vision on Smokefree 2025 comes with obvious negative consequences Wednesday, 27th July 2022, 8.30am

Press Release: NZ Association of Convenience Stores

Members of NZACS are very concerned about the government proposal to slash retail tobacco outlets from around 6500 to 500 as part of the proposed Smokefree amendment bill.

Executive Director Dave Hooker says," NZACS analysis indicates there are close to 2,000 postcodes alone across the country, each serving up to 10,000 New Zealand households".

"It's impossible to think that 500 stores could meet the needs of the existing 400,000 plus smokers without creating gaps in communities to be plugged by illegal operators".

"Despite the latest tobacco legislation being subject to consultation, the Minister has effectively proposed a very challenging and unrealistic bar of 500 stores".

NZACS retail members include most major and second tier fuel retailers and organised non-fuel convenience store groups. Mr. Hooker says "these are well run, well managed, compliant groups who have responsibly sold tobacco for many years. Our retailers have personally invested heavily in training, safety & security and have played a key role in transitioning thousands of smokers from tobacco to vaping despite the government recently restricting their ability to sell even a small range of approved vaping flavours".

ASH Professor Robert Beaglehole cautions 'inequities may get worse by punishing dependent smokers'. He says there is no real-world experience of the proposals which include 'effective prohibition'.

New Zealand Customs Service, who recently told Parliament that illegal tobacco could be as high as <u>twenty</u> <u>percent</u>, warn these latest proposals 'are likely to exacerbate this'.

"The convenience sector is feeling the pinch. With all time high fuel prices, lower shop spending and the potential for many of our operators to lose more than 50% of their shop turnover from tobacco overnight, the net result will be a loss of jobs and in many cases businesses".

"We completely understand and support the government's desire to reduce smoking rates, but these proposals come with considerable hardship for NZ businesses and smokers".

"Add in proposals to move to very low nicotine cigarettes rendering them ineffective to smokers and a future prohibition on those born after January 1st 2009, it's hard to see how this will amount to anything other than a lucrative payday for the 'sophisticated, organized criminal networks' fueling the black market".

"We urge Parliament to rethink these drastic proposals and consider instead building on existing initiatives to reduce smoking, alongside a sustainable retail licensing regime for responsible operators".

"We hope the concerns of NZACS and those of other affected parties around these proposals will be genuinely heard and considered".

Contact: Dave Hooker

027 471 9366 / dave@retailworx.co.nz