

FAQ for tobacco issues for NZCPHM Members December 2023

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This FAQ aims to help public health physicians / practitioners to quickly understand some aspects of the extensive work undertaken in the field of tobacco control and provides links to key websites with reliable evidence-based information. We suggest this information will assist you to upskill and could form the basis of an advocacy tool - for example an opportunity to meet with your Member of Parliament.

Background and Context

The Smokefree Environments and Regulated Products (Smoked Tobacco) Amendment Act 2022 (SERPA) was passed on 13 December 2022 and came into force on 1 January 2023.

The Amendment Act includes three innovative 'endgame' approaches for achieving New Zealand's 'Smokefree Aotearoa 2025' goal. These are:

- From April 1 2025, the nicotine content of all tobacco products will be reduced to 0.8 mg/g of tobacco. Currently full-strength cigarettes contain approximately 15-16 mg/g of nicotine.
- From January 1 2027 prohibit tobacco sales to those born after 1 January 2009 thus establishing a 'smokefree generation'.
- From July 1 2024, the number of tobacco outlets will be limited to 600, down from about 6000

For more information see the legislation:

<https://legislation.govt.nz/bill/government/2022/0143/latest/whole.html>

For a timeline of when new provisions come into force see:

<https://www.health.govt.nz/system/files/documents/pages/hp8803-smoked-tobacco-timeline-nov23.pdf>

SERPA is the latest step in NZ's tobacco control strategy Smokefree Aotearoa 2025, which aims to: protect children from exposure to tobacco marketing and promotion; reduce the supply of, and demand for tobacco; provide the best possible support for quitting. Currently around 85% of New Zealanders are smokefree.

The overall goal is for fewer than 5% of New Zealanders to smoke by 2025. This goal was set following a 2010 Māori Affairs Select Committee Inquiry into the Tobacco Industry in Aotearoa and the effects of tobacco use on Māori including how the tobacco industry had encouraged Māori to smoke and the impact of smoking on Māori health.

For more information about Smokefree Aotearoa 2025 and the Action Plan, see:

- <https://www.smokefree.org.nz/smokefree-in-action/smokefree-aotearoa-2025>
- <https://www.health.govt.nz/publication/smokefree-aotearoa-2025-action-plan-auahi-kore-aotearoa-mahere-rautaki-2025>

- <https://www.phcc.org.nz/briefing/smokefree-aotearoa-world-leading-developments-profound-public-health-implications>

The SERPA legislation is hailed as world leading with potential to effectively end the tobacco epidemic in New Zealand. None of the above three measures have been implemented at national level anywhere in the world. It was developed following extensive research and widespread consultation.

At the final reading of the Bill and in a Supplementary Order Paper, National Party health spokespeople (Shane Reti and Matt Doocey) strongly supported denicotinisation. They argued it should be implemented first with the other two measures introduced only if necessary after a review. However, the National Party voted against the SERPA Bill as they disagreed with the sequencing of the measures. They did not disagree about the need or justification for the measures themselves, particularly denicotinisation. ACT voted against SERPA.

See this link: <https://aspireaotearoa.org.nz/sites/default/files/2023-12/Smokefree%20Repeal%20Factcheck%20December%208%202023.pdf>

On 29 November 2023, the newly elected National-led coalition Government stated that it planned to repeal SERPA by March 2024.¹ Prime Minister Luxon raised concerns about the illegal trade in tobacco and an increase in ram raids of tobacco retailers as reasons for repeal. Finance Minister Willis said that repealing the Act would contribute to funding promised tax cuts because more tobacco excise revenue would be available than if the Act proceeded. National says it remains committed to reducing smoking rates by continuing with approaches in place prior to the legislation.

See this article on RNZ: <https://www.rnz.co.nz/programmes/the-detail/story/2018917244/disbelief-as-a-smokefree-generation-slips-away>

The Three Key Measures in the SERPA

1. Denicotinisation of tobacco is the key component of SERPA

From 1 April 2025, all cigarettes, rolling tobacco and other smoked tobacco products will be required to have a minimal level of nicotine.

Denicotinised cigarettes are sometimes called very low nicotine cigarettes (VLNCs). The maximum permitted level of nicotine will be 0.8mg of nicotine per gram of tobacco. As a result both the addictiveness and the appeal of smoked tobacco to people who smoke or young people who experiment with smoking will be greatly reduced. This policy is considered a highly effective strategy because of its potential for rapid reduction in smoking prevalence and substantial reductions in Māori non-Māori health inequities.

See the key modelling paper here:

<https://tobaccocontrol.bmj.com/content/tobaccocontrol/early/2023/01/10/tc-2022-057655.full.pdf>

Numerous RCTs show that people provided with denicotinised cigarettes, including people from groups with high smoking prevalence such as those experiencing poor mental health or with lower socio-economic status (SES), are more likely to make a quit attempt and quit

¹ Announced in the new Government's 100 Day Plan, confirming an announcement made on 24 November 2023 as part of the Government's Coalition agreements.

smoking than people provided with normal strength cigarettes. These studies also generally found no increase in possible adverse effects like increased (compensatory) smoking, stress and anxiety or use of alcohol and other drugs.

More information can be found here:

- <https://www.phcc.org.nz/briefing/removing-nicotine-tobacco-key-component-current-smokefree-bill; and>
- <https://www.sciencedirect.com/science/article/abs/pii/S0091743522001475?via%3Dihub>

2. Establishing a Smokefree Generation

Rather than focussing on current smokers who are already addicted to tobacco, the aim of the Tobacco Free Generation measure is to prevent new generations from ever becoming addicted to smoking, by banning sales to those born after a certain date. SERPA legislates that, from January 2027, those born after 1 January 2009 will be prohibited from being sold tobacco. Modelling shows that this is likely to be a highly effective measure, which also has potential to reduce ethnic disparities in smoking rates (due to the younger age profile of Maori and Pacific populations). A recent study shows that young adults strongly support the new legislation and 80% support or strongly support the Smokefree 2025 goal.

See:

- <https://www.phcc.org.nz/briefing/phasing-out-smoking-tobacco-free-generation-policy> (this article provides the rationale and lists the evidence for this policy)
- <https://www.phcc.org.nz/briefing/young-new-zealanders-want-tobacco-free-future-new-research>

3. Limiting tobacco outlets to 600 nationwide

Widespread distribution of a product is crucial to effectively marketing that product. There is evidence that localities with higher density of tobacco retailers are associated with increased smoking uptake and reduced quitting smoking. Therefore, restricting the number of tobacco outlets could help to reduce smoking prevalence, achieve health gain and reduce health system costs. This measure should be used to augment other policies such as increases in tobacco excise tax.

A useful link for further information is: <https://www.phcc.org.nz/briefing/reducing-tobacco-retail-availability-counterarguments-industry-claims>

a) How has the tobacco industry responded?

- ***Tobacco industry links with retailer associations***

Tobacco outlets include chain convenience stores, service stations, dairies and small owner operated retailers, along with larger outlets such as supermarkets. The NZ Association of Convenience Stores (NZACS) is an industry group that represents Imperial Tobacco and British American Tobacco (BAT), among numerous other major multinational corporations. Much of its work has been to oppose tobacco control policies and it has aimed to present a unified voice among tobacco retailers - despite the fact that small independent retailers are not members of NZACS (its members are chain retailers and service stations alongside corporate members).

See this link for further information: <https://www.phcc.org.nz/briefing/reducing-tobacco-retail-availability-counterarguments-industry-claims>

The Dairy and Business Owners Group is a national organisation and has as one of its stated purposes: “Our role is to protect and advocate for dairies so that Kiwis have choice and convenience for the goods they buy. We want dairies to be safe and prosperous.” Further review of this website suggests the organisation is largely about opposing tobacco control policies, promoting the availability of vaping products and drawing attention to retail crime.

More information is available here <https://www.dairyowners.org.nz/>

Similarly, the Save our Stores campaign (<https://www.saveourstores.nz/>) appears to be a grass roots retailer campaign but is supported/funded by Imperial and BAT.

See the campaign here:

<https://www.rnz.co.nz/national/programmes/morningreport/audio/2018901523/save-our-stores-dairy-campaign-the-work-of-tobacco-companies>

- ***Talking up the potential economic impact on small retailers***

NZACS has claimed that: tobacco accounts for up to 40% of turnover in small stores; that people who go to small stores to buy tobacco also buy other products; and that small stores may not be able to survive without tobacco sales.

b) What are the independent research findings?

Most transactions in small owner operated premises such as dairies, do not involve tobacco. Furthermore, tobacco is mostly purchased as a single item. A recent intercept survey of customers exiting convenience stores in main centers in New Zealand found that only 14% of transactions contained tobacco; most tobacco purchasers bought only tobacco; only 5% of all transactions included tobacco and an additional non-tobacco item. These findings have been replicated in the USA and the UK.

See: Robertson L, Cameron C, Hoed J et al <https://tobaccocontrol.bmj.com/content/28/6/696>
Prevalence and characteristics of tobacco purchases in convenience stores: results of a postpurchase intercept survey in Dunedin, New Zealand. Tobacco Control, 2018, 28:6.

The UK findings can be found here: <https://www.ed.ac.uk/news/2022/corner-shop-tobacco-sales-halved-in-three-years>

Profit margins on tobacco sales are small and are estimated at 6% compared to around 24% for other products. Reallocating the physical space used for tobacco products could improve profitability, reduce the risk of crime and the costs of surveillance and other security measures.

See <https://www.phcc.org.nz/briefing/reducing-tobacco-retail-availability-counterarguments-industry-claims>

c) The relationship between ram raids and tobacco theft

Media reports of tobacco thefts have been prevalent in recent years creating the impression that such crimes are increasing. This impression is supported by retailer associations

despite lack of evidence, who claim it is because of increased tobacco prices related to increased excise tax.

In recent years ram raids have become more prevalent with increasing involvement of young children and youth offenders. Ram raids are commercial burglaries, where vehicles are used as the means of entry, and they normally target small business owners, ostensibly to steal tobacco products. Police data shows there has been a 70 percent reduction in ram raids for August 2023 (35 ram raids) compared to August 2022 (116 ram raids) and a downward trend since May 2023 with 78 ram raids, 50 in June, and 42 in July.

Police data also shows that only 14% of ram raids involved tobacco products being stolen as cash was more often taken. Retailer associations and government claim that retail crime will increase with the reduction of retailers selling tobacco as they will be 'magnets' for crime. There is no evidence if this is the case, but it seems highly unlikely as the selection criteria for the 600 stores is that they will have good security in place. Additionally, stores will only sell denicotinised cigarettes which have very limited value on the black market. These measures suggest that it is less likely these stores will be targeted by retail crime.

See <https://www.police.govt.nz/about-us/publication/retail-crime-and-ram-raids>

Reaction to the Government's Plans to Repeal SERPA

What has been the response to the coalition Government's plans to repeal SERPA?

While the provisions of the Smokefree Environments and Regulated Products Act 2022 are evidence-based, the proposal to repeal this legislation is not.

There has been widespread condemnation from Māori and Pacific leaders and from both the hospital and the community-based health sector. Academic groups have been vocal. Open letters have been sent to the Minister of Health from numerous Societies, Associations and other interest groups, and media releases have been made by a variety of organisations.

For example, ASPIRE are collating relevant information on their website:

<https://aspireaotearoa.org.nz/news-events/news/proposed-axing-aotearoas-world-leading-smokefree-legislation>

Overseas publications have also noted the government's new policies, for example:

<https://www.bmj.com/content/383/bmj-2023-078799.full>

Useful Smoking and Vaping Statistics

What do the statistics say about the prevalence of smoking and vaping?

The pertinent statistics supporting advocacy work are summarised below:

- Smoking is the single biggest commercial risk factor for preventable disease and premature death in Aotearoa New Zealand, responsible for almost 10% of all health loss
- There was a small steady decline in current and daily smoking prevalence of about 0.6% per year in absolute terms from 2011/12 to 2019/20. However, from 2019/20 to 2020/21, daily smoking prevalence fell by 2.5% and current smoking prevalence by

2.8%. There are persisting large disparities by ethnicity and SES for both smoking and for electronic cigarette use.

- Overall, in 2021/22 the prevalence of adult smokers aged 15+ is 8%, down from 9.4% in 2020/21.
- The New Zealand Health Survey introduced questions on vaping into the annual survey in 2017/18. Data shows that smoking rates are declining, while vaping rates are increasing. Since 2019/20 increases in vaping have exceeded declines in smoking, especially among young people. This suggests that some people who have never smoked are taking up vaping.
- Overall, in 2021/22, the prevalence of adult vapers aged 15+ was 8.3%, a large increase since 2019/20, when about 3.5% were daily vapers.
- Young people aged 18–24 had the highest rate of daily vaping in 2021 / 22 (22.9%), up from 5.0% in 2019 / 20.
- The majority of daily vapers aged 15 or older were either ex-smokers or current smokers. In 2021/22, 56% of daily vapers were ex-smokers and 22% were current smokers-dual users.
- The table below shows smoking prevalence (daily) for 15+ years by ethnicity in 2021/22 compared to 2019/20.

Population Group	Smoking Prevalence 2021/22	Smoking Prevalence 2019/20
Māori	19.9%	28.6%
Pasifika	18.2	21
Asian	2.6	7.4
European/Other	7.2	10.1

See <https://tcdata.org.nz/> for more information including maps, smoking by age, place of residence, quitline, and tobacco sales.

Further evidence can be found here:

- [New Zealand College of Public Health Medicine. Achieving Smokefree Aotearoa Policy Statement. Wellington: NZCPHM, 2023. https://nzcpmh.org.nz/Policy-Statements/10944/](https://nzcpmh.org.nz/Policy-Statements/10944/)
- <https://www.health.govt.nz/publication/smoking-status-daily-vapers-new-zealand-health-survey-2017-18-2021-22#:~>
- <https://www.smokefree.org.nz/smoking-its-effects/facts-figures>.
- <https://www.health.govt.nz/system/files/documents/publications/health-loss-in-new-zealand-1990-2013-aug16.pdf>
- <https://www.phcc.org.nz/briefing/key-findings-smoking-and-e-cigarette-use-prevalence-and-trends-202021-nz-health-survey>

- <https://www.phcc.org.nz/briefing/what-happening-vaping-among-adolescents-and-young-adults-aotearoa>
- https://assets.nationbuilder.com/ashnz/pages/70/attachments/original/1702170472/2023_AS_H_Y10_Snapshot_Topline_smoking_and_vaping_FINAL.pdf?1702170472

Explaining Vaping

What about vaping or electronic cigarettes (ECs)?

Vaping refers to the use of an electronic device that heats a liquid turning it into an aerosol (vapour) which the user inhales. Vaping is different to smoking, which burns tobacco leaf thus creating smoke. Both vaping and smoking deliver nicotine, but it is the burning of tobacco that causes most of the harm. Vaping, however, is not completely harmless and the long-term health effects are not yet known.

More information on vaping can be found here: <https://vapingfacts.health.nz/the-facts-of-vaping/>

Nicotine is addictive, but it's the toxins produced by burning tobacco that cause smoking related illnesses. Vaping can vary from no nicotine to high nicotine and is much less harmful than smoking. Vaping is a way to quit cigarettes by getting nicotine with fewer of the toxins that come from burning tobacco.

Vaping and smoking are prohibited in schools and ECEs and signage needs to be displayed.

For more information, see:

- <https://www.health.govt.nz/our-work/preventative-health-wellness/smokefree-2025/vaping>
- [Vaping and smoked tobacco regulations 29 November 2023 | Ministry of Health NZ](#)
- [About the Smokefree Environments and Regulated Products \(Vaping\) Amendment Act | Ministry of Health NZ](#)
- <https://www.phcc.org.nz/briefing/what-happening-vaping-among-adolescents-and-young-adults-aotearoa>

Price and Taxes Associated with Tobacco Products

What's the cost of purchasing tobacco in New Zealand?

Industry sets the price for retail tobacco products and is liable for excise and duties. As of November 2023, the average cost of a packet of 20 cigarettes is \$35 and the average cost of a 30g packet of tobacco is \$79.

How much is the tobacco excise tax and how is it allocated?

Budget economic and fiscal update for 2023 estimates \$1.7 billion for the Government per year which is approximately 1.1% of total Government revenue. About 70% of the price of tobacco is tax revenue which goes to the consolidated fund.

See: <https://www.rnz.co.nz/programmes/the-detail/story/2018917244/disbelief-as-a-smokefree-generation-slips-away>