

Where there's smoke ...

the ACCC and the tobacco industry

In September 2001 the Senate asked the ACCC to report on the performance of the ACCC's functions in relation to the tobacco industry.

The report, released in April 2002, focuses on the ACCC's main responsibility in relation to tobacco products—that of ensuring that the marketing and sale of those products complies with the Trade Practices Act.

The report states that 'the ACCC recognises the strong community expectation that it will have a role in managing the impact of tobacco as a consumer protection and trade practices issue'.

The ACCC has three main roles and responsibilities in relation to tobacco products.

First, it takes part in the Commonwealth Cross Government Tobacco Policy Liaison Committee, coordinated by the Department of Health and Ageing. In this forum the ACCC has been involved in the development of the National Tobacco Strategy and the Australian Government's contribution to the World Health Organisation's Framework Convention on Tobacco Control.

Second, as part of its function under the consumer product safety and information provisions of the TPA, the ACCC is responsible for enforcing the Trade Practices (Consumer Product Information Standards) (Tobacco) Regulations 1994.

The labelling standard requires retail packages of tobacco products to be labelled with certain health warnings about the effects of tobacco smoking, as well as explanatory

statements relating to those health effects. It also provides for messages containing information about the average contents of tar, nicotine and carbon monoxide in tobacco smoke to be printed on the side of cigarette packets.

The ACCC is currently taking part in a joint review by the Commonwealth departments of Health and Ageing and Treasury of health warnings on tobacco products covered by the labelling standard.

Third, the conduct of tobacco companies in trade or commerce also falls within the general competition and consumer protection responsibilities of the ACCC under the TPA. Conduct by tobacco companies that is anti-competitive or contrary to consumer protection law is subject to ACCC investigation, just like any other Australian industry.

The report states that the ACCC is aware of allegations that tobacco companies have been involved in systematically misleading and deceiving consumers, in contravention of the TPA, through their alleged silence about the health dangers of their products.