

# New e-cigarette laws burn growth industry

## EXCLUSIVE

MICHAEL OWEN

The largest e-cigarette industry in Australia will be “decimated” after major parties in South Australia united to pass the tightest regulations in the nation, retailers and public health advocates say.

Under amendments to the Tobacco Products Regulation Act, passed by both houses of state parliament and due to be finalised next month, South Australia will be the first jurisdiction to ban sales online or by mail, phone, email or fax, preventing interstate or overseas trade.

In-store vaping and taste testing also will be outlawed.

South Australia is the only Australian jurisdiction that does not regulate vaping and it has grown to be the largest in the country, accounting for two-thirds of production and activity through online sales.

Australian Vaping Advocacy Trade and Research estimates the South Australian industry generates about \$60 million a year in online sales and employs more than 200 people.

AVATAR chairman Savvas Dimitriou said the “destructive and harsh ‘nanny state’” move by legislators in South Australia would destroy the industry just as public health bodies in Britain and New Zealand were encouraging smokers to switch to vaping.

“We have been demanding responsible regulation of this industry for years ... and they are throwing it back in our faces by killing off one of the largest contributors to the state’s economy,” Mr Dimitriou said.

“South Australia holds the highest concentration of vape shops with about 80 vendors. Some of Australia’s largest vape

shops are based in South Australia and operate on a local, national and international scale.

“This is a disastrous move. Businesses are actioning exit plans as we speak as a result of this unscientific, poorly written and ultimately misguided legislation.

“This marks the death of an industry in South Australia and the lives of thousands of smokers.”

University of New South Wales associate professor Colin Mendelsohn said the “harshest laws in Australia” passed by the SA parliament “protects the tobacco industry from competition and make it even harder for smokers to transition to vaping, a much less harmful alternative”.

“The SA parliament is attempting to destroy the vaping industry and make it harder for smokers to access safer products; it is hard to see how this could have any possible benefit for public health,” he said.

“This law is unenforceable. The SA government plans to prosecute vendors selling products online to South Australians. Good luck with that. The new legislation will lead to substantial job losses, closure of businesses and loss of government revenue.”

State Health Minister Stephen Wade said the legislation was an “important public health measure to reduce harm associated with e-cigarettes”.

“Banning of online sales is an important part of minimising the risk of children getting access to these products,” Mr Wade said yesterday.

“It was recommended by a bipartisan select committee in 2016 and is just treating e-cigarettes the same as we do tobacco products.”

An opposition spokesman said Labor had a bipartisan approach to regulate e-cigarettes.