

Resolution of Council

22 September 2025

Item 13.4

Supporting the Tobacco Legislation (Closure Orders) Amendment Bill 2025

Moved by Councillor Gannon, seconded by Councillor Arkins –

It is resolved that:

(A) Council note:

- (i) for every McDonald's in NSW there are 60 tobacconists;
- (ii) over the past few years our high streets have been transformed with the proliferation of tobacconists, which unashamedly sell illegal tobacco and e-cigarettes. There are 13 now operating in Kings Cross alone;
- (iii) data on the availability of illicit tobacco in Australia is limited. Industry estimates indicate that illicit tobacco consumption accounted for 28.6% of the total tobacco market in Australia in 2023, up from 11.8% in 2012;
- (iv) what we do know is that tobacco excise collection has collapsed to its lowest level in 14 years, blowing a \$17.6 billion hole in the tax base (excluding GST revenue);
- (v) illegal cigarettes are as cheap as \$12; the average cost of regulated tobacco is around \$50;
- (vi) the Tobacco Legislation (Closure Orders) Amendment Bill 2025 was passed with unanimous support in the NSW Parliament, and includes stronger enforcement powers, increased penalties, and closure orders, including:
 - (a) fines of up to \$1.5 million, prison terms of up to 7 years, forced closures of businesses that sell illicit tobacco and/or e-cigarettes; and
 - (a) granting the Secretary of the Ministry of Health and the Local Court power to order the closure of premises that are involved in the sale of illicit tobacco and vapes; and

- (B) the Lord Mayor be requested to write to the NSW Premier to affirm the City's support for this legislation and request a compliance blitz in the City of Sydney.

The motion, as varied by consent, was carried unanimously.

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