



Press statement
17 May 2012 – For immediate release

ETRC questions viability of new Australian Customs rules

In September 2012 the Australian Government will reduce inbound duty free tobacco allowances for travellers from 250 cigarettes to 50 cigarettes. This measure was announced last week as a part of the Australian government's objective of achieving a budgetary surplus.

Apart from the impact this will have on retailer revenue, ETRC is extremely concerned as to how this new rule will be enforced. Hundreds of thousands of Australia-bound passengers buy tobacco in European duty free shops every day. This has been part of their travel experience since commercial aviation began many years ago.

Obviously if this rule comes into force duty free retailers will do their best to advise passengers accordingly, but from a legal perspective, shops in Europe will still have to sell to Australia-bound passengers who insist to buy.

ETRC President Frank O'Connell said "This new rule will add to the frustration and confusion of tourists and travellers, hardly the sort of welcome Australia wants to give to its many millions of tourists.

I also question the prospective revenue the Australian government expects to earn from this move. Deloitte have estimated the real increase to be a fraction of what the government have estimated and the additional cost of enforcement will further reduce any potential revenue gain."

ENDS
