Australian Council on Smoking & Health

MEDIA RELEASE

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Illicit Tobacco Ladder Exposes Growing Gap between Leaders and Laggards

The Australian Council on Smoking and Health (ACOSH) today released Round Two of the 2026 National Illicit Tobacco Ladder, ranking every state, territory and the Commonwealth on tackling the illicit tobacco trade, revealing key front runners and those falling far behind.

Queensland remains well ahead of the field, followed by South Australia, with New South Wales just edging out Western Australia. While several states have strengthened their laws and enforcement response, Victoria and Tasmania have been late to the game and the Territories continue to lag further behind, with both Territories taking out the Wooden Spoon.

The Ladder assesses jurisdictions based on the strength of their laws, licensing systems, supply chain controls, enforcement capacity and activity, penalties and overall political response to illicit tobacco.

“Every state in Australia now has closure powers on the books. The question is whether they will use them,” said ACOSH CEO Laura Hunter.

“These powers need to be backed by officers on the ground – who can shut down the dodgy stores selling illegal tobacco in broad daylight, disrupt the criminal networks behind them and make it clear that there are significant consequences to engaging in this trade”.

Queensland has shown what a serious response can achieve. Its strong laws, high penalties, more than 200 enforcement staff and targeted enforcement blitzes have seen illegal stores shut down across entire areas at once.

“These enforcement blitzes are helping shift people back towards the legal market, while calls to Quitline have doubled where stores have been shut down. Closing these stores does not just disrupt criminals – it creates an opportunity to help people quit nicotine altogether,” said Ms Hunter.

ACOSH said other states should follow Queensland’s lead, using their closure powers decisively and investing in the workforce needed to enforce the law consistently.

NSW and Western Australia have been the most improved jurisdictions in this round, with both progressing legislative reform and stepping up enforcement. “They are now neck and neck — and both have a credible opportunity to move into the leading pack if they continue to build their enforcement capacity,” Ms Hunter said.

“But Victoria and Tasmania are, without doubt, the weakest links among the states. They have made reforms, but neither can afford to treat the job as done. New laws only matter when they are used to shut down the illegal operators”.

The organisation also acknowledged significant Commonwealth progress in introducing and implementing stronger national laws to tackle illicit tobacco at the border.

“The Commonwealth has done substantial work to strengthen the national framework with new laws designed to strengthen border enforcement and help agencies disrupt the criminal networks importing and distributing illicit tobacco,” Ms Hunter said.

“But laws at the border must be matched by action on the ground. If illegal products are still being sold openly from shops in our suburbs, then states and territories must have the capacity and resolve to close those businesses down.”

Ms Hunter said the territories, in particular, needed to urgently lift their response.

“It is positive that states are progressing reform, and those governments should be recognised for it. But Australians should not be less protected from illicit tobacco simply because they live in a territory. The gap is now too large to ignore.”

The release comes amid renewed calls in some quarters to cut tobacco excise.

“There’s been too much distraction with talk of cutting the tax. When packets of illicit tobacco cost less than one dollar to manufacture, you cannot price-match the criminal trade. We’ve seen tax cuts fail spectacularly in other countries, with evidence showing it led to cheaper cigarettes, higher smoking rates and over 30,000 excess deaths off the back of it”, said Ms Hunter.

ACOSH will continue to update the Ladder into 2027, keeping a close eye on who takes up the opportunities for improvement and monitoring any complacency.

“There's so much at stake in the next twelve months, as we fight back against illicit tobacco for the health and safety of our community. While the states are going in the right direction, speed and endurance are equally important and will rely on the Commonwealth resourcing those efforts for the long term”.

"Now, more than ever, governments cannot afford to take their eye off the ball”.

SUPPORT RESOURCES

- Quitline: Call 13 7848 (13 QUIT) for free, confidential coaching and support.
- Quit.org.au: for digital tools and resources.
- GP Consultation: Speak to your local doctor about Medicare-subsidised nicotine replacement therapies (NRT) and prescription options.

TO REPORT SUSPECTED ILLICIT TOBACCO OR VAPE SALES

- Border Watch – 1800 395 706 or borderwatch.gov.au
- Crime Stoppers – 1800 333 000 or crimestoppers.com.au

ENDS

Download the ACOSH Illicit Tobacco Ladder – Round Two

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