

Soft Drink Taxes in Australia – Is it time?

A major report published by the United Nations overnight had the dramatic headline that diabetes cases have increased fourfold over the last 25 years; an astonishing increase put down largely to growing consumption of food and beverages high in sugar [1].

The UK has recently introduced a soft drink tax designed to reduce rates of childhood obesity. This has been introduced after the success of a similar taxes in Mexico, Hungary, France, Chile, Dominica and the Californian city of Berkely. In Mexico, purchases of taxed drinks have declined over the past two years (up to 12%) with higher reductions (up to 17%) in poorer households[2].

Contemporaneously, sales of bottled water increased.

So how would such a tax be viewed in Australia and do industry megaphones such as the Australian Beverages Council have any justification for saying this is the thin edge of the wedge and a soft drink tax would soon be extended to other foods?

We have investigated using food and drink taxation to reduce childhood obesity in the Australian context in several studies [3, 4]. First: Public health experts agreed that a sugar sweetened beverage taxation combined with other measures is a critical step to reducing obesity and the future health costs associated with this; Second: A Citizen's Jury, run in a similar way to a legal jury, strongly supported taxation on sugary drinks but not on other foods and demanded better labelling to assist families to make improved food choices for their children; and Third: Surveying 559 parents of young children, we found that the majority supported or were ambivalent to sugary drink taxation although a minority showed strong resistance to such a policy. These results are supported by a Obesity Coalition Poll which found 8 in 10 Australians would support a tax on sugary drinks if money raised was spent on reducing childhood obesity and increasing sports participation [5]. Results also suggest that taxing other foods is not a viable policy option. Rather, improved labelling would be the way to go.

However, Australia following the lead of other countries to investigate a sugar tax in the short term has two chances: none and Buckley's – and Buckley just left town. In 2013 we sought to investigate the use of taxation to reduce childhood obesity through a grant from the Australian National Preventative Health Agency (ANPHA), the agency whose remit was to research policy around reducing obesity and alcohol and tobacco harm. The purpose of doing this research was to be able to collect evidence in order to provide informed debate on the use of food and drink taxation in health policy in Australia – something you might think policy makers would welcome.

From the start, our research was attacked from industry and when the Abbott government was formed, also from within the government. "Health Minister Peter Dutton has been critical of ANPHA's decision to spend \$500,000 on a study into a potential fat tax" as neither side of politics supports taxation of this kind [6]. Despite meeting contracted targets, the funding for this project was subsequently withdrawn by a health ministerial decision. Shortly after, the entire agency for preventative health, ANPHA, was closed.

Fortunately we had collected the majority of our information by this time and as researchers do, have continued to analyse and disseminate the information in our own time as we can. The value of having information available to inform the debate in Australia cannot be understated.

But then there is always a celebrity chef....

1. World Health Organization, *Global Report on Diabetes*. 2016.
2. Colchero, M.A., et al., *Beverage purchases from stores in Mexico under the excise tax on sugar sweetened beverages: observational study*. *BMJ*, 2016. **352**: p. h6704.
3. Pitt, E., et al., *Listening to the experts: is there a place for food taxation in the fight against obesity in early childhood?* *BMC Obesity*, 2014. **1**(1): p. 1-9.
4. Moretto, N., et al., *Yes, the government should tax soft drinks: findings from a citizens' jury in Australia*. *Int J Environ Res Public Health*, 2014. **11**(3): p. 2456-71.
5. Dunlevy, S., *The \$250 million tax eight in ten Australians say they would support*, in *news.com.au*. 2015, New Corp.
6. Steve Lewis, *Commonwealth agencies to be cut by Abbott Government*, in *The Australian*. 2013, News Corp.