

**INQUIRY INTO INQUIRY INTO CHILDHOOD
OVERWEIGHT AND OBESITY**

Organisation: Obesity Policy Coalition

Date received: 25 August 2016

19 August 2016



The Hon Bronnie Taylor MLC
Chair Standing Committee on Social Issues
Legislative Council
Parliament of New South Wales
Macquarie St
Sydney NSW 2000

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Submission via Legislative Council website

Dear Ms Taylor,

**Submission to the NSW Legislative Council Standing Committee on Social Issues
Inquiry into Childhood Overweight and Obesity**

The Obesity Policy Coalition (OPC) is a partnership between Cancer Council Victoria, Diabetes Victoria, and the World Health Organization Collaborating Centre for Obesity Prevention at Deakin University. The OPC is concerned about the high rates of overweight and obesity in Australia, particularly among children.

We are pleased to have the opportunity to provide a submission to NSW Legislative Council Standing Committee on Social Issues Inquiry into Childhood Overweight and Obesity.

If you require further information, please contact Kathryn Bloom, Legal Policy Adviser for the Obesity Policy Coalition, on (03) 9514 6477 or at

Yours sincerely,

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**NSW Legislative Council
Standing Committee on Social Issues
Inquiry into Childhood Overweight and Obesity**

**Obesity Policy Coalition submission
August 2016**

Terms of reference

That the Standing Committee on Social Issues inquire into and report on strategies to reduce childhood overweight and obesity, in particular:

- (a) current approaches to reduce childhood overweight and obesity in NSW
- (b) strategies to assist parents and carers in enabling their children to make healthier food and beverage choices and be active, including by participating in sport
- (c) measures to support 13 to 18 year olds to make healthier food and beverage choices and be active, including by participating in sport
- (d) strategies to support health professionals to identify and address childhood overweight and obesity
- (e) coordination between NSW Government agencies to reduce childhood overweight and obesity
- (f) the potential for collaboration on strategies to reduce childhood overweight and obesity with the non-government and private sectors
- (g) any other related matter

Executive Summary

This submission highlights the need for a government led, comprehensive and multi-sector approach to obesity prevention to reduce the spiralling impact obesity and associated chronic disease are having on our healthcare system, economy and society as a whole.

Addressing overweight and obesity in children requires an integrated strategy of prevention and treatment, which will engage all levels of government. The problem of overweight and obesity cannot be tackled by focusing solely on the individual. It is not merely a product of poor individual choices, but is influenced by a person's social, physical and economic environment.

This submission will focus on strategies that could be introduced in NSW and there are also references to evidence-based strategies best addressed at a national level, as the Obesity Policy Coalition believes that it will take a combined effort by all levels of Australian governments, civil society and individuals to curb the childhood obesity epidemic.

Summary of Recommendations

Recommendation 1: The NSW Government support a comprehensive legislative program to regulate all forms of marketing of unhealthy food to children to reduce their exposure to this marketing.

Recommendation 2: The NSW Government eliminate unhealthy food advertising on NSW owned and leased spaces.

Recommendation 3: The NSW Government take action to remove unhealthy food marketing, promotion and sponsorship from all children's sport.

Recommendation 4: The NSW Government update and revise the NSW Canteen Policy and aligned Nutrition in School Policy to reflect current best practice and monitor school compliance with both policies.

Recommendation 5: The NSW Government remove highly processed foods, such as sugary drinks and processed snacks and ensure that healthy food is available in public sector settings frequented by children.

Recommendation 6: The NSW Government support mandatory application of the Health Star Rating System.

Recommendation 7: The NSW Government support the introduction by the Federal Government of a levy on sugary soft drinks.

Recommendation 8: The NSW Government prepare and implement an obesity prevention strategy.

Recommendation 9: : The NSW Government avoid dealing with companies whose priorities are in conflict with the aims of an obesity prevention strategy and encourage businesses that are innovative and create developments that promote a healthier food supply

1 Introduction

The Obesity Policy Coalition ('OPC') is a coalition between Cancer Council Victoria, Diabetes Victoria and the World Health Organization (WHO) Collaborating Centre for Obesity Prevention at Deakin University. The OPC advocates for evidence-based policy and regulatory change to address overweight, obesity and unhealthy diets in Australia, particularly in children.

We are grateful for the opportunity to make a submission to the NSW Legislative Councils' Standing Committee on Social Issues (the Committee) Inquiry into childhood overweight and obesity. Our submission highlights the need for a government led, comprehensive and multi-sector approach to obesity prevention to reduce the spiralling impact obesity and chronic disease are having on our healthcare system, economy and society as a whole. The problem of overweight and obesity cannot be tackled by focusing solely on the individual. It is not merely a product of poor individual choices, but is influenced by a person's social, physical and economic environment. While action on both physical activity and nutrition is required, this submission will focus on the latter because this is the area of the OPC's expertise.

This multi-sectoral, government led approach is endorsed by the very recent report of the WHO's Commission on Ending Childhood Obesity (ECHO Report) which provides a model comprehensive strategic approach, strategic objectives and policy options.¹

Addressing overweight and obesity in children requires an integrated strategy of prevention and treatment, which will engage all levels of government. This will require strong coordination to bring all the relevant sectors together to drive change. What is required is a whole of government strategic plan to address obesity prevention. As a national plan is beyond the scope of this inquiry, this submission will focus on strategies that could be introduced in NSW. In addition, there are references to evidence-based strategies best addressed at a national level, as the OPC acknowledges the potential contribution of the Social Issues Standing Committee in the formation of national policy. The Obesity Policy Coalition believes that it will take a combined effort by all levels of Australian governments to curb the childhood obesity epidemic.

The recommendations for terms of reference B and C together present specific strategies and measures to prevent obesity in children. The strategies will focus on those within the direct capacity of the NSW government to effect, with reference to significant strategies that are best implemented at the Commonwealth level. The recommendations for terms of reference E and F focus on collaborative actions within government, together with external agencies.

¹ World Health Organisation, *Report of the Commission into Ending Childhood Obesity*, Geneva Switzerland, 2016.

2 Strategies and measures to reduce obesity

The practical strategies and measures suggested to reduce childhood overweight and obesity address either reference B or reference C or both so have been discussed under both references B and C.

Reference B- That the Standing Committee inquire into and report on strategies to assist parents and carers in enabling their children to make healthier food and beverage choices and be active, including by participating in sport

Reference C- That the Committee inquire into and report on measures to support 13 to 18 year olds to make healthier food and beverage choices and be active, including by participating in sport

2.1 Advertising and marketing to children

There is compelling evidence that marketing not only influences children's food attitudes and dietary preferences, it also influences what they eat and contributes to high rates of childhood overweight and obesity.²

Devices such as advergames, social media links, viral marketing, websites and online activities are engaging young people in a more targeted way and for greater periods of time than traditional TV advertising ever has. There are now extensive marketing campaigns using multimedia that utilise multiple media platforms, particularly social media, and saturate children with junk food marketing.

Marketing undermines healthy eating messages from parents, schools and governments. This is of serious concern when over a quarter of Australian children are overweight and obese. Food advertising to children also raises serious ethical concerns, as children do not have the cognitive capacity to understand and resist the influence of advertising.³

The WHO and numerous public health experts have called for effective controls on unhealthy food marketing to reduce children's exposure and reduce their risk of poor diet, weight gain and chronic disease.

The WHO ECHO Report recommended that governments 'develop regulations on the marketing of complementary foods and beverages, in line with WHO recommendations, to limit the consumption of foods and beverages high in fat, sugar and salt by infants and young children.'⁴ Accordingly the restriction of marketing to children is identified as a priority public health nutrition intervention to improve population diets and reduce childhood obesity.

² Cairns G et al, 'Systematic reviews of the evidence on the nature, extent and effects of food marketing to children. A retrospective summary' (2013) 62 *Appetite* 209

³ Kunkel D, Wilcox BL, Cantor J, Palmer E, Linn S & Dowrick P. Report of the APA Task Force on Advertising and Children. Washington DC: American Psychological Association, 2004, <<http://www.apa.org/releases/childrenads.pdf>

⁴ World Health Organisation. above n1

There is no specific government regulation of unhealthy food⁵ advertising to children in Australia that applies to all media. The *Children's Television Standards* applies only to television advertising featured during limited children's programming, which is largely outside peak children's viewing times.⁶

A complex system of voluntary, self-regulatory codes and initiatives has been developed by the food and advertising industries. Marred by a conflict of interest, these codes and initiatives are clearly self-serving, with narrow tests and key term definitions that severely limit their scope, and poor complaint systems with a complete absence of appropriate sanctions that severely limit their effectiveness.

Legislation, regulations, standards and codes of practice related to telecommunications, broadcasting, radio communications and the Internet are managed by the Australian Communications and Media Authority - an Australian Government statutory authority within the Communications portfolio.

While it is within the jurisdiction of the Commonwealth Government to regulate in this area, state/territory governments also have jurisdiction to regulate in this area. State/territory legislation would be deemed invalid if it was inconsistent with Commonwealth legislation and can be overridden by Commonwealth legislation.

Ideally, legislation should be introduced at the Commonwealth level to ensure national consistency. However, state and territory parliaments also have the power to enact legislation to prohibit some forms of unhealthy food advertising to children.

The OPC believes the best case scenario is that legislation should prohibit television advertising of unhealthy food or beverages (identified using nutrient profile criteria) at times when a significant number of children are likely to be watching television: weekdays, 6–9am and 4–9pm, and weekends and school holidays, 6am–12pm and 4–9pm.

Legislation should also prohibit all other forms of promotion of unhealthy foods or beverages directed to children, including via magazines, radio, internet, social media, cinema, outdoor media, direct marketing (email, SMS or direct mail), school and sports sponsorship, and point of sale promotions.

Recommendation 1: The NSW Government support a comprehensive legislative program to regulate all forms of marketing of unhealthy food to children to reduce their exposure to this marketing.

2.1.1 Eliminate unhealthy marketing in NSW government controlled settings

We note that in the *NSW Healthy Eating and Active Living Strategy* there is this action:

'NSW Ministry of Health and NSW Food Authority to contribute to national efforts to assist consumers in making healthier food choices: reduce children and young people's exposure to the marketing and advertising of energy-dense and nutrient-poor food.'⁷

⁵ Foods high in saturated fats, trans-fatty acids, free sugars or salt

⁶ *Children's Television Standards 2009* (Cth), Standards 5 and 26-35.

⁷ NSW Government, *NSW Healthy Eating and Active Living Strategy*, 2013, p31

While many of the areas of marketing are outside the jurisdiction of the NSW Government, there are several areas where the Government could act. These include the sponsorship of children's sport and outdoor advertising.

Outdoor advertising is a relatively inexpensive method of advertising with high potential exposures, as people tend to view the same billboards regularly. Locations such as public transport stops are important advertising locations as they are visited by large numbers of people each day. The outdoor advertisements are often part of an integrated marketing campaign designed to reach young people through multiple channels that complement and reinforce their promotional messages.

An Australian Parliamentary inquiry into outdoor and billboard advertising noted that "outdoor advertising...is visible to all audiences and cannot be avoided", and that "all people, including children, do not have a choice about viewing it". The report noted that adolescents are particularly likely to be exposed to outdoor advertising as they are often users of public transport where this advertising is displayed.⁸

Studies have been undertaken to analyse the location and content of outdoor advertising. One study sampled the area surrounding 40 primary schools in Sydney and Wollongong. Schools were randomly sampled and the area within a 500m radius of each school was scanned for advertisements. Across all school areas, 9,151 advertisements were identified. Twenty-five percent of all advertisements were for food (mean 57 food ads within 500m of each school), and 80% of these were for unhealthy items.⁹

A significant amount of outdoor advertising space is either owned or leased by the NSW Government, including public transport (trains and buses) and public transit stops (billboards) and sports stadia. Removal of unhealthy food advertising on these spaces would have a significant impact.

The OPC recommends that the NSW Government eliminate unhealthy food advertising on NSW owned or leased spaces. More comprehensive restrictions on unhealthy food marketing would of course have greater impacts on childhood obesity but the prohibition of unhealthy food advertising in NSW Government owned and leased spaces and sites is recommended as it is a discrete action within the authority of the NSW Government. A further benefit is that it would be a signal that the NSW Government is taking obesity seriously and it would illustrate to other regulators that regulation is feasible.

Recommendation 2: That the NSW Government eliminate unhealthy food advertising on NSW owned and leased spaces.

2.1.2 Unhealthy Food Sponsorship in Children's Sport

Exposure to the promotion of unhealthy food, including through local and elite sport sponsorship, affects children's food perceptions and preferences, impacting on their food preferences and diets. Systematic reviews of the evidence on food marketing to children, including through sport, have consistently concluded that it influences the types of food children prefer, demand and consume,

⁸ Australian House of Representatives *Reclaiming Public Space: Inquiry into the regulation of billboard and outdoor advertising*. p.41. . 2011

⁹ Kelly B, et al., *The commercial food landscape: outdoor food advertising around primary schools in Australia*. Australian & New Zealand Journal of Public Health 2008. **32**(6): p. 522-528.

and is likely to contribute to poor diets, negative health outcomes, weight gain and obesity in children.¹⁰

Sponsorship of children's sport and activities by unhealthy food and beverage companies is increasingly widespread. Australian research has found that for children aged 10-14, sponsorship of their sports club is associated with recall of sponsors and they are likely to think about sponsors when buying something to eat or drink. Children surveyed were likely to consider sponsors "cool".¹¹

There is very strong public support for restrictions on unhealthy food company sponsorship of community and sporting events, with 69% of Australian adults surveyed believing that sponsorship of children's sport by fast food chains should be restricted if not stopped entirely.¹²

There is no regulation of sponsorship of sport in NSW and the current guidelines provided by the NSW Government Office of Sport are generic and have no specific guidance for children's clubs. They suggest that clubs consider whether sponsors are 'appropriate', but make no mention of specific concerns around sponsorship by unhealthy food companies.¹³

Consistent with the WHO recommendations, governmental action is required to ensure that Australian children's settings are free of unhealthy food promotions and branding, including through sport.¹⁴ These actions could include establishing a scheme to provide alternative sponsorship of children's sport and the dissemination of healthy sponsor criteria to children's sporting clubs to assist them to forge alternative sponsorship arrangements.

Recommendation 3: That the NSW Government take action to remove unhealthy food marketing, promotion and sponsorship of all children's sport.

2.2 Food in schools

Schools are influential settings for children. The NSW Government should ensure that there are clear, consistent policies (including nutrition standards) implemented and enforced in schools and early childhood education and care services for food service activities (canteens, food at events, fundraising, promotions, vending machines etc.) to provide and promote healthy food choices, particularly focussed on increasing the proportion of unprocessed food available.

Effective policies involve a suite of actions that take the school population's demographic into account. Evidence shows that a comprehensive multi-faceted approach is more effective. The UK introduced mandatory nutritional standards for all food served in schools, including breakfasts,

¹⁰ United Nations Political Declaration of the High-Level Meeting of the General Assembly on the Prevention and Control of Non-communicable Diseases, General Assembly resolution 66/2, 16 September 2011; World Health Organization. *Set of recommendations on the marketing of foods and non-alcoholic beverages to children*. Geneva: World Health Organization, 2010.

¹¹ Bridget Kelly et al (2011) "Food company sponsors are kind, generous and cool": (Mis)conceptions of junior sports players' 8 *International Journal of Behavioural Nutrition and Physical Activity* 95

¹² Cancer Council media release "Latest opinion poll shows thumbs down for junk food sponsorship in sport

¹³ NSW Office of Sport and Recreation, *Sponsorship*, available at <https://sportandrecreation.nsw.gov.au/clubs/ryc/funding/sponsorship>

¹⁴ World Health Organization, 2010, 'Set of recommendations on the marketing of food and non-alcoholic beverages to children', available at http://whqlibdoc.who.int/publications/2010/9789241500210_eng.pdf

snacks, lunches, and tuck shops. These standards apply to all state schools and restrict foods high in fat, salt and sugar, as well as low quality reformed or reconstituted foods. This led to a substantially improved dietary intake among primary school children.¹⁵

The *Fresh Tastes @ School Healthy Canteen Strategy* (the Strategy) was introduced in 2005. It requires all NSW government schools to provide a menu in line with the Australian Dietary Guidelines for Children and Adolescents. It is a mandatory policy for all government primary and secondary schools; it is not mandatory but strongly encouraged for all Catholic and independent schools. The Strategy uses a system of traffic lights to categorise the healthiness of food and drinks.

As an extension of the Healthy School Canteen Strategy, the Department of Education's *Nutrition in Schools Policy* establishes a requirement for schools to promote and model healthy eating and good nutrition in school programs and activities. This includes the following objectives:

- All sugar sweetened drinks that exceed the nutritional criteria for 'occasional' foods outlined in the *Fresh Tastes @ School Canteen Menu Planning Guide*, are not permitted for sale in school canteens and school vending machines at all times.
- All school activities that involve the provision of food and drink to students should be consistent with the Strategy.
- Off-site school activities that involve the provision of food and drink to students, including excursions, camps and school functions should be consistent with the Strategy.
- Where school activities involve the provision of food and drink to the wider school community, consideration should be given to modelling and promoting healthy eating.¹⁶

We note that the current Strategy, is presently under review and that a discussion paper has been released calling for comments. The paper discusses both the content of the revised guidelines and the barriers to their implementation. It cites various reviews that found only 20-25% of schools comply with the guidelines; with secondary schools facing additional barriers to implementation compared to primary schools.¹⁷

The revised guidelines are not presented in the discussion paper and as a result it is not possible to make specific comment, however, the OPC suggests that for the guidelines to be successful in ensuring the provision of healthier options and improving children's diets at school, the guidelines must focus on provision of core foods and consider broadening the types of processed foods that are not permitted for sale in canteens and permitted at schools. The availability of reasonably priced fresh fruit and vegetables as snacks and within lunch meals is essential. Processed foods should not dominate the menu regardless of their health star rating.

Clearly there is a need for greater enforcement and monitoring where compliance levels with the current policy are so low. Currently, the schools complete a self-assessment tool. It is suggested that compliance be monitored more strictly and that there be consequences for non-compliance.

¹⁵ Adamson A et al, School food standards in the UK: implementation and evaluation. *Public Health Nutr* 2013;**16**: 968–81. and Spence S, Delves J, Stamp E, Matthews JN, White M, Adamson AJ. The impact of food and nutrient-based standards on primary schoolchildren's lunch and total dietary intake: a natural experimental evaluation of government policy in England. *PLoS One* 2013; **8**: e78298.

¹⁶ NSW Education Department, Nutrition In Schools Policy, July 2011.

¹⁷ Fresh Tastes School Canteen Working Group, *Healthy School Canteens: Summary of Evidence to Inform a Revised Strategy*, 2016.

At an individual school level, their internal school canteen policy would also need to be accepted and endorsed by the school community through the leadership team to ensure there is support for increasing compliance.

In the absence of evaluation data, the OPC assumes that compliance with the Nutrition in Schools Policy is similarly problematic, and accordingly recommends improved monitoring and enforcement. The OPC suggests that there be consideration given to broadening the Nutrition in Schools Policy to be inclusive of all of school nutrition.

Recommendation 4: Update and revise the NSW Canteen Policy and aligned Nutrition in School Policy to reflect current best practice. Monitor school compliance with both policies.

2.3 Food in public sector settings

The NSW Government should be a role model for health by improving everyday food environments to enable healthy food and lifestyle choices in public sector settings, particularly those where children are present, for example park, sporting and leisure facilities and community events.

We note that the NSW Government has taken some steps to explore improving the availability of healthy foods in some settings. The NSW Healthy Eating and Active Living Strategy and the Premier's Priority Childhood Overweight and Obesity Delivery Plan both commit to improving the availability of healthy food in a range of settings (government agencies, sport and recreation, mental health facilities, schools, local councils, Aboriginal communities).¹⁸ The OPC supports these plans and encourage the NSW Government to implement these commitments.

Recommendation 5: Remove highly processed foods, such as sugary drinks and processed snacks and ensure that healthy food is available in public sector settings frequented by children.

2.4 Front of package labelling

Increased consumption of energy-dense ultra-processed foods is a key cause of increasing overweight and obesity rates.¹⁹ The WHO recommends that, as part of a comprehensive strategy to tackle overweight and obesity, member countries implement a front of package labelling system that is supported by a public education program.²⁰ Consumers need adequate information on packaging to compare products and make informed choices based on the nutritional composition of products.

At present it is only mandatory for products to feature a Nutritional Information Panel (NIP). The NIP provides the amount of energy and macronutrients per serve size (where serves vary greatly between products) and per 100g. In this respect, the NIP fails to translate into simple and accessible information about the relative healthiness of products, and is particularly difficult to decipher for consumers from lower socio-economic groups, non-English speaking backgrounds, those with low

¹⁸ NSW Government, *Summary of current government policy action to 30/6/16 for Healthy Food-Epi Policy Index*, 2016

¹⁹ Find reference

²⁰ World Health Organisation (2016) p. 20

literacy²¹ and children. The appearance of the industry's voluntary Daily Intake Guide and an abundance of other health claims on some products, further contributes to consumer confusion.

A clear, simple and consistent front of package labelling system, which interprets the nutritional content of food products and which is readily understandable by consumers across demographic groups is therefore essential for enabling consumers to make informed and healthy food choices.

Australia introduced the Health Star Rating System (HSRS) in June 2014. It is a voluntary scheme that is designed to provide consumers with a quick, easy and reliable way to compare the nutritional content of similar packaged food. The system has been adopted by some manufacturers. The OPC notes that there are some flaws in the algorithm used to calculate the health stars that lead to some inconsistencies with the Australian Dietary Guidelines and that these inconsistencies need to be addressed. The HSRS would work most effectively if its adoption was widespread. The OPC accordingly recommends mandatory implementation by the Federal Government.

Recommendation 6: The NSW Government support mandatory application of the Health Star Rating System.

2.5 Food and Beverage Pricing Policies-introduce a levy on sugar sweetened beverages

The WHO has urged governments to consider economic policies, including taxes and subsidies, to improve the affordability of healthier food products and discourage the consumption of less healthy options, and achieve goals for improved health and contained obesity rates by 2020.²² The introduction of taxes to decrease consumption of nutrients including saturated fat and sugar is now widely considered internationally.

The WHO also recommends that energy from added sugars be limited to less than 10% of daily energy intake (around twelve teaspoons), with a further reduction to below 5% (six teaspoons) recognised as providing additional health benefits.²³ A recent analysis of added sugar consumption in the Australian population has found that most of the Australian population exceeded the WHO guidelines on added sugar consumption. The study found that sugar sweetened beverages accounted for the greatest proportion of added sugar intake in the population. This study also confirmed the high intake of sugar in adolescents, with 14-18 year olds consuming the greatest amount of added sugar.²⁴

The Australian National Health and Medical Research Council's Australian Dietary Guidelines recommend limiting the intake of foods and drinks containing added sugars, especially Sugar Sweetened Beverages (SSBs).²⁵ The recommendations are underpinned by evidence of association

²¹ Review Panel. Labelling logic: review of food labelling law and policy. Canberra: Commonwealth of Australia. 2011; Viswathan M, Hastak M, Gau R. Understanding and facilitating the usage of nutritional labels by low-literate consumers. *Journal of Public Policy and Marketing*, 28(2), 2009, 135-45.

²² World Health Organisation Global Action Plan for the Control and Prevention of Non-communicable disease, objective 3, recommendation 39, p.22, available at http://www.who.int/nmh/events/ncd_action_plan/en/

²³ World Health Organisation, *Guideline: Sugar intake for adults and children* (2015) Geneva, p. 4

²⁴ Lei L, Rangan A, Flood V and Louie J, "Dietary intake and food sources of added sugar in the Australian population" *British Journal of Nutrition* (2016), 115, 868-877

²⁵ NHMRC Australian Dietary Guidelines,

between SSB consumption and an increased risk of weight gain in adults and children, as well as association with increased risk of dental caries.

As part of a comprehensive approach to reducing sugary drinks consumption, a levy on sugary drinks is likely to reduce consumption, resulting in clear health benefits and contributing to the reduction of chronic disease in Australia. The levy should apply to all non-alcoholic beverages with added sugar, such as sugar-sweetened soft drinks, energy drinks, fruit drinks, sports drinks and cordials, excluding 100% fruit juices and milk-based drinks.

A recent Australian study based on the latest local dietary intake data, estimated the consequences of an additional 20% tax on SSBs in Australia on health and health care expenditure. The results show that a 20% tax on SSBs could result in a 12.6% decline in consumption of SSBs and a decline in obesity of 2.7% in men and 1.2% in women. The study concluded there would be sustained reductions in the incidence of diabetes, cardiovascular disease, and some cancers. Over a 25-year period, there could be 16,000 fewer cases of type 2 diabetes, 4,400 fewer cases of heart disease and 1,100 fewer cases of stroke. It is estimated that 1,606 more Australians would be alive in 25 years, with millions of dollars saved in healthcare costs, and that the tax could generate in excess of \$400 million (AUD) annually.²⁶

A sugary drinks levy is also likely to give rise to a number of other health benefits, including the promotion of manufacturer reformulation to reduce sugar content, a decrease in rates of dental caries, public education about the risks associated with sugary drinks, and a compensatory increase in sales of healthier drinks, such as water and low fat milk.

There is strong public support for fiscal policy in Australia, with 69% of grocery buyers reporting they were in favour of a tax on soft drinks to reduce the cost of healthy food, with parents being more supportive than non-parents.²⁷

There are a number of different fiscal models that have been used internationally to increase the price of sugary drinks. The United Kingdom has announced plans to introduce a soft drink levy in 2018. This levy will be imposed at the manufacturer or importer level in order to encourage companies to reformulate by reducing the amount of added sugar in the drinks that they sell.²⁸

In January 2014, the Mexican Government implemented an excise tax on sugar sweetened beverages of approximately 10% as an anti-obesity measure. During 2014, purchases of sugar sweetened beverages declined by approximately 6%, with the rate of decline increasing to 12% by December 2014.²⁹ Reductions in consumption were highest among lower socio-economic households.³⁰ The success of the Mexican experience demonstrates that even a relatively small levy on sugary drinks can result in a noticeable reduction in demand.

²⁶ Veerman JL, Sacks G, Antonopoulos N, Martin J, "The impact of a tax on sugar-sweetened beverages on health and health care costs; a modelling study", (2016) *PloS One*, 11(4).

²⁷ Wakefield et al

²⁸ HM Treasury (UK), *Budget 2016*, London, pp. 3, 32-33.

²⁹ M Colchero et al, 'Beverage purchases from stores in Mexico under the excise tax on sugar sweetened beverages: observational study,' *BMJ*, 2016, 352, p. 2.

³⁰ *ibid*

The development of any excise on SSBs should involve further analysis of the level of tax needed to reduce consumption and generate population health benefits. Any tax structure should be kept simple and consideration should be given to using the revenue generated to address diet-related issues.

Generated revenue from a levy could be hypothecated to set up a children's health fund, dedicated to improving children's health and prevent the rising rates of obesity and health related diseases. It is anticipated that the levy would part of a comprehensive approach to address childhood obesity.

Recommendation 7: The NSW Government support the introduction by the Federal Government of a levy on sugary soft drinks.

3 Coordination between NSW Government Agencies

Reference E- That the Committee inquire into and report on coordination between NSW Government agencies to reduce childhood overweight and obesity

We note that *NSW Healthy Eating and Active Living Strategy (HEAL): Preventing overweight and obesity in New South Wales 2013-2018*, is a whole-of-government strategy to address overweight and obesity in adults and children. We understand that it has been designed to support healthy lifestyle choices through health-focused planning, built environment and transport initiatives, improved access to healthy foods and improved food labelling.³¹ We also commend Premier Baird's commitment to the NSW Government target to reduce child overweight and obesity by 5% within 10 years (by 2025). We note and support his efforts to make the commitment a cross sectoral approach throughout government departments and service provision.

We note NSW is one of the very few places where the rate of childhood obesity and overweight has reduced between 2010-2015. These modest Improvements have been achieved after substantial government investment in a range of obesity prevention and management programs in the early childhood and primary school ages (e.g., Munch and Move, Supported Play Groups, Go4Fun) and in the school setting (e.g., Crunch and Sip, Live Life Well @ School).

We urge the NSW Government and associated agencies to continue to take a co-ordinated approach, and implement the abovementioned recommendations and ensure that policies across all sectors take into account health implications and seek to improve population health and combat overweight and obesity in children.

We further suggest that the NSW Government review and extend the HEAL strategy to form a revised obesity prevention strategy.

Recommendation 8: The NSW Government prepare and implement an obesity prevention strategy.

³¹ NSW Ministry of Health. *NSW Healthy Eating and Active Living Strategy: Preventing Overweight and Obesity in New South Wales*: NSW Ministry of health, 2015

4 Collaboration between non-government and private agencies

Reference F- That the Committee inquire into and report on the potential for collaboration on strategies to reduce childhood overweight and obesity with the non-government and private sectors

It is vital that government partnerships with the private sector work to combat the childhood overweight and obesity. We recommend that all partners delivering government services be subject to the same policy requirements as government departments. This requires transparency in government dealings with the private sector that allows for scrutiny to determine whether this objective is being upheld.

The OPC would recommend that the NSW Government are careful in deciding which companies they will partner with around a strategy to prevent obesity. In particular there is an unavoidable conflict of interest between the health priorities inherent in the Premier's initiative to tackle childhood obesity and the responsibility of ultra-processed food companies to shareholders to maximise profits.

The OPC suggests that the NSW Government encourage businesses that are innovative and create initiatives that promote a healthier food supply. These would include businesses that actively contribute to increased consumption of more fruit and vegetables and minimally processed products. For example, a company who provides fruit in vending machines. These businesses should be supported for their efforts to improve the food environment.

Recommendation 9: The NSW Government avoid dealing with companies whose priorities are in conflict with the aims of an obesity prevention strategy and encourage businesses that are innovative and create developments that promote a healthier food supply
