

REPORT ON PROCEEDINGS BEFORE

STANDING COMMITTEE ON SOCIAL ISSUES

INQUIRY INTO CHILDHOOD OVERWEIGHT AND OBESITY

CORRECTED

At Macquarie Room, Parliament House, Sydney on Monday, 10 October 2016

The Committee met at 9:30 am

PRESENT

The Hon. S Farlow (Chair)
The Hon. G. Donnelly (Deputy Chair)
The Hon. S. Mallard
The Hon. Dr P. Phelps
The Hon. P. Sharpe

BILL BELLEW, Principal Research Fellow, The Charles Perkins Centre, University of Sydney, sworn and examined

IAN CATERSON, The Charles Perkins Centre, University of Sydney, sworn and examined

The CHAIR: Welcome to the second hearing of the Standing Committee on Social Issues Inquiry into Childhood Overweight and Obesity. The inquiry will consider strategies to assist parents and carers in making healthier choices for their children and strategies to support health professionals in identifying and addressing childhood overweight and obesity. I acknowledge the Gadigal people who are the traditional custodians of this land. I pay respect to elders past and present of the Eora nation and extend that respect to other Aboriginals present. Today we will be hearing from a number of witnesses including academics, non-government organisations and advocacy groups, as well as representatives from the food and beverages industry and the sporting industry. Before we commence, I will make some brief comments about the procedures for today's hearing. Today's hearing is open to the public and is being broadcast live via the Parliament's website. A transcript of today's hearing will be placed on the Committee's website when it becomes available.

In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses people in the public gallery should not be the primary focus of any filming or photography. I remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside of their evidence at the hearing. I urge witnesses to be careful about any comments they make to the media or others after completing their evidence as such comments will not be protected by parliamentary privilege if another person decided to take action for defamation. The guidelines for the broadcast of proceedings are available from the secretariat.

There may be some questions that a witness could only answer if they had more time or certain documents to hand. In these circumstances witnesses are advised that they can take a question on notice and provide an answer within 21 days. Witnesses are advised that any messages from advisors or staff should be delivered through the Committee staff. Finally, could everyone turn their mobile phones to silent for the duration of the hearing. Would either of you like to make an opening statement?

Professor CATERSON: Thank you, Mr Chair. The Committee has received our statement from the University of Sydney. We represent a group of academic organisations from the University of Sydney, World Health Organisation, the World Obesity Federation and certain groups within the University of Sydney. We are an academic group and we have provided the Committee with a written statement which we are happy to take questions on.

The Hon. Dr PETER PHELPS: You cite a cost of \$19 billion annually, consisting of \$2.7 billion in financial costs and \$16.3 billion in costs due to loss of wellbeing. Could you explain how you reach those figures?

Professor CATERSON: The costs are done both with direct health costs, as you would be aware, which is counting occasions of service, medications, visits to hospital. They are fairly straightforward. When you are looking at wellbeing you use some standard questionnaires on quality of life and the reduction in quality of life will then give you a proportion of an annual income or an annual cost which you can apply as reduction in wellbeing. It is known that people who are obese have about a 16 per cent reduction in their quality of life for a range of reasons which are both mechanical but also because of the disorders that they have acquired due to their obesity.

The Hon. Dr PETER PHELPS: What amount of that is the direct health costs which you are citing? Is that the \$2.7 billion?

Professor CATERSON: Yes.

The Hon. Dr PETER PHELPS: Whereas wellbeing is quite an ephemeral term. My wellbeing might be improved by having three scoops of salted caramel ice-cream, would it not?

Professor CATERSON: In the short term probably, but in the longer term no. People who are obese do report not feeling that they have the same quality of life that they had previously.

The Hon. Dr PETER PHELPS: Further to that, you mention the long term. Is it not true that over the life of an individual health costs for an obese person are likely to be lower than they are for a healthy person?

Professor CATERSON: That is not true. The direct healthcare costs for an obese person are about double that of a normal weight person.

The Hon. Dr PETER PHELPS: Are you aware of the peer reviewed 2008 study by Pieter van Baal and others which states in the conclusion:

Although effective obesity prevention leads to a decrease in costs of obesity-related diseases, this decrease is offset by cost increases due to diseases unrelated to obesity in life-years gained. Obesity prevention may be an important and cost-effective way of improving public health, but it is not a cure for increasing health expenditures.

Professor CATERSON: That is one paper. There are more papers recently which suggest that the costs of obesity to society and the individual are increased.

The Hon. Dr PETER PHELPS: Are you aware of a National Health Service [NHS] study which showed that the thin and healthy cohort of people cost the most in lifetime health costs—about \$417,000 from age 20 on. The cost of care for obese people was \$371,000 and for smokers about \$326,000. This does not take into account other things such as age pensions. Are you unaware of that?

Professor CATERSON: I am unaware of that study. I can quote you others from Holland, Australia, the United Kingdom and the United States where the health costs of obesity are increased.

The Hon. Dr PETER PHELPS: With respect, the van Baal study does come from Holland.

Professor CATERSON: Yes, but there are several studies from Holland. The one from Holland that is the most widely quoted, and Seidel is the lead author, finds there is an increase in the direct health costs of obesity but interestingly enough rather than the obese people being the major part of the cost it is the overweight people who create the major part of the cost, in part because of the sheer numbers of overweight versus obese.

The Hon. Dr PETER PHELPS: Essentially your argument is that there is an economic argument to be made in favour of reducing obesity rates within the population?

Professor CATERSON: Definitely. For example, if you look at the AusDiab study, which is an Australian study that followed people for five years, in that we were able to take people who were obese, overweight and normal weight and look at their healthcare costs and follow them for five years. There were a group of those people who were obese and lost weight and their healthcare costs came down. Interestingly enough, the money the government gave them did not come down as well.

The Hon. Dr PETER PHELPS: Would you agree that gerontological costs are rising within Western communities?

Professor CATERSON: Yes.

The Hon. Dr PETER PHELPS: And as we live longer those costs will increase?

Professor CATERSON: They may. However, if we are healthier we may be able to trim them. There is evidence from the States published in the New England Journal that possibly we are not going to be living as long as we were because of our obesity and that is something we need to bear in mind as well. The other issue is obesity and cancer. It used to be recognised that it is better to be overweight if you have cancer because you can deal with the chemotherapy, but now it is being recognised that obesity is causing a number of cancers. Secondly, there are a number of cancers in which it is probably bad to be obese—endometrial cancer in women for one and bowel cancer for another. Thirdly, we are ending up with a cohort of people who have had their cancers treated and who are now becoming obese, and we have to worry about the recurrence of cancer and whether the obesity in that group is going to be worse. So there are a whole range of factors that we have not thought of before.

The Hon. Dr PETER PHELPS: Can you provide on notice recent peer-reviewed articles indicating that the direct health costs of lifetime health for obese and overweight people are greater than for healthy people?

Professor CATERSON: Certainly.

The Hon. SHAYNE MALLARD: Professor Bellew, did you want to make an opening statement?

Professor BELLEW: Professor Caterson did for both of us.

The Hon. SHAYNE MALLARD: Thank you for your submission. The third "best buy" recommendation in your submissions states:

Provide programs to support parents before, during and after pregnancy, at home as well as in childcare, paediatric healthcare and educational settings.

What kind of programs or measures would this entail and why is early prevention specifically important in this conversation?

Professor BELLEW: In our detailed report we have cited some examples of the kinds of programs currently being operated by the Ministry of Health. The more recent one is Get Healthy in Pregnancy, which is a good example and consistent with the evidence that we have provided to the Committee. It is important to start in the early years of life. There is strong evidence based on several high-quality randomised trials for the effectiveness of obesity prevention in children aged 0 to 2, and four of these trials are actually from Australia and New Zealand. I believe the Committee would have had evidence from Professor Louise Baur, who is also part of our group, talking about the Early Prevention of Childhood Obesity [EPOCH] initiative.

Acting early in life can also change a lifetime predisposition for obesity not only effectively but also cost effectively. It is important to acknowledge that excessive weight gain during pregnancy is related to more than four times the risk of being overweight at age three. So we have evidence, we can be effective and it is an important stage of life. If we can get in at that stage we can affect the whole trajectory, but it is not the only thing that we need to do. As the Committee knows, there is no single initiative in itself that will deal with this problem but this is a crucially important one.

The Hon. SHAYNE MALLARD: For a lot of people obesity occurs later in life but do you have any ideas what percentage of overweight babies filter through to become obese children and/or adults? For example, is it 50 per cent of the problem?

Professor CATERSON: It is hard to give that because we used to not think that obesity necessarily tracked from childhood well into adult obesity but now it is becoming more obvious that about 80 per cent of those children who are obese track through. My generation was thin and got fatter later; now it is going to be from the bottom up.

The Hon. SHAYNE MALLARD: Is there a difference between the overweight mother versus putting weight on during pregnancy?

Professor CATERSON: There are two issues. An obese mother already has those problems—both obstetric problems and problems that she will bequeath to her baby through her obesity—but also excessive weight gain in pregnancy can do the same thing. So there are two issues but both are detrimental to the offspring.

The Hon. SHAYNE MALLARD: I do not have a wife or any experience in this area so I am not at all qualified, but is not some weight gain in pregnancy normal?

Professor CATERSON: Some weight gain in pregnancy is normal—about 11 kilograms—but if you are a very large woman, at 120 kilogram shall we say, and falling pregnant, it is harder to fall pregnant. There are greater risks in the pregnancy for the mother and the baby, and the baby is more likely to have metabolic issues and obesity later.

The CHAIR: Earlier you were referenced Professor Baur's submission to this Committee. She referred to gestational weight gain as an important predictor of childhood obesity. You mentioned the Get Healthy in Pregnancy program but are there any other initiatives around that end that could be taken?

Professor BELLEW: Do you mean in early childhood?

The CHAIR: In early childhood or even in gestation?

Professor CATERSON: There are a couple that we are starting now. As well as Get Healthy in Pregnancy we are looking at better metabolic screening and treatment of gestational diabetes, which comes into this in a major way. So increasing those services will have the same effect. We are also bringing in pre-gestational diabetes so that if you are at risk then you will have a similar program to get healthy in pregnancy but with a slightly different focus on gestational diabetes. We are beginning a series of programs for women who may feel that they are at risk or want to keep their weight reasonable through pregnancy with no other health issues. It is a really important time both for the mother and for the baby because of the changes that occur in the womb with the epigenetic changes that can lead to later metabolic issues such as diabetes.

The CHAIR: Have you any data as to how many people are using the Get Healthy in Pregnancy program?

Professor CATERSON: Not at the moment.

The Hon. GREG DONNELLY: The third box point in the executive summary on page 2 of your submission reflects on the New South Wales Government's target to reduce child overweight and obesity by 5 per cent by 2025, and states:

... will require more intensive implementation of some current programs and policies, together with substantial new investment ...

Those are pretty strong words, in particular the reference to delivering to scale and maintaining that scale over time. Was the setting of that 5 per cent an ambitious target? If we are trying to tackle the obesity issue and we want to involve the community in becoming better informed, better educated and making better decisions, and encouraging children to make better decisions, is the setting of these targets the way to proceed or should we be trying to deal with it in a more holistic way, very much at the grassroots? There are different ways of trying to drive a campaign such as this. I am interested in your thoughts about bringing about this change in behaviour and reflecting on overseas countries in particular.

Professor BELLEW: Thank you for your question. The first thing we should acknowledge is that no jurisdiction anywhere in the world has to date succeeded in reversing this epidemic for the population as a whole but we have had some successes with some groups within the population. One of the few jurisdictions to do that we think is New South Wales where in the primary school-aged children we seem to have had some success. We think that is attributable to the investment and the programs that the New South Wales Government has been putting in place in recent years. We do think that the 5 per cent target is an ambitious one, but this is regarded as good practice in terms of the guidance that we have seen in systems approaches to obesity and best practices in whole of government intersectoral approaches. We know that a comprehensive, multilevel approach is required, so the grassroots approach is required as well as top-down approaches. We need many different organisations and sectors engaged.

The importance of setting the target and tracking progress towards that target is that we have a systematic approach, we apply the best evidence that we have and that we do need to learn more as we go. We still need to find the things that are really the most powerful levers and we are still gathering evidence on that. Although we have said a comprehensive approach is required, you will have to make recommendations that end up on what is going to be the actual choices, the actual portfolio interventions, and we have indicated on the evidence available what we think those are. In short, it is good practice to set a target like that. The New South Wales Government has set an ambitious one but we think it is achievable with what we know works, if the implementation and the scale is appropriate, but it is also important to track that and to monitor progress as we go in the short term.

Professor CATERSON: I would agree. I think it is an ambitious target but you do need that to spark the system, to give them something to work towards. We certainly have seen changes in our children over the past few years. This target is now allowing a range of interventions and preventive and community strategies that will prevent children from becoming overweight and obese but also recognise those who already have a problem, which is something we do not do well at the moment. About one in 200 children with a weight problem who go to a general practitioner [GP] would be able to be referred to a systematic way of helping them to deal with that. This target allows us to build into the health system the appropriate care pathways that we need. We are building them up now.

The Hon. GREG DONNELLY: When a child with a weight problem presents to the GP, what is best practice for the treatment of that condition? If the GP had an awareness of how to manage that, what would his or her recommendation be to the parent?

Professor CATERSON: It depends, firstly, on the age of the child. There are a range of things that happen at different ages. It depends on the degree of the obesity problem. However, we know that it is important to work with parents and families. It is not the child who has the problem; the family needs to approach it. There are family programs—parenting, education and child health [PEACH] programs—that they could be referred to. First of all, the GP would work with the family as a group and perhaps refer them to a dietitian and encourage them to be more active. If things were not happening well enough then there would be programs to which the family could be referred and be involved with. Unfortunately, we need to expand those services. That is part of what we are trying to do. Ultimately, some children need major interventions. They would go to specialist clinics—for example, at the children's hospitals. Louise Baur runs the major one in Western Sydney. It has reached the stage now where we are looking at surgery for a very small subgroup of adolescents—160 kilogram 16-year-olds, for example—because we are seeing diabetes.

The Hon. GREG DONNELLY: Thank you.

The Hon. PENNY SHARPE: There is a lot of discussion about taxes on sugar-sweetened beverages. I note that that is your number one recommendation. I am interested in how that works in practice. Would you point to examples of the use of the revenue raised? What types of programs does it go to?

Professor BELLEW: We have cited Mexico as one example where that has been implemented successfully. It is also being implemented in several States in the United States. For example, California, Minnesota and Vermont have bills in progress at the moment. These proposed taxes are popular with the community. Parents support them. There are high levels of community support when there is an indication that

the funds raised through the taxes will be used for treatment programs or health programs. As to more detailed analysis, there is an appendix in our detailed report that cites the available evidence from around the world. We can provide further information on that on notice, because things have been moving quickly in the past few months.

The Hon. PENNY SHARPE: In the summary of your submission you talk about parents being in favour of the tax on the basis that it could help to subsidise healthy food. I am interested in how that works in practice and whether you can tell us how that operates.

Professor BELLEW: I will have to take that on notice.

The Hon. PENNY SHARPE: Thank you. Food marketing is obviously advertising to kids. Are you really proposing that there would be no advertising to children, either online or through sponsorship, in relation to unhealthy foods?

Professor BELLEW: We have, in our reviews of the evidence, indicated what the effects are from children's exposure to marketing and sponsorship.

The Hon. PENNY SHARPE: I have three children; I am pretty aware of it.

Professor BELLEW: The recommendation is consistent with the World Health Organisation [WHO] analysis of the evidence. That is not to say that it is an easy thing to do. The marketing is ubiquitous. It is no longer just on television; it is on every possible available platform. On social media the digital strategies are everywhere. The WHO has recommended that, if we are to succeed, this is one of the things that we really have to tackle and we have to tackle not only the exposure of children to this marketing but the power of the marketing. When the WHO says "power" it means the range of different techniques that are used: the use of toys, the use of advergames and the use of links to the latest movie. The challenge that we have with children is that at the younger ages they do not have the ability to discriminate. They are vulnerable. They like immediate gratification. They cannot distinguish between fantasy and reality. Parents are not able to control all of that. The more that we are able to do to reduce that exposure the better it is. The evidence thus far is that efforts by industry through self-regulation or voluntary approaches simply do not work, for a variety of reasons.

The Hon. PENNY SHARPE: What are those reasons?

Professor BELLEW: For one thing, the content of voluntary agreements does not align with where the exposure is happening. For example, if the industry agrees to reduce television advertising during a certain period we know that the exposure happens outside that period. Anywhere around the world, if we look at how voluntary agreements have been implemented, it has in fact been business as usual, if not increased exposure to marketing and advertising.

The Hon. PENNY SHARPE: Which countries have done mandatory work on the issue of advertising?

Professor BELLEW: It has happened in Canada.

The Hon. PENNY SHARPE: What have they done there?

Professor BELLEW: I can provide detailed advice on notice about Quebec, for example.

The Hon. PENNY SHARPE: That would be great. Does that extend to digital advertising?

Professor BELLEW: Malaysia has also done it. We are running to keep up with social media and digital advertising. That is a huge challenge. There is a European Union directive currently trying to do that.

The Hon. PENNY SHARPE: Frankly, talking about television these days is a waste of time because children do not watch television. They watch screens and choose what they want to watch whenever they want to watch it. They do not sit down and watch television. That is not how they consume media.

Professor BELLEW: I agree with you.

The Hon. SHAYNE MALLARD: You propose a simple tax on soft drinks.

Professor CATERSON: Yes, on sugar-sweetened beverages.

The Hon. SHAYNE MALLARD: That is a simple approach to this issue. I know that Denmark implemented a sugar tax that was so complex it had to be repealed. It went into detail on such things as the ingredients in ice-cream. It was a bit like the problem we had with the implementation of the goods and services tax [GST]. Your approach is to tax only sugared drinks.

Professor CATERSON: Sugar-sweetened beverages.

The CHAIR: Would an orange juice that had a high sugar content but no added sugar attract a tax?

Professor CATERSON: That is what you have to decide. Water plus sugar is easy.

The Hon. SHAYNE MALLARD: That is cordial.

Professor CATERSON: Fruit juices are high in sugars. It has to be decided whether they would fall into this category as well. Fruit juices to which sugar is added are sugar sweetened.

The Hon. SHAYNE MALLARD: So we are talking about flavoured milk as well.

Professor CATERSON: Yes.

The Hon. SHAYNE MALLARD: Thank you.

The Hon. Dr PETER PHELPS: You mentioned the Mexico experience. Was it not true that in the Mexico experience there was a disproportionately larger drop in soda consumption by what might be called lower socioeconomic groups?

Professor BELLEW: I believe that is the case.

The Hon. Dr PETER PHELPS: Given that studies undertaken by the National Health Service [NHS] in the United Kingdom indicate that obesity is a greater problem in those of higher socioeconomic groups, why would hitting the working class for a small amount of fun do anything to help solve obesity problems?

Professor BELLEW: In general it is the case that the problems of overweight and obesity fall disproportionately on lower socioeconomic groups, not higher socioeconomic groups. This does not have to be a regressive initiative. We can ensure that the revenue raised goes back into treatment services and programs to support these vulnerable groups. These are the very groups that we need to be helping.

The Hon. Dr PETER PHELPS: It is just that Elisa Pineda from University College, London, makes the statement quite clearly that:

Although obesity is currently more common among the more affluent in society, poorer people generally have worse health and less access to healthcare.

She is using that as an example of why it should fall more disproportionately on lower income earners. Is that your view as well?

Professor BELLEW: It is not.

The Hon. Dr PETER PHELPS: So even though the demonstrable evidence is that it does fall harder on lower income earners, you are still recommending it?

Professor CATERSON: Might I go back to my job in the World Obesity Federation. We run a databank of obesity and overweight in all the countries of the world and you can, in the new one, drill down to what interventions are available and things that are happening at Parliament, which is very useful. In general, around the world, the groups who are mostly affected by obesity are the lower socio-economic strata, except in some countries where they are in change. So, in India, for example, it is the middle group because the lower group is still too poor. But in the majority of countries it is the lower socio-economic strata that is affected by obesity. That is certainly true in Australia.

It is in the western suburbs of this city and in our rural and remote populations where there is a greater obesity problem. They do use sugar-sweetened beverages, probably to a greater extent because the higher socio-economic groups are able to take on more exercise, have more time, and can eat the appropriate foods. So certainly the tax on sugar-sweetened beverages would fall on the lower socio-economic groups in our society. But so long as they could see that there was a return of that taxation to help them with a range of programs or in local health, then there is evidence that they support that sort of taxation.

The Hon. Dr PETER PHELPS: If you could take this question on notice: Could you provide a detailed breakdown of the \$2.7 billion in claimed financial costs?

Professor BELLEW: Okay.

The CHAIR: Time for questions has expired. Thank you for participating today. I note you have taken quite a few questions on notice. The Committee has resolved that you will have 21 days to come back with answers to the questions you have taken on notice. The Secretariat will be in contact with you to assist you in providing those answers. Thank you for coming today.

Professor CATERSON: Thank you .

Professor BELLEW: Thank you.

(The witnesses withdrew)

JANE MARTIN, Executive Manager, Obesity Policy Coalition, sworn and examined

The CHAIR: Would you like to make an opening statement?

Ms MARTIN: I will speak briefly about who I represent today. I represent three partners: the Obesity Policy Coalition is supported by the Cancer Council of Victoria, Diabetes Victoria and the World Health Organisation Collaborating Centre for Obesity Prevention at Deakin University. We are concerned about the high rates of overweight and obesity, particularly in children and adolescents. We are very pleased to see this work being done by the New South Wales Parliament and the work that is being done in New South Wales to address the issue. Our main areas of interest are around pricing, labelling and unhealthy food marketing.

The Hon. PENNY SHARPE: You were here during the evidence of the last witnesses?

Ms MARTIN: Yes, I was.

The Hon. PENNY SHARPE: I am interested again in how sugar taxes are working and how you see them working in an Australian context. Obviously, it is the Federal Government that would have to manage it and the design of it is quite important. Committee members have indicated some of the complications already in terms of fruit juice and that sort of thing. Could you provide to the Committee your understanding or examples of where you think it is working well and what key design features we would have to make in terms of any system?

Ms MARTIN: We think keeping it simple would be the best so far as what kind of levy you would put on. So whether it would be a sales tax or an excise tax would remain to be seen. Just noting that sugary drinks used to have a wholesale sales tax of 30 per cent before the goods and services tax [GST], so their real price went down when the GST came in. The evidence is building around the effectiveness of these kinds of proposals. As far as the coverage, in many jurisdictions they have left out milk-based drinks and 100 per cent fruit juice because there is some nutritional value in those drinks. But there has been some discussion in the United Kingdom [UK], where those drinks have been exempted from the category, that they should be included. The tricky thing is with the Australian Dietary Guidelines, that if you do not eat fruit they recommend a small amount of 100 per cent fruit juice. So that falls within the dietary guidelines.

The Hon. PENNY SHARPE: Is the distinction also about those with no nutritional value versus there is some nutritional value?

Ms MARTIN: That is why sweetened milk drinks have been left out. But the argument for them to come in is that there would be a price differential, it would make them less attractive and it would send a message that there is a problem with those drinks and that milk drinks without sugar are a better choice. I think we should consider that when some of those 600 millilitre iced coffees have huge amounts of sugar—much more than people would realise. So the coverage of the products is now under discussion in places like the UK, whether it should include 100 per cent juice, particularly in the larger serving sizes and whether it should cover milk drinks with added sugar.

The CHAIR: I do not drink milk drinks with added sugar but would there not be a price differential at the moment in terms of buying a chocolate milk compared with buying a litre of milk at the supermarket?

Ms MARTIN: Probably, but it is interesting that there is not a huge price differential between bottled water and a similar amount of coca cola.

The Hon. GREG DONNELLY: Water is expensive.

Ms MARTIN: Yes.

The CHAIR: Perrier is more expensive than anything really.

Ms MARTIN: Yes, but just ordinary water in a bottle is something like the price of coca cola. There is a price differential about what people are prepared to pay potentially for that.

The Hon. PENNY SHARPE: I want to ask you about food sponsorship in children's sport. Are there studies you could point to that shows the prevalence of that? I have to say, it is not something I am overly familiar with. I am more familiar with advertising and marketing to children. But the unhealthy foods as sponsorship in children's sport is not something that I am aware of as a major issue.

Ms MARTIN: It is more used as branding and you might not be affiliated with the sports that it is prominent in. It is very common in Little Athletics. In some states Kentucky Fried Chicken [KFC] sponsors the junior cricket, up in Queensland. Surf lifesaving is associated with Schweppes. The junior basketball in Victoria

is sponsored by McDonald's. That is affiliated with vouchers and a lot of branding and that kind of thing. It varies from State to State. Little Athletics would probably be the one where the coverage is across every State and Territory.

The Hon. PENNY SHARPE: And who is involved in that?

Ms MARTIN: McDonald's.

The Hon. SHAYNE MALLARD: You would not say that McDonald's is targeting kids. McDonald's sponsors the Red Shield Appeal. That is out of corporate philanthropy.

Ms MARTIN: You would ask why would they have their branding on the children if they were just interested in—

The Hon. SHAYNE MALLARD: But they sponsor so many things, they sponsor a broad range of things.

Ms MARTIN: We are just saying that they should not be sponsoring children's sport, because it is sending mixed messages to children and it has an influence. We have spoken to McDonald's about that. They said they do not call branding advertising, although the Australian Communications and Media Authority says it is advertising. They say it is not advertising and they are going to continue to do it.

The Hon. Dr PETER PHELPS: How many of these kids are playing basketball?

Ms MARTIN: Well, if 25—

The Hon. PENNY SHARPE: How would you know? You will have a chance to ask your own questions. Can you stop interrupting? Is there any place in Australia that has done any work on food in public sector settings?

Ms MARTIN: I think this is really important for children to be in an environment that promotes health. We are seeing things like in Geelong, the Lara pool has totally changed its canteen and has only healthy food and drinks.

The Hon. GREG DONNELLY: Sorry, who has?

Ms MARTIN: Lara Swimming Pool in Geelong.

The Hon. PENNY SHARPE: Is that pool run by the council?

Ms MARTIN: It is run by the council and they have looked at the economics impact, which is really important. They looked at the spend per attendee. It was a cold summer, so attendance was down but the spend per person did not change. There was no detrimental economic impact. The YMCA are taking sugary drinks out of their leisure centres and some preliminary data has shown also there was no economic impact. People bought different drinks; they stopped buying the high sugar drinks, but they did not stop buying drinks at the outlet. The Alfred Hospital has done a number of real-life experiments, including putting sugary drinks out of sight. Again, the retailer has had no decline in sales, but the types of drinks that have been bought has changed.

That concessionaire has done a lot more around smaller muffins, for example. He got rid of the big muffins; everybody got upset so he brought them back in and phased in smaller muffins by doing the muffin-coffee special. The retailer has become much more engaged. It is working for him, and Kirsten Corbin is now working with other hospitals. Some health services in the Barwon region are taking sugary drinks out of all their health services. There is a group of university students working together to get sugary drinks out of university campuses. These changes that support healthier choices for the commercial operators in a way that is not going to be detrimental are being quite successful and others are learning from that experience.

The Hon. GREG DONNELLY: I wish for you to elucidate on your comment about sugary food in schools, which is paragraph 2.2 of the submission. In the last hearing we had witnesses from the New South Wales Government who gave us some insights into school canteens in New South Wales. In general terms, you are probably aware of the increasing pressure to commercialise those enterprises insofar as time being tight for parents to provide hours on a voluntary basis to work in canteens and the potential attraction of concessions coming in and running school canteens. I am sure you are aware that things in New South Wales probably reflect the situation in other States and Territories. Can you elucidate on the issue of school canteens and your thoughts about eating at school and those related matters?

Ms MARTIN: School is a really important environment for children and they need a consistent messaging through schools and not take children out to play Hooptown basketball sponsored by McDonald's, as my children were at their local State school. They are really important, and we know from the evidence that is

emerging worldwide, we think this thing is having a dampening on the rates of obesity; it is not increasing. We believe they are really important, as is early childhood. We need to focus not only on primary but also secondary, and they need to be sending a healthy message to children. The children who are most vulnerable are the low income children and they are the ones we really should be looking after, the children in Liverpool, those kinds of suburbs where their favourite football team, the Wanderers, are sponsored by McDonald's, so they have a Wanderers meal at McDonald's.

The Hon. GREG DONNELLY: Not during school hours?

Ms MARTIN: No, but this is the environment that our children—

The Hon. GREG DONNELLY: I am talking specifically within—

Ms MARTIN: Yes, schools should promote healthy food. If we create, as in Victoria, demand for healthier food to be provided in schools, the manufacturers will change. That is what we are seeing in Victoria. The vending machine producers are changing what they produce for vending machines because people want healthier foods. The foods for canteens are being improved because there is a demand from the schools for this food. The economic model, the system is starting to be more responsive to this demand. That is a really good thing. This is an Australia-wide situation, and we are seeing more and more examples. If this is improved, the thing is it has to be monitored. A lot of schools are not meeting the current guidelines and that is the same in many States because it is not being monitored. We need to provide support to schools to do this, but we also need to monitor schools and encourage them to take this up.

The Hon. GREG DONNELLY: In respect of the notion of getting a school to become more engaged to provide a healthier suite of options for the children, how is that done? We have heard there are all sorts of pressures pushing the other way. You have given the example of Victoria. Are there specific examples you can point us to where it appears to be being done and endorsed and supported and starting to make some improved changes? Are we that far into this, or are these ad hoc examples of hearing on the grapevine that the school has more fruit?

Ms MARTIN: It is quite a tricky thing to get schools to fill in surveys and get good data back without going into the schools. It is quite difficult.

The Hon. GREG DONNELLY: You seem to be optimistic in your comments.

Ms MARTIN: I think they are an important place.

The Hon. GREG DONNELLY: That was not my question. I think we all agree on that. I want examples of where it is starting to succeed.

Ms MARTIN: I will have to take that on notice. I will say one thing, we know that coverage with these sorts of guidelines in Western Australia has been very good. That is one place. We really need to monitor—that sort of evidence you are talking about is really important and we do not have a lot of that.

The CHAIR: Ms Martin, you mentioned the wholesale sales tax on soft drinks being 30 per cent and with the introduction of the GST it is now down to 10. Is there any data or analysis of the increase or decrease in soft drink sales as a result of the transition to the GST?

Ms MARTIN: There is not a lot of data on that. I have a graph that shows the real price of food and the real price of milk and what happened, and shows the real price of sugary drinks going down at the point when the GST came in.

The CHAIR: In respect of sales?

Ms MARTIN: I only have the data on price. You would potentially be able to purchase that through ACNielsen or the industry may be able to tell you that. The Beverages Council may be able to tell you that. It is a good question.

The Hon. SHAYNE MALLARD: Recommendation 5 calls for the removal of wholly processed foods in public sector settings frequented by children. Can you give us an example of the public sector setting you mean and what highly processed foods you are talking about?

Ms MARTIN: Places like sporting centres where children go to have swimming lessons and play sport. We have some quite big ones in Melbourne. I am sure you have the same thing here. They are hubs, particularly for children.

The Hon. SHAYNE MALLARD: Sporting centres are usually council run?

Ms MARTIN: Sporting centres, rec centres. Sometime they are council run. Sometimes—

The Hon. SHAYNE MALLARD: They are contracted out.

Ms MARTIN: Yes, they are. Those kinds of places where kids go to play sport.

The Hon. SHAYNE MALLARD: You are not talking about the circus or the zoo or the football?

Ms MARTIN: I think those kinds of big stadia have a role to play as well in providing more to ensure there are reasonably priced options for families. It is not just the chips and the Coke. I think we need to do more than that. We need to provide water fountains and things like that. In Melbourne we have done a little bit of work around that. In the same way, you are going there to watch people being fit and healthy. We should do more around improving the food choices and limiting the highly processed food options. When you walk into the Melbourne Sports and Aquatic Centre, you cannot find the water fountain, and there is something like 32 vending machines just on the ground floor area. So your children pester you to buy the sports drink that they absolutely do not need. They do not need more sugar and salt, but it is creating that association. Melbourne Sports and Aquatic Centre is sponsored by Nestle and, I think, Coca-Cola. It is mixed messaging.

The Hon. SHAYNE MALLARD: Ms Sharpe's line of questioning was around the canteen and school environment and you talked about the food provided by the school to the broader community. Are you talking about fetes? You said that needs to be looked at as well.

Ms MARTIN: I think the most important thing is that the school environment for most of the time promotes healthy food, that the classroom awards are not doughnuts or sweets and the fundraising is not that ubiquitous chocolate drive that you have to deal with. It is important that that environment is promoting health. Something like a fete is once a year or once every two years. I do not think that is the problem. It is the soft drinks being part of the canteen and being normalised in those environments. That is the main issue. There are guidelines but they are not often stuck to. But it needs to be across the board. The school needs to take a health-promoting, whole-of-school approach.

The Hon. SHAYNE MALLARD: The school does not very often provide food or beverages to the broader community. I would suggest it would probably only be at the school fete.

Ms MARTIN: What we really mean by that is in a lot of these schools the fundraising and the classroom awards all need to shift. The canteen is one place where food is supplied but there are other points through the school where those unhealthy choices can be reinforced.

The Hon. Dr PETER PHELPS: If these businesses were to be banned from sponsorship who would make up the shortfall in costs?

Ms MARTIN: I am sure there are a lot of people out there who would be quite happy to work with children. Particularly the NAB has been fantastic with junior football in Victoria. I think it is about supporting these organisations to find alternative sponsorship because often they may not have the means to do it. Like when we bought out tobacco sponsorship of sport, you may need to go from Benson and Hedges to a couple of sponsors to fund the , but I do not think that is a big enough barrier to say that should not happen. Or the company can give the money without the branding.

The Hon. Dr PETER PHELPS: Why would they do that, considering they are effectively using it as part of their advertising budget?

Ms MARTIN: They should not be advertising to children so they should be happy to set that aside.

The Hon. Dr PETER PHELPS: Why not? What is wrong with children who have high calorific outputs exposed to advertising which gives them high calorific inputs?

Ms MARTIN: Because children who do a lot of exercise need more healthy food, not junk food.

The Hon. Dr PETER PHELPS: How you achieve your calories is a component part of that. If a child has a diet which only gives the child 8,000 kilojoules a day and the child is expending 12,000 kilojoules a day that child is manifestly unhealthy.

Ms MARTIN: Elite athletes who do a lot of sport do not eat more unhealthy food because they need more calories. We need to eat a nutritious, healthy diet. If you are exercising a lot you get your calories from nutritious food.

The Hon. Dr PETER PHELPS: But no-one—certainly not McDonald's or any other company—is suggesting that your only diet be McDonald's.

Ms MARTIN: But it does make it a more normal part of life. It also associates sport with—

The Hon. Dr PETER PHELPS: Having enjoyable food is not a normal part of life?

Ms MARTIN: I suppose if McDonald's is called a Happy Meal then maybe that means it is but it means that having these associations—as a mother, I know what it does. You go to play sport and then the kid thinks that they deserve a McDonald's or it creates that affiliation, it creates that association, it creates the pester power. That is exactly what it is designed to do. We need to protect our kids and support parents who have to deal then with the demand that is created by those associations. That is what it is designed to do.

The Hon. Dr PETER PHELPS: But parents should be in a position to say, "No, you can't have that. You had a McDonald's yesterday. You're not having one today."

Ms MARTIN: But kids pester a lot because there are a lot of promotions that they are exposed to. Much more so than when you were young or I was young, it is a very different sort of environment. I saw some research the other day which talked about the amount of times that parents are pestered in the supermarket. It is massive. Why should parents be the ones to fight this marketing and promotion?

The Hon. Dr PETER PHELPS: Because they are parents, Ms Martin.

Ms MARTIN: I understand that.

The Hon. Dr PETER PHELPS: Governments do not stand in loco parentis when there are parents available.

Ms MARTIN: I am not saying that. I am just saying who is creating this demand? It is not the parents but they are left to deal with it and it is being created by industry, who is very smart about it.

The Hon. Dr PETER PHELPS: Are you saying that sweetened beverages in Australia are an increasing problem for people?

Ms MARTIN: I do not know that we said that in our submission. I think we said that what is acknowledged is that there is very high consumption of sugar-sweetened drinks. Most of the added sugar in the diet comes from sugar-sweetened drinks and some subsections of the population are very high consumers of sugary drinks, particularly young men.

The Hon. Dr PETER PHELPS: Would you agree with the Australian Bureau of Statistics [ABS] figures which indicate that the proportion of people aged two and over who have consumed sweetened beverages decreased from 49 per cent in 1995 to 42 per cent in 2011-12?

Ms MARTIN: Yes, that is true, but that is all people including people who do not necessarily drink sugary drinks.

The Hon. Dr PETER PHELPS: Would you also agree that the ABS statistics show that the greatest decrease in consumption of sweetened beverages was seen among children, with the proportion of children aged two to three who consumed sweetened beverages decreasing by more than half, from 67 per cent down to 31 per cent?

Ms MARTIN: Has that taken into account the under-reporting in that survey?

The Hon. Dr PETER PHELPS: It certainly mentions under-reporting; however, I am sure that a survey taken some almost 20 years afterwards has better reporting mechanisms than the 1995 survey, which was more likely to be under-reported.

Ms MARTIN: My understanding is under-reporting was a bigger problem in that survey. However, it does appear there has been a decrease but that does not mean that sugary drinks are not a problem.

The Hon. Dr PETER PHELPS: Do you also agree with the ABS statistic which showed the overall consumption of soft drinks and flavoured minerals waters decreased from 33 per cent in 1995 to 29 per cent in 2011-12?

Ms MARTIN: Yes.

The Hon. Dr PETER PHELPS: And, moreover, the only age cohort which showed an increase in intense sweetened soft drinks was the ages 51 to 70?

Ms MARTIN: That is one subsection of the sugary drink market. I do not know what an intense—

The Hon. Dr PETER PHELPS: Presumably regular Coke and the like. Is it not true that in fact this supposed sugary drink menace is grossly over-reported whereby you have a situation of level or diminishing levels of sugary drink consumption in Australia over the previous 20 years and more particularly significantly lower levels of sugary drink consumption amongst children?

Ms MARTIN: I think you could still argue it is a serious problem and I think what has happened in that period of time is that the understanding of the contribution of sugary drinks to health problems has grown. They are a huge issue for dental health. They are also a well-known risk factor for overweight and obesity in children and adolescents as well as adults. Now we know that these kinds of drinks are implicated in not just the development of overweight and obesity but also those diseases that flow on from that.

The Hon. Dr PETER PHELPS: I will put it to you a different way. Is it not fair to say that there has been an increase in obesity and that is largely due to the fact that there has been a decrease in calorific output amongst children—in other words, children are becoming less physically active?

Ms MARTIN: My understanding of the reasons for the issue—and it is energy in and energy out—is that it is recognised now that the majority of the problem is caused by excess intake of energy. That is ultra-processed foods. Sugary drinks are one element of that but they are not the only one.

The Hon. Dr PETER PHELPS: Is it not also the case that if you make sport less attractive by raising the cost by decreasing the level of private sponsorship you will in fact provide a disincentive for children to take part in energy-intensive activities such as competitive sport?

Ms MARTIN: I think it is important not to send children mixed messages. I do not think it is a problem that there will not be other sponsors that come in. I just think attention has not been paid and support has not been given to organisations to move away and discouragement for organisations to move away from this kind of branding.

The Hon. Dr PETER PHELPS: Ms Martin, is it ever legitimate for a parent to feed their children McDonald's?

Ms MARTIN: We have all fed our children McDonald's. The problem is that these kinds of treats are everywhere now. I ate one chocolate a week when I was a kid; now there are three packaged foods in children's lunchboxes and they are basically all unhealthy. That is the problem.

The Hon. Dr PETER PHELPS: Children do not buy their own lunches and put them in their lunchboxes. Their parents buy it for them. Again it comes down to this: Are you saying because we do not think particularly working-class parents are very good parents that it is government's role to step in and stop them being parents and it is government's job to be parents for them?

Ms MARTIN: I think it is government's job to support parents and that parents are undermined a lot. I think a lot of parents, including myself, thought that things like Nutrigrain were healthy foods for my child. It has just been reformulated to 26 per cent sugar, but it was 33 per cent sugar. I did not know that was not a healthy product, because that is how it is promoted. A lot of people would think that Milo was a healthy product. The Olympics was sponsored by McDonald's and Coca-Cola, because being affiliated with health makes the products appear to have healthier attributes than they have. I think that governments should support parents.

The Hon. Dr PETER PHELPS: They should, but they should support them not in a sense of prohibiting or using draconian powers to stop things from happening and rather to encourage greater participation in sport, surely?

Ms MARTIN: I think there are a lot of nudges, like taxing sugary drinks, like removing things that create the demand for these products in children, which is the incredible barrage and wallpaper of unhealthy foods marketing that our children are exposed to. We need to see the Health Star Rating made mandatory on all foods, and some improvements made in how the rating is applied so that Milo does not get 4½ stars.

The Hon. Dr PETER PHELPS: That is simply because it is easier for governments to ban things rather than have effective behavioural change—you do not like the behaviour and so you ban things.

The CHAIR: The time for this witness has expired. Ms Martin, thank you very much for presenting to the Committee. I think you took a couple of questions on notice.

Ms MARTIN: I think I did. I regret that now.

The CHAIR: The Committee has resolved that answers to questions on notice be returned within 21 days. The secretariat will contact to in relation to the questions you have taken on notice.

(The witness withdrew)

LARA JEFFERY, Director, MyChoice Australia, affirmed and examined

The CHAIR: I welcome Ms Jeffery to this morning's hearing. As noted, Mr Tim Andrews has sent an apology due to being sick. Would you like to make a short opening statement?

Ms JEFFERY: No, let us get straight into questions.

The Hon. SHAYNE MALLARD: Why should we not just recommend a tax on sugar?

Ms JEFFERY: I brought a handy-dandy document, prepared by the New Zealand Taxpayers' Union, which discusses the effectiveness of sugar taxes.

The CHAIR: Can you table the report?

Ms JEFFERY: Yes. Sugar taxes have been implemented—or sugar-sweetened beverage taxes have been implemented—in other countries like Denmark, some States in the United States and Mexico. They have been found to be an overwhelmingly unsuccessful and disappointing enterprise. They are successful in generating revenue for the governments over and above the revenue they expect to collect, which indicates that it does not have the impact of reducing demand for sugar-sweetened beverages that it is intended to create.

The Hon. SHAYNE MALLARD: Is there some evidence that the tax has not worked in those countries? Can you cite some studies or come back to us with some evidence of that?

Ms JEFFERY: Yes, there is information to that effect in the report that I am tabling. It discusses that the Mexican soft drink tax's impact in the nation, which on average consumes 11 billion litres of soft drink a year, was to reduce the demand by 182 litres across the entire nation. That amount of reduction in demand is a rounding error effectively; it has no meaningful impact on the energy across the population. We can also look at the Danish experience, where there has been a sugar tax and a fat tax since the 1930s, which was recently repealed in 2014 because consumers engaged in compensatory strategies and sought to purchase untaxed equivalent goods in alternative jurisdictions.

The Hon. SHAYNE MALLARD: On page 5 of your combined submission you state, "Short-term dietary and physical activity intervention programs which are not targeted to at-risk or any diagnosed populations are ineffective". How could government better target the at-risk populations?

Ms JEFFERY: It is a difficult question. Which point was that?

The Hon. SHAYNE MALLARD: On page 5. I think it is 18A.

Ms JEFFERY: In that regard I would concur with what I think is a consistent suggestion from the other submissions made to this inquiry that the most effective activity that government can undertake to impact childhood overweight and obesity is, as the study reported and which we then reported in our submission, through short-term intervention behaviour. What I support about that is that the most logical opportunity that the State Government can take to use that known strategy is through the education system. That is where the Government is already engaged in providing nutritional information to students and, through schools, to parents and the school communities, which appears to be, by consensus of public health experts, where the issue occurs between parents and children in the way that they negotiate and relate in feeding.

The Hon. SHAYNE MALLARD: That appears to be what you say in your submission. Under "Strategies for parents and carers" you suggest that parents are the most effective influence on childhood activity.

Ms JEFFERY: Yes, to echo Dr Phelps's statements to the previous witness.

The Hon. SHAYNE MALLARD: Is it your opinion therefore that good parenting would involve parents being fit and not obese or overweight so as to provide healthy role models for their children?

Ms JEFFERY: I think providing a positive role model is an important function of parenthood, but it is less important than functional parenting behaviour. Parents are responsible for what their children eat. For the first years of their lives they are entirely responsible for what their children eat and for the people they put their children in the care of, who then assume that responsibility. If there are issues in the decision-making about what children are consuming, that is where the issue is occurring.

The Hon. Dr PETER PHELPS: Earlier we had statements from academics that the overall healthcare costs of people who are obese are higher than those for people who might be considered slim and healthy. Do you have any information that might contradict that?

Ms JEFFERY: Can you repeat the question?

The Hon. Dr PETER PHELPS: Are healthy people likely to cost more in terms of medical costs in the long run than obese people are?

Ms JEFFERY: Yes, that absolutely appears to be the case. One comment that I will make on the question of costs and externalities that affect particularly healthcare services, which is usually what we are talking about when it comes to increased costs in relation to overweight and obesity, is that the costs tend to be greatly inflated by the attempted quantification of non-financial costs. We are looking there at lost productivity, which is close to being a financial cost, but also—

The Hon. Dr PETER PHELPS: Wellbeing being another?

Ms JEFFERY: Yes. We are talking about the loss of utility of family members if a person is not at their full wellness, which is not a financial cost but a cost that is borne by the individual and their family and not a cost to government. I think it is dishonest to use figures that include that kind of attempted quantification to state the extent of the cost.

The CHAIR: Point 37 of your submission on page 7 says that excessive government regulations of school canteens drive up costs for food and this causes the healthy foods to be more expensive and inaccessible. How do you get to the point that the foods would be more expensive and inaccessible through that regulation?

Ms JEFFERY: It is interesting. There is a claim repeated in public health and nutrition discourse and from my own personal experience, having lived as a vegan for some time, not currently, I find it is simply not true that healthier food options are more expensive in dollar terms. What makes them more "expensive" is that there are higher costs associated with preparing fresh and healthy food. That is usually the time it takes to prepare the food, the expertise required to know what is nutritional, and in a canteen context to make it attractive for sale to children. Where canteens are outsourced you are running primarily with a profit, so the State does lose some opportunity to control the nutrition chain that comes through foods there.

The CHAIR: Would you not say you could cure that through contracting?

Ms JEFFERY: It is entirely possible but that does not appear to be the case at the moment. You also run into problems where canteens are not professionally run. You are dealing with people who do not have expertise or experience in childhood nutrition and that can wind up with the same problem as illustrated in the United Kingdom with attempts to alter the food for sale in schools, which is preferences of children as represented by their demands.

The CHAIR: Ms Jeffrey, you make an interesting point largely encapsulated at point 34 that we have these controls in schools and the like but we go into the wide world and those controls are not in place—you can get McDonald's or whatever you want. Are there any ideas or suggestions you have with regard to being able to foster this sense of personal responsibility?

Ms JEFFERY: I believe that responsibility functions like a skill or a muscle, that if not exercised or practiced the capacity fades away quickly. I believe there is an effect where when children are raised having many decisions made for them it weakens their ability to engage in successful decision-making later in life.

The Hon. Dr PETER PHELPS: Or indeed when adults have their decision-making taken away by government?

Ms JEFFERY: Very true.

The CHAIR: We should broaden the scope?

The Hon. Dr PETER PHELPS: Earlier you said in relation to beverage taxes that they are not only ineffective but they fall hardest upon lower socioeconomic groups, which as I understand pay a higher proportion of their total disposable income on consumption of food and beverages?

Ms JEFFERY: That is absolutely correct. Consumption taxes or lifestyle taxes as flat taxes are the most regressive. It is noted that problems with overweight and obesity are most prevalent in people from low socioeconomic background or standing. There is a great perversity in trying to use price signals to take people's money away in order to force them or coerce them to make choices that are considered better.

The Hon. SHAYNE MALLARD: It worked with tobacco.

The Hon. Dr PETER PHELPS: You were saying that it was inelastic. There was an inelastic demand in Mexico. If you have had the significant increase but demand does not drop by a proportional amount then the

demand is inelastic and all you are doing is slugging poorer people with higher taxes for no proportional benefit?

Ms JEFFERY: Yes, even the Australian Greens, who support an Australian sugar tax, their modelling suggests that any impact on demand would at best not be commensurate to the increase in price.

The Hon. Dr PETER PHELPS: It is good for the bourgeoisie to tell the working class how to live their lives.

Ms JEFFERY: For people who are concerned about people from low socioeconomic backgrounds, whether or not they come from those low socioeconomic backgrounds, it is comforting to think that government is paying attention and directing resources towards a problem they have identified, because it means that they do not have to concern themselves with the problem, somebody else is taking care of it. I would be very concerned that sometimes organisations use that mandate to appear to do something without fully evaluating the policies they put in place and processes that come out of that. That appears to be the case with childhood nutrition and obesity. As some of the other submissions have pointed out, the walking to school program is considered to be a failure by the Parents and Friends Council because it does not change behaviour, it labels behaviour that people are already engaging in on a particular day. I can name three other examples but they are in my notes.

The CHAIR: Take that on notice.

The Hon. GREG DONNELLY: The role of public policy and government support of public policy in regard to dealing with an issue, what do you say that the role is for government in terms of trying to deal with a matter which appears to be manifesting?

Ms JEFFERY: My belief is that the appropriate role of the State is the enforcement of individual rights. Making sure that people make the decisions that are considered to be correct when they exercise those individual rights is not an appropriate use of power.

The Hon. GREG DONNELLY: That is a statement of principle.

The Hon. PENNY SHARPE: A theoretical discussion of libertarianism.

Ms JEFFERY: It has been known to happen.

The Hon. GREG DONNELLY: I am not trying to ambush you. We have a Commonwealth system in Australia with Federal, State and Territory governments. Is there a role for government to be doing anything in this area in terms of trying to tackle obesity? You only have to go to Wet and Wild on a summers day, as I did a few years ago with my kids, to see there is quite an issue of obesity.

Ms JEFFERY: Unfortunately, I am not sure I have been around long enough to witness the increase in prevalence of overweight and obesity across the Australian population. It is well reflected statistically.

The Hon. GREG DONNELLY: Say that again.

Ms JEFFERY: I have not been around long enough to witness the increase in prevalence in overweight and obesity in Australian adults and children, but it is statistically reflected. Those statistics also reflect that we are approaching the upper limit. As nutritional and health literacy has increased there is a declining rate of increase of overweight and obesity which indicates that people are taking steps to correct it for themselves and their children. It is important to evaluate the actions government has taken in the area to identify what has been effective, because there has been some effect. I am not sure how much is attributable to programs.

The Hon. GREG DONNELLY: That is what I am inviting you to discuss or comment on. Do you have a view that there is any role, and if there is what are the parameters around which that role should be exercised?

Ms JEFFERY: The most appropriate intervention of government into childhood weight health and wellness is to exercise good judgement in its behaviour in schools. Some strategies you would be looking at are good suggestions that come from other submissions, such as a food garden grown at school to give children practical horticulture experience and a bottom-up foundational understanding of what is nutritious and the circumstances that create nutritious content, and how to prepare it. Once upon a time we used to have the classes in school as home economics but not any more.

The Hon. Dr PETER PHELPS: You still have health?

Ms JEFFERY: Yes. And when I went to school they had food technology. I do not know that non-private schools offer that. It is not something that is accessible to people who do not necessarily have a

certain level of wealth relative to the people around them. Government has a role in providing accurate information to students. The best place and the most logical place for government to provide that service is to students.

The Hon. PENNY SHARPE: You have indicated that you think that education has driven down and effected the choices that people are making in relation to unhealthy foods, which is one of the few things we agree about. Do you then think there is a role for government in relation to education campaigns? If you say that the best thing to do is support individuals to make better choices, do you think there is a role for government in relation to education campaigns in relation to obesity?

Ms JEFFERY: In highly targeted format, yes. If you are spending your ad buy on television advertising and high cost broadcast messaging distribution systems, then it is ridiculously ineffective. In terms of an education campaign, making adjustments to the curriculum where you can. I appreciate there is a Federal interaction which provides a barrier. If we are talking about a generic promotion campaign, digital media campaign, they are wildly ineffective.

The Hon. PENNY SHARPE: I am talking about taxpayer spending in education campaigns, assuming they are well targeted and headed at the right place. Where is the role for government in any of this? You seem to indicate there is some role for education and that people have been making different choices as they become aware, which is not something that many of the food and beverage companies have been very happy about. Do you support those campaigns?

Ms JEFFERY: That is an interesting statement because we have seen mass private change in the way that fast food and junk food are delivered in response to changing demand from consumers with lower portion sizes and healthy meals, but to address the original question—

The Hon. PENNY SHARPE: We could get into this all day, if you wanted to, but it is probably more to do with the fact that the Government has forced fast food to list the calorific content of their food, which was not supported by the food companies at the time.

Ms JEFFERY: To address your original question, unless a broadcast campaign can be targeted to people who need that information, which really is dependent on the distribution channels of the message, I could not in default say that there is a role for government in promotion.

The Hon. PENNY SHARPE: So you are now saying that there probably is not a role for government in education campaigns to help people make better choices?

Ms JEFFERY: I believe that there is a role for government to provide nutritional information and activity information that is accurate in the context of schools because that is where it is most effective and that is why it is the most efficient use of taxpayers' money. Broadly spending it on a bunch of Facebook ads or a bunch of pamphlets—

The Hon. PENNY SHARPE: That is not what I am saying. I am talking about educational campaigns.

Ms JEFFERY: I am happy to answer the question as it is asked but I cannot broadly flavour. My interest is in policy and in the strategy—

The Hon. PENNY SHARPE: My interest is in understanding from your organisation whether you think there is any role for government in addressing obesity and being overweight in our population as it stands?

Ms JEFFERY: Outside of schools that would be a waste of taxpayers' money.

The CHAIR: You have taken one question on notice.

Ms JEFFERY: Yes.

The CHAIR: The Committee has resolved that answers to questions taken on notice be returned within 21 days; the secretariat will contact you in relation to that. Thank you for appearing before the Committee today.

Ms JEFFERY: Thank you.

(The witness withdrew)

(Short adjournment)

TONY GATT, Community Engagement, Foodbank NSW, sworn and examined

ANGELA BARRY, Chief Executive Officer, Stephanie Alexander Kitchen Garden Foundation, sworn and examined

The CHAIR: Would either of you like to make an opening statement?

Ms BARRY: Absolutely. Thank you for the opportunity to speak to this inquiry, we are delighted to be here. In a nutshell, I lead an organisation that is looking to do itself out of a job—

The CHAIR: Good on you.

Ms BARRY: Unusual for the not-for-profit sector but very much a fact for us. We are looking to change the nature of education within Australia to see, in particular, the Stephanie Alexander Kitchen Garden program or pleasurable food education incorporated into the role of education in a way that is integrated across the rest of the curriculum including enhancing mathematical and literary outcomes. Basically we are working to see the Education and Health departments use the school system to educate children about food and where food comes from in a way that impacts on their habits and choices for life in the most positive way.

Mr GATT: We also share the same objective. We are a not-for-profit charity and we wish that we would be out of business as well. The Committee has heard testimonies from various academics and health experts about the paradox of obesity—more than one in five children in New South Wales are overweight and obese. This level is significantly higher amongst those children and young people who experience poverty and disadvantage. The reasons are that a healthy diet is financially out of reach for their families, peer and family eating behaviours and/or lack of nutritional awareness. VicHealth identified in 2004 that the risk of obesity is 20 to 40 per cent in individuals who are food insecure.

It has often been stated that that these vulnerable groups and those with complex needs will require more targeted interventions. No amount of knowing about healthy food choices will help those people who simply cannot afford to make these choices. Whom are we talking about? The people that Foodbank assists are the people in the bottom 20 per cent quintile of income and their children. To put a face to these statistics: people with mental illnesses, people with physical disabilities, people living in remote and regional areas—and I hasten to add not just Aboriginal communities but farming and mining—single mums, victims of domestic abuse, an increasing number of working poor, and the children of all the above, which brings us to today's hearing.

The Foodbank NSW proposal, as detailed in our submission, has been designed with three principles in mind: to help this hard-to-reach group improve their health and educational outcomes; to augment the New South Wales Government's existing nutrition and physical education awareness initiatives such as Munch and Move, Crunch and Sip, and healthy eating and living strategies, with the provision of nutritious food. I hope that during our joint hearing with Ms Barry we can explore the relationships that Stephanie Alexander and Foodbank have in Western Australia, which is probably a world-class model. The third area is that the proposal basically leverages the Foodbank NSW scale and network of non-government and private sector supporters to achieve the above in the most cost effective way possible.

Foodbank was established 25 years ago not only to address the issue of hunger in Australia but also as a creative way in dealing with the issue of food wastage, which is clearly a big issue for the food industry. Perfectly good fruit and vegetables, key grocery staples that would otherwise be destined to rot on the vines, fed to pigs or consigned to landfill, are redistributed by a distribution network of 2,400-plus partner agencies and 1,500 schools, which in turn provide emergency food relief to their clients in New South Wales, to 560-plus agencies from Tweed Heads across to Broken Hill and down to Cooma.

Foodbank is the nominated charity of the Australian Food and Grocery Association. It is Australia's largest food relief organisation, providing food for 166,000 meals a day to more than 2,400 charities and 1,500 schools for distribution to people in need of food relief. We achieve this by working with the Australian food and grocery industry, which provides surplus and donated product. We also collaborate with farmers, manufacturers, suppliers and the Government on innovative programs to produce key staple foods such as breakfast cereals, milk, pasta, canned foods and sausages. Our mission is to deliver the most food to the most vulnerable Australian's within an arm's length of need in the most efficient way.

To give you a sense of Foodbank's scale, extensive network and collaboration of reach, 644,000 people now receive food relief from Foodbank agencies, a third of whom are children. Forty-three per cent are turned away from charities each month due to a shortage of food, which is one of the rationales for our submission. One-third of those affected are children. We act in collaboration and partnership with the Australian food and

grocery industry. Donations from the food and grocery industry annually have a retail value in excess of \$200 million.

In addition to salvaging food, Foodbank also manufactures three million kilos of key staple foods every year, in collaboration with food industry partners. As an example of efficiency, \$1 enables us to distribute \$8 worth of food and groceries to charities and schools, and \$1 provides a breakfast to a schoolchild. Consequently, we see a role for Foodbank in assisting the New South Wales Government to address the issues at the heart of this inquiry. With the support of the New South Wales Government, we believe we will significantly contribute to achieving Premier Baird's goal of reducing childhood obesity. Thank you.

The CHAIR: Thank you. Would you explain to the Committee what your organisations do together in Western Australia?

Ms BARRY: Our organisations have a memorandum of understanding. We travel to remote areas to implement both our program and the Foodbank program. The foundation has one staff member based in Western Australia. From an affordability and safety perspective our teams travel together, which is great. There is no longer one person travelling; it is two people. We have co-written educational resources for schools, covering the philosophy of both organisations and providing information on where food comes from, the importance of eating regularly, food rescue and different aspects of food security. That enables our organisations to make the experience seamless for schools, rather than having two different providers. It is very challenging for schools when they have multiple providers coming at them.

The CHAIR: Thank you.

The Hon. GREG DONNELLY: Where does the Department of Education fit into all this? Your organisations are party to a memorandum of understanding. Has the department formally agreed to the enhanced role that you are now playing in the schools over there?

Ms BARRY: The department has neither agreed nor disagreed. It is very supportive of our work and we have a close relationship. We informed the department of what we wanted to do and its response was, "Fantastic. That is great."

The Hon. GREG DONNELLY: What were you doing in the schools over there in the past and what are you doing now under the collaborative arrangement?

Ms BARRY: Our efforts in Western Australia are to implement the kitchen garden program in schools across the State. We have a staff member based there. Reaching remote schools and remote Indigenous communities, for instance, is very costly for our organisation. Everybody is based in Melbourne apart from that one staff member. We were having to always fund travel from Melbourne to the rural and remote areas so that she was not travelling alone. Now that we work with Foodbank she has built a collegiate relationship with the organisation and the staff travel together. Since that time we have brought together our training and our messaging. For instance, we deliver training together with the Foodbank representative. There is a crossover of messages so that we can show the children and the school how the two messages complement each other. We are making the experience more efficient and effective.

The Hon. GREG DONNELLY: It is a huge challenge in the Pilbara and the Kimberley to get between settlements and schools.

Ms BARRY: Yes, so we have also tapped into relationships with organisations such as the Royal Flying Doctor Service. They have flown team members around. Twiggy Forrest and his brother have flown my team member out to different communities at greatly reduced cost, which has enabled us to have that reach.

Mr GATT: The Western Australian Government provides \$800,000 annually to Foodbank to support the breakfast program. That is provided through three departments: the Department of Education, the Department of Health and the Department of Regional Development. That enables us to collaborate with organisations such as the Stephanie Alexander Kitchen Garden Foundation.

The Hon. GREG DONNELLY: That is a sizeable amount of money. Does it give you the opportunity to provide breakfast for schoolchildren across a number of schools?

Mr GATT: Yes. We currently support 477 schools throughout Western Australia. We provide the most basic of ingredients to the program to supply a range of nutritious products that would otherwise be out of reach for those children. We target the most vulnerable and disadvantaged schools.

The CHAIR: From a quick analysis in my head, that is less than \$500 per school per year. Is that right?

Mr GATT: Yes. It is supplemented by corporate donations.

The CHAIR: Of course, but that is the amount of government funding.

Mr GATT: Yes.

The CHAIR: Ms Barry, what sort of funding do you receive from the Western Australian Government?

Ms BARRY: None.

The CHAIR: Even better.

Ms BARRY: We receive funding from various State governments. We receive funding from Victoria at the moment and have received it from South Australia, Queensland and the Australian Capital Territory in the past. There is no ongoing funding from any particular government. We have had Federal Government funding. We have never had funding from the Government of New South Wales. We have a major corporate partner in Medibank. We have also commenced a self-generated and, hopefully, self-sustaining income stream by selling our products and services outside our beneficiary group.

The CHAIR: Thank you.

The Hon. Dr PETER PHELPS: Ms Barry, I am interested in something that Mr Gatt said. I do not want to turn you two against each other. He said that healthy eating is out of reach. But for many people, excluding those who are locationally disadvantaged, healthy eating is not out of reach; it is a matter of education or choice in many circumstances. Would you agree with that?

Ms BARRY: I totally agree. There is a misconception that healthy eating is expensive. That is not the case. The culture of convenience has had an impact on people's idea of their ability to eat healthily. People feel that cooking is an inconvenience. I know I am making a generalisation, but this is what we have learned from working across 1,100 school communities in the country. We believe that healthy eating is a choice. This program is all about showing children the pleasure of healthy eating. That is a very important and significant philosophical difference between our organisation and most others working in this area. We do not believe in saying to children, "Eat this because it is good for you," or "Eat this because it is healthy." We say to them, "It is your food. It is real food. Real food comes from the ground. It is seasonal and it is beautiful and fresh." We teach them how to care for and cook that food.

The Hon. Dr PETER PHELPS: There is something of a problem here, isn't there? Back when there was a gender division of labour within Australian society there would have been compulsory home economics/cooking courses as a mandatory part of female education experience.

The Hon. SHAYNE MALLARD: I did not do it at high school.

The Hon. Dr PETER PHELPS: I went to a State selective school and more than half the female students in my year did that.

Ms BARRY: My brothers also received home economics training. Philosophically we have a different approach than the food tech type of approach and that is that we want children, particularly in secondary school, to understand that cooking should be based on fresh seasonal produce, not whipping out ten pikelets. There is nothing wrong with that but the skill that is missing is teaching people how to work with vegetables and fruit to create nutritious meals in a way that is delicious. We firmly believe that we are all motivated by pleasure—we are human beings and children are no different, in fact even more so. And if we engage children in that growing process and in the sense of pride and self-esteem that comes from working with food that is their own, rather than picking up a box of something and mixing something, it is a very different experience.

The Hon. Dr PETER PHELPS: As you point out and as the previous witness pointed out, there is also a material benefit to people taking their own unprocessed food and turning it into quality meals and that is the constituent components are cheaper.

Ms BARRY: Absolutely. I come from a family of seven children. My mother cooked everything. There was nothing processed. That was the only way we could survive. We had a small vegie garden out the back and my nan had a vegie garden and she shared food with mum. That was life and those skills seem to be lost to a couple of generations from our experience.

The Hon. SHAYNE MALLARD: And backyards have disappeared.

The Hon. Dr PETER PHELPS: But more importantly, presumably your mother understood every constituent component that went into that meal, so there was not three cups of sugar and four tablespoons of salt going into a particular meal.

Ms BARRY: That is true. She understood the health benefits but it was also very much about taste and affordability and there was a strong sense of pride in preparing a meal. Today's industry and hospitality in particular, men are now predominantly leading the way.

The Hon. Dr PETER PHELPS: Excellent male chefs, are there not?

Ms BARRY: I am not sure that it is a gender issue, as such, but I think traditionally, perhaps in Australia in particular, the change in households moving to dual-income households has had an impact because there is less time—perception-wise there is less time.

The Hon. Dr PETER PHELPS: Getting back to the problem at hand, is it a function of convenience? Is the problem we face a function of people seeking convenience or is it the lack of skills?

Ms BARRY: I think it is a lack of skills and also I think that there is a perception that we are more time poor than we really are, and the two coming together. And the message we get through mainstream media and advertising is pro-convenience and creating the misconception that we are time poor.

The Hon. Dr PETER PHELPS: The fridge full of two-weeks' worth of pre-prepared meals that you can whack in the microwave.

Ms BARRY: Yes versus the joy of working for 15 to 20 minutes and creating something fantastic.

The Hon. Dr PETER PHELPS: And something probably better than you get as a pre-packaged meal.

Ms BARRY: Correct and which is also a great social experience for whoever you might be doing that with, and a great de-stressing experience if it is you yourself.

The Hon. SHAYNE MALLARD: Thank you both for coming in. I am a great admirer of your work. I volunteered for Foodbank in the 1980s when you started, packing boxes through Rotary. It is great to see you here. I want to ask a philosophical question about Foodbank. I remember when you started there was some resistance from the big retailers because there was a perception that a dollar of food given away is a dollar taken out of the grocery sales. Has that been overcome?

Mr GATT: Thank you for the question. If I can address your previous question as well, I do not disagree with anything that Ms Barry has said but please appreciate that Foodbank specifically deals with a cohort of people—

The Hon. Dr PETER PHELPS: No, that is why I directed the question towards Ms Barry. My interest was with the schooling of children, in particular through the government education system.

Mr GATT: Yes. For that cohort, it comes down to really just the issue of affordability.

The Hon. SHAYNE MALLARD: They just do not have the money anyway.

Mr GATT: They do not have the money to pay for fresh fruit and vegetables and, yes, I agree that ideally the school environment is a wonderful opportunity to teach them some basic skills but as an adjunct to that, being able to provide the kids whose parents cannot afford to provide them with a range of fresh fruit and vegetables is our mission. To answer your question. Initially there was some resistance but I think retailers realise that the group that we are helping is not their target market.

The Hon. SHAYNE MALLARD: It has not got the money.

Mr GATT: They simply do not have the money. Take, for example, one of the testimonials from the principal of Miller Public School. Seventy-five per cent of her children come from families that are in the bottom 25 per cent of the Family Occupation and Education Index, and the bottom 20 per cent of income. So what we are trying to do, very cost effectively, is to provide this group of people in two ways: through a school breakfast program and, secondly, through a whole-of-family approach, by providing a range of nutritious grocery staples and fresh fruit and vegetables to the parents as well, so that they have a basket of goods from which they can prepare nutritious meals as well. That is the evolution and it is testament to the partnership that we have with the food and grocery industry now that it is about \$200 million worth of food that they redistribute through Foodbank.

The Hon. SHAYNE MALLARD: You may have covered this in your submission. I am assuming the food you provide for families, you are not including carbonated soft drinks?

Mr GATT: I have brought some photos because it is hard to communicate the range of products and the sense of partnership that we act as a catalyst for. Mr Mallard, we are providing fresh fruit and vegetables, a whole range of key grocery staples such as tinned corn, tinned beetroot, lean meat, bread, milk, flour, rice and pasta, so that, effectively for less than a dollar, a family can provide a meal to each of its members. And bear in mind that 80 per cent of this food would have been destined to go to land fill or rot on the trees.

The Hon. SHAYNE MALLARD: In your submission you point out that you lost some funding under Labor of \$800,000.

Mr GATT: It was previously \$720,000 for a distribution subsidy. That was reduced to \$420,000.

The Hon. SHAYNE MALLARD: Why was that?

Mr GATT: We were told that it was an efficiency drive.

The Hon. SHAYNE MALLARD: If we were to recommend restoration of that funding, what could you do with it?

Mr GATT: We would be able to distribute more food to more people in need.

The Hon. SHAYNE MALLARD: Could you take that on notice and come back to us with some actual figures of how many families would get food if the funding was restored?

Mr GATT: Yes.

The CHAIR: Mr Gatt, you have some very tangible requests and business plans for the Committee and I thank you for those. If you were to highlight one of them with respect to this issue of childhood overweight and obesity, which one would have the biggest impact? Would it be getting the food to the home or would it be getting the food for the school breakfasts?

Mr GATT: The silver package would be the school breakfast program; the platinum package would be a whole-of-family approach. The school breakfast program facilitates the provision of fresh fruit and vegetables, cereal and milk to the children and, in partnership with organisations such as the Stephanie Alexander Kitchen Garden Program, it provides the children with basic nutritional awareness and cooking skills. That is the silver package. If you wanted to ensure that the whole-of-family approach was taken, the kids could have available three meals a day through our agency network.

Food is the catalyst. All our agencies say that it is a soft entry point. If someone comes to an agency seeking emergency food relief, it is not a destination shop. The reason it is a hidden issue in Australia is because countless people have told me of the shame associated with having to accept emergency food relief. Through that agency network being able to provide food, it attracts people who are in need of food. Community and social workers have been able to assess the underlying causes of the problems and refer them to government services that address those issues: housing, mental health and budgeting. And through collaboration with Stephanie Alexander, it provides them an opportunity to learn basic cooking skills and nutritional awareness and so it is addressing the problem holistically.

The Hon. Dr PETER PHELPS: Following up on that point, do you have any formal or informal relationship with Family and Community Services [FACS] or non-government organisations?

Mr GATT: Dr Phelps, the \$420,000 that we currently receive comes from FACS.

The Hon. Dr PETER PHELPS: Do they give you the money and say, "Off you go", or do they provide social work support attached to that?

Mr GATT: No, the social work support is provided by the agencies to which we provide food, and so there may be some FACS-aligned support. I will give you a classic case. At Yennora and Harrington Street public schools, we provide the food for the School Breakfast Program. South Sydney Western Area Health Service, in turn, provides personnel who provide nutrition awareness and basic cooking skills and health advice as well.

The CHAIR: I guess part of the issue in respect of the free school breakfast and everything else is that you do not want to have a stigma around it so that children feel like they are a selective cohort. You want to make it accessible.

Mr GATT: Throughout the country we have now had 20 years of experience running the School Breakfast Program. When a school initially undertakes a School Breakfast Program it is open to everyone so as not to stigmatise any children. For the first three weeks Mickey, Johnny and Mac show up because they think it is a great lark to come with Joe for school breakfast. After two or three weeks the novelty wears off but Joe

keeps coming. We have had the school breakfast program evaluated consistently every two or three years by major policy research units through all the major universities. Improved attendance, reduced behavioural issues; it is not a silver bullet but it definitely contributes to improved educational outcomes.

The Hon. GREG DONNELLY: Ms Barry, in respect of the work your organisation does so far as informing, educating and explaining to children and young people in school about nutritious food and nutritious eating, do you have access to and utilise—in the Western Australia context—facilities on the school grounds that might be available that are used for their other programs and courses that are taught as part of the formal curriculum?

Ms BARRY: Absolutely. Our role is to upskill the educators to deliver the program themselves. We train teachers in schools to deliver this kind of program. The teachers would typically be delivering in an art room that may also be able to be converted into a kitchen. Similarly, it might be an after-care school facility and there is a productive vegetable garden that the school creates themselves or enhances themselves. So far as the program and how it goes across to the rest of the school, the classroom teacher is present in the program so that they can integrate the maths, literacy, history, science and so on. So when the school sits down usually at this time of year to plan their curriculum for the next year, they will look at the kitchen garden and think how can these practical spaces and this practical program enhance or fulfil our integrated curriculum across the whole curriculum of the school.

The Hon. GREG DONNELLY: Is it done as an extra curricular item for the students?

Ms BARRY: No. It is timetabled regularly. It is a regular part of the timetable each week or fortnight. It is not an incursion; it is part of what the children learn. Incrementally, over a minimum period of two years, they start here in skills and knowledge about growing food and cooking it and eating it and end up there. We have created a syllabus for the teachers so that they can pick this syllabus up and know in week one we do this, so on and so on. Some teachers who are highly skilled in cooking and gardening, which is a rarity—although it is becoming more common—can do it without the syllabus. Other teachers need the guidance to understand how they can teach children in kitchen and gardening.

The Hon. SHAYNE MALLARD: Horticulturists.

The Hon. GREG DONNELLY: Forgive me for not knowing this, but is teaching of cooking not done in schools these days?

Ms BARRY: Not in primary schools as much. In secondary schools it varies across each State. Our program is present in every State in the country. Some States have compulsory food tech. The Australian curricular mandates food technology to be taught. From our experience, it varies and some schools do not have a home economics or food technology program at the secondary level. In most States there is no mandating for food education as such as in primary school. They might do a bit of nutrition education, but it is not a hands-on pleasurable type—

The Hon. Dr PETER PHELPS: Everyone gets Healthy Harold, which has—

Ms BARRY: A component of nutrition. They get access to Healthy Harold, but it is not compulsory.

Mr GATT: You will find that 95 per cent of primary schools are implementing the Crunch and Sip Program across the board. That is one area, particularly in that vulnerable area where parents cannot afford to provide their kids with fruit and vegetables, where the Foodbank complements it.

Ms BARRY: Philosophically, I guess the way that our two organisations can complement each other is that we want to skill the children so they can do this for themselves. We totally respect the need for food aid and we think that is a critical role that needs to be played. The way we are working in Victoria at the moment with Foodbank is having discussions about how we can create a program where the children cook the breakfast themselves. From our perspective, that will eventually build skills, build knowledge, and hopefully prevent the problem in the first place that is causing or creating the need for emergency food aid.

The Hon. GREG DONNELLY: Is there a flow-on effect where children go home and start talking to their parents and their parents or carers become more engaged?

Ms BARRY: Absolutely.

The Hon. GREG DONNELLY: Is that an intended part of what you are doing?

Ms BARRY: Most definitely. That is our end goal.

The CHAIR: That is pester power the other way; pester power for good.

The Hon. Dr PETER PHELPS: It is reverse pester power and that is, "No, we do not want McDonald's, we want rissoles and vegies."

Ms BARRY: What great advocates children are. We hear stories all the time of parents coming back to the school and saying, "My child is asking me to buy 'blah blah'. I do not even know what that is." How fantastic that they want that kind of vegetable.

The CHAIR: What is aubergine?

The Hon. Dr PETER PHELPS: That is right. What is kale?

Ms BARRY: I have visited hundreds of schools around the country and I have sat next to eight-year-olds who have told me they now cook for the family at home, and every story in between. I have sat next to an eight-year-old who cooks because there are no parents at home until 11 o'clock at night. In this program, 75 per cent of schools are either low economic status [SES] or mid to low SES. For us, that is a great area of need. The sense of self-esteem and pride of these children, as I alluded to before, is enormous, and that is the motivating factor. That is why they will sit around the table with their peers and say, "Try my salad. I made it. These are the tomatoes I grew." Similarly, they go home and say the same thing to their parents, "Can I cook?" or, "Can I come shopping?" or, "Can we create a vegie garden?" We have hundreds and hundreds of stories of that happening. For us, that is success.

The Hon. Dr PETER PHELPS: Going back to Mr Gatt and the relationship you have with your clients, as you have noted, coming to school without having breakfast is often an indicator of additional concerns within that family grouping. If that happens, does your organisation then say to perhaps the NGO, or do the NGOs say, "Is there something more that can be done? What is the root cause of this problem", or is it left for the clients themselves to say, "I am coming to school without food but there are greater problems." I am on another committee and one of the problems we face is the great siloisation of information. We know this child comes to school without food but we do not tell anyone, and they have additional problems. Maybe if you told someone else, they could look at the root causes. What relationship does your organisation have with the NGOs to fix the broader problem?

Mr GATT: The agencies that we provide food to, as I mentioned previously, Dr Phelps, they will usually have community workers, social workers there, so coming to seek emergency food relief is a telltale sign that there are underlying issues. Yes, they are then in a position to understand exactly which issues they are facing and they are able to redirect them to the appropriate services, be it housing, counselling, financial budgeting.

For example, the photos that I showed you, that is an entree into the community garden that they have established, which helps to embed nutritional medicine and basic cooking skills. That is the holistic part. The synergistic benefit that Foodbank provides is that food is the soft entry point, it is not a destination shop. We say, "You have a problem. Let's sit down and have a cup of tea. We understand what it is. Now let's go to this particular department or we will help you fill out the appropriate forms for housing or whatever." There are those flow-on benefits.

The Hon. Dr PETER PHELPS: That is really excellent. What is the nature of parental input into the community gardens and also the Foodbank side of things?

Mr GATT: As far as the School Breakfast Program, the critical success factor that we have learnt over 20 years now is volunteer support. The program cannot work without parental support. One of the added benefits of the School Breakfast Program is it draws the members of the school into the program. Otherwise it would not be able to run. I showed you the photos of that happy, smiling bunch of people for that particular pantry. They are the Sri Lankan refugees from the Community Migrant Resource Centre.

The Hon. Dr PETER PHELPS: Are they working within their own communities?

Mr GATT: They are working within their own community but this is an entry pathway for them to become assimilated. Rather than say assimilated, socially integrated into the community. This is a pathway for them to be integrated and engaged.

Ms BARRY: It is a similar response for us as well. We find that food, of course, is the great connector. The program does rely on volunteers, so parents will often volunteer. Also the schools similarly reach back out into the community at the program implementation stage. When they need to create a kitchen they will ask parents for a donation if they have any old plates or whatever. For some parents that is possible and for others it is not possible, but what we have found is this program particularly engages the lower socio-economic status communities because parents feel they can come along to dig a garden. They do not have to be put on the spot to read a book or do a uniform shop or manage a canteen. It is actually quite accessible.

Those parents who are perhaps at the other end of the scale and may have a business will support the school too. We see the community capacity being built by bringing together parents around a school when perhaps previously they were disengaged. That is the overwhelmingly common feedback we get from the principal. The cultural diversity mix as well, we see a greater level of both inclusion and cohesion because very much a facet of this program is to teach the children that the differences are exciting and it is great to be able to bring parents in, to bring their cultural experiences of food and share it amongst the group. Definitely that cohesive aspect is very evident.

The Hon. Dr PETER PHELPS: What is the response of non-active parents to the program? What response, if any, have you had from those who are not actively part of the program?

Mr GATT: The response is overwhelmingly positive. I guess to be cynical, they are quite happy that someone else is prepared to—

The Hon. Dr PETER PHELPS: That is what I was going to ask. Do they feel that you are taking their children off them or do they say, "It is fantastic that my kids are getting a meal?" It is the latter?

Mr GATT: Again I say with the group that we are dealing with it is very much a thanks.

The Hon. Dr PETER PHELPS: In other words, "I know I can't cope and I'm just glad that you guys are looking after that"?

Mr GATT: Yes.

The Hon. GREG DONNELLY: I am not assuming that you have done any systematic work on this but if you have I am happy for you to comment on it. Given that you are in and about many schools in this State and other States, what is your observation about school canteens and what is currently provided to children through our regime of school canteens in Australia?

Ms BARRY: I guess my observation would be quite different at a school that is about to take on our program versus one that is in the program for 12 months, because we definitely see that philosophy of fresh, seasonal produce spread to the canteen, but it takes time. Overwhelmingly at schools that I have walked into that have not commenced the program, the quality of food in the canteen is not great. In fact, it is pretty poor. All States and Territories have a canteen policy which is based on the traffic light system but I have been recently having conversations where statistically for food school service policy, which dictates exactly that, the take-up and implementation is incredibly poor. Less than 10 per cent of schools in most States are doing it, which is disappointing.

The Hon. GREG DONNELLY: Less than 10 per cent of schools are following the guidelines on a practical day-to-day, week-to-week basis?

Ms BARRY: Yes. That was on average. That was what we found by talking to the canteen associations. Everybody is aware of this. Victoria is about to release a new food services policy, and all the States have been reviewing their policies, but the challenge is how do we get parents to first be aware that there is a policy and secondly really lobby the school to say that we should do better with our canteens? The reason behind why a lot of the schools have not progressed their canteens to a better style of food is often a financial one and again a misconception that unhealthy canteens are profitable and therefore generate sorely needed funds for the school and healthy ones are not. We have been working with several NGOs around the country to see how can we capture case studies of financially successful healthy canteens and then share it with the broader community.

The Hon. GREG DONNELLY: Have you had any success doing that?

Ms BARRY: We are capturing the studies at the moment but the answer is yes, we know schools are able to do that. It is more about, "Let us share that good news stories so that we can change perception".

The Hon. GREG DONNELLY: The other position is quite entrenched, as you know, isn't it?

Ms BARRY: Absolutely. We talk about the concept of fundraising. We as an organisation have written what we call a facts sheet or a resource for schools to say that this is how you can do healthy fundraising that supports your kitchen garden program. It comes down to working bees, what sort of food do you serve at a working bee now? It should not be your processed white bread, a bad sausage and sugary tomato sauce.

The Hon. GREG DONNELLY: Can we still have the quintessential sausage sizzle on the school grounds?

Ms BARRY: We will have some pita bread and a nice salad and get the local butcher to donate some great sausages.

The CHAIR: In your submission you talk about practical cookery and food education being compulsory in the United Kingdom under their new school food plan. Have you studied that much and is there much that we could apply here?

Ms BARRY: We have studied it quite a bit. As an organisation we have also mentored Jamie Oliver and taught him about our program, which is why he has now started up there.

The CHAIR: You guys are the originators and he is the copycat?

Ms BARRY: Yes, in essence, but that is okay. This is talking about a kitchen garden project. Similarly in the United States and other countries, we have mentored many countries now on how you can create this kind of program that fits into the agenda of the day. In the United Kingdom they have looked at introducing cooking from primary years right through to secondary years and they are looking at the hands-on skills. The issue they have, though, in the United Kingdom is that they really struggle to integrate it across the curriculum.

We are absolutely passionate that this has to happen otherwise for teachers it distracts from NAPLAN, it becomes an incursion, then it whittles down and then it becomes nothing. From a sustainability perspective, we are ahead of the United Kingdom. As far as legislation and mandating, they are ahead of us. They struggle for space. Their school facilities, as you would be aware, are a lot older than Australian school facilities and there is less room. We have the ability for the garden. From our perspective, the garden is absolutely critical in the life cycle of the knowledge of food.

The CHAIR: How innovative is your use of space for those gardens? I think back to my primary school, which was completely covered in asphalt everywhere. In an environment like that—and we are getting higher densities, especially in inner-city schools—what sort of innovative use of space do you have for gardens?

Ms BARRY: I would have to say that we have a lot of innovative ideas and we have learnt the most here in New South Wales. Schools have struggled within Sydney to be able to find the open spaces. But a great example is what we call our demonstration school, a school we work with very closely so others can learn from it. That is at Bondi. I guess from a socio-economic status [SES] perspective it is not the best example in that regard. However, from a small space perspective it is an excellent example. It had a lot of asphalt, just a bit of grass, and they have sunk some raised beds into the asphalt because it had excess space.

The Hon. Dr PETER PHELPS: There are corrugated iron tubs as well.

Ms BARRY: There are above-ground beds that are excellent for poor soil quality, which is common in schools.

The Hon. SHAYNE MALLARD: And accessibility.

Ms BARRY: Yes, and from an accessibility perspective absolutely. We have seen schools work from small tubs right through to massive on-the-ground permaculture-type beds and everything in between. We capture those stories and then share them on our website so a small space school can ask where to have a look at what it can do. The issues vary from region to region within the State, but in Western Sydney, for instance, the schools have a bit more space. They have been able to learn different ways compared to some of the inner-city schools. Our job is to share that knowledge, so that others can learn.

The CHAIR: Do your programs operate only in primary schools, or are they in secondary schools as well?

Ms BARRY: We started with primary schools and we wrote our curriculum for the eight-to-11-year-olds because that is the best age for habit forming and for teaching the skills to do this kind of work. We received so much pressure from early years and secondary that we have now opened a membership-type program, so that those sectors can come to training, get educational resources and then go and do as little or as much food education as they like.

The CHAIR: I imagine that is not integrated into the secondary school curriculum as easily?

Ms BARRY: Interesting you should say that. I do Principal For A Day and I was recently principal for a day in one of the State's largest secondary schools. There we are looking at how to work with the curriculum to put in a kitchen garden program for the secondary sector. The reason why we have not really worked in that space is that we are small not-for-profit and we do not necessarily have the resources, but the demand is really strong. We are looking at vocational education and training [VET]-type situations as well as the specialist streams and how the school can work by taking the cake and cutting off a piece for the sciences and sustainability aspect and a piece for the VET-type programs et cetera. We are doing that work in the next 12 months.

Mr GATT: New South Wales is atypical in the sense that it is the only State where we do not receive funding from the State Government to run the School Breakfast Program. The breakfast programs that we do run in New South Wales are primarily at primary schools. Nationally we run 1,500, but in New South Wales we run probably 25. We have run those on the basis of donations from donors and grants from places like Clubs Australia. That primarily has been to establish our credentials within a New South Wales context and they validate everything that we do within the rest of the country.

The Hon. SHAYNE MALLARD: To clarify that, the funding you talked about before is going into the grocery provisions services?

Mr GATT: The distribution subsidy?

The Hon. SHAYNE MALLARD: Yes.

Mr GATT: Yes, it is going into the whole-of-family distribution, whereas in the other States, each State Government provides specific funding to the School Breakfast Program. Ms Barry mentioned Victoria. The Andrews Government last year committed \$13.5 million to Food Bank Victoria over four years to roll out our School Breakfast Program at over 500 disadvantaged schools.

The Hon. Dr PETER PHELPS: On that point, is there any other organisation doing school breakfasts? In other words, are you not receiving funding because someone else is doing it on an ad hoc basis?

Mr GATT: We support Red Cross programs in various States. Red Cross primarily provides the educational component and we provide the food to supplement the educational program.

The CHAIR: Thank you very much for your evidence today. I am not sure if you took any questions on notice, but if you did the Committee has resolved that the responses to questions on notice will be returned within 21 days. The secretariat will be in touch with you to assist with that. Committee members mooted visiting one of your sites. We may be in contact to set up a visit.

Mr GATT: Please do.

Ms BARRY: That would be terrific. I think the children would like to have lunch with you, if you would be happy to eat the food they have prepared, because it is always delicious.

(The witnesses withdrew)

MARIE DEVERILL, Leader Consultancy, Community Child Care Co-Operative (NSW), sworn and examined
MELISSA WOODHOUSE, Manager Shared Services, Community Child Care Co-Operative (NSW), sworn and examined

The CHAIR: Welcome. Would either of you like to make a short opening statement?

Ms WOODHOUSE: Yes. Community Child Care Co-Operative [CCCC] welcome the opportunity to offer their opinion on this significant issue, and we thank the Committee for the invitation. CCCC are a peak body in the early childhood education and care sector. We have a highly regarded reputation across New South Wales and Australia due to our various leadership roles—as an advocate to government and business for quality education and care; as a provider of qualifications, training and professional learning for educators; and as a publisher of manuals and magazines. With a membership of over 2,000, CCCC are a valued source of industry information and the approved provider or licensee of six early childhood services in Sydney and the Hunter Valley. As such, we have wide experience of early childhood and those factors that may impact on children's health, growth and future wellbeing.

Mandated across all Australian early childhood settings since 2012, the National Quality Framework [NQF] and the Early Years Learning Framework [EYLF] predicate quality provision in children's education and care. Quality Area 2 specifically deals with children's health and safety, while Quality Area 3 addresses the physical environment. Through its Munch and Move program in long day care and preschools, NSW Health has supported the learning for both these quality areas and has made significant advances into children's healthy eating and active play. CCCC have been involved with that since 2009, in the rollout of the Munch and Move program training for educators and active support for all that NSW Health is doing in this field.

There are approximately 1,000 preschools, over 3,000 long day care centres and about 350 family day care services in NSW. At an average of 40 children per day in centre-based education and care, there are potentially 160,000 (approx.) New South Wales children aged birth to six and their families to whom health and wellbeing messages can be delivered, observed and modelled in a formal early childhood setting. However, we believe that there is a further untapped source for getting health and wellbeing messages across to children and parents, this being the educators, who by using the NQF and the EYLF as their reference point are working every day towards quality provision. If educators are to be the best that they can be at educating children then they must first take care of their own wellbeing; they must be healthy, active and engaged with life.

For this reason Community Child Care has developed the EC:Living program. Community Child Care is an innovator in the wellbeing space for educators. The program is the first of its kind in Australia. We see this as a logical step towards provision of more targeted and effective wellbeing messages in early childhood. We see a need to work collaboratively with early childhood practitioners who are the leaders for children in developing healthy mindful association to nutrition and physical activity and as a way to influence both children and families for better life outcomes. Children's ability to change parental attitudes is proven through sustainability initiatives linked to the National Quality Framework [NQF] and the Early Years Learning Framework [EYLF]. Our vision is that through interaction with our EC:Living program educators will be joyfully and healthily engaged with children and can model appropriate eating and activity behaviours that teach children lessons to take home to their parents.

The Hon. Dr PETER PHELPS: There has been a lot of emphasis on the calorific input but calorific output is just as important. What role does physical activity play in early childhood and are there any mandatory standards or recommended guidelines for levels of physical activity within your organisation?

Ms DEVERILL: Across the early childhood sector the curriculum is under the auspices of the Early Years Learning Framework and the National Quality Framework, as we stated. That does not say that children have to do three hours a day or 15 hours a week. NSW Health, through the Munch and Move program, talks about active play and the program is geared around specific things that children will do—they are called fundamental movement skills—to develop children's strength, capacity and resilience. However, neither the National Quality Framework nor regulations predicate that children have to do a specific amount of physical activity. In most early childhood services the environment is set up in a way which would encourage children to be engaging and not necessarily running madly around but doing lots of gross motor activities, lots of climbing, bike riding, building and that kind of thing.

The Hon. Dr PETER PHELPS: There is nothing wrong with running madly around.

Ms DEVERILL: Absolutely not.

The Hon. Dr PETER PHELPS: I can think of two childcare services that my children attended. One had a large open space, lots of climbing equipment and there was an emphasis on active movement. Ironically enough, it was in one of the lower socio-economic areas of Queanbeyan, whereas another one that my children attended was in one of the highest socio-economic areas in Canberra but it had minimal outdoor space and no climbing equipment. It strikes me as strange that there appears to be no requisite amount of physical activity as part of early childhood learning.

Ms WOODHOUSE: Our regulations do have a mandated amount of outdoor area per child, but how that outdoor area is used is not mandated.

Ms DEVERILL: The concept of climbing frames and swing sets and that kind of thing has moved out of the early childhood sector in a lot of ways because there is an encouragement towards children's physical activity not to be based just on that and on being directed by staff. It is more about children creating environments for themselves with the support and guidance of staff.

The Hon. Dr PETER PHELPS: Except a climbing apparatus becomes a castle, a ship, a rocket or whatever, whereas five square metres of grass is five square metres of grass.

Ms DEVERILL: That is where the creativity of the staff come in.

The Hon. Dr PETER PHELPS: That is true.

The Hon. GREG DONNELLY: In terms of the organisation itself and its various affiliates, have they seen this issue which has been manifested in this inquiry about increasing obesity and overweight children? Has there been an alertness as a result of seeing, through who is coming to the preschools, that this is an issue? As an organisation, have you responded to that? Not in an outside government mandated way, but seeing there is an issue and accordingly being concerned about the wellbeing of children and responding to that? If you have, what have you done?

Ms WOODHOUSE: We noticed it. We do not have any formal study data but in our partnership with NSW Health the Munch and Move program has been our response together with working alongside the experts in that field to provide appropriate information, training and activity into the early childhood setting. As an organisation we have looked at the role models that are there for children and recognised a significant increase in this issue with the educators. We have provided the EC:Living program, which has links with dieticians, nutritionists, sports psychologists and personal trainers, in order to encourage educators to look after their wellbeing as well and, therefore, provide the appropriate role model to the children in their care.

The Hon. GREG DONNELLY: Are the people working in the childcare facilities linking back and engaging with parents and carers about issues being observed, or is it a matter of talking through matters in ways that the children understand and discussing issues and having healthy food on the premises in order to engage?

Ms WOODHOUSE: Absolutely. In long day care services, traditionally food is prepared and it has to meet certain nutritional standards to be assessed under the National Quality Framework. In a preschool environment where children bring their own food, educators talk to the children and the families about food that helps us grow and food that is "sometimes food". It is generally in a way that the children understand and they take their learning home.

The Hon. GREG DONNELLY: This is a hypothetical: If you had a little one come into one of the facilities and brings for morning tea a can of coke and a mars bar, how do you deal with that?

Ms WOODHOUSE: I will speak on behalf of the six services that we licence. We tend to have healthier food options available on site and we would prepare something for that child and potentially send that home with an explanation to the family around why.

The Hon. GREG DONNELLY: Softly done. I thought it was probably something like that.

Ms DEVERILL: If I can add to Ms Woodhouse's comment about action we have taken. Part of our work at Community Child Care is around training educators. We run a number of training courses and workshops for educators around the provision of interesting quality food. Most recently we had one called Food for Thought, which was a wonderful day. We made herb tea and cooked bread and all sorts of things. We have a program called Little Green Spade, which is all about gardening with children and using the food that is grown for the children's lunches and the children to have their snacks with.

The Hon. Dr PETER PHELPS: A preschool version of Stephanie Alexander's Kitchen Garden.

The Hon. GREG DONNELLY: Absolutely.

The CHAIR: A little herb garden, perhaps.

The Hon. SHAYNE MALLARD: What penetration to the age group do you think you have?

Ms WOODHOUSE: We have 2,000 members, largely across New South Wales. The educators that come to our training will take the messages back. Individually we only have six services that we are providers for.

The Hon. SHAYNE MALLARD: Do you think you are reaching all the kids of that age across the State?

Ms WOODHOUSE: We are the largest peak body in New South Wales for community-based services.

The CHAIR: You say a potential of 160,000 children.

Ms WOODHOUSE: We believe that is how many children are in care.

The CHAIR: Not necessarily in your agreement?

Ms WOODHOUSE: No.

Ms DEVERILL: We would reach a large proportion of those educators because of our training programs across New South Wales. We have a roll-out training calendar which people receive in the mail.

The CHAIR: Thank you for presenting to us today. I do not think you took any questions on notice but if you did the Committee has resolved that answers to questions taken on notice be returned within 21 days. The secretariat will contact you with regard to that.

(The witnesses withdrew)

(Luncheon adjournment)

SHANTI SIVANESWARAN, Policy Advisor, Australian Dental Association (NSW Branch) Limited, sworn and examined

KATE MIRANDA, Head of Communications and Public Affairs, Australian Dental Association (NSW) Branch, sworn and examined

The CHAIR: Would either of you like to make an opening statement?

Ms MIRANDA: I would. Thank you for the opportunity to be witnesses at this inquiry. Dentists perform a key role in the primary healthcare system—more than six million dental appointments take place across New South Wales every year by some 4,500 dentists. Australian Dental Association (NSW Branch) Limited [ADA NSW] is the peak professional association for dentists and dental students in New South Wales. Our vision is to achieve the best standard of oral health for our community, and promoting oral health is a key part of our mission. There is a connection between obesity and poor oral health and we welcome the opportunity to participate in this inquiry and assist this Committee's consideration of oral health within strategies to reduce childhood overweight and obesity.

Research indicates that poor oral health is correlated with chronic diseases such as obesity, diabetes and heart disease. There are connections between oral health and other diseases such as stroke, rheumatoid arthritis, dementia and adverse pregnancy outcomes. Oral infection, in particular periodontal disease—gum disease—increases the risk of these systemic diseases. There is an increasing amount of evidence that obesity is also associated with periodontitis and dental decay. Overweight children have also been shown to be more likely to have dental decay. Oral health is a gateway to many chronic diseases and improved oral health can provide a gateway to improving general health. Good oral health and oral health habits enhance general health and wellbeing and lessen the impact of some systemic conditions, including overweight and obesity.

There is a general lack of recognition of the links between oral health and general health. Oral health care is not included in Australia's Medicare system and is perceived by many as being outside the general health system. Oral health screening and preventative advice is often not included in general health checks, discussions, patient information and education. The case in point here is the impact of sugar on health. It is well documented that free sugars, or added sugar, are the primary necessary factor in the development of dental decay but, despite this, we hear a lot about the impact of sugar on major health issues such as diabetes, obesity and cardiovascular disease and we hear less about the impact on oral health. ADA NSW strongly advocates strategies for putting the mouth back into the body and for oral health to be put back into general health. Therefore, any comprehensive strategy to tackle obesity from a diet perspective must also include oral health.

Dental decay impacts significantly on the quality of life of young children, as detailed in our submission. In New South Wales, despite being largely preventable, dental decay is the most prevalent chronic disease in childhood, with 40 per cent of children aged five to six years having untreated or having experienced dental disease. It is also concerning that in New South Wales the highest rates of preventable hospitalisations for children are due to dental conditions. In both research and public policy, potentially preventable hospitalisations are often used as a proxy measure of primary care effectiveness and/or access to care. Socio-economic factors and high intakes of free sugars are known risk factors for dental caries—dental decay—and for obesity. It is therefore likely that interventions that reduce these common risk factors have the potential to impact both conditions. However, there are many non-shared risk factors for both conditions. Aside from free sugars and socio-economic deprivation, obesity in children and young people is affected by many complex behavioural and societal factors, including overall calorie intake, physical activity levels and genetic factors.

Dental caries are also affected by exposure to fluoride, overall dietary composition, oral bacteria, salivary composition and flow rates, and tooth enamel structure. Therefore, besides the common risk-factor approach, evidence-informed intervention approaches are also required to combat obesity and improve overall health. Implementing initiatives that prevent and/or treat dental decay will support efforts to address chronic disease, including obesity. This evidence-informed intervention must be part of a broad-based, multi-strategy, whole-of-society approach to reduce childhood overweight and obesity and to improve oral health. ADA NSW is committed to improving oral health and to reducing obesity. We look forward to identifying opportunities to collaborate with the New South Wales Government and other organisations to implement relevant initiatives that may be recommended by this inquiry.

The CHAIR: Thank you, Ms Miranda. We will proceed with questions.

The Hon. Dr PETER PHELPS: Surely the oral health of Australia has been improving, especially over the past two decades?

Ms MIRANDA: It has, but there is also a lot of evidence that the increased intake of sugar is having a detrimental impact on overall oral health in both adults and children.

The Hon. Dr PETER PHELPS: I have figures here from 1979 that show that 60 per cent of men and 71 per cent of women aged over 65 were edentulous, while in 2002 the figures for the same age group had dropped to 30 per cent and 45 per cent. That strikes me as surprising, considering that the availability of high-sugar sodas in the 1914 cohort would be nowhere near as wide as in the post-1945 cohort.

Dr SIVANESWARAN: There has been a significant improvement in oral health because of preventive strategies in the population such as water fluoridation. New South Wales has done very well in that respect. The statistics show that 96 per cent of the population that are connected to the reticulated water supply have access to fluoridated water. When the first survey was done on children in the 1950s dental decay was as high as nine to 10 DMFT. That acronym stands for decayed, missing and filled teeth, and it is the standard indicator used across the world to measure oral health status. The latest figures for child oral health in New South Wales show that the decay rate is 0.7 DMFT.

An average child or adult in New South Wales and Australia has good oral health. Those who have poor oral health are concentrated in the lower socio-economic groups, including the Aboriginal population and newly arrived migrants. You are right that oral health has improved over the years, but we are trying to focus on those groups of young children who have exceptionally high decay rates. In a way, the mean has masked the severity. That is why we use an index called the Significant Caries Index to look at the lowest decile of the population who have very poor oral health.

The Hon. Dr PETER PHELPS: The problem that we face at the current time is the continued use of bottled water, which may have had the fluoride extracted from it. People have become too wealthy. They are buying water that they should not be drinking if they wish to maintain proper dental health.

Dr SIVANESWARAN: Yes. That is one of the reasons. The decay rates over the past 50 years show a marked decline coinciding with the introduction of water fluoridation, fluoride toothpaste and preventive philosophies in dentistry. Decay rates then started to plateau in the early 1990s, and for a long time we were wondering whether the rate would go up or down. The latest survey indicates a slight kick up. We hypothesise that it is because many children are not getting the benefits of fluoridated water by drinking bottled water. The consumption of soft drinks is obviously a factor. In a lot of places, such as on the North Shore, people buy filters to take the fluoride out of the water.

The CHAIR: Damn those people on the North Shore. I live on the North Shore, so I can say that.

Dr SIVANESWARAN: So do I. I see people in the supermarket buying big cases of bottled water. I feel like tapping them on the shoulder and saying, "Why are you doing this? It is expensive and there is no benefit for your child."

The Hon. Dr PETER PHELPS: The correlation with lower socioeconomic groups may also have to do with the problem of choice. If someone has to choose between toothpaste and food, food will be chosen over toothpaste. So the problem might not necessarily be caused by food; the purchasers of the product have made a decision. They have said, "I do not need to worry about brushing my teeth. We cannot afford toothpaste." Is there also an argument to be made that there is a need for better dental hygiene training so that people understand that brushing your teeth is not an optional extra?

Dr SIVANESWARAN: That is why we are here—to raise awareness of the importance of good oral health. Everybody knows the effect of sugar in the diet and its contribution to diseases such as diabetes and obesity, but not many people are aware of the impact of sugar on oral hygiene or the importance of good oral hygiene and tooth brushing on good oral health. If you do not have good oral health you will have problems with overweight or you will be undernourished. It is so important to have good oral health.

I would take it further back to when a woman is pregnant. She needs to be aware of the importance of her oral health, not just that of her child. When a child is born it has no bacteria in the mouth. It is important that a mother knows she has to reduce bacteria in her mouth so that she does not transmit the bacteria load to her child. I have seen mothers preparing formula, tasting it with a spoon and then putting the spoon back into the formula. That is transferring bacteria. It is important that mothers are informed about good oral health habits. I take your point about toothpaste. I find it expensive. Toothpaste and toothbrushes are very expensive. We talk about subsidies for food. We should also advocate for subsidies for oral health products, cleaning products. One of the studies we have done is in unfluoridated areas, giving the councils toothpaste and toothbrushes to hand out to the families. And there have been studies done in the United Kingdom [UK] where they have posted the fluoride toothpaste and the toothbrushes to families. It is a family pack and that seems to be very effective in some of these poor oral health high-risk populations.

The Hon. Dr PETER PHELPS: Let us get this on the record: People who believe that there is something wrong with fluoridated water are bonkers, are they not? They are stark raving bonkers. The Doctor Google—invariably middle class—self-assessment is completely and utterly wrong. There is nothing wrong with fluoridated water. In fact, it has material health benefits and it is cheap.

Ms MIRANDA: All of the evidence supports fluoridation.

Dr SIVANESWARAN: Yes and we have the latest scientific evidence from the peak scientific body, which is the National Health and Medical Research Council, which confirms that. I think most people who are anti-fluoridation agree that fluoride actually helps teeth, but they are concerned—or claim they are concerned—about the wider health effects of water fluoridation. That study, which is now out for public consultation, reaffirms that water fluoridation is safe, effective and a very equitable way of preventing oral health problems. When talking about upstream measures and attacking social determinants of health, I also teach at the University of Sydney and I say we are lucky because we have water fluoridation which is like a magic bullet and fulfils all the requirements of an upstream measure for population health.

The Hon. GREG DONNELLY: I take you to your submission. Turning over the pages, this is the page after the graph where it has the recommendations. I will not read the first paragraph out but the second last line after "social inequities" reads "Oral health has not been identified as a health priority". I am just wanting to push this a little further because in your opening statement, Ms Miranda, I picked up your saying about oral health getting put back in as a priority. I would like your thoughts about the current status of oral health. Is there an argument that it was once a point of greater focus than it is now and that there has been a slippage of it to the margin, or are you saying it has always been not a particularly high priority, certainly not as much as mainstream health issues and you are advocating to try to get it put in as one?

Ms MIRANDA: Yes I think it is partly because a lot of the media focus and a lot of the government focus is on Medicare and Medicare funding for health. Because largely dentists are in private practice and it is not funded by Medicare, people see oral health, or the mouth, as separate or dental health as its own separate category, when in fact it is a key part of the primary health system.

The Hon. GREG DONNELLY: I agree with that. I am just curious that that is not understood by the community at large. Dental health does seem to be a marginal player compared to the mainstream health issues which we continue to have reinforced time and time again. But from your submission and from the evidence, we know how integral oral health is to the overall health and wellbeing of a person.

Dr SIVANESWARAN: I think oral health traditionally and historically has had a low priority as far as health is concerned. So I think that statement, instead of putting it back into the mouth, should be put mouth into the body. The importance of oral health has always had a low profile and low status. Now we know that it is not just about teeth and having a beautiful smile or being able to eat nutritious, healthy foods, oral health is also linked to systemic diseases and with a very strong correlation between diabetes, cardiovascular disease, stroke, obesity and even Alzheimer's disease. That evidence is now emerging. So there is great importance on oral health. It is not just about teeth. People used to be quite happy to have their teeth extracted as a 21st birthday present. So oral health has never been high priority.

Ms MIRANDA: One of the key issues as well is that 90 per cent of tooth decay is preventable, so we are talking about a health condition that has a massive impact on funding and on the overall tax payer but it is largely preventable. If people had more awareness and there was greater education, we could reduce this massive burden on the taxpayer.

The Hon. GREG DONNELLY: I press you on this particular point, because it has been argued one way or the other in different submissions and with different witnesses, with respect to your recommendation 2 about advocating work with the Commonwealth Government to impose a tax on sugar-sweetened beverages. In some sense that is becoming, dare I say it, a populist argument and people can—almost without even thinking about it if they are not minded to look at it in more detail—get carried away with that almost simplistic argument, to just whack on a tax. I do not know if other members of the Committee have concerns as well, but do you think the association potentially runs the risk, dare I say, of being caught on a bit of a bandwagon effect of this sort of bold statement about whacking on a sugar tax or a sweetened beverage tax? When, in fact, it is a complex issue we are looking at and there are a number of elements which, if they could be advanced ahead of that, are probably likely to make a significant inroad in terms of dealing with oral health in Australia.

Ms MIRANDA: With everything, we advocate an evidence-based approach. The World Health Organization has stated that a tax on sugar in beverages works, especially when that money goes back into the health system. When you say "a bandwagon", I think there are a lot of countries, especially in Europe, that have now put on a sugar tax. In Mexico there is evidence that they had a 10 per cent sugar tax introduced in January

2014 and by December 2014 there was a 12 per cent reduction in soft drink consumption, and the greatest reduction was by low-income families who drink the most soft drink. So the evidence is there, and it is building all the time, to show that a tax does work.

I have a copy of a paper by academic Lennert Veerman, if anyone would like to read it. He did some modelling on a 20 per cent sugar tax in Australia and what that would mean. It shows that it would raise revenue of \$400 million but it would also reduce the burden on the health system to the tune of \$600 million. If you look at it together, that is a saving of a billion dollars—a really big number as far as reducing the burden on the health system.

Dr SIVANESWARAN: On that study dental decay was not taken into account. We believe it is an under-estimation of the health expenditure saving because it considered the major diseases but it did not take oral health into account. Coming back to your question as to the bandwagon, I think the fact that there is evidence that sugar-sweetened beverages are one of the critical factors in dental decay is the reason why the Australian Dental Association supports a tax. We believe that the minute a tax is introduced, it is the low socio-economic group that would tend to avoid buying those sorts of products. In other words, we are trying to reduce this inequality gap.

The Hon. GREG DONNELLY: Has there been any evidence from those countries overseas?

Dr SIVANESWARAN: Yes, the Mexico study showed that the reduction in consumption of soft drinks was across all socio-economic groups but the highest was in the lower socio-economic group. If you look at the NSW Council of Social Services [NCOSS], they put in a pre-budget submission for oral health because that was one of the issues. They ran a survey on the population on those who are on government benefits and I think about 50 per cent supported a tax on sugar-sweetened beverages. There seems to be evidence to support that and I think there is evidence from some study that 69 per cent of grocery buyers supported a tax on sugar drinks.

The Hon. SHAYNE MALLARD: Can we have that study tabled or copied for us?

The CHAIR: Yes, you can take it on notice.

Dr SIVANESWARAN: The Veerman study?

The Hon. SHAYNE MALLARD: And the study you were quoting from before.

Ms MIRANDA: I have a copy here.

The Hon. SHAYNE MALLARD: What worries me about a sugar tax is the nominated figure of 20 per cent. When does it cut in that people start to change their buying habits? You are saying it is 20 per cent from that study?

Dr SIVANESWARAN: That study used modelling based on 20 per cent. The study in Mexico was 10 per cent. The Veerman study was based on 20 per cent tax—valoric test.

Ms MIRANDA: Mexico, even if it is as low as 10 per cent, it was still a significant decline.

The Hon. GREG DONNELLY: So I can understand the size of this, I wish to turn to point 7 of your recommendation, which states:

Consider strategies to reduce the marketing of sugary food and drinks, and working with manufacturers to reduce hidden sugar content in processed foods.

Pardon my ignorance, is there a high incidence of hidden sugar content in processed foods?

Ms MIRANDA: Yes, massive.

The Hon. GREG DONNELLY: I am well aware of the salt issue. In respect of sugar, how is it hidden?

Ms MIRANDA: The World Health Organization recommends a maximum of 12 added teaspoons of sugar per day, and we should aim for six. If I said to you, "What does five fruit and veg a day look like?" I am sure everybody around this table and the general population would know they should be eating five servings of fruit and vegetables every day. That can be a cup of salad, an apple. They know how to add that up. If you say to someone, six teaspoons of added sugar, how much is in one tub of yoghurt? If you say to someone, "In your daily diet what would you eat?" A lot of it is hidden in so-called health foods, like yoghurt. One tub of yoghurt has six teaspoons of sugar. You can eat 45 Weetbix, which does not have much sugar at all, compared to 250 millilitres of soft drink. That is six teaspoons of sugar. If you ask people to look at their daily diet—if you have four slices of raisin toast for breakfast, you are there on how much sugar you should be having in a day. I do not

think there is a lot of awareness. Especially with food labelling, it is difficult to tell how much of your daily sugar intake is in that particular food.

The Hon. GREG DONNELLY: Is that the point about it being hidden? Are you saying it is not on the labelling?

Dr SIVANESWARAN: Yes.

Ms MIRANDA: It is part of it. There is also general awareness.

The CHAIR: In the sense that it is not on the labelling, do you mean you would not be able read that in terms of nutrition or you would not realise that you are having bread that has got—

Ms MIRANDA: How much sugar is in a slice of bread, exactly.

The CHAIR: That would be on the labelling on the packet.

Ms MIRANDA: But it is quite difficult to read.

The CHAIR: It is there, but it is not saying this is this many teaspoons of sugar.

Ms MIRANDA: It might be in grams. Then, how many grams in one teaspoon? If you were a parent thinking, "If I give my child one serving of this particular yoghurt, have they reached their daily intake?" It is what our members say, what our dentists say every day—one of the biggest things they are tackling is the amount of hidden sugar in food. One 600 millilitre soft drink contains 16 teaspoons of sugar. That is 30 per cent above the highest recommendation by the World Health Organization. You have one 600 millilitre bottle of soft drink and you are well over. A lot of breakfast cereals have hidden sugar.

The Hon. GREG DONNELLY: It is more an obtuse understanding of the sugar content. I thought "hidden" might have meant there was some masking going on.

Ms MIRANDA: It just means added sugar. I think when you are eating and drinking sugar, it has the biggest impact on childhood obesity. If children stopped taking sugary drinks, something they can do today, it will have a massive impact on their oral health and overall health.

The CHAIR: In terms of a spoonful of sugar, Mary Poppins told us that it helped the medicine go down, but your recommendation 8 is that we should work with pharmaceutical companies to remove sugar from medicines. How much sugar is there in pharmaceuticals or medicines and where would it be?

Dr SIVANESWARAN: I think there used to be a lot more sugar in pharmaceuticals but now there are sugar-free alternatives. Again, we still do not know in the sugar-free alternatives whether it is absolutely no sugar. Again, it comes back to the understanding of the label—

The CHAIR: Are we talking about kid's cough syrup and things like that?

Dr SIVANESWARAN: Yes, all the syrups. I think it is to make it easier for parents to understand how much sugar and how you do that.

Ms MIRANDA: And to look for the sugar-free alternatives.

Dr SIVANESWARAN: Yes, and to look for the sugar-free alternatives.

The CHAIR: Any further questions?

The Hon. SHAYNE MALLARD: I wanted to explore the so-called diet products. There is diet yoghurt and diet soft drink. It is not clear to me. Is that sugar free?

Dr SIVANESWARAN: Not really. In fact, a lot of low fat yoghurt is low fat, but it has more sugar to make it tasty.

The Hon. GREG DONNELLY: There is more sugar to make up for it.

Dr SIVANESWARAN: Exactly. I find it very—

The Hon. SHAYNE MALLARD: Coke Zero, is that zero sugar?

Ms MIRANDA: That is zero calories.

The Hon. SHAYNE MALLARD: It is very confusing.

The CHAIR: But does it have sugar? I thought it was a sweetener.

The Hon. Dr PETER PHELPS: No, it is phenylketonurics and phenylalanine.

Dr SIVANESWARAN: It is a sugar sweetener, aspartame. It makes it difficult for us to understand. Most people do not have the time to look at it and read it carefully and understand it. We would like to see a simpler way so people can pick it up a product and—understand the label whether it is a five-star rating system—identify what is good for you and what is not good for you.

The CHAIR: What is your view in respect of those sugar substitutes? Do they have similar impacts? Are you comfortable with those? If I was having a can of Coke Zero or something with artificial sweetener in it, what is the—

Ms MIRANDA: We would always advocate water.

The CHAIR: Fair enough.

The Hon. Dr PETER PHELPS: Tap water.

The Hon. SHAYNE MALLARD: With fluoride in it.

The CHAIR: In terms of the alternative, fluoridated water from the tap?

Dr SIVANESWARAN: Sugar sweeteners have been quite effective in reducing the risk dental decay if you use sugar substitutes like xylitol, aspartame. I do not like the taste of sugar sweeteners. I would rather not drink Coke than have Coke Zero. There has been, and I am not quite sure about the side effects of some of these sugar sweeteners. There has been evidence that some of those could be carcinogenic.

The CHAIR: There seems to be a new study every week.

Dr SIVANESWARAN: As far as dental decay, if you are using sugar sweeteners, it helps with reducing the risk of dental decay compared with free sugar.

The CHAIR: Thank you very much for your evidence. You ended up taking a question on notice with regard to some of those reports or you may have that information here that you can furnish to the Committee. The Committee has resolved that answers to questions taken on notice be returned within 21 days. The secretariat will be happy to assist you in complying with that request. Thank you for your evidence today and for your submission.

Ms MIRANDA: Thank you very much.

(The witnesses withdrew)

GARY DAWSON, Chief Executive Officer, Australian Food and Grocery Council, sworn and examined

GEOFFREY ANNISON, Deputy Chief Executive, Director, Health, Nutrition and Scientific Affairs, Australian Food and Grocery Council, affirmed and examined

GEOFF PARKER, Chief Executive Officer, Australian Beverages Council, affirmed and examined

JENNIFER THOMPSON, Technical and Regulatory Manager, Australian Industry Group, sworn and examined

The CHAIR: Would anyone like to make an opening statement?

Mr DAWSON: Thank you for the opportunity to appear today. We have put in a submission, which no doubt you have read. First of all, briefly, the Food and Grocery Council [AFGC] works on behalf of food and grocery manufacturers. We are the peak national body for food and grocery manufacturers in Australia. They are companies that typically take produce from farm and transform it into food and the consumer goods that every Australian needs every day, the essentials of life fundamentally. This is a big industry. It is a \$120 billion industry roughly and a significant industry in New South Wales. Food and beverage processing in New South Wales is around a \$25 billion a year industry. It employs around 70,000 people directly and a lot of those are in Western Sydney. A lot of our members are in Western Sydney, our member companies, and there are around 33,000 jobs there. There is about \$5 billion in exports from New South Wales. That is processed food and beverage products, not raw agricultural commodities.

You would have seen from our submission that over many years—decades—the food industry has played an active role and I think a positive role in debates and policymaking around diet and health and the broad issues around obesity, including childhood obesity. We would summarise that positive role down into four key areas. The first is provision of choice. That is a constant process for the food industry. It is a highly competitive, dynamic sector of the economy, as you would expect when you are dealing with consumers and consumer preference. There is constantly new products under development and often those take their lead from where consumer trends are heading. Obviously, when there is concern around wellness and health and weight the raft of new products in that space is increasing every day. I do not think we have ever had such a wide array of choice.

The second area is provision of clear information. That is both on pack and through other means. Increasingly consumers go to mobile phones for information. Again, there is almost limitless information available now to consumers. That goes hand in hand with choice. The third area is responsible marketing. We are nearly 10 years into, for example, the responsible children's marketing initiative and the quick service restaurant initiative, both of which are about restricting advertising that is directed at children. Those codes have been successful in pretty much removing all advertising of discretionary foods from children's television, for example. The fourth area is in product reformulation. That is the process of over time, informed by nutritional science, improving the nutritional profile of foods—removing the salt, fat and so forth.

The AFGC has been actively involved in debates and policymaking on childhood obesity over many years. In 2005 we contributed \$1 million to what was then I think the biggest national survey, the Australian Children's Nutrition and Physical Activity Survey conducted by the Commonwealth. That survey found, out of interest, that around 72 per cent of children were a healthy weight, 17 per cent were overweight and 6 per cent were obese. I think the latest data has very similar numbers, around 22 or 23 per cent of children who are overweight or obese. Over that decade those numbers have barely moved. I think that is worth noting because this is certainly an issue and it is one that policymakers are rightly grappling with and the food industry, but the task is to bring that down. It has plateaued partly I think in response to the initiatives that have been taken over the last 10 or 20 years.

My final point is to point to the summary around the policy initiatives that are contained in our submission. Going forward, we are actively involved at the moment with the Federal Government on the Healthy Food Partnerships. There are initiatives around labelling, including the Health Star Rating system, which is still being rolled out. They too are a demonstration of this active approach that the food industry has taken. I wish you well with your deliberations and am obviously happy to take questions. With me is Geoffrey Annison, who is my deputy but an eminent food scientist as well. I claim no expertise in science.

Mr PARKER: The Australian Beverages Council is obviously pleased to provide a submission to the New South Wales inquiry—a copy of which you have there—as the peak industry body representing 95 per cent of the non-alcoholic beverage industry's production volume. As an industry we have been listening and adapting to consumer and public health needs for more than a decade. Through a range of initiatives we have not only

voluntarily informed consumers about the nutritional content of our products but we also continue to innovate and provide choice to ensure that a wide range of low-kilojoule and low-sugar beverage options and smaller portion sizes are available in the food supply. Importantly, these initiatives appear to have contributed to a decline in sugar-sweetened beverage consumption in children. For instance, between the national nutrition surveys in 1995 and 2011-12 there has been a 9 per cent drop in the percentage of children consuming soft drinks, a 24 per cent drop in the percentage of children consuming cordial and a 36 per cent drop in very young children consuming soft drinks. Water consumption has increased and continues to be the beverage of choice for children.

Over the last 15 years there has been a 26 per cent decline in per capita sugar contribution from soft drinks. Today nearly one in two water-based beverages are low or no kilojoule varieties. Three of the top four selling soft drinks are low or no kilojoule. Soft drinks contribute just 1.9 per cent of the average child's daily kilojoules and soft drinks are ranked tenth in the list of kilojoule contributors in the discretionary or treat food portion of the average child's diet. All this has been occurring while the prevalence of overweight and obesity certainly in New South Wales has plateaued but nationally has risen. We certainly welcome working collaboratively with multiple stakeholders, including government and health organisations and food industry colleagues, to meet the New South Wales Premier's target of a 5 per cent reduction in rates of overweight and obesity in people aged five to 16 by 2025.

Ms THOMPSON: On behalf of the Australian Industry Group I would like to thank you for giving us this opportunity to come to this inquiry. The Australian Industry Group represents the interests of all major Australian confectionary companies and small- and medium-sized operators. As a national organisation we represent a more diverse range of industry sectors, from manufacturing through to construction, defence and information and communications technology [ICT]. But today I am here specifically representing the Australian confectionery industry. We as an industry understand the concerns around health and wellness and the need to reduce overweight and obesity in the community, particularly in children. We support the New South Wales Government's leadership in this area. We are aware of the role that our industry can and does play to make a difference and to ensure that confectionery is truly understood as a treat food. Whilst we eat for nutrition we also eat for pleasure, and it is important that we get the balance right. In terms of treat foods, foods like confectionery can be enjoyed sometimes and in small amounts, but obviously core foods have to be the focus of a healthy diet.

As an industry, we are committed to effective solutions to help address the nation's nutrition awareness and reduce the prevalence of overweight and obesity. We play a role in educating consumers, informing them so that they can make informed choices. We encourage balanced portion control and moderation around our products. We offer a wide variety of choice for the confectionery occasion, providing clear nutrition information and commitment to voluntary self-regulatory marketing measures. Committee members may be familiar with the industry's Be Treatwise initiative, and I have brought along a number of samples to show the label on the front of packs that our major confectionery companies use, and increasingly it is being used by smaller companies too. It is a logo and tagline encouraging people to enjoy a balanced diet. It is designed to provide consumers with a visual cue on the pack to help them to understand the place confectionery has, so they are mindful about the energy content that they consume from confectionery.

Be Treatwise has a high recognition and understanding amongst consumers. Be Treatwise complements the government-led health star rating [HSR] system, and the Australian Industry [Ai] Group has been a part of its development and implementation, with the head of the Victorian Ai Group sitting on that committee still today. The HSR system is being introduced alongside Be Treatwise, with confectionery agreed serve sizes. The industry is also bringing that information to front of pack, in conjunction with HSR, to help consumers better understand their dietary habits and the place confectionery has. Our industry companies are also investing in scientific research, innovation and new product development to bring new products and reformulated or resized packages to market, offering choice for consumers in many portion-controlled sizes. Many of our major confectionery companies also provide nutrition and health information to consumers and help promote increased physical activity through the delivery of a number of programs they do in conjunction with other stakeholders with a view to increasing knowledge and understanding and helping to deliver behavioural change.

The CHAIR: We heard evidence earlier today that prior to the introduction of the GST there was a 30 per cent wholesale sales tax on sugar-sweetened beverages, soft drinks in particular, which was reduced by the introduction of the GST. I asked that witness whether there was any evidence of either an increase or decrease in the sale of carbonated beverages on that reduction. The witness did not have that information but suggested that somebody on this panel might be able to provide the Committee with that evidence. Do you have that information, even anecdotally?

Mr PARKER: It is certainly something that we can provide more definitive data on. Anecdotally, there has been a fundamental shift away from regular kilojoule soft drinks, and that has been happening over about the last 15 years. There has certainly been a shift towards low and no kilojoule varieties. A walk down a supermarket aisle or a walk into a petrol or convenience store certainly shows a proliferation of low and no kilojoule varieties. I am happy to provide some definitive data.

The CHAIR: Is that because of the price mechanism?

Mr PARKER: No, I think it is because of consumers becoming more aware of the role of a range of beverages in their diet. It is also reflective of the fact that what we choose as a beverage changes with our life stage. For example, children are obviously higher consumers of water. Water continues to be the beverage of choice for young children. Milk obviously—and as a beverage industry—

The CHAIR: If you asked a kid what they wanted, they are probably not going to say they would love water rather than flavoured milk or juice.

Mr PARKER: It is interesting that parental responsibility is a big factor in what goes into a child's mouth. I am a parent of a 15-year-old, and it is absolutely up to me as to what goes into her mouth. Parental responsibility is an important factor. As a beverage industry, for very young children, we promote water and milk as being the beverages of choice. As kids get older, cordial, fruit juice, diluted fruit juice can certainly play a role. Getting back to the tenet of the response is that as our life stage changes our beverage choices change as well. Older adults are higher consumers of low and no kilojoule varieties. Teenage boys, for example, 14-to-18-year-olds, are the biggest consumers of regular kilojoule soft drinks. They are the biggest consumers of hamburgers, pizzas and potato chips. But what we choose as a beverage certainly changes with life stage.

The Hon. SHAYNE MALLARD: When you say low and no kilojoule drinks, do you mean no added sugar?

Mr PARKER: It can certainly have added sugar but also have, for example, a blend of stevia, which is a natural sweetener with little or no calories, or it could be a blend of added sugar and some artificial sweeteners.

The Hon. PENNY SHARPE: We have heard quite a lot of evidence around marketing, and I note your comments in relation to the marketing initiative to children, which I assume deals specifically with advertising. Can you confirm that advertising also includes online advertising and digital?

Mr DAWSON: Yes, but the voluntary codes that we administer include television, radio—

Mr ANNISON: Print.

Mr DAWSON: —print, online.

The Hon. PENNY SHARPE: How does that differ from the branding that your member companies use in relation to children?

Mr DAWSON: The code is a voluntary code and it covers marketing directed to children. That is defined as marketing, on television for example, in children-classified programming for advertising that is in any program where more than 35 per cent of the audience are children, which lines up with the international codes on this. It is not restricted to a majority of children, but audiences of more than 35 per cent children. The commitment is only to market either healthier choices or physical activity.

The Hon. PENNY SHARPE: How are healthier choices defined? If you say the food is sometimes good or a treat-only food, does that get around the code? Does that mean it is acceptable to advertise to children under 12?

Mr DAWSON: No, there are a range of nutritional criteria that are relevant in this space. Some of the companies use the healthy canteen criteria and some use the Heart Foundation criteria. Those are the criteria used to determine whether it is a discretionary food staple. If you watch children's television, as I still do from time to time with young children, the absence of food advertising is quite noticeable—the ad breaks in children's television now are wall-to-wall toy ads. That reflects the evaluation we do, which is detailed evaluation every year. We have just published the latest report, which we can send to the Committee. It found a 99.75 per cent compliance rate, so a very high compliance rate, with the code.

The Hon. PENNY SHARPE: I understand that, but what are the circumstances in which marketing is allowed to occur to children under 12 for what we would consider to be not apples—so junk food? Are you saying that there are no circumstances in which that happens?

Mr ANNISON: The basic requirement under the responsible children's marketing initiative is that the companies set themselves in their plans the standard they are going to use and the scientific or government-supported nutrition criteria that will determine whether they advertise or not. If they advertise to children, the advertisements have to be for a healthier product.

The CHAIR: Can McDonald's advertise for the Happy Meal with the nuggets, fruit and water or orange juice?

The Hon. PENNY SHARPE: What is a healthier option?

Mr ANNISON: If they decided a particular meal was a healthier option it would be on that basis. There is an independent arbiter of that. If there was a complaint that goes first to the Advertising Standards Bureau and if they deem it to be a nutrition-issue related to the responsible children's marketing initiative they send it to an independent arbiter and that arbiter is a group of nutritionists at the University of South Australia.

The CHAIR: How many of those complaints have been received?

Mr ANNISON: It is a handful each year. Some are upheld and quite a few are dismissed. We can provide that detail in the annual report.

The Hon. PENNY SHARPE: Can you provide a copy of the responsible children's marketing initiative, the code?

Mr ANNISON: We can provide a copy. It is also on our website for all people to see?

Mr DAWSON: We have just published the latest annual report and we can send that to you.

The Hon. PENNY SHARPE: It is not your expectation that if people wanted to complain about the initiative that that would come from regular parents? Who makes the complaints?

Mr ANNISON: It is often public health organisations who have some concerns about the level of marketing or the type of marketing and some of them have been upheld. One of the complaints has been that there is no standardised nutrition criteria associated with it. But there is no standardised public health nutrition criteria for what is a healthier food. Companies look for guidance from the School Canteens Association, the Heart Foundation Tick, from the dietary guidelines, and they all provide advice. The outcome ultimately is very similar, that products that are higher in energy, saturated fat and salt tend not to be advertised in advertisements directly to primarily children.

The Hon. PENNY SHARPE: I am across the marketing. How does that differentiate from company branding? A number of children's sports are sponsored by companies where there are differing views as to the health or not of products and whether branding falls within the marketing initiative. I am assuming not.

Mr DAWSON: The codes cover advertising to children essentially. The issue you raise is around sponsorship.

The Hon. PENNY SHARPE: Described as branding, and whether there are any codes around that?

Mr DAWSON: Well, the codes certainly cover giveaways but the more general question of brand sponsorship of a sporting activity, we would take the view that if it is promoting physical activity then better for that physical activity to be supported than not supported. Given the trend towards a more sedentary lifestyle and the lack of physical activity is very relevant to the problem of childhood obesity, we would say that the common-sense view is that you have to take that into account. If sponsorship of a sporting group promotes physical activity and gets kids out of the house onto the field running around, then that is clearly a positive from the point of view of fitness of children and their weight. That is different to beaming an ad to them sitting on the couch in the house, if you understand the distinction. It is a different environment.

The Hon. PENNY SHARPE: We may have to disagree about that.

The CHAIR: I will follow on from that question. It was put to this Committee there are issues with sponsorship from certain fast food organisations of sporting teams and the like. One of the views that was offered is if there was no branding associated with it that because these companies effectively say they do it out of the goodness of their heart they would continue doing that. Is that something you would agree with, that a fast food company would continue to sponsor a sporting organisation if they were not able to have their brand associated with the organisation?

Mr DAWSON: That is hard to answer. A lot of it is done by franchises at the local level. They are typically local small business people with roots in the community.

The Hon. PENNY SHARPE: Schweppes sponsors junior cricket Victoria.

The CHAIR: We have heard those examples before. McDonald's junior athletics was one proffered and basketball. The Australian Industry Group is representing them. I will not put every question to the Australian Food and Grocery Council. From your perspective, would sponsorship continue if branding were not associated with that sponsorship?

Ms THOMPSON: I do not have the answer as to what individual companies will do. As Mr Dawson has said, the support of companies that are encouraging physical activity is a positive thing in this environment and to be able to get kids out there.

The CHAIR: Another view was that even if they decided to pull their sponsorship of those organisations it is a competitive market and there would be others who would sponsor those organisations. From your understanding of junior sports and the like and the environment for sponsorship, do you think that if somebody pulled out there would be somebody eager to sponsor it in that breach?

Ms THOMPSON: I am not across the competitive nature of sponsorship that sporting organisations have at a local level. I can get some other information for the Committee.

Mr DAWSON: It is something you are probably addressing to the sporting organisations. I come back to the point that I make that there is a difference between advertising marketing to a sedentary child sitting on a couch and sponsorship to a child who is running around on a field. Physical activity is a big part of this issue. I would think that the common-sense view would be that that is a different environment.

The CHAIR: If we are looking at where childhood obesity and overweight occurs, it is less likely to occur with those children involved in competitive sport than those sitting at home in front of the television and watching a commercial at 4 o'clock in the afternoon?

Mr DAWSON: I do not think anyone would dispute that. We have to be careful of perverse outcomes and unintended consequences from regulatory action.

The CHAIR: The unintended consequence of this could be that we ban certain companies from advertising or sponsoring sporting activities and then there are no sponsors for that sport and that sport is not carried out?

Mr DAWSON: We have seen that with less physical activity in schools because of risk averse rules around physical activity. I would hope that you would take a broad view. What is clear, wherever you look around the world, is the rise in overweight and obesity is a multifactorial trend. There are a range of factors behind it. The move to a sedentary lifestyle is part of that. Being attuned to the risk of actually having the opposite effect of what is intended, particularly with physical activity for kids, there is report after report that says the trend among children is towards more screen time and less physical activity.

The Hon. SHAYNE MALLARD: We are not ignoring that. The next people giving evidence are concerned with sport. We know the issue is multi-pronged, it is not just the food. I posted that this Committee was sitting this morning and the agenda. I have had four or five quite long submissions about labelling issues, mainly from mums of young kids. The questions related to the use of the word "diet", healthy options, 99 per cent fat free, fat free lollies and Milo's alleged health benefits. They are saying they do not understand what that means. There is no easy way to understand what Diet Coke means or diet Schweppes or 100 per cent fat free lollies not mentioning the sugar still in there. Do we need some sort of regulatory framework around labels with those types of words so that parents of young children can understand what they are getting when they buy those things?

Mr DAWSON: The Health Star Rating system was an attempt to do just that, to collapse a range of criteria down into one easy-to-understand marketing, with the number of stars out of five and a half star increment—so 10 increments. That is easier said than done and there was a very vigorous debate around the Health Star Rating system as it was being developed. We are acutely aware that you cannot please everyone in this space but the reality is that today there is more information available than ever before. It is available on your mobile phone wherever you are. There are any number of apps now that will give you advice about what you are buying.

The CHAIR: I think what Mr Mallard is getting at is that there is misinformation because you have things labelled as "diet" and that may be confusing. For example, I have five star peanut butter on the Health Star Rating system, which I do not think is necessarily the best choice to have in comparison to something else.

Mr DAWSON: Can I just make a point on that? The rule here under consumer law is do not mislead and companies that breach that are liable to very big penalties and naming and shaming. I can assure the Committee that food companies are very conscious of that rule.

The Hon. SHAYNE MALLARD: But you can put information out like 99 per cent fat-free—

Mr DAWSON: It has to be true.

The Hon. SHAYNE MALLARD: —but not mention that it is loaded up with sugar?

Mr DAWSON: The sugar content is in the nutritional panel.

The CHAIR: I think Ms Thompson wants to respond to this and as she has the pile of lollies in front of her it is probably good that she does.

Ms THOMPSON: Mr Mallard mentioned "fat-free" confectionery. Sugar confectionary is essentially what they used to be on. The confectionary industry back in 2012 made a commitment to have it off labels by December 2013 so I am not sure where that is being seen. Maybe there are some isolated cases, certainly not the major companies, and possibly imports as well that are not necessarily privy to the commitment that the Australian confectionary industry made to remove that, because it was felt that we were providing better information by removing it.

The Hon. SHAYNE MALLARD: Mr Parker, what does "diet" mean?

Mr PARKER: "Diet" means that it does not have as many kilojoules in it as a regular kilojoule beverage.

The Hon. SHAYNE MALLARD: What does "zero" mean?

Mr PARKER: "Zero" means zero.

The Hon. SHAYNE MALLARD: Zero what?

Mr PARKER: It could be kilojoules and/or sugar as a proxy for kilojoules.

The Hon. SHAYNE MALLARD: But you are not sure either?

Mr PARKER: It depends. There is a lot of information on labels and one of the problems is getting a consumer who is worried about kilojoule intake to turn the label around. That is why the industry over probably 10 years ago adopted a daily intake guide and that is why we have been working with the Federal Government to introduce the Health Star Rating, all voluntary initiatives, so as to provide consumers with as much information as possible so they can make an informed decision.

The Hon. Dr PETER PHELPS: My question is directed to Mr Parker and Ms Thompson, would it be fair to say that your industry takes the view that the products you create by and large are treats or occasional products and that it is up to responsible and rational consumers, and parents in the case of minors, to effectively police the amount of consumption being undertaken?

Mr PARKER: Yes. Obviously the beverages that we represent as an industry peak body spans everything from bottled water, fruit juice, cordial, energy drinks, sports drinks and goes all the way up to regular kilojoule soft drinks. Each one of those beverages can play a role in a balanced, healthy diet that is supported by physical activity. We did a national consumer poll a couple of years ago asking parents what they believed would be the most effective strategies in reducing overweight and obesity. The top response around support and effectiveness was education programs on physical activity and what constitutes a healthy diet, next was nutrition information on cans and bottles, and then nutrition information on vending machines. The least supported, and what parents believed to be the least effective measures, were taxes and governments telling parents where they can and cannot give their children certain products.

The CHAIR: Several witnesses have told us today that there is broad community support for a tax on sugar-sweetened beverages.

The Hon. Dr PETER PHELPS: Amongst public health officials I am sure there is.

The CHAIR: What is different about your studies in comparison to some of the studies that have been cited to the Committee in earlier evidence?

Mr PARKER: It is perplexing why a tax on soft drinks continues to be seen as a solution to addressing what we would all agree to be a really complex, multifactorial problem around why people become overweight and obese. There is not one single market anywhere around the world where the introduction of a soft drink tax has been proven to have a positive health outcome. The Mexicans are not getting any thinner, the French are not getting any thinner and people in Berkeley California are not getting any thinner. There is simply no evidence to suggest that a soft drink tax in any way contributes positively to public health. Quite frankly—to use an analogy—it really is a lightweight solution to a far heavier problem.

The Hon. Dr PETER PHELPS: Coke has been in Australia since at least the 1920s. There was not an obesity epidemic in the 1920s, 1930s, 1940s, 1950s, 1960s, 1970s or 1980s; it appears to be a relevantly recent phenomenon. Presumably Coca-Cola Amatil and its predecessors were advertising through that entire period of time, were they not?

Mr PARKER: I cannot speak on behalf of a particular company but I would presume that a range of beverage companies have been advertising and marketing their products.

The Hon. Dr PETER PHELPS: So the suggestion that somehow advertising is responsible for this obesity epidemic probably would not be borne out by the historical facts?

Mr PARKER: Why people become overweight and obese is a really complex problem. What has happened over the last 100-odd years that you have just outlined, from the timeframe perspective, there have been a lot of changes around food supply, the nature of work, obviously less physical work, more sedentary behaviour, less physical activity, exercise programs being taken out of schools and as a nation we are continuing to get heavier. What is interesting is that we commissioned CSIRO to do a secondary analysis of the Australian Health Survey and to look at the role of beverages in the diet.

What was astounding even to me, with my somewhat moderate level of education, was that for the average adult 34 per cent of their daily kilojoules come from treat or discretionary foods and for the average child 38 per cent of their daily kilojoules come from treat or discretionary foods. What that tells me is that that is the nub of the problem right there—if we reduce that 34 per cent in adults and 38 per cent in , not only are we reducing sugar but we are also reducing fat and salt, and that must surely be the focus of an holistic approach to addressing the nation's expanding waistlines and the State's expanding waste lines.

The Hon. Dr PETER PHELPS: Ms Thompson, you mentioned consumers worried about their kilojoule intake not being able to determine the kilojoules in particular foods. Surely every piece of processed food in Australia is in a box that indicates exactly how many kilojoules there are per 100 grams and per serving? For example, if I were to look at any of the products in front of you, would I be able to see immediately how many kilojoules there were per 100 grams and per serving?

Ms THOMPSON: In addition to providing the mandatory nutrition information panel that gives information on energy per 100 grams and per serve so that you can make product comparisons—and the serving size is on the back, in the nutrition panel—the confectionery industry has voluntarily been converting that serving size or weight to a consumer friendly descriptor. It might be four squares of chocolate in a block of chocolate, for example. The agreed industry serving size for the purposes of the Health Star Rating is 25 grams, plus or minus five grams to provide a little bit of tolerance. It is not an exact science. You do not want to have silly measurements such as 3.5 snakes per serve. It has to be either three or four. That information is on the back of the pack.

Many of the major confectionery companies adopted the daily intake guide when it was introduced. "Be Treatwise" is written on the front of packs, in conjunction with the Health Star Rating. We are bringing the energy per serve to the front of pack and trying to translate the 25 grams into a figure such as three jelly babies or four squares or a row of chocolate. Some companies are really calling it out and saying, "One piece, one portion." Companies are voluntarily giving much more information on their packs about the number of pieces of confectionery that make a portion. It might be six pieces. They are also including a nutrition information device. Another thing that confectionery companies are doing is increasing the percentage of their portfolio in individual serve sizes and making sure that each small piece contains not more than 100 calories and bars contain not more than 250 calories. A lot of work is being done on portion control and reducing the size so that consumers can be helped.

The Hon. Dr PETER PHELPS: Mr Parker, you quoted some statistics earlier—and I presume you and I have the same statistics—showing that from 1995 to 2012 there was a drop in the consumption of sweetened beverages across every age group up to the age of 30. From the ages of 31 to 50 consumption between 1995 and 2012 was roughly the same. Ironically enough, the only increase in the consumption of sweetened beverages occurred in the 50-plus demographic. Does that not give the lie to the allegation that somehow the consumption of sweetened beverages is to blame for the rise in obesity in Australia today, especially amongst children?

Mr PARKER: We need to look at the whole picture. Across all demographics, and with children in particular, there has been a fundamental shift away from the consumption of sugar-sweetened beverages. Thirty-eight per cent of the average child's diet comes from discretionary or treat foods. Soft drinks are ranked tenth in the list of kilojoules contributed. If we are really serious about addressing overweight and obesity in children we need to tackle the 38 per cent. In addition, it is remiss of us to have a discussion about addressing

childhood obesity and overweight without talking about the energy output part of the formula, rather than focusing only on the energy input.

The Hon. Dr PETER PHELPS: This question is addressed to all three bodies. You may need to take it on notice. The Committee has heard a lot about companies marketing themselves via donations to sporting events and sporting clubs. Are you aware of any of your members undertaking branding exercises at either chess tournaments or computer game tournaments?

Mr DAWSON: We would need to take that on notice.

The Hon. GREG DONNELLY: I would like to hear from the three organisations about what are the arguments against the phasing out of the sale of soft drinks and confectionery in school canteens. They are sold in not all but many schools in New South Wales and around the country. What are the arguments against phasing that out?

Mr DAWSON: I think we are well down that path, frankly. The issue is more one of obtaining national consistency in school canteen guidelines, rather than debating whether they exist.

The Hon. GREG DONNELLY: I will come to that.

Mr DAWSON: I think they exist in every State.

The Hon. GREG DONNELLY: I am talking about out there on the ground, in the canteen.

Mr DAWSON: The main argument that I see is about whether it might be a factor affecting the canteen's viability. I do not know the answer to that. I have children at schools where there is no canteen because it is not viable anymore and children at schools where there is a canteen. The other issue is the more fundamental matter of choice. Ideally, you provide a range of choices and good information. I suspect we are already beyond that in school canteens. It is hard for a parent to exercise control over a child's choice in the canteen when they are not there through the day. We accept the rationale behind the canteen guidelines. We have worked with State bodies and are consulting with the New South Wales Department of Education at the moment. There is no argument from us there.

The Hon. GREG DONNELLY: Would you tell the Committee where the consultation with the Department of Health and/or the Department of Education is up to, concerning school canteens in New South Wales?

Mr ANNISON: The Department of Health has been doing a considerable amount of work with the Department of Education. They are looking specifically at the potential role of the Health Star Rating in helping to guide what products may or may not be available in school canteens. They have not yet gone to formal consultation but we anticipate that there will be consultation in the next four to six weeks. At the same time, some of the other States have been revising their school canteen guidelines. They are moving more closely to the national canteen guidelines that were reviewed and updated about two years ago. As we mentioned in our submission, we prefer a national approach to school canteen guidelines at this stage. The reason is that it makes it much easier for companies that are operating nationally to formulate products and present them in pack sizes and formats that are appropriate for children.

The Hon. GREG DONNELLY: That makes an eminent amount of sense. Is there any realistic prospect of that being achieved? I do not know the Federal guidelines, so I am not able to compare and contrast them with the State guidelines. Is there much difference?

Mr ANNISON: There is not a lot of difference, for the obvious reason that when we are trying to decide what foods are appropriate for children we all have a reasonable idea. One of the frustrations of the industry is that small differences can mean some products are accepted in some States but not in others. To some extent we share your frustration. We have been discussing this as an issue for 20 years, to try to get a national approach to school canteen guidelines.

The Hon. PENNY SHARPE: It is the same as railway gauges.

Mr ANNISON: Yes. It is a real challenge for the food industry. Ultimately those who suffer are the schools, which try to provide foods that meet the school canteen guidelines, and parents, who try to use the school canteen as a way of providing for their children. It has been a frustration.

The Hon. GREG DONNELLY: Is part of the problem that there is a turf war between Education and Health at the State level over who should be seen as the expert in this area? I got the impression from the last hearing, where the Committee heard evidence from witnesses from the government departments, that there was a disconnect between Education and Health in some respects. Arguably, the people from Health have the upper

hand and the people from Education want to make sure that they do not completely take over. Is that part of the problem?

Mr ANNISON: It would not surprise me if that was a part of it. I also think that there is a difference in priorities at a Commonwealth level and the State and Territory level and of course, ideally, if you are rolling out a national system it would be coordinated by the Commonwealth or at least be a very good coordination between the States and Territories which we have not seen in this area in the past.

Mr PARKER: Can I add, from a beverage perspective, that we support all the canteen guidelines. We do not believe certain products have a role in any school, be that primary or secondary. So, for example, energy drinks do not belong in any school and our members willingly comply with any canteen guideline.

Ms THOMPSON: From a confectionery perspective the last review of the New South Wales school canteens guidelines classified confectionery as an "occasional food", which meant it was reduced in its delivery from a school canteen to something like two days a term. So it is essentially what Gary was saying, that we have gone beyond looking at the need to phase out.

The Hon. PENNY SHARPE: Can you provide the Committee with information as to how many of your members are participating in the Health Star Rating system?

Mr DAWSON: We would have to come back to you.

The Hon. PENNY SHARPE: I am happy for you to take it on notice.

Mr DAWSON: There has been a rapid take-up, compared to the previous industry—

The Hon. PENNY SHARPE: There is some criticism of those that are not. I suppose some of it is at the more pointy end of this discussion—and it may be that Dr Annison or Ms Thompson can answer this—this is my ignorance of how the system works but are any confectionery products able to have the Health Star Rating on them?

Ms THOMPSON: On the Health Star Rating system, which obviously does grade from a half star to five stars, confectionery can use the full hierarchy. The confectionery industry has made a commitment to use energy alone predominantly, along with its Be Treatwise message. But there is an ability to use the full hierarchy.

The Hon. PENNY SHARPE: Are you able to tell us how many of your members do?

Ms THOMPSON: Our members are not using the full hierarchy. You will see some of the home brand confectionery products using it and getting low stars under the 3½ divide between what is considered more healthy and less healthy. But you will see some of the examples I have here are using the Health Star Rating energy icon and using that on a per serve basis. There are numerous products here that are using it already and are continuing to roll that out.

Mr ANNISON: I had the fortune of being on the project committee that developed the Health Star Rating. When it was being developed there was a discussion about whether it should appear on confectionery and sugar-sweetened beverages. The project committee at that time decided and advised that the stars part of the Health Star Rating should not appear. Not that it could not appear but that it should not appear. There were two reasons for that. When it came to confectionery, in the views of the committee and particularly the public health people, they noted that most Australians, if not all Australians, can recognise confectionery when they see it and the view was that everybody knows it is confectionery and everybody knows it should be eaten in moderation. That was essentially the argument around the table.

The CHAIR: There are things like the Natural Confectionary Company that markets itself as a somewhat healthier alternative.

Mr ANNISON: Indeed but there was also the view that a lot of the products would not score just the half star that was assumed to be for most confectionery products but you would get some with 1 and 1½ stars and we knew there would also be core foods that also had 1 to 1½ stars. So the view was that they did not want a system where confectionery, which is an occasional and treat food, could be compared directly in this system with a core food.

With the leave of Mr Parker, I will mention what the discussion was with soft drinks. The soft drinks—and particularly the diet soft drinks, the ones that are very low on energy because they essentially do not contain any nutrients—noting the Health Star Rating works on a system of balancing positive nutrients with negative nutrients, because you have zero levels of both the Health Star Rating tends to come out with a mid-range score of 2 to 2½ stars. Indeed, if you put water through it, that is exactly what you get, 2 to 2½ stars. Again, the public

health people in particular, but supported by the industry, did not think it appropriate to have products out there that were mid-range in the Health Star Rating for products that even though they were a diet product were still considered to be discretionary and occasional foods, rather than core foods. And we were worried about comparisons being made between Diet Coke and some of the dairy products which are core foods.

So the decision was made both with confectionery and with the sugar-sweetened beverages that they would participate in the system and include the informative part of the Health Star Rating system, which is really the energy icon, because it was recognised as important that some sort of front-of-pack labelling was available to consumers, particularly to understand the energy contributions of the product. That was supported by the project committee which, as I am sure you are aware, included government, public health representatives and consumer representatives.

The CHAIR: Is not that part of the problem with the Health Star Rating system, that you have a rating system that produces a 2½ star rating for water and, in my favourite example, a five-star rating for peanut butter?

Mr ANNISON: One of the misunderstandings about the Health Star Rating—and just to address the water issue to begin with—the Health Star Rating Advisory Committee and the project committee before that made a decision which they called a policy decision, that if it was used on water it would automatically get five stars. So that would just be a policy decision. Companies selling packaged water or bottled water can use five stars if they wish. With regard to the Health Star Rating system one of the things that a lot of people do not understand is that it is not really designed, even though it is presented in that way, as a way of determining the healthiness of a food product. It is designed to allow comparisons between food products.

The CHAIR: Mr Annison, with all due respect, is not that part of the problem of the system? If the average punter says, "I have a five-star product and that is good", we cannot necessarily say that the problem is that person has a misunderstanding of the system. The obvious problem is that the system is wrong.

Mr ANNISON: The misunderstanding of the system comes from the fact that government is still not promoting it properly by telling people how to use it. So within particular categories, if people actually follow the Health Star Rating system, when they are choosing dairy products they will go to a higher star rating on a dairy product; if they are choosing a breakfast cereal product they will go to a higher star rating on the breakfast cereal. If the star rating appears on enough products and if enough consumers use it when they are making these type of food choices, then their diet will tend to move in the right direction that the dietary guidelines advise.

So if people actually follow the Health Star Rating as it currently is and it appears on a large number of food products, that is consistent with what the dietary guidelines advise and it will be an effective public health intervention. We do not have the data at the moment—because it has only been there for 2½ years and the formal evaluation of it has not been produced yet—but we anticipate after five years we will get that data from the evaluation that will take place between now and the five-year mark and we will see what the market penetration of the products has been and whether consumers use it. We will then be in a much better position to say definitively, one way or another, whether the Health Star Rating has been a success or not.

The CHAIR: Is it fair to say that if you want the best information about the healthiness of a product you are best to look at the back-of-pack label?

Mr ANNISON: The best advice, if you truly want the healthiness of a food product, is to use that information but to also go to your mobile phone and do a search on the web. Look at company websites and other sources of information that abound on the internet if you truly want to know about any particular category of product and even the Australian Dietary Guidelines can be used to provide advice in constructing a healthy diet. There is no shortage of nutritional information out there about food products.

Mr DAWSON: Or you could follow your mother's advice, which was eat your greens and go easy on the treats? That is still the best guide you can get.

The CHAIR: One last question; I rudely interrupted Ms Sharpe. Do you have anything further?

The Hon. PENNY SHARPE: No, thanks.

The Hon. Dr PETER PHELPS: You mentioned briefly the health.gov.au guidelines on canteen menus. Mr Parker indicated that soft drinks should be off the agenda, or at least red lighted. I understand the red lighting means only twice every 10 weeks. If, for example, I have a daughter who is a competitive netballer who trains two or three nights a week, plays two or three games of competitive sport on the weekend and referees another game, there is no reason she could not have a Coke once every week. If she is burning 12,000 kilojoules a day, there is no reason she could not have a Coke every day. Is not the problem with these standardised guidelines the fact that they do not take into account individual circumstances? Her brother, who might sit at

home eating Doritos and drinking Mountain Dew while he plays *World of Tanks* for 10 hours once he gets home from school is probably not the person who should be having another Coke at lunchtime. Is not the failure of these standardised systems the fact that they do not take into account individual lifestyle choices at the current time?

Mr PARKER: That is one of their shortcomings. They are obviously averaged out to—

The Hon. Dr PETER PHELPS: Yes, but it is the lowest common denominator. It penalises the good at the expense of the bad.

The CHAIR: Let Mr Parker answer the question, please.

The Hon. PENNY SHARPE: You will get to write your own parliamentary report.

Mr PARKER: When I hear your scenario, I think that is not only the role of the school but is primarily the role of the parent also to be able to teach positive eating habits, positive physical activity regimes, and to embrace upon their children this concept of the total diet, and that is one of the things that I think is really missing. There is a high level of health illiteracy across a large swathe of the population for a whole range of reasons, not least of which there is a lot of confusing messages out there. People need to understand the concept of the total diet, what a healthy diet looks like for their individual circumstances and the role all food and beverages can play in that healthy lifestyle.

The Hon. Dr PETER PHELPS: It is easy for governments to ban stuff and it is more difficult for governments to convince people to make changes to their lifestyle choices that would make them healthier.

The Hon. PENNY SHARPE: Leave it for the deliberative.

The Hon. Dr PETER PHELPS: Is that not correct?

Mr PARKER: It is more difficult.

The Hon. Dr PETER PHELPS: And hence public health officials tend to prefer banning over more effective techniques.

The Hon. PENNY SHARPE: We will have a deliberative later when you do not have to grandstand in front of everyone.

The CHAIR: Dr Phelps, our time for questioning these witnesses has well and truly expired. Thank you very much for your attendance this afternoon. I note you took some questions on notice. The Committee has determined that you will have 21 days to come back with answers to those questions on notice. The secretariat will be very happy to help you. Thank you for your appearance and your submissions as well.

(The witnesses withdrew)

JAYMES BOLAND-RUDDER, Head of Government Relations and Campaign Management, National Rugby League, sworn and examined

LUKE ELLIS, National Participation and Development Manager, National Rugby League, sworn and examined

DARREN SIMPSON, Chief Executive Officer, Sport NSW, sworn and examined

DUNCAN TWEED, Chief Executive Officer, Athletics NSW, affirmed and examined

The CHAIR: Would any of you like to make an opening statement?

Mr BOLAND-RUDDER: Firstly, thank you for the opportunity to make a contribution and well done to the upper House for calling an inquiry into something that we think is a really important matter, as does Dr Phelps. From our perspective, often the National Rugby League [NRL] is perceived as just being a rugby league competition. We have a series of aims that are far broader than that and two that we think can actually help the New South Wales Government and also this Committee in terms of the aim of reducing childhood overweight and obesity. In particular, we have community programs and participation programs.

Our community programs are aligned with our community strategy, which has three pillars: learn, respect and health. Under those pillars there are a series of programs. In particular for this Committee's interest, we think that our NRL Wellbeing program could provide significant assistance and also our Rugby League Reads program. Within participation, which Mr Ellis is the national manager for, we have again a three-pillar strategy which is focused on promoting participation, delivering participation and supporting participation. Some major opportunities there, especially in New South Wales, are expansion of our community carnivals and the delivery of a new program called Munchkin League, which started this year in south-east Queensland.

Some of the challenges that are faced by our sporting organisation—and I dare say most national sporting organisations—in terms of promoting participation are green space and infrastructure. That includes thinking about things such as shortages of green space as communities become more dense and then the needs around lighting, drainage and irrigation to cope with increased demand levels on fields and, especially with the growth of female sport, having the right amenities in place. Historically, parks were built just with male change rooms in mind. There are no female change rooms and that is a major hurdle to participation.

Other issues are the cost of participation, in particular registration and insurance, and converting school participation into regular participation. I think this is a reflection around some broader societal changes whereby parents are less inclined to register their children in ongoing, week-by-week competitions. It is a focus for us as sports as to how we respond to those societal changes. Then the last is really around coordination between government. By that we mean coordination within one government across the various government departments and across the three tiers of government as well, because if we are going to have a coordinated approach it requires interaction between those three tiers of government.

We think rugby league has got a really unique ability to communicate with at-risk sections of the population when it comes to overweight and obesity. Twelve per cent of our NRL playing base is Indigenous and 40 per cent are from Pacific heritage. When you think about at-risk communities, those two communities are at significantly more risk than the rest of the Australian community. Given our ability to communicate with them, we feel that we can make a real contribution as we collectively try to address this challenge.

Mr SIMPSON: Again I would like to thank the Committee for the opportunity to be heard here today. Sport NSW is the peak body for sport in the State and advocacy on behalf of our member sports is a major pillar of our services to the industry. Whilst we acknowledge there are numerous contributing factors to childhood overweight and obesity rates, I want to mention why sport and active recreation are so important. At its absolute simplest, for the vast majority of the population weight control can be explained by the simple equation of energy in versus energy out. If more energy goes into the body by way of food and drink consumption than what is used in sustaining the body then the excess is stored as fat. In the reverse situation where more energy is used than consumed the body will go to its stores of energy and burn some of it, resulting in a reduction of fat.

I highlight the basic equation because sport and active recreation are synonymous with physical activity. It is physical activity that burns a higher level of energy than simply sitting or lying down. Consistent physical activity results in the body adapting to a point where it will require more energy simply to sustain itself, which is known as a higher metabolism, and that in turn leads to improved weight control. The primary school years are when the lifelong skills of numeracy and literacy are learned but physical literacy and fundamental movement skills should also be learned at that time as well. By learning those things lifelong habits can be developed. Sport and active recreation are the vehicle for that from a lifelong perspective and can lead to great

benefits in weight control. That is why that is the direction we have taken in our submission with regards to physical education teachers in schools, et cetera.

Mr TWEED: I would like to echo the thanks to the Committee. There are three quick points from us. Firstly, fundamentally we believe there is a role for the State in creating healthy habits in our children through school curriculum, through education. There are two words that we use in athletics: confident and competent. You want kids who are confident and competent in the use of their bodies. If we want to reduce childhood overweight and obesity then educating kids in physical literacy is key. We know that children are less likely to play sports and be active if they lack the confidence or lack the skills required. Athletics as a sport is important because it is a foundation. It teaches some of the fundamental skills that Mr Simpson was referring to. We do not teach athletics in schools to necessarily teach the next Olympic hurdler. We teach athletics in schools so that kids are confident and comfortable to pursue whatever sport they want.

The second point is that historically Little Athletics has been separate from Senior Athletics, so when kids finish Little Athletics at the end of primary school there is nowhere for them to go. We believe there is a role for the government in assisting the alignment of athletics and in helping to create a singular sport. Specifically, we will be asking for assistance in the funding of a new building to house all of those athletics bodies—Little Athletics, senior, masters and professional racing—within one body to align the sport because otherwise kids drop out. The most important time to retain children is the finish of primary school into secondary school. We are trying to build and maintain that pathway.

Thirdly, touching on some of the points raised by Mr Boland-Rudder, is our facility development. We know kids continue playing sports when they are having fun. All the evidence is that they have a better experience when they are using better facilities. It is easy to say that facility provision is a matter for local government. However, there is an opportunity for the State Government to be a leader in this role. In our sport of athletics, for example, to give you a very quick contrast, we have nine synthetic tracks in New South Wales across all of athletics. In Victoria they have 35, and the Victorian Government matches dollar for dollar any facility investment made by sports. There are opportunities in that area, and I think we would all agree that better facilities will result in a better outcome in reducing the issues we are confronting.

The Hon. PENNY SHARPE: I am very interested in the population growth proposed for Sydney with an increased density in living space and scarcity of green space and playing fields. I know some of you sit on an interminable number of joint committees with government on a range of these matters. Can you point this Committee to where you think some progress is being made? I am interested in sharing services. There is a local high school in almost every area that used to have sporting facilities, and now often those facilities are fenced off and not available to the community. Where have you seen good practice happening around the provision of playing fields?

Mr SIMPSON: I might kick off on something that I only became aware of recently, the joint use projects policy being developed by the Department of Education. I was lucky enough to be at a conference where I met with one of the consultants working on the guidelines and procedures that have been put in place. It is yet to be signed off, but it is a fantastic initiative whereby schools and local community sports will work together in building new facilities. If there is a need for a new soccer pitch down the road from the school that also has facilities that need renewal, why not pool the resources to get a better outcome and put in place a shared management arrangement? I agree that in these times of shrinking green space there needs to be a lot more thought given to how smart we can be with that green space. I was pleasantly surprised by the fact that it was so far advanced and I will be speaking to our member sports about trying to get in contact with schools and the Department of Education to try to make those things a reality.

The Hon. PENNY SHARPE: Does that include work with independent schools, many of which have synthetic athletics tracks?

Mr SIMPSON: I believe so; there is no reason why not.

Mr TWEED: It can do. No schools have synthetic athletics tracks at the moment, to correct that, but there is one in process at the moment in Armidale—New England Girls' School and the Armidale Athletics Club are in the process of putting together a public-private partnership. I echo Mr Simpson's comments: I think that is a fantastic way forward. Another point I would make on a broader sport basis is not applicable to athletics. I come from a soccer background and a real success has been in forcing sports to create multi-user facilities rather than sport-specific facilities. One of the key things around that will be agreement on a uniform length of grass that suits a variety of sports. Different sports have different preferences in terms of grass length.

The Hon. SHAYNE MALLARD: You will not get that.

Mr TWEED: You will not get it willingly, but—

The Hon. PENNY SHARPE: Scarce resources force all sorts of innovation. I am quite familiar with these arguments.

Mr BOLAND-RUDDER: On that point, it depends also on the level of competition you are talking about. If we are talking about a really grassroots level of competition, if we are being honest, the length of the grass does not have a huge impact. But when you are talking about elite competition, that is when the length of the grass does have a more significant impact.

The CHAIR: I am told that at the ANZ Stadium it is a lot more important than at the local oval.

Mr BOLAND-RUDDER: That is exactly right. If I was playing at the oval on Underwood Road, it does not matter. But if I go a kilometre down the road to ANZ Stadium and it is a Wanderers versus Sydney FC match, they are going to have a different requirement to the Sharks versus the Storm match the week before.

Mr TWEED: Principally, just to follow on from that, we are talking about a pyramid of sports use. The majority of sports use is by the younger age groups. For under-6s it does not matter that much. The utilitarian approach is to ensure that there is sufficient for the grassroots and the large number of amateurs.

The Hon. PENNY SHARPE: Interest in shared facilities at schools is one thing, but the other is what contact if any your organisations have had with the Greater Sydney Commission in relation to the planning that is currently underway for land use across Sydney.

Mr BOLAND-RUDDER: Can I answer your initial question around utilisation? One of the models we have seen that is quite good is in south-east Queensland where they have been building new schools and designing them in a fashion that promotes shared usage. In that sense, rather than having the playing fields on the inside of the school, they have them around the outside with the ability to share some of the change room facilities or the amenities that are built on the perimeter of the school. Ten new schools were contracted in south-east Queensland a couple of years ago to be delivered under a new PPP [public-private partnership] model, and we were involved at a relatively high level in terms of talking about those guidelines to maximise the utilisation. That was a really encouraging development from our perspective.

The Hon. PENNY SHARPE: That is an excellent example.

Mr BOLAND-RUDDER: The other thing to think about in terms of utilisation is lighting. The more lighting you have on fields means you can extend your training hours into the evenings. It is really simple but effective. You then need to make sure that the lux levels are correct because you do not want it to be too dark in the corners or it becomes dangerous. The distribution of the lighting is important, and with improved technology through LED lighting that can be quite cost effective. It is more expensive in terms of capital up-front, but in the longer term the operational costs are much lower. Another simple thing is drainage. All too often it will rain on Wednesday and then competitions are being cancelled on the weekend because of poor drainage. There is also the reverse problem that is often seen in Western Sydney and regional areas where a lack of irrigation means that it is dangerous to play by the end of the season because you have lost all your grass and it is a rock-hard surface. Again, these are really simple things so that you can sweat your asset a little more.

Mr SIMPSON: If I can add one more thing, I think we will get to the point quite soon where we are playing quite high-level competitive sport on synthetic surfaces. The technology in synthetic surfaces is going through the roof, and you will soon see high-contact sports—for example I know AFL has one synthetic junior field and is planning to put in a synthetic senior field—played on synthetic surfaces. If you have sufficient lighting, obviously the use can go through the roof because you do not have any usage issues, and the ability to have a shared facility goes through the roof in terms of the different sports that can utilise that surface due to the time that is available.

Mr BOLAND-RUDDER: On the synthetics, at Moore Park there is a really good example that the Government has just put in. It is shared between cricket, soccer, and it was set up for mini-soccer. There were many fields for rugby union and rugby league. It is really increasing utilisation of that facility.

The Hon. PENNY SHARPE: I take you back to the Greater Sydney Commission and land-use planning. How much engagement have you had with the Government around this issue, given that plans are being drawn up as we speak? We know that failure to plan for green space now means that we will not have it in the future.

Mr SIMPSON: From our perspective, we work closely with the Office of Sport, which has been present on some of those committees that have been dealing with planning issues. Our role is as a conduit between the Government and the sporting organisations to try to bring them to the table to make them aware that they might need to put up their head and make their presence felt.

The Hon. PENNY SHARPE: But none of you has spoken with the Greater Sydney Commission?

Mr BOLAND-RUDDER: We have not, no.

The CHAIR: Mr Tweed, in terms of the sponsorship environment, are a lot of people contacting you to sponsor sports, particularly junior athletics?

Mr TWEED: That again leads to the alignment question. Little Athletics is a separate organisation relevant for this inquiry. The major sponsor for Little Athletics is McDonald's. There is not a lot of commercial value currently in senior athletics because the numbers are not huge and there is not perceived to be a commercial return. Hopefully we can change some minds in that space. At the moment, for our organisation sponsorship is a tough market.

The CHAIR: Mr Simpson, what is your observation with Sport NSW?

Mr SIMPSON: The sponsorship environment is better now than it was five or six years ago when we were coming out of the global financial crisis and a number of sports had sponsorships quickly stripped. I am not aware of too many sports that have the door knocked down.

The CHAIR: Can the National Rugby League [NRL] comment on junior rugby league?

Mr ELLIS: There are a number of levels of sponsorship in place from a grassroots level through to the NRL. We have a positive working relationship with Macquarie Bank who are sponsoring us and facilitating us through their foundation to undertake broad-based rugby league activities. It is dependent upon the exposure you can provide for that sponsor. As Mr Simpson said, the environment is improving and one of the reasons is that social media provides an opportunity as well.

The CHAIR: One of the keys points is the exposure you can provide for that sponsor?

Mr ELLIS: Yes.

The CHAIR: If there was a situation whereby a sponsoring fast food company could not have exposure, do you think those sponsors would still be willing to participate? Do you think that would lead to a perverse situation where those sports would not be sponsored any longer?

Mr BOLAND-RUDDER: From our perspective it would lead to a perverse situation. We worry about that. One of our sponsors at a game-wide level is Kentucky Fried Chicken [KFC]. The money that we derive from sponsorship as a not-for-profit is reinvested into grassroots sport. If we are to lose funding it has an impact. You have to tighten your belt everywhere and the impact would be at the grassroots level.

The CHAIR: You do not think that if a company such as KFC was prohibited from sponsoring the NRL that another sponsor would fill the gap?

Mr BOLAND-RUDDER: It is a tight market, no.

The CHAIR: You do not find significant demand? It was only a couple of years ago that the Sharks did not have a sponsor?

Mr BOLAND-RUDDER: That is correct.

The Hon. Dr PETER PHELPS: Canberra is always trying to find one.

The CHAIR: They had the Construction, Forestry, Mining and Energy Union.

Mr BOLAND-RUDDER: The Sharks last season did not have a sponsor.

The CHAIR: Mr Simpson, the Committee has heard about many things directed at the primary school level. Could you walk the Committee through your suggestion in terms of school sport at a primary school level and comments about the lack of physical exercise as part of curriculum setting and what the students would do in those two half-hour spots you recommended?

Mr SIMPSON: Mr Tweed also spoke to it. The key behind it all is having trained people taking the children through these lessons. I am not suggesting that there is no physical activity in primary schools but to have trained physical education teachers means that the training and the teaching of the skills is being done correctly. The physical and fundamental movement skills that would be gained in that time are skills which grow not only the competence but the confidence. It is the confidence which I think is the golden ticket. If children have confidence as they grow and get older in being physically active and playing all sorts of sports, which comes from fundamental movement skills, with that confidence comes a willingness to participate.

The reason we see drop-off in children towards adolescence is if they do not have the grounding and fundamental movement skills when they get older some of the kids are better than them and it is an easy out to say, "I am not good enough to compete". What they would do would differ from ages 6 to 11 in primary school, but it starts with the basic core fundamental movement skills and then progresses to the normal kicking, catching and throwing. So when the opportunity presents itself to participate they willingly participate because they have the core skills to be not necessarily successful but competent enough to hold their own.

The CHAIR: In secondary schools there is a specialist physical education [PE] teacher who has a program and runs sports for students, whereas in the primary school it falls on to the individual teacher's preferences and whatever they wish to do in a class. From my own experience, I had a primary school teacher who was keen on walking and would take the class out for a walk.

The Hon. Dr PETER PHELPS: Did he bring them back?

The CHAIR: It was a she, and she did bring them back. Another teacher was keen on aerobics. You had a disparity in the kilojoule output from a half-hour walk with the class to aerobics. The question comes down to would you have a specialist syllabus for students? Would there be a PE teacher responsible for each class or a PE teacher working with an individual classroom teacher?

Mr SIMPSON: It would definitely be a specialist PE teacher with a curriculum. There are numerous studies which show how physically active children do better academically. That is something that is forgotten with the National Assessment Program—Literacy and Numeracy [NAPLAN] arguments about training kids to do numeracy and literacy. It is undoubtedly important. The benefits on the flip side of being active are real. There would have to be a curriculum basis to that for the specialist PE teacher to deliver. My personal preferred view would be that the teacher who took that class for that half an hour would be the trained person teaching the skills. When they get to high school the opportunities exist but the problem is that if those kids have got to high school without the fundamental movement skills they are the first ones to make up the excuses not to participate in physical education. That is what we do not want to see.

The CHAIR: I am attracted to this recommendation from Sport NSW. I do see a problem with schools in regional communities or smaller schools in the metropolitan and outer urban setting in terms of how this could be implemented where you do not have 12 classes. A specialist PE teacher would not be utilised all the time. Would you suggest another mechanism for those settings?

Mr SIMPSON: In extreme remote areas it may be difficult.

The CHAIR: Or if a school had only one class per year?

Mr SIMPSON: Sharing a teacher across schools could be possible. In extremely remote areas with one class that model probably fails. Therefore, it is going to fall to the teachers that are there. With public private partnerships there are plenty of people in the towns who might be the local footballer, cricketer or netballer who can lend assistance.

Mr TWEED: There is an opportunity to look to the Federal model under the sporting schools program, which does not necessarily require the provider of those classes, the PE teacher, to be on staff. The school can apply and the sport provides the qualified instructor to come in—that is across sports. Whether that is instructive in a way the State Government is able to assist. That is an opportunity.

Mr ELLIS: We are having success at the moment in partnering with the NSW School Sport Unit and NSW Institute of Teachers to upskill teachers in the coaching of rugby league. We have developed a relationship where our coach education programs count to professional learning hours for teachers. There is an opportunity through the NSW School Sport Unit to upskill primary school classroom teachers to make them competent in coaching and we are having success in that partnership and that is working for us.

The Hon. SHAYNE MALLARD: Thank you for coming in. The questions I have rehearsed have been asked. Mr Simpson, you reminded us of the formula of kilojoules in and energy out regarding weight gain. Your presentation speaks about the energy out and ignores the energy in side. Do you think there is a role for us to talk to young people about the energy in?

Mr SIMPSON: I do think there is a place for looking at the energy in but I am of the view, and it comes with my background, that it is not as important as it may be blown up to be. My view is that if you are physically active enough—that does not have to be running marathons every week—then your metabolism level and your energy burn rate will be sufficient to maintain a healthy weight.

Mr BOLAND-RUDDER: Can we jump in and talk about the energy in component?

The Hon. SHAYNE MALLARD: Yes.

Mr BOLAND-RUDDER: In our community programs we put a focus on that. It starts at kindergarten level and we have really simple literature, *NRL Lunch Box*, basic readers that go through healthy eating. It is set in a rugby league context and it not only helps to improve student literacy but it also gives basic nutritional information, and that then graduates to a magazine style for years 3 to 6. That takes students through players from each of the 16 clubs and looks at their fuel for the day and their lunch box recommendations. For example, the lunch box recommendation of Lachlan from the Broncos is to "try tuna and rice, dried fruit or ham wraps in your school lunch box." So basic engagement.

Then there is a more detailed section that looks at eating healthy foods, your hydration and the impacts hydration can have on your physical and mental wellbeing, and likewise with your nutritional intake. So we think there is a component there, and then we have a more intense program called NRL Wellbeing. This eight-week program, which is developed in primary schools and targets years 3 and 4 predominantly but can be modified to years 5 and 6, is aligned with the Australian Curriculum, Assessment and Reporting Authority [ACARA] curriculum model. This eight-week program is left behind with teachers and we train the teachers so that they can deliver that program.

The Hon. SHAYNE MALLARD: What is the penetration?

Mr BOLAND-RUDDER: We deliver that each year through our Community Carnival, which is run through February. Last year we delivered to about 250,000 students across the nation and this year's numbers I think are quite similar to that. You are talking about literally hundreds of schools in this State, and because it is aligned to the national curriculum it makes it very easy to be utilised within the school day. The eight lessons are: food for your mood; hydration hypes, which again looks at hydration; sleep smart; healthy active lifestyles; physical activity and me; keeping ourselves safe; belonging; and then you do a self-assessment in the eighth week. Again, it is looking at both those elements—what is going into your body and the impacts that has and also encouraging physical exercise. Did you have anything to add to that?

Mr ELLIS: I think the only thing to add there is that sport has a role to play in advocacy, particularly using our athletes as the role models for that sort of stuff. The energy message is really easy to sell if an appropriate role model is selling it, and that is the focus we have taken from a NRL perspective.

The Hon. SHAYNE MALLARD: My last question is a hobby horse of mine. It is my view that the mode of transport to school has redefined the level of physical activity for kids—the two-car family, shortage of time, two incomes to cover a mortgage, and dropping the kids off in a car on the way to work. When I was a kid you rode a bike, without a helmet, to school or you walked to school, but that has diminished. Do you think we should be placing more emphasis on active transport to schools?

Mr SIMPSON: I am with you in that I had exactly the same upbringing in walking and riding to school. I suppose as a parent the trip that our daughter takes to school is significantly shorter than the trip I made but there is no way in the world she can get there by riding a bike or walking given the crossing of highways and those sorts of things.

The Hon. SHAYNE MALLARD: So safety issues?

Mr SIMPSON: There are some safety issues but where it is possible I would be saying absolutely. At its simplest we are advocating more physical activity and however you can get that, that is what you should be doing.

The Hon. SHAYNE MALLARD: Someone commented on my Facebook page today that school crossings are not in the right place in order for kids to be safe to walk to school so they drive them to school. In fact, they said that we should have the Roads and Maritime Services here. Is your decision based on the safety of crossings?

Mr SIMPSON: No. Where we live and the school that she goes to, I am talking about Cumberland Highway and James Ruse Drive and no-one rides a bike down there, let alone a nine-year-old girl.

The Hon. GREG DONNELLY: Mr Simpson, page 2 of your organisation's submission talks about better access to sporting facilities. My question is in two parts. First, let us imagine the green stock that currently exists in the Greater Sydney metropolitan area. Are there ways in which that stock of existing space, particularly ovals, could be more efficiently utilised to enable people playing team sports to access it?

Mr SIMPSON: I think there is. I think there are two potential things that I can come up with. One is that in a number of green space areas there is almost like an historical ownership for particular sporting groups—for example, this particular club has always been there, we have got our club house there, it is our facility and no-one else can come. I think that is being slowly eroded purely by necessity but there are some clubs that are going to hang onto that and say, "We cannot have our top grade footballers running around on a

ground that has been trained on all week by little kids. Get off." That is a mindset that we desperately need to change if we are going to continue to ramp up participation levels. That may mean there needs to be incentives or potentially even disincentives to the clubs that are hoarding the facilities, if you like.

The Hon. GREG DONNELLY: Without naming names, does much of that go on? Is it a major issue or just something you have observed manifest from place to place?

Mr SIMPSON: I would not call it a major issue but I am saying it is an issue that does exist with people wanting to keep their services pristine. The other one is, as I mentioned earlier, the conversion to synthetic surfaces. I am firmly of the view that that is the direction in which we are heading and obviously there needs to be some level of cap on that. You do not want to be playing every level of sport on a synthetic surface but if we can be smart in our utilisation of facilities and say, "These facilities will be for our top level competition and they will remain grass, and these facilities can be for a lower level competition or junior competition and there is no reason why that cannot be played on a synthetic surface." The utilisation rates should start to increase and that is when you can have your increased traffic and get the outcome that we are looking for.

The Hon. GREG DONNELLY: Without giving a specific date, do you envisage that in the future virtually all team sports will be played on a synthetic surface? This could be years ahead but are you saying that we are moving in that direction?

Mr SIMPSON: In however many years we project that may be, but I think in the short term we will probably see more junior greenfield sports being played on a synthetic surface with a selection of senior sports. To be honest, it is going to come down to a mindset sort of thing. If you told the rugby league guys that they are going to be playing on a synthetic surface I am sure there would be a fair amount of opposition to that early, but if the technology gets to the point where there is not much difference to playing on real grass and you are guaranteed of playing every week instead of being kicked off when it rains that mindset might change.

The Hon. GREG DONNELLY: Does anyone else have any comments about the better utilisation of existing spaces?

Mr BOLAND-RUDDER: Just on the synthetic point, we have developed standards for synthetic surfaces that would be permissible for rugby league. I think the point around the mindset is an important one because there is that initial hesitancy amongst community members about the hardness of a synthetic surface. But as we develop the technology and the standards it does become a bit easier to overcome that hurdle, especially as we see now, for example, in the UK. Over there you have one of the Super League clubs having a home ground on a synthetic surface. Our first preference is natural turf, absolutely, but we are cognisant that that there is the progression that Mr Simpson has spoken about and that has incentivised us in developing those standards.

At the moment, in partnership with Blacktown City Council, we are developing a rugby league-specific synthetic field so that we can look at the levels of use and at the competition levels. We can then make a more educated decision about whether we should roll that out further or whether we should maintain a focus on natural turf and on improving the drainage, irrigation and lighting of fields to maximise the use of the natural turf asset.

The Hon. GREG DONNELLY: There is a second part to the question, about grounds and team sport. Obviously there are public, Catholic and independent school grounds. Once upon a time schools did not have big fences around them, so you could kick a ball at school at the weekend. That is gone these days. Most schools are gated. I am wondering about the ability to draw on those lovely fields that are unavailable. If that could be overcome in some way it would open up a lot of space.

The CHAIR: This was dealt with before you arrived. Ms Sharpe asked a few questions on it.

The Hon. GREG DONNELLY: I apologise.

The CHAIR: Would anyone like to add anything further?

Mr TWEED: I will add one aspect, in answer to the first component of the question. There is a hard cap on how many hours per week grass fields can be used, especially over winter. The grass will not grow after 20 senior rugby teams have done scrum practice on it. Also, it is important to bear in mind the historical background to Australian facilities. The lucky country is exactly that. In many other countries there is an expectation that you will not train on grass fields. In many Asian countries, for example, children grow up playing soccer on concrete. In Africa it is the same. A blade of grass is scarce. Our generation is very fortunate. Most people in this room grew up with enough green space to play sport on. In city areas that will not be the

case in the future. We either try to maintain the idea that everyone has a right to train and play on grass, which will be pretty expensive, or we look for an alternative model.

The Hon. Dr PETER PHELPS: Mr Simpson, are there more or fewer young people playing sport in a competitive, organised environment than there were 25 or 50 years ago?

Mr SIMPSON: I would say that the pure number would be dramatically higher.

The Hon. Dr PETER PHELPS: What about as a proportion of their cohort?

Mr SIMPSON: I could not tell you.

The Hon. Dr PETER PHELPS: Would you be able to take that on notice and see if you have historical data?

Mr SIMPSON: I can look at some data, yes.

The Hon. Dr PETER PHELPS: My suspicion is that as a percentage of their cohort there were fewer people playing sport on an organised, competitive basis than there are now.

The Hon. GREG DONNELLY: Do you mean team sports or any sport?

The Hon. Dr PETER PHELPS: Sport NSW will have that information. What about National Rugby League [NRL]? Are there figures on NRL participation rates for young people, as opposed to in earlier generations?

Mr BOLAND-RUDDER: We have seen growth in recent years. It is steady growth but it is low level.

The Hon. Dr PETER PHELPS: Is that coming off a low Super League base?

Mr BOLAND-RUDDER: No, it is not.

The CHAIR: I imagine that for the NRL in particular there is a more competitive environment than in the past, especially in Sydney, with the Australian Football League and soccer taking off.

Mr BOLAND-RUDDER: That is right. We have maintained growth but it is low-level growth. One of the challenges for organised sport is, as I said in my opening statement, societal change. Parents are less inclined to enrol their children in a team that competes week in, week out. As a result, we are looking at what modified versions of the sport we can come up with that make it attractive. This year NSW Rugby League has looked at three different competitions. They are being trialled currently. There is a weight for age competition. There is a competition that they are calling "mates or eights", on the basis of having a smaller team, rather than the traditional 13 a side. There is a Friday night competition that is trying to make it a bit more fun and engaged, rather than the traditional structure. The other thing that we have focused on is the nines version of the game. That requires a smaller number of players for a modified version of the game. It is a collective challenge. It is experienced not only by rugby league but by other national sporting organisations as well.

The Hon. Dr PETER PHELPS: You raised the issue of parents not enrolling children in organised competitive sport. Is cost a factor in that? If so, what is the average cost in fees for a 13-year-old to play rugby league in Sydney?

Mr ELLIS: We would average between \$100 and \$150 for registration for season-long participation. We are quite fortunate. That is cheap compared to other sports.

The Hon. Dr PETER PHELPS: Even so, \$150 is difficult for a family at the lower end of the socioeconomic scale.

Mr BOLAND-RUDDER: With multiple children.

The Hon. Dr PETER PHELPS: A single mum in Shalvey is unlikely to have \$150 lying around.

Mr BOLAND-RUDDER: Also, that is for winter sport and they might want to enrol the children in a summer sport such as cricket.

The Hon. Dr PETER PHELPS: You have to buy the shoes. You have to buy the socks and shorts.

Mr BOLAND-RUDDER: That is right. Around the country there are different schemes in different jurisdictions. We are very supportive of the participation program in Queensland under the Get Playing banner. People are given vouchers that are redeemable through registered clubs to help offset the cost of registration and insurance or equipment. There are similar models in South Australia and Western Australia. Victoria, New South Wales, Tasmania and the Australian Capital Territory do not have voucher schemes. I know that one is

being actively considered at the moment in the Australian Capital Territory and there is some progress in Tasmania.

The Hon. Dr PETER PHELPS: In New South Wales it also depends on whether you are affiliated to a leagues club.

Mr BOLAND-RUDDER: What do you mean?

The Hon. Dr PETER PHELPS: For example, teams that are not affiliated to a particular club would not have cross-subsidy from the club.

Mr BOLAND-RUDDER: I understand.

Mr ELLIS: That is correct. From a rugby league perspective it depends on the regional area you are in. There is variance.

The Hon. Dr PETER PHELPS: That goes to my next question: Where does the geographic burden fall? For example, is it cheaper to be a junior rugby league player in an area where there is an established leagues clubs as opposed to a newly developing area?

Mr ELLIS: I would say the answer is yes.

The Hon. Dr PETER PHELPS: That could have a perverse result.

Mr ELLIS: It very much depends on the leagues club's level of investment and what the leagues club is specifically looking after. Some leagues clubs support district level sporting clubs while other leagues clubs are focused on one large junior rugby league club. There is a lot of variance in how that affects each of the junior leagues clubs; hence the registration fees.

The Hon. Dr PETER PHELPS: Do you have district, State and national capitation fees for junior registration?

Mr BOLAND-RUDDER: No. We do not have a model where the junior fees flow up to the national organisation. I know that other national sporting organisations have that model. We do not, and I think that is the reason that we are so competitive.

The Hon. Dr PETER PHELPS: Does athletics have a capitation model, where a proportion of the fees goes to district, State and local bodies?

Mr TWEED: No. There is no national capitation fee in athletics at the moment. Obviously it would be a very undesirable outcome that anyone would ever be restricted from participating in any sport on the basis of cost. Having said that, in my experience the price elasticity question is often overemphasised. It is rarer than you would expect.

The Hon. Dr PETER PHELPS: Once someone is in the sport.

Mr TWEED: No, that is not my experience.

The Hon. Dr PETER PHELPS: You do not think there is an immediate entry barrier for someone who says, "I have never done athletics before but I want to start"?

Mr TWEED: Athletics is a bad example.

The Hon. Dr PETER PHELPS: It is cheap. Little Athletics is cheap.

Mr TWEED: Take ice hockey, for example. For a sport with a lot of equipment that is an issue. But for kids who are interested in playing sport, my experience is that there will always be complaints that the costs are too high. However, making costs higher or lower has a minimal impact on participation rates.

The Hon. Dr PETER PHELPS: Once they are in.

Mr TWEED: That is my experience.

Mr SIMPSON: On the question of cost, at the moment sport has a supply and demand problem. There has always been a supply for regular team sports. The approach is: "Come along and play cricket. It is 11 a side. It goes from 8 o'clock in the morning to midday or midday to 6 o'clock."

Whereas the demand at the moment is changing and people are not necessarily willing or wanting to put in that length of time or play in that traditional format. It was good when Mr Boland-Rudder was discussing some of the various adaptations of rugby league, and we are seeing the same in the Australian Football League [AFL], cricket, five-a-side soccer, five in netball, whatever sport it is. And I think that is a way which needs to be

encouraged by the State sporting organisations and the national sporting organisations so that we can facilitate games and participation opportunities for children and adults, potentially at a lower price point but also at the level that they are demanding, rather than just what the traditional supply has been in the past.

The Hon. Dr PETER PHELPS: It is interesting that you say that, because one of the things that has been raised is that Australia has moved from a sports model which was essentially participatory across a broad section of the community, and that is still true to a large extent for young children, but there is a growing level of, if you like, professionalisation of an elite focus which causes people to drop out because it no longer becomes fun. For example in athletics, Little Athletics have their club coaches but when you hit senior athletics you have to have your own coach and it necessitates high fees. Last weekend a friend of mine was saying that his daughter is dropping Little Athletics because she is moving out of Little Athletics and going into senior athletics. It is too competitive, it is too serious and you have to provide your own coach. Is not there a concern that Australia's sporting ethos, which has been communal and participatory, is giving way to a different model of elite, hyper-competitive professionalism?

Mr SIMPSON: In my view there is an issue with children being subject to the elite levels. If you are not in the academy, so to speak, then there is a chance that you may drop out. But I think that is where the sports are getting smarter and offering these other opportunities. I think we are at that point you are talking about but I think that the slack is now being taken up by these other forms of games which will lead to more mass participation-style outcomes that you are talking about.

The Hon. Dr PETER PHELPS: That leads me to a further thing. You spoke about energy in and energy out. A child who has 6,000 kilojoules a day energy out and inputs 6,000 kilojoules of energy will have no weight gain, and a child who has 12,000 kilojoules of energy output and 12,000 kilojoules input will also have no weight gain. But the 12,000 kilojoule child will have better muscle tone, better bones, a better cardiovascular system and, as an incidental thing, if they are involved in participatory sport they will also have a socialisation towards activity and towards their fellow human beings. So it is not purely a case of energy in and energy out, there is a material benefit for governments to promote at least participatory sport over not merely the life of the child but further on into adulthood too, is there not?

Mr SIMPSON: Absolutely, I could not agree more. I think some of the values and the teamwork and resilience and the sorts of things that come with playing sport are just as important. However, with the focus of the inquiry being obesity and overweight, that is where the focus went in my submission.

The Hon. Dr PETER PHELPS: But the point is, even if you are a 100-metre sprinter—probably the most individualistic of all sports—you still have to interact with other people, you still go to race meetings, you still travel around the countryside, you have to deal with coaches, with officials and with other competitors. You have a level of interaction which the guy sitting at home in his darkened room, playing computer games for seven hours a day, just does not get.

Mr TWEED: That is 100 per cent correct. As Mr Simpson says, I am not sure how broadly this extends, but if we talk about obesity and overweight, we are talking about physical health, we are not talking about mental or social health. The benefits of sport, to your point exactly, in those areas are beyond dispute. There would be no argument from anyone on this panel and I am sure we would all be happy to speak further to that point if that is where the Committee would like to go.

The Hon. GREG DONNELLY: With respect to what a State government could do, looking into the future, to place either downward pressure on key cost areas for the sports representatives at the table here today, or place at least pressure firm enough to help slow down the increase in the costs that are being faced, are there any obvious things that a State Government can do which, like a lever, could actually have a noticeable impact in particular areas? If there are, could you nominate what they are?

Mr BOLAND-RUDDER: I am a member of the Coalition of Major Professional and Participation Sports [COMPPS], the peak body for seven sports across the country. It has been a key focus for us and we have explored the merits of a voucher scheme similar to that in Queensland, South Australia and Western Australia which I referenced earlier. Also when you look at the experience in Canada, they have had a focus on a tax rebate scheme similar to if you received Family Tax Benefit A hypothetically in Australia you may be able to get an additional taxation benefit if you produce receipts for registration in sport or produce receipts for sport-based equipment for your children, making sure that it is means tested because we are cognisant of the fact that governments are not flush with funds. I think those two components are really important. We know our Queensland experience has seen good participation numbers up there and a large number of clubs accessing that voucher scheme from the Queensland State Government under their Get Playing program.

The Hon. GREG DONNELLY: Have you a particular analysis that you have done on the Queensland scheme? Not with you here today but, on notice, is there a document you could undertake to obtain?

Mr BOLAND-RUDDER: I could come back to you with our growth statistics in Queensland and also the number of clubs that are claiming under that voucher scheme.

Mr TWEED: We have spoken already about the provision of infrastructure and facilities. If you are looking for a way to drive the participation costs, the State Government again, I would be suggesting that that is an important discussion to have. Because at the moment grassroots sports, if they want to improve their facilities, have to raise that money through participation fees. There is no other way of raising funds for facilities, other than charging the user.

The Hon. Dr PETER PHELPS: Or getting sponsorship.

Mr TWEED: Well at the moment there is no practical way for athletics to build the sponsorship or the commercial model required, other than by going to the end user.

Mr SIMPSON: It was raised in our submission around, for example, that the sports development program funding that is administered by the Office of Sport and Recreation has not changed.

The CHAIR: I think you noted in your submission \$2.5 million, that that has not changed since the year 2000?

Mr SIMPSON: Yes, it has not changed since the year 2000.

The CHAIR: What does that money get used for?

Mr SIMPSON: Well, I think every sport would use it somewhat differently. My proposal would be if that were to come up to a modern-day level that there be some stipulations put around exactly how much can be given to a sport. It would be based on how they are going with growing participation and that sort of thing. At the moment it is not tested and there are no set parameters put around what you need to achieve to get the money, other than being a normally functioning organisation. There is an opportunity to make that a little bit more stringent but, by the same token, raise it so that the sports are using it for the purpose that we would like it to be used for.

The Hon. Dr PETER PHELPS: To both our sports representatives, one of the arguments I have heard is that the insurance component of fees is unnecessarily high. In other words, you are being gouged by insurers, not based on any actuarial evidence of the likelihood of injury in the various sports. Could you comment on that from your own sports perspective?

Mr BOLAND-RUDDER: It is a difficult question. There is no doubt that insurance increases the cost. In respect of being gouged, I have not looked at our insurance fees on a district-by-district level.

The Hon. Dr PETER PHELPS: Is it up to the individual districts to arrange their insurance, or do you have a national or State scheme?

Mr ELLIS: We as a game are working towards a national insurance model so we can reduce costs based on numbers.

The Hon. Dr PETER PHELPS: That will reduce costs, which will give economies of scale at that point. What about athletics?

Mr TWEED: From an athletics perspective, we have a national insurance model. It goes to competitive tender, so the market works that. I was on the national insurance task force while working at Football Federation Australia. It is the same market efficiency; no evidence of insurers gouging.

The Hon. Dr PETER PHELPS: That is fine. It is one thing that has been raised.

The CHAIR: One last question for Mr Ellis and Mr Boland-Rudder. When it comes to the National Rugby League [NRL] or junior rugby league, you are looking at the change with children being larger and having weight for age competitions in place?

The Hon. Dr PETER PHELPS: It is long overdue. It used to be the case it was weight for age. There used to be weight categories.

The CHAIR: I used to play football against a guy who was called the Fridge and he was huge. Funnily enough, I see one of those programs is at Scarborough Park where I used to play against the Fridge. How much of that is being led by parental concern who are trying to get their children to participate in sport and

being concerned about their small child playing against the Fridge, and how much has it been because of the growth in child overweight and obesity?

Mr ELLIS: I would not say it is linked to the child obesity issue. It is certainly a big players versus small players issue. Our game lends itself to larger players the way the game is currently played. We have been trialling weight-restricted rugby league. We try to steer ourselves away from weight for age because the connotation that a younger player who is of a certain weight has to play up an age group is somewhat off putting for the parents of those kids. It is a weight-restricted model where you have the option to play a restricted version of the game if you are under a certain weight, so it might be under-12s restricted, and if you are under a certain weight you then participate.

It is an opportunity for us to grow our participation as opposed to somewhat of a response to parental concerns. There are certainly some issues that we have with public perception outside of people who are involved in the game. We are working really hard to change that. It is not a public response issue but more how are we going to grow our game and what opportunities can we provide, and that is an opportunity that we have identified is positive for us, which is to offer the weight-restricted opportunity. Six years of trials and the New South Wales rugby league is doing a great job of week-to-week and regular weight-restricted rugby league games this year for the first time. It is generally carnival basis for us and this is the first week-to-week stuff that we have done.

The Hon. Dr PETER PHELPS: It is a great initiative and should never have been done away with the first time.

Mr BOLAND-RUDDER: I am interested to know what your nickname was if the other kid was called the Fridge.

The CHAIR: You do not want to know.

The Hon. GREG DONNELLY: Yes, you are not tiny.

The CHAIR: I was tinier in those days. I used to play hooker, but I did tackle the Fridge once and that was my crowning achievement in rugby league. I retired after that. Thank you very much for your evidence today and your participation in the Committee and for your helpful submissions. Some of you have taken some questions on notice. The Committee has resolved that you have 21 days to answer those questions on notice. The Committee secretariat will be happy to help you.

(The witnesses withdrew)

CHRISTOPHER SNOWDON, Head of Lifestyle Economics, Institute of Economic Affairs, affirmed and examined via Skype

The CHAIR: Welcome, Mr Snowdon. Would you like to make an opening statement for the Committee?

Mr SNOWDON: Yes, just a couple of remarks on the basis of the title, Inquiry into Childhood Obesity and Overweight, one point on the measurements of obesity. There has been a melding together of obesity and overweight over the years, I have noticed, among some campaigners. The two things are very different. Obesity is closely linked, particularly at high levels, to various chronic diseases and premature mortality. Overweight much less so, if at all. The number of people who are overweight are much greater than the number of people who are obese. I gather in Australia the rate of childhood obesity is 7 per cent, which is certainly low compared to Great Britain and a little bit below average for most rich countries, including the overweight children, which raises that up significantly.

But obesity should be the issue rather than overweight, particularly since body mass index [BMI] is quite a crude tool at measuring these things. It was devised in the nineteenth century. Its main virtue is that it is neat and tidy rather than it actually tallies with health outcomes, and it is not a great measure of obesity with adults—although it is quite a close correlation—and even less so with children because children are growing. In Britain, we now have letters sent out to parents quite a bit from head teachers after the children have been weighed. A number of people I have spoken to have letters warning that their child is obese or on the brink of obesity when the child is clearly of healthy weight. I cannot tell you how many people have said these things. A word of caution, BMI is not the best measure of obesity for adults and it is particularly poor for children.

The second thing was just to say that childhood obesity rather than adult obesity clearly raises different issues in respect of what the Government should be doing. It would be obviously paternalistic and rather illiberal for the government to be using coercion to make adults weigh a particular weight. But that is a bit different with children. Obviously we expect a level of paternalism with children. On the other hand, we do expect that paternalism to come from the parents. I think with any government policy in this area, the government needs to be seen to be helping parents rather than overriding their wishes.

Also, any action, if it is to be about childhood obesity, should be targeted at children and ideally should not be impinging upon the choices and freedoms of adults. Moreover, and this is my final point, it should be targeted at the 7 per cent of children who are obese or any children who are at risk of becoming obese rather than at the entire population. We are often told that we live in an obesogenic environment in which people really have no choice other than to become obese, but when you are dealing with only 7 per cent of the child population that obviously does not seem to be true. It seems to be something that is a problem for quite a small minority of children and I think policies should appreciate that and try to be targeted towards those people rather than everybody

The Hon. Dr PETER PHELPS: My first question relates to the economics of obesity. We have had a number of witnesses claim that government should be intervening in childhood obesity because of its long-term health costs. Do you have any views on whether obesity results in net long-term health costs above and beyond the ordinary healthy population over the lifetime of a person?

Mr SNOWDON: Yes, we have actually just a few months ago commissioned some research on this because it is a claim you often hear about smoking and also alcohol. Figures tend to be bandied around in terms of healthcare costs, and with respect to alcohol also police costs and prison time and all these other public services that are linked to too much drinking. Campaigners, for fairly obvious reasons, tend to use the largest numbers they can. One way of doing that is to just look at the gross costs rather than the net costs. What the government and the taxpayers should be concerned about is whether they are paying above and beyond what they would be paying if there was no obesity, if there was no smoking, if there was no drinking.

To do that, you need to look at savings and benefits as well as costs, which in practical terms with health care—because with obesity there are not really any negative externalities except for health care—you need to look at what that person would cost the healthcare system had they not been obese. Clearly there are obesity-related diseases—diabetes, for example, or heart disease—and clearly they cost the State money if you have a State-funded healthcare system. The question is what they would have got and how much they would have cost the healthcare system had they not been obese. They would have clearly died of something. They would have had healthcare costs probably for several more years had they not been obese because they would have lived longer. The question that is rarely asked is: What are those costs and do they outweigh the costs directly associated with obesity?

In the case of smoking, it is very clear that there is not a net cost; there is in fact a saving. With alcohol it seems equally clear that there is a net cost because there are so many other externalities in terms of social disorder and crime. With obesity there has been remarkably little research looking at it. You have instead various claims about billions of pounds or dollars spent on health care. The research, which we have not published yet, suggests that there probably still is a cost but it is a lot less than the gross cost. In fact, the early estimates I am looking at suggest that the net costs to the State are less than half of what is often claimed in gross costs.

The Hon. Dr PETER PHELPS: While there might be good arguments for anti-obesity campaigns, the long-term health costs associated with obesity to the State's provision of medical facilities and resources is not one of them?

Mr SNOWDON: It may be, it may be not. It is a bit hard to tell. To be honest, it depends on what methodology you use, but that only reflects the fact that this is really an open question. I would certainly say that the costs, if they do exist, are not very large in the greater scheme of things. They may be negative. There has been research from Holland in particular that looks at the overall cost of smoking and obesity to the State and it found out it was actually the people who were not obese and who did not smoke who cost the most. The reason for that, as I have already alluded to, is simply if you have longer lifespans then generally you tend to see larger costs.

In fact, it is quite well understood in health economics that preventative medicine in general does not save money. It does impose a cost. There are not many things that you can do to improve health and increase longevity that save money because you have more pension payments to pay out, you have long-term healthcare costs, social care costs and so on. Generally, unfortunately, it is not usually the case that if you get people to live longer they will save money. Usually the effect is the reverse.

The Hon. Dr PETER PHELPS: That is because of the increase in gerontological costs if you live the extra 10, 15 or 20 years?

Mr SNOWDON: Yes, exactly. Partially to the healthcare system but actually more importantly to the welfare system and pensions.

The Hon. Dr PETER PHELPS: I noticed that in the *Times* in 2004 an article predicted that on present trends half of all children in England in 2020 will be obese. How is England going? Is it anywhere near 50 per cent obese children?

Mr SNOWDON: It is 17 per cent in England as of the last counting and it has been about 17 per cent since 2004. There has not been a rise in childhood obesity over here.

The Hon. Dr PETER PHELPS: In other words, it replicates what we see essentially in Australia and that is a flatlining from the early 2000s onwards?

Mr SNOWDON: Yes, it would seem that way. The obesity predictions that have been made over the last 10 or 15 years have been incredibly simplistic in their methods. They have basically taken the rise in obesity which has happened in most western countries from around about 1980 and just extrapolated it in a straight line. There really has not been any more to the methodology than that. They basically put a ruler over the line and just assumed that it was going to carry on increasing at a linear rate. Clearly, that cannot happen indefinitely: at some point you will have more than 100 per cent obesity. As it happens, it seems to have tailed off around about 2004 in Britain. There is evidence of flatlining also even in America.

It stands to reason that it is not going to continue going at a linear rate. There is no reason it actually would increase in a straight line even if it increased, but at some point it would clearly have to come to a stop. There will come a point, surely, when not everybody is going to be obese—even if it is just Olympic athletes and public health campaigners. I do not want to start predicting obesity myself because I think it is a fool's errand, but with any rise in health problems you are going to see a levelling off and possibly a drop at some time. Although we have not seen a drop as such, we are seeing a levelling off for whatever reason.

The Hon. GREG DONNELLY: At the macro level, what are your thoughts about the role of the State in terms of public health policy with respect to the general health and wellbeing of the population? Do you see that there is much of a role for government and, if there is, how do you think that role should be defined?

Mr SNOWDON: My view about this is the same as my view about the role of the State generally, which is if there is a collective issue that cannot be dealt with by individuals then there is probably a role for the State. If there is a market failure and the government is going to improve things then there is a role for the State. I see public health issues as being in one of two categories. One is the traditional public health issues of air pollution, vaccination, protecting people from contagious diseases. The other is the new model of public health,

which goes by the same name but I think is actually fundamentally different, which describes individual health problems as being public health problems if they exist in large enough numbers. I think those are fundamentally different and I think the role of the State there is more questionable.

However, there are several caveats to that. If there are significant negative externalities, if there are knock-on effects to other people, third parties, then there could be a role for the State there. If there is an information asymmetry—in other words, if consumers are basically ignorant—then I think that there is a role for the State. Thirdly, and I think controversially, if consumers are systematically irrational in some way—I suppose one example of that would be children and another example would possibly be addicts, though that is always difficult to define—then again possibly there is a role for the State, if the State is going to make things better and if the Government itself is not going to carry various negative externalities.

The CHAIR: The UK has recently embarked on quite a few legislative changes in this area. Could you give us a précis from your perspective of those changes—what is good, what is bad or what is working?

Mr SNOWDON: The childhood obesity strategy only came out a few weeks ago. There was not a huge amount in it, but there were some fairly eye-catching proposals in there. First amongst them is the sugar tax, and there are a series of proposals for a tax on sugary drinks from 2018, which will take the form of a sugar levy. It is not quite a sales tax, and I think there are various problems with the way it might be implemented, but it is a tax on manufacturers of sugary drinks based on how much sugar is in each of the drinks. There is a sort of a voluntary code of conduct, which the Government expects or hopes to lead to a 20 per cent reduction in sugar content in children's foods. Then there are various things to do with physical activity, quite rightly, particularly in schools. There is talk of using the money from the sugar levy for after-school clubs or for meals in schools and to encourage one hour of physical activity per day in schools.

The CHAIR: Of those programs, which ones would you endorse? Do you endorse the activity programs?

Mr SNOWDON: Yes, I think so. I do not think you want to get to the stage where you are forcing kids to do three or four hours of physical activity a day—one hour would seem to be the most that we should be encouraging unless we are going to turn our schools into boot camps. Physical activity is clearly very important. My own view of childhood obesity is that it is basically caused by lack of physical activity, more so even than adults. I feel that children naturally want to move around and run about, and if they are becoming obese it is because for some reason they are being stopped from doing that, partially because of the modern urban environment and partially because of parents' fear of allowing their kids to run around outside. With the exception of a small number of children, who may be genetically predisposed to obesity, I think children would naturally burn off a lot of calories if you allowed them to.

The Hon. Dr PETER PHELPS: In relation to sin taxes, we have heard evidence that sin taxes fall disproportionately on lower socio-economic groups and they are more often recommended by what might be called middle-class academics and public health advocates. Have you had a look at where the burden does fall for these sin taxes? Is it in fact on working-class people?

Mr SNOWDON: Yes, disproportionately and that is certainly the case with the sugar tax. I do not think anyone is disputing that over here. I would describe the situation as doubly regressive. It is a sales tax of sort—I know I said it was not a sales tax, but in effect it will increase the price and so effectively it will be a sales tax. If you tax a product like this, it is an indirect tax at a flat rate and so it is inevitable that it will take a larger share of wealth from people on low incomes than high incomes. That is a basic economic fact. But it is doubly regressive because as it happens people on low incomes tend to be slightly higher consumers of these products in the first place. It clobbers them doubly, and there is no dispute at all it will take a greater proportion from the poor than from the rich.

The CHAIR: There was a recent article in *The Australian*, which I do not expect you would be familiar with, written by Gary Johns largely talking about the UK policy. Mr Johns finishes by saying, "Obesity is a big problem, an existential problem. Libertarians are in denial and the Left sees an opportunity to control the lives of all. The middle will muddle through." From your perspective on the middle—you talked a little about sporting programs—what are some initiatives in the middle that should be the role of government to implement, aside from school sports? I acknowledge that from the outset you said that obesity is not necessarily a public health issue except where there are externalities and that any role of government should be in assisting parents rather than being paternalistic.

Mr SNOWDON: I think anything to do with schools and open spaces outdoors. As you rightly say, I believe that people should be assisted in this way. People in the main do not wish to be obese, and parents in the main do not want their children to be obese. Some of the choices they make may be inconsistent with that,

but when the Government is involved, as it is with schools and town planning, then it makes perfect sense to me for it to nudge people to make the optimal option, as most people would see it, to be the easiest one. I see no issue at all—I do not think any libertarian issues are involved—in what food is served in schools or how much physical activity children are expected to do.

Similarly, when it comes to preserving or creating open spaces in which children can play, it is inevitable this is going to be the Government's decision. There is a difference between those issues and paternalistic issues like the sugar tax or like banning advertising, where you are essentially using a very blunt instrument in the hope that you are going to effect change. I do not think you will effect change with those kinds of policies anyway. They are being proposed because they have been tried before with tobacco, and people who come from that kind of area have a limited toolkit and try to apply it to everything. But the issue of obesity is so much more complex than that and there is really no hope of them having any measurable effect.

The CHAIR: We have heard evidence today about the sugar tax. Two witnesses have spoken about the Mexican experience but they gave very different perspectives. One witness said that there was only a 182 litre reduction as a result of the sugar tax in Mexico. Another witness said there was a 12 per cent reduction in the consumption of soft drinks in Mexico from the imposition of that sugar tax. What is your perspective on the impact of a sugar tax in Mexico?

Mr SNOWDON: I have similarly heard differing reports on this. It seems whichever report you look at the effect has been fairly trivial in terms of the amount of calories consumed. The 12 per cent reduction claim came from a *British Medical Journal* paper early last year. They used a model, so their 6 per cent on 12 per cent figure is not actually based on how much sugary drink consumption fell by; it is based on a regression model based on what they assumed would have been sold in the absence of the tax versus what actually was sold. The raw data does not show a 12 per cent drop or anything like it. They just assumed that there would have been a rise had there not been a sugar tax, so it is the difference between their counterfactual and what actually happened. That was not really made clear to the media when that study was published, which is not to say that they are wrong. It is just to say it is unfalsifiable and we will never actually know how many fizzy drinks would have been sold in the absence of the tax. The evidence seems to suggest no drop at all.

The Mexican Institute of Public Health produced some figures that showed no drop but they also said if it had been a hotter summer and that and this had happened it would have been different. The claims from the soft drink industry have overlooked the fact that the population has been rising. You need to look at the per capita consumption. I have heard three or four different accounts and all of them, with the exception of the *British Medical Journal* [BMJ] study, show a trivial drop in consumption and possibly no real drop in consumption. The BMJ shows a slightly larger one but in terms of the number of calories people are consuming it seems to be trivial and very unlikely to have an effect on obesity—and nobody is claiming that it has had an effect on obesity. They are talking about doubling the tax in Mexico because it has not worked. Finally, on the Mexican tax, it does seem everybody is agreed that if there was a drop the sales have more or less gone back to normal now.

The Hon. GREG DONNELLY: I refer to the United Kingdom [UK] experience and the issue of the labelling of products, particularly processed food, to provide the consumer with transparent clear information about content. In Australia we have an ongoing process of coming up with a model. There is some rub in that between the producers, manufacturers and other interest groups and it never gets to a perfect scenario, if such exists. Are you aware of a jurisdiction in the world where there is, from your point of view, labelling which does provide good, accurate, transparent information about what is in the food being purchased? If so, can you nominate that jurisdiction?

Mr SNOWDON: I find the United Kingdom labelling system to be effective. I have one or two quibbles with it, which I might come to. It is not a mandatory system. The European Union [EU] does not allow Britain to label its food as it would like and the EU does not have an EU-wide system. It is done on a voluntary basis with industry, but most of the big food companies subscribe to the system we use in the UK, which is a traffic light warning system. I was sceptical about it initially. As a way of comparing two different products that are basically the same, two different frozen lasagnes for example, it is quite good. The system works, as you are probably aware, by showing the percentage of your recommended daily intake of salt, sugar, fat and calories. If it is above a certain level it goes orange or red, signifying danger, and low is green.

The colour system is okay at a quick glance. That the information is broken down is quite useful and it gives you the idea of how many calories are in it and how many calories you should be consuming. That is on top of the rest of the information on food regarding ingredients. It is quite a good system. My only quibble with it is that it could be shown more clearly exactly what is in the product itself. It tends to show you what is in 100 grams of the product. That is less useful than telling you how much is in the product. If I buy a pie and you tell

me there are 500 calories in the pie I can work out how much is in half a pie. Instead, you get a 40 gram pack of crisps with a label that tells you how much is in the 100 grams of it. That seems to me to require a little too much mathematical calculation by the consumer. I do not see why it cannot say how much is in the product and let the buyer work out the rest. Apart from that, I think it is a fairly effective system.

The CHAIR: Thank you for joining us this morning your time and this afternoon our time and assisting the Committee. I do not think you have any questions on notice, but if you have the Committee has resolved that answers to questions taken on notice be returned within 21 days and the Committee secretariat will assist.

(The witness withdrew)

(The Committee adjourned at 5.04 p.m.)