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## **SUGAR TAX NEEDED IN WAR ON OBESITY**

As Federal Parliament rises for the long winter break, the AMA is renewing its call on the major parties to get serious in the war on obesity by making a sugar tax a priority in their health policies for the next Federal election.

AMA President, Dr Tony Bartone, said today that this week’s announcement by the Australian Beverages Council (ABC) to reduce its sugar use by 20 per cent by 2025 was totally inadequate and further evidence of the industry shirking its stated intention and responsibility to contribute to improving public health.

“The soft drink industry’s commitment to cut sugar content is too little over too long a period, and there is no guarantee of less sugar in the most popular sugar sweetened beverages (SSBs),” Dr Bartone said.

“By the time 2025 rolls around, more Australians will be affected by the health harms of obesity, including from the high sugar content in SSBs.

“One of the best ways to achieve a change in consumer behaviour is with a sugar tax. The evidence is in. Price signals work.

“We have seen success with excise increases on tobacco products. And we are seeing early successes with sugar taxes in Mexico and some American States.

“The AMA strongly supports the introduction of a sugar tax in Australia as part of a broad range of policies to combat obesity and improve the health of the population across all age groups.”

Dr Bartone said that doctors see the direct consequences of obesity every day.

“We have an increasing number of patients, children and adults, with type 2 diabetes, and the complications can extend to heart disease, cancers, strokes, and loss of mobility.

“We also see children and adults with orthopaedic and joint problems, which are a direct consequence of the excess weight they are carrying.

“There is a broad range of associated physical and mental health problems associated with overweight and obesity.

“And we know that hospitals and other health care organisations are spending precious and limited resources on specialised equipment to care for the increasing number of obese people. This specialised equipment – such as lifting machines and the redesign of trolleys and ambulances – is very costly and redirects resources away from other important aspects of delivering health care.

“Revenue from the sugar tax can be hypothecated to the health sector, including investment in measures that support healthy eating and subsidies for healthier foods.

“The sugar tax makes sense. The AMA will campaign for it up to election day, and beyond if needed,” Dr Bartone said.

**Background:**

- 63.4 per cent of Australian adults are either overweight or obese, and 27.4 per cent of children aged 5 to 17 years are either overweight or obese.
  - Mexico's 10 per cent tax on SSBs has been in place since 2014. Data shows that the tax has resulted in a decrease in purchasing, by 5.5 per cent in 2014 and 9.7 per cent in 2015 (an average reduction of 7.6 per cent over the two years). There was also a 2.1 per cent increase in the quantity of untaxed beverages purchased.
  - The tax introduced in Hungary tax (which applied to food high in sugar, fat and caffeine) resulted in product reformulation, and a decrease in the sale of taxed foods by 25 per cent, and a decrease in consumption by 25-35 per cent, when compared to the previous year.
  - There is a tax on SSBs in place in several US jurisdictions, including the one introduced in Berkeley, California, in March 2015. An evaluation of the Berkeley tax showed that consumption of SSBs had dropped by 21 per cent, and increased by 4 per cent in comparison neighbourhoods without such a tax.
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