From: Tiffany Petre Sent: Tuesday, December 5, 2023 5:00 PM

Subject: Questions on notice

Please see below information regarding questions on notice from my hearing on November 17<sup>th</sup>. I previously sent through edits to the transcript and our budget submission document.

I've copied in Jane Martin who leads the <u>Food for Health Alliance</u>. She and her team have prepared the below information and are top experts on food environments. If there are further questions in this space, it could be helpful to approach them. I am of course happy to help field further questions as needed as well.

Best regards Tiffany

Tiffany Petre | Director

The Obesity Collective



The Obesity Collective acknowledges the Traditional Custodians of the land we work on and pays respect to Elders past, present and emerging.

The evidence around more obvious front of pack labelling to show something isn't healthy

#### (eg something red or teaspoons of sugar) vs mandating the HSR?

There is evidence that pictorial labels (eg teaspoons of sugar) on drinks are valuable and can be effective in reducing consumption – and that these also complement Health Star Ratings. See this attached evidence brief from South Australian Health and Medical Research Institute (SAHMRI) who have given permission for this to be shared with the Committee. Further research by <u>The George Institute research</u> points to the <u>impact of adding color</u> - red, amber and green with the Health Star Rating is likely to support people to purchase healthier options

There is also evidence around the impact of nutritional warning labels in promoting healthier choices, improving consumer knowledge and encouraging food companies to develop healthier products. These could also be potentially combined with other front of pack systems, such as the HSR. The <u>Obesity Evidence Hub</u> includes an overview of evidence on this, and it will be updated soon to reflect this current evidence.

#### What is the evidence around mandating a max tsp of sugar in drinks instead of the levy?

A maximum teaspoon limit for sugar in sugary drinks would require a mandatory reformulation program with strong limits – requiring sugary drinks manufacturers to significantly decrease the amount of sugar in their existing products. We are not aware of anywhere that has taken this approach or that this is a recommended alternative to a health levy on sugary drinks. We do know that voluntary reformulation programs have not been successful, for example voluntary targets under the Healthy Food Partnership have not been effective in significantly improving the composition of packaged foods (see The George Institute for Global Health, FoodSwitch: State of the Food Supply, Australia 2021, Sydney, 2021. See also Australian Bureau of Statistics (15 February 2023), Healthy Food Partnership Reformulation Program: Two-year progress, ABS Website).

We strongly recommend the introduction of a health levy on sugary drink manufacturers to reduce sugar consumption, incentivise reformulation, and raise revenue that can be used for health promotion. We note concerns that this may impose a cost on individual consumers. One possible design for a health levy on sugary drinks is a tiered levy that applies different taxation rates to drinks depending on their sugar content, with no levy applying to drinks with a low level of sugar, as has been done in the UK. This type of approach could be considered as it allows drinks manufacturers to reduce the sugar content in their drinks to avoid or limit the levy, reducing the impact on consumers. Where specific manufacturers do not reduce sugar content, consumers will be able to choose an alternative drink with lower sugar at a lower price.

It is also important to note that the impacts of the sugary drinks industry is experienced most by Australians of low-socioeconomic position and other vulnerable populations, as these groups consume high levels of sugary drinks. This means those individuals are likely to receive a greater benefit from reduced sugar consumption following the introduction of a health levy on sugar drinks. It is also important to remember that these groups also face high out of pocket costs associated with being above a healthy weight, as most of the cost of obesity is borne by the individual and their family, followed by the health system. The Australian Government can offset the impact of higher prices by investing revenue from a health levy on sugary drinks into prevention programs and

interventions that are likely to be of particular benefit to low-income Australians.

# Evidence briefing: Sugar labelling on sugary beverages



#### Summary

- Sugary drinks are the single largest source of sugar in Australians' diets. Reducing consumption would meaningfully improve diets of children, adolescents, and adults. Sugary drink consumption causes chronic disease.
- Sugar labelling on sugary beverages have the potential to inform consumers and reduce overconsumption of sugar-sweetened beverages, and associated health burdens.
- Several countries have adopted sugar warning labels.
- FSANZ were asked to investigate applying a sugar pictorial to sugary beverages by food ministers, and despite recognising its potential, recommended against it in 2021, due to Health Star Ratings (HSR).
- SAHMRI research demonstrates the value of pictorial labels for beverages, and their complementary effect to Health Star Ratings. The evidence supports revisiting and implementing sugar pictorials for sugary beverages.

## Background

Sugary drinks are the largest contributor of sugar in Australian's diets. Young adults and adolescents are the highest consumers of sugary drinks in Australia. Approximately 60% of young adults (18-24 years) and adolescents (14-17 years) consume at least one per week, with rates even higher among males [1]. Sugary drink consumption is causally associated with Type II Diabetes, obesity, cardiovascular disease, tooth decay and periodontal disease [2].

# SAHMRI Research findings

As part of a wider program of food policy research, the SAHMRI Health Policy Centre has developed a body of evidence that demonstrates the value of front-of-pack sugar labelling.

SAHMRI findings show that:

- 88% of the population are in favour of text warning labels on containers [3].
- 60% of adults [4] and 65% of adolescents [5] underestimate or do not know the sugar content in an average bottle of soft drink.
- There is limited understanding of Nutrition Information Panels and the Energy Intake symbol [6].
- When shown a suite of label options including health effects, nutrient contents, exercise equivalents and pictograms of sugar content young adults [7], parents [8] and adolescents [9] had a clear preference for labels that displayed quantity of sugar because they were clear, factual and contained non-ambiguous information (Figure 1).
  - These labels made people 'stop and think' about their own consumption.
- A study that directly compared 27 labels (contextualised on a bottle of soft drink) found that labels that quantified sugar content ranked among the highest [10] (Figure 2).
- A real-world drink choice experimental study using a 'convenience store app' (Figure 3) demonstrated that adding warning labels to drinks high in sugar resulted in more people selecting water instead of sugary drinks. Added sugar labels complemented Health Star Ratings.

Internationally, several countries have implemented or proposed to implement the use of front-of-pack advisory labels, including Chile, Peru, Uruguay, Israel (pictured), Brazil, Mexico (pictured), Colombia, Argentina, Canada, and South Africa [10]. These have primarily involved nutrient warnings (e.g., 'high in sugar' labels; Figure 1), which have not ranked as high as labels quantifying sugar content in our body of research.







## Policy context

Food Standards Australia and New Zealand (FSANZ) reviewed nutrition labelling for added sugar in 2021 [11]. Subsequently, and in response to a request from Food Ministers, FSANZ considered:

- Quantifying added sugars in the NIP
- Applying a pictorial about sugar to sugary beverages/sugar-sweetened beverages, and
- Changing the statement of ingredients to identify sugars-based ingredients.

In June 2021, FSANZ recommended against adding a pictorial sugar label:

"Applying a pictorial about sugar on SSBs has the potential to clearly convey the significant contribution these foods make to the consumption of added/total sugars. However, consideration of an additional or alternative interpretive labelling scheme for SSBs at a time when governments are promoting HSR uptake and the non-alcoholic beverage sector is encouraging members to use the HSR System, may not be appropriate."

Note: the HSR system is voluntary and has limited uptake by industry despite being in place since June 2014.

## Conclusions

SAHMRI research demonstrates:

- the value of pictorial labels for beverages, and that
- they complement the current Health Star Ratings

SAHMRI's evidence, along with other Australian labelling research [13, 14], supports revisiting and implementing sugar pictorials for sugary beverages.



#### References

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- 2. Haque et al. A narrative review of the effects of sugar-sweetened beverages on human health: A key global health issue. *JPTCP* 2020 doi: <u>10.15586/jptcp.v27i1.666</u>
- 3. Miller et al. Are Australians ready for warning labels, marketing bans and sugary drink taxes? Two cross-sectional surveys measuring support for policy responses to sugar-sweetened beverages. *BMJ Open* 2019 doi: 10.1136/bmjopen-2018-027962
- 4. Miller et al. Adolescents' knowledge and beliefs regarding health risks of soda and diet soda consumption. *Public Health Nutrition* 2022 doi: 10.1017/S1368980022001719
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- Miller et al. "When we were young, it really was a treat; now sugar is just the norm every day"—A
  qualitative study of parents' and young adults' perceptions and consumption of sugary drinks. HPJA
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- 9. In preparation
- 10. Miller et al. Warning labels for sugar-sweetened beverages and fruit juices: Evaluation of 27 different labels on health effects, sugar content, energy and exercise equivalency. Under review
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- 12. Food Standards Australia and New Zealand (FSANZ) Proposal P1058 Nutrition labelling about added sugars. <u>https://www.foodstandards.gov.au/code/proposals/Pages/Proposal-P1058---Nutrition-labelling-about-added-sugars.aspx</u>
- Riesenberg et al. Exploring the effects of added sugar labels on food purchasing behaviour in Australian parents: An online randomised controlled trial. PLoS ONE 2022 doi: <u>10.1371/journal.pone.0271435</u>
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