

NARGA

National Association of Retail Grocers of Australia Pty Ltd

ABN 72 000 446 355

Tel: 61 2) 9580 1602
61 2) 9585 0721
61 2) 9586 4671
Fax: 61 2) 9579 2746

Suite 9, Level 2, 33 MacMahon Street
Hurstville NSW 2220
Email: info@narga.com.au
www.narga.com.au

24 October 23, 2008

Elton Humphery
Committee Secretary
Community Affairs Committee
Australian Senate
Parliament House
Canberra ACT 2600

Email: community.affairs.sen@aph.gov.au

Dear Mr Humphery,

Submission: Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2008

NARGA represents the independent retail grocery sector comprising over 5000 stores employing more than 225,000 people.

The independent grocery sector comprises approximately 20% of the national grocery market, yet provides essential supplies to thousands of regional and remote communities, particularly those considered too small to be of interest to the major supermarket chains, as well as providing competitive pressure to those chains through larger stores in metropolitan and regional centres.

Grocery stores and supermarkets sell a wide range of foods that are advertised on children's TV programs and at other times. Increasingly such food products include healthy 'ready to eat' meals and fresh foods that have been packaged so as to simplify food preparation. Both of these options cater for parents that are time poor but still want their families to eat as a family and take part in a home-prepared meal as an alternative to 'take-away' food.

For this and other reasons we see the proposed legislations as unnecessarily restrictive and superfluous. Other comments follow.

The Bill seeks to amend two acts so as to restrict the advertising of food to children, the only exception being community service announcements, supposedly in favour of 'good' foods and beverages. It does so by proposing:

- an amendment to the Broadcasting Services Act 1992 which, among other things, seeks to prohibit the advertising of ALL food and drink – not just 'junk' food – during children's viewing times; and
- an amendment to the Schools Assistance (Learning Together – Achievement Through Choice and Opportunity) Act 2004 which makes the prohibition of food or beverage advertising in schools a condition for the receipt of financial assistance.

In the latter case schools may be adversely affected financially by the proposed ban. I refer to the situation where a number of commercial entities may have provided schools with canteen equipment branded with their product name – for example pie warmers, refrigerators for milk and juice products etc.

Presumably such schools would receive additional funding to replace such equipment and / or to employ additional staff where such equipment provided automatic vending facilities.

In the case of the broadcasting ban no distinction is made between 'good' food and 'junk' food. Whilst this approach avoids the problem of having to define 'junk' food, it tars all food with the same brush – i.e. it would equally restrict the advertising of milk – which used to be provided free to school children because of its nutritional value – and so-called 'fast' food. 'Teddy Bear' biscuit advertising would be banned along with 'Big Macs'. There is, in fact, a wide range of foods advertised in C time that nutritionists would consider healthy including milk and flavoured milk, high fibre bread and fruit juice.

If the Senate's intention is to ban all food advertising the title of the Bill should be amended to read '*Protecting Children from Food Advertising Bill 2008*'.

Not only would such a restriction prohibit messages supporting 'good' foods, it would also affect the financial viability of children's TV programs which will result in either a reduction in viewing time, program quality or both.

In the real world, advertising dollars that would have been expended on children's TV programs will be diverted elsewhere – into non C classified time slots (which children also watch) or into other advertising media, the result being no net gain – if in fact a ban on advertising actually works.

A case in point is Sweden which has had a ban on such advertising in place since 1991 but shows no evidence that the obesity 'problem' there is any less than it is in other western countries.

So what is the obesity problem? It appears to be one that lacks an adequate definition with some health specialists suggesting that the basis for body weight comparisons are too reliant on old weight profile data when children were relatively shorter and less well nourished – i.e. the base line needs to be reset to reflect current nutritional standards.

Whilst it is clear that, even under a new agreed definition of overweight and obese, some children would still fall into those categories, authorities are also divided on what is the primary cause – and therefore to what extent if any an advertising ban impacts the problem.

There is extensive literature on the problem of obesity and some of the factors mentioned include:

- the relative abundance of food in western society, when compared with earlier times;
- cultural factors; (e.g. parents who believe a chubby child is healthy / the puppy fat myth)
- relative income, with cheaper food generally having a higher carbohydrate content;
- higher levels of stress / people seeking a food 'reward';
- a more sedentary lifestyle; e.g. the prevalence of computer games.
- lack of exercise; lack of opportunity for exercise – e.g. sporting and other outdoor facilities;
- children driven to school instead of walking because of safety concerns;
- latch-key children staying indoors because of safety concerns
- genetic factors; etc.

An example of the latter was given by a paper in *Science* (*Stice et al. p.449*) this week which suggests that a proportion of the population have a genetic variation that results in an underactive reward circuitry in the brain, which leads them to overeat in an effort to boost a sluggish dopamine reward system.

At a simplistic level the body gains weight (fat) when the energy input (food) exceeds the energy output (movement) – and there are a wide range of factors involved in that energy balance.

Whilst the proposed legislation may be well intentioned, we suggest that the factors surrounding the problem of obesity are still not well defined and that there is little evidence to suggest that it is amenable to simplistic 'solutions' of the types suggested in the Bill.

We are, however, concerned about any unintended consequences. These include the impact on our member companies who, through grocery stores and supermarkets sell a wide range of good food products that would also be affected by the proposed advertising prohibition.

We believe that the issue of overweight and obese children is not amenable to a simplistic quick fix such as proposed by this Bill. Judging by the list of factors that impact on the issue, there would appear to be a range of measures that could be taken to address obesity that would be more effective and less indicative of mere symbolism.

Please contact NARGA should you require any further information.

Yours sincerely

Ken Henrick
Chief Executive Officer