

6 July 2018

## **SUBMISSION TO THE SENATE SELECT COMMITTEE IN THE OBESITY EPIDEMIC IN AUSTRALIA**

### **KEY RECOMMENDATIONS**

Diabetes Australia recommends:

#### **Sugary drinks**

- Introduce a 20% tax on sugary drinks

#### **Health Star Rating**

- Make the system mandatory at the five-year review
- Continue education campaigns to enhance consumer awareness of the system and its appropriate use
- Adapt the algorithm to ensure the system's credibility

#### **Food marketing to children**

- Introduce legislation to enforce time-based restrictions on advertising unhealthy foods on free-to-air television during hours when children are most likely to be watching television
- Restricting all advertising and marketing for unhealthy food directed at children across all channels (including websites, social media, email, text messages, apps, branded games, print, radio, cinema, outdoor media, sport sponsorship, point of sale promotions and embedded marketing).

#### **Physical activity**

- All levels of Australian government should take steps to ensure communities are amenable to physical activity and enable people to embed it in their daily lives
- Implement a targeted education campaign encouraging families and limiting their amount of daily screen time
- Encourage and incentivize workplaces to reduce sedentary behavior through effective workplace design and health promotion programs.

## THE CASE FOR CHANGE

### Overweight and obesity

The rising rates of overweight and obesity are a major challenge to Australia and we urge leaders and policymakers to take decisive steps to help more Australians achieve and maintain a healthy weight. In 1995 only 57% of adults were overweight or obese, however by 2014-15 this figure had climbed to 63%.<sup>1</sup> An even higher proportion of Aboriginal and Torres Strait Islander Australians (66%) are overweight or obese.

Of particular concern is the increasing number of children and adolescents who are overweight or obese. Recent research has found that 27.4 per cent of Australian children aged 5-17 years are overweight and obese while 20 per cent of children aged 2-4 years are already overweight and obese.<sup>2</sup>

The downstream impact of the rising number of people who are overweight or obese is an increase in the chronic disease burden. Excess weight is a major factor for many chronic diseases including type 2 diabetes, stroke, cardiovascular disease, chronic kidney disease and cancer, it also represents a significant opportunity to have a meaningful impact in reducing the incidence of these diseases.

### Type 2 Diabetes

One of the major implications of the obesity epidemic has been its contribution to the steadily rising prevalence of type 2 diabetes in Australia. The number of Australians living with type 2 diabetes has climbed from just over 430,000 in 2001<sup>3</sup> to more than 1.1 million in 2018.<sup>4</sup> It is now the single biggest challenge confronting Australia's health system.

Unless Australia takes comprehensive steps to address the rising rates of overweight and obesity, and prevent more people from developing type 2 diabetes, up to three million Australian adults could be living with the condition by 2025.<sup>5</sup>

Worryingly, the age of people diagnosed with type 2 diabetes also continues to fall. Historically the condition has been diagnosed in people over 50 years of age, however the rates of younger adults, adolescents and children diagnosed with the condition is increasing rapidly.<sup>6</sup> There are currently more than 430 children under the age of 18 registered with the National Diabetes Services Scheme. This includes 142 aged 12 and under.<sup>7</sup>

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<sup>1</sup> Australian Institute of Health and Welfare 2017. A picture of overweight and obesity in Australia 2017. Cat. no.PHE 216. Canberra: AIHW.

<sup>2</sup> Australian Bureau of Statistics. *National Health Survey: first results, 2014-15*. ABS cat. No. 4364.0.55.001. Canberra: ABS.

<sup>3</sup> Australian Bureau of Statistics. *Australian Social Trends, December 2007*. Cat. no. 4102.0. Canberra, 2007. <http://www.ausstats.abs.gov.au/>.

<sup>4</sup> NDSS Snapshot

<sup>5</sup> Magliano, D., Peeters, A., Vos, T., Sicree, R., Shaw, J., Sindall, C., Haby, M., Begg, S. and Zimmet, P. (2009). Projecting the burden of diabetes in Australia - what is the size of the matter?. *Australian and New Zealand Journal of Public Health*, 33(6), pp.540-543.

<sup>6</sup> Azzopardi, P., Brown, A., Zimmet, P., Fahy, R., Dent, G., Kelly, M., Kranzusch, K., Maple-Brown, L., Nossar, V., Silink, M., Sinha, A., Stone, M. and Wren, S. (2012). Type 2 diabetes in young Indigenous Australians in rural and remote areas: diagnosis, screening, management and prevention. *The Medical Journal of Australia*, 197(1), pp.32-36.

<sup>7</sup> NDSS Statistics

Diabetes prevalence is significantly higher in certain population groups including Aboriginal and Torres Strait Islander Australians who have one of the highest rates of diabetes in the world. As many as 25% of adults have type 2 diabetes<sup>8 9</sup>, and the disease is increasingly diagnosed in children, adolescents and young adults.<sup>10</sup>

While genetics and age are important risk factors for type 2 diabetes, many cases can be prevented by maintaining a healthy weight, achieving enough physical activity and eating healthy.

## **Cost**

Diabetes is estimated to cost the Australian economy around \$14.6 billion dollars per annum.<sup>11</sup> This includes the costs of healthcare, carers and Commonwealth Government subsidies. Forecasts indicate this will increase to \$30 billion by 2025.<sup>12</sup>

If we fail to act healthcare spending will skyrocket placing an unsustainable burden on Australia's health system.

## **WHAT NEEDS TO BE DONE**

There are several areas where the Australian Government can move rapidly and impactfully to reduce rates of overweight and obesity, especially amongst children and young people. These interventions are evidence-based and, in many cases, supported by real world examples of implementation.

Areas for action include:

- Introducing a tax on sugar-sweetened beverages
- Reforming the Health Star Rating system
- Reducing marketing of junk and unhealthy food to children
- Introducing pre- and post-pregnancy support to help women reduce the number of women diagnosed with gestational diabetes and to help prevent them and their children from becoming overweight or obese and/or developing type 2 diabetes later in life.

## **Sugary Drinks**

Diabetes Australia supports the introduction of a health levy on sugar-sweetened beverages, as part of a comprehensive approach to decreasing rates of overweight and obesity. Revenue should be reinvested in public education campaigns and initiatives to prevent chronic conditions and address childhood obesity.

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<sup>8</sup> Minges KE, Zimmet P, Magliano DJ, et al. Diabetes prevalence and determinants in Indigenous Australian populations: a systematic review. *Diabetes Res Clin Pract* 2011; 93(2): 139–49.

<sup>9</sup> Australian Bureau of Statistics. Australian Aboriginal and Torres Strait Islander health survey: biomedical results, 2012–13, 2014. Canberra: Australian Government.

<sup>10</sup> . Azzopardi P, Brown AD, Zimmet P, et al. Type 2 diabetes in young Indigenous Australians in rural and remote areas: diagnosis, screening, management and prevention. *Med J Aust* 2012; 197: 32–36.

<sup>11</sup> Lee, C., Colagiuri, R., Magliano, D., Cameron, A., Shaw, J., Zimmet, P. and Colagiuri, S. (2013). The cost of diabetes in adults in Australia. *Diabetes Research and Clinical Practice*, 99(3), pp.385-390.

<sup>12</sup> Department of Health. Australian National Diabetes Strategy 2016e2020. Canberra: Commonwealth of Australia, 2015. <http://www.health.gov.au/internet/main/publishing.nsf/Content/nds-2016-2020>.

The consumption of sugary drinks is associated with increased energy intake and, in turn, weight gain leading to overweight and obesity. Sugary drinks are the largest source of free sugars in the Australian diet with consumption particularly high amongst young people, Aboriginal and Torres Strait Islanders and socially disadvantaged people.<sup>13</sup> These groups are among those at highest risk of overweight and obesity and type 2 diabetes and, therefore, are likely to gain the largest health benefit from a sugary drinks tax that reduces consumption.

In particular, sugary drinks have been shown to increase the risk of developing type 2 diabetes.<sup>14</sup><sup>15</sup><sup>16</sup><sup>17</sup><sup>18</sup> Research has demonstrated that high consumers of sugary drinks have a 26% higher risk of developing type 2 diabetes.<sup>19</sup>

There is clear evidence, though, that a sugary drinks tax discourages consumption. One study found a 20 per cent levy could reduce consumption by around 12.6%.<sup>20</sup> This could lead to 800 fewer people developing type 2 diabetes annually.<sup>21</sup>

Globally the momentum to tax sugary drinks is growing. Countries and jurisdictions that have introduced sugary drinks taxes include Mexico, the United Kingdom, the Republic of Ireland, South Africa, Estonia, Saudi Arabia, the United Arab Emirates, Thailand, Catalonia (Spain), Berkley (US) and Seattle (US).

Early evidence of the efficacy of these taxes has been promising. Mexico introduced a 10 per cent sugary drinks tax in 2014 and has already seen consumption fall by 7.6 per cent.<sup>22</sup> One recent evaluation of the impact of Berkley's sugary drinks tax, introduced in 2014, shows a 21% drop in consumption when compared to similar nearby neighborhoods.<sup>23</sup>

On top of this there is broad public support for a tax. In 2016, 69 per cent of Australian grocery buyers supported a tax if the revenue was used to reduce cost of healthy foods<sup>24</sup>, while an earlier survey in 2012 found 85% supported tax revenue being used to fund programs reducing childhood obesity.<sup>25</sup>

### ***Recommendation: Introduce a 20% tax on sugary drinks.***

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<sup>13</sup> Australian Bureau of Statistics, Australian Health Survey: Consumption of Added Sugars. Australia. 2011-12. 4364.0.55.011. 2016, ABS: Canberra.

<sup>14</sup> Imamura F, O'Connor L, Ye Z, Mursu J, Hayashino Y, Bhupathiraju SN, Forouhi NG. Consumption of sugar sweetened beverages, artificially sweetened beverages, and fruit juice and incidence of type 2 diabetes: systematic review, meta-analysis, and estimation of population attributable fraction. *Bmj*. 2015 Jul 21;351:h3576

<sup>15</sup> Basu S, McKee M, Galea G, Stuckler D. Relationship of soft drink consumption to global overweight, obesity, and diabetes: a cross-national analysis of 75 countries. *American journal of public health*. 2013 Nov;103(11):2071-7

<sup>16</sup> Malik VS, Popkin BM, Bray GA, Despres JP, Willett WC, Hu FB. Sugar-sweetened beverages and risk of metabolic syndrome and type 2 diabetes: a meta-analysis. *Diabetes Care* 2010; 33(11): 2477-83.

<sup>17</sup> InterAct Consortium. Consumption of sweet beverages and type 2 diabetes incidence in European adults: results from EPIC-InterAct. *Diabetologia*. 2013 Jul 1;56(7):1520-30.

<sup>18</sup> Papier K, D'este C, Bain C, Banwell C, Seubsman S, Sleight A, Jordan S. Consumption of sugar-sweetened beverages and type 2 diabetes incidence in Thai adults: results from an 8-year prospective study. *Nutrition & diabetes*. 2017 Jun;7(6):e283.

<sup>19</sup> DellaValle DM, Roe LS, Rolls BJ. Does the consumption of caloric and non-caloric beverages with a meal affect energy intake? *Appetite*. 2005 Apr 1;44(2):187-93.

<sup>20</sup> Veerman J, Sacks G, Antonopoulos N, Martin J(2016). The Impact of a Tax on Sugar-Sweetened Beverages on Health and Health Care Costs: A Modelling Study. *PLoS One*, 11(4), p4.

<sup>21</sup> Ibid.

<sup>22</sup> Colchero A, Popkin B, Rivera JA, Ng SW, "In Mexico, evidence of sustained consumer response two years after implementing a sugar-sweetened beverage tax", *Health Affairs*, 2017. Retrieved from

<http://m.content.healthaffairs.org/content/early/2017/02/16/hlthaff.2016.1231> 25 May 2018.

<sup>23</sup> <sup>23</sup> Backholer K et al (2016) The effect of a sugar sweetened beverage tax across different socioeconomic groups, *Public Health Nutrition*, 2016 Dec;19(17):3070-3084.

<sup>24</sup> . Duckett, S., Swerissen, H. & Wiltshire, T., A sugary drinks tax: recovering the community costs of obesity. 2016, Grattan Institute.

<sup>25</sup> Morley, B., et al., Public opinion on food-related obesity prevention policy initiatives. *Health Promot J Austr*, 2012. 23(2): p. 86-91.

## Health Star Rating

Interpretative front-of-pack labelling can be a powerful tool to educate consumers about nutrition and help people make healthy choices. It can also be a powerful tool to encourage reformulation as manufacturers seek to obtain a higher star rating.

Since its inception in 2014, the Health Star Rating system has made a positive contribution to educating consumers, however there are several areas where the scheme could be improved.

Firstly, products' star ratings do not always align with the Australian Dietary Guidelines. A recent analysis found that this happens in about 17% of cases. These examples attract media attention and undermine the public's confidence in the scheme. Diabetes Australia recommends adapting the algorithm which would help safeguard the system's credibility.

Secondly, the voluntary nature of the scheme means many food manufacturers choose not to participate or to only apply the health star rating on products that score highly. Because of this the most common Health Star Rating is four stars.<sup>26</sup> Making the system mandatory at the five-year review would remove these inconsistencies and enable consumers to make meaningful product comparisons.

### ***Recommendations:***

- ***Make the system mandatory at the five-year review***
- ***Continue education campaigns to enhance consumer awareness of the system and its appropriate use***
- ***Adapt the algorithm to ensure the system's credibility.***

## Food marketing to children

Discretionary foods, containing saturated fat, added salt and added sugars, comprise almost 40% of Australian children's energy intake, while less than five per cent of Australian children are consuming the amount of fruit and vegetables recommended by the Australian Dietary Guidelines.<sup>27</sup>

This consumption is driven, in a large part, by the well-resourced and successful marketing campaigns of food manufacturers. In a single year, Australian children who watch 80 minutes of television a day are likely to see 800 junk food advertisements on free-to-air television.<sup>28</sup> Evidence shows that existing self-regulatory initiatives, such as those introduced by the Australian Food and Grocery Council, are insufficient and lack compliance monitoring or meaningful incentives to comply.<sup>29</sup>

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<sup>26</sup> Heart Foundation, Report on the monitoring of the implementation of the Health Star Rating system in the first two years of implementation: June 2014 to June 2016, p169.

<sup>27</sup> Australian Institute of Health and Welfare, *Australia's health 2016. Australia's health no. 15. Cat. no. AUS 199.* 2016, AIHW: Canberra.

<sup>28</sup> Smithers, L.G., et al., Food advertising on Australian television: Frequency, duration and monthly pattern of advertising from a commercial network (four channels) for the entire 2016. *J Paediatr Child Health*, 2018.

<sup>29</sup> King L, Hebden L, Grunseit A et al. Building the case for independent monitoring of food advertising on Australian television. *Public Health Nutr* 2013;16(12):2249–54

Economic modelling of restrictions on marketing unhealthy food to children has demonstrated that it is one of the most cost-effective policy levers for addressing obesity. One study found that for every \$1 invested, approximately \$38 could be saved.<sup>30</sup>

Internationally, there is a growing appetite for restrictions on marketing unhealthy food to children with both Chile and Quebec (Canada) taking steps to limit exposure.<sup>31</sup> There is also broad support amongst the Australian public for this measure. Two studies have found that restrictions on marketing unhealthy food to children is supported by an overwhelming majority of Australians.<sup>3233</sup>

### **Recommendations:**

- ***Introduce legislation to enforce time-based restrictions on advertising unhealthy foods on free-to-air television during hours when children are most likely to be watching television***
- ***Restricting all advertising and marketing for unhealthy food directed at children across all channels (including websites, social media, email, text messages, apps, branded games, print, radio, cinema, outdoor media, sport sponsorship, point of sale promotions and embedded marketing).***

### **Physical activity**

A lack of physical activity, along with diet, is one of the two main drivers of the obesity epidemic. Research has found that only 43% of adults actually meet the “sufficiently active” threshold outlined by the National Physical Activity Guidelines.<sup>34</sup> Additionally, the majority of children and young people aged 5-17 are not meeting the daily Australian physical activity guidelines.<sup>35</sup>

### **Recommendations:**

- ***All levels of government should take steps to ensure communities are amenable to physical activity and enable people to embed it in their daily lives***
- ***Implement a targeted education campaign encouraging families and limiting their amount of daily screen time***
- ***Encourage and incentivize workplaces to reduce sedentary behavior through effective workplace design and health promotion programs.***

For further information, please contact:

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<sup>30</sup> Magnus, A., et al., The cost-effectiveness of removing television advertising of high-fat and/or high-sugar food and beverages to Australian children. *Int J Obes (Lond)*, 2009. 33(10): p. 1094-102

<sup>31</sup> Sacks Gary for the Food-EPI Australia project team 2017. Policies for tackling obesity and creating healthier food environments. Scorecard and priority recommendations for Australian governments. Melbourne: Deakin University.

<sup>32</sup> Lockie S and Pietsch J (2012). Public Opinion on Food Security. Australian National University.

<sup>33</sup> Hughes C (2014). 73 per cent of NSW adults support banning junk food advertising targeted to kids. Cancer Council New South Wales.

<sup>34</sup> Australian Bureau of Statistics, Australian Health Survey: Physical Activity, 2011–12 2013: Catalogue No. 4364.0. Canberra: Australian Bureau of Statistics.

<sup>35</sup> Ibid.

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