Sugar-sweetened Beverages

Sugar-sweetened beverages (SSBs) are a major source of added sugar in the diet. They include cordials, soft drinks, energy drinks, sports drinks, fruit and vegetable drinks, and flavoured waters. Consumption of SSBs is associated with obesity, type 2 diabetes, cardiovascular disease, bone density problems, tooth erosion and tooth decay.

SSBs are discretionary as they do not contribute significantly to essential nutritional requirements and can be substituted with water, making preventive health interventions to reduce their consumption ideal.

Obesity is an Australian health priority and has taken over from smoking as the leading cause of preventable death or illness in Australia.

Australians are among the highest consumers of SSBs globally, consuming approximately 377kJ per person per day (equivalent to 76 litres per year). Consumption of SSBs is a significant contributor to obesity, but consumer awareness of the health risks and sugar content of these beverages is low.

The rate of overweight and obesity amongst adult Australians increased from 57% in 1995 to 67% in 2017–18. Obesity has high economic and human consequences at an individual and societal level. The direct health costs of obesity are estimated to exceed $3.8 billion, with increased consumption of energy-dense nutrient-poor foods the predominant cause.

Childhood obesity is one of the most serious public health problems. Consumption of SSBs is higher in young Australians and those with higher levels of socioeconomic disadvantage.

Over 40 countries have implemented taxation schemes* to reduce consumption of SSBs. Despite initial industry concerns that taxation could harm the beverage industry, a 2021 review of the United Kingdom's tiered tax levy (a scaled system in which the tax amount applied increases in line with beverage sugar content) found that producers reduced sugar volume in SSBs by an average of 10% without experiencing a reduction in beverage sales.

This research demonstrates that taxation of SSBs can lead to improved public health outcomes without unfairly impacting industry. Accordingly, research indicates that two-thirds of Australians would be in favour of implementing taxes on SSBs, with revenues subsidising the cost of healthy foods for low-income earners.

AHHA POSITION:

- Investment is needed in a broad array of evidenced-based strategies to discourage the consumption of SSBs, to incrementally reduce overweight and obesity, and to improve health outcomes.
- This multifaceted approach should include measures to regulate availability, improve labelling, restrict promotion, reduce consumption, and increase public awareness of the potential harm, for example:
    - Taxation of SSBs to improve population diet, reduce SSB sugar content and reduce overall consumption of SSBs, resulting in a meaningful reduction in obesity and rates of chronic disease. Evidence from the United Kingdom supports the implementation of a tiered tax system which imposes higher taxes on beverages with high sugar volumes.
    - Restrictions on the sale of SSBs in public institutions such as hospitals and schools.
    - Strengthened advertising restrictions for SSBs, particularly during children's television viewing times.
    - Mandatory interpretive front-of-package labelling of SSBs.
    - Public awareness campaigns to ensure consumer awareness of health risks associated with SSBs.
- Revenue raised from SSB taxation initiatives should be dedicated to preventive health measures, including approaches to improve diet, increase physical activity, prevent obesity, and improve nutrition and health literacy.

* As of February 2020, taxation on SSBs has been implemented in Bahrain, Barbados, Belgium, Bermuda, Brunei, Chile, Cook Islands, Dominica, Ecuador, Estonia, Fiji, Finland, France, French Polynesia, Hungary, India, Ireland, Kiribati, Latvia, Malaysia, Marshall Islands, Mauritius, Mexico, Micronesia, Nauru, Norway, Oman, Philippines, Portugal, Qatar, Samoa, Saudi Arabia, Seychelles, South Africa, Spain (Catalonia), St Helena, Thailand, Tonga, United Arab Emirates, United Kingdom, Vanuatu and in 33 counties and states in the United States.

T. 02 6162 0780 | E. admin@ahha.asn.au | W. https://ahha.asn.au
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