

The Greens' Junk Food and Alcohol Advertising Levy and Health Promotion Fund



The Greens propose the introduction of a levy on junk food and alcohol advertising, similar to the levy which has applied in France since 2004. A Health Promotion Advertising Fund will be established with the revenue to provide information to consumers. This initiative will raise an estimated \$4 million each year for health promotion advertising.

Advertising for junk foods and alcohol products supports a billion dollar industry, yet the health and social costs of consumption of these products on individuals and the broader Australian community are devastating. The Australian Greens believe that individuals should be fully informed about the social and individual risks associated with junk foods and alcohol.

This initiative would discourage the advertising of junk food and alcohol, and encourage the promotion of healthier alternatives, priorities identified by the National Preventative Health Taskforce¹. It is likely to attract significant support from the public — recent studies suggest that consumers would welcome more information on the health implications of their alcohol consumption².

The Greens will legislate to:

- Introduce a requirement to include health information on all alcohol and junk advertising (the standards and nature of the health information to be determined by a National Preventive Health Agency);
- Provide Advertisers with an option to pay a 1.5% levy on alcohol and junk food advertising rather than include the information themselves;
- Create a Health Promotion Advertising Fund to allocate for health information and substitute alcohol or junk food sponsorship in community sports clubs.

The legislation will raise, directly or in kind, approximately \$4.05m – \$2.45m from junk food advertising levy and \$1.6m from alcohol advertising per year.

1 National Preventative Health Taskforce. Australia: the healthiest country by 2020. Canberra: Commonwealth of Australia, 2008. [http://www.health.gov.au/internet/preventativehealth/publishing.nsf/Content/A06C2FCF439ECDA1CA2574DD0081E40C/\\$File/discussion-28oct.pdf](http://www.health.gov.au/internet/preventativehealth/publishing.nsf/Content/A06C2FCF439ECDA1CA2574DD0081E40C/$File/discussion-28oct.pdf) (accessed Jul 2009)

2 VicHealth. Resource centre. Victorians call for health labelling on alcohol products. <http://www.vichealth.vic.gov.au/Resource-Centre/Media-Centre/Media-releases/2009/Alcohol-and-drugs/Victorians-call-for-healthlabelling-on-alcohol-products.aspx> (accessed Aug 2009).

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The scale of the levy on advertising would be determined by the alcohol content of the beverage or the nutrient profile of the food. The levy would be higher for beverages with high alcohol content, and foods with a high content of fat, sugar or salt³.

The Fund would be used to provide alternatives to junk food and alcohol sponsorships, and to inform consumers about healthier food and beverage products not advertised as heavily as the alternatives — for example, fruits and vegetables, or low alcohol content beverages.

The French advertising levy model

In 2004, the French government legislated for advertisements on television or radio 'for beverages containing added sugar, salt or artificial sweeteners and for food products processed and sold in France must contain health information'. Companies which chose not to include the health information in advertising are required to pay a 1.5 per cent levy.

On French television and in cinemas these health messages are shown on a thin horizontal band (corresponding to only 7 per cent the height of the screen), or as a screened notice displayed just after the advertisement. On radio, the message is broadcast immediately after the advertisement. Printed materials include a horizontal message strip also corresponding to 7 per cent of the total height of the advertisement.

The cost of alcohol and junk food consumption

The social costs of alcohol in Australia in the most recent study were estimated at \$15.3 billion⁴ which included estimates for health care costs of \$1.9 billion, productivity costs of \$3.5 billion, road accident costs of \$2.2 billion, and costs of crime related to alcohol of \$1.4 billion.

³ The nutrient profile of food could be assessed using Food Standards Australia New Zealand's nutrient profile model, 10 to be included in the Australia New Zealand Food Standards Code as part of the proposed new Nutrition, Health and Related Claims standard. This nutrient profile model was first developed by the United Kingdom Food Standards Agency to identify foods with a high fat, sugar or salt content, as UK regulations place restrictions on advertising of such foods to children.

⁴ Collins DJ and Lapsley, HM (2008) The costs of tobacco, alcohol and illicit drug abuse to Australian society in 2004/05, National Drug Strategy, Australian Government, Department of Health and Ageing, Canberra, 2008.

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Similarly, for obesity, the social and economic costs have been estimated in 2008 to be \$58.2 billion⁵, with almost a third of this borne by individuals, 19% by families, and 12% by the rest of society. For Australian children it has been estimated by the National Preventive health taskforce that if current obesity trends continue, the life expectancy for children alive now will fall two years by the time they are 20 years old. This would represent a loss of five to ten years in life expectancy gains and a return to life expectancy values seen in 2001 for males and 1997 for females. The Taskforce estimates that on current trends nearly 17 million Australians will be overweight or obese by 2025.

Alcohol and junk food advertising expenditure

The alcohol industry spends \$109 million annually on advertising while fast food companies such as McDonald's, KFC, Pizza Hut, Hungry Jacks and Dominos, and soft drink and confectionery producers such as Coca-Cola, Pepsi, Cadbury Schweppes and Masterfoods are all among the top 50 advertisers in Australia, spending a combined \$140–165 million on advertising per year⁶.

5 Access Economics. The growing economic cost of obesity in 2008: three years on. Canberra: Diabetes Australia, 2008. <http://www.accesseconomics.com.au/publicationsreports/showreport.php?id=172> (accessed Jul 2009).

6 AC Nielsen. Top 50 Advertisers for 2002. Sydney (AUST): AC Nielsen; 2004