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## Junk food tax and veg subsidies could add 500,000 years of life

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By Alice Klein in Sydney

Taxing junk food and subsidising healthier options could save Australia billions of dollars by preventing people from getting sick. A study that looked at consumer habits finds that the two-pronged approach should be more effective than one based on taxes alone.

To combat rising rates of obesity, heart disease, diabetes and cancer, many countries are considering slapping taxes on unhealthy foods. France, Mexico, Norway and a handful of cities in the US already tax sugary drinks, and the UK will begin doing so in 2018. In Hungary, a "chips tax" targets packaged foods high in sugar or salt.

But so far, such taxes have only had modest effects. In Mexico, for example, [daily soft drink consumption only fell by 12 millilitres per person](#) over the 12 months after the introduction of the tax in January 2014. It is still too early to know whether this will lower disease rates.

Better results may be achieved by targeting a wider range of unhealthy foods and introducing a carrot-and-stick approach, according to research by [Linda Cobiac](#) at the University of Melbourne, Australia, and her colleagues.

They propose taxing all foods that are high in sugar, salt or saturated fat, except for whole foods like meat and milk. At the same time, they advocate government subsidies to make fruit and vegetables cheaper. This would

prevent overall household food bills from increasing.

The team's models showed that the combined approach would add almost 500,000 extra years of healthy life to Australia's population of 23 million. It should also save more than A\$3 billion in healthcare costs over the remaining lifetimes of all Australians alive today.

Taxes work best

To calculate these figures, the team looked at previous research on how taxes change people's buying habits. They also reviewed the links between diet and obesity, heart disease, diabetes and cancer, and calculated how much these diseases cost the health system.

Targeting sugar, salt and saturated fat at the same time is a good idea, says [Gary Sacks](#) at Deakin University in Melbourne, Australia. "We know there are multiple nutrients that contribute to unhealthy diets, so this is better than just demonising sugar, salt or fat on their own," he says. "Anything that can encourage more fruit and vegetable intake is also great."

But the Australian government has no plans to either tax unhealthy food or subsidise fruit and vegetables. Instead, it recently announced that it will encourage the food industry to reformulate their products so that they contain less sugar, salt and saturated fat, and more wholegrains and vegetables.

Surveys have revealed that the majority of Australians would be in favour of taxing junk food if the money was spent on tackling childhood obesity. One-quarter of Australian children are now overweight or obese.

Other strategies for reducing junk food consumption include restricting marketing aimed at children, labelling unhealthy foods, and encouraging food manufacturers to use less sugar, salt and saturated fat. "But evidence shows that taxing food is almost always the most effective option," says Sacks.

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