Improving Canada’s Eating Environment

Food Tax and Subsidy Policies for the Promotion of Healthy Diets

Canadian Health and Scientific Organization
Policy Consensus Statement

May 2013
Statement of Support
Des appuis de taille

The following health care professional, health and scientific organizations, support this Policy Consensus Statement on Food Pricing Policies to Promote Healthy Diets and Reduce NCD Risk.

Les associations de professionnels de la santé, les organisations scientifiques et les organismes de la santé à soutenir cet Appel à la mobilisation pour vendre et acheter des boissons et des aliments plus sains.

1. Supporting organizations have given permission to use their logo and name for this statement and accompanying communication material. Support by individuals does not imply support by any organization with which they are affiliated.

Tous les organismes mentionnés ont donné la permission d'utiliser le logo et le nom sur la feuille d'approbation de l'organisation et du matériel de communication d'accompagnement. Soutien par des personnes ne signifie pas un soutien par une organisation à laquelle ils sont affiliés.
Purpose & Acknowledgements

This statement supports the advancement of the Pan-Canadian Framework for Healthy Blood Pressure (http://www.hypertensiontalk.com/canadian_hypertension_framework/) which advocates for the implementation of healthy dietary policies as part of a set of key recommendation to improve health and prevent diet-related chronic disease, including hypertension.

Led by the Heart and Stroke Foundation of Canada, Canadian Institute for Health Research (HSFC-CIHR) Chair in Hypertension Prevention and Control, the writing of this statement was supported by the these members of the Canadian Hypertension Advisory Committee:

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* Membership on the Hypertension Advisory Committee does not imply member organizational endorsement or approval of this statement

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Food Tax and Subsidy Policies: Public Health Justification

1. Diet is the leading risk factor for death and disability in Canada.
   Chronic diseases, namely heart disease, stroke, hypertension, chronic respiratory disease, cancer, and diabetes, account for nearly 67% of all deaths in Canada. (1) Diet is the leading risk factor for total death, disability and life-years lost in Canada, resulting in an estimated 66,000 deaths and 864,000 years of life lost in 2010. (2)

2. Food pricing policies influences dietary behaviors
   Results from controlled trials (4) and modelling studies (5,6) suggest that taxing unhealthy food and beverage products modifies food purchases and is an effective strategy to reduce consumption of these products. Studies examining the health effects of food policies suggest that both food taxation and subsidy schemes, especially when combined, can prevent diet-related disease, death and disability. (7-10)

3. Food pricing policies are cost-effective interventions to improve diet.
   Food taxes and subsidies are promoted as a cost-effective population-based intervention to promote healthy diets. (11,12)

4. Taxation of unhealthy food and beverages, particularly sugar-sweetened beverages, are revenue-generating.
   The treatment and control of diet-related chronic disease in Canada is expensive. (1) Studies from the US and Europe suggest that food taxes can generate millions of dollars in revenue. (12,13) Using the money collected from food tax to subsidize health food has been shown to offset the regressive impact of food taxes across all income groups. (7,14)

5. There is strong support for pricing policies by Canadians and Canadian health and scientific organizations.
   National surveys put support for taxation of junk food and sugary drinks is 40%, particularly if the revenue is used to fund other programs that prevent childhood obesity. (15) Recommendations to implement taxation schemes on unhealthy food and/or beverages have been proposed by several provincial and national health organizations (16-18).

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3 Currently the strongest evidence base on the benefits and effectiveness of food taxations is for tax on sugar-sweetened beverages
Recommendations

There is sufficient and compelling evidence to support the implementation of food pricing policies as part of a multi-component strategy to improve Canadians’ dietary habits. The undersigned call upon all levels of government as well as decision and policy makers to act on the following recommendations:

1. That the federal government impose an excise tax on food and beverage products high in saturated and trans-fats, free sugars and sodium, including but not limited to sugar-sweetened beverages, in combination with subsidies for healthy foods, particularly for food insecure and vulnerable populations. A tax of at least 20% is recommended to have a significant effect on diet-related diseases, including obesity. (20)

2. That in the absence of federal government action, provincial and territorial governments collaborate to develop and implement a harmonized excise tax on food and beverage products high in saturated and trans-fats, free sugars and sodium, including but not limited to sugar-sweetened beverages, in combination with subsidies for healthy foods.

3. That governments at all levels allocate a percentage of revenues from food tax for obesity and chronic disease prevention including research on the effectiveness and impact of fiscal policies as well as on the monitoring and evaluation of tax and/or subsidy policy.

References

15. Ipsos Reid for the Public Health Agency of Canada. Canadians’ perceptions of, and support for, potential measures to prevent and reduce childhood obesity: final report. Ipsos Reid, Ottawa, ON Ipsos Reid, 2011.