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Taxation and other economic incentives as health-promoting tools:

A focus on tobacco, alcohol and unhealthy diets

University of Liverpool London Campus, 16-17 January 2017

Taxing soda for public health: a multidimensional perspective to support decision-making

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INTRODUCTION

- **HEALTH-RELATED FOOD TAXES**

Small Taxes on Soft Drinks and Snack Foods to Promote Health

Michael F. Jacobson, PhD, and Kelly D. Brownell, PhD

Am J Public Health. 2000 Jun;90(6)

- **SUGAR-SWEETENED BEVERAGES (SSB)* TAXATION**

*generally designating beverages containing added sugars

HEALTH POLICY REPORT

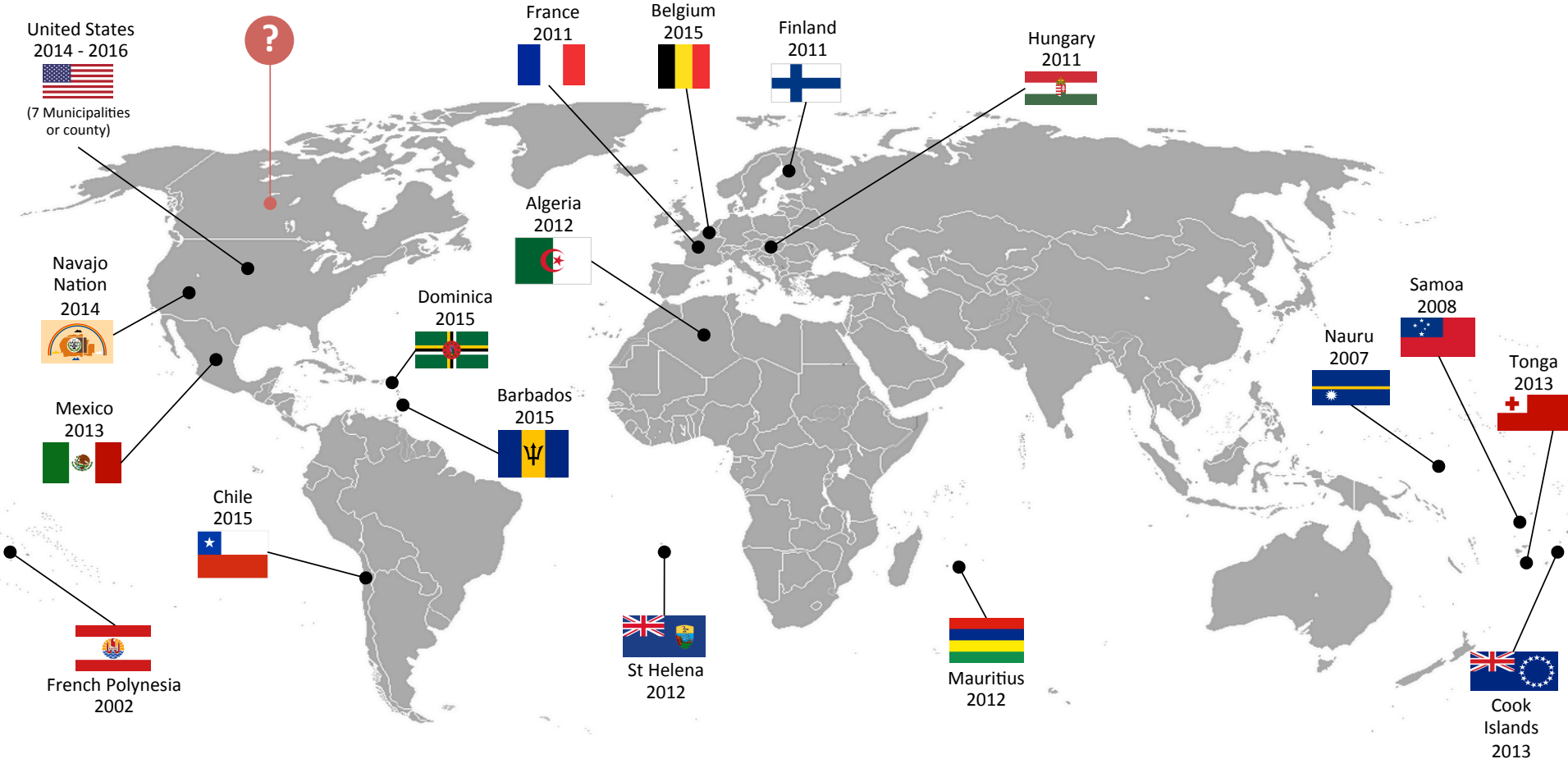
The Public Health and Economic Benefits of Taxing Sugar-Sweetened Beverages

Kelly D. Brownell, Ph.D., Thomas Farley, M.D., M.P.H., Walter C. Willett, M.D., Dr.P.H., Barry M. Popkin, Ph.D., Frank J. Chaloupka, Ph.D., Joseph W. Thompson, M.D., M.P.H., and David S. Ludwig, M.D., Ph.D.

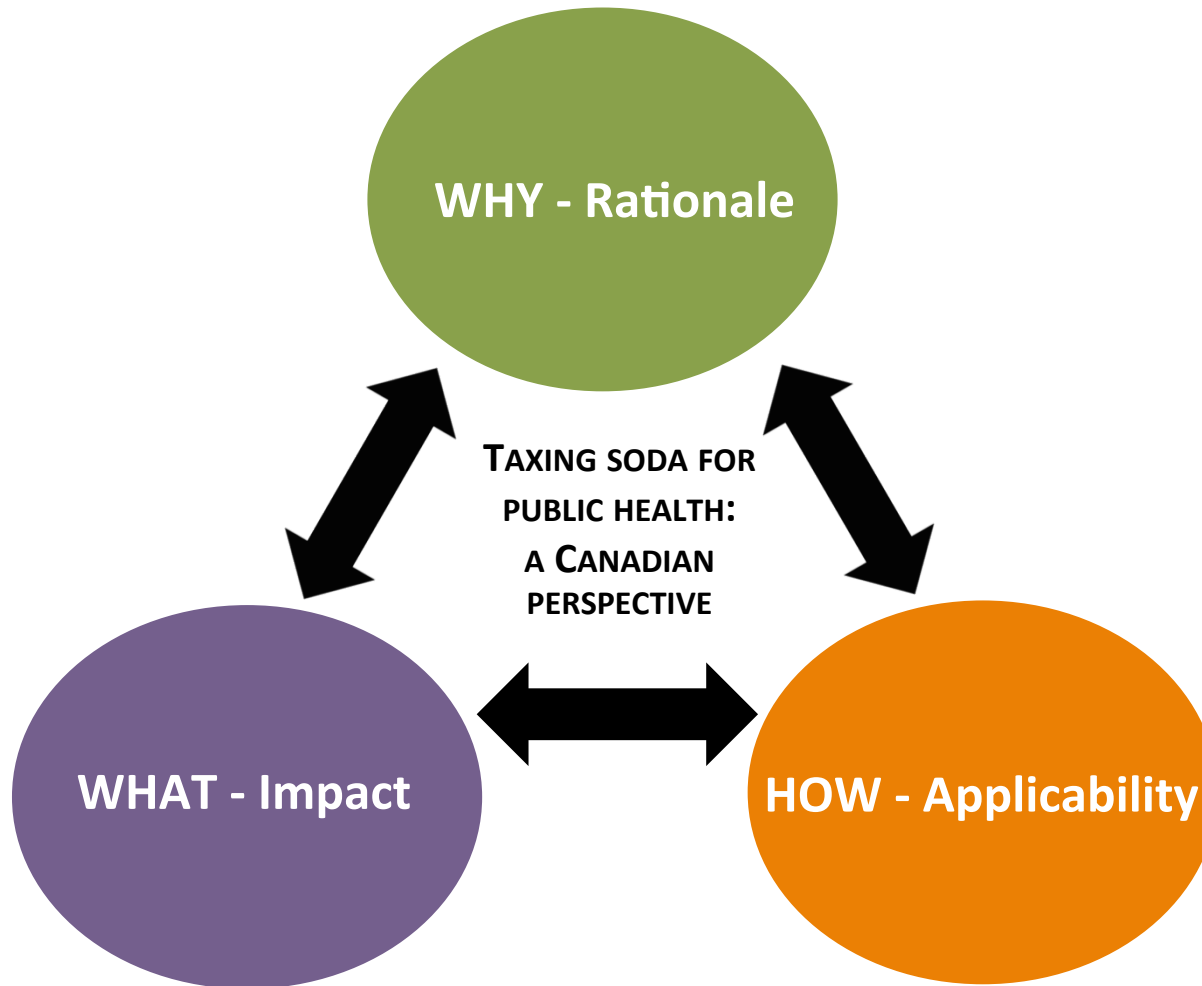
N Engl J Med. 2009. Oct 15;361(16)

INTRODUCTION

Cases of health-related taxes targeting non-alcoholic beverages across the world



CONCEPTUAL FRAMEWORK



METHODS

“Realist” type of literature review (Pawson, 2005)

- Importance given to **context**:
What **works**, for **whom**, in what **circumstances** and **how** ?
- Requires an **interdisciplinary perspective**



- Key words-based documentary search and alerts by **PUBMED** and **Google Scholar** (2012 to 2015)
- « **Snow-ball** » research until a satisfying saturation level



Identification of > 500 **documents analysed** in a thematic, **cumulative** and **dynamic way** (Lapaige, 2012)

PROPOSAL OF A MULTIDIMENSIONAL PERSPECTIVE

WHY ?



Influence



(inter)relationships



Decision



Analytical dimensions



Positions of various stakeholders (citizens, non-for-profit organisations, experts, industries, media, elected representatives, public bodies, etc.) as regards SSB taxation relevancy

WHY ?

- 1 **Preventing SSB overconsumption, a legitimate target** (increased risk of diseases, low nutritive value, high consumption levels, intense marketing)

Percentage of daily calories derived from sweetened drinks and from milk and fruit juice, by gender and age groups (2004).

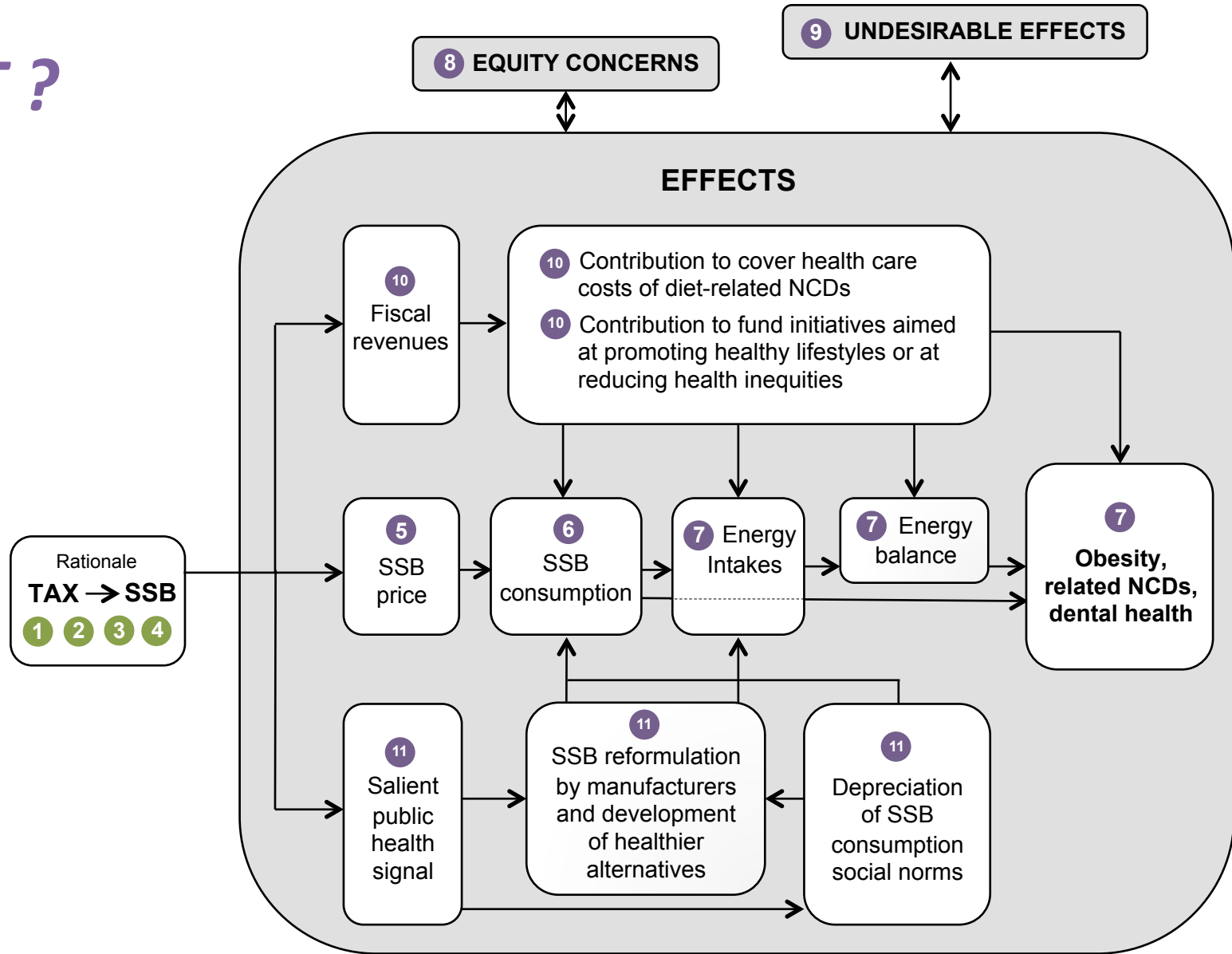
Source: Garriguet (2008). Statistics Canada, Catalogue no. 82-003-XPE. Health Reports, Vol. 19, no. 4. December 2008 (reproduced with permission)



WHY ?

- 2 **Taxation, a potentially interesting instrument, among others** (need of a multi-faceted strategy)
- 3 **Ethical concerns** (e.g. related to consumer's autonomy) **to be accounted for** (coercive / regulatory measures vs. educative / informative measures)
- 4 **Importance to define precisely the taxation logic** (fiscal and/or behavioural and/or signal)

WHAT ?



→ Influence

↔ (inter)relationships

...→ Decision

□ Analytical dimensions



Positions of various stakeholders (citizens, non-for-profit organisations, experts, industries, media, elected representatives, public bodies, etc.) as regards SSB taxation relevancy

WHAT ?

5

Probable price increase in a short / medium term (evidence from empiric data / natural experiments out of Canada) – difficult to disentangle precisely tax effects

6

Probable modest decrease in consumption on a short / medium term, if the tax rate is significant (10 to 20%) (evidence from empiric data / natural experiments and simulation studies out of Canada)

7

Impact on weight and health uncertain: weak “signal to noise” ratio and numerous uncertainties (e.g. substitution phenomena)

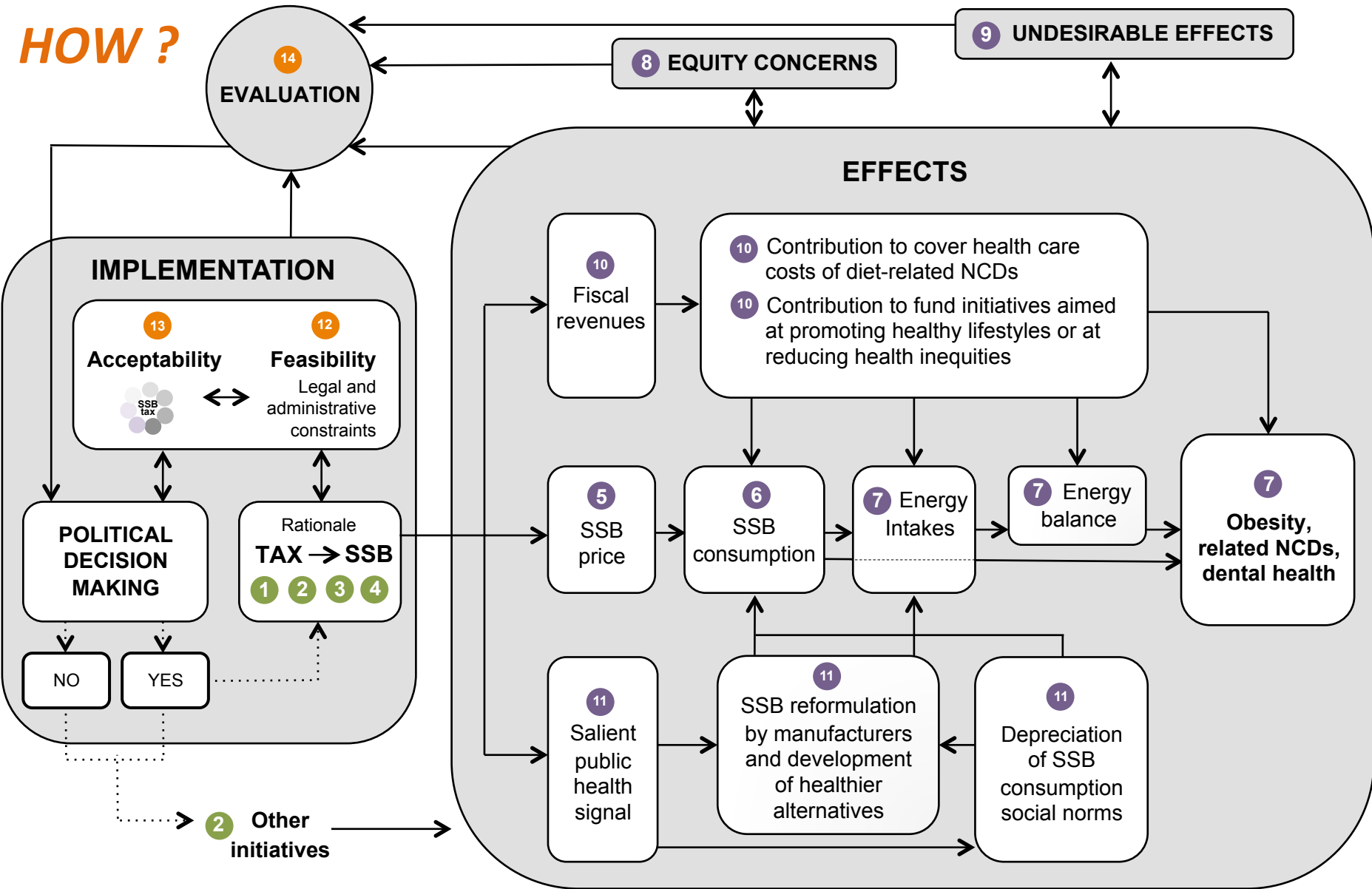
8

Regressive tax : moderate **inequity concerns**; could be **mitigated** by earmarking tax revenues for health promotion

WHAT ?

- 9 **Undesirable effects on employment / competitiveness difficult to anticipate** (probably limited if the tax scope is narrow)
- 10 **Raising fiscal revenues is a realist objective** – importance to earmark revenues for **health promotion** and/or reduction of **social inequalities in health**
- 11 **“Signal effects” towards consumers and industries difficult to anticipate** : conceivable but little documented

HOW ?



- Influence
- ↔ (inter)relationships
- ...→ Decision
- Analytical dimensions



Positions of various stakeholders (citizens, non-for-profit organisations, experts, industries, media, elected representatives, public bodies, etc.) as regards SSB taxation relevancy

HOW ?

- 12 **Excise taxation legally conceivable at federal level**, but not at provincial level (where special taxes may be feasible)
- 13 **Mixed acceptability** in the **public** and among **stakeholders** (earmarking tax revenues for health promotion may favour acceptability)
- 14 **Evaluation of “soda taxes” is essential**

CONCLUSION

- Document **why** and **under which conditions** a « **soda tax** » could be **relevant** in **Canada** as part of a portfolio of nutrition-enhancing policies
- A **starting point** for further discussions, consultations, contextualization and deliberation

Yann Le Bodo · Marie-Claude Paquette
Philippe De Wals

Taxing Soda for Public Health

A Canadian Perspective



<http://iucpq.gc.ca/fr/taxing-soda-for-public-health>



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Funding



Acknowledgements

The authors are grateful to the people who have contributed to this work, in particular to the reviewers who have provided insightful comments and suggestions: Emmanuel Guindon (McMaster University) and Barbara von Tigerstrom (University of Saskatchewan).

Thank you for your attention

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