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Submission on The Budget Policy Statement 2019

For the attention of

Committee Secretariat Finance and Expenditure Committee Parliament Buildings Wellington

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The Cancer Society wish to speak to our submission.

29 January 2019

Introduction

The Cancer Society of New Zealand is a non-profit organisation which is committed to reducing the incidence and impact of cancer in the community. We work across the cancer continuum with a focus on prevention, supportive care, provision of information and resources and funding of research.

Cancer is the single biggest cause of death in New Zealand and accounts for nearly a third of all deaths.¹ More than 30% of cancers are potentially avoidable.²

Cancer affects many of us and is a major cause of disease, disability and death in New Zealand. In 2016, there were more than 24,000 new cancer registrations³ and more than 9,500 cancer deaths. ⁴ However, the cancer burden is not shared equally as Māori have a significantly higher rate of new cancer registrations and cancer deaths.

The burden of cancer is significant and growing. As the population ages and more people are diagnosed with cancer there will be increasing demand on health services to support the population. According to the International Agency for Research on Cancer, there will be 34,000 cancer cases and more than 15,000 cancer-related deaths in New Zealand in 2035.⁵

Tobacco smoking, obesity, alcohol consumption and skin cancer are leading preventable risk factors for cancer and other non-communicable diseases (NCDs). Lung cancer is the leading cause of cancer death in New Zealand, with the most recent report showing 1,758 deaths recorded in 2016. Smoking also increases the risk of at least 14 other cancers including cancers of the mouth, pharynx (upper throat), nose and sinuses, larynx (voice box), oesophagus (gullet or food pipe), liver, pancreas, stomach, kidney, bowel, ovary, bladder, cervix, and some types of leukaemia.⁶

Cancer is estimated to cost the New Zealand public health system more than \$800 million a year.⁷

Purpose of submission

The Cancer Society of New Zealand makes both overarching comments on the Budget Policy Statement 2019 and specific evidence-based recommendations on excise taxes and budget allocations to:

- Address the cancer risk caused by tobacco, alcohol, obesity and exposure to UV radiation
- Reduce preventable cancers and reduce cancer inequities
- Improve the health and wellbeing of New Zealanders
- Contribute to the objectives of the key priorities in the Budget Policy Statement 2019.

Summary of Cancer Society Recommendations

Tobacco

- 1. Continue annual tobacco excise tax increases (above inflation) from 2020 and beyond.
- 2. Dedicate revenue collected from tobacco tax (at least \$100 million annually) for tobacco control initiatives to achieve Smokefree 2025.

Alcohol

- 3. Substantially increase alcohol excise tax.
- 4. Increase the budget for implementing government led policies and strategies that meaningfully reduce the promotion of alcohol in New Zealand communities. For example, implementing strong restrictions on alcohol advertising, as outlined in the 2010 Law Commission report and by the 2014 Ministerial Forum on Alcohol Advertising and Sponsorship could be complemented by a Government buy out of alcohol sponsorship.

Obesity

- 5. Allocate adequate budget to implement a mandatory comprehensive healthy food environment policy in all schools and early childhood education centres.
- 6. Introduce a 20% levy on the manufacturers and importers of sugar sweetened drinks to encourage the reformulation of products.
- 7. Allocate budget to establish a government-led regulatory regime to restrict marketing of unhealthy foods, especially to children.
- 8. Increase budget for evidence-based obesity prevention initiatives.

Skin cancer

9. Allocate significant budget for the effective implementation of sun prevention policies, including adequate shade, in all primary schools and early childhood education centres to prevent skin cancer.

We welcome the opportunity to give an oral submission to the Committee.

Section One: Budget Policy Statement (BPS) 2019 Wellbeing Focus

The Cancer Society of New Zealand congratulates the Government on developing New Zealand's first Wellbeing Budget. We fully support the Government's focus on wellbeing, in particular its stated commitment to address inequities and improve the intergenerational wellbeing of New Zealanders.

The Cancer Society of New Zealand also welcomes the focus on outcomes and long-term changes in the Living Standards Framework which is informing the 2019 Wellbeing Budget.

The Cancer Society supports the current Government's five key priorities. We recognise that cancer and other non-communicable diseases associated with tobacco, alcohol, obesity and exposure to UV radiation impact on the Government's ability to achieve its five Budget Policy Statement priorities.

The section below provides comments on aspects of the Budget Policy Statement related to cancer.

1. Creating opportunities for productive businesses, regions, iwi and others to transition to a sustainable and low emissions economy.

The cost burden from lost productivity associated with cancer and other harms from tobacco, alcohol and obesity in New Zealand is considerable. Estimate of lost productivity due to tobacco was \$850 million in 2005,⁸ alcohol was \$505 million (2005-6)⁹ and obesity \$370 million in 2004.¹⁰

2. Supporting a thriving nation in the digital age through innovation, social and economic opportunities.

While the digital age provides new and exciting opportunities, it also presents significant risks to our wellbeing, particularly for children and young people. Social media and the online world are increasingly used to market products that cause cancer e.g. alcohol, tobacco and unhealthy food and drinks that cause obesity.

Digital innovations are greatly increasing the reach and power of marketing and marketers are using algorithms to target vulnerable groups, such as children and young people, on social media. Children are important to marketers as they represent a large market, they influence parents' selection of products and brands, and they grow up to be consumers.¹¹

There is strong evidence that alcohol marketing increases the age young people start to drink and increases the amount they drink.¹² These are significant factors in increasing lifetime cancer risk from alcohol use.

Obesity also causes cancer. The World Health Organisation states there is unequivocal evidence that childhood obesity is influenced by marketing of unhealthy foods and drinks. WHO *Commission on Ending Childhood Obesity* recommends restrictions on marketing of unhealthy food and drinks to children, covering all media, including digital, and to close regulatory loopholes.¹³ WHO calls on Governments to "*devise ways to allow children to participate in the digital world without being targeted by marketers with immersive, engaging, entertaining marketing of products that have been demonstrated to be injurious to their health"*.¹⁴

WHO has set out eight key components for effective policies to protect children from digital marketing of unhealthy foods and drinks.¹⁵ The Cancer Society urges the Government to implement strong restrictions on online and digital marketing especially when it targets the young and vulnerable.

3. Lifting Māori and Pacific incomes, skills and opportunities.

Cancer inequities for Māori and Pacific peoples are a major public health concern for the Cancer Society and for communities across New Zealand. Higher rates of smoking, obesity and hazardous drinking impact on Māori and Pacific peoples' cancer rates, health outcomes, income and opportunities. The Cancer Society supports efforts to prevent cancer and its wide impacts through additional investment in effective, targeted prevention strategies based on scientific evidence.

A complex range of factors contribute to Māori and Pacific cancer and other health inequities, including socio- economic factors. Action and investment to reduce inequities in health outcomes will contribute to Māori and Pacific peoples having a richer social and economic life and will lead to a more cohesive society as a whole.

4. Reducing child poverty and improving child wellbeing, including addressing family violence.

The impact of child poverty is exacerbated when it also involves cancer illness in families due to smoking, hazardous drinking and obesity.

Obesity is particularly concerning in children as it is increases cancer risk and is associated with a wide range of health conditions and premature death. New Zealand has the fourth highest rate of childhood obesity in OECD countries¹⁶ with a third of children obese or overweight.¹⁷ Child poverty is associated with children being overweight, and children living in the most deprived areas more than twice as likely to be obese, as children living in the least deprived areas.¹⁸ Obese children are more likely to develop into obese adults, increasing the risk of cancer and other diseases.¹⁹

As well as being a Group One carcinogen, alcohol use contributes to approximately one third of all family violence events in New Zealand,²⁰ many of which occur when children are present. Māori women are more likely to experience violence by someone under the influence of alcohol.²¹

5. Supporting mental wellbeing for all New Zealanders, with a special focus on under 24year-olds.

There is New Zealand evidence that links cancer with mental health problems. For example, the risk of lung cancer was higher among people with severe mental illness compared to the

general population.²² Mortality from all cancers combined was more than doubled for people with a mental illness compared to the general population.²³ Interventions to reduce tobacco use have the potential to reduce cancer and improve physical health in those with experience of mental illness.

Section Two: Recommendations and Rationale for the Wellbeing Budget 2019

Introduction

This section will focus on the Cancer Society of New Zealand's specific recommendations for the Wellbeing Budget 2019.

Currently less than 0.5% of the health budget is spent on the prevention of harm caused by tobacco, alcohol and unhealthy food. However, these harmful commodities are causal factors in about 30% of cancers and account for one third of New Zealand's premature death and disability.²⁴ In addition, skin cancer is a significant burden in New Zealand yet preventable.

The Government's 2019 Wellbeing budget is an opportune time to ensure adequate funding is allocated to effective prevention initiatives to reduce cancer risk related to tobacco, alcohol and obesity.

The Cancer Society recommends that the Budget 2019 includes tax increases on tobacco and alcohol and introduces a tax on sugar-sweetened drinks. There is strong evidence taxes will result in reduced consumption of these harmful commodities, thus reducing cancer risk and improving health outcomes, especially for children. Increased taxes on tobacco, alcohol and sugar sweetened beverages will also provide the Government with increased revenue some of which can be dedicated to public health prevention initiatives to reduce cancer and other non-communicable diseases.

Our evidence-based recommendations will assist Government to achieve priorities set out in the Budget Policy Statement 2019.

In particular, hypothecation is a way of getting buy in from the public for increased excise taxes. The World Health Organisation recommends the setting up of foundations funded by levies on unhealthy commodities that can focus resources on prevention and treatment efforts. Hypothecated excise taxes were referred to by the Government's Tax Working Group as corrective taxes. These are required to reduce consumption and mitigate the huge harms and impacts of tobacco, alcohol and unhealthy food and drink.

Tobacco Recommendations and Rationale

| To | bacco: | Budget | Recommendations | |
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| | | | | |

- Continue annual tobacco excise tax increases (above inflation) from 2020 and beyond.
- 2. Dedicate revenue collected from tobacco tax (at least \$100 million annually), for tobacco control initiatives to achieve Smokefree Aotearoa 2025.

Rationale

Impact of tobacco

Smoking remains a significant threat to New Zealanders' public health especially in Māori and Pacific communities.

Smoking is the leading cause of preventable death in New Zealand. Every year 5,000 people die prematurely in New Zealand from smoking-related illness.²⁵ That means 13 New Zealanders die every day from smoking, many of them from cancer.

Every year more than 5,000 New Zealand children start smoking, on average at 14 years.²⁶

Māori, Pacific and low-income groups²⁷ bear a disproportionate share of the cancer burden, compounding health inequities. In the past decade there has been an overall decrease in smoking prevalence, however Māori and Pacific peoples continue to have the highest smoking rates in New Zealand. According to the 2013 census, approximately 33% of Māori are regular smokers and 23% of Pacific peoples, compared to just 12% of European New Zealanders.²⁸ Māori have significantly higher rates of some cancers and smoking-related disease and lower life expectancy, compared with the rest of the population.²⁹

The cancer burden and other negative health effects brought about by tobacco use impose a significant financial burden on the health system and the economy. In 2010, the estimated cost of tobacco to the New Zealand health system was \$1.9 billion.³⁰

Current tobacco tax

The current 10% excise tax on tobacco was introduced in the 2016 budget with four annual increases legislated in the Government Customs and Excise Act 1996 starting in 2010. The last annual increase is scheduled for January 2020.

The annual increase in excise tax is a key tobacco control measure introduced in response to the Māori Select Committee's Inquiry into the tobacco industry in Aotearoa and the consequences of tobacco use for Māori (2010). In response to the inquiry, the New Zealand Government also set a goal of a Smokefree Aotearoa by 2025.

The purpose of the tax increases was to encourage smokers to quit and to discourage smoking initiation in young people.

Increasing tobacco excise tax is effective

There are compelling reasons to continue tobacco tax increases beyond 2020. Tobacco tax increases are the most effective way of reducing smoking prevalence, initiation, consumption and inequalities in smoking.³¹

Last year the Ministry of Health commissioned a review of New Zealand's excise tax on tobacco and its contribution to Smokefree 2025. The comprehensive report by Ernst and Young³² concluded: *"The weight of evidence is that the excise tax increases continue to be the single most effective tool for reducing tobacco consumption and prevalence and an*

essential part of a package of tobacco control interventions needed to achieve Smokefree 2025 targets."

The report also concluded "Nine years into the policy of increasing tobacco excise by CPI + 10% annually, smoking rates in New Zealand have decreased across all demographics, including all age groups, ethnicities, genders and deprivation quintiles. ...In particular, there has been a large decline in the proportion of youth who have ever smoked, or who are daily smokers."

The report on tobacco tax recommends "that the government continue with the scheduled increases in tobacco excise beyond 2020, as price maintains its position as an effective tool for reducing tobacco use."³³

During 2001-2010, tobacco tax increased in line with inflation. The larger increases since 2010 have made a significant difference. The evidence shows that tobacco consumption per person reduced in the period between 2010-2016 at a rate double that of 2000-2010. ³⁴ The recent review on tobacco tax found that the highly statistically significant reduction in smoking is not only associated with the large and relatively sudden 2010 tax increase, rather it has been sustained over the course of successive 10% increases in excise.³⁵

Tobacco tax increases have had a positive effect on reducing youth uptake and therefore smoking prevalence in this age bracket, and tobacco price increases will reduce this group's consumption even further.³⁶ Research shows that young people who do not start smoking in adolescence are unlikely to ever become regular smokers.³⁷ There has been a significant and sustained drop in the number of young people who are daily smokers, from 14% of 15-17 year olds and 25% of 18-24 year olds in 2006/7 to 3% and 16% respectively in 2016/17.³⁸ Data from the 2017 annual ASH year 10 survey (14 and 15-year olds) shows there has been a dramatic decline (75%) in daily smoking rates since 2006 (from 8.2% in 2006 to 2.1% in 2017.³⁹

Addressing inequities

The Cancer Society acknowledges that significant cancer and non-communicable disease inequities remain for Māori and Pacific populations where smoking rates are highest. Smoking rates for Māori and Pacific populations have declined more slowly than other populations. There is evidence that the excise tax increases have prompted encouraging results for Māori. Daily smoking among Māori fell by only 1.5% from 2006/7 to 2011/12 (from 39.2% to 37.7%), but fell by 5.2% between 2011/12 and 2016/17 (from 37.7% to 32.5%). ⁴⁰ Modelling from Otago University suggests that these benefits to Māori are likely to continue.

There has also been a statistically significant reduction in the average number of cigarettes consumed per day across all ethnic groups.⁴¹

There has been some community concern about the financial harm to vulnerable members of the community who are heavily addicted smokers and find it hard to quit. This hardship can be reduced by cutting down daily consumption of cigarettes and co-use of lower cost alternatives e.g. vaping and nicotine replacement therapies (to reduce the number of cigarettes smoked). In the long-term the financial hardship of paying more for tobacco and being incentivised to either cut down or quit, is likely to be balanced by fewer costs associated with the harm from smoking including doctor's visits, loss of income/productivity and other health costs.

If taxation is combined with other comprehensive measures that promote quitting (i.e. mass media campaigns, enhanced support of Quitline, restrictions in nicotine content etc.), then this is likely to negate any increase in adverse effects on smokers who do not give up.⁴²

Dedicate more tax revenue for tobacco control

The Cancer Society of New Zealand strongly recommends the Government increase the allocated budget for tobacco control activities and supporting smokers to quit. We are concerned about the imbalance between the revenue collected in cigarette excise tax (\$1.5 billion per year) and the lack of resourcing allocated to tobacco control initiatives (\$61 million).⁴³ Less than 3% of tobacco tax revenue is spent on tobacco control despite the cancer and non-communicable disease impact including 5,000 deaths a year, as well as the large costs to the health system of smoking.

Ethically, the only justification for taxing tobacco is for health gain, not general revenue. New Zealanders, including smokers, are far more supportive of tobacco tax increases when they know that increased revenue will be used for tobacco control or supporting people to quit.⁴⁴

The excise tax increases must be a part of a wider package of tobacco control interventions to reduce cancer, improve the health of New Zealanders, reduce the long-term burden of smoking on the health system and contribute to Government's goal of a Smokefree Aotearoa by 2025 in which fewer than 5% of adults smoke.

Alcohol Recommendations and Rationale

Alcohol: Budget Recommendations

- 3. Substantially increase alcohol excise tax.
- 4. Increase the budget for implementing government led policies and strategies that meaningfully reduce the promotion of alcohol in New Zealand communities. For example, implementing strong restrictions on alcohol advertising, as outlined in the 2010 Law Commission report and by the 2014 Ministerial Forum on Alcohol Advertising and Sponsorship could be complemented by a Government buy out of alcohol sponsorship.

Rationale

Alcohol causes cancer

Alcohol has been classified as a Group 1 carcinogen by the World Health Organisation's

International Agency for Research on Cancer.⁴⁵ The risk of cancer increases with the level of consumption of alcohol.

Drinking alcohol increases the risk of cancers of the mouth, pharynx (upper throat), larynx (voice box), oesophagus (food pipe), bowel, breast (in women) and liver.⁴⁶

Alcohol consumption has been estimated to be responsible for around 240 cancer deaths each year in New Zealand.⁴⁷

As well as impacts on health, alcohol use also has a huge economic impact. In 2006 the estimated cost of alcohol-related harm to New Zealand society was \$5.3 billion.⁴⁸ However, the annual external costs of alcohol-related harm have recently been estimated at \$7.85 billion.⁴⁹ Through direct health impact or costs to taxpayers, alcohol-related harm is a significant burden across New Zealand society, including lost productivity and costs to the justice and health systems.

In New Zealand 40% of alcohol is consumed in heavy drinking occasions.⁵⁰ Alcohol and cancer risk is a dose response relationship, so heavy drinking increases cancer risk. In 2017/18, about 20% of New Zealanders aged 15 or older (775,000) were classified as hazardous drinkers, with the highest prevalence among 18 – 24 year-old males, followed by 25-34 year old males (35%).⁵¹ In 2017/18, Māori men and women were 1.4 times and twice as likely to drink hazardously then non-Māori men and women respectively.⁵² From 2011/12 to 2015/16, Māori women showed some of the largest increases in hazardous drinking.⁵³

The 2018 Government Inquiry into Mental Health and Addiction *He Ara Oranga* recognised the major health impacts and costs of alcohol and recommended the Government:

"Take a stricter regulatory approach to the sale and supply of alcohol, informed by the recommendations from the 2010 Law Commission review, the 2014 Ministerial Forum on Alcohol Advertising and Sponsorship and the 2014 Ministry of Justice report on alcohol pricing."

The Cancer Society of New Zealand supports this recommendation.

Increasing excise tax on alcohol

Alcohol excise tax is a highly effective, low cost strategy to reduce alcohol consumption^{54,55} Increasing alcohol excise tax is endorsed by the World Health Organisation as a "Best Buy"⁵⁶ intervention and was recommended by the New Zealand Law Commission in 2010.⁵⁷ Reducing alcohol consumption is an important and under-emphasised strategy to reduce cancer risk and other harms. Raising the tax on alcohol provides an incentive to reduce consumption and the growing number of hazardous drinkers.

The annual external cost of alcohol-related harm (\$7.85 billion)⁵⁸ greatly exceeds the revenue collected via alcohol tax (\$1billion in 2017).⁵⁹

Today, alcohol is more affordable than it has ever been. Increasing the tax on alcohol has been widely recommended by health experts and through the comprehensive Law Commission Report.⁶⁰ A 2014 Ministry of Justice report 'The Effectiveness of Alcohol Pricing Policies'⁶¹ concluded that an increase in excise tax would result in a much larger benefit to society compared to a minimum price as it would affect the price of all alcohol (not just low alcohol) and therefore more significantly impacts consumer behaviour.

Raising the price of alcohol is associated with reductions in family violence.⁶²

Reducing Inequities

Alcohol tax could particularly help prevent hazardous drinking in low socio-economic communities in New Zealand where cancer risk is highest. This is because "Adult drinkers in the most deprived areas were 1.7 times more likely to be hazardous drinkers than adults in the least deprived areas, after adjusting for age, sex, and ethnic differences".⁶³ Low-income heavy drinkers are shown to benefit the most when prices of alcohol are increased.

Cancer Society of New Zealand argues that the rates of alcohol excise tax should reflect the cost of alcohol-related harm to society, and therefore a much higher rate of excise is needed.

Increase the budget for implementing policies and strategies that meaningfully reduce the promotion of alcohol including a Government buy-out of alcohol sponsorship

We need stronger restrictions on alcohol advertising and sponsorship to reduce alcohol consumption particularly of young people. There is strong evidence that young people have greater exposure to alcohol marketing and are more likely subsequently to initiate drinking and engage in binge and hazardous drinking. ⁶⁴ These are significant factors in increasing lifetime cancer risk from alcohol use.

Successive government inquiries have recognised the negative impact of alcohol marketing and sponsorship, particularly on young people. The Law Commission's Inquiry in 2010, the 2014 Ministerial Forum on Alcohol Advertising and Sponsorship, and the 2018 Government Inquiry into Mental Health and Addiction have all recommended a much stricter approach to alcohol advertising and sponsorship.

The Law Commission's 2010 inquiry⁶⁵ concluded that there was sufficient evidence for an association between alcohol advertising and sponsorship and early initiation to drinking and increased consumption patterns to warrant significant restrictions. The report stated that sports and cultural events such as music festivals should not be venues for alcohol advertising given their high use by young people. The report says: "*No producer or retailer should be able to provide alcohol-related branding, equipment or merchandise for any school or sporting, cultural or social club or activity or event where 10% or more of the participants are under the legal purchase age."* The Law Commission recommended banning alcohol sponsorship of sports or other events where 10% or more of those attending were under the legal age of purchase.

The 2014 Ministerial Forum on Alcohol Advertising and Sponsorship⁶⁶ also made a number of recommendations including introducing a sponsorship replacement funding programme. The overarching objective of the Forum's recommendations is to reduce the exposure of minors to alcohol advertising. The Forum acknowledged a need to change the attitudes and behaviours associated with alcohol consumption in New Zealand. It said young people's current level of exposure to alcohol advertising and sponsorship was unacceptable and should be reduced.

Cancer Society of New Zealand strongly recommends that the Government increases the budget for implementing policies that meaningfully reduce the promotion of alcohol in New Zealand communities including a buy-out of alcohol sports sponsorship as recommended by the Law Commission and Ministerial Forum on Alcohol Advertising and Sponsorship.

Obesity Recommendations and Rationale

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- 5. Allocate adequate budget to implement a mandatory comprehensive healthy food environment policy in all schools and early childhood education centres.
- 6. Introduce a 20% levy on the manufacturers and importers of sugar sweetened drinks to encourage the reformulation of products.
- 7. Introduce government-led restrictions on marketing of unhealthy foods, especially to children.
- 8. Increase budget for evidence-based obesity prevention initiatives.

Rationale

Impacts of obesity

After tobacco, obesity is the single biggest preventable cause of cancer and is a significant and growing problem in New Zealand.⁶⁷ Obesity has been estimated to be responsible for around 1,200 cases of cancer in New Zealand each year.⁶⁸

Overweight or obesity are major risk factors for 11 cancers,⁶⁹ as well as many other chronic diseases such as cardiovascular disease and type 2 diabetes.⁷⁰

New Zealand has the third highest rate of adult obesity and the fourth highest rate of childhood obesity in OECD countries.⁷¹ In New Zealand, a staggering two-thirds of adults (2.4 million) are obese or overweight. One third of children are obese or overweight.⁷² Furthermore, our obesity rates are rising. Overweight children are more likely to develop into obese adults, increasing the risk of cancer and other diseases.⁷³

Obesity disproportionately affects those living in more deprived communities. Those living in deprived areas are 1.5 times more likely to be obese.⁷⁴ Half of all Māori are obese and

nearly 70% of Pacific people are obese. 75

Allocating adequate budget to ensure healthy food and drinks in all schools and early childhood education centres

Healthy food and drink policies in schools and early childhood learning centres have been identified as a priority intervention by the Health Coalition Aotearoa, an umbrella organisation for the public health NGO sector, healthcare and academic sectors set up to achieve the collective vision of health and equity in Aotearoa/New Zealand.

New Zealand is not on track to meet the WHO targets of 'no increase in adult obesity and diabetes from 2010 levels'. Childhood overweight and obesity rates continue at high levels with high disparities in New Zealand.

A comprehensive assessment undertaken on New Zealand food environments⁷⁶ (2014-2017) found only 40% of schools had a written food policy but these policies were weak and not very comprehensive. More than 40% of schools sold sugar sweetened drinks and only 23% of secondary schools reported being water/milk only schools. There is substantial scope to improve schools' food policies and practices to create healthier school food environments.

Adequate budget is required to ensure healthy food and drink policies can be developed, implemented and evaluated in all schools and early childhood education centres nationally. This may include funding for water fountains to ensure water is the easiest choice of drink available in all school and early childhood centre environments.

Why tax/levy sugary drinks?

Government needs to urgently act to prevent the growing obesity epidemic in New Zealand. Introducing a tax on sugary drinks is the first key step to reducing obesity in New Zealand. WHO⁷⁷ and the World Cancer Research Fund,⁷⁸ along with The New Zealand Medical Association, the New Zealand Dental Association and many other national organisations recommend a tax/levy on sugary drinks.

The Cancer Society of New Zealand endorsed the New Zealand Dental Association's Consensus Statement recommending introducing a sugary drinks tax in line with WHO recommendations.⁷⁹ WHO states there is evidence that a 20% tax on sugary drinks can lead to a reduction in consumption of around 20%, thus preventing obesity and diabetes.⁸⁰

It is well established that excess sugar is a major contributor to weight gain, obesity, diabetes and tooth decay. Sugary drinks are the main source of sugar for children and young people. Recent research found there is more sugar in New Zealand drinks compared with Australia, Canada and the UK.⁸¹ Sugary drinks are cheap, readily available and accessible, and are one of the most widely advertised products.⁸²

Taxes or levies on sugary drinks have now been introduced in 47 jurisdictions worldwide.

A 2018 report 'On Taxing Sugar- sweetened Beverages as a Public Health Measure,'⁸³ written for the New Zealand Prime Minister's office, concluded that a 20% tax on sugary drinks would be effective. The report also concluded that households with the lowest disposable incomes were likely to see the greatest reduction in consumption, with Māori and Pacific households benefitting the most as the result of such a tax.

A sugary drinks levy should be the first food/drink levy in New Zealand as it:

- Has the strongest evidence base.
- Is focused on protecting children (from dental decay, obesity and diabetes in adolescence and cancers in later life).
- Is a product with no nutritional value and empty calories.
- Is likely to reduce health inequities.

The levy can be targeted at the beverage industry to promote reformulation of the sugar content of drinks, as has occurred in the UK. The UK introduced a two-tier soft drink industry levy with a higher levy on drinks with a higher sugar content. This resulted in a number of UK beverage manufacturers reformulating their products with a lower sugar content ahead of the sugar tax being implemented on 1 April 2018. One study reported a 10% reduction in sugar content of energy drinks in the UK in that time.⁸⁴

Revenue generated by a sugary drinks tax could be used for obesity prevention initiatives particularly in low income communities. The majority of the New Zealand public support a tax on sugary drinks.⁸⁵ Public support would be strengthened further if revenue generated from a sugary drinks tax was used to support community wellbeing initiatives e.g. sports facilities in schools, fruit in schools, healthy school lunches, and school dental services. It should be noted that a sugary drinks tax is only one component of a comprehensive strategy needed to tackle obesity.

Increase budget for evidence-based obesity prevention

Addressing the obesity epidemic is not simply about individuals making lifestyle changes. We need to change the environment that people live in to enable them to pursue healthy habits and behaviours.

Government experts interviewed in 2017 as part of the comprehensive assessment of New Zealand's food environments recommended funding be increased for population nutrition promotion to at least 10% of health care and productivity costs of overweight and obesity.⁸⁶

The World Cancer Research Fund International (WCRFI) is a leading authority on cancer prevention research related to diet, weight and physical activity. It developed the NOURISHING framework⁸⁷ which provides a comprehensive package of evidence-based policies to promote healthier eating and prevent obesity and non-communicable diseases globally.

The Health Coalition Aotearoa, a coalition of community, public health NGOs and academics have prioritised obesity prevention initiatives which line up with the internationally recognised NOURISHING framework. The Cancer Society of New Zealand is a member of the Coalition and supports their prevention priorities to reduce obesity.

Skin Cancer Recommendations and Rationale

Skin Cancer Budget Recommendations

3. Allocate significant budget for the effective implementation of sun prevention policies, including adequate shade, in all primary schools and early childhood education centres to prevent skin cancer.

Rationale

Impact of skin cancer

Skin cancer is the most commonly occurring cancer and New Zealand has the highest skin cancer rates in the world. Melanoma is the most serious form of skin cancer with around 2,500 New Zealanders diagnosed with melanoma in 2015.⁸⁸ Around 350 New Zealanders will die of melanoma each year.⁸⁹

It's estimated there are around 90,000 cases of non-melanoma skin cancer diagnosed in New Zealand each year.⁹⁰

The total annual economic costs to New Zealand of skin cancer in 2006 was NZ\$123.1 million.⁹¹

Excessive exposure to ultraviolet radiation (UVR) causes skin cancer. Ultraviolet Radiation (UVR) has been classified as a Class 1 Carcinogen by the International Agency for Research on Cancer. ⁹²

New Zealand's high prevalence of skin cancer is consistent with the fact that New Zealand experiences up to 50% higher levels of UVR in summer months than countries at comparable latitudes in the Northern Hemisphere.⁹³ Although excess exposure to UVR can be harmful at all ages, exposure during childhood and adolescence contributes significantly to lifetime skin cancer risk.⁹⁴

Allocate budget for skin cancer prevention in all primary schools and early childhood education centres

The New Zealand Skin Cancer Registry and Early Detection Strategy 2017 to 2022 identifies primary prevention as a key pathway for reducing skin cancer.⁹⁵ The Melanoma Network of New Zealand, a network of health professionals, recommend a stronger commitment to funding primary prevention in New Zealand.

The best avenues for reducing skin cancer burden are primary prevention and early diagnosis.⁹⁶ Furthermore, public investment in skin cancer primary prevention and early detection programmes shows strong potential for economic as well as health benefits.⁹⁷

The Cancer Society of New Zealand strongly recommends Government prioritise the prevention of skin cancer particularly for young people. We urge the Ministry of Education

to require sun prevention policies, including adequate shade, in all New Zealand primary schools and early education centres and for Government to allocate sufficient budget for effective policy implementation.

This submission was prepared by analysing and considering the latest national and international research information. The Cancer Society consists of six divisions around the country, 16 centres as well as a national office based in Wellington. In the formation of this submission, consultation with our six divisional offices as well as within our national office took place, with comment and feedback sought from our staff.

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