



Health Committee

Oral evidence: [Childhood Obesity Strategy, HC 465](#)

Tuesday 13 October 2015

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Members present: Dr Sarah Wollaston (Chair); Dr James Davies; Andrea Jenkyns; Paula Sherriff; Maggie Throup; Dr Philippa Whitford.

Questions [1-88]

Witnesses: **Dr Paul Darragh**, Board of Science, British Medical Association **Professor Graham MacGregor**, Chairman, Action on Sugar **Malcolm Clark**, Co-ordinator, Children's Food Campaign **Andrew Opie**, Director of Food and Sustainability, British Retail Consortium **Ian Wright**, Director General, Food and Drink Federation **Chris Snowdon**, Director of Lifestyle Economics, Institute for Economic Affairs gave evidence.

Q1 Chair: Good morning and welcome to the opening session of the Health Committee's inquiry into what should guide the Government's childhood obesity strategy. Welcome first to our panel. We are hoping that each of you will start by saying who you are, who you are representing, but also setting out whether you have any personal or organisational conflicts of interest that could be relevant to the inquiry. The other point I would like to make at the start of the inquiry is that the Committee is deeply disappointed that we have not seen publication of the detailed evidence review conducted by Public Health England. We consider that that is obstructing this inquiry, and next week we intend also to call on Duncan Selbie to come before the Committee on Monday to set out why he is not using his powers, which he has independently, to publish that evidence. That will be for Monday next week.

Perhaps I could start with you, Professor MacGregor.

Professor MacGregor: I am Professor Graham MacGregor. I am a professor of cardiovascular medicine at Barts and the London, but I chair Action on Sugar, which is a group we set up to try to do something about obesity and type 2 diabetes. Although we are focused on sugar, we have other plans within our plan to prevent obesity, other than reducing sugar intake. I can come back to that. I also chair Action on Salt, which is a very successful NGO that has got salt intake down in the UK, a very successful public health policy that has led to a fall in salt intake, a fall in blood pressure in the population and big reductions in strokes and heart attacks as a result. I also chair the World Action on Salt and Health group. I am also a clinician: I treat patients.

Q2 Chair: Do you wish to declare any personal or organisational conflicts?

Professor MacGregor: No. I do not have any funding from the food industry or the soft drinks industry, fortunately. I have no interests to declare, apart from the fact that I am very passionate about doing something about getting more healthy food as it is the biggest cause of death and disability in the UK.

Dr Darragh: I am Paul Darragh. I am a secondary care physician. Among my roles is acute medical care and a diabetes clinic. I am a member of the BMA Board of Science which recently published a report, “Food for thought: promoting healthy diets among children and young people”. I agree with Professor MacGregor that obesity is the leading cause of death in the United Kingdom, and if we can do anything to cut back on that dreadful toll, I am in full support. I do not have any connection with the food and drink industry.

Malcolm Clark: I am Malcolm Clark, co-ordinator of the Children’s Food Campaign, which campaigns for healthy sustainable food in our schools, in our communities and high streets and through wider society. The campaign is a project of Sustain: the alliance for better food and farming. I have been co-ordinator for the Children’s Food Campaign for the last three and a half—almost four—years. I do not have any personal conflicts of interest but I would like to state that I am a councillor in the London borough of Lambeth, just for the record.

Q3 Chair: For the record, can you set out whether Sustain has any funding from the food and drink industry?

Malcolm Clark: Sustain takes no funding at all from the food and drink industry, and the Children’s Food Campaign itself is funded mainly by the British Heart Foundation and also by the Kenneth Miller Trust.

Q4 Paula Sherriff: Thank you for joining us this morning. I would like to start with a fundamental issue. Could you explain exactly why you are calling for the introduction of a 20% tax on sugar-sweetened beverages?

Professor MacGregor: This is part of a package; it is not the only thing. A sugar tax itself will not prevent obesity; it will play a major role in reducing consumption of sweetened soft drinks. If it is on confectionery as well, as in Finland, it will also play a role there. We were asked by Jeremy Hunt for a plan to prevent childhood obesity over a year and a half ago. We gave him a very brief but very well-evidenced document with seven actions in it as to how he could prevent childhood obesity. Since then he has done absolutely nothing. In spite of going back to him, I think about 10 times, we are always fobbed off by Department of Health officials saying they are waiting for further information. In spite of having that plan, saying it is a big problem and that he wishes to work on it, he has done nothing. I can go through the plan, or at least say that it is reformulating both sugar by 40%, getting sugar down in all products—

Q5 Chair: We are going to come on to reformulation later. We are going to look at all the various aspects that might be helpful. Perhaps you could comment at this stage about why you are calling for the actual sugar tax.

Professor MacGregor: A sugar tax, as we know for alcohol and cigarettes, works. It reduces consumption. We now have evidence from Mexico, Finland and France that sugar

taxes both on confectionery in Finland and on soft drinks in all of them have reduced consumption. In Mexico, where Bloomberg spent \$10 million getting in a tax, where they have huge obesity and the highest consumption of sweetened soft drinks in the world, the 10% tax has reduced consumption by 12% within one year. They are very effective but they have a limited action. They are not going to cure obesity but they will have an effect.

Dr Darragh: A lot of it has already been outlined by Professor MacGregor. We know that the use of fiscal policies has had a positive effect. We see that particularly with tobacco and alcohol use. A range of countries have brought in taxation measures on various unhealthy foods and drinks, and some of them were listed—Mexico, Norway, Samoa, Australia, Finland, Hungary, Denmark, France and also certain states within the USA. The evidence that we have shows that fairly high levels of taxation—around 20%—would be needed to achieve detectable changes in consumption. There was a 2013 study in the BMJ which modelled and showed that a 20% tax on sugar-sweetened drinks would reduce the prevalence of obesity within the United Kingdom by about 1.3%. That might not sound a lot, but it is 180,000 people. Ideally we would be arguing for a broad tax base to prevent consumers switching to other products; it would be a very useful first step, for which the evidence has already been shown or demonstrated—the introduction of a 20% sugar tax on sugar-sweetened drinks.

Malcolm Clark: We are talking about a sugary drinks duty, a logical, proportionate and targeted duty—a tax. I want to make it very clear first of all from the Children’s Food Campaign point of view that it is in the first instance a tax on sugary drinks, drinks with added sugars—soft drinks, cold drinks—because sugary drinks are the No. 1 source of free sugars in children’s diets, particularly teenagers, but also younger children. The SACN recommendations in their report say that children are consuming far too much sugar and that that needs to be reduced. We are looking specifically at sugary drinks; it is 20p per litre. What is really important is that the evidence, the modelling and even the real-world experiences in Mexico, Berkeley and others, show not only that it works but that it is about helping people reduce their consumption, to switch away from the most sugary drinks to no-sugar or alternatives. That is something that industry should want, something that industry should support. They say that they are doing more marketing on lower calorie or no-sugar drinks, and that they want to see more of those sold. Actually by increasing the price of sugary drinks you are setting a clear marker for people, for parents who are buying their families drinks and for everyone, that we should consume less of these drinks, and let’s switch to others. This will help industry to push those other products rather than the most sugary ones.

Q6 Paula Sherriff: Thank you very much. You may have covered some of this in your previous responses but can you tell us what impact you think a 20% tax would have on obesity, if we can concentrate on the UK, particularly among the under-18s?

Professor MacGregor: Paul, you mentioned the paper in the BMJ, which looked at that. I think you can give more detail than I can. I am trying to remember exactly the details of what the numbers were—

Dr Darragh: It was 180,000 and a 20% tax would reduce the level by—

Professor MacGregor: That would be 180,000 cases of obesity prevented by a 20% tax. That is a prediction worked out on theoretical grounds. The other important thing that has

come out of Mexico, and I think France as well, is that if this is a hypothecated tax it is used to fight obesity. In Mexico, they have raised over £1.3 billion from the tax and they are using that to encourage children to have more access to water in schools, and for other things to encourage even greater action in reducing health-related things due to food. That is important. Ninety per cent of the population backed the tax when it was hypothecated. I think the same would be true in the UK: if you made it a tax that could be spent on things related to obesity, the majority of the population would then support it.

Q7 Chair: Dr Darragh, do you agree with that data on the evidence?

Dr Darragh: Yes. It was a study produced in the BMJ in 2013. It reduced the levels of obesity by 1.3%, which translates to 180,000 people. I do not think there was specifically a breakdown as to age, but I can have a look at that and provide that evidence for you.

Malcolm Clark: Specifically, a new report that has been published this year—with modelling—from the University of Liverpool, although it does not take children, says that over 20 years, if you have a 20p per litre tax on sugary drinks, the number of cases of heart disease, strokes and other diet-related diseases will be cut by tens of thousands. It also looks at the cost savings to the NHS, which would be significant. All of this is on top of the improvements to dental health as well. One of the things that goes alongside childhood obesity that we also need to be talking about is dental health. The No. 1 cause of admissions to hospital for children aged five is to do with dental decay, to do with needing their teeth out. This is something that would have an immediate effect in terms of reducing that.

Q8 Paula Sherriff: Is there anything further you would like to add regarding the evidence base to support a tax on sugar-sweetened products?

Professor MacGregor: I do not think we need any more evidence. We should put a sugar tax in straight away, particularly on soft drinks. In any case, it is a very good weapon. In order to get the food industry to change, you have to keep some weapons in reserve and one of them is the threat of increasing a sugar tax, if you have one, in order to make them reformulate. We know very well that if you say to them that they have to get sugar down in all their products by 40%, which is part of our plan, and fat by 15%, and you say, “You’ve got to do it. If you don’t do it, we are going to have a punitive tax,” they say, “Right, come on, let’s get on,” because the last thing the food industry wants is a tax. To throw it away, as Jeremy Hunt has, saying he is not going to is not—

Chair: We are talking about evidence though.

Professor MacGregor: I do not think we need any more evidence. We have that evidence from other countries. We know that taxes work on alcohol and cigarette consumption, and they will work on sweetened soft drinks. The only question is whether they should apply to artificially sweetened soft drinks, because they do in France, and there is increasing evidence that artificially sweetened drinks are not good for you: first, they contain large amounts of phosphoric acid, and—

Chair: I am sorry. We are going to have to move along because we are looking at the evidence base and we have a lot to get through today. I am sorry to cut you short. Maggie has a quick point.

Q9 Maggie Throup: You mentioned that you chaired the successful campaign Action on Salt. I believe I am correct in saying that that was done without taxation. Why do you feel that sugary drinks are different from salt?

Professor MacGregor: I do not. You can reduce the amount of sugar in soft drinks, and that is part of our plan—10% a year for five years, a 40% reduction, just as we have done for salt. People do not realise that all the products you buy in the supermarket have come down in the amount of salt added by 30% to 40%.

Chair: We are going to have a session specifically on reformulation later. Paula, have you finished your points?

Q10 Paula Sherriff: Yes. Do you want to come in, Dr Darragh?

Dr Darragh: I will be very brief. Part of the evidence, apart from that already quoted in the 2013 study, was that there was a systematic review of 160 studies on price elasticity measures, which suggested that a 10% tax on soft drinks—that is what we are looking at—would result in an 8% to 10% reduction in the intake of those sugary drinks, so that is another bit of evidence.

Malcolm Clark: I will say two things. First, the other evidence, in terms of childhood and the effects, is that if you look at cancer and cancer risk, there are 10 cancers that can be related to diet or have an increased risk, and if you never become overweight or obese your chances of getting those cancers are significantly reduced. That is one aspect. In terms of the evidence on a sugary drinks duty, Mexico is a good example. There are four studies that have been done since the tax was introduced. Only one of them—the stats have already been referred to in terms of the sales reduction—was done by independent academics, and it has now been put forward to peer review. In your next session, you may hear other people quote statistics about Mexico. There are three other different studies which have been done, either funded through industry or not peer-reviewed. The evidence base is one that we need to look at carefully, to ensure that we are looking at the right evidence and data.

Q11 Dr Davies: Following on from that, you have spoken positively about the case for a sugar tax, but if we look at the predicted health benefits, are you able to convince those who are not currently in favour that such a tax is really worth it? The Institute of Economic Affairs said that the impact is equivalent to someone walking up a flight of stairs each day—in Mexico, so this may well be one of the studies you feel is not valid—a mean average, presumably, of 6.2 calories per day reduction across the population. How would you answer critics who say that the tax simply is not worth the bother?

Malcolm Clark: There are two aspects to that. One, the figures you are looking at are population-wide, so the people who are consuming the most sugary drinks are the ones who are going to be benefiting the most; they will see the most reductions. The modelling, and in fact the Mexico surveys, suggest that it is those on lower incomes, who often have the highest health inequalities, who are the ones that are most affected and have changed their consumption the most. In the modelling that we have in the UK, it is pretty much the same. Also if you look at the popularity of this—looking at our surveys—consistently over the last couple of years if people are asked whether or not they want a sugary drinks duty,

a tax on sugary drinks, the “yesses” are about 40% to 45%, the “nos” about 20% to 25% and then there is a bit in the middle area, the “don’t knows”. The more people hear about it, the more they also hear that it can be hypothecated and you can use the money raised, which in the UK could be anything between £300 million to £1 billion a year in the first year. That is a significant sum that could be used to improve preventive health measures, and to improve children’s food and children’s environment. Those are some of the key things.

Professor MacGregor: The only argument that I have heard from Jeremy Hunt is that it is a regressive tax and that it affects poor more than richer people, but of course the poorer—the socially deprived—are the ones who get obese. They are the ones who drink more sweetened soft drinks and it would have a bigger effect on them. Why do we tax cigarettes? They are the ones who smoke more cigarettes; it is a regressive tax for them. Why do we tax alcohol? They are the ones who drink more alcohol. What is the argument there? The regressive tax is just a desperate ploy by Jeremy Hunt to find something that would say that we should not do it.

Q12 Dr Davies: I was going to come on to the allegation that it is a regressive tax and also that on top of 20% VAT, for instance, it is a lot for the industry to stomach, shall we say. I do not know if there are any further comments on that.

Malcolm Clark: First of all, you have the pass-on rate, which is that if the tax is introduced as a duty, do companies then pass it on? Certainly the evidence from everywhere else is that a minimum of 70% and up to 100% is passed on, and in a few cases more. Certainly smaller convenience stores may not pass on the full tax rate, but the stats show that supermarkets and big stores generally do.

The other thing, as I have already said in my evidence, is that even companies like Coca-Cola are now saying they want to encourage their Coke Zero; their quote when I met the managing director of Coca-Cola a few months ago was that he wanted to “hero Zero” during the rugby world cup. You will have to look at their marketing to judge whether they really are doing that or are just spending lots of money to promote their full-sugar, but at the same time if industry wants to push that range, this is something that can really help to do that. There is a good case for it from industry, and their reluctance is disappointing when we need things to push people in the right direction.

Q13 Dr Davies: Clearly the industry, as you say, is not going to be terribly keen on this idea. You touched on levels of public support. What is your feeling about that, bearing in mind that to be effective the level of such a tax is going to have to be quite high?

Professor MacGregor: You should start with a small tax.

Chair: I think it was still a question to Mr Clark.

Professor MacGregor: I am sorry.

Malcolm Clark: It is not high; it is 20p per litre. It is a duty, it is a volume base, so it is about ensuring that you cannot just buy large quantities of the drink and get it more cheaply. The modelling data, which has been done on everything from 5p, 10p, 20p to 30p, suggests that that is—to borrow an industry phrase—the sweet spot for this kind of

tax or duty, because that is where it is enough that people notice it but not enough that you are starting to bring in factors that mitigate it. It is interesting that in some places like Mexico, for instance, and in Berkeley, the tax equivalent is less than that, and after the first year they are already starting to think, “How can we increase it to a level that is much closer to the modelling recommended amount?”

Q14 Dr Davies: Clearly public support is vital in terms of persuading politicians, and I think in Denmark a saturated fat tax was withdrawn, wasn't it? Do any of the panel have any further comments?

Professor MacGregor: According to my colleagues in Denmark, that was due to a sustained campaign by the food industry. In fact it was working and it is very sad that the Danish Government gave way, once again, to the power of the food industry. You have to realise that the food industry globally is the most powerful industry there is, much bigger than defence now, and they exert huge power and put a lot of money into funding political parties all over the world in order to get their way. We need to stand up to them. We should not be allowing them to kill us off like this. They can make more healthy food, and make the same profits without killing us.

Dr Darragh: One of the things we cannot lose sight of is that we are talking about this being a regressive tax. When we look at health inequalities, the greatest burden of ill health falls upon those in the lower socio-economic groups. If we really want to improve that situation, this is one step—it is only one of a raft of measures that we would propose—that would help alleviate that burden. If we can do anything with it, why not? Our first duty must be to our patients and, as doctors, that is what we are advocating; we are advocating for the patient.

Q15 Dr Davies: I conclude my questions by asking how much money you think might be raised by such a tax and should that money be invested in health promotions? Do you think that would help to sell it to the public?

Malcolm Clark: Yes. It depends whether you are taking the industry sales data or the consumer-reported data on sugary drinks consumption as to exactly how much you expect the revenue to be, but about a year and a half or two years ago, the predicted revenue raised in the first year using those two numbers was between £300 million and £1 billion. Certainly we are very keen to see a children's health fund, and for that money to go into this children's health fund—a dedicated thing, whether within the Treasury or outside it—which can be used for measures that improve children's health and children's wellbeing. The Committee will be hearing from Jamie Oliver next week, and he will be able to talk about his pilot scheme, which is doing this in his restaurants. Other restaurants have joined in—putting in a voluntary levy that then goes to a children's health fund which is just being set up. What is interesting is that more and more precedents are being set—whether it is the vehicle excise duty that is due to come in, I think in 2020, dedicated to roads, and the plastic bag tax, or levy, although it is supermarkets deciding themselves, often on environmental measures. You are seeing a number of things like this that I believe the public are more and more attuned to. What is interesting in terms of our campaigning is that some of the people who joined the campaign first, early on—the likes of Citizens UK, for instance, and Unison the trade union, and others—are very aware, because they deal all the time with people on low incomes and with vulnerable communities, that they would

not support a tax that potentially could be regressive if it was not for the other benefits as well. Another answer to “How regressive or not?” is that studies show that it is 10p per individual, per week on average for the tax. In Ireland, it was modelled at about 70 cents to 80 cents per household, so you are talking about small amounts per household, but it is also where those benefits are going to be most felt and that, which I think we all share, and as has been said, is really important to us as well.

Professor MacGregor: The other point I would like to raise is that most countries see this as an escalating tax. They start off at 10%; Mexico now wants to go to 20%, France has gradually increased it, Finland has, and last year it was blocked by the food industry, so everywhere you see the power of the food industry trying to block these moves. But like alcohol and cigarettes, once you have started it you gradually screw it up, as with cigarettes; there is, I think, about 800% tax on them now, and yet we are quite happy with that.

Q16 Chair: Before we move on to the issue of reformulation, can I return to the issue about the regressiveness or otherwise of the tax and health inequality? Dr Darragh, are you able to comment further on the data from Public Health England about levels of obesity, comparing the 10% most disadvantaged and the most advantaged in terms of levels of obesity from the child measurement programme?

Dr Darragh: They tend to be higher, but I am afraid I do not have the exact figures. I can certainly ask for them to be provided.

Q17 Chair: We have those in the background, but I just wondered whether you had them in front of you and wanted to comment on them at all.

Dr Darragh: No, I am afraid I do not.

Q18 Chair: Finally, an issue that Professor MacGregor just touched on was whether or not you think there should be a differential tax between sugar-sweetened and equivalent unsweetened products. One argument is that if you actually have a differential tax it helps to shift behaviour, whereas another argument is that you should apply them to all carbonated drinks. Do you have a view on that, Dr Darragh?

Dr Darragh: It is those drinks to which sugars have been artificially added.

Q19 Chair: Yes. You think it should be just on the artificially added ones, whereas I think, Professor MacGregor, you were arguing that it should be on all carbonated drinks. Is that right?

Professor MacGregor: The worry to me is that there is increasing evidence that artificially sweetened soft drinks still lead to obesity. When you switch people from sugar-sweetened drinks to either continuing with artificially sweetened or water—no sugar at all—the people who lose weight are the ones with water. The ones who have artificially sweetened drinks do not seem to lose the weight they should. That may be because of the sweetness. We are all used to very sweet things now, and that increases calorie consumption. There is increasing evidence for that.

Q20 Chair: Just to be clear, if there were such a levy applied, you would like to see it on all carbonated drinks as well as sugar-sweetened drinks, whereas I get the impression from the other panellists that you would prefer to see a shift to drive change. Am I correct? Perhaps Mr Clark would like to come in?

Malcolm Clark: It is correct, but this is not an isolated measure. What is interesting in terms of the numbers is that if you are looking at younger children, where sugar-sweetened beverages are the No. 1 source of free sugars, and behind that is fruit juice—something that came up in the SACN recommendations in terms of looking at fruit juice—you have a really strong measure in the school food standards, which set out a portion size restricting fruit juice to 150 ml and only at mealtimes. Again that is something that can be pushed through in terms of the industry—portion sizes and reformulation. I know we are coming to that but—

Q21 Chair: We are coming to that. Specifically, the question was if there was a levy or tax applied, would you want to see it applied to all carbonated drinks or just to sugar-sweetened products?

Malcolm Clark: In the very first instance on sugar-sweetened, because that is where there is the most evidence. That is the most easily understood; it is proportionate and it is logical. But the evidence keeps developing, and certainly children should not be drinking sweetened drinks, whether artificial or natural; the advice from Public Health England, the NHS, is about water and milk, so there need to be other measures as well, connected with that.

Q22 Chair: So it is sugar-sweetened drinks for you. What about you, Dr Darragh?

Dr Darragh: We have a definition of sugar-sweetened beverages, and that would be all non-alcoholic water-based beverages with added sugar, including sugar-sweetened soft drinks, energy drinks, fruit drinks, sports drinks and certain fruit juice concentrates.

Chair: Because time is short, I am going to move on to Dr Whitford.

Q23 Dr Whitford: Could I start with Professor MacGregor? You touched on the alternative of reformulation. It is really about how you see that this could be achieved by pushing down that direction, either as well as tax or instead of tax.

Professor MacGregor: I cannot give you the paper we have just submitted for publication. Reformulation of soft drinks by 40% in five years, which we think is practical, would reduce calorie intake per person per day by 36 kilocalories. To prevent obesity, you need to reduce it by 100 kilocalories per day, according to the Department of Health, and that is already a third of the way there, so it is a very effective policy. Clearly it needs to be combined with reformulation of fat as well, because fat has far more calories—two and a half times the calories of sugar—so a 15% reformulation of fat, then a tax and then a ban on all advertising of unhealthy foods—

Q24 Chair: We are going to come to that later, so can we stick with reformulation?

Professor MacGregor: That would prevent childhood obesity and adult obesity. If we did all that, we would not have anyone getting obesity or type 2 diabetes in the UK.

Q25 Dr Whitford: In actual fact reformulation is where we want to get to. The tax is a method to get—

Professor MacGregor: A tax is additive to any other form of action. That is the point. It will add to any other action and we strongly support it. We also strongly support it, as I said, as a way, as a weapon, to say, “Look, we have the tax. If you don’t do this, we are going to increase it even more.” The food industry will immediately do it. I know the supermarkets are waiting to do something. They are waiting to be ordered what to do, and Coca-Cola and PepsiCo will join in; they will be forced to. That is what happened with salt. We need a Government who will do it.

Q26 Dr Whitford: Why do you think the salt went relatively painlessly, without the same degree of battle with the food industry?

Professor MacGregor: That is an important point. We had the Food Standards Agency set up, and we managed, through Tessa Jowell, to get the Food Standards Agency to take on nutrition. They were an independent unit outside ministerial control; they had a scientific board, they decided what to do and that was it. It was all open and transparent. There was not all this secrecy, like there is with Public Health England, like some incredible state secret: “We do not know what Public Health England say.” We had none of that. It was very transparent. They came up—with advice from us—with this clear plan. The food industry were slightly scared of them, because they could do other things to them. The plan worked extremely well until Andrew Lansley removed responsibility for nutrition back to the Department of Health and put the food industry in charge of public health by responsibility; he actually made the food industry responsible for policing themselves. It was unbelievable. I had many meetings with him and shouted at him but he was absolutely impossible to persuade. We have a ridiculous system now, where nothing is happening in improving the food supply because of Andrew Lansley.

Q27 Dr Whitford: Obviously, you mentioned some of the concerns about artificial sweeteners. My generation used them in dieting as adults and we are now seeing the first generation who will have been exposed to them as children. I assume therefore that you would prefer to have simply a steady change so that we change the sweet tooth, if you like.

Professor MacGregor: Our plan, obviously, is if we reduce the sugar we would reduce the sweetness of all other drinks, so it would all come down and that would be the same throughout. It would be like salt. Everyone in the country has got used to eating less salt. You do not notice there is less salt in all these products, and in restaurants now it has been reduced. The only thing is that when you go abroad you notice how salty the food is; you may have noticed that. We can do the same for sugar. The sugar taste receptors adapt over a few weeks to a lower sugar threshold, and then you prefer food with much less sugar in it. That also is likely—the evidence is not very strong, but I think it is reasonably strong—to reduce appetite. The problem with salt and sugar is that they increase appetite for the sort of foods that are very calorie dense with no feeling of satiation. If you have a McDonald’s, chips and Coca-Cola, an hour later you are hungry again, whereas if you had 18 oranges, which is the calorie equivalent of that—18 oranges—you would not be able to eat 18 oranges, would you? That is what you are eating when you have a Big Mac, a Coca-Cola and chips.

Q28 Dr Whitford: Dr Darragh, what do you think would be the best way to achieve the aims of driving down sugar in soft drinks? To drive reformulation, would you change anything or add anything to what the professor said?

Dr Darragh: No. Basically, the measures we have discussed so far are all very well, but we see them within a larger overall approach. I do not want to stray into other things which we will be talking about later, but there would be advertising, powers to local authorities with regard to schools.

Dr Whitford: We are just going to come on to that.

Dr Darragh: There is a whole raft of things.

Q29 Dr Whitford: One of the other things that is striking is obviously that the production cost of low sugar, whether it has artificial sweetener or nothing, is cheaper than the full sugar drinks, yet that is not passed on. There is actually the ability for the industry to have that difference at the moment. I do not know, Mr Clark, if you want to comment on whether we should be pushing them to do that.

Malcolm Clark: There are even further worries in terms of price, with the reform of the common agricultural policy on sugar coming in 2017, which could potentially make the price of certain types of sugar cheaper, and potentially downplay some of the drive to reformulation for getting the sugar out. On the reformulation question, it is very important to note that, as Professor MacGregor said, we are talking about significant reformulation of the scale of, I think, 40%—not 5% or 10%—in everything.

Q30 Dr Whitford: But it obviously needs to be done sequentially, so the population—

Malcolm Clark: It needs to be done sequentially, but it is about, in a sense, re-setting the default. In some ways, reformulation will only take you so far, particularly over a time period. It is about, as Tesco and Britvic have both done recently, removing ranges of the most calorific drinks and products and putting in others. You are, in a sense, going straight from one to another, but there are obviously a lot of products where you need to do the reformulation.

Q31 Dr Whitford: If there is no action, all the public health agents will be pushing the population to not drink these drinks at all. That will be our drive, which means they lose business, so in actual fact you would think that reformulation would be in their own interest.

Malcolm Clark: This is the big question that we have seen over the last five years with the responsibility deal, which has offered chances for reformulation. There has been some reformulation, but it is patchy. It is on a much lower scale than we would like to see. As Professor MacGregor said, it needs a Government driving force to push this. Going back to my conversations with the managing director of Coca-Cola, he was very proud of his reducing the amount of regular Coke sold at the moment from—I think—57% of all to 50%, so in a sense saying that by 2020 50% of their cola being sold will be lower or no sugar. For him what was important was saying, “Here is a target that is quantifiable that I have been able to get through my board and up to my superiors. I have set it. This is important.” This is what we have not had so far in the last five years with the

responsibility deal—really clear quantifiable targets to do with not just calorie reduction, but specifically looking at sugar as well. That is what we have been lacking.

Q32 Dr Whitford: The drive towards advertising was touched on. Advertising to children tends to be picked up particularly, but obviously it is also advertising to adults. What changes do you think need to be made to broadcast advertising, and why?

Professor MacGregor: It is quite clear. We banned cigarette advertising and yet that is a smaller cause of death than food. We need now to ban all advertising of all unhealthy foods. That may sound a radical thing, but we always ask for more than we aim to get; when you go into negotiations you ask for more. The point is that is what is going to happen. We have criteria for unhealthy foods. Inevitably, in the next 10 years there will be a ban on all advertising for unhealthy foods; it will slowly come in worldwide. The question is whether the UK is going to lead the world, as it did for salt reduction, or lag behind.

The problem is that even if we have reformulation we do not have a mechanism to do it. The responsibility deal and the Department of Health cannot do it. They are not set up; they are not in the right frame. We need a new independent agency to do it, so that we have clear targets. We have had meetings with all the supermarkets and they all want to do it, because they have all done the salt reduction, yet no one is taking responsibility for something that can be done straight away. We could start reformulating sweetened soft drinks tomorrow with the right agency, but we lack it. That is a big problem. The Department of Health cannot do it; it is very unlikely that Jeremy Hunt or anyone else will admit that that was a big mistake and go back on it.

Q33 Dr Whitford: Dr Darragh and Mr Clark, are there some forms of advertising which you see slipping through the net? Obviously, there is not meant to be targeted advertising at children.

Dr Darragh: Yes. We need to take a very broad approach. We need to look at regulations and maybe at beefing up the UK code of broadcast advertising, and we need to look at the UK code of non-broadcast advertising. We need to look not only at the broadcast media but the non-broadcast media, everything from billboards to the internet, and even within game advertising. Children spend lot of time on games, so we need to look at that. We need to look at sponsorship of activities, especially sporting activities. We need to look at the way some sportsmen sponsor unhealthy foods. I do not need to name the prominent footballer and some crisps, or even Subway and a certain Brazilian footballer. We need to look at that because they are—

Q34 Dr Whitford: A lot of it is the same sort of pattern that we saw with smoking.

Dr Darragh: Yes. We also need to look at commercial sponsorship within schools, education packs and sporting equipment, and so on. There is also the whole pester power thing with children, so we need to take away unhealthy food from aisles and queueing areas and the lead-up to counters in shops. We need to bring in regulations to stop in-house promotions where the retail staff are instructed to promote unhealthy foods; we need to stop those schemes.

There is also one other thing. You were talking about reformulation. One thing we have to be very careful about—I just want to get it in—is the way that companies will cynically bring in things, say, within names, like Coke Zero or Coke green. What they are doing is increasing the brand and maybe also increasing the market share. Maybe that is the motivation for doing this, rather than any promotion of health.

Malcolm Clark: You are looking at three different areas from our work. The Children’s Food Campaign and the British Heart Foundation have spent the last few years looking in detail at the issue of marketing to children, and working through the rules and the complaints process of the Advertising Standards Authority, too. First of all there is TV, for which we already have in place rules saying, “We should not be targeting children with less healthy advertising,” but actually, although that was in place for children’s television, all the evidence that we have commissioned from the University of Liverpool and other places shows that it is the family entertainment shows—such as “The X Factor” and “Britain’s Got Talent”—where children can be seeing up to six less healthy food adverts an hour. It is about closing that loophole by saying that 9 o’clock should be the watershed, which is something that parents understand very clearly for other forms of advertising and other programming. If we look at the stats for when children are watching in terms of the numbers of millions of children watching, it is those peak hours, rising from about 6 in the evening—7.30 to 8.30 being the peak—and only really starting to fall at 9 pm. That fits as a really sensible thing, and I am pleased to see that there was an article in a Sunday paper a couple of weeks ago saying that Jeremy Hunt was considering it. I would certainly hope that his Cabinet colleagues get behind that too. That is the TV side.

On the online side, we found five clear areas. TV adverts that would not be allowed on children’s television were on websites that were clearly targeting children. You have child-friendly brand characters, the advergames that encourage children to eat junk food, misleading health and nutrition claims and also a lax approach to age restriction. These are the things that we have consistently come across, and we have been consistently trying to push the advertising authority to change its very weak rules. Our greatest worry is that although the Committee of Advertising Practice has just announced that they are doing a pre-consultation to a consultation next year on whether to toughen up some of these rules, and look at whether you can harmonise the non-broadcast and the broadcast rules, this is merely consultation. It has taken them several years even to accept the evidence around marketing to children and decide to do this. We do not want to see the Government in their childhood obesity strategy saying, “We have handed it off to the Committee of Advertising Practice and they will be looking at this.” All our evidence and experience shows that not only does that take many years and is very slow, but when it comes to the complaints process with the Advertising Standards Authority, it is weighted against individuals, against parents trying to get a balanced result from industry. What we would really like to see is the rules made stronger and the actual regulations themselves and the monitoring of them taken away from an industry-related body to being a completely independent regulator. The last thing is on retail, price promotions and marketing.

Chair: We will come to the retail environment next. Thank you.

Dr Whitford: That has covered quite a lot.

Q35 Andrea Jenkyns: I am an ex-retailer—20 years—so I have been on the other side. Before I ask the main question, what are the panel’s views on the impact on the retail environment regarding the consumption of unhealthy food? First, have any of you, as groups, approached retailers to get them to understand your viewpoint? For example, Mr Clark, I understand that you are a member of the Co-operative party, with your political hat on. There are so many Co-ops—they are in virtually every village around the country—so maybe we can get an organisation like that starting with not having the confectionery at the tills. It would be interesting to know if you have approached retailers to work with them.

Professor MacGregor: As I said, we have had meetings with all the retailers. We met with Tesco some time ago—David Beardmore, who is their soft drinks manager. He initially said he was going to switch to artificial sweeteners, but we convinced him it was more important to reduce sugar and he then committed to it; you may have seen that Tesco worked out the figures themselves, realised it was a more effective policy and they have come up with a plan for a 5% reduction in all their sugar-sweetened drinks year on year, without a stop date. That was a direct result of what we did with Tesco.

Andrea Jenkyns: Fantastic.

Professor MacGregor: Sainsbury’s and Waitrose agree that they want to do it but they want targets like we had for salt, because if you are below one company already and you are going to do a 10% reduction, it is not very fair if another company is much higher. They want specific targets, just like we did for salt, to work out for each type of drink the target, the maximum average in a year’s time, or whatever it is. We know how to do it, the supermarkets know how to do it and they are waiting to do it. That will force Coca-Cola and PepsiCo, just as it happened with salt, where the supermarkets led and then the branded companies had to follow suit. We very strongly believe in the retailers driving public health, and it is very important to realise that they want to improve the food supply, not necessarily because they are interested in their customers but because it is a very good way of attracting customer loyalty.

Chair: We need shorter questions and answers.

Q36 Andrea Jenkyns: Have you tried the Co-operative? That would be quite interesting because, as I said, they are all over the country?

Malcolm Clark: Yes. We have obviously been targeting our Junk Free Checkouts campaign over a number of years across the key main retailers, and I have highlighted those who have done good practice and some of the worst offenders. We worked with Lidl, who was the first retailer to completely remove sweets and chocolates at their checkouts and put in the healthy tills. Again, together with the British Heart Foundation, we worked with Tesco, who were the second one, and then with the British Dietetic Association we worked with Aldi, the third one. In fact, one of my first meetings in my job back in 2012 was with the director of Plan A at Marks & Spencer. They have just removed the sweets and chocolates from their belted checkouts, in the main stores, and I said the next thing they need to do is get rid of the “Percy Pigs” and “Colin the Caterpillars” from the queueing aisles because those are the No. 1 things that parents talk to us about. Almost four years later—starting from the beginning of this month, October—that is completely changed in most stores. It is a process. Some of the supermarkets do not

want to engage, and this is why you need a level playing field with regulation and Government push.

Q37 Andrea Jenkyns: It is encouraging also to see that some supermarkets are progressive, as Graham mentioned—

Malcolm Clark: But that is with four years of pressure. In fact the Junk Free Checkouts campaign has been going on since the 1990s through community dieticians.

Q38 Andrea Jenkyns: Can I ask another supplementary question before I go on to the main one? I do not know the answer to this, which is why I am asking you. Have the changes we had to selling cigarettes and tobacco, with the packaging not being so visible, led to a reduction in sales of tobacco? Do we know?

Professor MacGregor: I am not an expert on tobacco, but, yes, it has in Australia.

Q39 Andrea Jenkyns: If that is a case study, it might be a good one to use.

Professor MacGregor: I think there is a strong case, but I would not want to give you chapter and verse on it.

Q40 Andrea Jenkyns: It might be worth looking into that on the retail side of things.

Professor MacGregor: Certainly in Australia where they have had it for some time—and you have to give it a bit of time—there has been a reduction in sales. The fact that the cigarette industry is absolutely opposed to it clearly shows that it is effective. You know when the food industry opposes something that it is effective.

Q41 Andrea Jenkyns: Thank you very much. Turning to the main question—you have answered part of it—what is the impact of the retail environment on the consumption of unhealthy food and what measures, in your view, do we need to take to tackle this? You have part-answered it, but could you elaborate further?

Professor MacGregor: I did not catch the first part of the question.

Q42 Andrea Jenkyns: What is the impact of the retail environment on the consumption of unhealthy food and what measures, in your view, are needed to tackle this? You alluded to it, but if we could have a few more measures, that would be great.

Malcolm Clark: The British Heart Foundation in the last couple of weeks put out a survey which said that pester power is a key thing in terms of parents and their frustrations. That is about the checkouts and the tills, but it is also about the aisle ends and the other impulse purchase areas. We do not want to see retailers pushing things from one side to another. We know that these points make a lot of money for retailers. What is really interesting is that even confectionery companies are possibly mitigating some of the loss from the retail side by doing more—certainly in our surveys—online targeting at children. I did some research in the last couple of weeks which showed that Oreo, Haribo, Chupa Chups, Swizzels-Matlow and Chewits were some of those directly targeting children online, so we have to be careful that we have a whole suite of measures. But particularly if you are looking in store, it is about the balance of promotions. When Morrisons proudly

announced 200 products that were new basic store-cupboard essentials and they were doing price promotions earlier this year, when we looked at it the only fruit or vegetable was frozen peas. There was lots of impulse purchase confectionery. The challenge is how to get healthy sustainable food to be as affordable, available and accessible as less healthy food. It needs a whole number of measures, not just dedicated to the retailer. Obviously, if you are looking at a real challenge, you could use the eatwell plate to show a small percentage of impulse purchases—confectionery, sweets and snacks—saying that that is the small amount that you should be allowed to promote, in terms of a percentage of your total sales, for instance. There are things like that that you could do.

Dr Darragh: Yes, that is very much it, and I think I alluded to it earlier. It is basically the placement of unhealthy food in not only the lead-in to counters and at counters but also in queueing areas, which very much augments pester power. As you said, this cannot be seen in isolation, because pester power itself is augmented and fuelled by the sort of advertising that we see. As I said, we need to look at broadcast media and non-broadcast media sponsorship and so on. The other thing is that we would like to see regulations that would stop the use of in-house schemes that require retail staff to promote unhealthy food items specifically.

Q43 Chair: Does that mean when you go to buy a newspaper and somebody tries to sell you a chocolate bar?

Andrea Jenkyns: The add-ons.

Dr Darragh: Yes—the in-house word—exactly.

Professor MacGregor: The people who get premature cardiovascular disease and cancer are the socially deprived, and they die 15 years before us. You must realise—as of course I did, working in Tooting for many years—that if you go to these estates, everyone is obese; they go to the local supermarket, they buy the cheapest foods, the cheapest things and they do not listen to any health messages at all. We must make sure our policy targets them. That is why we need to change the food environment. We need to make unhealthy foods more healthy, and the healthy foods more attractive not to people like ourselves but to them. That is a difficult task, but the first thing is to get those really unhealthy foods better by reformulation, and discourage consumption by taxing them. Also the checkout things, as my colleagues have been saying, are very important. We must target any policy to the socially deprived, because they are the ones that are really affected by obesity and type 2 diabetes, blood pressure and cholesterol, and they die a long time before us. The problem we often have is that people think of their own environment, not the environment where people are really getting these diseases prematurely. Most premature deaths—before 70—are confined to the socially deprived.

Chair: Thank you. Now we come on to labelling.

Q44 Maggie Throup: In the last couple of minutes, I want to focus on labelling. The UK led the way in the traffic-light system, but I want your opinions on the impact that traffic-light labelling has on the consumption of unhealthy foods.

Professor MacGregor: If you want me to be absolutely honest, very little. It is important, and it is great that we have it, but it has not come in totally yet. It was partly because we

pushed it very strongly with the Food Standards Agency, and in spite of all the opposition we got it in; but it still is not uniform and it varies. The problem is that if you are a mother with two children and you go into a supermarket, you are not really going to look at all the labels when you are doing your weekly, or whatever, shop. You would go mad: which cereal has the least salt, least sugar, which bread has the least salt? We try to do it and it is not possible, but it is important to have it because it is very good that the food industry sees that red label, and some consumers see the red label and do not buy it. It forces the food industry to reformulate below the red level, so it is a very good system. I do not think it is going to solve the obesity crisis, blood pressure or cholesterol by itself, but it is helpful and important to have it.

Dr Darragh: Definitely. Unfortunately, it has been patchy, so we have a traffic-light system, which I am very much in favour of myself. We have colour coding reference labels and high, medium and low and it is very confusing. It seems to have been taken up in a patchwork fashion on a voluntary basis. I realise that this requires change at a European level. We would like a uniform system across the board. I would be in favour of traffic lights. I am very much aware of the fact that it requires change at European level, because back in 2010 when it was last being debated in Brussels the BMA Northern Ireland and our sister organisation in the Republic of Ireland, the Irish Medical Organisation, jointly went across to Brussels to try to promote a traffic-light system among the Irish MEPs from each end of Ireland, and we were unsuccessful. But, yes, I would very much like to see it brought in across the piece.

Q45 Maggie Throup: I was going to ask about EU regulation but you have answered the question. Mr Clark?

Malcolm Clark: I am very supportive of the new colour-coded front-of-pack labelling, and we are waiting for that. It is far too early to tell, as the promised push in terms of education and consumer awareness has not yet been had because of the battles that have been going on in Europe to try to prevent the UK from fully implementing it. Having said that, from our point of view, with products aimed or marketed at children one of the key things is about mixed messages. At the moment, without a nutrient profiling model attached to that, we get a lot of foods that may be high in sugar but are disguised, because they have big things on them saying “high in fibre”, “whole grains” or other kinds of health benefits. We spend a lot of time making complaints to the Advertising Standards Authority about some of these products. Because there is at least a little bit of European regulation, we get some of those upheld, but these are major multinational companies who time and again flout even some of the most basic rules, let alone being able to get away with, at the moment, these mixed messages and confusing people. For us it would be really helpful for parents to be able to see much more easily what is healthy or less healthy, by being able to say that if a product is high in sugar or high in fat it has a red label and you are not allowed to use those other nutrition claims around it. That to us is really important.

Q46 Maggie Throup: Do you think consumers understand the traffic-light system?

Malcolm Clark: The surveys that have been done, when some supermarkets and manufacturers implemented it, say they do understand it, but it is only one of a number of signifiers. When you are being bombarded with so many other things, when you have Peppa Pig and brand characters on products that are less healthy, there is a confused

message. This is not about the nanny state, sin taxes or anything like that; it is about how we make parents' lives easier, to help them choose healthier products or to give them and their families the option. That is the key thing. Things that we can do on the labelling side are important.

Q47 Maggie Throup: Is there any evidence that labelling does change habits?

Malcolm Clark: As one of a number different things, yes, it can change habits, but as you say, it is about how that is targeted and who it is reaching. This is where all the other unhelpful marketing messages kick in to negate that. We need a big consumer push on labelling, and it is good that a lot of companies have now got on board, but more still need to. Education on its own, we know, despite what industry may say, is not going to get us where we need to be in the significant sugar and calorie reduction that families need.

Q48 Maggie Throup: Do you think more regulation is the answer for labelling?

Professor MacGregor: It would be nice to have it regulated, as my colleagues have said, to bring in signpost labelling on all products, because at the moment, when you are going to a supermarket, it depends on the brand and on the supermarket as to exactly how it is labelled. There is chaos at the moment. In order to understand the labels, you need a PhD in biochemistry and nutrition, because there are still some products labelled "sodium" and so on. I won't go into detail but it is very confusing. Signpost labelling with front-of-pack labelling, the serving per day and the concentration per hundred grams is vital information that we and others need, to look at those foods to see what is in them. Whether the public is going to look in great detail at them is more problematical, but certainly many people do and they are shocked by the amount of salt and sugar in products. Again, there has been discussion about whether we should have teaspoons of sugar on them, because knowing that in a can of Coke there are 10 teaspoons of sugar shocks people. The amounts that they put in are incredible. People do not realise it from the label, because understanding grams of sugar is quite difficult for the general public, and then grams per 100 grams is not easy. The red, green and amber are a good guide and people like that as well. It is vital to have it. It will not solve the public health crisis in obesity, in blood pressure, cholesterol or type 2 diabetes, but it helps.

Q49 Chair: Dr Darragh, did you want to add a final point because we are going to move on to the next panel?

Dr Darragh: The one final point I would like to stress is that what we are discussing today is only a small part of a raft of measures. There is an approach that involves education—going into our schools—and it involves going into our hospitals and social care settings, and it involves fiscal measures, such as the 20% tax on sugary drinks we have been discussing, and maybe subsidising fresh fruit and vegetables, introducing a scheme for fresh fruit and vegetables in our primary schools five times a day. I am going to advocate Northern Ireland for special interest by including pushing forward free school meals for those aged five to seven to Northern Ireland and to Wales. There is extending the regulations with regard to food not only to our state schools but also to the free and academy schools. There is giving local authorities the power to look at the number clustering and concentration of fast-food outlets, especially when they seem to be clustered around schools, giving them the ability to be able, if they wish, to limit that.

They are just some of the measures, but there has to be a whole raft, and of course education is very important. We can even learn from industry—even Satan can quote scripture—and use the mass marketing techniques which have been so successful in causing ill health. If we can use them to push a healthy message, why not? I have one final thought, if I may. I think it was Disraeli who said that the first duty of a Minister is the health of the nation.

Chair: Thank you.

Dr Darragh: He was a very smart man.

Chair: That is a good note to end on, so thank you all for coming today. Thank you.

Examination of Witnesses

Witnesses: **Andrew Opie**, Director of Food and Sustainability, British Retail Consortium, **Ian Wright**, Director General, Food and Drink Federation, and **Chris Snowdon**, Director of Lifestyle Economics, Institute for Economic Affairs, gave evidence.

Q50 Chair: I am going to start fairly promptly because we have Health Questions at 11.30 am, so I am keen to get through as much as we possibly can. As with the previous panel, could you introduce yourselves, say who you represent and also set out any personal conflicts of interest or interests through your organisations, starting with you, Mr Opie?

Andrew Opie: Hello, I am Andrew Opie. I am the director of food and sustainability at the British Retail Consortium. We are the UK trade association for retailers. In terms of any personal issues or conflicts, I do not have any, but I did sit on the plenary group of the public health responsibility deal on behalf of the BRC for the five years that it ran.

Ian Wright: Good morning. I am Ian Wright. I am the director general of the Food and Drink Federation, a job I have only held for six months. The Food and Drink Federation represents food and soft drink manufacturers across the UK, from big companies like Nestlé and Coke down to very small one or two-person companies. We do not represent beverage alcohol, although I used to be the corporate affairs director of Diageo. If we get into the beverage alcohol space in this discussion, I should declare that I remain a shareholder and a pensioner of Diageo. I should also say that we do not represent either farmers or retailers.

Chris Snowdon: I am Christopher Snowdon, director of lifestyle economics at the Institute of Economic Affairs. I write about paternalistic regulation and its consequences on the issue of food. I have no conflicts of interest that I know of.

Q51 Chair: Can you set out for the Institute of Economic Affairs whether they have any funding from the food and drink industry?

Chris Snowdon: I do not know all the donors, but not as far as I am aware.

Chair: Not as far as you are aware, thank you.

Q52 Paula Sherriff: Good morning, and thank you for joining us today. You will no doubt be familiar with the recommendations from the SACN. Can you explain your response about sugar, and their advice to focus specifically on reducing the consumption of sugar-sweetened beverages? Who would like to take that?

Andrew Opie: I am happy to start. We took great note of the SACN report when it came out, as did our customers, which is an interesting point to mention. There is growing awareness around the issue of sugar. It was an issue which members were already engaged in. I will put in a little bit of context about where we are in terms of our approach more generally to sugar and the obesity policy itself. We want an effective obesity strategy that delivers real change. We have been very active partners throughout the Food Standards Agency that we heard about before, and with the Department of Health. For us, that means building on things like reformulation and labelling, healthier choices, but with a greater focus on sugar, which we have certainly been looking at in the last few years. The SACN report is another stimulus to that, but just to put some context there, any effective obesity strategy needs all partners to be playing their part, as well as the retailers. It needs at times an acceptance, which we have not seen before, that perhaps voluntary initiatives are not always the best way forward. For us, SACN is very important. We wait to see the response from Government in the obesity strategy, but for us and for our consumers it was further reinforcement of the need to focus on sugar.

Ian Wright: It was a pivotal report. We obviously contributed to it and to the redrafting of it over the year when it was in for consultation. Some of the discussion which has followed the report has not necessarily followed the lines or evidence that the report itself adduces. It talks a lot about sugar reduction but it also talks about the place of other nutrients in the obesity challenge. I do not think anybody in the food and drink industry takes the challenge of obesity—in particular childhood obesity—in any way other than completely seriously. We believe that it does, as Andrew said, need a multi-layered, multi-pronged approach. That includes calorie reduction, public education, and much better understanding of nutrition and diet by the public, and it also includes a need for much more focus on physical exercise. People need to be aware, and to pay attention to the information they are given, and if we need to give them the information in a different way we should. But at the heart of a successful strategy for combating obesity will be this multi-pronged approach, including a real understanding of the need for calories in, calories out. We do not think, perhaps in slight contradiction to Andrew, that it is right to demonise one nutrient, though we do not in any way downplay the importance of sugar reduction as part of that overall strategy.

Chris Snowdon: I thought the SACN report was very good, and then right at the end it seemed to me that something had been crowbarred in about reducing sugar consumption to less than 5% of calories, which is what some of the anti-sugar campaigners have been asking for for a while. The WHO could not really find any good evidence to support that as a strong recommendation. The rationale for doing it I thought was very puzzling. They basically said that it would be better if everybody consumed 100 fewer calories a day, and if you were to do that by reducing sugar that would mean you would have 5% rather than 10%. But they also said there was nothing specific about sugar. In other words, they could equally say it about any other source of calories. Moreover, it would not actually reduce the number of calories you were consuming. It was just saying you should consume 5% of your calories from a different source, so it felt crowbarred in to me. Because the SACN report did not support most of the positions that the low-carb, Atkins diet, anti-sugar

fraternity had been spouting for the last couple of years, I wonder why they inserted it, but it did not seem to me to be specifically about sugar; you could have said it about any source of calories.

Q53 Paula Sherriff: Thank you. Can you explain to us what you mean when you suggest that the focus should now be on “getting the entire food industry to adopt retailers’ positive approach to reducing sugar in products,” and what should be done to make that happen?

Andrew Opie: There are many other food sellers out there as opposed to retailers, and you heard a lot in your previous session around salt reduction, which is a really good example of this. Retailers have led the way in salt reduction in the various phases that we have been through, but other companies have not necessarily followed the same way. The danger for retailers who are competing in a food market is that there can be some unfair competition, because, like it or not, sugar and salt carry taste and people’s taste-buds will adapt to that, and people may choose a product that is less healthy for them. We are saying, and making very clear, that if you go down the route of something like reformulation, which we have done in salt, you have to carry everyone with you, first of all to be effective as a policy, so that whichever outlet you go into you are getting the same kind of food or the same kind of reformulation; but also because in some ways some of the voluntary initiatives that many of our members have been engaged in have penalised them against other companies who have decided, because it is a voluntary initiative, not to play their part.

Q54 Chair: Do you think it should be mandated? Is that what you are suggesting?

Andrew Opie: We gave a critique around the responsibility deal, for example, in looking at voluntary initiatives. What we said to the Department of Health then was that if there is no proper engagement policy from the Department of Health to drive all companies into it, it will not be an effective policy. Therefore, you may need to look at other methods of driving this through. Depending on the evidence, regulation could possibly be one of the ways to do that. Our preference would be that companies would take up the progressive approach that we have seen among our members, but it is very clear, when you look at some of the reformulation that has happened across the piece, that if you look at comparable products, retailers have gone further than other companies. That leaves a question about how you achieve parity across all food outlets.

Q55 Chair: Do either of you wish to add anything?

Ian Wright: I would observe two things about what I have heard. One is if you look at the McKinsey report, which is the most constructive and wide-ranging study of this globally, McKinsey put portion control and reformulation miles ahead of other mechanisms for tackling obesity—miles ahead. A focus on an approach that includes reformulation, portion control, public education and awareness of nutrition and diet—what I just said, I guess—is really important. We participated in the responsibility deal. Personally, I think it gets a bad rap. It has been an extremely effectively tool, particularly in the salt area. It has driven major change. We were doing reformulation before. Our top 30 companies have done literally hundreds of reformulations in the last 10 years. The key thing about those reformulations before the responsibility deal, and actually some of them during it, is that they are in line with consumer choice and consumer taste. It is important to remember that

this is about consumers changing their behaviour. It is not about people telling them what to do. When consumers are told what to do by Government, or indeed by Andrew's retailers, they sometimes react very badly, as in the recent example of Tesco removing Ribena from children's lunch boxes, which provoked an absolute spasm of outrage from consumers and shoppers, who went somewhere else to buy it. You have to educate consumers and help them move in the right direction. I totally agree with Andrew's point about what I would describe as progressive pressure and peer group pressure. That is very important.

Chair: We are going to come to James next on the issue around sugar tax.

Q56 Dr Davies: We have particularly considered the suggestion that there should be a 20 pence per litre tax on sugary drinks. What are your reasons for opposing this?

Chris Snowdon: There are so many. First, from the narrow point of view of trying to improve health, they do not work. The comparison is often made with cigarette taxes, where there clearly has been an effect from increasing the price of cigarettes, but we are talking orders of magnitude difference. The tax on a packet of cigarettes is round about 700%. If there was a 20% tax on cigarettes, it would mean they cost about £1.20 as opposed to £1 a pack, so we are talking of a vastly different rate of taxation. There is no doubt that if you taxed sugar at 700% you would see a drop in sugar consumption, of course, but we are not talking about that; that is not politically possible. In fact I do not think a 20% tax is politically possible, which is why there are so few of these kinds of taxes around the world; and where they are introduced they are introduced at such a low rate, as in America and France, that they are effectively stealth taxes, which is in reality what they are anyway. They will have some effect on the margins on consumption, which is the basic law of economics—if the price goes up you would expect demand to fall somewhat. The problem is that it would be so small you would probably struggle to measure it, and that has certainly been the case with the economic studies looking at these things where they have been tried; you can find a very small effect on consumption and no effect whatsoever on obesity and health outcomes. One of the reasons for that is that food is the first part of anybody's household budget. About 11% of the household budget on average in Britain goes on food, and for the lowest earners, the bottom 20% of the income distribution, it is about 16%. If you bring in a sugar tax, maybe that will be 16.25%, maybe even 16.5%. Essentially, it is absorbed and you take it on the chin. Food prices go up and down and it does not make a great deal of difference. People put in their shopping baskets what they want to put in. You also have a lot of scope for down-trading to cheaper brands. There is a huge premium on the most famous fizzy drink brands, but you can get a very similar product for a fraction of the price if you are prepared to buy Tesco's own brand and what have you. The economic objection to it is that it is inflationary, which is what you saw in Denmark with the fat tax; you saw inflation as a natural result of raising the price of a lot of products. It is bureaucratic, depending on how you do it, but if you were just to tax the amount of sugar in food it would be incredibly bureaucratic: you would have to work out the final amount of sugar in every cooked food product. And it is regressive. It does have an impact on people. As I say, most people do not change their shopping behaviour as a result of it, they just take the hit; it is a dead-weight cost and it affects the poor most harshly.

Ian Wright: You will not be surprised to know that I agree with much of what Chris has just said—no news there—but the key fact is that they just do not work. If you look again at McKinsey, which is the best evidence-based study there is, McKinsey says that a sugar tax is 10 times less effective than portion control and eight times less effective than reformulation. It is way down the list on the menu of effective mechanisms. It also clearly has not made major changes to demand anywhere it has been tried. Before we go on to Mexico, there are a lot of question marks; the jury is out on Mexico. The evidence is not reliable and the Mexican example really is incomparable, because, for a start, the country has very little clean drinking water outside Mexico City. I think the other key point, as Chris said, is that it is regressive. This is not a mechanism that would take us in the direction that we want to go, which is tackling obesity. It simply is not the right mechanism to tackle the problem.

Andrew Opie: Actually, we are neutral on sugar tax; we are neither for nor against. We have said quite clearly that the decision is for Government to take, based on the evidence, if it feels it is an effective intervention, but obviously it would look at the potential impact of a sugar tax. The only thing that our members would say is that it would need to be very carefully drafted. For example, fruit juices, which can contribute, obviously, vitamins and minerals to the diet, could be impacted, and if you go back to the SACN report that we spoke of earlier, fruit juices are counted as free sugars in terms of that percentage reduction. We would need to see first of all the evidence to show that it was effective, but secondly, that it was proportionate and targeted properly.

Q57 Dr Davies: If we talk about the tax being regressive—the allegation that that is the case—would you not say that in actual fact, because it is those on low incomes who are most affected by the prospect of such a tax and the levels of obesity among those groups are the highest, the payback in terms of health outcomes would, on balance, be worth it?

Chris Snowdon: That is not what regressive means. Regressive has a very clear economic definition. It means you take more income from the poor than from the rich. I know sometimes people make this argument with tobacco as well. The reality is, as I say, that it does not change people's behaviour on any significant level. The 20% tax, I believe, is going to raise £1 billion. That means it is going to take £1 billion out of people's pockets. It is going to take it disproportionately from the poor. It is going to have very little effect, if any, on consumption, let alone health outcomes, and even if it did have an effect on health outcomes for the people who suddenly decided, "Right, I'm going to stop eating sugar," it would not stop it being regressive.

Q58 Dr Davies: Okay. If we look at the business interests of companies that would be affected, have you come to any estimates as to how such a tax might impact on those businesses?

Ian Wright: Do you mean do we know how much it would cost us?

Q59 Dr Davies: Yes, and is it going to lead to job losses or problems with economic growth, any factors such as that?

Ian Wright: Anything that is an intervention that increases the price of a product tends to promote brand switching. As Chris said, you would tend to see people switch out of

recognisable brands into lower-cost brands and possibly into other sectors, because what happens is that people go somewhere to get the thing they crave. The chances are that products produced by branded companies would undoubtedly suffer in some way, and there is bound to be some level of job losses. Mine is an industry which employs 400,000 people simply in the manufacture of food and drink, not counting the supply chain, the farmers or the upstream, so there is bound to be some impact. The other impact that is important is on investment. This country is regarded as a great place to invest money. If we start introducing all sorts of different restrictions, whether it is tax or advertising bans—I am sure we are going to come on to that—this country becomes a less attractive place to invest, which you really do not want in a competition for investment. I can give you one example—I am afraid I am not allowed to tell you the company. One of my members was up for a £40 million enhancement investment in its plant and operation, and it was competing against a similar set of bids from Nigeria and Thailand. They believed they had secured the investment, and when the debate on sugar tax and advertising restrictions began to cook up, that investment was moved and is now being made in Nigeria. I know of several other global companies who are very nervous.

One of the things that is important to explain to the Committee is that a lot of the branded food products in this country are produced by global or international companies. They can choose where to put their money, where to create jobs and where they create wealth. If the UK becomes an unattractive or a less attractive place to invest than elsewhere, that will be a significant result of the imposition of taxes and of regulation, and that is to be balanced against the health outcomes, if there are any.

Q60 Dr Davies: No one would deny that obesity is a real problem for this country; it is going to be a very tough nut to crack and we need a multi-faceted approach. If the drinks industry is keen on avoiding a sugar tax, are there not other avenues it could explore, such as the fact that sugar-free drinks are cheaper to produce and yet they are sold at the same price as sugary drinks? Should there not be a trial in terms of making sugar-free drinks cheaper to purchase?

Ian Wright: Is that directed at me? You mean the soft drinks industry. Every time I hear drinks I think of my former employers—lovingly, but it is a long time ago now. There are interesting opportunities in that area. However, it is quite difficult for me to comment on that because you get into quite difficult competitive territory, and competition law about how different companies might manage their pricing structures. I am not sure there is massive evidence for this, but if what you are talking about is trialling different price points for products that are considered healthier or not, it is an interesting area. One fact that is absolutely clear is that consumer taste is moving to allow a wide range of choice. If you look at the current soft drinks statistics, two-thirds of soft drinks sold in this country are low or no sugar, and that includes water. If you look at the experience of both Coke and Pepsi, it is fairly well known that two-thirds of Pepsi products—this may not be exactly right—sold in this country are no or low sugar, and Coke are moving in the same direction. You have recently seen Coke for the first time sponsor a major event with one of its low or no-sugar products—the world cup that is on at the moment. The companies are reacting to this, and the way they have reacted is to provide a huge range of choice. There has never been such choice in the soft drinks market as now, and that is driven by consumer demand.

Chris Snowdon: I would make the simple point that if the companies thought there was a big market for people buying diet drinks at 10p or 20p less than full fat drinks, one of them would go that way unilaterally: Pepsi Max would drop its price point to beat Diet Coke. The reason they do not do that is presumably that they do not think there is a big enough market. Price is not what changes things. You either like these drinks or you do not. If we are talking about reformulation, no industry has reformulated their products more than the soft drinks fizzy drink market. They have been doing it for 50 years, but you cannot force people to consume these products. In the Coke range, for example, there are, I think, four different varieties. Only one of them is full sugar. One of them is half sugar and the other two have no sugar whatsoever. They are all advertised just as much, if not more, than red Coke. They are all on the same shelves and they are all the same price. If people are not buying them, it is because they do not want them. You cannot force people to buy things they do not want to consume.

Q61 Chair: But the question specifically was is there evidence that if you have a price differential it helps to guide people to make healthier choices? That was the specific question.

Ian Wright: The answer is that you cannot do that in isolation from all the rest of the stuff that is going on. That is the problem. They will not simply buy a healthier option if it is cheaper.

Chris Snowdon: Water comes out of the tap for free, and vegetables and fruit are actually cheaper than ready meals.

Q62 Dr Whitford: You have mentioned the idea of reformulation, which in a way would be the long-term goal. We know that both sugar and salt engender the craving for those—the phrase that you use—so what is your view of how we could move towards reformulation, if that is the end goal?

Ian Wright: We have moved very much in the direction of reformulation, as I said at the start. If you look at the largest 30 members of my federation, there are literally hundreds—maybe thousands—of reformulations over the last five or 10 years. Those reformulations have all been in the direction of lower or low sugar or lower or low salt, but there are some products you cannot reformulate. Mars tried to sell a no-sugar chocolate bar a few years ago—no sales.

Q63 Dr Whitford: At the moment obviously we are focusing on the drinks where reformulation—

Ian Wright: Are we? Sorry.

Q64 Dr Whitford: That is predominantly what we would be talking about, sugary drinks, where reformulation is quite easy. It has worked very well with salt. The public have barely noticed that year on year the salt has been reduced. Do you not feel that such an approach would work for sugar?

Ian Wright: In terms of soft drinks?

Q65 Dr Whitford: Yes, it is easier.

Ian Wright: Just bear in mind that if you added together biscuits, cakes and confectionery as a source of sugar in the diet, they would be just about the same as soft drinks. People get their sugar from a number of different sources.

Q66 Dr Whitford: But it is still the biggest single source for children.

Ian Wright: Yes, it is the biggest single source for the population. They have reformulated again and again, and they continue to reformulate. My earlier point is the key one: they have to reformulate in line with consumer demand, because if you produce a drink that people do not like, as Chris said, they will not buy it.

Q67 Dr Whitford: But do you not feel that if you are doing it in a sequential fashion, as has been done with salt, then in actual fact people's sugar tastes reformulate within literally a couple of months? People adapt.

Ian Wright: I am not a scientist, evidently, but I do not think it is as clear that people's tastes reset quite as quickly with sugar, but it is also true that there are other sources. If I may just give one example of unintended consequences—my colleagues may be groaning here because I am not supposed to say this, but anyway—in the bread industry there is some evidence that some brands taking salt out have been replaced by artisan breads which are loaded up with salt. People move away from brands where they know there is no salt to brands where there is, and the same thing may well happen with sugar.

Andrew Opie: From our perspective, I agree with Ian that it is more than just soft drinks. Our members have tended to concentrate on the 10 biggest categories within the NDNS—the dietary survey—to try and focus. But clearly on soft drinks, as Ian says, our members have been doing the same and demonstrating that through the calorie-reduction pledges in the responsibility deal in terms of reformulation of soft drinks. I think there is and has been a lot of progress. Certainly some of our members would be happy at least to have a discussion around targets—it is not universal at the moment—but that comes with certain caveats that we have already spoken about. You need to take everybody with you to be effective, otherwise you are penalised for in fact doing the right thing, and targets may have a role.

The other thing about targets—we saw this with salt as well—is that not everybody is starting at the same place. We heard from one of the previous speakers that a simple percentage reduction might not be the right approach, for example, because you may have some people who are at a different place. Absolute targets, for example, might be a better way.

Q68 Dr Whitford: But you would accept a target as levelling the playing field across—

Andrew Opie: Some of our members definitely have indicated that they would be happy to have a discussion, but it is within that caveat—we are very keen to stress this point—that whereas we have been very progressive in our approach to voluntary initiatives, in such a competitive market, as we have at the moment, we have to have something that demonstrates full participation, otherwise companies that participate are penalised.

Q69 Dr Whitford: One of the issues is obviously that public health workers expend a lot of energy trying to get people to not take high sugar foods and high sugar drinks, and therefore I would have thought it was in the industry's interest to not end up being seen as the pariah of food and drink. Therefore, reformulation would be in their interests.

Ian Wright: Absolutely. You cannot imagine the level of angst among my members at the positioning that some campaigners have accorded to us. There is real outrage about that in the sense that we feel we have been highly responsible; we are a major part of the British economy and we employ 400,000 people. How do you think the 400,000 people who work for food and drink manufacturers feel when they are demonised by some of these campaigners? They feel outraged, very cross and entirely traduced. So, yes, there is real concern about that, but also there is a feeling that this is not fair, that the evidence does not bear this out.

The other thing is that we have absolutely no interest in unhealthy consumers, because unhealthy consumers are not economically active and will not be able to have the money to buy the products that we sell, and since a lot of our products are branded products and some of them are premium products, that effect is compounded. We have no interest in unhealthy consumers. We are all members of society. All of my members are responsible companies led by people who have families just as much as all of us here.

Q70 Dr Whitford: So it should be possible to find common ground to move forward.

Ian Wright: Absolutely. At the appropriate point, as an industry, I am sure we will be coming forward with commitments on calorie reduction and with further commitments on portion size. We will be looking also at how we can contribute to education and behavioural change. The key issue is behavioural change among both consumers and shoppers, and it is quite important, incidentally, to make that distinction.

Q71 Dr Whitford: Can I pick up on that because a lot of our behaviour is driven by advertising? Do you feel that stricter regulations are required on advertising, whether it is broadcast or other?

Chris Snowdon: Behaviour is not driven by advertising.

Q72 Dr Whitford: Then why do companies spend billions on advertising if it has no effect?

Chris Snowdon: To compete for market share. You are giggling at that but the economic evidence is very clear: that is exactly what advertising does. If it does not, why do companies advertise pet food, why do they advertise toilet paper, why do they advertise so many necessities if it is to try and grow overall aggregate demand? They are competing for market share. The only exception to that is if you have a brand new product category, so when iPads came out, for example, advertising tablets implicitly advertised iPads and all their rivals. I know public health people say the exact opposite of that, but they often say the exact opposite of where the evidence is pointing. Advertising cannot be coercive. It very rarely, at least, can lead to any kind of behavioural change. Government campaigns explicitly try to make people change their behaviour and they do not do a very good job of

it. That is when they are going out of their way directly telling people “Do this”, “Go out and vote”, “Lose some weight”, “Exercise.”

Q73 Dr Whitford: That is not how advertising works. It is much more suggestive, seductive and glamorous than public health advertising. I would suggest that advertising is more than just market share. It does encourage—

Chris Snowdon: You can suggest it, but there is huge academic literature on this. One of the reasons that economists tend not to pay a lot of attention to advertising any more is that there is not anything to learn about it. It does not do anything other than distribute revenue from one company to another.

Q74 Dr Whitford: Can I ask, Mr Wright and Mr Opie, do you feel that there should be any change in the regulation of broadcast advertising?

Ian Wright: On broadcasting, no, I do not, but I would say two things. Certainly from the point of view of somebody who has worked both in the consumer goods industry, both previously for Diageo and before that for Boots the chemist, I have a 25-year career in consumer goods, and the evidence actually, as Chris says, is that most advertising is about brand and product switching, not about bringing people into the category or sector to start with. That is how the dynamic of advertising works. As an industry and as consumer goods companies generally, we have already started down the route of changing the voluntary code. One thing my colleagues from the advertising association, who manage this stuff for the UK’s businesses, would say is that we have the strongest and most well-regarded code of voluntary and self-regulatory advertising and marketing in the world. Other countries and Governments come and copy our codes for that purpose. Moving in the direction of more regulation, more Government intervention would be a backward step, in our view, but we also believe that responsible companies have to constantly review the regulations. The last time that Ofcom reviewed regulations in terms of broadcast advertising they found no need to change. Since then there has been the rise of what are called advergames and a whole range of new online stuff. As a consequence of that, you will have seen, I hope, that the Committee of Advertising Practice which governs this for the industry are in the middle of a consultation which would move to a point where there would be no advertising of HFSS foods in the UK to anyone under 16. That is a self-driven, responsible move, and I believe that it is one that will go through. I think the consultation will prove positive. That is an example of us moving in the direction of responsibility. I do not think moving into any other regulations would be sensible.

I am sure you are going to talk about the 9 o’clock watershed, so let me pre-empt you. That would be an analogue answer to a digital problem. Kids just do not watch television like we used to. They do not sit there and watch it with their families predominantly.

Q75 Dr Whitford: Do you not think they watch particular ones, “X Factor” and so on?

Ian Wright: I thought you might ask me about “X Factor”. Shall I tell you what they advertise? Last Saturday, the products which were advertised in the breaks on “X Factor” were Ritz Crackers twice, the Lidl coffee test, the Milk Tray man, which is definitely not for kids, Walkers crisps and Gary Lineker, Chicago pizza, Iceland, and Dairy Milk bars,

which are products clearly targeted at adults, Pepsi Max, UEFA cup tickets, the Milk Tray man again and Twinings tea. That is hardly a carnival of children's advertising. The audience is not indexed like that. It is a kind of common misperception. I am sorry, I have gone on.

Q76 Chair: Is the consultation that you referred to calling for an end to all advergames?

Ian Wright: No. It is calling for an end to them being targeted at 16-year-olds or under, because adults play advergames just as much as everybody else, apparently.

Q77 Chair: Yes, but you are saying that on all sites that are attractive to children there would be removal of advergames.

Ian Wright: They would be subject to the same rules and responsibilities that all broadcast advertising is at the moment, so 16-year-olds would not be targeted. It may well be that some of the provisions of that mean that there has to be more age gating, as it is called, so you have to say that you are over a particular age, but these codes are very strictly enforced by the Advertising Standards Authority. If people have concern about these things, they will be able to refer to the Advertising Standards Authority.

Q78 Chair: Quite a lot of the evidence we have received expressed concern about the strength of the ASA in enforcing some of the rules. Is that something that you feel is incorrect?

Ian Wright: I think if you are on the other end of an ASA warning, you feel pretty warned. That is a matter really for the advertising association, but I am sure if you want to strengthen the powers of the Advertising Standards Authority that is not something that we, as an industry, would be anything particularly other than supportive about.

Chair: Certainly we have a deal of evidence on this, but unfortunately, as time is short because we have Health Questions today, I am going to move on to Andrea and the retail environment.

Q79 Andrea Jenkyns: As I explained to the other group, I have had 20 years in retail, so I have been on the other side, including food retail. Do you think there is any more that retailers can do to promote a healthy way of life, such as not promoting add-on sales? I am sure we have all been to a newsagents, quite a well-known one, where they offer you a bar of the chocolate for buying a newspaper, and also at checkouts with add-ons of sweets and chocolate. Do you think there is more that retailers could do to stop focusing on sweets and stuff like that at checkouts?

Andrew Opie: You will know from your experience that promotions in retail have changed enormously over 20 years, and in the last couple of years they have changed quite a lot as well. If you look across the board, so if I stick with the supermarket for a minute—though I take your point about the newsagent—you could have anywhere up to a third of the products on promotion, although the drive these days is more to everyday low pricing across the board rather than necessarily a one-off promotion. That will cover a huge range of products, everything from the fruit and vegetables when you go in to the high fat sugar products. We do promote those—we make no bones about it—but basically retailers are

generally selling a weekly shop for people. I know it sounds traditional now because people go to convenience stores a lot more than they did, but basically, that is it, and those products can be consumed as part of a healthy diet.

Q80 Andrea Jenkyns: What about placement at checkouts, because it is predominantly sweets and chocolates?

Andrew Opie: Yes. You will probably also know that many retailers have moved away from that, but that is really based on their own customers asking them to do it, working with their customers for the right environment. Whether that has a huge impact on obesity or not, I would probably say it does not, but it is a totemic issue for some of the NGOs, and we understand that. But that was again all driven by customers. That is what their customers wanted for their experience when they went in there, and that is what they reacted to. When it comes to promotions, this is a hugely competitive market driven by customers, but if I look at the promotions in my typical supermarket or the way that the products are sold, it is perfectly possible to eat a very well-balanced, healthy diet, and in fact some of the products we are selling at the moment, like fruit and vegetables, have never been cheaper in real terms than today.

Q81 Andrea Jenkyns: You do not always see those kinds of products on the ends of aisles, though, which is quite a key area to sell on.

Andrew Opie: No, but they are still promoted through the store and they are available to people. Yes, we promote high-fat sugar products alongside others; we make no bones about it. The other difference from other forms of marketing may be what are we classifying as a good or a bad food? If you look at it, strictly speaking, cheese and some other products would fall into HFSS products, for example—

Q82 Andrea Jenkyns: And certain bakery products as well.

Andrew Opie: Certain bakery products and lots of produce like bacon and these sorts of areas would. All I am saying is that it is not a simplistic position to go into a supermarket and look at promotion and marketing. Health remains a really key and growing factor for every consumer when they go into a store and that is definitely influencing the retailer's approach. In a competitive market, if a retailer does not satisfy consumer expectation at the moment, they can either go down the road or order online. There is complete competition, and all retailers know they have to have the correct balance of products on sale in the right parts of the store if they are going to be successful.

Q83 Andrea Jenkyns: I understand that wholeheartedly having been in that industry. Do you think there is more that those who work in retail can do regarding having the knowledge and education to advise in a better way?

Andrew Opie: Yes. There are two ways. First of all, some of the consumer magazines that the retailers have are the biggest health magazines and consumer magazines distributed in the UK. They use those extensively to try and help people cook from scratch, for example, and the recipes will have traffic-light labelling as well to try and do it, but also, as Ian explained, we employ I think about one and a half million people around the UK. There is huge information that goes from our companies to their employees, to their families and

their communities about eating healthily. We recognise that there is a lot we can do to try to influence consumer behaviour.

Q84 Andrea Jenkyns: Could you give an example of what that could be, in a positive way?

Andrew Opie: Going forward, one of the issues that has been quite interesting, which we have not been able to do thus far, is to target more into the poorer socio-economic communities, for example. I think we heard from an earlier speaker—I know there are figures, if you look at the public health observatories, for childhood obesity—that one of the areas that has not levelled off yet is in lower socio-economic groups. There could be an opportunity for retailers to do more in that space. It is harder to flex, as you will understand—they are UK-based companies rather than necessarily communities—but that is a possible area where we could see more action going forward.

Q85 Andrea Jenkyns: Thank you very much. Can I speak to the other two as well? What are your views on that? Can retailers do more?

Chris Snowdon: It is up to them. I do not care. I do not think it matters. It has a very trivial effect. It is not for the Government to be telling retailers what part of their shop they should be putting their products in. Retailers, as with manufacturers if they are producing something that people want to buy, have entirely the high moral ground as far as I am concerned, and anybody who is trying to get in the way or obstruct that or punish the consumer has no morals at all. You have Government intervention when the market has failed. Where has the market failed in the food supply? You have enormous amounts of competition, historic low prices of every food and drink you can think of, and negative externalities are few, if any. The only area I can see is that possibly people could be better informed. That is always the case. The whole area of nutrition is complex; you are getting different messages sent out at you all the time. Since the formation of Action on Sugar you have had total misinformation almost on a daily basis. People do not know where they stand on this. I think there is room—we are going slightly off topic—for better, more straightforward labelling telling you what is in the product, not what is in some arbitrary portion size or in 100 grams of the product. I bought some crisps yesterday, for example, and it gave me the nutritional content for 100 grams when there are only 40 grams in the packet. I do not think you should have to be Carol Vorderman to work out what is in the product you are buying. But aside from information failures, which could be dealt with at school, seeing this is meant to be about childhood obesity and we have mentioned schools, the market is working fine and the Government can only make things worse by intervening.

Ian Wright: I am conscious that there are only 90 seconds left before the bell. The only way we are going to solve childhood obesity problems in this country is through a partnership. That is a partnership between the manufacturers, the retailers, Government, GPs, the medical system and, crucially, as Chris says, the schools, with much better information. We have to play our part in that, but in the end this will be driven by consumers and shoppers making different choices, so we have to find not the interventions that are traditional; we have to find behavioural change interventions.

Chair: We have one quick question as well from Maggie before we go.

Q86 Maggie Throup: The point about labelling has just been touched on in the last couple of minutes, and I think there is a bit of a difference of opinion. Can I ask Mr Snowdon this? The IEA said that the traffic-light system of labelling is unhelpful. You alluded to it a bit. Do you want to expand a bit on that?

Chris Snowdon: It is a bit complex because of the way it is done. It is done in a rather arbitrary way, which means that a huge number of foods are going to be high in one or the other. It is okay if you are comparing two products from different manufacturers, so you can see that, okay, this lasagna has less fat than the other one, but in terms of working out what your diet is going to be across the course of the day it is not very helpful at all, because it basically tells you how many grams are in 100 grams of something without factoring how many grams are in the entire product. It is not very useful and it makes things like cheese, which is a pretty good source of protein, look like an unhealthy product.

Q87 Maggie Throup: Just to expand that, obviously the UK led the way in the traffic-light system, but there are still some manufacturers and retailers that do not use it. Do you know how many and why and what else can be done, because it is about information, is it not?

Ian Wright: I can tell you why. I do not know the number, but I think six out of 10 of our major members do it, and nine out of 10 of those use front-of-pack labelling, which is also voluntary. The problem with traffic lights for a lot of manufacturers is that if you are manufacturing from here for the whole of Europe, it is extremely costly to change at the point when you stop manufacturing for the UK, because European countries do not have red, green and amber traffic lights.

Q88 Maggie Throup: Should they have it?

Ian Wright: No. The countries would not understand it, because they do not have amber traffic lights. The actual everyday thing does not mean anything to them; you would have to have just red and green.

Andrew Opie: We have very good penetration. In fact we helped the Department of Health with the preparation of the UK front-of-pack labelling, and you will see it in all major retailers when you go in, and you can compare. Chris is right; it works most effectively where you are comparing categories. One of your previous speakers also made the good point that the category managers look at it when they are developing new products to try to keep some of the reds and ambers off the product if it is possible, so it has also helped drive reformulation as well as helping consumers themselves.

Chair: Thank you. Thank you for coming today. Because it is Health Questions we would become inquorate if any other members left, but thank you very much for coming today.