A tax of 20% mooted for sugary drinks

A 20% tax on sugar-sweetened drinks could cut the number of obese South Africans by almost a quarter of a million, saving lives and money, local research has found.

Lead Research Mercy Manyema says a sugar tax could contribute to a sharp drop in obesity levels in SA if consumers were penalised for drinking them. Image: University of Witwatersrand

The study adds to the limited research available on low- and middle-income countries on this contentious issue.

Only a few countries have introduced taxes on sugared drinks and they have all encountered strong opposition from the soft-drink industry.

Mexico imposed a sugar tax in January. At the end of February, Coca-Cola reported a 5% drop in sales in Mexico.

"It is the responsibility of the government to protect the health of its population. One way of doing so is through nudging people to make healthier and more sustainable choices," said University of the Witwatersrand Researcher Mercy Manyema, the lead author of the study, published by the Public Library of Science.

Obesity rates have soared around the world and SA is no exception: the proportion of women overweight or obese in SA increased from 58.7% in 1980 to 69.3% last year, while for men the figure increased from 36.1% to 38.8%.

Obesity has a grave impact on health as it increases the risk of diabetes, high blood pressure, heart disease and strokes.

Sugar-sweetened drinks contribute to obesity

Consumption of sugar-sweetened beverages has increased worldwide almost in tandem with the obesity epidemic.

South Africans consume between 12 and 24 teaspoons of sugar a day, about a third of which come from sugar-sweetened beverages. One such drink typically contains eight teaspoons of sugar.

When a sugar tax was imposed on Mexican consumer, sales of Coca-Cola dropped by 5%. This is one of the reasons some researchers suggest a sugar tax on sweetened drinks. Image: Coca-Cola

The study assumed a 20% tax on sugar-sweetened drinks would be passed on to consumers and reduce demand. The average daily energy intake per person would fall by 36 kilojoules, which could translate into 222,669 fewer obese adults.

"The cost of obesity and the complications caused by obesity-related diseases have a very serious financial impact on the family, caregivers and breadwinners," study co-author Karen Hofman said.

"A sugar tax would not necessarily harm the economy," she said, adding that beverage companies could promote alternative products such as bottled water.

The Beverage Association of SA said a discriminatory tax such as the one being mooted was not an effective measure because evidence shows consumers switch to different alternatives of the same or similar foods instead.

Source: Business Day via I-Net Bridge