

# Ireland's new sugar tax: a step in the right direction

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In many ways, Dr Leo Varakar does not fit the traditional image of an Irish Taoiseach (Prime Minister). In a country usually portrayed as being fervently Catholic, parochial and traditional, he defies many expectations as the first openly gay Irish Prime Minister and son of an Indian immigrant.<sup>1</sup> Similarly, his social policy actions are not those that one would typically expect of a political party (Fine Gael) that stands to the right of centre in the political ideological spectrum.<sup>2</sup>

From a health perspective, the recent Irish government budget for 2018 includes a number of positive steps. These include an additional 1,800 extra frontline health service staff, the development of more social housing, an increase of 50 cents tax on each packet of 20 cigarettes, modest anti-poverty measures such as rises in social welfare benefits (five euros per week), reductions in medication prescription charges and an increase in tax (VAT) on using sun beds.<sup>3</sup>

However, perhaps the most significant development in his recent budget in relation to health was the introduction of a sugar tax on drinks.<sup>3</sup> Although there is a long history of such taxes in several Scandinavian countries (eg, Norway),<sup>4</sup> Ireland joins a growing number of countries and localities implementing such bans including Mexico, France, Hungary and Berkeley (California, US).<sup>5</sup>

The introduction of a sugar tax is hardly surprising given Ireland's obesity epidemic<sup>6,7</sup> and rising rates of type 2 diabetes.<sup>8</sup> As a physician and former Minister for Health, the new Prime Minister's health orientation is perhaps to be expected. It must be acknowledged that after a focus lasting decades on the adverse health impact of fat, this new health concentration on sugar

may be seen as righting an imbalance that resulted from suspect research funded by the sugar industry.<sup>9,10</sup> It should perhaps also be acknowledged that, given the strength of the farming lobby in Ireland, the decision to introduce this tax was no doubt made easier thanks to European Union restructuring of the agriculture sector, which has meant that Ireland no longer has a sugar beet farming and processing industry.<sup>11</sup>

What is notable about Ireland's new sugar tax is that, rather than being a perfunctory step in the right direction, it is a substantive tax on sugary drink that will undoubtedly have a positive impact.<sup>12</sup> The new tax will be 30 cents per litre on drinks with more than 8g of added sugar per 100ml, and 20 cents per litre on drinks with between 5g and 8g of sugar added per 100 ml.

The imposition of a sugar tax on drinks may be supported by other moves in the confectionary industry that may have the unintended consequence of also curtailing the consumption of high calorie sweets, and hence potentially reducing obesity. In an effort to maintain profits without increasing price, it has recently been noted that numerous manufacturers are reducing the size of chocolate bars (termed "shrinkflation"). Thus consumers are often paying the same price and yet receiving less calories.<sup>13</sup>

Ideally, taxes resulting from Ireland's new Sugar Tax should be ring-fenced to provide health and health promotion initiatives focused on tackling the obesity epidemic. However, even in the absence of such a commitment from Government, this new and substantive Population Health intervention is to be applauded. Given the extent of New Zealand's obesity epidemic, New Zealand should seriously consider following suit.

**Competing interests:**

Nil.

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