

Tax Working Group Public Submissions Information Release

Release Document

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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

From: Raghavendra Guru S [1]
Sent: Thursday, 15 March 2018 4:43 PM
To: [1] ; TWG Submissions
Subject: Submission - Health related food taxation
Attachments: Global Framework for H. Taxation.pdf

Dear Sir,

Please note that I have been working in food taxation research and that the G20 research group acknowledged a global issue raised in my work as a global problem. Further my work comprehensively documents the business behaviour of tickling food consumption in humans. I believe that my work would add value to your efforts of building a robust tax system.

Problem

Non communicable diseases is a major global health risk. We need to recognize the fact that a family member cooks food for the well-being of the family while a business cooks food for the profit motive. This change in role of food preparation has huge implication on the health of the family and the society. In the process of food preparation the businesses resort to food design/formulation to tickle food consumption in humans. In the long run inducing food consumption through ajinomoto, saccharine, thickeners, flavor enhancers, glazing agents, coloring agents, quantity discounts, price offers etc result in overeating that causes obesity and other non communicable diseases.

Food taxation (SDG 17)

Foundations of tax policy: Current health related food tax is a product of both medical science (Allopathy medicine) and economics. With obesity & other Non-communicable diseases being one of the biggest market failure, there is an urgent need to look at healthy practices like Integrated medicine (Allopathy + Yoga) for lessons in management of food consumption & for taxation.

Need for governance: This effort has also brought out the business behavior of tickling food consumption in individuals. Markets mechanisms reward the business behavior tickling food consumption as higher sales translates into higher profits. Governments in developed countries have set up a team to nudge people's behavior for improving health especially in the area of obesity and non-communicable diseases. The business behavior of tickling food consumption generates or increases the need for governance efforts like behavior change interventions, and regulating tickling behavior will reduce the burden of governance.

Comprehensive framework: The Governments around the world have proposed to tax various food products to stop obesity, diabetes & other non-communicable diseases (NCDs), and they include soda tax, candy tax, sugar tax, high salt and high sugar tax, junk food tax, pasty tax, etc. Even after taxing food products there is still discussion on food supplied in large quantities, and on promotions to children in the form of gifts and toys. There is a need for comprehensive global framework for health related food taxation and it is addressed by the attached work. The attached document will be single basic resource for Overeating behaviour / tax based financing for health / behavioural insight efforts.

Thank you very much indeed.

Truly yours,
Guru