

## MEMBER STATEMENT—JULIE GREEN, MLA YELLOWKNIFE CENTRE

### CONSULTATION ON SUGAR-SWEETENED DRINKS TAX

February 7, 2019

**MS. GREEN:** Mahsi, Mr. Speaker. Mr. Speaker, two years ago the Finance Minister made a commitment to explore a sugary-drink tax in the NWT. He is now making good on that promise, although the effort looks half-hearted. The discussion paper on the tax was posted on January 22<sup>nd</sup>. Consultations began five days later. Don't look for a news release. There wasn't one. Be prepared to dig around the Department of Finance website to find the online survey. The whole exercise feels less like fulfilling a promise and more like a cynical box-ticking exercise.

Here's why this discussion matters. I am going to repeat some of the facts and figures available in the discussion paper on the sugary-drink tax: 39 percent of NWT residents are obese and sugar-sweetened beverages are the single largest dietary form of sugar, in the form of pop, iced tea, iced coffee, and energy drinks. They have no nutritional value, none at all. Children who experience high levels of tooth decay would benefit from a sugary-drink tax. A tax would also reduce obesity, type 2 diabetes, heart disease, and cancer. In other words, it would do us the world of good.

The challenge in this discussion is to find evidence that sugar taxes reduce consumption. The issue has not been well-studied. There is some concern that a sugar tax would steer people into spending their money on other unhealthy food that is not taxed. A sugary-drinks tax would be an experiment to encourage people to reduce consumption. Economists estimate that consumption will drop between 8 and 10 percent for every 10 percent increase in price.

This proposal is not about generating revenue for government, or at least it isn't in my mind. If there was no change in consumption, the tax would generate \$2.6 million, but revenues would shrink if consumption fell, and that would be good. Businesses that sell sugary drinks would have more paperwork to do, as retailers do now who sell cigarettes.

The anticipated benefit of the tax is improved health for residents and decreased healthcare costs. The government has already acknowledged the harm inflicted by sugary drinks with its Drop the Pop Campaign. Drop the Pop would be more robust if there was a financial reason to reduce consumption. I believe more good than harm is possible from the introduction of a sugary-drinks tax. Mahsi, Mr. Speaker.