

Tax Working Group Public Submissions Information Release

Release Document

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- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people;
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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.

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To whom it may concern,

I am a Public Health Doctor and would like to see taxation used to optimally improve public health, as a method to raise revenue to fund government programmes and infrastructure improving social determinants of health; to address negative externalities of products that cause harm; and also as a tool to achieve societal (such as phasing out smoking).

I agree with Nick Wilson's recent blog, which contains references for the following points- A public health perspective on taxing harmful products (<https://blogs.otago.ac.nz/pubhealthexpert/2018/04/16/a-public-health-perspective-on-taxing-harmful-products/>)

Many products and activities warrant consideration for tax over and above any blanket GST type tax, including those already with special excise taxes in NZ (alcohol, tobacco) and those not yet taxed (eg, sugary drinks that harm health). A health impact evaluation needs to be included on all aspects of tax reform (including equity impact evaluation).

Carbon tax to protect planetary health-Climate change is a major threat to the planet and to health in NZ and the Pacific. Major reform is needed to the Emissions Trading Scheme and the consideration of a Carbon Tax, without loopholes.

Tobacco Tax-Tobacco tax increases are the most effective and inexpensive way of reducing tobacco smoking prevalence, consumption, initiation and inequalities in smoking. Taxation can be used to address smoking in terms of negative externalities from smoking and for the "tax as tool" principle to achieve a smokefree 2025. Recent regular tax increases on tobacco have resulted in decreased sales and prevalence of smoking. Further increases in tobacco tax are also very likely to produce further health gain, reduce health inequalities and generate cost-savings for the NZ health system by encouraging people to use alternatives that are less hazardous to health than tobacco smoking.

Alcohol and Taxation- hazardous patterns of drinking are having a major impact on the health of the drinker but also on others-injury, crime, child and family violence/neglect, accidents, chronic diseases (especially cancer) and mental health and addiction issues. Alcohol use is a major contributor to health costs and lost productivity. Increasing alcohol taxation will provide a price incentive to reduce consumption reducing harm and associated health and societal costs and can be done in a way to reduce hazardous drinking for those most deprived resulting in more equitable health outcomes. There needs to be an increase in tax revenue earmarked to address substantive knowledge deficits among NZ citizens around the harms associated with alcohol.

Taxation on other unhealthy products- the evidence around taxation of high calorie products such as sugary drink and high calorie foods (junk foods) is mounting, and taxes that encourage reformulation (such as the UK's soft drink industry levy) need to be encouraged. Taxation on advertising harmful products should also be considered.

Thank you for considering some of these key issues that are extremely important to public health and I'm happy to speak to this submission.

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Dr Felicity Williamson

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