

**A Submission to
Queensland Parliament
Social Development Committee**

Inquiry into Chronic Disease in Queensland

on behalf of

Australian Association of National Advertisers

Submitted by: Scott McClellan
Chief Executive Officer

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Executive Summary

On behalf of the advertising, marketing and media members of the Australian Association of National Advertisers (AANA) this submission responds to the Queensland Parliament Social Development Committee Inquiry into Chronic Diseases.

This submission is intended to assist the inquiry's considerations of a proposed need for restrictions of the freedom of commercial communication in relation to food and beverages, including alcohol advertising. It provides a responsible, evidence-based approach for the Committee's considerations.

It does so by addressing a number of issues, including;

- The need for a consistent national approach to advertising of food and beverages;
- The need for a consistent national approach to advertising of alcohol;
- The lack of evidence to support a significant causal link between the advertising of 'junk food' and obesity;
- Regulatory barriers which hinder food advertisers from informing consumers about healthier food choices; and
- The recognised, and government supported, role of industry self-regulation in preference to legislation as the most appropriate front-line quick-response means of facilitating industry best practice and reflecting the evolution of prevailing community standards in the governance of advertising across all media.

AANA suggests that the Queensland Government should not contemplate a ban on advertising of foods and beverages, including alcohol, as the sectoral and advertising industries are already implementing a number of initiatives (outlined below) in response to government and community concern in relation to appropriate advertising. In addition, AANA encourages government to adopt an incentive rather than penalty framework to encourage a better 'environment' in which consumer can make health and wellbeing choices.

AANA recommends that the Queensland Government support, as do the Commonwealth and other State/Territory governments, current industry initiatives aimed to improve the community's understanding of a healthy diet through better information on food choices and responsible alcohol consumption. AANA strongly believes that industry initiatives can make, and are making, a contribution to behavioural change. However, in recognition that some of these initiatives have only been more recently implemented it is suggested that time is required before their longer term contribution to the community can be assessed.

AANA wishes to highlight that advertisers and marketers in Australia recognise their role and obligations as a socially responsible channel to influence cultural and behavioural change. However, it must be recognised that Australian advertising is only a proportion of the full range of advertising/marketing material available and accessible to Australian consumers and which can be successfully controlled or influenced by government regulation, policies and guidance. This must be understood and considered by governments in developing any regulatory framework and therefore the longer-term success outcomes of such policies.

AANA notes that some special interest groups within the Australian community claim advertising as a significant contributor to the global epidemic of rising obesity statistics. This submission strongly refutes such a contention. AANA believes that:

- advertising is only one of many factors influencing food choices and is not the determining factor;
- any concern about the influence of advertising can be effectively addressed through education including media literacy; and

- an effective mechanism exists through the establishment and administration of industry codes of practice to address community concerns and provide relevant feedback in the interest of responsible advertising and industry self-regulation.

Summary of Recommendations

AANA recommends:

- that recent relevant Commonwealth government and national initiatives, reviews and inquiries inform the considerations of this inquiry.
- urgent attention be given to removing regulatory obstacles to enable food advertisers to effectively promote substantiated and legitimate healthier food choices and benefits to consumers.
- Queensland government provides support in promoting current industry self-regulatory initiatives.
- Queensland government work with industry to introduce education programs, including media literacy, as part of the chronic disease strategy.

1. A nationally consistent approach

This submission is made on behalf of the advertising, marketing & media membership of the peak industry body of a \$30 billion domestic commercial communications industry directly involved with the majority of Australians, including children, and a major contributor to the country's social as well as economic development.

AANA shares the concern of the Queensland Government in relation to the threat of chronic diseases, including the factors of obesity and inappropriate alcohol consumption, to the health of individuals and to the socio-economic future of not only that state but also the whole of Australia.

The comments in this submission are made on the following assumptions of the context of the *Inquiry Information Paper* namely the proposal to ban advertising in relation to a broader range of advertising communications and broader section of the community than has been the subject of other recent national reviews and inquiries eg to **'Totally ban junk food advertising** to protect children and others from inappropriate marketing of unhealthy..." , and **"Totally ban alcohol advertising** and other forms of promotion..."

AANA acknowledges a number of recent relevant Commonwealth government initiatives, reviews and inquiries to which this industry sector has responded and which AANA recommends informs the considerations of this inquiry:

- i. Ministerial Council on Drug Strategy (MCDS) current alcohol related initiatives and recommendations to COAG¹.
- ii. *'Protecting Children from Junk Food Advertising (Broadcasting Amendment) Bill 2008*
- iii. *Weighing it up: Obesity in Australia* (released 1 June 2009)
- iv. Review of *Children's Television Standards 2005* by the Australian Communication and Media Authority (ACMA).
- v. Preventative Health Taskforce (outcomes still to be made public).

¹ <http://www.health.gov.au/internet/drugstrategy/publishing.nsf/Content/mclds-24apr09-communique>

Noteworthy outcomes from these above directly relevant to the calls for advertising bans in Queensland are:

- MCDS Ministers, in April 2009, supported a series of proposals about alcohol advertising regulation to be presented to COAG including:
 - Mandatory pre-vetting of all alcohol advertising;
 - Expanding the Alcohol Beverages Advertising Code (ABAC) management committee to have a more balanced representation between industry, government and public health;
 - Expanding the adjudication panel to include a representative specialising in the impact of marketing on public health;
 - Expanding the coverage of the scheme to include emerging media, point-of sale and naming and packaging; and
 - Meaningful and effective sanctions for breaches of ABAC.
- Weighing it up report-
“Recommendation 11 The Committee recommends that the Minister for Health and Ageing commission research into the effect of the advertising of food products with limited nutritional value on the eating behaviour of children and other vulnerable groups. “

The report stated in part that *“the Committee does not feel that the banning of marketing, in its various forms, of unhealthy foods to children will be the panacea which will reduce obesity levels in Australia “*, and also made the following comments:

*3.111 The Committee notes community concerns about the lack of regulation of advertising to children, and supports the argument that marketing of unhealthy products to children should be restricted and/or decreased. However, **the Committee favours a phased approach and thinks that self-regulation may prove successful** through the reduction of advertisements for unhealthy food products on television during children’s prime viewing times. But, consistent with a phased approach and industry’s own recognition of the limitations of self-regulation, should self-regulation not result in a decrease in the number of unhealthy food advertisements directed at children, the Committee supports the Federal Government considering more stringent regulations on the advertising of unhealthy food products directed at children.[author’s emphasis]*

*3.117 The Senate Standing Committee on Community Affairs considered the issues in the context of a bills inquiry into protecting children from junk food advertising in 2008. That Committee determined that it was premature to bring forward [national] legislative changes to food and beverage advertising while the National Obesity Strategy is being developed by the Taskforce **and before the industry’s initiatives in relation to responsible advertising can be properly assessed.** [author’s emphasis]*

- Television Advertising to Children: a review of contemporary research on the influence of television advertising directed to children (May 2007) An authoritative research literature review undertaken on behalf of the Australian Communications and Media Authority (ACMA) as part of its current Children’s Television Standards Review **indicates a minimal causal link between television advertising and obesity** . The report (p42) notes:

On the basis of a substantial body of work... it was difficult to determine the relative contribution of television advertising by comparison with all the other factors that influence children’s food choice and health, and difficult to disentangle the contribution of television viewing as a factor associated with obesity....that estimates vary but that some suggest

*advertising/television exposure **accounts for some two per cent** of the variation in food choice/obesity... [author's emphasis]*

AANA believes that the implementation of the recommendations resulting from the above nationally focussed initiatives can and should form the basis of a collaborative and consistent approach to addressing the issues associated with chronic disease nationally. AANA is not supportive of divergent (and potentially conflicting) strategies being developed and adopted across the country as it considers this would be to the detriment of industry, government as well as consumers.

ALCOHOL

2. The need for a consistent national approach to advertising of alcohol.

AANA notes that the Parliament of Australia Senate Community Affairs Committee in June 2008 released a report on its inquiry into the *Alcohol Toll Reduction Bill 2007*; this report also considered alcohol advertising issues. The Committee recommended:

1.128 ... that the Ministerial Council on Drugs Strategy, the Monitoring of Alcohol Advertising Committee and the ABAC Scheme Management Committee consider:

- *additional safeguards to ensure that alcohol advertising during sport coverage, if it continues, does not adversely influence children and young people; and*
- *developing uniform rules in relation to the labelling, packaging and naming of alcohol products and incorporating them into the Alcohol Beverages Advertising Code and the ABAC Scheme².*

As noted above the Ministerial Council on Drug Strategy (including Queensland representation) is currently progressing these matters.

AANA suggests it is premature to propose a total ban on alcohol advertising which is not based on any articulated evidence as to benefit in the inquiry paper and is inconsistent with the approach being taken at the national level which is supportive of industry self-regulation.

OBESITY

3. The lack of evidence to support a credible link between the advertising of 'junk food' and obesity.

As noted above, an authoritative research literature review undertaken on behalf of ACMA as part of its current Children's Television Standards Review found no or very limited causal links between television advertising and obesity. However, AANA does acknowledge that advertising and marketing communications form an element of the 'environment' in which people live - being but one of many, many factors that influence lifestyle choices – and that advertising does illicit responses in people, including children. However, a response has not been shown to unequivocally translate into food choices and consumption.

Despite global escalating obesity rates and associated healthcare costs, many of the intervention strategies of the past to combat the problem have been unsuccessful³. This has included various levels of bans and

² http://www.apf.gov.au/Senate/Committee/clac_ctte/alcohol_beverages/

³ *Food for Thought – The Impact of Advertising Bans*, Frontier Economics, 2008
<http://www.frontier-economics.com/europe/en/publications/182/>

restrictions on advertising directed to children by a number of European countries and Canada (Quebec) for a significant number of years, however, childhood obesity rates continue to rise⁴.

Curtin University research has calculated the influence of television advertising on childhood food choices at 0.5%--1.0%⁵, and it deserves recognition that whichever authoritative figure is accepted, any ban on food and beverages advertising to children could only ever have a minor impact at best and, on the evidence of such respected researchers as Frontier Economics, could have unintended consequences, including an increase rather than decrease in consumption⁶.

Queensland's University of the Sunshine Coast hosts a Foundation for Advertising Research supported by acknowledged world authorities on advertising regulation has identified over 30 non-advertising contributors to obesity, including: genetics, food costs, working mothers, formula fed babies, physical activity costs, and technological advancements, among others¹.

AANA is concerned that the proposed approaches outlined in the *Inquiry Information Paper* only address a very limited number of the contributors to obesity and therefore questions the ability the strategy to achieve success. For example:

- there is considerable research that indicates that stress plays a role in affecting an individual's weight (behavioural and physiological)⁷. However, there appears to be no proposals addressing this significant community issue - a recent poll indicates 87% of Australians are stressed and 41% are experiencing stress at unhealthy levels⁸; and
- there is a significant body of research identifying the association between sleep deprivation and obesity⁹. Again, with up to 90% of the population suffering from sleep disorders or not getting sufficient sleep¹⁰ it is a concern that such a wide-spread and known contributor to obesity is not being addressed.

AANA believes such matters deserve proper consideration, and that such consideration will make it clear that advertising may be just an easy political target – the evidence does not support it as a strong influence and bans have not been shown to be effective. AANA acknowledges the emotively charged subject that children's health is and empathises with parents in the challenges of bringing up children in today's world. However, the introduction of a burdensome regulatory scheme must be founded on sound evidence.

AANA acknowledges that further research on the causal links between advertising and food choices is required and fundamental to underpinning not only good policy development and education programs but also better advertising industry practice.

⁴ For example, Sweden, a country which has had an advertising ban (although restricted in practical application) to children under 12 has childhood obesity rates about the same as other EU countries. <http://www.ffar.org/PDFS/Bulletin1.pdf>

⁵ Carter, OBJ. 2006. The weighty issue of Australian television food advertising and childhood obesity. *Health Promotion Journal of Australia* 2006 : 17 (1). <http://cbrcc.curtin.edu.au/reports/journal%20articles/hpja%2017%205-11.pdf>

⁶ www.frontier-economics.com/library/publications/Frontier_bulletin-food_for_thought_stp.pdf

⁷ Torres, Susan J. and Nowson, Caryl. 2007. Relationship between stress, eating behavior and obesity, *Nutrition*, vol. 23, no. 11-12, pp. 887-894.

Study finds link between individual stress and adolescent obesity, May 2009 http://www.eurekalert.org/pub_releases/2009-05/isu-sfl051409.php

⁸ 2009 national poll commissioned by Lifeline Australia.

http://www.lifeline.org.au/learn_more/media_centre/media_releases/2009/87_of_australians_stressed

⁹ Magee, C. 2008. *The relationship between chronic sleep restriction, poor sleep quality and obesity in adults*, PhD thesis, School of Psychology, University of Wollongong. <http://ro.uow.edu.au/theses/99>

¹⁰ The Boston Consultation Group. 2003. *Proposal for a National Sleep Health Agenda*. <http://www.sleep.org.au/nationalsleephealthagenda.pdf>

AANA encourages governments support and fund such research. AANA would welcome the opportunity to work with the Queensland government on developing high quality world leading research proposals.

AANA also recommends that education programs, including media literacy, be introduced as this has been shown to ameliorate negative effects of advertising. Improved media literacy assist individuals, including children, to assess advertising and therefore make better judgements and choices, including in relation to food. For example, a recent study has shown that even 5-year-olds can be taught some understanding of the purpose of TV commercials, identifying messages used to sell products, judging claims about food and understanding the parts of a complete, healthy breakfast¹¹.

4. Regulatory barriers that hinder food advertisers from informing consumers about healthier lifestyle choices.

Advertising can be a significant source of information and avenue to raise community awareness of nutrition, balanced diet and lifestyle and relationship to health outcomes. AANA believes, and has publicly highlighted for a number of years, that part of the problem is the government prohibition - that it is against the law to say that a food is healthy for you.

As the Committee is aware the food industry is currently highly hindered in the way they are able to promote the healthier choices and health benefits of foods and that the Australia and New Zealand Food Regulation Ministerial Council has yet to accept an amendment to *Australia New Zealand Food Standards Code* to provide for health claims.

Given that the development of this standard has been underway for a number of years **AANA recommends that urgent attention be given to removing this obstacle to enable food advertisers to effectively promote substantiated and legitimate healthier choices and benefits to consumers.** This initiative alone is highly likely to provide incentive to industry to advertise healthier food options and consumers with better range of credible information on which to make dietary choices for their health and wellbeing.

AANA supports the development of a new standard for the Food Standards Code to provide a national framework in which to consider healthier food options. AANA considers it premature and potentially counterproductive for individual states or entities to define 'junk food' at this time.

AANA does not support calls for the banning of advertising to children. ANNA considers such a proposal counterproductive given that advertising of healthier options provides a basis for making choice, that children are in any event exposed to a range of advertising (whether aimed at them or not) and that advertisers are already improving the way they advertise to children including the context in which food is advertised.

AANA is also concerned regarding the impact on food businesses, retailers as well as producers, of a total ban on advertising as this measure will clearly affect a wider range of foods and business than may have been envisaged or intended by the committee. Not only can businesses legitimately market their products, in many instances they do so with direct government support. For example, the Queensland and Commonwealth governments have heavily supported the sugar industry, Queensland government directly supports its food manufacturing industry, including desserts and confectionary¹² and local and small

¹¹ Scheibe, Cynthia. 2008. "Using Media Literacy to Improve Young Children's Understanding of Food Advertising" *Paper presented at the annual meeting of the International Communication Association, Montreal, Quebec, Canada.*
http://www.allacademic.com/meta/p233540_index.html

¹² <http://www.industry.qld.gov.au/dsdweb/v4/apps/web/content.cfm?id=6917>

businesses developing products such as gourmet ice-cream. Businesses have a legitimate expectation that they will be able to market their food products. In addition, these businesses contribute a substantial amount of financial and other support to the community including in relation to healthier lifestyle activities such as sport.

AANA acknowledges the complexity of food availability and marketing in Australia and one that is not comparable with either the tobacco or alcohol sectors that are also subject of this inquiry. However, AANA notes the 'incentives' focus for many of the proposals in the *Inquiry Information Paper* and strongly encourages this approach to be taken in relation to the advertising of food. AANA considers the imposition of a burdensome regulatory approach is disproportionate to the potential that advertising has to alleviate obesity rates and given that a similar approach is not being taken for other (and possibly higher impact) influences.

AANA believes that a cost-benefit analysis of legislative measures would weight in favour of industry particularly if the impact of banning all advertising for all 'junk foods' is fully considered. This would necessarily entail an assessment including the feasibility of implementing such a measure which has not been taken anywhere else in the world.

Industry Self-regulation

- 5. The recognised, and government supported, role of industry self-regulation in preference to legislation as the most appropriate front-line quick-response means of facilitating industry best practice and reflecting the evolution of prevailing community standards in the governance of advertising across all media;**

Notwithstanding the above, AANA believes that both the advertising and food industries are proactively responding to Australian and international community and government concerns, by adopting and implementing better practice and self-regulatory measures to meet community expectations.

Mention has already been made of the Alcohol Beverages Advertising Code (ABAC) and Complaints Management Scheme.

The AANA has introduced the:

- *Food and Beverages Advertising and Marketing Communications Code* effective 1 November 2006; and
- *Advertising & Marketing Communications to Children Code* effective 2007, revised after extensive consultation in May 2008 and which also includes a provision relating to alcohol.

It is notable that the Advertising Standards Bureau (ABS), that administers the adjudicative procedures for the AANA codes, has received a significant increase in complaints in relation to food and beverage products since the introduction of these codes. This demonstrates that the community is willing to avail itself of this industry-funded mechanism for resolving complaints, withdrawing ads where appropriate, delivering speedy consideration of matters, and providing valuable community feedback to the advertising industry on the acceptability (or not) of product advertising executions.

With AANA support the Australian food industry announced a *Responsible Children's Marketing Initiative* in October 2008 with effect from 1 January 2009, adjudicated by the Advertising Standards Board. The effect of the initiative is the rebalancing of commercial television food and beverages advertising to children towards more nutritious choices and lifestyle encouragements. To date 16 major food marketing corporations have committed to the initiative.

In collaboration with AANA leading quick service restaurants in Australia on 25 June 2009 released the *Australian Quick Service Restaurant Industry Initiative for Responsible Advertising and Marketing to Children*. The current participants represent the majority of TV advertisers of such food in Australia. They have agreed all marketing communications and advertising of food and beverage combinations to children under 14 years must represent healthier choices, as determined by a defined set of nutrition criteria for assessing children's meals.

In relation to these two initiatives the AANA recently (16 July 2009) received support from the South Australian Minister for Health, the Hon John Hill MP, who considered they could assist reduce the number of overweight and obese children in that state. The Minister noted that he would monitor the situation for 12 months before re-evaluating South Australia's position.

The benefits of industry self-regulation include:

- Speed: The self-regulatory mechanism managed by the ASB has quick determination of complaints as one of its objectives, and is capable of a 24-hour turnaround in the event of a serious breach of prevailing community standards.
- Flexibility: Self-regulation is capable of quick review and adjustment in response to changes in prevailing community standards, as identified with the assistance of ongoing research.
- Fairness: Self-regulation applies equally across all advertising channels.
- Transparency: Case Reports of matters dealt with by the Advertising Standards Board are published on the web site and notification through media releases and other public statements.

AANA recommends the Queensland government provide support in promoting current industry self-regulatory initiatives to industry and consumers. In doing so they provide consumers with an accessible, transparent, free and responsive complaint mechanism that allows them to further shape demand for better food and better advertising of food, beverages and alcohol.

AANA commends consideration of this submission to the Social Development Committee. AANA would also be pleased to speak to this submission to assist the Committee's further deliberations on these complex matters that are the concern of all in the Australian community.

End.