



**MINISTERIAL STATEMENT
TO THE HOUSE OF ASSEMBLY
BY THE HONOURABLE KIM N. WILSON, JP, MP
MINISTER OF HEALTH
SUGAR TAX CONSULTATION INTERIM REPORT
Friday 16th March 2018**

Mr Speaker

I rise today to inform this Honourable House of the preliminary findings from the sugar tax consultation.

Honourable Members will recall that the Speech from the Throne of September 2017 indicated that the Government would begin consultation on the introduction of a Sugar Tax on certain foods and beverages in Bermuda.

On 4th January 2018 the Ministry of Health published online a consultation document which outlined proposals for a Sugar Tax. The public were invited to respond during the consultation period, which lasted 8 weeks and ended on 1st March 2018.

Mr Speaker

The Ministry received 345 responses to the consultation document. Due to the number of responses, which included detailed text commentary and feedback, we have prepared a preliminary interim report to provide a summary overview of the consultation feedback. The Sugar Tax Consultation Interim Report is available on our web site under 'health consultations'.

Mr Speaker

In summary, the findings of the consultation were as follows:

- There was more support for a sugar tax than opposition (52% in favour and 44% against).
- 100% fruit juice should not be included at this time (63% agreed and 29% disagreed).
- Milk-based items should not be included at this time (51% agreed and 37% disagreed)
- Dilutables should be taxed (47% agreed and 38% opposed).
- Candy should be taxed (60% agreed and 31% opposed).
- The Tax should be 75% (43% in support).

Mr Speaker, The Government undertook this consultation in order to hear the views of the public on a proposed framework, in

order to refine policy proposals that we can consider for implementation. The Government is serious about reducing chronic diseases in Bermuda and considering all the options to reduce the impact of life-style related health problems. Indeed, in addition to the sugar tax consultation, duty rate amendments were developed to eliminate the duty on healthy essential foods such as some fresh fruits and vegetables. This is all in an effort to help Bermuda eat a healthier diet to prevent chronic diseases like diabetes.

Mr Speaker, While we await the full analysis of the responses, the Ministry is conscious of the valuable public discussion that took place during the consultation period which highlighted other things we should consider beyond the proposals which were set out in the consultation paper. The comments and feedback received from members of the public will be analysed in detail in the full Consultation Report, so we can look for better ways to address the concerns, such as the opinions expressed about whether items like diet drinks and chocolate should be included.

Mr Speaker, In addition, the Government is also conscious that concern was raised in the public dialogue that the proposal to tax

raw sugar could negatively impact small local businesses such as bakers. In contrast, imported baked goods were not proposed to be subject to the tax, potentially creating disadvantage for local businesses.

This concern will be considered further as the consultation feedback is analysed, and we refine the policy direction. Options may be available to help us advance the policy objective to reduce sugar consumption, without disadvantaging local businesses. I'm certain we will be able to find the right balance to promote healthier eating among our residents.

We have to consider all the feedback in full, **Mr Speaker**. For now, I just want the public to be aware that we have listened to the discussion, and are using the feedback to develop and refine the policy options to implement a sugar tax that is feasible and meaningful to our local context.

Mr Speaker, We are very pleased with the extensive feedback and public discussion instigated by this consultation process and will come back with more information by the next Parliamentary Term.

Thank you **Mr Speaker**.