

## Summary report of the Sustain project

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Sustain: the alliance for better food and farming, campaigns for food and agricultural policies and practices that improve the health and welfare of people and animals, improve the working and living environment, enrich society and culture and promote equity. The charity is concerned that the UK's food supply and farming practices are unsustainable, and that the poor food choices are causing serious health problems. Sustain is campaigning for a "Children's Future Fund" to be established to improve children's health whilst protecting the environment in which they grow up.

The charity would like to see a tax on sugary soft drinks to raise money for this fund. Sustain hope this will encourage consumers to switch away from these products and that, to the extent this does not occur, the tax income generated can be used by the Fund.

Sustain understand that this idea may be controversial. In particular they acknowledge it may be necessary to address fears that if prices of sugary soft drinks were to increase and demand were in turn to fall, job losses may occur in the sector. Sustain asked Pro Bono Economics for support in understanding the extent to which job losses in the soft drink sector might result from the implementation of the proposed tax.

The PBE economists looked at existing research into the behaviour of manufacturers and retailers relating to tax increases, and considered the possible behaviour of consumers, to understand what broader effect this may have upon the sector and employment.

The team considered that the impact on employment is likely to be minimal, but this is based on a number of assumptions for which there is currently no published evidence either way.