

Shaping Victoria's Health and Agri-Food Sectors for a Sustainable Future

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Future Foods for Future Health: Drivers and Opportunities Conference

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Context and process

- Parameters
 - ❑ Food and health
 - ❑ Physical activity was “out of scope”
- Literature reviews (Reference list available)
 - ❑ Trends – national and international
 - ❑ Existing Programs
- Stakeholder consultations – in excess of 160
 - ❑ One-on-one interviews
 - ❑ Focus Groups / workshops

Why Change the Current Trajectories?

- Increasing levels of fresh and processed food imports results in shrinkage in local agri-food sector.
 - A 10% to 20% real shrinkage in the turnover of the Victorian agri-food sector = an approx. \$1.65 to \$3.3 billion p.a. loss to the economy.
- Increasing burden of health resulting from unchecked increases in overweight and obesity.
 - A 10% to 20% real increase in the Victorian burden of disease due to the rapid increase of diet-related preventable diseases represents:
 - *An increase in direct health costs of \$200 to \$400 million p.a. to Victoria.*
 - *An indirect economic burden (workforce and quality-of-life impacts) of up to three times these levels.*

Complexity of the Supply Continuum

HEALTH ← PALATE ← SHELF → Paddock

CONSUMER AND REGULATORY SIGNALS AFFECT / DETERMINE MARKET DEMAND / CHANGES

TERTIARY

SECONDARY

PRIMARY

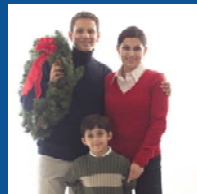
COMMUNITY
(self image; participation; social pressures)

WORKFORCE
(absenteeism and productivity costs)

HEALTH SECTOR
(impact on demand; impact on training and education; impact on facilities)

PARA-HEALTH SECTOR
(e.g. weight loss, gyms, etc)

HEALTH FUNDING
(insurance – private and public; direct govt. and personal, including "gap")



DIRECT SALES
(e.g. farmers' markets, cellar door, etc.)

RETAIL OUTLETS
(e.g. supermarkets, produce markets, local stores, convenience stores)

RESTAURANTS CANTEENS & CAFES
(from "high-end" to "quick & convenient", schools, caterers, etc)

WHOLESALE MARKETS

FINISHED FOOD & BEVERAGE PROCESSORS
(large and SME)

INTERMEDIATE PROCESSORS
(e.g. abattoirs, nutritionals, dairy / milk, flavourings & colourings, etc)

EXPORTS

SELF-PRODUCTION

PRODUCERS
(plant, animal (including dairy) and seafood)

PRIMARY PRODUCER INPUTS
(seeds, water, feeds, nutrients, pest controls, agricultural machinery, etc)

GOVERNMENT

RESEARCHERS

Key Insights from Stakeholders

- Physical activity and food & beverage intake are inextricably linked, at least for obesity and overweight.
- State and Commonwealth governments have implemented programs and spent lots of public-sector dollars over a number of years YET
 - ❑ The net result is that 60% of the population are overweight or obese today AND
 - ❑ This figure is on the increase!
- The cost of inaction and/or poor action is very high.
- The medical profession is focused on cure, not prevention.

Key Insights from Stakeholders

- There is an opportunity for a paradigm shift in public health based around clarity on health insights to facilitate a change from talking about “good” and “bad” foods to talking about a “healthy eating”.
- We can learn from other issues (e.g. tobacco, alcohol, road trauma) **BUT we need to eat**, which complicates the challenges.
- Funding and infrastructure focused on nutrition for public health benefits is minimal compared to funding in other areas – for example, road safety.

Key Insights from Stakeholders

- Labelling and marketing messages — the KISS (‘keep it simple’) principle *must* apply.
 - Otherwise it’s all too much “noise” for consumers and will simply exacerbate their current confusion about and scepticism of:
 - *Competing claims on what is “good” and “bad” for them; and*
 - *The proponents of those claims.*
 - Health claims do not have to be *overly* complex.
 - Consumers want a simple system that covers all foods and makes it easy for them to make the healthy choice (e.g expanded Heart Foundation “TICK” or Traffic Light systems).
 - *It is absolutely vital to get labelling right to enable easy and quick choices to be made by consumers.*
- It costs a great deal to get through R&D and clinical trials necessary to support health claims .

Key Insights from Stakeholders

- Today's social construct is part of the problem
 - ❑ Time-poor, convenience, snacking, grazing, food-on-the-go, lack of skills to understand food and to deal with it (“Gen X can’t cook, and Gen Y doesn’t want to cook”).
 - ❑ However, we can’t go back in time to the social constructs of old.
- Consumers have developed a ‘distorted’ sense of value around foods and beverages, for example:
 - ❑ The “super size” approach to value for money results in increased portion sizes – often of energy dense foods.
- There is a lack of base-line data AND trends on nutrition/energy intake, food habits/choices, etc from which progress (or lack thereof) can be measured.

Key Insights from Stakeholders

- A general perception by the food and beverage industry that there is no “middle ground” between them and public health advocates.
- Primary producers have trouble getting the health message for their products out into the community.
 - Marketing is critical — not just farming.
- We’re not alone in dealing with these challenges, and particularly on the agri-food side our competitors are bigger than we are.

Key Messages from Stakeholders

- Australia is a small country in terms of population size, but in the manufacturing sector (of which agri-food is one of the biggest sub-sectors) scale matters for return on investment in people, production facilities and R&D.
 - ❑ Interstate competition that results in different food-related systems (e.g. canteen policies) just makes it harder for local agri-food processors and suppliers.
 - ❑ Further, State-Federal jurisdictional issues are a barrier to (rapid) progress.
- Any crop that requires manual harvesting means Victoria/Australia can't compete on a global scale.

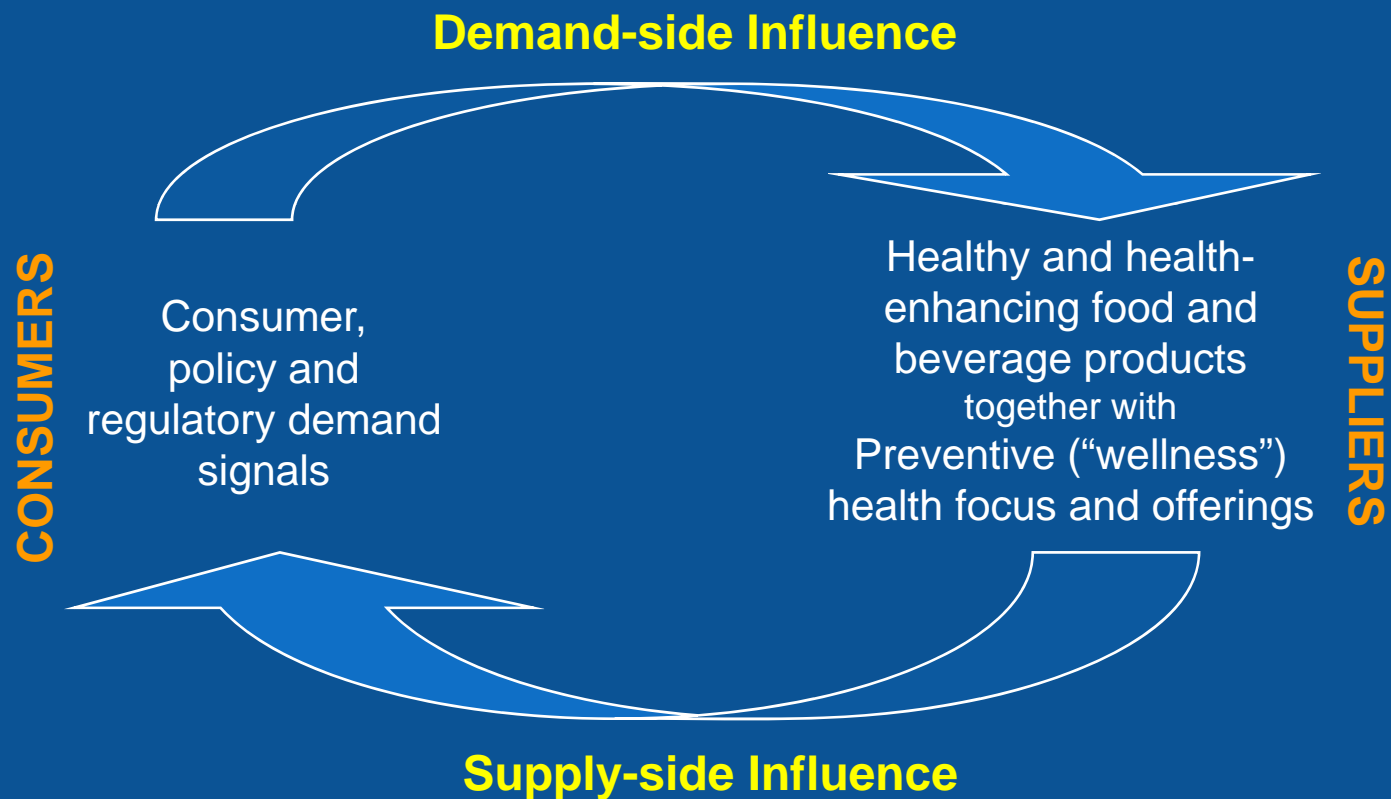
Key Messages from Stakeholders

- New products need more marketing than technology, even when the technology is the key enabler, e.g. food companies won't invest in functional foods without marketing benefits.
- Invest in training and education in preparation for, and to underpin, successful long-term changes.

Key Messages from Stakeholders

- Stakeholders are looking to government to take a leadership role in driving change.
 - ❑ The role of delivering healthy/health-enhancing foods and beverages AND preventive-health services to market is not the job of governments
 - ❑ But they have critical facilitation, promotion and regulatory roles to play for this outcome to be achieved.
- A public-private-consumer partnership is the sensible way forward — right across the *Paddock to Health* continuum.

Achieving Change



The New Food Marketing Pyramid

