

**Submission
No 28**

FOOD PRODUCTION AND SUPPLY IN NSW

Organisation: The Heart Foundation

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Submission from the Heart Foundation to the Parliamentary Inquiry into Food Production and Supply in NSW

The Heart Foundation appreciates this opportunity to make a submission to the Parliamentary Inquiry into Food Production and Supply in NSW, being undertaken by the Legislative Assembly's Committee on Environment and Planning. The Heart Foundation is Australia's largest charity focused on the heart health of Australians. Our mission is to reduce heart disease and improve the heart health and quality of life of all Australians through our work in Research, Risk Reduction, Support and Care.

Our submission focuses on two areas listed in the terms of reference (ToR) (1) and (10) for the Inquiry:

- Improving food security and equitable access to food (ToR 1).
- Implications for quality control and labelling of processed/manufactured food (ToR 10).

Improving food security and equitable access to food (ToR 1)

The Heart Foundation commends the Committee on Environment and Planning for undertaking this inquiry into the importance of improving food security and equitable access to food.

The level of food insecurity in NSW is concerningly high, which impacts on the wellbeing of the community, through short- and long-term health consequences, which in turn leads to increased cost of health services and decreased productivity. The Heart Foundation, like many public health agencies, believes very strongly that reducing food insecurity and improving access to healthy foods, in particular fruit and vegetables, is an urgent need.

The Heart Foundation recognises that food security is a complex and multidimensional concept. Together with Cancer Council NSW and the Prevention Research Collaboration at the University of Sydney, the Heart Foundation authored a discussion paper on food security in 2010:

Innes-Hughes C, Bowers K, King L, Chapman K, Eden B. (2010) Food security: The what, how, why and where to of food security in NSW. Discussion Paper. PANORG, Heart Foundation NSW and Cancer Council NSW. ¹

Available at: https://ses.library.usyd.edu.au/bitstream/handle/2123/9082/PANORG_Innes-Hughes_what%20how%20why%20where%20to%20Food%20Security.pdf?sequence=1&isAllowed=y

Whilst this discussion paper is more than a decade old, we believe there are many pertinent issues within it that may assist the Committee with this Inquiry.

Context and concepts relevant to Food Security

The food security of any group of people is an outcome of food systems and is impacted by the social determinants of health.

This connection between food security and food systems is defined by the Food and Agriculture Organization (FAO) who describe four main dimensions of food security:²

1. Physical availability of food
2. Economic and physical access to food
3. Food utilisation
4. Stability of the other three dimensions.

The focus of programs to address food insecurity is often placed on strategies that address only one of these concepts.

Food Availability (supply) is the physical presence of sufficient choice and quantity of nutritious foods to meet consumer needs at competitive prices. Adequacy of food supply is determined by factors such as the location and accessibility of retailers and outlets, the availability of food within outlets, as well as the price, quality, variety and promotion of food.³ This is influenced by industry cost structures, store management, distribution technology, the level of competition and consumer demand.³

Food Access (demand) is the ability of consumers to acquire food which is safe, affordable, competitively priced, culturally acceptable and nutritious by using physical or financial resources. Access depends on an individual's financial resources and total household expenditure, physical mobility and the distance and availability of transport to food stores, as well as food preferences.³

Utilisation refers to how people use food once they have accessed it. Utilisation includes food preparation, cooking and storage facilities, and incorporates issues of food safety. It depends on food preferences, which are influenced by eating habits and sociocultural factors, as well as nutritional knowledge and the impact of time availability on an individual's ability to prepare healthy food. Food security can be experienced at a national, community, household or individual level.

RECOMMENDATION: The Heart Foundation encourages the Committee to ensure their focus is on all four dimensions of food security.

Why is food security important for reducing heart disease risk

Healthy food and eating patterns are important for a healthy weight and reducing the risk of cardiovascular diseases and other chronic diseases.

The Australian Institute of Health and Welfare (AIHW) reports poor diet is responsible for 5.4% of the total disease burden for the nation.⁴

The reality is that people on low incomes, particularly parents, are often priced out of a healthy diet because healthy food is not affordable or accessible to them. This has huge flow on effects to their day to day lives, and their children's lives, affecting their health and wellbeing throughout their life.

For the Heart Foundation, our interest is that risk factors, hospitalisation and death due to cardiovascular disease are higher in regional, rural and remote NSW, and this is partly linked to less access to healthy foods and higher levels of food insecurity.⁵
Cost of healthy foods and availability in NSW

Fresh fruit and vegetables have been shown to be relatively more expensive in regional, rural and remote areas. Cancer Council NSW undertook three very large-scale food basket surveys in 2006, 2008 and 2009 to understand how food prices and availability vary across metropolitans and regional areas.⁶ Key findings from the surveys included:⁶

- In all three surveys, the cost of the total food basket and the mean cost of fruit and vegetables was highest in remote locations compared with highly accessible areas.
- The three surveys showed considerable variability in the costs of a wide range of food products, and particularly the cost for fresh fruit and vegetables between geographic areas in NSW.
- One of the most striking findings was the large price difference between the cheapest and most expensive stores across the state; for the same 44 food items there was a \$221 price difference between the cheapest store and the most expensive store in NSW.
- The number of fruit and vegetable varieties available was influenced by increasing remoteness, low socio-economic area and supermarket competition.

Many other jurisdictions regularly undertake food basket surveys (e.g. Qld, NT and WA), while NSW lacks this important data set which would assist in planning and programs to address food security.

RECOMMENDATION: The NSW Government should undertake regular monitoring of the cost of healthy foods and the availability and quality of fresh fruit and vegetables in NSW.

Levels of food security in NSW and Australia

To our knowledge, food security has not been routinely recorded or reported in NSW Population Health Surveys since 2014. However between 2003 and 2014, an average 6% of people 16 years and over in NSW experienced food insecurity.⁷ The prevalence of food insecurity was higher among those who did not attend high school (7.4%), did not have a job (8%), were most disadvantaged (8.4%), earned <\$20,000 per year (12.5%), were separated but not divorced (14.1%), lived in households of ≥7 people (13.5%), smoked daily (15.4%) and rated their health as very poor (18%).⁷

The NCOSS Cost of Living Report published in 2018 surveyed more than 400 people on low incomes to understand the impact of food insecurity and explore reasons for why a healthy diet is out of reach for so many.⁸

Concerningly 39% of the study sample had been food insecure in the past 12 months; that is they had run out of food and could not afford to buy more.⁸ This is well above the reported State average of 6.9%.⁸

Respondents in the NCOSS report consumed far less fruit and vegetables than the NSW average; only 2% of respondents consumed the recommended daily intake of vegetables and 12% of respondents consumed the recommended daily intake of fruit.⁸ This is lower than the most recent NSW results from the NSW Population Health Survey, which showed that children and adult's consumption of fruit and vegetables remain below the recommendations in the Dietary Guidelines.

The pillars of food security help us understand the results from the NCOSS Cost of Living study:⁸

- In terms of availability, nearly half (49%) of respondents stated they would be more likely to eat fruit and vegetables if the range and quality was better where they currently live. NCOSS reported this finding was more frequently mentioned by respondents with children.
- In terms of access, nearly three-quarters (74%) of respondents mentioned that they would be more likely to eat healthy food if it was cheaper.
- In terms of utilisation, nearly half (49%) of respondents mentioned that they would be more likely to eat healthy food if they were confident in cooking healthy meals that are tasty, 59% of respondents with children highlighted a lack of time to cook healthy meals.

RECOMMENDATIONS:

There are several important policy actions that can be taken in NSW to improve food security and increase the equitable access to health foods. The NSW Government should also explore more systemic changes that would make a significant impact on food security and affordability, as well as promoting healthy living.

The proposed actions to improve availability, accessibility and use of food for low-income families, which should be considered by this Parliamentary Inquiry, include the following:

- Undertake regular monitoring of the cost of healthy foods and the availability and quality of fresh fruit and vegetables in NSW.
- Advocate to raise the rate of income support payments like Jobseeker and Youth Allowance, to make healthy food and cost of living more affordable, in line with recommendations from NCOSS and ACOSS.
- Invest in community-led approaches to improve the supply of healthier foods in communities and workplaces, which use a capacity building approach.
- Local investment in community gardens and fresh-food farmers markets
- Limit junk food advertising in public spaces, which currently make unhealthy foods more desirable and appealing, and contributes to 'pester power' on parents.

- Improve planning to make health and wellbeing play a key role in planning decisions and processes.
- Zone a portion of fertile land for agricultural purposes to promote access to healthy food in local communities.
- Improving supply chains for better and more equitable access to healthy food in rural and regional communities.
- Subsidising or improving transport of fresh foods into regional, rural and remote areas.
- Supporting efforts to subsidise healthy food for low-income families and increasing taxation on unhealthy food, including a health levy on sugar sweetened beverages.
- Developing place-based food hubs that create opportunities for people to develop skills around healthy eating and food preparation.
- Improve food access in areas of disadvantage by ensuring the voices of people who are socioeconomically disadvantaged, live in rural and remote areas, Aboriginal and Torres Strait Islander peoples, and culturally and linguistically diverse are heard and actively involved in the co-design of programs and policies.
- Provide transport subsidies and lower electricity costs for retailers in remote or isolated parts of Australia.

NSW needs an updated Healthy Eating Strategy

NSW does not currently have a Healthy Eating Strategy in place as the NSW Government's previous Healthy Eating and Active Living Strategy 2013-18 has now expired <https://www.health.nsw.gov.au/health/publications/nsw-healthy-eating-strategy.pdf>

Updating the NSW Healthy Eating strategy should be an important recommendation from this Parliamentary Inquiry. While the previous strategy did not specifically address food insecurity, it did have targets for increasing fruit and vegetable consumption, and included a focus on environments to support healthy eating.

RECOMMENDATION: The NSW Government should update the NSW Healthy Eating and Active Living Strategy.

Findings from *Federal Inquiry into food pricing and food security in remote Indigenous communities*

In addition, the Heart Foundation notes and supports some of the findings from the recent *Federal Inquiry into food pricing and food security in remote Indigenous communities*, which we expect is already on the radar of this NSW Parliamentary Inquiry.⁹

The Heart Foundation notes the following recommendations in the *Report on food pricing and food security in remote Indigenous communities* (November 2020) and supports these relevant recommendations for this NSW Inquiry:⁹

Recommendation 1 The Committee recommends that the Treasurer direct the Australian Competition and Consumer Commission to undertake an enhanced market study into food and grocery prices in remote community stores. This study should make recommendations about how to increase competition in remote areas and put downward pressure on food prices. The study should also identify better complaints handling mechanisms for people in remote communities, any changes to the consumer protection laws that might need to be made to address price gouging in these communities, which the current laws do not address, and a consideration of the impact, if any, of rebates. The study should also recommend ways in which remote community members can be better informed of their rights as consumers, especially the right to make complaints.

The Heart Foundation is pleased that the ACCC is undertaking an enhanced market study, which they have never done in remote communities.

Recommendation 2 The Committee recommends that the Australian Government establish a real-time price monitoring and disclosure mechanism through a point of sale data system across all remote community stores. Such a system should allow for real time information about changes in price and patterns of consumption and supply. The price monitoring system should be reported and made publicly available.

Recommendation 10 The Committee recommends that the Australian Government, in partnership with the States and Territories and First Nations people, develop a strategy for food security and nutrition for remote First Nations communities.

Recommendation 11 The Committee recommends that the Food Security Working Group that was established during the COVID-19 pandemic be maintained and tasked with:

- identifying improvements to the logistics of food and grocery supply into remote communities
- assessing the viability of warehousing greater volumes of food and groceries in more remote parts of the supply chain
- identifying ways to improve the replenishment cycle of food and groceries in remote community stores
- ensuring food supply during pandemics, natural disasters and seasonal changes
- identifying ways which the major supermarket chains can help play a role in driving down food prices and guaranteeing supply for remote communities
- identifying ways in which Outback Stores might assist independent community stores with the supply of food and grocery.

Implications for quality control and labelling of processed/manufactured food (ToR 10).

The Heart Foundation is very pleased that the Panel has recognised the importance of labelling of processed/manufactured food as one of the terms of reference in this Parliamentary Inquiry.

The food regulatory system crosses state and federal jurisdictional responsibilities, and plays a vital role to ensure the community is well informed and supported to eat safe and nutritious

foods. The NSW Government can promote important and long-standing labelling initiatives, through the Food Ministers Meetings to support the community to eat well. This should be reflected in an updated NSW Healthy Eating and Active Living strategy. The Heart Foundation notes that the health star rating system is an important system for providing guidance at the time of purchase. It is important to ensure there is trust in it and that it more accurately reflects the degree to which a product is healthy.

RECOMMENDATIONS:

The Heart Foundation recommends these strategies for improving food labelling:

- **The NSW Government to endorse the mandatory implementation of health star ratings, if the voluntary targets are not reached in the set timeframe.**
- **List ‘added sugars’ on the Nutrition Information Panel of all packaged foods to improve food literacy and understanding of what is in processed foods.**
- **Improve the Nutrition, Health and Related Claims Standard by extending the application of the Nutrient Profiling Scoring Criteria to the regulation of nutrition content claims; and require pre-market approval of food and nutrient-health relationships.**

These food labelling initiatives should be supported by the NSW Government through the Food Ministers meetings to endorse policy changes.

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