

**Submission
No 67**

FOOD PRODUCTION AND SUPPLY IN NSW

Organisation: Foodbank NSW & ACT Limited

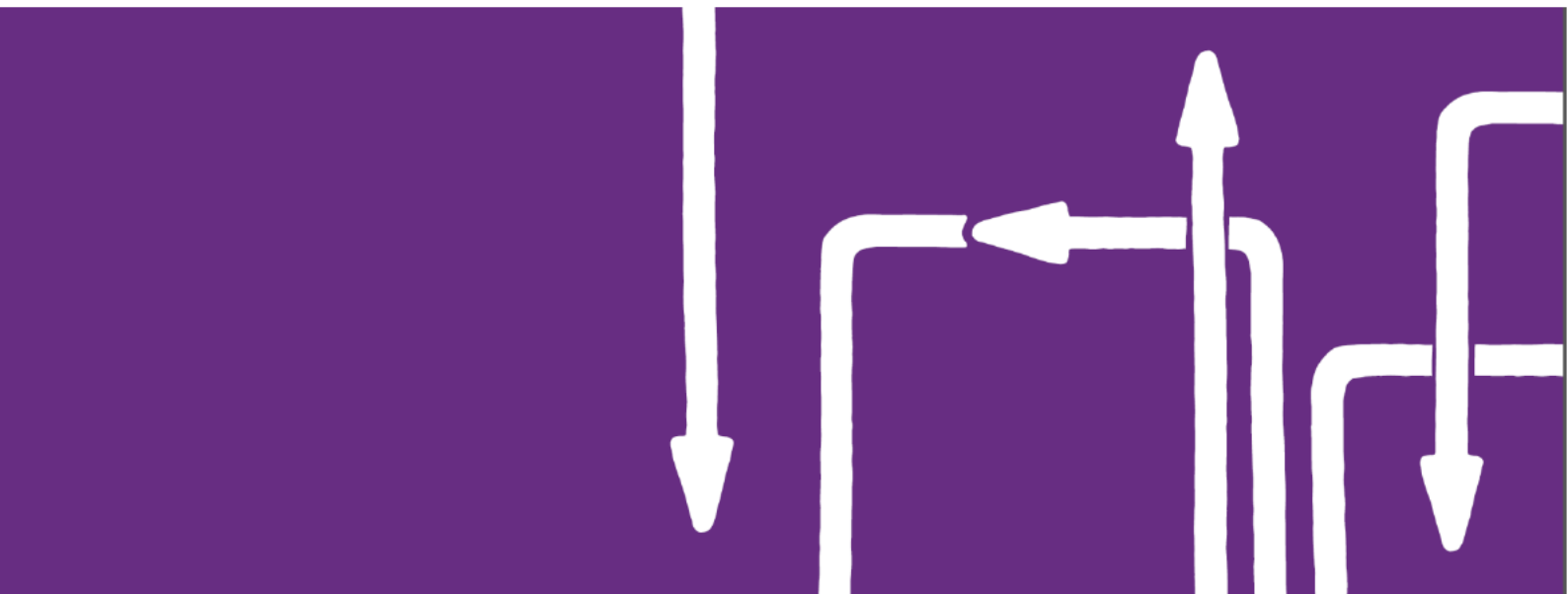
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Legislative Assembly Committee on Environment and Planning

Food production and supply in NSW

Submission by Foodbank NSW & ACT Limited



February 2022

Submission details

This submission is made on behalf of Foodbank NSW & ACT Limited, ABN 22056422407.

The submission is made by:

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Consent is given for this submission to be made public.



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28 February 2022

Mr A H Greenwich MP
Chair
NSW Legislative Assembly Committee on Environment and Planning
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Chair and Members of the Committee

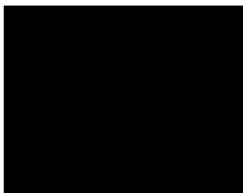
Foodbank NSW & ACT welcomes the inquiry into food production and supply in NSW and the opportunity to provide this submission about food insecurity, food relief and food waste within NSW.

Foodbank NSW & ACT is the State's largest and most trusted food relief and food rescue organisation. We evolved from the first Foodbank in Australia, which opened in Sydney 30 years ago, in 1992. We have supplied food relief continuously ever since. The vast majority of our food is donated and otherwise considered waste, destined for landfill.

We invite the Committee to visit our Distribution Centre at Glendenning. Most people do not appreciate its scale until they experience it in person. The size of our operation reflects the scale of the problem of food insecurity in NSW.

We would also welcome the opportunity to present to the Committee.

Yours sincerely



John Robertson | Chief Executive Officer

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Terms of Reference

That the Legislative Assembly Committee on Environment and Planning inquire into and report on food production and supply in NSW, including:

1. Improving food security and equitable access to food.
2. Reducing food waste and destruction.
3. Developing technologies to bring food production into cities.
4. Preserving productive land and water resources.
5. Managing the impact of climate change.
6. Limiting the impact food production has on the environment, including overfishing.
7. Addressing complex challenges to food production including declining pollinating species and productive fertilisers.
8. Consideration of workforce challenges and skills development.
9. Development and growth of the food industry (raw or processed) as an export.
10. Implications for quality control and labelling of processed/manufactured food.
11. Consideration of Indigenous food and land management practices.

Executive Summary

The focus of this submission to the Inquiry into food production and supply in NSW by the Legislative Assembly Committee on Environment and Planning, is only the first two terms of reference. In the submission we discuss the activities of Foodbank NSW and ACT, and share our knowledge about food insecurity, food relief and food waste.

We define food security and food insecurity and provide facts about the prevalence of food insecurity in Australia, and in NSW and the ACT, including insights obtained from food insecure Australians during research for the Foodbank Hunger Report 2021. We discover the most common reasons why a person or household becomes food insecure and why it can be more difficult to access affordable, healthy food in regional and remote areas. Factors such as freight costs affect both retail food and food relief. We are including recommendations about NSW government assistance to help overcome the tyranny of distance and facilitate more equitable food relief services outside greater Sydney.

We discuss the general benefits of food relief, additional benefits for children, and why the social return on investment for feeding hungry children is more than five times that of feeding adults. This leads to our recommendations about the future of school breakfast programs.

We also discuss various aspects of the COVID-19 pandemic, including its impact on food insecurity, government supplementation of the food relief sector, the escalation in demand for emergency hampers and other impacts on our operations and services.

Recommendations

The recommendation we make in this report are as follows:

Funding transportation of food relief to regional, rural and remote areas

Recommendation 1

That the NSW government fully funds ambient transportation of food relief for communities outside greater Sydney, to reduce the disadvantages of distance and improve access to food relief for people in need.

For Foodbank NSW & ACT this involves increasing the current transport subsidy to fully fund ambient transportation of food relief from Foodbank premises or storage to schools, charities and community groups (front line charities) with whom we partner outside greater Sydney.

Recommendation 2

That the NSW government provides funding to support the broader distribution of food relief requiring chilled transport (such as fresh produce, dairy and protein) to improve the nutrition, range and quality of food relief available in regional and rural NSW.

For Foodbank NSW & ACT this involves funding to implement chilled transport services across more of regional NSW.

Providing incentives to food businesses to donate surplus products

Recommendation 3

That the Federal government provides tax incentives to food businesses to donate surplus product.

Recommendation 4

In the absence of tax incentives, that the NSW government encourages food donations by providing convenient and cost-effective means for food businesses to donate surplus food for use as food relief to encourage food donation, reducing waste and helping to meet the unmet demand for food relief.

For Foodbank NSW & ACT this would involve funding of transport between the food donor and Foodbank.

School breakfast program

Recommendation 5

That the NSW government commits to the provision of ongoing operational (recurrent) funding so that all existing School Breakfast 4 Health programs in schools can continue and develop to support students beyond 2022/23.

Recommendation 6

That the NSW government commits to the provision of additional funding to support the commencement of School Breakfast 4 Health programs in another 500 schools in less advantaged areas over four years from 2023/24.

Who is Foodbank NSW & ACT?

Who we are

Foodbank is Australia's largest food relief network, crucial to the provision of food relief and emergency response in Australia, and accounting for 72% of all food received by charities from organisations that rescue food from the food industry.

Foodbank is Australia's most trusted food relief charity and is honoured to have been recognised in the RepTrack 2021 Australian Charity Reputation Index, ranking as the fourth most reputable Australian charitable, behind Royal Flying Doctor Service, Guide Dogs and Surf Life Saving Australia.

Our vision is an Australia without hunger.

Foodbank NSW & ACT traces its roots back to the first Foodbank in Australia, which was established in Sydney in 1992. We have provided food relief in NSW continuously through those 30 years, so we are uniquely positioned to comment on food insecurity and its alleviation through food relief in NSW.

What we do

Foodbank NSW & ACT fights hunger by supplying quality food for people in need.

Our major food programs are:

1. **Pantry to front-line food relief agencies** across NSW and the ACT. In 2020/21, we supplied 630 charity partners with food to assist approximately 340,000 people every month.
2. **School Breakfast 4 Health (SB4H) program**, providing hungry students with a regular, nutritious breakfast at school. In 2020/21, 350 schools were feeding students breakfast under the program. By the end of 2022/23, we aim to add another 250 schools in less advantaged areas to the program, with assistance from the NSW government.
3. **Response to major emergencies**, including immediate and longer-term assistance for natural disasters and other major events that affect communities. In recent years, we have responded to drought, bushfire, flood and pandemic.

About 80% of the food we distribute is donated by farmers and the food and grocery sector and most of this food would otherwise go to landfill. Donated food does not meet the demand for food relief, so we also buy food and source food through collaborative production.

Overall, in 2020/21, we supplied food for 21.5 million meals, diverted 10,000 tonnes of food from landfill and prevented 19,000 tonnes of CO₂ emissions.

Term of Reference 1: Improving food security and equitable access to food

Food security versus food insecurity

The United States Department of Agriculture (USDA) describes food security for a household as meaning, “*access by all members at all times to enough food for an active, healthy life*”, including, “*ready availability of nutritionally adequate and safe foods*” and “*assured ability to acquire acceptable foods in socially acceptable ways ...*”¹

The Australian Food and Grocery Council (AFGC) asserts that Australia produces enough food to feed 75 million people, or to feed the entire population of Australia three times over².

Therefore, theoretically, everyone in Australia could have enough to eat.

Unfortunately, this is not the case.

The USDA defines food insecurity as, “*The limited or uncertain availability of nutritionally adequate and safe foods, or limited or uncertain ability to acquire acceptable foods in socially acceptable ways*”.³ In simple terms, food insecurity means you do not have enough food nor the means to obtain more, or you are limiting your food choices because your means or access to food are limited.

Food insecurity in Australia, NSW and the ACT

Released annually during anti-poverty week in October, the Foodbank Hunger Report⁴ describes the prevalence of food insecurity in Australia.

Research for the Foodbank Hunger Report 2021 revealed:

- One in six adults in NSW and the ACT hadn't had enough to eat in the previous year
- 371,618 children in NSW and the ACT had gone hungry in the previous year
- One in three people struggling to meet their food needs were new to the situation
- 58% of people severely impacted by food insecurity in NSW and the ACT were going a whole day every week without eating

¹ <https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-u-s/measurement/>

² <https://www.afgc.org.au/news-and-media/2020/06/no-need-to-panic-australia-produces-enough-food-for-75-million#:~:text=%E2%80%9CIn%20Australia%20we%20are%20lucky,and%20efficient%20food%20supply%20chain.>

³ <https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-u-s/measurement/>

⁴ <https://www.foodbank.org.au/hunger-in-australia/the-facts/?state=au>

- Uncertain access to food affected Australians from all walks of life
- 64% of food insecure Australians had a job.

Hard to believe in the ‘lucky country’, but true.

Underlying causes and contributors to food insecurity are complex and multilayered, and we will not enter into detail here about the reasons for its prevalence in the Australian population.

However, for an individual or household, the primary reason for food insecurity is often financial. In the Foodbank Hunger Report 2021, the top two reasons people gave for why they did not have enough food and could not afford more was an unexpected expense or large bill (35%) and that they or their household were living on a low income or pension (30%). Of food insecure Australians who had been accessing JobSeeker or JobKeeper, almost half (48%) said they were not coping well since those payments were wound back.

More than one in three Australians (38%) who were food insecure during the year preceding the Foodbank Hunger Report 2021 said they had never experienced food insecurity before the pandemic. Young people, and specifically casual workers and international students, were badly affected by the COVID-19 pandemic response.

Another reason or contributor to food insecurity can be difficulty accessing affordable, healthy food (eg due to isolation, geography, distance and/or transport).⁵ This is particularly relevant in rural and remote areas, where low earnings, high food prices and limited food choices are more likely to co-exist. The cost of long-distance freight impacts here.

Food relief

At Foodbank, we believe everyone should have access to good quality food.

While we supplied food for 21.5 million meals in 2020/21, we are aware that in a significant proportion of western NSW there is little or no regular food relief available, including some of the poorest communities. The cost and logistics of long-distance freight, particularly temperature-controlled (‘chilled’) transport, affects the range and price of retail food and the provision of food relief.

Food relief may not ‘cure’ food insecurity and its causes, but it can help people through their worst times, alleviating worries and enabling them to focus on other things.

Benefits of receiving food relief include:

⁵ Derived from <https://aifs.gov.au/cfca/publications/understanding-food-insecurity-australia>

- Feeling less hungry
- Reduced anxiety
- Improved sense of wellbeing
- Improved productivity
- Ability to focus and concentrate better
- Improved mental health, physical health, and stamina
- Overall better health through better nutrition
- Ability to pay other bills.

There are additional benefits for children as improvements in their ability to learn and interact at school can impact their whole lives, and this is why we are committed to the School Breakfast 4 Health program, which we discuss in more detail later.

Food relief during the COVID-19 pandemic

The COVID-19 pandemic led a proportion of the population into food insecurity for the first time, and adversely impacted the capacity of food relief organisations to provide help. Food donations declined as panic buying occurred, supermarkets accepted a lower standard of fresh produce, food production was impacted and food outlets closed. Even purchased food was at times difficult to source. Volunteers dwindled and staff costs had to increase. Additional business costs were incurred in trying to keep workers safe. The schools and front-line charities with whom we partner also had to adjust their breakfast and food relief operations.

All levels of government have provided extra funds due to COVID-19. The NSW government assisted with substantial additional funding and also arranged many emergency hampers for community members in need.

The growth in emergency hampers during COVID-19 is noteworthy. In 2019/20, Foodbank NSW and ACT supplied 20,000 hampers, in 2020/21 that grew to just under 90,000, and in 2021/22, we have built and distributed 169,000 hampers in seven months, in addition to our other food programs.

However, despite the hampers and our other food programs, research for the Foodbank Hunger Report 2021 revealed that 47% of people seeking food relief in NSW and the ACT did not get enough for their household's needs.

School breakfast program

Research for the Foodbank Hunger Report 2021 revealed that 371,600 children in NSW and the ACT had gone hungry during the year prior. Sadly, children are more likely to be food insecure than adults.

Previous research by Foodbank⁶ found that teachers estimate an average student loses more than two hours a day of learning time when they come to school hungry.

Food insecurity is especially problematic for children as it can have lifelong implications. School breakfast programs can alleviate the effects of food insecurity for children, with benefits that include:⁷

- Improvements in punctuality to school and classes, school attendance, behaviour, concentration, engagement, calmness, productivity and academic performance
- Improvements in social awareness and management, relations with staff and students, and self-awareness
- Positive impacts on mental health, including reductions in behavioural problems, anxiety and depression
- Assisting in addressing impaired cognitive functioning associated with undernourishment
- Contributing to better nutrient intake and overall diet quality
- Combating other problems associated with being hungry, such as lower physical functioning, stomach and headaches, and poorer health.

There are also broader benefits for families, schools and communities.

The Social Return on Investment for feeding hungry children is more than five times that of feeding adults⁸.

Foodbank is the largest provider of school breakfast programs in Australia, including large, long-established programs in Victoria and Western Australia and newer programs in other states, including NSW.

Foodbank NSW & ACT managed a relatively small school breakfast program until the NSW government provided funding to expand the program to an additional 500 schools over four years.

⁶ Foodbank, *Hunger in the Classroom*, 2015, <https://www.foodbanknsw.org.au/wp-content/blogs.dir/2/files/2014/02/Foodbank-Hunger-in-the-Classroom-Report-May-2015.pdf>

⁷ For examples, see two research summaries published by the Food Research & Action Center (FRAC): Breakfast for Health <http://www.frac.org/research/resource-library/breakfast-for-health> and Breakfast for Learning <http://www.frac.org/research/resource-library/breakfast-for-learning>

⁸ Based on research undertaken by Net Balance (now Ernst & Young) in 2014 on behalf of Foodbank



The NSW program is known as School Breakfast 4 Health (SB4H) and encompassed 378 schools at the end of the 2021 school year, including 272 funded by the NSW government. The program was impacted by COVID-19 as schools closed and then adjusted their breakfast routine to be COVID-safe when they returned. The balance of the 500 government-funded school breakfast programs is to be operational by the end of the 2022/23 financial year.

Participating schools confirm the benefits of the program and we will be seeking funding for all current schools to continue beyond 2022/23 and to expand the program to another 500 schools over the following four years, continuing to target schools with a relatively high proportion of children from socially disadvantaged families.

Term of Reference 2: Reducing food waste and destruction

In Australia, 1 in 6 adults and 1.2 million children don't have enough to eat, yet 7.6 million tonnes of food is lost or wasted every year⁹, with 70% still perfectly edible.

Foodbank's food waste and grocery rescue operations play a key role in addressing Australia's \$20 billion food waste problem, redirecting or re-purposing 37 million kilograms of food and groceries that would otherwise end up in landfill and saving more than 81 million kilograms of CO₂ emissions every year (diverting 10 million kilograms of food and groceries and saving 19,000 tonnes of CO₂ emissions just in NSW and the ACT).

However, food donations have stagnated and the gap between food donations and demand for food relief is growing.

We need incentives so that donating surplus product for food relief is more attractive to food businesses than dumping it.

Foodbank, along with other stakeholders, has been advocating for changes to Australia's taxation legislation to encourage such donations. Following on from the development of a proposal by KPMG, Foodbank and the Fight Food Waste Cooperative Research Centre (CRC) is about to embark on a project to conduct the first phase of a pilot aimed at proving the effectiveness of incentivising the food industry via the tax system. The project is being made possible through funding provided by the NSW Environmental Protection Agency (NSW EPA) and the Queensland Department of Environment and Science matched by the CRC.

We recommend that in the absence of tax incentives the NSW government should work with food charities to help them make food donation a more attractive (convenient and cost-effective) option for food businesses. Free transportation of donations is worth considering.

Foodbank is also exploring technical solutions to increasing food going to food relief. One project is the development of the Y Waste app, being undertaken in collaboration with Y Waste, the NSW EPA and the Royal Melbourne Institute of Technology (RMIT). Y Waste is an app facilitating the discounted sale of end-of-day food from quick-serve restaurants (QSRs). Y Waste formed a collaboration with Foodbank in July 2018 to extend the app to supply meals for free to people in need. The project will contribute to reducing the amount of short-life prepared food going to waste from QSRs at the same time as increasing food for food relief efficiently and effectively. The project has been on hold for close to a year due to COVID-19 but the intention is to recommence when the timing is right.

⁹ <https://www.awe.gov.au/environment/protection/waste/food-waste>



Thank you