



Inquiry into food security in Australia

OzHarvest would like to thank the committee for the opportunity to make a submission to this inquiry. The submission focuses on the production and consumption of food particularly food waste and loss and how this interacts with food insecurity.

#### **About OzHarvest**

OzHarvest was founded by Ronni Kahn in 2004 and is Australia's leading food rescue organisation, collecting quality surplus food from more than 3,000 businesses, including supermarkets, restaurants, cafes, hotels, retailers, airports and retail food outlets. Every week over 250 tonnes of food is saved from going to landfill and delivered to 1,800+ charitable agencies free of charge helping to make a positive difference to the lives of vulnerable people across Australia. OzHarvest uses agile just-in-time logistics to target end-of-the-day fresh and short life food, preventing it from going to landfill. The food is distributed on the same day, directly and free of charge to charities. This also saves greenhouse gas emissions caused by organic food waste.

OzHarvest also provides curriculum materials and runs education programs including:

- <u>FEAST</u> a curriculum-aligned food waste behaviour change program for primary school children, with a secondary school version launching in 2023;
- <u>NEST</u> tailored workshops that support people in need with nutrition education and cooking skills;
  and
- Nourish a hospitality training program for 'at risk' youth.

In Sydney OzHarvest also operates a free <u>rescued food supermarket</u>, and the <u>Refettorio</u>, which offers free lunches in a restaurant environment to those experiencing food insecurity.

OzHarvest operates in Adelaide, Brisbane, Canberra, Gold Coast, Melbourne, Newcastle, Perth, Sydney, and in regional communities. Since inception OzHarvest has delivered over 220 million meals and saved over 73,000 tonnes of food from landfill.



## **Key Recommendations:**

1. Australia needs a comprehensive food security and food systems plan which addresses food waste and food insecurity as inherently related problems. The plan should draw on a broad definition of food security that includes sustainability and diet-related health, and employ a cross-government, multisectoral approach. The plan should include measurable and time-bound targets to support existing government commitments such as halving food waste by 2030, increasing Australia's organic waste recycling rate and Australia's international climate commitments.

This plan should be developed with a focus on 4 action areas:

- Ensuring surplus food feeds people not landfill
- Inspiring household behavioural change
- Helping farmers get food off the land and onto plates
- Putting an end to hunger in Australia
- 2. The federal government should lead the development and introduction of household behaviour change campaigns and school education programs to help encourage reduction in household food waste and improve food literacy.
- 3. The federal government should introduce incentives for farmers, logistics companies and others to help reduce the cost burden of transporting food for donation, this would ensure less edible food is left on the farm and in other parts of the supply chain.
- 4. The federal government should work with the cold chain industry to increase knowledge of food security issues and decrease food waste.
- 5. Regional food hubs should be established to allow for surplus food to be repurposed or donated closer to the farm gate.
- 6. The federal government should work with farmers, food wholesalers and retailers and the food relief and rescue sector to improve data sharing so it is easier to identify where surplus food is and match it with demand.
- 7. The federal government should increase funding for the food relief sector to \$45m per annum in line with community need.

On any given day in Australia, half a million households do not have enough to eat and 1.3 million children have gone hungry in the past year. This includes households in which people are in work.

It is expected that increased cost of living pressures will continue to disproportionally affect people that are food insecure. For example, cost increases as a result of the recent disruption to food supply chains because of natural disasters in regional areas have reduced availability and access to nutritious food for many people.

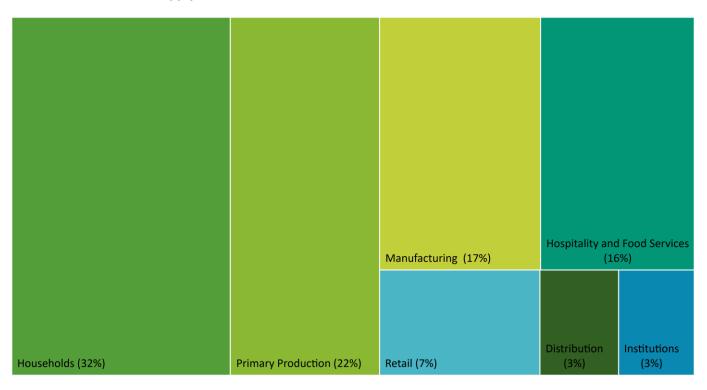
At the same time, Australia produces 7.6 million tonnes of food waste every year, which costs the economy \$36.6 billion.<sup>2</sup> This is enough food to feed everyone in Australia for six months. One third of this food waste comes from our home.<sup>3</sup> Food production, manufacture and retailing takes a huge amount of water, energy, land and other resources. When food isn't used other resources are also being wasted.

At a household level 2.5 million tonnes of food is wasted from our homes each year and 70% of this food is perfectly edible.<sup>4</sup> This works out to more than 20kgs per household per month.

Globally food loss and waste makes up 8-10% of global greenhouse gas emissions.<sup>5</sup> In Australia, carbon emissions from the production, transportation, retailing and landfilling of food that is never eaten contribute to almost 4% of Australia's emissions. This difference is not a reflection of Australia's progress on food waste, rather a reflection of our emissions profile.

In 2017 the previous government published the <u>National Food Waste Strategy</u>. It aims to halve Australia's food waste by 2030. It is our understanding that the current government also supports this strategy. Below is a breakdown of where food waste occurs across the food supply chain

# Food Waste Across the Supply Chain (%)6



<sup>&</sup>lt;sup>1</sup> Foodbank, Hunger Report 2022

<sup>&</sup>lt;sup>2</sup> FIAL (2021). National Food Waste Strategy Feasibility Study

<sup>&</sup>lt;sup>3</sup> National Food Waste Baseline, 2019

<sup>&</sup>lt;sup>4</sup> FIAL (2021), National Food Waste Strategy Feasibility Study

<sup>&</sup>lt;sup>5</sup> IPCC (2020), Climate Change and Land

<sup>&</sup>lt;sup>6</sup> 2021 National Food Waste Baseline measured for the National Food Waste Strategy Feasibility Study Final Report 2021

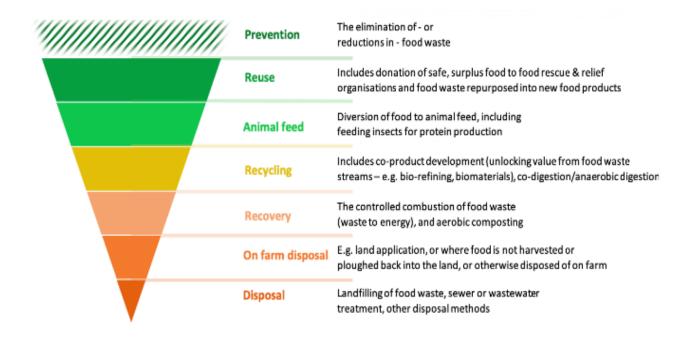
#### **Action Areas:**

## Surplus food should feed people, not landfill

Only 0.2% of Australia's surplus food is rescued, the bulk goes to landfill. Food rescue operations such as those undertaken by OzHarvest are currently focused on retail collection mainly in major metropolitan areas. There are huge opportunities to rescue greater volumes of food across the supply chain, and closer to the source across Australia. This requires investment in sector capacity and more incentives for participating businesses. Minimal government (federal and state and territory) funding is provided for the food rescue and relief sector outside of emergencies such as flood and pandemic food relief. Further government investment is needed to ensure that food isn't being wasted and food insecurity isn't increasing.

Interventions to address food waste and enhance food security should be focused on reducing the amount of food waste produced and ensuring that any surplus food is used for feeding people. 70% of the food that is wasted in Australia is edible. The food waste hierarchy below describes food waste interventions; the top two – prevention and reuse – relate directly to food security. This is where food waste and food security intersect and therefore must be a primary focus of the government.

The Australian Food Pact established by Stop Food Waste Australia is a good example of a voluntary initiative that encourage businesses to address food waste with reference to the food waste hierarchy, including through increased food donation. <sup>9</sup>



<sup>&</sup>lt;sup>7</sup> National Food Waste Strategy Feasibility Study

<sup>&</sup>lt;sup>8</sup> National Food Waste Strategy Feasibility Study

<sup>&</sup>lt;sup>9</sup> Australian Food Pact

### Household Behavioural Change

Household food waste makes up a third of food waste in Australia. 70% of this food is edible and 73% of food waste from home ends up in landfill. A 2021 report found households throw out food valued at between \$2,000 – 2,500 each year and considering the inflationary pressures we have seen over the past 6 months, this is most likely now a higher number. Tackling food waste produced at the household level is critical to tackling Australia's food waste problem. Australia has a history of memorable and generation-defining campaigns that didn't just change the behaviour of individuals, they changed the culture. From sun safety (Slip Slop Slap) to anti-littering (Keep Australia Beautiful), these campaigns combined mass media messaging with school-based education programs that embed long-term, generational change.

In 2020, OzHarvest commissioned BehaviourWorks Australia to undertake a world-first study to understand which household behaviours have the most impact when it comes to reducing food waste. The published report Halving Household Food Waste: Which Behaviours Matter?

Identified key behaviours for food waste reduction were:

- 1. Make a weekly meal that combines food that needs to be used up
- 2. Implement a use-it-up shelf in the fridge, freezer or pantry

From these behavioural insights, OzHarvest launched the <u>Use It Up</u> campaign and pioneered a new product, Use It Up Tape, to make it easy to waste less at home. BehaviourWorks Australia conducted an impact study (shortly to be published) with households using the tape which showed the impact on behavioural change by acting as a visual prompt, a labelling tool which helped with meal planning and family communication. The results revealed:

- 40% reduction in the average total amount of household food wasted
- Perishable items such as fresh vegetables, fruit and meat reduced by almost 50%

Evidence also shows that school-based programs are essential to educate young people and inspire change. They also help to reinforce food waste campaigns that are targeted at households and improve food literacy<sup>11</sup>

OzHarvest has a curriculum-aligned schools-based education program called FEAST (Food Education and Sustainability Training) that inspires kids to eat healthy food, waste less and become change makers in their community.

The program aligns with Australian curriculum outcomes and the cross – curriculum priority of sustainability. It runs for 7-10 weeks and is a STEM project-based learning program focusing on food and sustainability. Professional development training is provided to the teachers who then deliver the program in their schools. The program can be adapted depending on the schools needs and can be delivered in an online learning environment.

<sup>&</sup>lt;sup>10</sup> FIAL (2021). National Food Waste Strategy Feasibility Study

<sup>&</sup>lt;sup>11</sup> Boulet et. al., 2022. Influencing across multiple levels: The positive effect of a school-based intervention on food waste and household behaviours

# Help farmers get food off the land and onto plates

1.2 million tonnes of food never makes it off the farm. This includes 25% of vegetables which are left on the farm. Market conditions and constraints imposed further up the supply chain are the cause of many waste issues. Price variation can make harvesting uneconomic; labour shortages and strict cosmetic retail standards can result in produce not being brought to market.

Two independent studies conducted on banana and tomato farms in Queensland found more than two thirds of edible wasted produce was due to failure to meet supermarket product specifications.<sup>12</sup>

The Federal government needs to introduce incentives for farmers, logistics companies and others to help reduce the cost burden of donating food, this would ensure less food is left on the farm. A proposal that is designed around a taxation incentive has been developed between by KPMG with support of the food rescue organisations.<sup>13</sup>

### The cold chain

There are significant logistical restraints to farmers getting edible food off the farm, including the cold chain. Australia's cold chain is complicated, with multiple links from farmer to consumer and frequent gaps, while the journey is characterised by varying extreme temperatures, long distances, and human error. Australia loses 18-22% of total fruit and vegetable production due to poor cold chain infrastructure and education. This is an expensive loss, that greatly impacts the country's food security.

### Regional food hubs

Investment in regional infrastructure which centralises the collection of surplus or off-specification produce and food waste would unlock significant volumes of rescued food. Regional hubs also offer the opportunity for local employment and alternative revenue streams for primary producers if surplus produce can be sold for repurposing.

Redistributing surplus food close to the source will provide increased and regular access to food relief for regional and remote communities, by allowing food relief organisations to rescue more food. These communities are already extremely vulnerable, often feel forgotten and many are affected by natural disasters and climate change.

#### Data sharing

Data-sharing barriers are a major barrier to rescuing more food from primary producers. Government and industry need to work together to build a platform for transparent and real-time data sharing across the food supply chain showing food surplus and demand, so logistics companies can identify opportunities to transport food rescue donations using their existing capacity. Increased incentives for rescuing food will boost participation by farmers and logistics companies.

White et. al., 2011. The Impact of Fresh Produce Specifications on the Australian Food and Nutrition System: A Case Study of the North Queensland Banana Industry;

McKenzie et. al., 2017. Quantifying Postharvest Loss and the Implication of Market-Based Decisions: A Case Study of Two Commercial Domestic Tomato Supply Chains in Queensland, Australia

<sup>&</sup>lt;sup>13</sup> Australian National Food Donation Tax Incentive Implementation Analysis

<sup>&</sup>lt;sup>14</sup> Ambiel et. al., 2019. Mapping of Australian Fruit and Vegetable Losses Pre-retail

#### End hunger in Australia

Food insecurity is a complex issue with economic, social and health causes and results. It affects people from across the community and it's not always who you think. Many people experiencing food insecurity are employed but struggle to make ends meet.

There is a lack of planning to tackle this issue, with no overarching framework, no forum for collaboration or coordination, and no robust evidence base. Reducing food waste and food insecurity should be tackled together, with opportunities for Australia to prevent food waste at the source and across the supply chain through interventions such as food rescue.

The plan should include measurable and time-bound targets to support existing government commitments such as halving food waste by 2030, increasing Australia's organic waste recycling rate and Australia's international climate commitments.

Food insecurity is not a problem that is going away, it can only be addressed by investment in food relief services and other welfare measures. The community sector needs the capacity to support people through the toughest times as the most vulnerable in our community are always hit the hardest. This includes the ability to distribute food quickly and efficiently.

The entire charity sector can be fed at low cost

Every year 7.6 million tonnes of food is wasted in Australia.<sup>15</sup> This is more than enough to meet the needs of the entire charity sector. Edible food should always be redirected to feed those who need it most, rather than ending up in landfill.

OzHarvest's food rescue model is proven, cost-effective and scalable. With government investment, the volume of food rescued and distributed could be doubled, eliminating the charity waiting list for food. It already provides:

- Value-for-money: For every \$1 invested, OzHarvest can rescue two meals.
- Efficiencies of scale: Food is delivered directly to charities, removing barriers such as lack of staffing, transport and resourcing.
- Resource gains: Food is provided at no cost and distributed free of charge, allowing agencies to redirect their limited budgets to vital community services.
- Nutrition: 60% of rescued food is fresh produce and 90% is nutritionally valuable; this increases the proportion of fruit and vegetables consumed by food recipients.
- A Social Return on Investment analysis conducted by a top-tier consulting firm in 2022 found that for every \$1 invested in OzHarvest's Food Rescue program, \$8.97 is returned to the community via long-term health benefits, additional agency capacity, decreased landfill and reduced greenhouse emissions.

### Federal Government funding

The Federal Government provides very little funding for food relief outside of natural disasters and the pandemic. The Department of Social Services currently provides annual base funding of \$1.4m for food relief to the entire sector: OzHarvest, Foodbank and Secondbite combined. In recent years this was supplemented

<sup>&</sup>lt;sup>15</sup> <u>2021 National Food Waste Baseline</u> measured for the <u>National Food Waste Strategy Feasibility Study Final Report 2021</u>

to respond to natural disasters and the pandemic, however the government has returned to the base of \$1.4 million, with no additional funding in the forward estimates. <sup>16</sup>

2019-20	2020-21	2021-22
\$19.9m	\$5m	\$2.174

The recent Hunger Report revealed that on any given day in Australia, half a million households do not have enough to eat and 1.3 million children have gone hungry in the past year.<sup>17</sup> With the increasing pressures on mortgages, rents, energy prices and the cost of food, the federal government must reconsider their approach to funding of the sector. OzHarvest along with our sector partners such as Foodbank and Secondbite believe that as a sector we require a minimum of \$45m per annum to ensure we are meeting the demand for food relief year round.

For more information please contact:

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<sup>&</sup>lt;sup>16</sup> Senate Estimates, Community Affairs Legislation Committee, 9 November 2022, pg 25

<sup>&</sup>lt;sup>17</sup> Foodbank, Hunger Report 2022