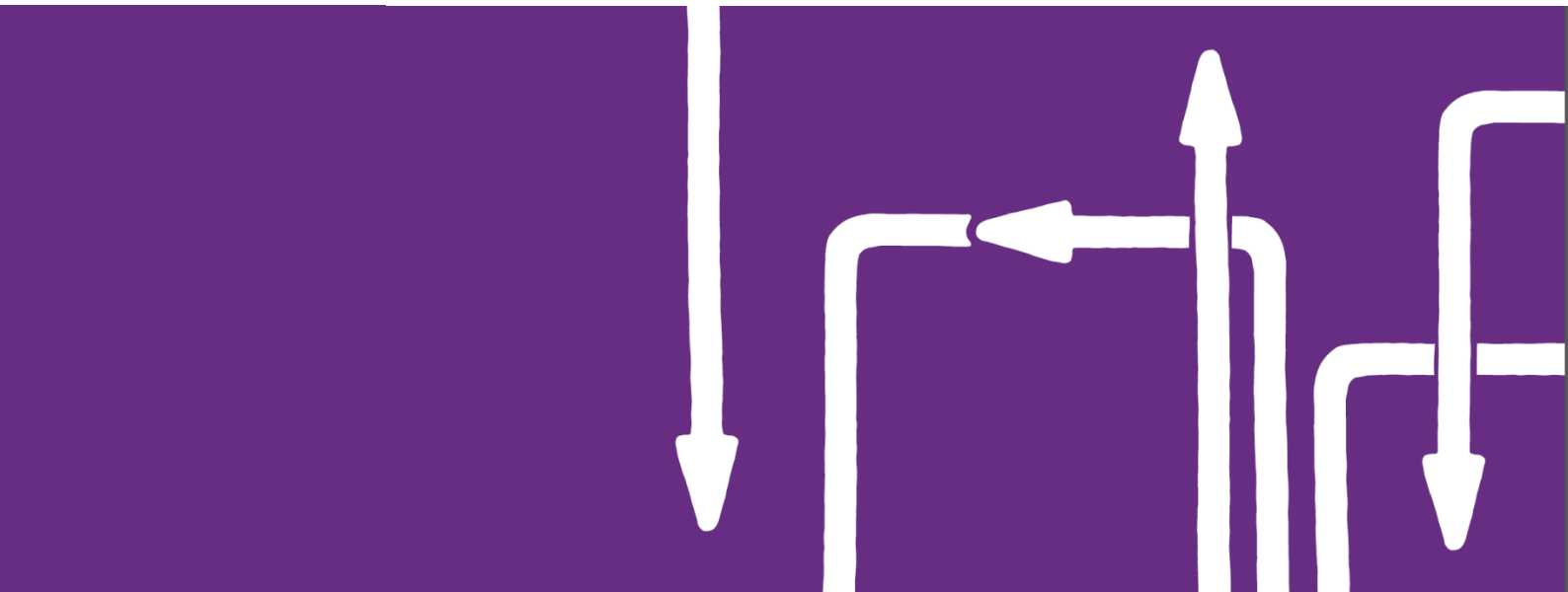




Pre-Budget Submission 2018-19: Food Relief Partnerships with Impact

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Summary of Recommendations

Foodbank is seeking the inclusion of the following provisions in the 2018-19 Federal Budget:

Funding for Key Staples Program

That the Department of Social Services confirm a **three-year funding commitment of \$10.5 million** (total) from 2018/19 – 2020/21 to grow the current volume of 'key staple' foods distributed by Foodbank to food insecure Australians by 14 million kilograms (see pg14).

Incentivising Transportation of Donated Food Relief Products

That the Australian Taxation Office work with Foodbank Australia to identify the most appropriate policy and/or legislative mechanisms to incentivise increased donations of essential food and grocery products to Foodbank through **enhanced tax deductions for food donations, and the introduction of tax deductions for transport services related to food relief** (see pg15).

Funding For Food Relief Related Transport

That the Department of Infrastructure and Regional Development commit to an **annual grant to Foodbank of \$5.5 million** to offset some of the costs associated with transporting 67 million meals per annum to food insecure Australians (see pg16).

1. Food Insecurity

What is food insecurity?

The United Nations Food and Agriculture Organisation defines food insecurity as “a situation that exists when people lack secure access to sufficient amounts of safe and nutritious food for normal growth and development and an active and healthy life”. Addressing food insecurity is the primary objective of [Sustainable Development Goal 2 Zero Hunger](#) in the United Nations’ [Sustainable Development Goals](#), to which Australia is a signatory.



Food insecurity in Australia

The [Foodbank Hunger Report 2017](#) released in October 2017 confirmed a doubling in the number of vulnerable Australians who are regularly food insecure. The report also revealed that 3.6 million Australians, or 15% of the population, have experienced uncertainty in the last 12 months around where their next meal is coming from – and they are not who you’d think. Almost half of food insecure Australians are employed and 2 in 5 of these households are families with dependent children. Food insecurity affects a diverse range of demographic groups, from young families to the elderly to students, under-employed people, those of Aboriginal and Torres Strait Islander descent, refugees and those with disabilities. It is an issue affecting city and country alike, with those living in country areas 11% more likely to be food insecure than their city counterparts.

Approximately 652,000 people receive food relief from Foodbank agencies (charities) each month, 27% of whom are children. A further 65,000 people are turned away from charities each month due to a shortage of food and resources. These are just the people who seek help. The reality is that less than half (46%) of those experiencing food insecurity actually reach out to charities for food relief.

Foodbank estimates that 75 million kilograms of food relief is required each year to ensure that everyone who needs it has access to a meal. Currently, Australian food relief organisations provide approximately 50 million kilograms combined (noting a degree of error owing to double-counting and varying protocols regarding data collection), which means there is a gap of at least 25 million kilograms of food and groceries per annum.

2. About Foodbank

What is Foodbank?

Foodbank is Australia's largest food relief organisation, operating on a scale that makes it crucial to the work of the front line charities that are feeding vulnerable Australians. Foodbank provides 67 million meals a year (183,000 meals a day) to more than 2,400 charities around the country, accounting for more than 65% of the food distributed by food rescue organisations nation-wide.

Foodbank is also the largest supporter of school breakfast programs in Australia, providing food for 1,750 schools nationally (both directly and via programs run by other organisations). Foodbank provides regular breakfasts to more than 116,500 students at schools around the country and on top of this, more than 200,000 children seek food relief from our charities every month.



As the only Australian food relief organisation to be an accredited member of the Global Foodbanking Network (GFN), Foodbank Australia goes through a rigorous re-certification process every two years whereby our state/territory operations, legislative compliance, programs and reporting processes are assessed by the GFN. Our most recent re-certification in December 2016 confirmed that Foodbank Australia is exceeding the requirements of membership, with "a stunning example of high level food banking at its very best". Operationally, we were reported to have "an unprecedented dedication to warehouse and operational safety... [with] outstanding attention to keeping and maintaining a safe and efficient work environment". We were found to be "fully transparent in all aspects of [our] operations" with "support of in-kind services...strong and ongoing".

Foodbank is registered with the Australian Charities and Not for Profits Commission (ACNC) and endorsed as a Deductible Gift Recipient (DGR). Our DGR status allows us to receive tax deductible contributions, which is vitally important given the relatively modest funding we receive from Government to provide our essential services of public benefit right across the country.

How Foodbank sources its food and groceries

Foodbank works with the entire Australian food and grocery industry from farmers, wholesalers, and manufacturers to retailers to source food and groceries. Approximately 32 million kilograms of the 37 million kilograms of food and groceries sourced and distributed by Foodbank last year was sourced through 'food rescue'. The remaining 5 million kilograms was sourced through proactive manufacturing and purchase of product by Foodbank, as well as product donations. In addition to food rescue, food and grocery companies and retailers make food/grocery donations to Foodbank as part of their commitment to corporate social responsibility. Many companies choose to make regular donations by increasing their production run or drawing straight from inventory in order to ensure that their product is consistently available to charities. They may also make special one-off donations at the time of natural disasters.

Foodbank has a proud track record of excellence in efficiency, effectiveness and impact. Through our relationship with the Australian Food and Grocery Council, Foodbank works closely with the majority of Australia's food and grocery companies and retailers (see image below). Foodbank's model is not dissimilar to public private partnerships whereby the food and grocery industry, government and Foodbank are working together and sharing resources on key projects, exemplified by our Collaborative Supply Program mentioned below. **Not only are these partnerships helping to address food insecurity, but they are also allowing Foodbank to support local manufacturing, which has a multitude of benefits to local communities, particularly those in regional areas.**



Collaborative Supply Program

Foodbank is the only charity in Australia that collaborates with suppliers, manufacturers, and transporters in an innovative program to ensure that consistent supplies of essential food items, such as rice, pasta and teabags, are in its warehouses every day. These are the foodstuffs that form the foundation of filling and nutritious meals and, as such, need to be available in sufficient volumes at all times to charities to underpin their food relief services. Unfortunately, these are also the products that tend to have very efficient supply chains – due to long shelf lives and demand predictability - with very little surplus or waste. The Collaborative Supply Program ([click here](#) to view a short video explaining the program) addresses this by food manufacturers producing sought-after products for Foodbank using spare production capacity. Suppliers donate or subsidise the ingredients, packaging and delivery of the products to spread the commitment and enhance the sustainability of the program. Through this program, we are able to provide consistent supplies of breakfast cereals, fresh and long life milk, pasta and pasta sauce, canned fruit, baked

beans and sausages. In 2017, we saw 3.2 million kilograms of food manufactured through the program, with every dollar invested in the program delivering \$5 worth of food – clearly a sound investment.

The GFN has commended Foodbank Australia on its “world-leading” Collaborative Supply Program, which is recognised as demonstrating global best practice in sourcing food. Foodbank is now regularly called upon by other GFN members to guide them on the development of similar programs in their countries, given the unrivalled success of the program, which is regularly assessed not only in terms of volumes of food produced, but also the investment gearing.

Primary Produce Programs

Despite being more likely to be food insecure than their metro counterparts, farming communities work closely with Foodbank to donate grain, rice, milk, meat, eggs and fresh produce. Foodbank sources these essential products through relationships right along the supply chain, partnering with farmers, produce market associations, and peak bodies from paddock to plate. This farm fresh produce is either provided directly to our charity network to be provided to food recipients, used in Foodbank production kitchens, or used as manufacturing ingredients for the Collaborative Supply Program. For example, donated grain can be milled and used to produce pasta and breakfast cereal, while meat can be used for sausages.

School Breakfast Programs

Foodbanks across the country assist more than 1,750 schools around Australia through the direct and indirect delivery of School Breakfast Programs. Many of the nutritious products used in these School Breakfast Programs are sourced via Foodbank’s Key Staples Program. For example, breakfast cereals are supplied to many schools thanks to the support of Australia’s grain farmers, bulk handlers, traders, millers and manufacturers.

Given the geographic spread and range of socio-economic circumstances, Foodbank prides itself in its ability to be flexibly and dynamic in terms of delivery and distribution models, to ensure the best possible outcomes for children at these schools. Some Foodbanks also deliver nutrition education programs for adults and children alike to encourage improved nutrition literacy in the community.

University researchers have recently completed (or are in the process of completing) independent, peer-reviewed assessments of the School Breakfast Programs in WA, SA and Victoria. For example, the Victoria Institute (Victoria University) has recently published an interim report on the *Evaluation of the School Breakfast Clubs Program in Victoria*, with compelling findings on the impact of the program on children’s concentration levels, engagement in class activities and academic outcomes.

Foodbank’s role in responding to natural disasters and other emergencies

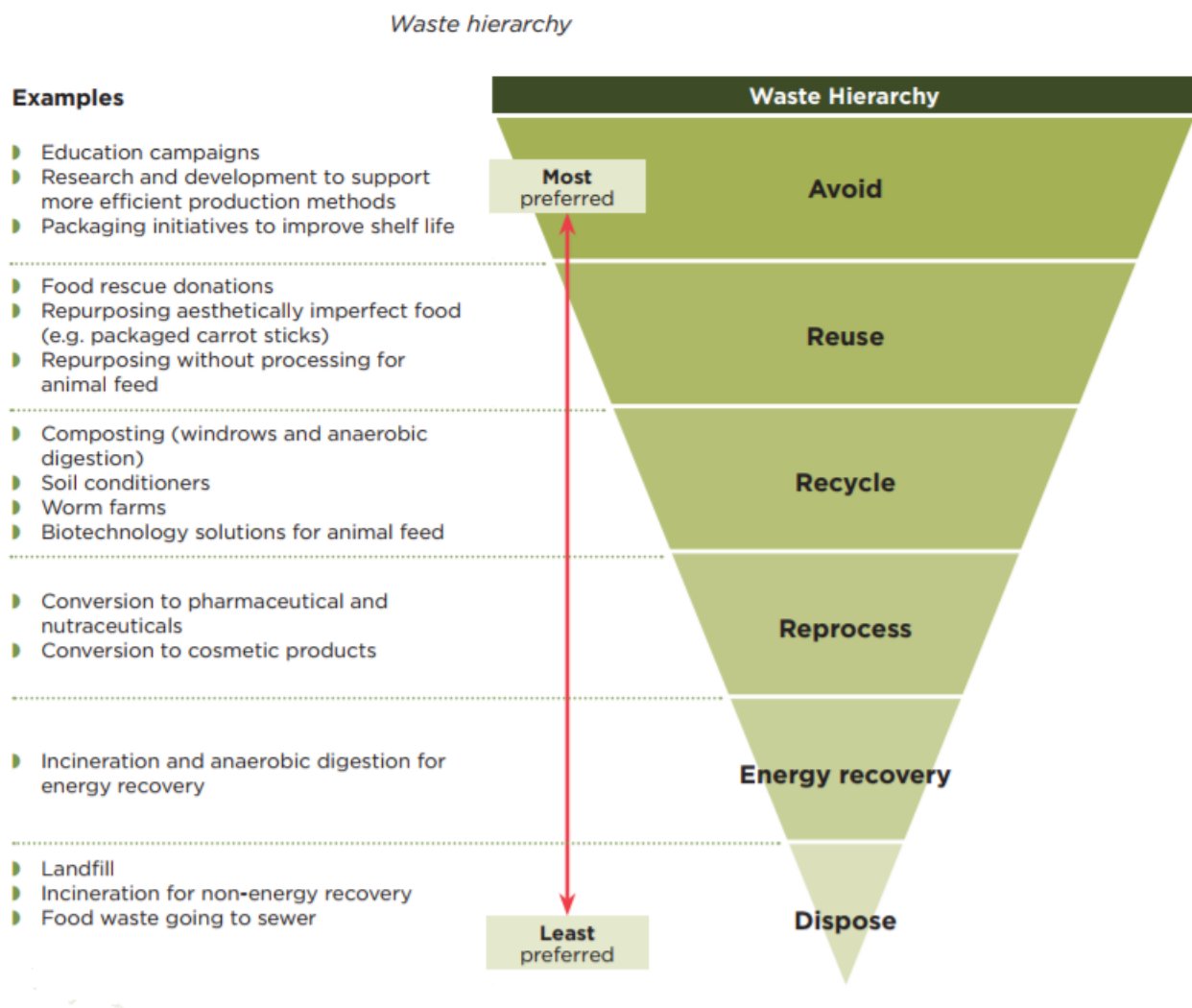
Foodbank also plays a key role in times of community emergencies and natural disasters. Every State/Territory Foodbank is involved in disaster relief, providing essential supplies to support the work of emergency services and first responders as well as ongoing assistance to affected communities during the months and years it takes to recover. As a recent example, both Foodbank Queensland and Foodbank NSW/ACT were involved in food hampers and essential supplies to communities affected by Cyclone Debbie and the associated flooding across both Queensland and NSW.

Foodbank’s role in addressing food waste

Foodbank’s food and grocery rescue operations play a key role in addressing Australia’s \$20 billion food waste problem, redirecting and/or repurposing approximately 32 million kilograms of food and groceries that may otherwise end up in landfill, **saving more than 54 million kilograms of CO₂ emissions every year.**

Foodbank Australia worked closely with the Federal Department of the Environment and Energy, our sector peers and our supply chain colleagues in the development of Australia's first ever *National Food Waste Strategy*, noting the critically important role that Foodbank plays in rescuing and redirecting massive volumes of food that would otherwise be sent to landfill. Given the scale of our operations, Foodbank's role in the 'Reuse' level of the strategy's food waste hierarchy (below) is critically important.

Not only are we working with farmers, the country's largest food and grocery manufacturers and all major food and grocery retailers to ensure they are prioritising food rescue opportunities over landfill, we are also working with the research community to ensure that a strategic and collaborative approach can be taken in every step of the hierarchy. Foodbank Australia has been a key partner in bidding for the establishment of a Cooperative Research Centre (CRC) on Food Waste and Food Fraud. **Given the critical role of the CRC on Food Waste and Food Fraud in meeting the objectives of the *National Food Waste Strategy*, not to mention its capacity to revolutionise food rescue and food relief in Australia, the bid has our full support.**



Source: Department of Environment, National Food Waste Strategy

Foodbank's contribution to the UN Sustainable Development Goals

Australia has joined all other United Nations member states in committing to the 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals (SDGs). The 2030 Agenda engages government, the private sector, civil society, academia and international organisations. Foodbank's activities across Australian play a key role in delivering on a number of the SDGs, which are aimed at

ending poverty, protecting the planet and ensuring prosperity for all. Foodbank's operations are strongly aligned to the following five goals:



ZERO HUNGER

Everyone in Australia should have enough safe and nutritious food to thrive. A country with zero hunger can positively impact our economy, health, education, equality and social development. Achieving zero hunger is fundamental to building a better future for everyone

NO POVERTY & REDUCED INEQUALITIES

By providing essential food relief, Foodbank assists front-line charities to build the resilience of the poor and those in vulnerable situations. Overcoming inequality will help drive economic growth and is critical to achieving social cohesion, and decreasing political and social tensions

RESPONSIBLE CONSUMPTION & PRODUCTION

Sustainable consumption and production is key to reducing future economic, environmental and social costs and strengthening economic competitiveness. Foodbank plays a critically important role in assisting the Australian Government to achieve this goal through its food rescue activities and partnering with stakeholders along the supply chain to reduce food waste and food loss.

PARTNERSHIPS FOR THE GOALS

The Foodbank model engenders multi-stakeholder partnerships throughout the entire food and grocery supply chain. These partnerships mobilise and share knowledge, expertise, technology and financial resources to deliver outcomes

Australia will present its first Voluntary National Review on our progress towards the 2030 Agenda at the UN High Level Political Forum in July 2018, and it is hoped that Foodbank's activities will be highlighted as a key contributor to Australia's progress on Sustainable Development Goal 2 – Zero Hunger in particular.

3. Federal Government Funding to Date

In the last 12 months, Foodbank Australia has received a total of \$1.05 million, comprising \$750,000 from the Department of Social Services to be used exclusively for the Key Staples Program; and \$300,000 from the Department of the Environment and Energy for a limited number of State/Territory Foodbanks to undertake small scale renewable energy generation and energy storage projects.

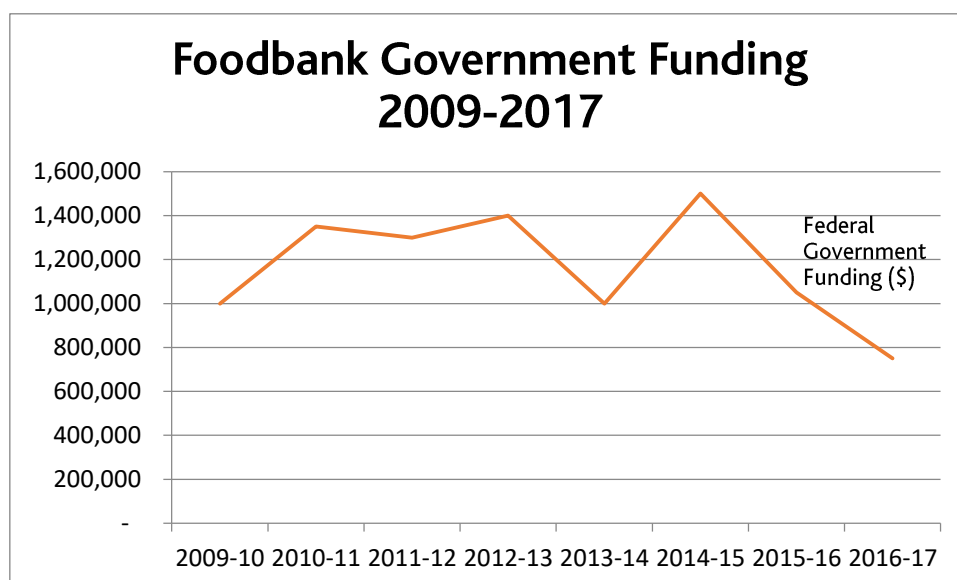
Department of Social Services Funding

History of the Funding

In order to assist Foodbank to manufacture and supply essential 'key staple' products to food insecure Australians, the Department of Social Services provided \$1 million per annum to Foodbank Australia from 2009-2014, with additional 'top up' (discretionary) funds in 2011, 2012, 2013 and 2014:

The Department reduced this funding to \$750,000 per annum for the 2015-2018 period, with additional 'top up' (discretionary) funds of \$300,000 in 2015/16. We were advised in June 2017 (only weeks out from the commencement of the new financial year) that there would be no 'top up' funding in 2017, at a time when the demand for food relief had never been higher. The established nature of the discretionary funding and late advice on this matter meant that Foodbank Australia's 2017-18 budget had a shortfall of \$300,000, reducing our ability to meet the needs of the 2,400 charities we assist, particularly those in rural and regional areas and during times of natural disaster. A summary of the funding is as follows, also charted below:

Financial Year	DSS Funds	Discretionary Funds	Total
2009/10	\$1,000,000	\$0	\$1,000,000
2010/11	\$1,000,000	\$350,000	\$1,350,000
2011/12	\$1,000,000	\$300,000	\$1,300,000
2012/13	\$1,000,000	\$400,000	\$1,400,000
2013/14	\$1,000,000	\$0	\$1,000,000
2014/15	\$1,000,000	\$500,000	\$1,500,000
2015/16	\$750,000	\$300,000	\$1,050,000
2016/17	\$750,000	\$0	\$750,000
2017/18	\$750,000	\$0	\$750,000



In January 2018, Foodbank Australia was advised by the Department of Social Services that funding for the Key Staples Program is secured through to December 2018, but there is no funding certainty beyond this date. **Whilst this annual funding is gratefully received and vitally important to our charity network and food recipients, the short-term nature of this funding is highly problematic, and a longer-term commitment is urgently required.**

How the Funding Has Been Used

The annual DSS funding (both base and discretionary funding), delivered through the Financial Wellbeing and Capability Program (Financial Crisis and Material Aid – Food Relief Activity), has been used to increase the access of emergency relief organisations nationally to a reliable and cost effective supply of high-demand key staple foods. We have used this funding to collaborate with food manufacturers and suppliers to proactively source a selection of key staple products to augment the supply of surplus and donated food for distribution to emergency relief organisations. The products are drawn from a list of most-needed items as determined by charities in Foodbank's annual survey and priorities according to the degree of cost-efficiency that can be achieved with manufacturers through annual negotiations. The manufactured products are disseminated via Foodbank's national networks and distributed to emergency relief organisations as required.



Pasta - Pasta Sauce - Cereal - Canned Fruit & Vegetables - Milk - Sausages

We have consistently achieved a gearing of greater than 3:1 on all funds invested in the Collaborative Supply Program, exceeded our annual volume targets for the program and maintained total key staples above 70% as a proportion of total volume. Despite this, government's investment in the program has diminished over time, in the fact of demand for food relief increasing year on year. This is forcing Foodbank to divert funds away from other core functions at a state/territory level, whether it be School Breakfast Programs or improving regional distribution, in order to ensure an uninterrupted supply of key staple foods. To clarify, because we cannot guarantee a regular supply of key staple products through the food rescue 'surprise chain', we must budget for the purchase of these products to ensure food recipients are receiving the key ingredients of a nutritious meal. The Collaborative Supply Program represents the most cost-effective and efficient means by which to secure these products at scale, but the costs remain significant. In the 2016/17 financial year, less than a third of the total volume of food manufactured through the Collaborative Supply Program was funded by government.

Department of the Environment and Energy Funding

History of the Funding

In June 2016, the then Federal Environment Minister, the Hon Greg Hunt MP, announced \$1.2 million funding in the form of a Food Rescue Charities Program, a quarter of which Foodbank was eligible to apply for. The purpose of the funding was to support food rescue charities to undertake small scale renewable energy generation and energy storage projects, aimed at increasing renewable energy production, reducing energy cost for food rescue charities, and reducing greenhouse gas emissions.

This was a one-off funding grant.

How the Funding is Being Used

This one-off funding (to be expended by 30 June 2018) has been fully allocated to Foodbank's distribution centres in Sydney, Melbourne, Brisbane, Adelaide and Perth. The funding will see the expansion of an existing solar system for Foodbank NSW/ACT (pictured at right); the installation of new solar photovoltaic systems for Foodbank Vic, Foodbank Qld, Foodbank SA and Foodbank WA; and the installation of cool rooms for Foodbank WA and SA.

At all sites the new or additional solar panels and improvement of refrigeration efficiency will provide up to 50% of the total energy needs of the warehouses including powering the cool rooms and freezers essential of the storage of perishable food. It will deliver an estimated power saving of \$157,000 per annum. This saving will release funds which will be used to increase the capacity for food rescue activities resulting in less food going to landfill and a reduction in greenhouse emissions. The installation of these two cool rooms alone will reduce food waste by 100,000 kg per annum and greenhouse emissions by 190,000 kg per annum.



4. Federal Budget 2018-19: Foodbank's Funding Needs

On the Prime Minister of Australia's website, it is noted that "The Turnbull Government is committed to delivering a competitive, dynamic economy to provide more opportunities for all Australians". With 3.6 million Australians currently affected by food insecurity, and 65,000 people a month seeking food relief currently unable to be assisted by charities, these opportunities cannot be realised without food relief on a more significant scale. To achieve this, **it is imperative that the level of government funding to Foodbank be significantly enhanced and guaranteed for at least a three-year period.**

The benefits of Federal Government investment in food relief are enduring, wide-ranging and relevant to multiple Ministerial portfolios. The long-term benefits of investing in these food relief initiatives are clear:

- Foodbank's *Social Return on Investment* study found that **for every kilogram of food donated, there is a \$23 social return on investment. This figure rises to \$110 for every kilogram of food donated to children through our School Breakfast Program.**
- As highlighted in the *Foodbank Hunger Report 2017*, the benefits of food relief are tangible and ongoing. Those who access food relief see a number of benefits in their lives as a result of receiving assistance, from being able to better focus/concentrate (which can obviously have significant benefits for those studying or seeking employment) to seeing physical health improvements (which can reduce the burden on the health system) to being able to better plan for the future (again, of importance to those studying or seeking employment). Importantly, the majority of food recipients surveyed by Foodbank said the benefits of receiving food assistance lasted or made a difference in their life for a week or more, with 1 in 12 saying food assistance made a long-term, lasting improvement to their life.
- Assisting Foodbank to rescue more food all the way along the supply chain is fundamental to Australia meeting its commitment to halve per capita food waste by 2030, noting the importance of food rescue – at scale – in achieving this goal.

Foodbank has identified the following funding priorities as having the best capacity to deliver positive, long-term, tangible outcomes for food insecure Australians:

1. *Funding for Key Staples Program*
2. *Incentivising Transportation of Donated Food Relief Products*
3. *Funding for Food Relief-Related Transport*

These are explained further overleaf.

FEDERAL BUDGET 2018-19

FUNDING FOR KEY STAPLES PROGRAM



RELEVANT PORTFOLIOS

Social Services (but also relevant to Infrastructure and Regional Development; Health; Employment; and Environment and Energy).

RECOMMENDATION

That the Department of Social Services confirm a three-year funding commitment of \$10.5 million (total) from 2018/19 – 2020/21 to grow the current volume of 'key staple' foods distributed by Foodbank to food insecure Australians by 14 million kilograms.

RATIONALE

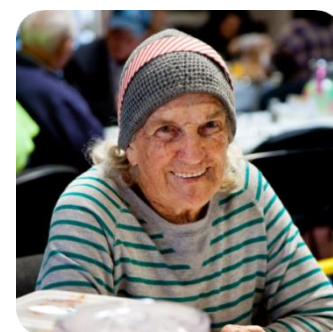
The current DSS funding of \$750,000 per annum (due to expire 31 December 2018) enables Foodbank to manufacture 1 million kilograms of key staple products throughout the year. Foodbank's network of 2,400 charities rely on these staple products to provide a consistent supply of nutritious and balanced meals to food insecure Australians. Foodbank's Collaborative Supply Program generates an average of 3.2 million kilograms of food each year, ensuring every one of our Foodbank distribution centres has these essential items available throughout the year.

Foodbank currently provides 67 million meals per year, but with 65,000 people seeking food relief each month who are unable to be assisted by charities, there is a clear need for the number of meals provided through the program to grow significantly. The current funding of \$750,000 per annum does not allow this growth to be achieved, and demand for food relief is continuing to outstrip supply.

A three-year funding commitment of \$3.5 million per annum is required for Foodbank to be able to bridge the gap and ensure nutritious food is available for everyone seeking food relief in Australia, more than a quarter of whom are children. This level of investment would see 13.74 million kilograms of key staple products delivered over three years, enabling Foodbank to meet the need for these essential items.

SOCIAL RETURN ON INVESTMENT

The long-term benefits of this \$3.5 million per annum investment to food relief are staggering. Foodbank's *Social Return on Investment* study found that for every kilogram of food donated, there is a \$23 social return on investment. This figure rises to \$110 for every kilogram of food donated through our School Breakfast Program. Accounting only for food distributed *outside* of our School Breakfast Programs (ie taking a conservative approach), this \$3.5 million per annum investment from the Federal Government would result in a \$316 million social return on investment over three years – a **gearing of 30:1** which is a staggering outcome for a relatively modest outlay.



RELEVANT PORTFOLIOS

Treasury, Finance, Infrastructure and Regional Development

RECOMMENDATION

That the Australian Taxation Office work with Foodbank Australia to identify the most appropriate policy and/or legislative mechanisms to incentivise increased donations of essential food and grocery products to Foodbank through enhanced tax deductions for food donations, and the introduction of tax deductions for transport services related to food relief.

RATIONALE

Foodbank is an endorsed deductible gift recipient (DGR), meaning gifts - including produce and livestock - may be received from both individuals and corporate donors. Corporations and businesses whose main activity is the production or sale of food or livestock can claim both a tax deduction for expenditure incurred in producing or purchasing the gift and for donating it to Foodbank – but not transporting it. Foodbank is seeking the support of the Federal Government for the following two relatively minor reforms that would incentivise increased donations of essential food and grocery products to Foodbank, helping address not only food insecurity in Australia, but also Australia's \$20 billion food waste problem:

Enhanced Tax Deductions for Food Donations

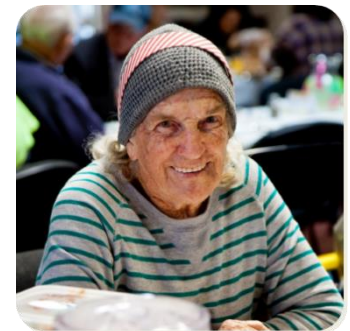
Foodbank is seeking an enhanced tax deduction for a donation of food inventories, allowing the taxpayer to claim a higher amount for donations of food to charity. This reform would be modelled on the enhanced charitable contribution deduction legislated in the United States of America, whereby a donor can deduct the adjusted basis (usually cost) plus half of the profit that would have been recognised if the inventory had been sold at its fair market value, up to a limit (see pwc briefing: [‘Enhanced deduction for charitable contributions of food inventory modified and retroactively made permanent’](#)). An enhanced deduction would deliver an increased incentive to farmers, manufacturers and retailers to donate surplus, short-coded or 'imperfect' food to food relief organisations to help meet the burgeoning demands for food relief in Australia.

Tax Deductions for Transport Services Related to Food Relief

Foodbank is seeking a ruling from the ATO or reforms to the *Income Tax Assessment Act 1997* to introduce a tax deduction for companies providing food relief related transport services. These legislative amendments would draw on the relevant articles (notably Article 238) of France's *General Tax Code*, which considers service delivery or stage of foods for donation as a 'gift', thereby incentivising the transportation of donated food to food relief organisations and away from landfill.

SOCIAL RETURN ON INVESTMENT

Enhanced incentives in these two areas would result in significant increases in surplus food donations with every additional kilogram of food received translating into \$23 in social return on investment in the form of environmental savings as well as improvements in health, emotional wellbeing, sense of self-worth, social relationships and ultimately overall standard of living of people in need.



RELEVANT PORTFOLIOS

Treasury, Finance, Infrastructure and Regional Development

RECOMMENDATION

That the Department of Infrastructure and Regional Development commit to an annual grant to Foodbank of \$5.5 million to offset some of the costs associated with transporting 67 million meals per annum to food insecure Australians.

RATIONALE

Transport is one of the greatest barriers to Foodbank's ability to ensure that surplus produce is collected from growing regions and food relief is delivered efficiently to the areas of most demand (noting that Australians in rural areas are 11% more likely to experience food insecurity than those in metropolitan areas). Transport costs affect Foodbank from a number of perspectives. With distribution centres in every capital city, complemented by regional hubs in a number of areas, the costs of purchasing, maintaining and fuelling the vehicle fleet related equipment can be prohibitive without external support. Even when large volumes of highly sought-after fresh produce are identified, the costs (to either the grower or Foodbank) of transporting the produce can be prohibitive, leading to poor outcomes from both a food insecurity and food waste perspective. Foodbank is seeking the introduction of an annual grant to reduce our transport costs, thereby enhancing our ability to both source and distribute more food.

Foodbank works closely with the farm sector, peak agricultural bodies and the CSIRO to identify opportunities to capture as much fresh produce as possible, noting the nutritional benefits of fresh fruit and vegetables to food insecure Australians and the high incidence of obesity and overweight in Australia, including in children. Foodbank has calculated that capturing even 5% of the total volume of 'waste' (but edible and nutritionally rich) fresh produce would require a transport budget of \$47 million per annum— which is entirely unachievable for a charity of our size.

A grant of \$5.5 million per annum would assist Foodbank in offsetting the significant transport costs associated with sourcing and distributing >37 million kilograms of food and groceries every year, noting that demand for food relief is increasing year on year. This grant would also assist with achieving the targets outlined in the National Food Waste Strategy by ensuring transport does not act as a disincentive to farmers and food and grocery manufacturers wishing to donate product to food insecure Australians rather than see it end up in landfill.

SOCIAL RETURN ON INVESTMENT

Support in relation to transport would result in significant increases in the capture of surplus food donations with every additional kilogram of food received translating into \$23 in social return on investment in the form of environmental savings as well as improvements in health, emotional wellbeing, sense of self-worth, social relationships and ultimately overall standard of living of people in need.

