

## **Submission from Right to Food Coalition**

to

### **NSW Senate Enquiry into fresh food pricing. May 2018**

The Right to Food Coalition (RTFC) was formed in 2015 to advocate for food security for all Australians and includes organisations, practitioners, researchers and community workers working to address food injustice.

Food security describes people's 'physical, social, and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life' (World Summit on Food Security 2009). As such, it is a fundamental issue of equity and a major contributor to human wellbeing.

We welcome the opportunity to make a submission to the NSW Parliamentary Enquiry into Fresh Food Pricing, and we are pleased to see that food insecurity is listed as a key topic for investigation, as we believe that this is often overlooked.

We will address below some key issues for the RTFC included in the Terms of Reference

#### **Extent of food insecurity in NSW.**

It can be hard to determine accurately the extent of food insecurity anywhere in Australia, in the absence of routine, detailed and standardised collection of data.

2014 figures from NSW Health (1) showed 6.9% people across NSW reported food insecurity in the previous 12 months. These figures are based on responses to the question 'during the last 12 months, have you run out of food and been unable to buy more?'

However this figure as an averaged amount is almost meaningless. The HealthStats data showed food security at 18.5% in the Aboriginal and Torres Strait Islander community, a 3% increase since 2012; those in lowest income quintile had 2-3 times the rate of food insecurity. Smaller-scale local surveys have uncovered even higher levels of food insecurity among a number of at-risk groups; in Sydney, 40% of young people who were homeless or at risk of homelessness were found to have severe food insecurity (2); food insecurity affected up to 86% of some newly-arrived refugee groups in Fairfield(3). A detailed survey in three disadvantaged suburbs in SW Sydney found that 45% single parents experienced food insecurity. (4)

The Rural Health Alliance report on food security in 2016(5) reported on high levels of food insecurity in rural areas across Australia, and in over 30% of Aboriginal and Torres Strait Islander people living in remote and very remote locations, compared with 20 per cent of those living in major centres.

'Poor Health', a 2016 report from NCOSS (6) on interviews with people on low incomes, found that 14.4% were unable to afford a balanced diet and 1 in 10 did not get a healthy meal each day.

While the average level of food insecurity in NSW has been relatively stable for about a decade, recent reports from FoodBank (7) and other charitable organisations show increasing demand for service, and highlight the impact of food insecurity on children's health and educational outcomes.

### **Price and affordability**

In the absence of routinely collected data, a number of health and welfare organisations have tried to estimate the affordability of health foods for those on low incomes, through a variety of 'healthy food baskets'. While these do not focus on cost of fruit and vegetables alone, they can give an indication of the difficulties experienced by those with lower incomes or in at risk groups in routinely accessing fresh and healthy foods.

In NSW, a 2007 Cancer Council survey(8) showed that people in lower income bands would need to spend up to 56% of their income to purchase a healthy food basket.

A more recent study in Western NSW(9) (encompassing Murrumbidgee, Far Western NSW LHD, Hunter New England and Western NSW LHD), found that a basket of healthy food for a family of four would require 34% of the Centrelink income support payment. A Tasmanian survey(11) found families dependent on Centrelink would need to spend up to 42% of their income to buy healthy food. It should be noted that needing to spend over 30% of income on healthy food is considered to constitute 'food stress' and means that less healthy and cheaper options will be substituted.

Despite the long-term benefits of a diet high in fruit and vegetables, and the clear evidence of under-consumption, particularly in many vulnerable groups, there have been few suggestions of policy approaches to increase access to affordable healthy foods. Food is treated as a commodity, not as a necessity, and profits are paramount. For example, a report in the Sydney Morning Herald (10) revealed prices paid to wholesalers compared to retail costs and found that final prices could be two –three times as high, with up to 76% of the final price going to the retailer. The biggest markup was for herbs and vegetables. Many farmers have reported pressure from supermarkets, and complained that the cost of production can be higher than the returns they have been offered by supermarkets. There is growing evidence of the impact on both farmers and consumers of the concentration of power in the retail sector in two main supermarket chains.

### **Availability / food deserts**

The research around food deserts is complex and sometimes contradictory. However a number of surveys have shown the impact of availability of healthy foods on consumption patterns, suggesting that reduced access leads to poorer takeup of healthy foods.

Fewer studies have been conducted in NSW than in some other states, notably Tasmania and Victoria, but some of their findings could be extrapolated to NSW: A recent Tasmanian study (11) found that while major supermarkets provided the least expensive healthy basket overall, many LGAs had no major supermarkets, and only 5% of shops were located where 30% Tasmanians lived.

In addition, they found that people living in regions with limited or no access to food shops are less likely to buy food consistent with healthy eating guidelines.

In Western Australia, very remote residents were found to pay 24-29% more for the same basket compared to residents of capital cities (12); outback stores in W Australia, S Australia and the Northern Territory have also been found to sell poorer quality fruit and vegetables (13)

Higher costs, combined with less access and expensive transport compound the effects of lower median incomes of people living in rural areas.

A similar study in Victoria clearly demonstrated geographic inequalities in Victoria (14).

Even in major metropolitan areas there is often poor transport in outer suburbs, so that access to fresh food outlets may be limited, while proximity to fast food outlets has been found to be 2.5 times higher in lower income areas (15). In Western Sydney, researchers found a 3:1 ration of takeaway shops to fresh food outlets, potentially contributing to high rates of diabetes (16).

A new phenomenon that has been noted in some urban areas is that new 'effective' food deserts can occur as local gentrification results in replacement of local general shops with gourmet and less affordable foods.

### **Recommendations**

Food insecurity is very costly. The additional cost to the Tasmanian health care system resulting from food insecurity has been estimated conservatively at about \$60 million per year.

The RTF recommends that the NSW government advocates via COAG to ensure minimisation of food insecurity in NSW and across Australia by :

- Systematic nutrition monitoring and surveillance to ensure that all people living in NSW are accessing healthy and nutritious food
- Advocating to maintain the exemption from GST for fresh foods, as imposing GST would render them even less affordable for those most in need of healthy and fresh foods
- Supporting the work of INFORMAS to develop practical tools and methods for food price data collection, analysis and reporting to inform economic and fiscal policy responses.
- Recognising food insecurity as a systemic issue for which governments also bear responsibility.
- Advocating for an increase in welfare payments such as Newstart to enable recipients to afford access to healthy food
- Advocacy for better and more integrated planning in future, recognising the human right to food and the cost (to the individual and to the economy) of not ensuring fair and equitable access to fresh food.
- Development of a comprehensive food policy including farmers, to ensure food produced is linked to a national food strategy.

In NSW, RTF recommends the following strategies:

- Support for development of food hubs and farmers markets, to enable farmers to trade directly with the public. Such strategies could also help to boost regional businesses and employment and reduce food miles
- Quarantine agricultural land close to cities to enable continued production of fresh fruit and vegetables within easy reach of labour markets and consumers.
- Consider subsidies to support affordability of fresh foods in rural and remote areas. This could take the form of agricultural or transport subsidies or vouchers for those in low income areas in case of extreme weather or other disruptions to production.

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