



RaboDirect Financial Health Barometer 2016

Food and Farming Report



Rabobank

RaboDirect

The straight talking savings bank

HOW MUCH AUSTRALIANS SCRAPE OFF THEIR PLATES INTO THE GARBAGE PER YEAR

Introduction

Every year, Australians scrape \$10 billion off their plates into the garbage. We're not only wasting food but the resources that went into producing that food and the hard earned dollars used to pay for the goods. That's the bad news. The good news? Through some easy steps and small changes, Aussies can minimise waste, and start saving more money.

**‘BY 2050, THE WAY WE PRODUCE FOOD
GLOBALLY WILL NO LONGER BE SUSTAINABLE’**

Australia's food production uses scarce resources such as water and fertile land and, while it's hard to imagine a time when staple groceries are no longer readily available, studies show that by 2050, the way we produce food globally will no longer be sustainable*.



*www.wentworthgroup.org

About RaboDirect

Rabobank has a vision to support food and agriculture sectors to meet the world's increasing demand for food in a sustainable way, now and into the future. As the savings arm of Rabobank, RaboDirect's mission is to help Australians save money and make the most of every dollar saved. RaboDirect raises deposits to lend to Australian farmers and agri-business through lending 100 per cent of customer deposits into the sector.

This year, RaboDirect's 2016 Financial Health Barometer surveyed 2,300 financial decision makers, aged 16 – 65, measuring attitudes towards food and waste, savings and debt, weekly grocery spend, as well as how much Aussies know about the journey of their food from farm to plate.

From these results, the RaboDirect Food & Farming Financial Health Barometer report sheds new light on a strong link between financial happiness and food wastage. Australians who feel informed about the value of food production and take steps to reduce wastage feel considerably less financially stressed than those who don't, and they can also save extra dollars each week.

‘RABODIRECT RAISES DEPOSITS TO LEND TO AUSTRALIAN FARMERS AND AGRI-BUSINESS THROUGH LENDING 100 PER CENT OF CUSTOMER DEPOSITS INTO THE SECTOR’



This year, Aussies also told us that they spend over \$720 billion on groceries, with families spending almost \$30 per week on groceries for each individual child. New South Wales spend the most on groceries - an average of \$159 per week - with Sydneysiders spending significantly more than their regional counterparts (\$163 per week versus \$152). Those from the ACT and Queensland spend \$154 per week; a few dollars behind are Victorians spending \$149 per week, over in Western Australia they spend \$146 per week, while South Australian and Tasmanian residents spend \$145 and \$136 on groceries per week respectively.

‘ON AVERAGE A STAGGERING 14 PER CENT OF WEEKLY GROCERIES ARE THROWN AWAY – \$1,100 A YEAR’

The results show that on average a staggering 14 per cent of weekly groceries are thrown away – \$1,100 a year. The findings show Gen Y are the most wasteful with more than one in four claiming to waste more than 20 per cent of food each week, while NSW is home to most wasters, with 18 per cent of respondents saying they waste more than 20 per cent of their food each week. Consumers living in state capitals are generally more wasteful than those in regional areas. For these residents, and for all Australians, this presents a great opportunity to reduce waste and increase savings through some simple steps.

The RaboDirect Food & Farming Financial Health Barometer report aims to slowly but surely create a happier Australia long into the future by raising awareness of the effort and resources it takes to produce the food we eat, while helping Aussies save extra money through reducing their own food waste.

WHO SPENDS THE MOST ON GROCERIES?



Knowledge

A total of 72 per cent of males and 83 per cent of females surveyed feel unhappy when food is wasted. That uneasy feeling you get as you clear out the fridge of forgotten, expired foods? It's telling you to make a change for the benefit of your personal wellbeing... and your bank balance.

The results reveal that food wastage is directly linked to personal financial happiness. To put it simply, when we take responsibility for our finances through careful budget planning, we waste less, save more and improve our financial wellbeing.

The first step to reducing food and financial waste is to understand the vast amount of resources that goes into bringing food from the paddock to your plate.

The RaboDirect Financial Health Barometer results show that Australians are ill-informed about the process of food production, with city-dwellers proving to be the most oblivious. While the vast majority of those surveyed (between 73 and 90 per cent) believe farming and food production to be highly important for Australia, only a small percentage feel they understand the farming process.

“WHEN WE TAKE RESPONSIBILITY FOR OUR FINANCES THROUGH CAREFUL BUDGET PLANNING, WE WASTE LESS, SAVE MORE AND IMPROVE OUR FINANCIAL WELLBEING”

WHO KNOWS THE MOST ABOUT FOOD AND FARMING PRODUCTION?

24% PEOPLE IN METRO AREAS

32% PEOPLE IN REGIONAL AREAS

Aussies living in the ACT and NSW know the least about food production and consider it to be least important among all states. Almost three quarters of those surveyed in the ACT and NSW feel they know 'hardly anything' or 'a little bit' about farming and food production.

Only 15 per cent of Gen X and Gen Y believe they know quite a bit about farming and food production, while 30 per cent of Baby Boomers say they understand what's involved with the process.

‘AUSTRALIAN HOUSEHOLDS ARE COLLECTIVELY WASTING MORE THAN \$10 BILLION IN A SINGLE YEAR’

Where food wastage is concerned, Gen Y is throwing away the most food each week, with more than one in four stating they waste over 20 per cent of what they spend.

The RaboDirect Financial Health Barometer report provides evidence that 14 per cent of the weekly household spend is wasted each week. For an average grocery spend of \$152, this equates to a \$21 per week, or \$1,100 annually. Looking at the broader picture, this means Australian households are collectively wasting more than \$10 billion-worth of food in a single year.

WHO KNOWS THE MOST ABOUT FARMING AND FOOD PRODUCTION?

15%
Gen X

15%
Gen Y

30%
Baby Boomers



The link between knowledge and wastage is clear. Those who believe there will always be an abundance of natural resources are more likely to waste food. The RaboDirect Financial Health Barometer report highlights the poor understanding Australians have of the water requirements in food production. When asked how much water they believe is required to produce an average meal for one person, the majority estimated between 11 – 50 litres of water. In fact, a total of 1,000 litres of water is required for a single meal*.

‘KNOWLEDGE IS POWER AND, IN THIS CASE, KNOWLEDGE COULD SAVE OUR FUTURE GENERATIONS’

Long-lasting change in financial savings and food wastage behaviours start with education. It's no surprise that Aussies who live on farms or work in the food industry have greater awareness of food sustainability issues, waste less food, save more money, and feel better for it.



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**IT TAKES 52 WATER COOLER BOTTLES
TO GET ONE MEAL TO YOUR PLATE**

*waterfootprint.org/en/water-footprint/personal-water-footprint

Get to know a farmer

Jamie and Melita Jurgen

About

Rabobank clients, the Jurgen family have been farming in Bowen, North Queensland for more than 90 years. Jamie is the fourth generation of his family tending crops on about 150 hectares in Queensland. The Jurgens, through their brand Vee Jay's produce a range of fruit and vegetables on their land including tomatoes, sweet capsicum, chillis, green beans and pumpkin.

Sustainable farming

For Melita and Jamie, farming in a way that is environmentally sustainable is very important. The Jurgens run an environmental management system and paddock to plate education program to try and communicate the importance of local agriculture for Australia.

The Jurgens also look at ways to create different type of offerings using the same produce, this includes semi-dried tomatoes that are picked and processed on the same day giving better shelf life to their fresh tomatoes.

Vee Jay's Tomatoes have been participating in the Reef Guardian Farmers & Graziers program since it launched in 2011. The Reef Guardian program is designed to assist and showcase farmers in the Great Barrier Reef catchment area who promote sustainable farming practices.

The future

The Jurgens have seen many farms around them closing down without next generations coming in and cost squeezing opportunities because of competition from imports. However, Jamie and Melita have always engaged with their kids about the future of their farm and have keen interest in them continuing the Jurgen farming tradition in Australia.



Saving Waste Tips

1. **Seasonal supply:** By buying produce that is in season, not only will it taste better, but it is likely to be cheaper too!
2. **Lots of leftovers:** Leftover veg can easily be made into soups or mixed with rice for a hearty risotto!
3. **Buy Aussie:** Support Aussie farmers by purchasing local produce!

Get to know a farmer

Susie and Gerard Daly

About

Rabobank clients Susie and Gerald Daly own and run Dunalley Potato Farm in Tasmania, overlooking the Tasman Peninsula. The husband and wife team have been farming for over 27 years producing 'Daly Gourmet Potatoes' and more recently have launched a vodka made from their potatoes, named 'Hellfire Bluff' after a local landmark.

Sustainable farming

The Dalys found that consumers buy with their eyes and want vegetables presented in a convenient way e.g. Millennials only buy washed potatoes and Baby boomers buy dirty potatoes! Unsold, damaged products cost farmers just as much to produce as ones that get sold. To reduce this waste, Susie decided to create nine value-add products using her imperfect potatoes including potato salads, mash and potato bake that will launch in a major retailer later this year!

The future

Older generations planned meals for two weeks; now people are buying smaller portions, every day. Farmers need to adapt – 1kg bags are now more popular than 10kg bags and farmers are now being asked to create 500g bags.

The farming industry has been tough but Susie believes it's turning a corner. Aussies want to know where their food comes from – local and Aussie food is in high demand. The Dalys are also considering opening up the farm so that people can visit and connect with them and their brand.

DALY GOURMET POTATOES MARION BAY - TASMANIA

Saving Waste Tips

1. **Jacket potatoes:** Old potatoes are great for this recipe, the sugar in the potatoes is stronger the older they get. Wrap the potato in foil with a few fork marks in it, bake it for 20 minutes, add oil, cheese, coleslaw or your favourite filling.
2. **Buy good produce, not pretty produce:** Imperfect looking potatoes can be perfect to cook. Know the difference between produce that is out of date and one that is weathered!
3. **Buy for the week:** It can often be more cost effective and less wasteful to plan and buy your meals for the week rather than day-by-day.

What can you do?

The first step to reducing waste is becoming aware of what you spend versus what you actually consume.

- Keep a food diary for a week, itemising what you consume and throw away, or pour down the sink.
- Note whether the foods you throw away are fresh or packaged.
- Think about why these items were wasted. Perhaps they appealed to you in the supermarket but could not be included in one of your regular meals?

Now that you know how much food you're wasting, and why, follow these simple tips for reducing waste, saving money, and living a happier, healthier life.

1. Using your weekly budget, plan your meals so you buy only exactly what you need. There are plenty of budgeting apps available that will help make tracking your money easy. The Government's Money Smart website has a great list of tools that can help, visit: www.moneysmart.gov.au
2. Make meals that can be used as leftovers for lunches throughout the week.
3. Use vegetables that have 'wilted' in soups, stews, or smoothies, use over-ripe fruit in loaves or crumbles.
4. Remember: first in, first out. Designate a space in the fridge for foods that will soon expire and consume those first.
5. Get creative. Learn how to pickle or compost and you'll never waste another fruit or vegetable again.

The average household wastes just over \$21 per week on unused groceries. What does \$21 mean to you? Imagine 14 litres of milk, 50 fresh eggs, or seven loaves of bread.

Better still, picture an extra \$1,100 fattening your bank account every year, if you invest that \$21 a week into a true high interest saving account you'll be one step closer to that new mountain bike, a new TV, or that relaxing summer holiday – you've earned it.



Conclusion

RaboDirect is challenging Australians to wipe out waste. If every household reduced weekly waste by just one third, almost \$4 billion would be saved collectively per year.

The plan is simple:

1. Keep a budget and plan your weekly food spend.
2. Make a shopping list and stick to it.
3. Get creative with your leftovers.

Make a pledge to reduce your waste by one third and save the extra dollars. You'll play your part in contributing to Australia's food and farming sustainability and put your hard earned dollars to better use. Keep note of how much you save each week, make this part of your financial savings goal for the year and see your nest egg grow.

For more information

Visit

RaboDirect.com.au

Call

1800 445 445

Weekdays 8am to 7pm AEST

REDUCING YOUR WEEKLY WASTE BY JUST ONE THIRD WOULD COLLECTIVELY SAVE