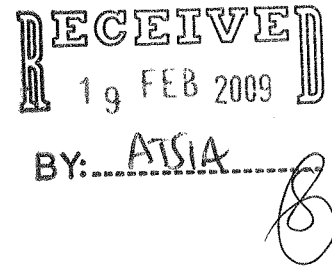


12 February 2009

Committee Secretary
House of Representatives Standing Committee on
Aboriginal and Torres Strait Islander Affairs
PO Box 6021
Parliament House
CANBERRA ACT 2600
Australia



RE: Submission to the enquiry in to Remote community stores in Aboriginal and Torres Strait Communities

Dear Committee Secretary,

Foodbank of Western Australia was established in 1994 as a bridge of support between the food industry and 600 community support agencies tending to the needy, is non-denominational, not for profit and has whole of community focus. To date, over 18 million kilos of food has been redistributed since 1994.

- The main Foodbank warehouse is located in Welshpool and houses 3000 square metres of warehouse space, two large chillers and an industrial size freezer with a 200+ pallet capacity
- Two million kilos of food is distributed annually
- Four regional Foodbanks are in place with another two planned
- 1,400,000 breakfasts are dispensed annually through 280 schools including metropolitan, regional and remote zones in the Pilbara, Kimberley, Goldfields and Central Desert.
- Foodbank has a unique communication and logistical conduit.

The evaluation of the Foodbank WA School Breakfast Program shows that providing healthy food to children in remote communities results in improved health, improved attendance at school, improved academic outcomes and improved behaviour.

Some issues that need to be addressed

The following issues affecting remote community stores were highlighted in the Feasibility Study published by the Office of Aboriginal Economic Development (2001) and include:

- High transportation costs due to remote locations
- High costs of goods due to limited purchasing power
- High freight rates

There was an additional comment from a former manager of a remote community store in WA was quoted as saying "you make profit by buying low not selling high" (Food North report 2003).

Application of a Structured Methodology

- Foodbank has obtained discount freight rates ranging from 33% to 50% for shipping of food to the Pilbara, Kimberley, Goldfields and Central Desert.
- We have strong relationships with the food industry and food brokers, there is an ability to source food on occasion below cost, e.g. 43 pallets of canned fruit obtained 35,600 cans by 825 gms at a cost of \$1.375 each. Retail cost was \$3.50 per can, resulting in a total savings of \$75,650.

Foodbank WA can ensure that the best possible prices can be obtained.

- Fresh produce is sourced in high volume and often in excess

Our proposal for consideration:

- Foodbank undertakes to supply two types of fresh fruit or vegetables to a selected number of stores as a pilot program. There will be no charge for produce, other parties would be required to pay the discounted freight rate.

Foodbank undertakes to supply all WA Remote Community Food Stores with 12-20 shelf stable, non-perishable, vital food items, listed as the eat most foods recommended by the Australian Guide to Healthy Eating, such as canned fruit, canned vegetables and canned tuna etc.

- (i) The cost of freight and cost of food to be borne by others.
- (ii) Foodbank fee for service would be a fee of 75 cents per kilo as a handling charge for infrastructure support the necessary cost of infrastructure support and resources committed to the program.
- (iii) There should be policed capped profit margin.

Foodbank would be laying a very firm base on which the future can be built to invoke the positive generational change needed.

We believe the Foodbank does and can offer solutions to food insecurity.