



STOP

**Don't Waste
Your Dough**

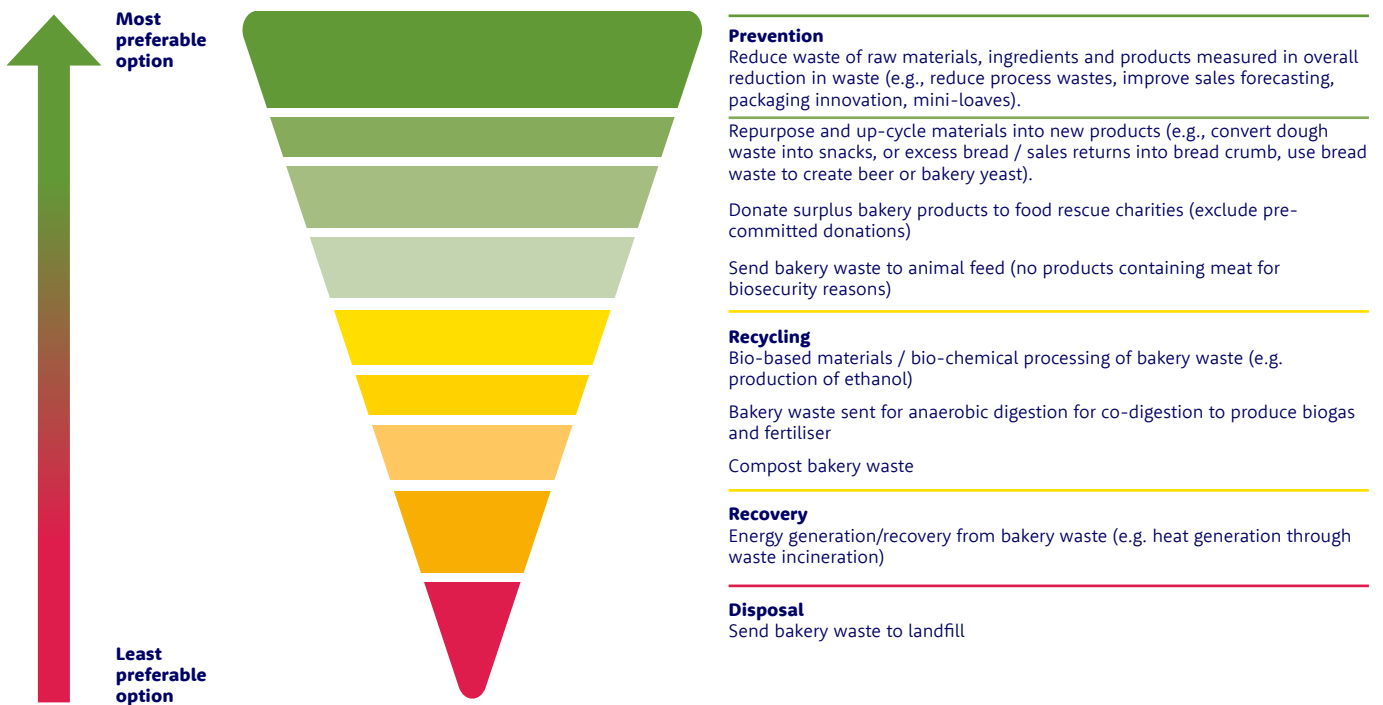
Follow our guide to reduce your food waste,
save money and the environment



What is Food Waste?

Food waste is generated through all stages of production, storage and management in bakeries. The equivalent of **456 million loaves of bread** are wasted across purchasing, preparation and handling. Not only is this food wasted, but so is staff time. This reduces profit and can be easily avoided.

Food and drink material hierarchy



Impacts of Food Waste



Environmental

Wasting bread wastes all the water, land and fuel used to produce and distribute it. On top of this, food rotting in landfill produces methane - significantly more potent than carbon dioxide.



Financial

Overproduction and unsold stock reduce profits. You'll save money on purchasing and waste disposal costs and increase profits by reducing food waste.



BREAD WASTE HOTSPOT

Manufacturing

Waste in bakeries is often caused by **machine failure, human error and overproduction.**

This is due to missing scheduled machinery maintenance or not upgrading equipment, lack of staff skills or standard operating procedures, consumer expectations for bread baked daily, and lack of data and systems to aid forecasting.

How To Measure Your Food Waste



Try this for a week:

1



Notify staff that you are all working towards reducing food waste. Nominate staff members to sort and record your food waste for a week.

2



Set up separate 5-15 litre buckets for **spoilage**, **preparation** and **storefront** wastes.

3



Weigh the buckets before emptying them.

4



Record weights on food waste review sheet.

5



Hold a team meeting to identify and agree food waste hotspots and their likely causes.

6



Develop an action plan to tackle main hotspots in the three types of food waste and improve your profits and efficiency.

Source Separation

Source separation involves separating waste into common categories for separate collection.

The NSW government is requiring large food waste generating businesses to source separate food waste for recycling from July 2025.

Make sure everyone on the team knows what you're doing and why, even if they won't be the ones source separating. Staff are the key to the service being used well, with minimum contamination and maximum results. Knowing that the food waste is being recycled into a beneficial product or helping the bakery cut costs is motivating for staff.

Some food waste is unavoidable. Before sending it to landfill, consider whether it can be donated, made into new products, or used as animal feed. What's left after this can be collected and recycled into commercial compost or even used to generate electricity.

Check with your local waste contractor and council to see what services and support are available. Explore the NSW EPA's Circular Business Program for information about tools, resources and rebates for buying equipment to avoid, reduce and recycle food waste.

Separating food waste is beneficial for businesses from both an environmental and economic perspective. It helps you to reduce operational costs including landfill fees, reduces your carbon footprint and diverts organic waste for beneficial reuse.



Tips To Limit Food Waste in Bakeries



Order and Store Food Smarter

- First in, first out! Store and date new dough at the back and use the oldest dough/ food first so it will not expire
- Use airtight containers and vacuum packing to keep already prepared food fresh for longer
- Consistently check stock and order less but more frequently to save storage and limit expired food
- Buy local and seasonal products which are fresher and cheaper.

Create a Clever Product Catalogue

- If your food waste review shows that spoilage and food preparation are responsible for a lot of waste, then reviewing your product catalogue could help save money and reduce waste.
- Offer baker or lunch specials to use up excess ingredients
- Offer a range of loaf sizes, like half loaves to help consumers reduce food waste in their homes
- Incorporate seasonal ingredients to excite your regular customers and cut costs
- Be creative by using leftover ingredients and offcuts.

Repurpose

- Instead of throwing your wasted bread in the bin, you can donate it to a food rescue charity, repurpose it for toast in cafes, make breadcrumbs, croutons, French toast and other items that can be sold to improve profit.

POS Systems

Point of Sale (POS) systems are a key tool for businesses to minimise food waste. POS systems can be used to work out how much you need to bake daily. This reduces waste and helps bakeries be more efficient and profitable.



This is useful because:

- It effectively assesses your business
- Provides analysis of item sales data over longer periods (weekly/monthly) which leads to a greater understanding of shop stock requirements
- Special events from previous months or years (Easter, Christmas) can also be assessed to give indication on stock requirements so you are fully prepared
- These systems can be set up to be user friendly, so they don't take longer to enter a sale and the accuracy of pricing is far higher than 'open priced' cash machines
- Short-term, it can automatically reduce pricing for perishable items for quick sale without requiring staff intervention
- Additionally, comprehensive point of sale systems can record daily wastage for future longer-term analysis. It will be able to detect patterns by recording waste so future production volumes can be adjusted accordingly
- Accurate data from the POS will provide evidence for your accountant to assist with claiming any tax rebates for donated food.

Having effective Communication systems

Good communication between the shop front and back-of-house production is critical to avoid over production, especially for highly perishable items that cannot be sold. There are many effective ordering system platforms that can assist front of house and the bakery production area. These are new and efficient ways to place orders with your buffer stock from POS systems in order to minimise waste.

Features

- Improves visibility of overstock
- Generates automatic orders
- Payments when you want
- Custom pricing and products
- Insights and integration on your business
- Quick and easy Payments
- Sell left overs quickly via 'specials' and 'promotions' categories within your product catalogue



Donate and Compost

1



Your local food rescue charity can collect your surplus food on a regular basis or as a one-off service and distribute it to those in need, which is more environmentally and socially friendly than sending bakery wastage to landfill.

2



Donating bread wastage (especially in regional areas) to animals like cattle can save farmers money and is often cheaper than transporting it to a landfill. Contact your local solid waste, state agricultural extension office or public health agency for information.

3



Composting or worm farms are a great way to manage food that is no longer suitable to be eaten. This breaks down food waste into nutrient-rich compost for your gardens or plants. Check with your local council before setting up or contact a collection service provider through [businessrecycling.com.au](https://www.businessrecycling.com.au) for more information.

For more useful information visit:

<https://www.stopfoodwaste.com.au/sector-action-plans/>
<https://www.lovefoodhatewaste.nsw.gov.au/business>

New Changes to the Australian Tax Office Regarding Food Wastage

1

The Australian Taxation Office has changed its tax deduction policies so businesses can only claim \$2000 back from wasted food. It is important to consider how much food your business is throwing out at the end of the day as each wasted bakery item reduces your profits. Instead, use a benchmark derived from POS systems.

2

By using all ingredients and selling more of your bakery production, you will not need a large claim from the ATO due to food wastage. This will improve your cost of goods sold and gross profit percentage so you can avoid having to make a large claim for food wastage from the ATO.





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