

DIW Weekly Report

A policy bulletin from the German Institute for Economic Research

39 2022

Economy. Politics. Science.

DIW BERLIN



239 Report by Markus M. Grabka and Jürgen Schupp

Nearly 1.1 million people in Germany use food banks, single and separated parents in particular at an above-average frequency

- Nearly 1.1 million people used food banks in the first half of 2020
- Over two thirds of food bank users are at risk of poverty
- One fourth of household members who benefit from food banks are children

LEGAL AND EDITORIAL DETAILS



DIW Berlin — Deutsches Institut für Wirtschaftsforschung e.V.
Mohrenstraße 58, 10117 Berlin

www.diw.de

Phone: +49 30 897 89-0 Fax: -200

Volume 12 September 30, 2022

Publishers

Prof. Dr. Tomaso Duso; Sabine Fiedler; Prof. Marcel Fratzscher, Ph.D.;
Prof. Dr. Peter Haan; Prof. Dr. Claudia Kemfert; Prof. Dr. Alexander S. Kritikos;
Prof. Dr. Alexander Kriwoluzky; Prof. Dr. Stefan Liebig; Prof. Dr. Lukas
Menkhoff; Prof. Karsten Neuhoff, Ph.D.; Prof. Dr. Carsten Schröder;
Prof. Dr. Katharina Wrohlich

Editors-in-chief

Prof. Dr. Pio Baake; Claudia Cohnen-Beck; Sebastian Kollmann;
Kristina van Deuverden

Reviewer

Mara Barschkett

Editorial staff

Marten Brehmer; Rebecca Buhner; Dr. Hella Engerer; Petra Jasper;
Kevin Kunze; Sandra Tubik

Layout

Roman Wilhelm, Stefanie Reeg, Eva Kretschmer, DIW Berlin

Cover design

© imageBROKER / Steffen Diemer

Composition

Satz-Rechen-Zentrum Hartmann + Heenemann GmbH & Co. KG, Berlin

ISSN 2568-7697

Reprint and further distribution—including excerpts—with complete
reference and consignment of a specimen copy to DIW Berlin's
Customer Service (kundenservice@diw.de) only.

Subscribe to our DIW and/or Weekly Report Newsletter at

www.diw.de/newsletter_en

AT A GLANCE

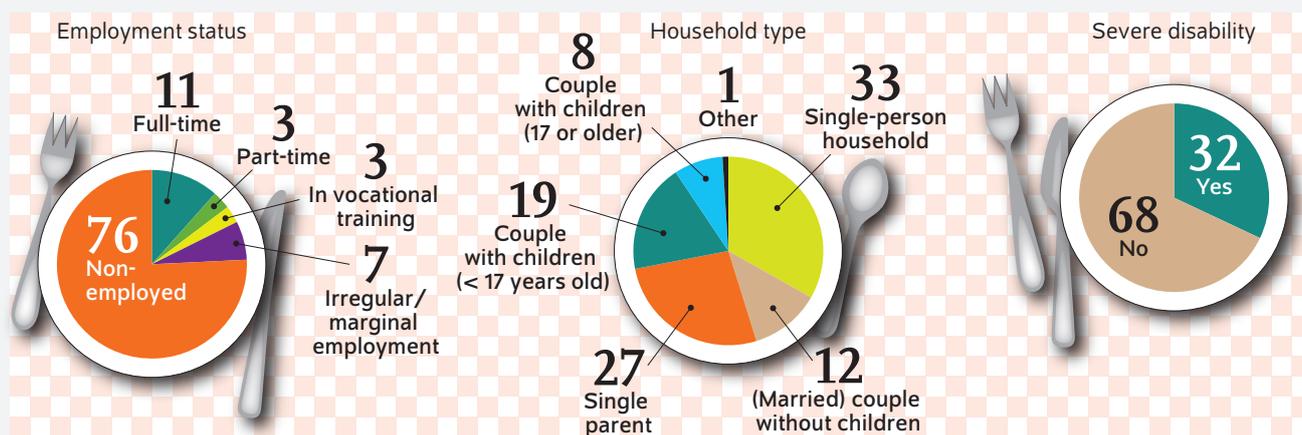
Nearly 1.1 million people in Germany use food banks, single and separated parents in particular at an above-average frequency

By Markus M. Grabka and Jürgen Schupp

- In 2020, 1.1 million people used food banks, which is around 1.3 percent of private households
- Three fourths of food bank users receive welfare; over two thirds are at risk of poverty
- Many food bank users have health issues and 32 percent are disabled or severely disabled
- Food bank users spend one fifth of their net income on food, significantly more than the average for the general population
- Federal support for initiatives of the food bank movement must be continued and expanded; furthermore, welfare reforms are needed

Vulnerable groups in particular are dependent on food banks in Germany

Shares in percent, food bank users



Source: SOEP v.37 (individuals in private households); authors' calculations.

© DIW Berlin 2022

FROM THE AUTHORS

“Food banks can provide a short-term solution during personal or social crises. However, to combat poverty effectively, welfare reforms must be initiated quickly.”

— Markus M. Grabka —

MEDIA



Audio Interview with Markus M. Grabka (in German)
www.diw.de/mediathek

Nearly 1.1 million people in Germany use food banks, single and separated parents in particular at an above-average frequency

By Markus M. Grabka and Jürgen Schupp

ABSTRACT

Food banks are returning to the spotlight as their use increases due to the coronavirus pandemic and the influx of Ukrainian refugees to Germany. The current discussion is focused on whether the food banks can handle the increasing number of users as well as the financial and organizational challenges that come with them. Until now, however, no robust, empirical data on food bank use has been available. Using Socio-Economic Panel (SOEP) data, this Weekly Report presents new findings and analyses on the number of food bank users and their socio-demographic distribution. According to the SOEP data, about 1.1 million people used food banks in the first half of 2020. A large share of users are women, people with a migration background, divorced or separated people, and the unemployed; additionally, one fourth of those who benefit from food banks are children. Food bank users also tend to be in poor health. As expected, they also have a below average net household income and accordingly, over two thirds of them are at risk of poverty. The structural causes of poverty must be addressed to ensure that food banks do not reach their limit. Increasing the standard rate for welfare benefits and providing targeted support measures for job seekers could lessen dependency on food banks. Food banks should also be professionalized, as is currently under discussion, and increasingly take on a pilot function for other support measures in the social security system.

As a result of the coronavirus pandemic, the influx of Ukrainian refugees to Germany, and recent massive food and energy price increases, the growing number of food bank users as well as the increased financial and organizational challenges facing the food banks are in the public eye. Food banks (*Tafel*) collect good quality food that would otherwise be thrown away and distribute it via volunteers to those in need.

Food banks originated in the USA and Canada in the 1980s and were first founded in Germany in Berlin in 1993. Since then, food banks have spread throughout the country: As of 2022, nearly 60,000 (mostly volunteer) workers actively support around 950 food banks.¹ The *Tafel Deutschland e.V.* describes itself as having developed into “the largest modern social movement that saves food and distributes it to the socially disadvantaged” over the past years.² Instead of addressing the structural causes of poverty, which could be done by raising the standard welfare rate, the *Tafel* movement focuses on combating tangible effects of poverty such as food insecurity.

Although the *Dachverband Tafel Deutschland e.V.* provides select figures on food bank users, broader knowledge on this group is lacking aside from a few surveys at individual institutes or qualitative studies.³ *Diakonie* president Ulrich Lilie estimated that as of 2022, food banks would only reach “about ten percent of the poor.”⁴ The aim of this Weekly Report is to make statements about food bank users in Germany based on the longest-running household panel survey in Germany,

¹ Cf. the most recent annual report for 2021, “*Neue Wege*” des *Tafel Deutschland e.V.* (2021) (in German; available online). Accessed on August 17, 2022. This applies to all other online sources in this report unless stated otherwise).

² Cf. the website of *Tafel Deutschland e.V.* Around ten years ago, *Foodsharing e.V.* was founded, which, according to its statutes, is more dedicated to sustainable diets than reducing poverty (available online).

³ In the Federal Government’s response to the Left’s inquiry (BT-Drucksache 18/16011 of September 19, 2015), the assumed total number of food bank users was 1.5 million. However, this figure is unconfirmed and reference was made to the lack of nationwide statistical recording of food bank use (in German; available online).

⁴ Cf. Annette Langer, “Wir reden zu wenig über das Sozialverhalten der oberen Schichten,” – Interview mit Ulrich Lilie, *Der Spiegel*, July 13, 2022 (in German; available online).

the Socio-Economic Panel (SOEP),⁵ which was conducted in cooperation with Kantar. In 2020, the SOEP household questionnaire introduced a question about food bank use by at least one person in the household in the past 12 months, which will be repeated at multi-year intervals (Box).

Nearly 1.1 million food bank users in Germany

According to SOEP data, nearly 1.1 million people, or 1.3 percent of persons in private households, use food banks (Figure 1).⁶

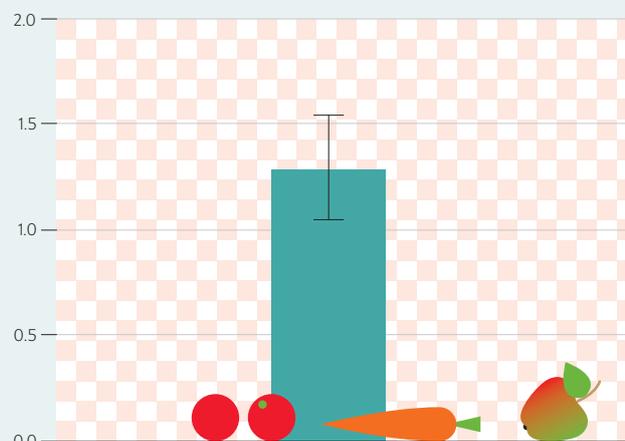
Fifty-four percent of food bank users are women, making them slightly more likely to use food banks or to benefit from a household member using them than men (Table).⁷ Differentiated by age, two age groups are notable: One, children, who make up 25 percent of all food bank users, and two, the 30 to 40 year olds, who make up 28 percent of food bank users. The latter group likely represents the parents of the children. The group of 65 year olds and older has a below-average share of 12 percent.⁸

As people with a migration background are at a higher than average risk of poverty,⁹ it is expected that this population group also uses food banks more frequently. The data only partially confirms this, because only people with a direct migration background (those who were not born in Germany) use food banks significantly more frequently. Twenty-seven percent of food bank users have a direct migration background, while this applies to only 12 percent of non-food bank users. The situation is different for individuals with an indirect migration background (second generation), who use food banks at an average frequency.

Household type in particular influences a person's financial situation significantly. Single parents, for example, have a far above-average risk of poverty.¹⁰ Accordingly, this group uses food banks at an above-average frequency, with a rate of four percent, or a relative share of 27 percent. Single-person households also use food banks at an above-average

Figure 1

Share of food bank users of the total population over the past 12 months In percent



Notes: Individuals in private households. The lower and upper thresholds indicate a 95 percent confidence band. Adjusted for missing responses from the IAB-BAMF-SOEP Survey of Refugees.

Source: Authors' calculations. Data: SOEP v37.

© DIW Berlin 2022

A little over one percent of the population in Germany has used a food bank within the last 12 months.

frequency at 33 percent. Two-person households with and without children, in contrast, use food banks at a below-average frequency.

Life events such as unemployment, divorce, or separation can lead to a poor financial situation and result in food bank use. Accordingly, people who have experienced such events have an above-average use rate of two and 2.6 percent, respectively.

Level of education is closely connected with unemployment. As expected, people without vocational qualifications or who did not complete secondary school use food banks at an above-average frequency at a rate of nearly two percent.

Food bank users disproportionately frequently in poor health

Experiences in other European countries indicate that food bank users face various health issues,¹¹ and this is confirmed to be the case for Germany as well. The percentage of food bank users with less than good or poor health is 35 percent (Figure 2) and 32 percent have a (severe) disability. Mental health issues are also associated with more frequent food bank use. For example, 61 percent of food bank users felt sad sometimes or often over the past four weeks, a much higher value than in the rest of the population (42 percent).

⁵ The SOEP is a representative annual survey of private households and people in Germany that has been conducted in western Germany since 1984 and has included eastern Germany since 1990. Cf. Jan Goebel et al., "The German Socio-Economic Panel (SOEP)," *Journal of Economics and Statistics* 239, no. 29 (2018): 345–360 (available online).

⁶ In an international comparison, the rate of food bank use in Germany is rather low: France (5.8 percent), the USA (11.9 percent), and Lithuania (14.9 percent) have significantly higher use rates. Cf. Ugo Gentilini, "Banking on Food: The State of Food Banks in High-income Countries," *IDS Working Papers* vol. 2013, no. 415 (2013).

⁷ People who live in households in which food bank use is reported are described according to various socio-demographic characteristics. In each case, the reported relative shares add up to 100 percent for that group of food bank users. In addition, the use rate is reported, which indicates how large the share of food bank users is of the total population.

⁸ The data do not refer exclusively to those who used a food bank themselves, but to all persons living in the household (cf. Box).

⁹ Cf. Markus M. Grabka, "Löhne, Renten und Haushaltseinkommen sind in den vergangenen 25 Jahre real gestiegen," *DIW Wochenbericht*, no. 23 (2022): 329–337 (in German; available online).

¹⁰ People are at risk of poverty when their needs-adjusted net household income is less than 60 percent of the median of the total population. Cf. Jan Goebel, Markus M. Grabka, and Carsten Schröder, "Einkommensungleichheit in Deutschland bleibt weiterhin hoch – junge Alleinlebende und Berufseinsteiger sind zunehmend von Armut bedroht," *DIW Wochenbericht*, no. 25 (2015) (in German; available online).

¹¹ Cf. for example Rachel Loopstra, "Rising food bank use in the UK: Sign of a new public health emergency?" *Nutrition Bulletin* 43, no. 1 (2018): 53–60 (available online).

Table

Socio-economic characteristics of food bank users in 2020

Shares in percent

	Food bank use		Share of food bank users of the total population
	Yes	No	
Gender			
Men	47	49	1.1
Women	54	51	1.2
Age of household members			
Younger than 18	25	16	1.8
18 to 29	9	13	0.8
30 to 44	28	19	1.7
44 to 64	25	30	1.0
65 and older	12	22	0.7
Migration background			
None	63	78	1.0
First generation	27	12	2.3
Second and third generation	10	9	1.2
Household type			
Single person household	33	20	1.9
(Married) couple without children	12	29	0.5
Single parent	27	7	4.1
Couple with children 16 or younger	19	23	1.0
Couple with children 17 or older	8	17	0.6
Other	1	3	0.4
Marital status			
Married	23	51	0.5
Single	40	30	1.4
Divorced/separated	31	12	2.6
Widowed	6	7	0.9
Employment status			
Full time	12	40	0.3
Part time	3	14	0.2
In vocational training	3	2	1.3
Irregular, marginal	7	5	1.4
Non-employed	76	39	2.0
Level of education			
None, in vocational training	37	20	1.9
Apprenticeship, vocational school, or similar	56	57	1.0
College, university	7	24	0.3

Note: Individuals in private households.

Source: Authors' calculations. Data: SOEP v 37.

© DIW Berlin 2022

Food bank users spend one fifth of their income on food

The net household income of the previous year¹² is used and converted to one month¹³ to describe the financial situation of food bank users. Percentile values of the distribution are

¹² Using the previous year's income is also reasonable because the question on food bank use refers to the previous 12 months.

¹³ Needs weighting is applied to account for differences in household composition. The head of household receives a weight of one, children under 14 a weight of 0.3, and all other household members a weight of 0.5. The income is then divided by the total of the weights of the household members.

Box

Data and methodology

The findings presented are based on a question in the Socio-Economic Panel (SOEP) asking whether the respondent or another person in their household had used a food bank in the last twelve months to receive food for their own use or for the use of the household. This question was included for the first time in 2020.

The survey took place from February to December of 2020, with fieldwork completed in more than 90 percent of the core samples by May. About 40 percent of the interviews were conducted in the first three months of 2020, thus before the first coronavirus-related lockdown. Nevertheless, due to the coronavirus pandemic, more remote interviews were conducted in the 2020 survey year, uncustomary to earlier years. Instead, for the first time, information was surveyed via phone and written responses.¹

The data analysis was based on all persons living in a household, since it was not asked who specifically goes to the food bank and the assumption was made that all persons living in the household have access to additional food directly or indirectly through a household member's trip to the food bank.²

¹ As no quantitative information about food bank use was surveyed, it is assumed that the coronavirus containment measures in the first half of 2020 had no significant influence on the survey results. Cf. Axel Glemser and Martin Rathje, "An Overview of SOEP Fieldwork," In *SOEP Annual Report (2020): 37–40* (available online).

² Persons living in institutions such as retirement homes, nursing homes, or student dormitories were excluded from the analysis because they are not systematically surveyed in the SOEP. It can be assumed that the extrapolated number of food bank users may be slightly underestimated, as the corresponding question was not asked in the subsamples of refugees. However, to estimate the rate of food bank use, an adjustment was made for missing responses based on the information provided by comparable groups of people from previous samples.

reported to show the results.¹⁴ Across the entire distribution, food bank users have a lower net household income than non-food bank users (Figure 3). On average, food bank users have a needs-adjusted net household income of around 1,200 euros per month, which is about half as high as non-users (2,400 euros).

Food bank users report spending around 210 euros per person on food per month, which is only slightly lower than the figure for non-users at 240 euros. However, the relative share of food expenditure of net household income, at around 18 percent, is nearly twice as high as for non-users (10 percent). This can be interpreted to mean that food banks are used primarily to compensate for insufficient income.

Are people with incomes above the poverty risk threshold also using food banks? Investigating this question can reveal

¹⁴ Sorting the population by income level and dividing the results into 100 subgroups creates the percentiles.

information on the targeting of food bank services (Figure 4). According to SOEP data, the poverty risk threshold in 2019 was 1,266 euros per month for a single-person household, meaning 16.5 percent of the population was at risk of poverty. Over two thirds of food bank users (71 percent) have an income below this poverty risk threshold and, accordingly, 29 percent have a net household income of over 1,266 euros per month. This is a relevant finding because various food banks review users' need for assistance according to their own standards—for example, based on proof of receiving welfare or proof of income—while others deliberately refrain from doing so to avoid excluding those in need. However, it must be considered that 15 percent of people who do not use food banks are at risk of poverty. Possible explanations for why they do not use food banks include a lack of local food banks, not knowing the local assistance offers they are entitled to, and shame.¹⁵

In addition to the poverty risk, the SOEP also surveys the use of welfare over the previous year. Around three quarters of food bank users lived in households receiving basic social security. If the housing allowance is also included, the share increases to 78 percent. The remaining 22 percent of food bank users who do not receive basic welfare or the housing allowance includes a relatively small number of pensioners.

Conclusion: Food banks can supplement the welfare state, but reforms to basic social security are necessary

While food banks cannot replace basic welfare, they can supplement it. Nevertheless, food banks have played an important subsidiary role in the benefits system in Germany for many years. Given its importance, whether alleviating poverty in this manner makes sense is a part of a controversial debate. Since 2020, it has been shown that food banks can play an important role in providing help during short-term crises, such as unplanned immigration from war zones or sudden increases in food prices. Since Russia's attack on Ukraine in February 2022, the number of food bank users has increased, but food donations have declined.¹⁶ In many places, food banks are reaching their limits. Nearly one third are no longer accepting new members.¹⁷

Ultimately, the question arises, especially in light of the sharp rise in inflation, whether raising the standard rate to 502 euros—as provided for in the *Bürgergeld* Act in response to inflation—is sufficient, or whether it should be raised even more.¹⁸ In light of the large share of children among food

15 Cf. Stefan Selke, *Schamland. Die Armut mitten unter uns*, (Berlin: 2015): 249–250 (in German).

16 In many cases, this is also due to better product management by supermarkets, which sell food at lower prices as its expiration date approaches.

17 Cf. the *Tafel Deutschland e.V.* website.

18 Cf. on the discussion of more appropriate reference income ranges in the determination of standard rates Irene Becker, "Sicherung des Existenzminimums mit Regelleistungen. Kritische Anmerkungen und Reformüberlegungen zu Hartz IV und zum Familienlastenausgleich," in *Grund-sicherung weiterdenken*, ed. Florian Blank et al. (Bielefeld: 2016) (in German).

Figure 2

Health status and concerns of food bank users in 2020
Shares in percent



Note: Individuals in private households.

Source: Authors' calculations. Data: SOEP v 37.

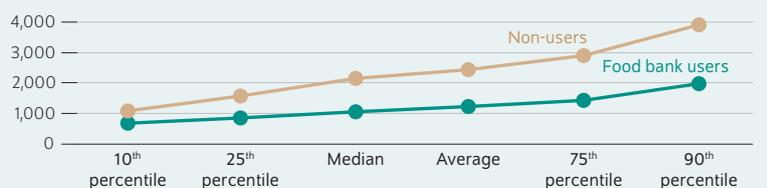
© DIW Berlin 2022

Food bank users have poorer than average health and nearly one third are disabled or severely disabled.

Figure 3

Income situation of food bank users

Needs-adjusted net household income of the previous year per month in euros



Note: Individuals in private households.

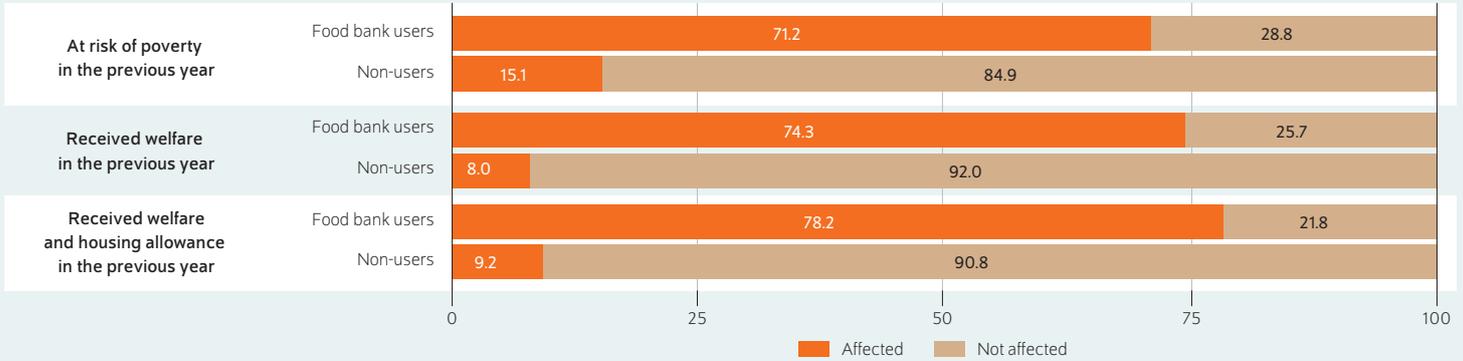
Source: Authors' calculations. Data: SOEP v 37.

© DIW Berlin 2022

Food bank users have significantly lower incomes on average.

Figure 4

Poverty risk and welfare use of food bank users
Shares in percent



Notes: Individuals in private households. Overall shares: 16.5 percent at risk of poverty during the previous year, 83.5 percent not at risk; 9.6 percent received basic welfare during the previous year, while 90.4 percent did not; 10.8 percent received basic welfare and the housing allowance during the previous year, 89.2 percent did not.

Source: Authors' calculations. Data: SOEP v 37.

© DIW Berlin 2022

People who are at risk of poverty or who receive welfare are more likely than average to use food banks.

bank users, the *Kindergrundsicherung*¹⁹ (basic child benefit) should be implemented quickly in addition to the planned increase in the child benefit as a part of the relief package. The introduction of the *Kindergrundsicherung* can help effectively reduce future child poverty in Germany and relieve parents from reliance on food banks.

It is also important that training measures and measures that encourage people to take up gainful employment or increase their working hours are implemented with the new *Bürgergeldgesetz* on January 1, 2023. The planned abolishment of the job placement priority and a new focus on qualifications and retraining for the long-term unemployed can help achieve this. Furthermore, the social labor market for the difficult-to-place long-term unemployed should be made permanent²⁰ and coaching services for reintegration into the labor market should be made available. In contrast, the planned expansion of midi-jobs as of October 1, 2022, will be less effective overall: Although it will increase incentives to take up gainful employment,²¹ the government has not succeeded—

with the exception of increasing the flexible zone to 502 euros to 1,000 euros—in reducing the transfer withdrawal rate to 70 percent across the board to create more general incentives in addition to transfer payments. Nevertheless, the draft of the *Bürgergeld* Act includes a number of other more generous additional earnings options, which have high approval rates among the long-term unemployed.²²

In light of all of this, the states and municipalities in particular are called upon to provide reliable support for local food banks. A current government project²³ is focusing on professionalizing the food banks to make them a low-threshold service for vulnerable groups. Once professionalized, food banks could also take on a pilot function for other elements of the social security system. Monitoring of both food bank users and volunteers could be carried out and included in the next Poverty and Wealth Report.

¹⁹ Cf. the work program of the interministerial working group set up by the Federal Government to design a basic child allowance (in German; available online).

²⁰ According to the draft of the *Bürgergeld* Act, the two previously temporary instruments for promoting participation in the labor market that were introduced in 2019 will become permanent.

²¹ Cf. the website of the Federal Ministry of Labor and Social Affairs.

²² See the empirical findings in Fabian Beckmann et al., "From Hartz IV to *Bürgergeld*: Reform preferences of the long-term unemployed," *DIW Weekly Report*, no. 29/30/31 (2022): 183–192 (available online).

²³ One example is the project "Tafeln als Kompetenz- und Lotsenzentren" (Tafel as Expertise and Pilot Centers) of the Tafel-Akademie, funded by the Federal Ministry of Labor and Social Affairs (in German; available online).

Markus M. Grabka is a member of the board of the Socio-Economic Panel (SOEP) research infrastructure at DIW Berlin | mgrabka@diw.de

Jürgen Schupp is a senior research fellow at DIW Berlin | jschupp@diw.de

JEL: D31, I31, J31

Keywords: food banks, SOEP, poverty

FOOD BANKS IN GERMANY
