

Committee Secretary
Senate Standing Committees on Economics
PO Box 6100
Parliament House Canberra ACT 2600
Via: economics.sen@aph.gov.au

Re: Tax Laws Amendment (Incentivising Food Donations to Charitable Organisations) Bill 2024

*Submission by the Centre for Social Impact
at Flinders University*

20/08/2024

Professor Svetlana Bogomolova,
Dr Tahna Pettman



Dear Committee

Thank you for the opportunity to lodge a submission in response to the Inquiry into the Tax Laws Amendment (Incentivising Food Donations to Charitable Organisations) Bill 2024. The Centre for Social Impact at Flinders University is pleased to provide comment on this proposed initiative being considered by the Australian Parliament.

Centre for Social Impact

The Centre for Social Impact (CSI) is a national research and education centre dedicated to catalysing social change for a better world. CSI is built on the foundation of four of Australia's leading universities: UNSW Sydney, The University of Western Australia, Flinders University and Swinburne University of Technology. Our research develops and brings together knowledge to understand current social challenges and opportunities; our postgraduate and undergraduate education develops social impact leaders; and we aim to catalyse change by drawing on these foundations and translating knowledge, creating leaders, developing usable resources, and reaching across traditional divides to facilitate collaborations.

CSI Flinders has a particular expertise in the area of food relief, including food relief supply-chain, driven by our multiple collaborative research projects with the sector, its key stakeholders, including Foodbank SA NT, other NGOs and state government. Of particular relevance here are the following research programs:

- Australian Research Council Linkage Project "Towards zero hunger: improving food relief services in Australia" (2021-24) in partnership with Foodbank SA NT, Anglicare SA, The Food Centre Inc., and state government agencies Preventive Health SA and Department of Human Services;
- "Creating a secure food system in communities experiencing food insecurity", with state government agencies Wellbeing SA and Department of Human Services (2023), and
- the ARC Industry Fellowship for Prof Bogomolova, "Transforming harvest surplus into nutritious meals for food relief" (2024-28) in partnership with Foodbank SA NT and state government agency Green Industries SA.

In 2023 we conducted a series of stakeholder consultations for the government of South Australia, to co-develop actions and policy that could improve food system and social system in communities experiencing food insecurity. This involved an evidence summary (of 68 documents), stakeholder engagement (with 130 stakeholders from governments, community organisations, food supply chain, health, education, and community groups), and development of a policy and action framework (recommended actions across 6 roles and responsibility areas). One of the recommendations from that report as a result of stakeholder engagement was the need for:

"Incentives to support improvements in supply chain practices: to support primary producers and small growers, manufacturers, suppliers, retailers, distributors, redistributors – to increase their diversity (and reduce monopoly), sustainable practices, coordination, food quality, reduce waste; to build capacity".

Our submission

We would support the Bill if it is implemented to improve quantity and nutrition quality of food in food relief supply-chain, supply-chain practices, alongside a broader food system improvement strategy. The proposed tax offset should be used to **strengthen economic incentive for primary producers and the farming community**, to keep producing, harvesting and donating fresh and nutritious fruits and vegetables into the food relief supply-chain.

About 20% of food waste occurs at farmgate¹. This is driven by many factors, including economic unviability for farmers to harvest, sort, store and transport produce that can't be sold for sufficient profit. This results in much food waste, as it is being left in the fields, and a huge missed opportunity.

At the same time, diversity in the supply chain is lacking, because many farming donations come from small to medium size growers – these producers have less opportunities in mainstream supply-chains and retail markets. For these SMEs, offsetting economic costs with incentives are likely to be particularly important, as they typically lack the scale to absorb extra costs of harvesting, sorting, storing and transporting produce for donation to food relief.

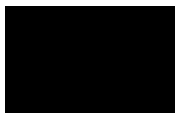
Also important to note is that the food relief supply-chain is challenged by the lack of sufficient quality and quantity of core foods that meet [Australian Dietary Guidelines \(ADGs\)](#)², such as vegetables, fruit and grains. To address this, the proposed tax offsets should focus on increasing the supply of these healthy, fresh and nutritious foods for people experiencing food insecurity. This may help to ensure that more people, especially those facing disadvantages and financial pressures, have access to nutritious meals in a dignified manner.

In summary, we would support the Bill if is implemented to improve supply chain practices, as part of a broader strategy of poverty alleviation and food system improvement. Additional actions and policy instruments are necessary to address household food security beyond food relief, as well as to ensure sustainable food systems.

We recommend implementing incentives to support primary producers and small- to medium-size growers who are often disadvantaged. Specifically, we recommend particular emphasis on improved eligibility/inclusion and incentives for:

- primary producers, farmers, family farms, especially SMEs, for
- activities (harvesting, sorting, cleaning, storing, and transportation)

This could increase the quantity and quality of donated produce (fruits and vegetables) into food relief.



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¹ Food Innovation Australia (FIAL), 2021. The National Food Waste Strategy Feasibility Study – Final Report.

² NHMRC (2013) Australian Dietary Guidelines Summary. Canberra: National Health and Medical Research Council.

