



6<sup>th</sup> August 2024

Australian Melon Association Inc  
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Committee Secretary  
Senate Standing Committees on Economics  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Via: [economics.sen@aph.gov.au](mailto:economics.sen@aph.gov.au)

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

Melons Australia is the Peak Industry Body for the Australian melon industry, including melon growers of watermelons and muskmelons (rockmelons, honeydews and other specialty melon varieties). In 2022/23 in excess of 226,000 tonnes of melons were grown in Australia valued at \$248.2 million. Production occurs across all mainland States and in the Northern Territory, from approximately 140 growers.

As the industry PIB, Melons Australia represents our members across all levels of the supply chain, which includes growers, wholesalers, service providers, marketers, consultants, and researchers. Melons Australia was founded with the objectives of promoting and coordinating all aspects of the industry, to encourage free exchange of ideas and information and to foster goodwill among the industry. The vision for the Melon's Australia Strategic Plan 2021-26 is to deliver "an industry that is collaborative, inclusive, sustainable and profitable for its stakeholders."

On behalf of the Australian melon industry, we appreciate the opportunity to make a submission to the Senate inquiry on the Tax Laws Amendment (Incentivising Food Donations to Charitable Organisations) Bill 2024 being considered by the Senate Economics Legislation Committee for inquiry and report.

Australian melon growers are renowned for producing premium fruits, however around 30% of these harvests currently go unused due to challenges such as labour costs, weather or environmental impacts, market fluctuations, aesthetic imperfections and stringent retail specifications. As an industry we recognise that this surplus and waste represents a valuable resource opportunity, rather than a lost cause. We also recognise that in the last 12 months 3.7 million households in Australia experienced food insecurity. The reality is that there are a real and prohibitive costs involved in harvesting unmarketable fruit and simply giving it away for no monetary return.

Unfortunately, the overall costs of melon production much like many other horticultural crops has increased exponentially in recent years and margins have dropped dramatically. For all of the reasons outlined above it is

imperative that a solution be reached that makes available the excess food produced in Australia for those who most need it without putting further financial burden on the primary production sector that is already suffering. This proposed legislative reform provides some level of incentive for our melon growers to consider investing further resources in picking and transporting fruit for donation purposes, as opposed to it being left in the field.

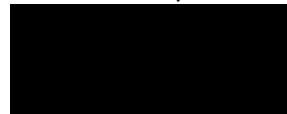
Throughout 2023, Melons Australia worked closely with End Food Waste Australia, in collaboration with our growers and supply chain partners, in developing the Melon Industry Sector Action Plan. This collaborative plan brought together key participants across the supply chain to identify food waste hot spots, the root causes and proposed actions to reduce waste, improve grower profitability and reduce environmental impacts. One of the three key strategies identified was to repurpose melon products that currently are regarded as waste into resources including the development of new products and profits and donating it to food rescue charities to help feed people within the community.

Our hard work was recognised at the June 2024 Hort Connections conference, where we won the 2024 Sustainability Prize (along with the overall Horticulture Sector Action Plan and another 'deep dive' into waste in the banana supply chain).

We therefore fully support this bill to amend the *Income Tax Assessment Act 1997* and *Income Tax (Transitional Provisions) Act 1997* to provide a tax offset for companies for certain expenditure incurred in undertaking food donations activities for registered food charities as we believe it will help to achieve the aims of reducing the amount of food waste, relieving the pressure on households experiencing the pressure of food insecurity and also making it financially possible for growers to assist in this process.

On behalf of the Australian melon industry, I thank the Senate Standing Committee on Economics for the consultation opportunity, allowing us to provide our support to the implementation of these new tax reforms. I would be happy to discuss any of the content of this submission with you in the progression of this matter.

Yours sincerely



Chief Executive Officer

Australian Melon Association Inc, trading as Melons Australia