



20 August 2024

Committee Secretariate
Senate Economics Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Committee Secretariate,

The St Vincent de Paul Society National Council of Australia (the Society) welcomes the opportunity to provide a submission to the Committee concerning the inquiry into the Tax Laws Amendment (Incentivising Food Donations to Charitable Organisations) Bill 2024.

The Society has assisted Australians for 170 years and comprises over 45,000 members and volunteers and 3,000 staff. We distribute over \$50 million each year in emergency relief to help people cover food, transport, accommodation, medical, educational, and utility costs. The Society is also a significant provider of affordable housing options and receives government funding to deliver a range of social support services.

What the Society is seeing

During the cost-of-living crisis, the Society is experiencing overall increases in demand for emergency relief, particularly help with food, utility, transport and accommodation expenses. Requests for assistance are increasing month on month and are up 20 per cent this year in NSW alone. This has been a long-term trend, only interrupted when COVID emergency payments were available.

Of those we help:

- most are aged between 30 to 70 years (around 70 per cent)
- females are overrepresented (around 60 per cent)
- most are renters (around 70 per cent) and around one-fifth are homeless
- around one-third are single parent families, but many also live alone (30-50 per cent)
- many are seeking help multiple times a year, on top of seeking help from other charities
- most are on income support (90 per cent)
- around one-third live with a disability, and
- more people are seeking help for the first time (around 20 per cent)

We are also helping people from backgrounds previously unknown to the Society, including middle income earners. In NSW, 30 per cent of people seeking assistance are doing so for the first time, while four-in-five people are reaching out for support with food.

While the Australian Government recently increased funding of its Emergency Relief program, the reality is more people are relying on it and seeking help with food so that they have enough left over to cover rent or mortgage costs. People are having to make difficult decisions, often foregoing one essential item over another, just to make ends meet.

Why this is important

The Society strongly supports this Bill because as a community, we should be doing all we can to make sure people have enough to eat. This is a basic human right.

This means making good quality, fresh food available to all. And in doing so, we should be minimising waste and supporting regional communities, farmers and growers.

Foodbank Australia reports that in the past year, 3.7 million households (36 per cent) experienced moderate to severe food insecurity. This means they are reducing the quality, variety or desirability of their food or at worst, their eating patterns are disrupted. We are not surprised by this statistic but remain saddened by it.

By incentivising food donations, we not only increase food supply to those who need it, we also free up more emergency relief resources to those who need help with other necessities, such as housing, medicine, transport and education.

The Society strongly supports this Bill, along with the following amendments which increase eligibility for the tax incentive to more farmers, food businesses and transport/logistics businesses and enable more food charities to benefit from the food donated. We recommend that the Bill:

- Expand the eligibility to entities other than Constitutional Corporations, such as Trusts and Partnerships, as many food-related businesses (eg family farms) are structured this way.
- Expand the type of registered food charity to those entities registered as a Public Benevolent Institution under the Australian Charities and Not-for-profits Commission Act 2012.
- Make the 40 percent offset available to entities with an aggregated turnover of at least \$20 million and less than \$250 million for the income year (with the 30 percent offset for entities with an aggregated turnover of \$250 million or more for the income year). This will allow more medium sized businesses (e.g. family businesses and small transport operators), many who operate with high turnover but low margins, to obtain a tax incentive associated with the offset claim.

If you have any further queries, please do not hesitate to contact me.

Yours sincerely



Toby oConnor
Chief Executive Officer