

FINDING EFFECTIVE SOLUTIONS TO REDUCE FOOD WASTE AND FOOD INSECURITY IN CANADA

SUMMARY BRIEF | FALL 2015

Written by: Brent Mansfield, BC Food Systems Network; Dr. Elaine Power, Queen's University; Graham Riches, University of British Columbia; Tammara Soma, University of Toronto; Dr. Valerie Tarasuk, University of Toronto

PURPOSE: To respond to the [National Zero Waste Council's \(NZWC\) proposal](#) for the Government of Canada to introduce a federal tax incentive tax credit for businesses to donate food they cannot sell to charities serving Canadian households in need; and to call for more systemic, not simplistic, solutions that effectively address the separate problems of food waste and food insecurity.

PROBLEM: The Problems of Food Waste and Food Insecurity in Canada

It has been estimated that up to 40% of food is wasted along the food supply chain from farm to fridge and beyond. The annual cost of this food waste in Canada is estimated to be \$31 billion dollars, with the true cost estimated to be closer to \$107 billion if the cumulative cost of the associated wastes in energy, water, land, labour, capital investment, infrastructure, machinery and transport are included.¹ In addition to this, the greenhouse gas emissions footprint of food waste is significant, including about 20 per cent of Canada's methane emissions, a more potent greenhouse gas than carbon dioxide, coming from landfills.²

Food insecurity has now reached crisis proportions in many parts of Canada, with more than 4 million Canadians in 2012 (the most recent year for which national data is available), struggling to afford the food they need.³ This is an increase of more than 600,000 since 2007, and represents nearly 1 in 8 households struggling to afford the food they need. Evidence continues to mount that the health and well-being of Canadians experiencing food insecurity is jeopardized as a result.⁴

NZWC' Proposal: Not an Effective Public Policy Response to Reduce Food Waste or Food Insecurity

The NZWC has launched a campaign to get municipalities across the country to endorse a recommendation for federal tax credits for the food industry to donate food they cannot sell to charities serving Canadian households in need. While all food waste unquestionably needs to be reduced, including corporate food waste, using tax dollars to incentivize the donation of increased amounts of unsaleable food products to food banks and other charitable food programs is not an effective way to reduce food waste; nor is it an effective response to the very serious problem of household food insecurity in our communities. Indeed, it must be unequivocally stated that people who experience food insecurity must be treated with dignity and deserve the same access to food that other Canadians enjoy – not food waste streams.

Food producers, processors and retailers are beginning to take important steps to reduce their food waste. These initiatives include: measuring and costing waste, setting reduction targets, taking action to reduce waste and embedding a culture of waste minimization. Food donations have been a part of this strategy, but do not need to be further incentivized as part of a comprehensive reduction plan that should be addressing the upstream causes of food waste. Research cited in the executive summary of the report commissioned by the NZWC, *Tax Incentive Options for Charitable Food Donations Making the Business Case*, questions the approach of the current proposal: "The greatest financial opportunity for businesses is not through redirecting food waste from landfill to food banks, composting, or producing energy from bio-digesters; it is preventing food waste at source. Not doing so creates enormous economic, environmental, and social costs for businesses and society." It is unclear how much of the edible food currently going into landfills and composting could and would be salvaged if further tax incentives are introduced and what increases in food donations might result. It is important to recognize that the costs of processing and disposing of food donations, either because the food is of unsuitable quality for consumption or because the donated goods are not suitable for household use, are actually transferred to the charitable sector. The evidence is not clear as to how much any increase in food donations will result in reduced organic material entering the waste stream, or just end up being sent to the landfill or for composting by the charitable recipients rather than the donors.

¹ Gooch, M. and Felfel, A. (2014). "27 Billion" Revisited: The Cost of Canada's Annual Food Waste; United Nations Food and Agriculture Organization. (2014) If we had to pay the bill to nature, what would food waste cost us?

² Environment Canada. (2011). National Inventory Report 1990-2009: Greenhouse Gas Sources and Sinks in Canada.

³ Tarasuk, V, Mitchell, A, Dachner, N. (2014). Household food insecurity in Canada, 2012.

⁴ Tarasuk, V. et al. (2015). Association between household food insecurity and annual health care costs; Fitzpatrick, T. et al. (2015). Looking Beyond Income and Education: Socioeconomic Status Gradients Among Future High-Cost Users of Health Care.

The NZWC Issues Brief argues that tax credits for businesses donating food to charities serving Canadian households in need would “improve public health and education outcomes and reduce associated costs to the public purse.” This incorrectly assumes that charitable food programs and food banks improve their clients’ food security, and therefore increasing food donations to food banks will improve the health and education outcomes of individuals that experience food insecurity. Yet, there is no evidence that 30 years of food banking in Canada has reduced food insecurity⁵. Most people living in food-insecure households do not use food banks, and those who do are not rendered food-secure by the experience.⁶ Both the magnitude and severity of food insecurity in Canada are many times greater than the scale of food charity operations currently. It is inconceivable that donations could ever be scaled up and then sustained at the level needed to maintain all those people who are currently struggling to afford the food they need.

Beyond the issues about the effectiveness of this proposal to reduce food waste or food insecurity, ethical questions must be raised. As a society are we okay with a two-tiered food system that involves the use of surplus and wasted food to feed hungry and surplus people? Or do we believe that people who experience food insecurity should be treated with dignity? Access to sufficient, safe, healthy food is a fundamental human right and a matter for public policy. Why then would we be giving millions of dollars in tax credits to corporate donors to give their waste to programs for people who cannot afford to meet basic needs? If anyone deserves investments of public tax dollars, it is the people using food banks, not corporate donors.

SOLUTIONS: The Need for Systemic Solutions to Reduce Food Waste and Food Insecurity

Preventing and reducing food waste is a critical issue that requires leadership across sectors and jurisdictions. Analysis of where food waste occurs across the food supply chain in Canada reveals that 47% occurs in the home after food had been purchased by consumers; 34% occurs between the farm, processing, transportation and distribution; and only 19% occurs in retail, restaurants and hotels.⁷ From this it can be seen that clearly a systemic or ‘whole of chain’ approach would produce greater opportunities and benefits than focusing on an individual sector. A whole of chain, whole of society approach that broadly engages all those that will be part of the solution is needed. Businesses, community organizations, citizens and governments need to work together to advance the solutions outlined below:

1. Utilize, as well as advocate and partner on, policy and programs that drive change and support innovative solutions across the food supply chain and across society to reduce food waste, such as: bans on organic waste in landfills, policy related to packaging and labelling (i.e. around “best before” dates)
2. Taking a ‘whole of chain approach’ to reduce waste at every step in the food system and promote value chains that enhance relationships between producers, processors, distributors, foodservice providers, retailers and others to have the greatest financial and environmental benefits for businesses
3. Engage citizens and businesses through community-based social marketing programs to inform and educate citizens on waste reduction opportunities
4. Collaborate with not-for-profit agencies and community actions that educate the entire population to reduce food waste and divert food that would be wasted along the supply chain for general consumption, and not just as a strategy to feed people experiencing food insecurity
5. Support composting initiatives and expand food scraps recycling programs, including education campaigns that ensure effective use

The primary cause of food insecurity is income poverty. From a public policy perspective addressing widespread food insecurity in Canada is essentially a matter for income security and income distribution not food distribution and increased food aid. A dignified response informed by human rights is required; in other words, adequate wages and social security benefits including EI and social assistance rates. An Adequate Basic Income/GAI and affordable housing should be on the Federal and provincial policy tables. These are the policies for which municipalities and the Federation of Canadian Municipalities should be advocating if they desire to improve the food security of their residents.

We urge the National Zero Waste Council to delay further action on their proposal. We would invite a broad dialogue with businesses, community organizations, citizens and governments, which will all need to be part of the solutions to reduce food waste.

⁵ Riches, G. and Tarasuk, V. (2014). Canada: Thirty Years of Food Charity and Public Policy Neglect. In Riches, G. and Silvasti, T. First World Hunger Revisited: Food Charity of the Right to Food.

⁶ Loopstra, R. and Tarasuk, V. (2012) The Relationship between Food Banks and Household Food Insecurity among Low-Income Toronto Families.

⁷ Gooch, M. and Felfel, A. (2014). “27 Billion” Revisited: The Cost of Canada’s Annual Food Waste.