HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

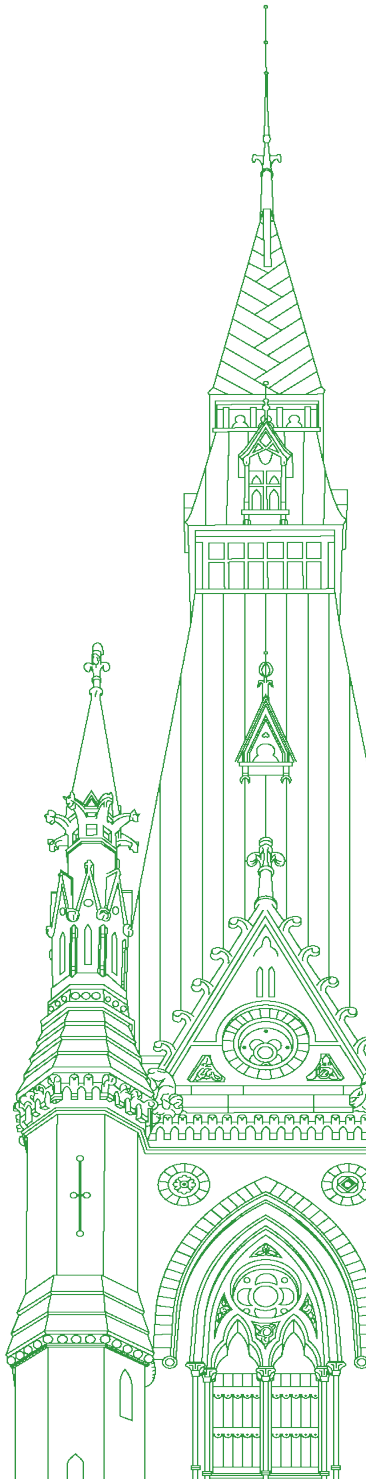
45th PARLIAMENT, 1st SESSION

Standing Committee on Agriculture and Agri-Food

EVIDENCE

NUMBER 046

Tuesday, October 20, 2026



Chair: Michael Coteau

Standing Committee on Agriculture and Agri-Food

Tuesday, October 20, 2026

● (1540)

[*English*]

The Chair (Michael Coteau (Scarborough—Woburn, Lib.)): Folks, I'd like to call this meeting to order.

Welcome to meeting number 46 of the House of Commons Standing Committee on Agriculture and Agri-Food.

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Members are attending in person in the room and remotely using the Zoom application.

Do we have anyone on Zoom today, or any of the members? No. Okay.

Before we continue, I would like to ask all in-person participants to consult the guidelines written on the cards on the table. These measures are in place to help prevent audio and feedback incidents and to protect the health and safety of all participants, including our interpreters. You will also notice a QR code on the card, which links to a short awareness video.

Before we start, I'd like to make a few comments for the benefit of witnesses and members.

Please wait until I recognize you by name or are asked a question directly by a member before speaking. For those participating by video conference, click on the microphone icon to activate your mic, and please mute yourself when you're not speaking.

I'd also like to remind witnesses that committee members may ask questions in either French or English. If you will need interpretation, please take a moment now to adjust and prepare your earpiece and to select the appropriate channel. This is done so that we can take full advantage of the time allocated.

As a reminder, all comments should be addressed through the chair.

If you wish to speak, please raise your hand. The clerk and I will manage the speaking order to the best of our ability, and we appreciate your patience and understanding in this regard.

Pursuant to the order of reference of Wednesday, April 22, 2026, the committee is commencing its study of Bill C-226, an act to establish a national framework to improve food price transparency.

I'd now like to welcome our witness who's joining us here: the member from Fleetwood—Port Kells.

Mr. Saini, thank you so much for joining us today.

I'll provide you with five minutes to speak, and then we will open it up for the first round of questions.

Before I start, I know that Mr. Barlow is not here, but I'd like to thank him for chairing the last two meetings while I was away.

Thank you, Mr. Barlow.

Go ahead, Mr. Saini. You have five minutes.

Gurbux Saini (Fleetwood—Port Kells, Lib.): Mr. Chair and members of the committee, thank you for the opportunity to appear before you today to discuss Bill C-226, an act to establish a national framework to improve food price transparency.

For a member of Parliament, having the opportunity to introduce a private member's bill is a great privilege. When the time came to bring forward my first private member's bill, I wanted to address an issue of practical importance that could make a meaningful difference in the daily lives of Canadians.

In conversations with constituents, community organizations and families in my riding, I repeatedly heard concerns about the rising cost of groceries and the pressure it places on household budgets. While food affordability is a complex issue influenced by many factors, a common theme that emerged from this discussion was the need for greater transparency and clearer pricing information at grocery stores.

These conversations inspired me to introduce Bill C-226. At its core, the principle behind the legislation is simple. Consumers cannot make informed decisions if they cannot properly compare prices at the grocery store. Through this bill, I am proposing a practical and collaborative approach to improving food price transparency across Canada.

As I looked more closely at this issue, one challenge quickly became clear. While unit pricing, such as the cost per gram, kilogram, litre or millilitre exists in some jurisdictions, its application varies widely across the country. Clear and consistent unit pricing helps consumers understand the actual cost of products and better identify value. It can also help consumers recognize when package sizes change while prices remain the same, allowing them to make more informed purchasing decisions.

For seniors, students, newcomers and families living on tight budgets, even small differences in price can have a meaningful impact on their household finances.

This bill is about transparency. It's not intended to create burdensome regulation or dictate how provinces, territories or retailers should manage their operations. It proposes a collaborative national framework that promotes greater consistency, transparency and consumer awareness.

It is important to emphasize that this legislation respects provincial and territorial jurisdiction. It recognizes that implementation may vary across the country and that different regions face different realities. Rather than imposing a one-size-fits-all approach, the framework is intended to encourage co-operation and promote common principles while recognizing that different regions face different realities.

I am confident that hearing from a broad range of witnesses will help inform the committee's study and contribute to the development of a framework that is practical, effective and responsive to those realities.

Mr. Chair and members of the committee, Canadians expect us to look for practical ways to improve their daily lives. Bill C-226 represents one such opportunity. This bill can help create a more transparent grocery marketplace and provide consumers with the information they need to make informed choices.

Thank you. I look forward to hearing questions from you.

● (1545)

The Chair: Thank you very much, sir.

We'll start our first round for six minutes with the Conservatives.

Go ahead, Mr. Epp.

Dave Epp (Chatham-Kent—Leamington, CPC): Thank you, Mr. Chair.

Thank you, MP Saini, for bringing this bill forward.

Let me ask you this, sir: What problem are you trying to solve with this bill?

Gurbux Saini: There are two issues that go hand in hand. There's affordability and there's transparency.

Our government has done a lot to resolve the affordability issue. We introduced the Canada groceries and essentials benefit in July. That will give families of four close to $1,900. We have removed taxes on diesel and gasoline, which is saving families about $247—

Dave Epp: I apologize for interrupting.

In your opening statement, you mentioned the rising cost of food. You're not trying to address the rising cost of food. You're trying to give money from taxpayers back to taxpayers to address the rising cost of food.

Gurbux Saini: When a person goes to a grocery store, he has no clue.... There may be three items on the shelf. Their prices and contents vary.

I'll give you an exact example. When my bill was introduced, my local newspaper went to three different stores. They picked up a jar of honey. One store was selling that jar of honey for $7; the next store was selling it for $8.20, and the most expensive store was selling it for $9.80. The consumer had no way of knowing what the contents were. What is the best value they can get?

My bill, if it is passed, will put those prices per gram or kilo on each so that Canadians can compare and do their shopping based on this.

Dave Epp: My understanding is that the large retailers are now doing this voluntarily, without legislation. Your information is that retailers are not providing that information to consumers.

Gurbux Saini: Of the three stores the newspaper visited, only one store gave those prices. The other two did not, because there is no law that requires them to do it.

Dave Epp: Do you know if they were major retailers or small stores?

Gurbux Saini: I am very proud to say that Quebec has this legislation. Quebec is the only province in Canada in which it is mandatory. I wanted to make sure that all Canadians across our country follow the very fine example Quebec has set so that they can make informed decisions based on the facts.

Dave Epp: I'll come back to that in a moment.

Going back to the costs being imposed upon retailers with this potential legislation, major retailers are providing this information. Are you saying it should become mandatory for small retailers to also provide this?

Gurbux Saini: Not all major retailers are providing it, because it's not mandatory. They are doing whatever suits their needs.

Dave Epp: Your position is that it should become mandatory.

Gurbux Saini: I want all retailers to display those prices to make it easier. I'll give you an example—

Dave Epp: That's okay.

I'm going to get at the process. If your goal is to make this mandatory.... You're suggesting a framework. Your government is in power. Why not bring in legislation?

● (1550)

Gurbux Saini: This is a private member's bill. It's not a government bill.

Dave Epp: That's right.

Gurbux Saini: When I was going house to house during the election, this was one of the biggest things I heard from Canadians. This is what they're looking at.

There is information. Stats Canada has done some of the work. Between 2022 and 2024, it looked at why the cost was going up, and 29.6% of these costs went up because of shrinkflation, because the package size was going down and the prices either kept going or were more....

This is what we are trying to avoid, so Canadians can have an informed decision.

Dave Epp: I agree with you that the price of groceries is rising, but I don't agree that you're addressing the driver of those rising costs. That's what I'm looking for.

Why not address the embedded carbon tax? Why not address all the regulations on front-of-pack labelling and the other things that are actually driving up the costs?

You're looking for transparency, but if I hear you correctly, you're trying to make this mandatory—I'm sure my colleagues will get into this as well—which is clearly provincial jurisdiction.

Is the purpose of your bill to make cost-per-unit pricing displays mandatory?

Gurbux Saini: This legislation will create a framework with which the government will consult with retailers, seniors, every part of the industry, and the provinces and territories. It's not something they are going to be forced into.

Dave Epp: Let me follow up on that. If a province or territory disagrees, what is the plan? Are you then suggesting that retailers that have a footprint across the country have different programs in different provinces?

If a province chooses not to participate or doesn't agree—because I'm hearing you agree that this is provincial jurisdiction; in fact, the Minister of Agriculture was told explicitly by officials that this was provincial jurisdiction—what's the plan?

Gurbux Saini: We need to have the will to make things happen. I'll give you a prime example.

Australia, New Zealand and the European Union, which has 27 countries, went through the same process, because there was a collaborative approach in the consultation. They agreed to do that. I'm sure our 10 provinces and three territories will agree if there's a consulting process.

The Chair: Thank you, sir.

We'll go next to the Liberals for six minutes.

Go ahead, MP Dandurand.

[*Translation*]

Marianne Dandurand (Compton—Stanstead, Lib.): Thank you very much, Mr. Chair.

Thank you very much, Mr. Saini, for this bill you are putting forward.

As a Quebecker, I cannot say how many years we have had the….

Is there a problem with the interpretation?

[*English*]

Gurbux Saini: Mr. Chair, I'm having difficulty with the interpretation.

The Chair: My volume was very low as well, even though it's on at full blast.

We'll try that one more time.

[*Translation*]

Marianne Dandurand: All right. So, I'll speak in French for the interpreters.

Sébastien Lemire (Abitibi—Témiscamingue, BQ): Well done!

Marianne Dandurand: My colleague from the Bloc Québécois is always pleased when I speak in French.

[*English*]

The Chair: Okay. We're good to go.

Let me reset that time for you. Go ahead.

[*Translation*]

Marianne Dandurand: Thank you, Mr. Chair.

I would also like to thank my colleague for introducing a bill like this.

As a Quebecker, I have been seeing such labels on supermarket shelves for several years now, and I must say quite frankly that they help us make the right choices. It is not always easy to compare products, because the sizes differ from one product to another, or even for the same item, sometimes. When comparing the price of a 750-gram packet to that of an 849-gram packet, for example, having the price per unit really helps you choose the cheapest product. I think this is truly an initiative that can help families make wiser choices.

How many years has it been like this in Quebec? I have no idea, but I remember that people back then were expressing the same concerns and putting forward the same arguments as my Conservative colleague today. However, I no longer hear those concerns at all. It has become the norm. It's displayed and it's very clear.

So, thank you for raising this. I think it could benefit all Canadians.

Would your bill impose any obligation on the provinces to participate?

● (1555)

[*English*]

Gurbux Saini: My bill, if passed, would require the Minister of Industry, in consultation with the provinces and territories—not by forcing them, but in consultation—to go through the process so that we can have a clear understanding of what is being done. It will not force any province.... Quebec already has legislation. The intent is not to interfere in that process.

What you have said is very important. A constituent who lives in my riding wrote a letter to me, and I'm going to read that to you. Olga is her name. She writes, “As a mother of five who does the grocery shopping every week, every dollar matters when you're buying food and household essentials in large quantities. My background is in mathematics and statistics, but even I do not want to stand in a grocery aisle calculating and converting different units to determine which product offers the best value. Bill C-226 would make shopping easier and more transparent for Canadians by helping consumers quickly compare prices and make informed decisions.”

These are decisions that support a family's budget.

[*Translation*]

Marianne Dandurand: Thank you very much.

I would also add that the major retail groups operating in Quebec, which are already implementing this measure there, also operate elsewhere in Canada. I do not know whether you have had any discussions with them, but I imagine it would be relatively easy for these large groups to apply the labelling standards that already exist in Quebec elsewhere in Canada. This might be a matter you could discuss with them.

I know there is a significant educational aspect to your bill. I think it is important to raise awareness and educate people. Why is this important to you, and how is it reflected in your bill?

[*English*]

Gurbux Saini: As part of the legislation, we will try to educate Canadians on how these labels should be read and what they mean. We have seniors and other people who may have difficulties. Education is part of the process with our legislation. Making sure that Canadians understand how to read these labels, what they mean and how to interpret them is part of the process.

[*Translation*]

Marianne Dandurand: Thank you.

Do you think the bill could have an impact on what is known as shrinkflation? You mentioned it in your remarks. How do you think this sort of initiative might affect shrinkflation?

[*English*]

Gurbux Saini: It's not that I think so; there's evidence to the effect that shrinkflation played a big part. As I said, Stats Canada, which looks at these price increases, says that 29.6%—close to 30%—of the price increases were strictly due to shrinkflation. The shape of the bottle was changed, which was misleading.

Yes, it plays a big part in this. This is why we need to make sure that Canadians are paying a price that is comparative and are making those decisions based on what they see, not what the retailer is trying to sell it to them for.

[*Translation*]

Marianne Dandurand: Thank you.

I have very little time left. I would just like to say that I am very pleased to hear that this will not entail any additional obligations for Quebec, where similar provisions are already in place.

I would also like to say that I remembered the French word *réduflation* immediately after asking my question. So, for the record, the correct term is *réduflation*.

[*English*]

The Chair: Next we will go to the Bloc for six minutes.

Go ahead, Mr. Lemire.

[*Translation*]

Sébastien Lemire: Thank you, Mr. Chair.

I would like to reassure my colleague: Our interpreters did an excellent job, so it was easy for those following our proceedings in French to realize that she was talking about shrinkflation.

Mr. Saini, first of all, thank you for being here.

I have a simple question: who is responsible for consumer protection in Canada?

● (1600)

[*English*]

Gurbux Saini: I'm having difficulty.... Could you repeat that?

[*Translation*]

Sébastien Lemire: It's my pleasure.

Who is responsible for consumer protection in Canada?

[*English*]

Gurbux Saini: All levels of government have a duty to protect their citizens. Provincial, territorial and federal governments play a very important part in that. This is why having a law that protects Canadians right across Canada would be a great thing.

I want to congratulate the Province of Quebec for taking the lead. We have learned a lot from those things. They have gone through the process. The Quebec process will be a leading hand in making those decisions, in consultation with other provinces and territories.

[*Translation*]

Sébastien Lemire: You've done your homework well. I thank you for that. You have, in fact, mentioned this to me on a few occasions.

Why did you choose to entrust responsibility for the framework to the Department of Industry? We know that it also manages the Canada Grocery Code, which was established jointly by two departments. Would it not be more appropriate for the Department of Agriculture and Agri-Food to take charge of this, given that, obviously, this code leaves many people wanting more—if you'll pardon the pun?

[*English*]

Gurbux Saini: When I met with the people who draft the legislation, I was told that the industry ministry was the body responsible for this part of the work that gets done. This is the only reason. I don't disagree with you that maybe it should have been agriculture, but I was advised by the bureaucrats that this was the ministry. That's why I used the ministry as the lead for it.

[*Translation*]

Sébastien Lemire: Thank you for your transparency. This is, in fact, one of the key themes of what you are bringing to the bill.

Moreover, Quebeckers and Canadians are being asked to prioritize buying locally. Increasingly, campaigns on this issue are emerging. The government itself is making this a priority, in response to U.S. tariffs. We hear this time and again. People are responding well to this, and that is to be commended. Indeed, we should take the time, when at the supermarket, to look for products bearing the fleur-de-lys or the maple leaf—which may sometimes be a little more expensive—but which allow us to support our producers directly.

However, for me, one question remains: When I buy a product labelled as Canadian or Québécois, am I really buying a product that is made here and comes from here?

Under the current rules of the Canadian Food Inspection Agency, the packaging of a biscuit made from imported flour, oats, oil and sugar may bear the words “Made in Canada” if these products have been processed here. The only caveat is that the phrase “made with imported ingredients” must be added, in small print, on the packaging.

I've even seen a bottle of Coke labelled “*Aliments du Québec*”. I must admit that came as an unpleasant surprise.

There's a name for this, it seems, which I'll give you in English before translating it: it's “maple washing”, or *canadoblanchiment*, which refers to the practice of putting a maple leaf sticker on a product that isn't necessarily Canadian. In this regard, the CBC made some discoveries in supermarkets. For example, a bottle of oil featured a red maple leaf and the words “Made in Canada”, but in the small print, it was clear that it had been imported. The Canadian Food Inspection Agency has received around a hundred complaints about the origin of food products in less than a year.

People are being asked to do their bit, but they aren't being given the tools to do so. What we want is to support our local producers and processors by buying products that are genuinely local. Otherwise, our farmers lose out.

So, does your bill provide solutions to this problem? It talks about transparency. Does it open up possible avenues for improving transparency so that consumers can genuinely make an informed choice without feeling they're being taken in by the small print?

[*English*]

Gurbux Saini: This bill is not about buying Canadian, although I definitely believe, as our government does, that we should be buying Canadian. The bill that I am proposing, Bill C-226, is for transparency in pricing. I can agree with the sentiment—I personally believe in that—but my bill strictly deals with transparency in food pricing.

● (1605)

[*Translation*]

Sébastien Lemire: That's a shame.

Loblaws' electronic labelling supplier states on its website that its technology allows dynamic pricing to be applied directly on the shelves. This means that Loblaws can change its prices. It says that its pricing practices have not changed. However, at 5:00 p.m. on a Friday, when parents get home from work, they might pay more for their beef, only for the price to have dropped again by Saturday morning.

Is there any data on this? How can we ensure that this does not happen? Does your bill provide solutions to this?

[*English*]

Gurbux Saini: Can you repeat your question more slowly?

[*Translation*]

Sébastien Lemire: Could a company such as Loblaws, which displays prices electronically, apply dynamic pricing—that is, offer products at higher prices during peak demand periods—and sell them more cheaply at other times?

[*English*]

The Chair: I'm going to stop the clock and give an extra 30 seconds because of the lost interpretation piece.

Gurbux Saini: Can I maybe switch to a different...?

The Chair: Why don't we take a quick pause and see if we can fix it for you?

Monsieur Lemire, I'll give you one more minute if you want to clarify the question, and then we'll get the answer.

[*Translation*]

Sébastien Lemire: Thank you, Mr. Chair.

The question concerns dynamic pricing. A company such as Loblaws, which can change the prices on its in-store electronic price tags, could raise them at times when families have time to do their shopping and lower them at other times when there are fewer customers. So, this would be a way of getting round families' ability to pay.

Does your bill address this issue? Does it ensure that dynamic pricing cannot be applied based on the shopping times of individuals and families?

[*English*]

Gurbux Saini: If you think this is important, I am open to an amendment that would take care of it. It's a great suggestion, and I have absolutely no difficulty with it.

[*Translation*]

Sébastien Lemire: Thank you very much.

[*English*]

The Chair: Thank you.

We'll start the next round with the Conservatives.

Mr. Gourde, you have five minutes.

[*Translation*]

Jacques Gourde (Lévis—Lotbinière, CPC): Thank you, Mr. Chair.

Mr. Saini, I'd like to talk to you about your bill. It seems to serve an educational purpose more than anything else.

I'm going to talk to you about consumer behaviour in Quebec. What you're proposing to do already exists in Quebec. Let me give you the example of a box of cakes or a packet of biscuits. Five, six or seven years ago, it was a 500-gram packet. Instead of increasing the price of the cake packet—since consumers like to buy it for $2.99—the weight was reduced to 480 grams, and then to 460 grams. Now, the small packet of biscuits we all love weighs just 340 grams. The biscuits are now smaller, but they still cost the same. There are fewer grams in the packet, but consumers are still buying it.

Will your bill, through education, help to bring down food prices, or will it simply enable consumers to choose food by allowing them to compare prices more effectively?

● (1610)

[*English*]

Gurbux Saini: What you are telling me is exactly what this legislation will do. It's called shrinkflation when the retailers reduce the contents of their things but don't change the price. With this legislation, they will have to put on the label the contents and the price per kilogram, per millilitre or per litre. That is exactly what this legislation will do to prevent shrinkflation or the deceptive prices that people are paying. This is the whole purpose of the legislation.

[*Translation*]

Jacques Gourde: One of the biggest problems in the food sector at the moment is the price of diesel. The price of diesel has more than doubled. It has even tripled, compared to what it was four or five years ago.

Could your bill include a carbon price so that, in a fully transparent manner, consumers can choose locally sourced food, produced closer to home, rather than food that has been produced 2,000 kilometres away?

[*English*]

Gurbux Saini: Bill C-226 does not claim to lower grocery prices directly, nor does it claim to solve all the affordability challenges facing Canadians. Food affordability is a complex issue influenced by many factors, including global supply chains, inflation, labour costs, transportation costs and market conditions. Addressing those challenges requires a broad range of policies and actions.

Our government has taken many steps to bring affordability to Canadians, such as, most recently, lowering the cost of changing the heating systems in their houses. They can get up to $10,000 by changing from one system to another system using a heat pump, and it will save them approximately $1,400 year after year. Also, we are providing child care at $10 a day to bring the cost to consumers down.

Bill C-226 complements those efforts by focusing on one practical area in which we can help consumers get access to information. Ultimately, Bill C-226 is not about price controls, nor is it intended to—

[*Translation*]

Jacques Gourde: I have another quick question. I'm not quite sure how heat pumps will reduce the cost of food. They can reduce heating costs; I fully agree with that. However, your bill aims to educate people so that they can buy food at a lower cost.

So, please try to get back to the main point: How can your bill help consumers pay less for food?

[*English*]

The Chair: You have 20 seconds.

Gurbux Saini: Basically, it is going to give them an opportunity to compare the prices. The consumer is going to buy the goods with the best prices that have the same contents in them, so this is how it's going to help the consumer.

The Chair: Thank you very much.

Next we'll go to Mr. Casey from the Liberals for five minutes.

Sean Casey (Charlottetown, Lib.): Thank you, Mr. Chair.

Mr. Saini, first of all, please accept my congratulations on having your private member's bill make it through second reading and being considered by committee. I've been here 15 years, and I've never found myself in the same seat as you in the same position, so good on you.

I want to start with the fact that unit pricing is already in place in international jurisdictions, including Australia, the European Union, nine American states and the District of Columbia. They enforce laws requiring retailers to display unit pricing.

My question for you, sir, is this: What has been the experience of these jurisdictions, and what can we learn from it?

● (1615)

Gurbux Saini: If you look at the response from Australia and the statistics that they have produced, they think this has helped to bring affordability to people because they are buying cheaper. As I said, shrinkflation is the biggest factor in this. It helped to reduce those costs by close to 30%, because that's how much shrinkflation has cost. It has been very effective in those countries.

I understand that Quebec has also experienced a similar type of thing. It is helping consumers big time. That's what we are trying to do, and that's what my legislation would do to help everyday Canadians deal with the difficult time that we are going through.

Sean Casey: It's been mentioned, and I expect it will be again, that this matter falls exclusively in provincial jurisdiction. Quebec has its own law governing this.

What has been the reaction, if any, from the provinces that have not yet followed Quebec's lead?

Gurbux Saini: Before we drafted the bill, we held a stakeholder meeting, to which we invited several stakeholders. We invited the grocery industry; we invited Canadians, and we invited representatives of the Government of British Columbia—where I live.

The Government of British Columbia did not participate, but the majority of the stakeholders—people, food banks and others—definitely wanted this legislation to be brought in, because it is helping them. Even the food banks see that the prices keep going up, because sometimes people donate money to the food banks and they in turn buy those products. It will help those people.

The response has been very positive.

Sean Casey: Separate from the provinces, I expect that the other area in which you're likely to get push-back is the smaller retailers. Have you heard from the Canadian Convenience Stores Association? What outreach have you done with smaller retailers? I expect this would be a bigger concern in their operations than in those of the big chains.

Gurbux Saini: I did not hear anything, but one thing that some of the countries have done, especially Australia, I believe, is that if you are in a very remote community and you have a small store that is 2,000 square feet, you are exempted from the legislation to make sure you're not practically impacted by this situation, and I'm open to that. I will be able to look....

Sean Casey: I think it was mentioned earlier, and there's a reference in the notes, that according to a representative from Sobeys, all major retailers already do this. Is that consistent with your understanding? If so, what does it tell you?

The Chair: Give a really short answer, sir, please.

Gurbux Saini: It is not all retailers, because as I said—without naming them—we went to three different stores. They were all national. One of them had this labelling, and the other two did not.

The Chair: Thank you very much.

Next, we'll go to the Bloc.

Mr. Lemire, you have two and a half minutes, please.

[*Translation*]

Sébastien Lemire: Thank you, Mr. Chair.

I have a little anecdote. In medieval England, the weight of bread, amongst other things, was laid down by law. A baker who sold a loaf that was too light was punished by his village. So, to avoid arousing suspicion, he would give an extra loaf. That is where the expression “a baker's dozen” comes from, if you buy a dozen loaves from the baker.

Today, however, it is rather the opposite. What we are seeing are smaller packets, changing recipes and rising prices. No one is really aware of this, which is why it's so important to educate people. However, consumers continue to pay without knowing what's really going on.

In Quebec, supermarket labelling already allows us, depending on the discounts, to see the cost per millilitre or per gram, depending on the product.

What I would like to know is what Ottawa is doing, within its own areas of jurisdiction, regarding product packaging, origin and ingredients, to ensure that consumers stop being taken for a ride. It is not enough to write these things in small print or to find ways to circumvent the system. How can we achieve genuine transparency and ensure that practices such as those we see today are no longer used by producers and processors?

● (1620)

[*English*]

Gurbux Saini: Can you repeat that slowly for me, please?

[*Translation*]

Sébastien Lemire: Yes.

How can we ensure that Ottawa can take action regarding the actual quantity in the packaging, the actual origin or the actual ingredients used, so that consumers stop being misled by marketing tactics that no longer reflect reality?

[*English*]

Gurbux Saini: I think what you're talking about is that there's shrinkflation, and then there's skimpflation—

[*Translation*]

Sébastien Lemire: That's exactly what I'm talking about.

[*English*]

Gurbux Saini: —where the retailers, let's say, will use less quantity of a product, which is part of it, but make it more expensive. That is also happening in the marketplace, but my bill does not deal with that. My bill strictly deals with shrinkflation, proper pricing, and open and clear transparency for consumers. However, it is happening.

[*Translation*]

Sébastien Lemire: That's fine.

Thank you, Mr. Chair.

[*English*]

The Chair: Thank you very much.

Next, we'll go to Mr. Bexte for five minutes.

David Bexte (Bow River, CPC): Thank you, Chair.

Welcome to the committee, MP Saini. Congratulations on getting to this stage with your private member's bill.

It does, however, seem a bit like putting the buggy before the horse in yet another grand framework without really addressing the lion in the room of food affordability. It's in the title of the bill, and the lion's share, to double up on language, is the inputs and the cost, such as diesel, for industry to deliver food to the store and the cost for the store to deliver food to consumers.

Shouldn't we be trying to get farmers more tools to make food affordability a priority in terms of effectively making food production cheaper? The private member's bill I introduced, the FARM act, would improve or reduce red tape to get new products—feeds, seeds, fertilizers and pest control products—to the marketplace. Do we not have our priorities straight?

Gurbux Saini: Affordability and transparency go hand in hand. We need to do both. As I said, our government has taken many steps to bring affordability—

David Bexte: Thank you. I have limited time, so I'm going to try to get the most out of it.

If the government is so concerned about this, why wasn't this included in government legislation that has already been tabled?

Gurbux Saini: I can tell you only that when I walked through the streets of Surrey, canvassing to be a member of Parliament, this was one of the biggest concerns that was raised with me. I'm a member, and this is why it's a private member's bill introduced by a private member. That's a concern I was told about.

David Bexte: I appreciate that. Thank you very much.

You spoke about Surrey, and you testified earlier that you didn't hear from the British Columbia government. This is absolutely and clearly provincial jurisdiction, so there's a question of overstepping a legislative purpose.

What other provinces did you consult with? Do you know of other provinces that are complying or not complying with this notion?

In Alberta, this has been a practice for a very long time in small and large grocery stores all across the province, in my experience. I have not been to every grocery store in the province, but there's a market imperative to do this for retailers themselves. Why does the government have to legislate this?

Gurbux Saini: The government has to legislate it because it's not happening with every retailer.

David Bexte: In what provinces is it happening?

Gurbux Saini: I am talking about British Columbia because that's where I live.

David Bexte: Is this exclusively—

Gurbux Saini: It is happening in Quebec. That is the legislation there.

I wanted to make sure that things that are helping Canadians in Quebec and helping in the U.K. would also help my fellow Canadians across this country. This legislation is important—

● (1625)

David Bexte: I'm going to interrupt again and move to another part of this.

You spoke to shrinkflation earlier, and you said it could contribute up to 30% of the cost.

Gurbux Saini: Right now, it's up to 30%.

David Bexte: Is the mechanism of shrinkflation, when this happens in the food supply chain, at the retailer's?

Gurbux Saini: That's where we saw it, at the retailer—

David Bexte: Are you saying—

Gurbux Saini: I'll give you another example.

About three or four weeks ago, I was again in a grocery store, and we looked at a bottle of honey again—

David Bexte: Okay. We spoke about the honey issue.

Are you laying this at the feet of retailers?

Gurbux Saini: Could you give me the chance to answer your question, please?

David Bexte: You spoke to honey once before. I understand the mechanism you're talking about. I'm trying to get to another layer of the discussion in which we attribute responsibility for this.

Is it the food manufacturers, or is it the food retailers? Legislation normally intends to compel somebody to do something. Are you intending to compel food retailers?

Gurbux Saini: Well, it could be for retailers and manufacturers.

Again, to give you an example, it's a bottle of honey in different circumstances. In one store, the price of 375 grams of honey was $9. In the same store, manufactured differently, for 500 grams—25% more content—the price was $8.23. This is huge—

David Bexte: I understand the transparency.

Gurbux Saini: This is deceptive pricing, and that's what we are trying to make sure that Canadians—

David Bexte: The ultralarge box of cornflakes has been around for a long time. Are you intending this pricing to be on the container itself—the package—or on the label on the shelf?

The Chair: We'll have a really short answer.

Gurbux Saini: On the label on the product that the consumers are going to buy....

The Chair: Thank you very much.

Next, we go to the Liberals and Mr. Connors for five minutes.

Paul Connors (Avalon, Lib.): First of all, I want to congratulate you on getting your private member's bill to this stage.

This is a private member's bill that you've decided to put forward as a result of what you heard at the doors when you were knocking to get elected.

Gurbux Saini: Yes.

Paul Connors: You mentioned a framework that you'd like to see put forward, because from what we're hearing, there are some provinces—Quebec and, apparently, Alberta—that have a framework already in place.

Can you elaborate a little more on what you think the framework would be to help other consumers in other provinces?

Gurbux Saini: The intent is to deal with all provincial governments, all territorial governments and all large and small retailers, to listen to their concerns and to listen to the experts from the European Union, because its 27 nations were able to come to a consensus in saying that this is the best thing they can do for their consumers.

If a province is not comfortable, we may not reach consensus. It's not going to be forced on them, but the intent, through the framework, is to come to some understanding. The provincial and territorial governments are there to serve their citizens. If they see a good bill, which is helping in New Zealand, Australia, the European Union and Quebec, why should their citizens not also be benefiting from that type of legislation? It's a collaborative approach that is going to be built.

Paul Connors: We talked about shrinkflation. I'm guessing this was not a bill that you put forward to solve food affordability. Would you want to comment on that? I think you're saying that it's part of a solution.

Gurbux Saini: That's right. In terms of shrinkflation, basically, if they're going to reduce the size of the package, they'll have to specifically say that it contains three kilos. If the other one has two kilos, they'll have to state that it's two kilos. They'll have to state what the price is per kilo. You will see which one has the cheapest price per kilo.

It doesn't matter whether it's three kilos, four kilos or five kilos. You're comparing the basic unit price to find out which is cheaper. It helps the consumer.

● (1630)

Paul Connors: How could more consistent unit pricing improve the shopping experience for Canadian consumers?

Gurbux Saini: First of all, Canadians—some are seniors and some have language barriers—don't have the time to go to the grocery store and use a computer to compare pricing. When it's displayed right alongside the prices, it makes the shopping experience much more comfortable and easier for everybody. They don't have to be a mathematician to calculate everything. That's how it will help.

Paul Connors: Chair, how much time do I have left?

The Chair: You have one minute, sir.

Paul Connors: Let's go back to the educational piece, which will be a big part of it. Can you elaborate a little more for me on the educational piece that you would envision for this?

Gurbux Saini: Part of the legislation is that the government will try to educate Canadians on how to properly interpret those labels and how to read them so that they are comparing prices, they are informed, and they have the knowledge to interpret labels and make informed decisions.

Paul Connors: Very good.

The Chair: Thank you very much.

I think we'll stop there. We need to take a pause while we bring in the next round.

I want to thank you, sir, for joining us today and for sharing your very interesting private member's bill. On behalf of the committee, thank you very much.

We'll suspend for a few minutes.

● (1630)

_____(Pause)_____

● (1640)

The Chair: Okay, folks, we're going to start.

I'd like to welcome the witnesses joining us here today. From the Department of Agriculture and Agri-Food, we have Sophie Beecher; from the Department of Industry, we have Étienne-René Massie.

Mr. Massie, I believe you'll be the one delivering five minutes of remarks, so I'll turn the floor over to you. Welcome.

[*Translation*]

Étienne-René Massie (Assistant Deputy Minister, Small Business, Tourism and Marketplace Services, Department of Industry): Mr. Chair, thank you for giving me the opportunity to testify before the committee to discuss Bill C-226, an act to establish a national framework to improve food price transparency.

Food affordability remains a major concern for Canadians. Although grocery inflation peaked in 2022, food price inflation persists and cumulative price rises continue to put pressure on family budgets. Innovation, Science and Economic Development Canada recognizes these ongoing challenges and the importance of ensuring that consumers are informed and empowered in the marketplace.

[*English*]

The government is continuing its efforts to support consumers and make essential goods more affordable. In budget 2025, the government introduced the new Canada groceries and essentials benefit, formerly the goods and services tax credit.

Beginning in July 2026, the benefit increased by 25% for five years. The government is also providing a one-time payment equivalent to a 50% increase this year. In total, more than 12 million Canadians will benefit from this support.

The government is also addressing the broader conditions that affect food affordability. The national food security strategy strengthens domestic food production and improves access to affordable, nutritious food. It also calls on provinces and territories to implement unit-price labelling, and it supports the Competition Bureau's work to monitor and enforce competition across the market, including in food supply chains.

[*Translation*]

Alongside these measures relating to affordability and competition, Canadians need clear information to make the best choices for their families. That is why the government has launched the Food Price Data Hub to improve access to information and enhance transparency regarding food prices in Canada. Through Statistics Canada's Food Price Data Hub, Canadians can view national and local food price trends, which are regularly updated.

The department also continues to promote consumer interests and protection through its responsibilities regarding key market frameworks and its regulatory duties. It also raises public awareness of key issues, including the affordability of groceries, by providing accessible information on topics such as shrinkflation and skimpflation, unit prices and food labelling.

[*English*]

This brings me to the issue before the committee today: standardized unit pricing. By showing the price of a product per standard unit of measure, unit pricing allows consumers to compare products across brands and package sizes and to make more informed purchasing choices at the grocery store.

In the 2023 market study “Canada Needs More Grocery Competition”, the Competition Bureau recommended accessible and harmonized unit pricing. Similarly, the International Organization for Standardization has developed guidance on units of measure, display, and the consumer education for jurisdictions and retailers implementing standardized unit-pricing systems.

Many grocers already display unit prices voluntarily. However, the practice is neither consistent nor standardized across grocery stores or throughout the provinces and territories.

Pricing regulation falls within provincial and territorial jurisdiction. At the same time, the government wants to encourage initiatives that make life more affordable for families and that provide greater transparency for consumers.

With this in mind, the Minister of Industry wrote to provincial and territorial counterparts this September to encourage the adoption of standardized unit pricing, building on the approaches already in place in Quebec and the proposal being advanced in Manitoba.

● (1645)

[*Translation*]

This issue of jurisdictional boundaries lies at the heart of the review of Bill C-226. While the federal government can help advance a national framework, any legislative amendments governing the setting of unit prices should be made by the respective provincial and territorial legislatures. Progress will therefore depend on close collaboration and consultation with the provinces and territories.

The implementation of the bill must also reflect the practical realities of the grocery sector. Grocery prices are highly dynamic and are shaped by producer and wholesaler costs, promotions, supply chain conditions and regional factors, to name but a few.

The department is aware that frequent price changes could make the administration of standardized unit pricing more complex, particularly for small independent retailers.

[*English*]

For this reason, we see value in drawing on existing international standards and in undertaking consultation. The objective should be to deliver meaningful transparency for consumers while limiting administrative costs that could ultimately be passed on to them.

In closing, ISED remains committed to protecting consumers, examining harmful marketplace practices and working with provincial and territorial partners when there's a shared interest.

Bill C-226 provides an opportunity to continue that dialogue and to consider how greater food price transparency can be achieved in a practical and coordinated way.

[*Translation*]

My colleague and I remain available to answer any questions you may have.

[*English*]

Thank you very much.

The Chair: Thank you very much.

We'll go to the Conservatives for six minutes, with Mr. Epp.

Dave Epp: Thank you, Mr. Chair.

Thank you for appearing with us today.

I believe you've addressed this in your testimony, but to be absolutely clear, the advice from AAFC in briefing notes for question period—to the Minister of Agriculture, at least—was that unit pricing clearly is within provincial jurisdiction. I'm assuming that your advice to the minister has not changed.

Étienne-René Massie: I work for the Minister of Industry, but I can confirm that standard unit pricing falls within the jurisdiction of provinces and territories.

Dave Epp: Thank you.

The testimony in the first hour was a bit unclear as to the target of the legislation. If this were to go about from a provincial perspective, however it may be coordinated nationally, is the legislation targeting the retailer in the display of pricing or is this targeted at the manufacturers? The manufacturers determine the package size. To whom is this legislation potentially directed, accommodating the jurisdictional question we just answered?

Étienne-René Massie: Thanks for the question.

This legislation is to work towards the implementation of standard unit pricing at the retail shelf, so at the grocers. You're right that producers have an impact on prices. They determine the sizes, but the reasoning and the logic behind standard unit pricing is that you reduce the value of the product to that per hundred millilitres if it's volume, or per hundred grams if it's weight, to allow comparisons between package sizes, between products and even between stores, for the consumers to make an informed choice on purchasing.

Dave Epp: Yes, and I'm actually quite frankly glad to hear that, and here's why. Front-of-pack labelling alone was estimated to cost $8 billion with the implications of that legislation, and that ends up in the consumer's lap.

Now, there's still going to be a cost to this legislation, so it would be anticipated that the cost of this legislation would end up at the retailers and then also the consumers. Is that a safe assumption?

Étienne-René Massie: Well, the implementation of the standard unit pricing would be with the retailer. As I noted, and as the sponsoring member mentioned, a lot of grocery stores already do some form of standard unit pricing. It is sometimes different between stores or even within stores. Some stores will go by 100 milligrams and, right beside it, it'll be by kilograms.

I agree that you can do the math very quickly in your head, but for the informed consumer who's moving quickly through a grocery store, having a consistent unit of measure across items would facilitate their purchasing choices.

Dave Epp: Yes, but then to impose that change on the retail sector will impose a cost on the retail sector. Would that be a safe assumption?

Étienne-René Massie: In our consultations and engagement with retailers, they indicated that there would be some cost, and the independent retailers were the ones who expressed the greatest concern about that. The big five grocers practically all do it already in the marketplace.

● (1650)

Dave Epp: Speaking about the independent grocers, have you determined or have you talked about an exemption level, an exemption size...as a dollar per store? Does it not somewhat defeat the entire purpose of this legislation if we begin exempting?

Étienne-René Massie: The Canadian Federation of Independent Grocers has raised the notion of an exemption for smaller independent grocers. At this point, the legislation as currently drafted does not have that. Should that be an amendment, it could be considered.

Dave Epp: What would be your advice to the minister?

Étienne-René Massie: I would say that there are some smaller retailers that operate and may require an exemption. Yes, for the corner stores or smaller grocers that don't have.... What we've heard from the Canadian Federation of Independent Grocers, and what I've heard from engagement with grocers, is that the big grocers can change their prices fairly quickly through their information system. Some grocers have digital display on the retail shelf.

For independent grocers, they will often do manual price changes that will happen on the day they change their sales, and that can involve more work—physical labour—to change the prices and the displays and then put the changes into their computer systems. They have raised some concerns about those administrative costs.

Dave Epp: You referenced the 2023 report that came out of the consumer measures committee. What has your engagement with the provinces been? What has the feedback from the provinces been regarding standardization, which I believe is the intent of this legislation?

The Chair: Give a short answer.

Étienne-René Massie: Sure.

We have engaged with provinces and territories a number of times, at the ADM and the ministerial level as well. Provinces have heard us out but have not rushed to the gate to work on this.

The Chair: Thank you very much.

Mr. Louis, you have six minutes.

Tim Louis (Kitchener—Conestoga, Lib.): Thank you, Chair.

Thank you to the witnesses.

I want to commend MP Saini for bringing this forward. I appreciate this. It's addressing affordability and transparency at the same time. As a long-time member of the agriculture committee, I've had an opportunity, amongst others, to study grocery prices from farm to table. Our committee has heard from farmers, processors, retailers and consumers. We've even compelled the CEOs of Canada's major grocery chains to appear before this committee to answer questions about rising food costs. However, Canadians continue to feel pressure at the grocery checkout. While there's no single solution to affordability, consumers deserve clear information to help them make informed purchasing decisions.

Bill C-226 would require the development of a national framework on grocery pricing and unit price display practices, including measures to improve the accuracy, accessibility and consistency of unit pricing; increase transparency around pricing practices; and educate consumers on how pricing works. The government has taken a number of steps, in addition to this, to improve affordability, including strengthening the powers of the Competition Bureau, implementing the grocery code of conduct, introducing the Canada groceries and essentials benefit, and advancing a national food security strategy focused on strengthening domestic food production and improving access to affordable food. I recognize that the implementation of the bill, if it passes, must be practical and respectful of provincial and territorial jurisdictions, but I look forward to the discussion about how we can improve affordability and transparency.

To the department officials, this bill would require the minister, in consultation with provinces and territories, to develop that framework and table a report within 18 months, I believe, of the bill coming into force. Given that unit prices fall largely under provincial and territorial jurisdiction, what is your opinion about that 18-month coming-into-force timeline? Does that provide sufficient time to conduct those meaningful consultations, to build consensus and to develop a workable framework?

Étienne-René Massie: The 18-month timeline is a good starting mark. I think we can engage with the provinces. The minister has already started that engagement with her correspondence to her provincial counterparts. It will be a matter of engaging with the provinces and determining their willingness to move forward.

I don't necessarily think there's a province that will dispute the merits of standard unit pricing; it's that every legislative assembly and every government has priorities on consumer legislation. They will have to make a determination on how and when they want to introduce such changes through their legislative or regulatory contexts.

On the 18 months, we've already engaged. We know who we need to engage in the provinces. We are happy to do so. There are already international standards that will facilitate this engagement. As I said, from a policy perspective, I think there's an understanding of what this is. It will be a matter of hearing everyone out and seeing where we can land. The 18 months is a good starting point.

● (1655)

Tim Louis: You mentioned that the minister reached out to provinces. Can you share some of the feedback you've heard thus far?

Étienne-René Massie: The minister sent her letters last month, in September. I suspect the letters have all been received by the provinces, but we have not received an official correspondence back from the provinces. This is not atypical. Sometimes it will take a month or two to make its way back to us, on that front. All of our provincial colleagues know, through past engagements, who we are. They can reach out to the team as well, should they need to in the interim.

Tim Louis: Thank you for that.

You mentioned the smaller and independent grocers. The last thing we want to do is make life harder for them. This legislation, if passed, wouldn't compel them to do this. This is just the beginning of it. This would still come down to a national framework and having the provinces implement it. Is that correct?

Étienne-René Massie: Yes, that is correct. The legislation seeks to establish a common standard across the country—inspired by the Province of Quebec and the Manitoba project that is currently under consideration—and then to have a framework that the retail sector could take on voluntarily or that provinces could work to legislate, should they wish, through their provincial legislatures.

Tim Louis: I'm down to my final minute.

My colleague mentioned that for independent grocers there might be a threshold that could be considered. This most likely wouldn't be part of the legislation. Is the Province of Quebec or maybe the pilot project in Manitoba experimenting with something like this that we can learn from?

Étienne-René Massie: For smaller retailers, we would work with our provincial-territorial colleagues to see how a certain threshold would be applied. I can't recall if the Quebec government or the project currently under consideration in Manitoba has a threshold for smaller retailers.

Tim Louis: If you do find that, will you share it with the committee?

Étienne-René Massie: Yes.

Tim Louis: Thank you, sir.

The Chair: Thank you very much.

Next we'll go to the Bloc Québécois.

Mr. Lemire, you have six minutes.

[*Translation*]

Sébastien Lemire: Thank you, Mr. Chair.

I have a question for both of you: which of your two departments should be responsible for overseeing labelling and price transparency?

Étienne-René Massie: Thank you for the question.

Sébastien Lemire: It's an open question.

Étienne-René Massie: It is a shared responsibility, in a sense.

The Department of Industry and the Minister of Industry have, under the department's enabling legislation, responsibilities relating to consumer affairs. The department also has regulatory functions, such as the Competition Bureau, which is associated with the department and is responsible for ensuring sound governance in the Canadian market.

Next, perhaps Ms. Beecher can speak to you about food labelling.

Sophie Beecher (Director General, Policy Development and Analysis Directorate, Department of Agriculture and Agri-Food): Our responsibilities are less focused on labelling. I would say that our enabling legislation is very broad. It covers everything to do with the agri-food sector, as you know.

Sébastien Lemire: Quebec has some of the most progressive consumer protection regulations in North America. Bill 72, which was recently passed to improve price transparency in supermarkets, has come into force.

What have you observed since this law was passed in Quebec?

Étienne-René Massie: Thank you for the question.

Quebec was the first province to require the display of unit prices, and it has implemented its new law.

That said, do I have any specific or formal comments to make on this subject at present? I do not at the moment.

Sébastien Lemire: All right.

My next question is perhaps more intended for you, Ms. Beecher.

What are the obligations of food businesses with regard to shrinkflation or skimpflation?

Sophie Beecher: Again, that's less the purview of the Department of Agriculture and Agri-Food. What we're trying to do through our recent policies is to introduce investments to work on reducing the cost of food in stores for consumers. Our responsibilities are less directly related to retail. That's more the purview of my colleague here.

Still, we're doing our part, and I would be prepared to talk about the policies we're responsible for in a subsequent question.

● (1700)

Sébastien Lemire: I hope that will be the case.

Have you studied what is happening in other jurisdictions around the world with respect to shrinkflation or skimpflation?

Étienne-René Massie: Certainly. In our work on grocery stores, we looked at what was happening in other countries in terms of shrinkflation and skimpflation to see the various practices that exist. Not many countries have put measures in place. I believe France and Brazil have taken steps. In France, for a certain period of time, retailers have to display the fact that a product has been subject to shrinkflation. In Brazil, I believe it is up to the producers to indicate this directly on the labels of the products they ship.

Sébastien Lemire: Actually, I was aware of that information about the two-month period during which the shrinkflation of a product must be displayed in France.

Do you have any figures on shrinkflation or skimpflation in grocery stores? It's said that between 2001 and 2003, 30% of products were reduced in format. Do you have any more recent figures on that? Is this a trend that's gaining momentum?

Étienne-René Massie: I would say that this is a trend. Let me share my personal experience. When I started working in a grocery store, one of the first things my manager showed me was the boxes of cookies that had gone from 400 grams to 375 grams. That was 30 years ago.

So this is a practice that has existed for a long time in the grocery industry. I'm not sure if I have any more recent data, but we have seen and heard expressions of dissatisfaction or frustration from many consumers about shrinkflation.

Sébastien Lemire: We all miss the Maxi Fruits we used to find at our grandmother's house, of course.

In 2023, Agriculture and Agri-Food Canada conducted a survey on Canadians' perceptions of food. The results showed that 51% of Canadians wanted product labelling to make informed food choices.

Do you have any figures on consumers' willingness to choose organic, local or non-GMO products? Do you have that data?

Sophie Beecher: I don't have them on hand, but what I can tell you is that I agree with the premise: Consumers want to buy local. Some people prefer to buy organic products, but not everyone. I would say, though, that the data shows that consumers are willing to make those choices as long as the price remains reasonable. So there's a decision to be made at the store when there are two product choices on the shelf. When prices rise too high for specialty purchases, if I can put it that way, consumers will tend to set aside that preference and go back to more traditional products.

Sébastien Lemire: At least they need to know.

The survey also found that 90% of people used product labels to make their choices. This means that it's important to have transparency and the right logos on labels to help consumers make their choices.

Shouldn't the Consumer Packaging and Labelling Act be strengthened to provide more transparency?

Sophie Beecher: That's something we hear a lot.

First of all, the Department of Agriculture and Agri-Food supports the effort to be transparent about the standard unit price. We included it in the national food security strategy, recognizing, of course, that there is an effort to be made to encourage the provinces to do so.

There's also clear labelling in terms of “Product of Canada” and all those different terms. That's handled by the Canadian Food Inspection Agency. I know they're actively working on that. Obviously, the definitions are clear in the regulations, but the consumer isn't necessarily aware of the difference between “Product of Canada” and other designations, so it's also a matter of education and communication.

Sébastien Lemire: I understand your discomfort.

Thank you.

[*English*]

The Chair: Thank you very much.

Next, we'll go to the Conservatives.

Monsieur Gourde, you have five minutes.

[*Translation*]

Jacques Gourde: Thank you, Mr. Chair.

Mr. Massie, you caught my attention when you talked about the food price data hub. This is a government initiative. I'd like you to tell me a little more about that. Then I'll come back to my questions.

Étienne-René Massie: Certainly.

The food price data hub is an initiative developed and managed by Statistics Canada. If you visit the website, you'll find information on trends in the consumer price index for grocery items.

The site also provides the average cost of a range of goods and food items available at the grocery store. You can use this information to dig a little deeper into specific markets in Canada to gather data.

For example, this morning, I printed out the information from the website. It states that the average price of a two-litre carton of milk in Canada is $5.49.

One last interesting feature of this hub is that it shows, in Canada's food supply chain, the change in input prices in terms of production, processing and transportation. This is where we see data on production, for example, showing an 8.2% increase in the price of livestock, but a 0.2% decrease in the price of grain products. In terms of transportation, we can see that gasoline and diesel prices, which have been mentioned here, are much higher, while the cost of transportation itself, excluding fuel, has increased by 0% over the past year. So it's really the whole issue of energy that affects food prices.

So, it's a data hub where people can go and get information to see how their market compares to others. It allows consumers to make informed choices, knowing whether they're paying the average price in Canada or whether they're in a market where prices are higher or lower.

● (1705)

Jacques Gourde: Based on the data from the food price data hub that you provided, I think it's clear that the entire sector is doing its utmost to ensure food affordability. However, everyone has to accept the reality of fuel prices, including diesel. From farm to table, several tanks of diesel are needed, particularly for tractors, trucks and distribution. If we want to address food affordability, we'll have to find solutions for the cost of energy. This is a message for the government: If it still wants to cut taxes, that would be welcome news for consumers.

As you said, this website is a government initiative. I don't remember who announced it. Has the government already announced it, or is it purely a departmental initiative? Sometimes, departments come up with good initiatives, too.

Étienne-René Massie: This initiative has been in place since 2024, I believe. It was launched as part of the government's work on grocery stores at the time. That said, it was a project that had been in the works for some time at Statistics Canada, which wanted to provide Canadians with greater price transparency.

Jacques Gourde: Okay. This is an initiative that really comes from Statistics Canada, in other words, a department. The government hasn't done much and doesn't have much of a leadership role to play in this regard.

Are a lot of people visiting the website? Is that surprising?

Étienne-René Massie: I looked at the website, but I didn't ask my friends at Statistics Canada for the latest statistics.

Jacques Gourde: It would be important to know this, so I encourage you to send the information to the committee. If the site is visited by a million Canadians, that's wonderful. However, if it's visited by 225 Canadians, there may be questions about the cost-benefit ratio.

However, that doesn't detract from the tool's value. Perhaps it should be promoted more often. The first time I heard about it was here. Given the ratings at this time, few Canadians will learn about this tool tonight. I might promote it myself, but we'll certainly study it.

Ultimately, the food price data hub indirectly addresses part of our colleague's bill. It's about having more transparency regarding prices, making more informed choices and comparing food prices from province to province. It doesn't necessarily allow for comparisons from one city to another. However, there is a price difference because of the cost of transporting certain foods. I can tell you that fruits and vegetables are quite a bit more expensive in Gaspé than in Toronto.

Étienne-René Massie: Absolutely.

[*English*]

The Chair: I think you've run out of time. I'm sorry, sir. The time is done.

Mr. MacDonald is next.

Kent MacDonald (Cardigan, Lib.): Thank you, Mr. Chair.

Thanks to the witnesses for coming today.

Welcome to my colleague, Mr. Saini. Thanks for bringing this bill forward for this discussion.

I'm going to take a direction that's a little different. We've heard a lot on shrinkflation and the different components so far in our discussions, but I wonder if unit pricing will help us identify areas in which the retail sector is strong-arming small food processors across the country.

I come from an area with small food processors in Prince Edward Island, and I know of the struggles that the processed sector has in putting food on the shelves. The consumers in Canada want to buy local. In everything from Abacus Data that we've seen, that's their wish. To go along with that, then, we need to know that the large retail chains aren't putting undue pressure on the food processors.

Now, they brought in the grocery code of conduct. It's a good measure. Will unit pricing, in unison with the grocery code of conduct, give us a better indication? We should be able to see when a retail margin is too high compared to other jurisdictions.

What's your opinion on that?

● (1710)

Étienne-René Massie: Thanks for the question.

The standard unit pricing as it is designed is to help inform the consumer to make purchasing decisions when they visit a grocery store. It is always on the retail shelf that you will find the standard unit pricing, and the standard unit pricing will be adjusted as the price of the item fluctuates up and down.

In itself, the grocery code of conduct is probably a stronger tool to get a better understanding through the reporting that the chief adjudicator will provide on an annual basis. This will give us a better idea of costs within the food sector than the standard unit pricing will. For standard unit pricing, we would probably need to have a system in which we register the price on an ongoing basis to track the fluctuations up and down.

Kent MacDonald: There's really no ongoing analysis done of standard unit pricing in the grocery stores by any agencies that you're aware of.

Étienne-René Massie: Well, I'm not sure if StatsCan disaggregates to the unit level, but they do track food prices across Canada on a monthly basis for consumer price inflation reporting.

The government has a very long history of collecting this information so that we can track prices over time, but I'm not sure if StatsCan disaggregates to the 100 grams or 100 millilitres.

Kent MacDonald: Understand that I'm identifying it as an issue because in my past life, I was a primary producer. Because of the negotiation process that goes on between the retailer and the processor, the price at which the retail sector can buy those products is not always known.

Anyway, I'll move on to something else.

Mr. Saini brought up the point that food literacy is tied to food security. Will the public education component of unit pricing help seniors, youth, young families and vulnerable communities identify a good value in the grocery store?

Étienne-René Massie: I believe that if the Government of Canada and provinces and territories move to a standardized approach for standard unit pricing, Canadians will begin relying more and more on those measures to make informed decisions between grocery stores, and even within the grocery stores, for the different products that they add to their food baskets.

If we move to something that's more systematic across the food sector, Canadians may continue to rely on it and see it, and we will build trust in the value and help them make those informed choices.

Kent MacDonald: As a further comment, in many rural and smaller communities, this legislation would have to have an exemption for those smaller mom-and-pop grocery stores. Some of them buy from the larger retail chains, so it would already have unit pricing, I assume, when they purchase it and resell it in their own store.

The Chair: We're out of time, so I'm going to stop it there.

Thank you, Mr. MacDonald.

We'll go to the Bloc for two and a half minutes.

Go ahead, Mr. Lemire.

● (1715)

[*Translation*]

Sébastien Lemire: Thank you, Mr. Chair.

I have a question for both of you, Ms. Beecher and Mr. Massie. What are the obligations of food companies regarding the origin of food? My question concerns the process. How are determinations made and verifications carried out for the product to be labelled “Made in Canada” or to display the maple leaf?

Sophie Beecher: It depends on the requirements and the definitions. You probably have them in front of you. There is a label, “Product of Canada”, for which I think 98% of the ingredients have to come from Canada. In addition, processing must be done in Canada. There is another one—I have the name in English—

Sébastien Lemire: This isn't a trick question. It's a real question.

Sophie Beecher: Yes, of course. There are different definitions.

There may be other label statements, including one requiring that the main ingredient come from Canada or the final processing take place in Canada. So I think that's what can be confusing for consumers. They don't necessarily have the definition at their fingertips while shopping.

That said, the Canadian Food Inspection Agency regulates this aspect and conducts these verifications.

Sébastien Lemire: Are genome editing elements or biological standards currently among the criteria assessed for mandatory labelling requirements?

Sophie Beecher: When it comes to organic foods, there is a standard to follow and it is established through regulations. That is well established. There are other definitions that aren't, so consumers need to be informed. Processors also have obligations and must provide an accurate description of their products. The Canadian Food Inspection Agency monitors this type of behaviour.

Sébastien Lemire: I'd like to hear your comments on a Quebec-based company, Trema, which makes coffee beverages, but primarily milk-based ones. Its competitor is Starbucks, which imports American milk. Starbucks in Canada consumes 5 million litres of American milk. Starbucks imports what's called a milk-based beverage as opposed to a so-called dairy product, even though over 75% of the product is milk.

Isn't that something we should look at to ensure that we protect the supply of Canadian milk and the consumption of Canadian milk?

[*English*]

The Chair: Give a really quick answer, please.

[*Translation*]

Sophie Beecher: It's not my place to answer that question, as you are well aware.

Sébastien Lemire: Thank you.

[*English*]

The Chair: Thank you very much.

Now we will go to the Conservatives for five minutes.

Go ahead, sir.

David Bexte: Thank you very much for being here today. I appreciate your time and wisdom, and I hope we can get some of that out today.

A number of the things you mentioned in your opening statement triggered some things that I am interested in.

On my colleague MP MacDonald's inquiry about smaller producers and their access to the food system across the country—both small and large retailers—you implied that the grocery code of conduct work that was done was supposed to sort some of this stuff out. My first question is, why wasn't that mechanism used to do this in the first place?

Étienne-René Massie: The grocery code of conduct is an industry-led initiative. The federal, provincial and territorial ministers of agriculture pushed industry to work together to get to a voluntary mechanism on the grocery code of conduct.

David Bexte: Was the federal government just a spectator in this effort?

Sophie Beecher: Certainly not. No.

David Bexte: Okay. The question still stands, then. It's in your wheelhouse to.... We could have done something about it.

Étienne-René Massie: The grocery code of conduct started back in 2020. It was an exercise that was brought forward. We had heard from a number of smaller producers and food processors that said the practices with the big grocers were not necessarily all above board and fair dealing. The ministers of agriculture, with the then federal minister of agriculture, worked together to bring the provinces together. They worked with industry to get to an industry-led, voluntary code.

Standard unit pricing has been established in the province of Quebec for a longer period of time. Federally, the Government of Canada started to engage more actively with the provinces and territories in 2023 to see if we could move forward—

● (1720)

David Bexte: To cut to the chase, did the federal government at that time recommend this practice in the grocery code of conduct?

Étienne-René Massie: The grocery code of conduct negotiations were fairly involved and fairly tense. The government could not really introduce anything else in that conversation, as we—

David Bexte: It was a spectator.

Étienne-René Massie: The government was not a spectator. The government was actively working—

Sophie Beecher: Also, it was trying to address a very specific problem between producers and big retail chains, as opposed to this, which is more about transparency for the consumer. They're two slightly different issues.

David Bexte: There's transparency, but food affordability is still the root problem. If we're trying to address food affordability, they're all in the same basket. They're two sides of the same coin.

Further to that, does this or can this have any impact on the shelf listing fees, which cause barriers to entry for small producers? Is there any mechanism there to flesh that out and apply more transparency to these practices?

Sophie Beecher: [*Inaudible—Editor*] standard unit pricing for producers is really difficult to describe. I don't think there would be any direct links.

We believe standard unit pricing would benefit producers that have a high-quality product that excels on quantity and quality, as opposed to packaging and marketing. It would benefit them because you would have more transparency in that quantity and quality domain, as opposed to relying on a flashy label on a package. That is really the only inference we can make here.

David Bexte: It's just an inference. I appreciate the insights. They're valuable, because they all matter.

This may be a technical question. Why not use the Department of Industry's weights and measures authority to steer this a bit? We've talked about jurisdiction. We are hesitant to do anything. All we have are recommendations and suggestions that they play nice.

Legislation opportunities are rare, and we should use them to compel some behaviour, not....

Étienne-René Massie: I will say, being responsible for the Weights and Measures Act—

David Bexte: I knew that.

Étienne-René Massie: —I'm very happy that someone knows the Weights and Measures Act. We have Bill S-3 in front of Parliament right now to modernize the act.

When we looked at standard unit pricing, we looked at the capacity of a number of legislative instruments within the federal legislative architecture to see if there was anything we could use. We explored the Weights and Measures Act quite extensively at that point, but we could not find a way to bring standard unit pricing into the Weights and Measures Act. We worked extensively with our lawyers to see how we could do that.

David Bexte: I appreciate that you tried. Thank you.

The Chair: At one time, we had a minister of weights and measures. That was in the 1970s, I think.

David Bexte: That was all about metrification.

The Chair: That's right. I learned that this week.

David Bexte: There was a great deal of controversy at the time.

The Chair: I'm taking you guys off in a whole new direction.

Our last MP is MP Dandurand for five minutes.

[*Translation*]

Marianne Dandurand: Thank you very much.

Thank you both for being here today to discuss price transparency, not how to lower food prices. We are really talking about transparency in this case.

Mr. Massie, you mentioned at the beginning of your remarks that one of the concerns you've heard was the fear of a potential increase in costs for retailers to implement such a measure.

This was implemented a very long time ago in Quebec. I remember that was one of the issues that was raised. To my knowledge, it has not turned out to be the case. To my knowledge, studies have shown that this was not the case and that the costs were negligible for grocers.

Can you confirm that the costs of such a measure don't really have an impact on the cost of food or on the expenses that would be passed on to retailers?

Étienne-René Massie: I can't really confirm the cost structure for retailers. What I can tell you is that, from what we've heard, the major grocery retailers are already doing this. For them, it's just an adjustment to their practices, if a standard is established. So I don't think there are really any costs associated with that.

The ones we've heard from most strongly during our process are the smallest retailers and grocery stores—often those in the regions—which don't necessarily have data management systems. They tell us that this adjustment would, therefore, entail higher costs.

Can I confirm this? I cannot, but I can tell you what I've heard based on my observations and discussions with the various stakeholders.

● (1725)

Marianne Dandurand: From your perspective, would this be a recurring cost, week after week, when labels are changed, or would it be a one-time cost only when this new labelling system is implemented?

Étienne-René Massie: I think retailers that have a computerized price management system for their in-store merchandise will likely be better able to do this. Small retailers and small merchants don't necessarily have such a price management system. They may eventually have one, and that will result in lower costs. However, when we spoke with people from the Canadian Federation of Independent Grocers, they told us that this was one of their concerns, especially in the regions, where they saw that in-store inventory management was handled more manually.

Marianne Dandurand: I know that this isn't within your jurisdiction and that it falls under Quebec's authority, but could you clarify whether small retailers in Quebec are required to comply with the same legislation as large retailers?

I'm from a rural area and, as far as I can recall, I see these labels on the shelves. Small and independent retailers are complying with this legislation.

Étienne-René Massie: I think your colleague asked the same question as yours about Quebec, but regarding Manitoba, to find out whether there were any exemptions. I will look into it and report back to the committee. I don't know off the top of my head.

Marianne Dandurand: In recent years, to what extent has the federal government worked with the provinces and territories on unit pricing? Is this a topic you discuss with the provinces and territories?

Étienne-René Massie: We have discussed this issue with provinces and territories on a number of occasions, since 2023, in working groups and in conversations I have had with my provincial and territorial counterparts. I know that the former minister of agriculture and agri-food and the former minister of innovation, science and industry also convened the provinces and territories to discuss the issue. I have the press release from the December 11, 2023 meeting, when this was done at the departmental level.

Marianne Dandurand: I know that the Innovation, Science and Economic Development Canada website contains information on unit pricing.

Is this information used by the public? Do you think it's useful and a good way to educate the public?

Étienne-René Massie: We do have data on the standard unit price, and that's precisely there to educate Canadians and help them better understand the issue. So, yes, I believe it's a tool that can be useful for consumers.

Marianne Dandurand: Thank you very much.

[*English*]

The Chair: Thank you very much.

I'd like to thank our officials, on behalf of the committee, for joining us today. We appreciate it.

Before folks leave, there's a deadline suggestion for the submission of recommendations for the food security study. I'm going to suggest Wednesday, October 28, by end of day, for any recommendations. Is that okay with the committee?

Some hon. members: Agreed.

The Chair: Again, thank you to our friend from Fleetwood—Port Kells for joining us today and for bringing forward your legislation.

Is there a motion to adjourn?

An hon. member: I so move.

● (1730)

The Chair: Thank you.

The meeting is adjourned.

Published under the authority of the Speaker of the House of Commons

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: https://www.ourcommons.ca

Publié en conformité de l'autorité du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante : https://www.noscommunes.ca