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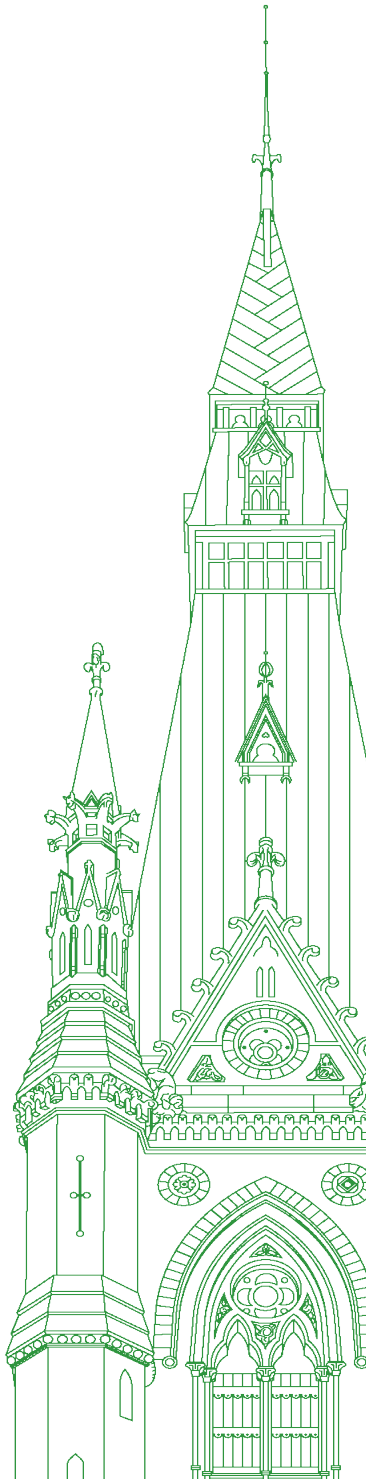
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Chair: Robert Morrissey

Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

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● (1100)

[*Translation*]

The Chair (Robert Morrissey (Egmont, Lib.)): I call this meeting to order.

Good morning, everyone. Welcome to meeting number 52 of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

[*English*]

Pursuant to the motion adopted on Monday, February 23, 2026, the committee is meeting on food price inflation and the national school food program. Today's meeting is taking place in a hybrid format pursuant to the Standing Orders.

We have one witness appearing virtually and one in the room. The witness appearing virtually has been sound-tested and approved.

I would like to advise all members participating today that you have the option of choosing to participate fully in the official language of your choice. Please ensure that you have the channel that gives you the interpretation that allows you to fully participate. Click on the globe icon at the bottom of your screen and choose the official language. If there is an interruption in translation, get my attention and I will suspend while it is being corrected. I would also like to advise everyone in the room to please silence your devices before we begin, and please refrain from tapping on the microphone boom for the protection of the translators. Please wait until I address you by name before speaking, and please direct all questions through the chair.

In our first hour, we have two witnesses appearing on food price inflation and the national school food program.

As an individual, Sylvain Charlebois, the senior director of the agri-food analytics lab at Dalhousie University, is here by video conference.

Did I get it right, Monsieur Charlebois?

Dr. Sylvain Charlebois (Senior Director, Agri-Food Analytics Lab, Dalhousie University, As an Individual): That's correct, Mr. Chair.

The Chair: Thank you.

From Daily Bread Food Bank, we have Neil Hetherington, chief executive officer. He is here in the room with us.

We'll begin with Monsieur Charlebois for five minutes.

Dr. Sylvain Charlebois: Mr. Chair and members of the committee, thank you for the invitation.

Our central message this morning is that a permanent school food program can provide meaningful support to children and families, but permanence must come with protection against rising costs and clear evidence of results. Feeding children at school must also be accompanied by policies that improve food affordability at home.

Our fall 2026 Canadian food sentiment index reported that 32% are using savings or borrowing money to buy food, up 4% from a year earlier. Many families are also experiencing couponing or savings fatigue after years of high inflation.

Our earlier research also identified nutritional trade-offs. In our 2025 study, 45.5% of respondents reported prioritizing costs over nutritional value more than a year earlier. That finding helps explain why access to food and access to nutritious food must be considered together.

Slower inflation does not reverse the price increases families have already absorbed, nor does a national inflation average capture the cost of delivering a nutritious meal in a remote community.

Our forward-looking analysis also identifies three pressures that school food budgets must anticipate right now.

The first is diesel. Our lab's scenario indicates that, if high diesel prices persist through winter, grocery inflation could peak 0.5 to 0.7 percentage points above an easing baseline. These costs move through farming, processing and transportation with a delay.

The second is the Canadian dollar. In our currency scenarios, a dollar at 68¢ U.S. could bring fruit inflation to 4% and vegetable inflation to 5.5%, all else being equal. These are category inflation rates, not additional percentage point increases. A weaker dollar reduces importers' purchasing power, particularly during the winter produce season.

The third is the super El Niño. Our outlook identifies disrupted rainfall and harvest as a risk to agricultural supplies and food-processing costs into 2027.

These are conditional scenarios, and the effects should not simply be added together. They reinforce the need to protect school meal budgets against changing costs.

We offer four recommendations. First, protect the purchasing power of program funding. Second, combine national accountability with local delivery. Third, make equitable access practical. Fourth, measure what children receive and consume.

The lab's research supports taking household affordability pressures seriously. It does not establish that school meals alone can resolve them. Children also eat on weekends, during holidays and throughout the summer. The committee should, therefore, connect this program with broader work on household incomes, grocery competition, transportation and supply chain costs. A school meal can help a family today; lasting food security also requires that family to afford nutritious food outside school.

We support making school food dependable. Parliament should insist that permanent funding delivers sustained access to nutritious meals with transparent costs and measurable benefits for children.

Along with this statement, we also supplied you with copies of our forecast and of our index that was released a few weeks ago.

Thank you. I welcome your questions.

● (1105)

The Chair: Thank you, Mr. Charlebois.

Mr. Hetherington, go ahead.

Neil Hetherington (Chief Executive Officer, Daily Bread Food Bank): Thank you very much.

Good afternoon.

My name is Neil Hetherington. I have the awesome privilege of being the CEO of the Daily Bread Food Bank. The Daily Bread is Canada's largest food bank, providing more than 90% of emergency food support across the city of Toronto through our network of 221 food banks.

Regrettably, now one in 10 Torontonians has to make use of a food bank. I'll speak more to the fact that there were 4.1 million client visits that we provided food for in the last year alone.

I want to start by giving thanks. Making the national school food program permanent was a historic decision, and it's working. There are 400,000 more children now fed at school.

The questions we have are how we can make this program last, reach every child and deliver the most value for every tax dollar.

Grocery prices are up more than 30% since 2019, and our frontline data shows that when food inflation rises, food bank visits follow. In 2025, we recorded that all-time high of 4.1 million visits, and that was up 340% since 2019. Nearly all of our clients, 96%, point to one single reason why they need to visit the food bank. It is the cost of living. Sadly, children are disproportionately carrying the weight.

Next week, we will be releasing the “Who’s Hungry” report. It's our annual report about food insecurity in the city of Toronto. You're going to read about a startling new statistic. In the city of Toronto, one in eight children now uses a food bank. In 17% of households with children, kids are going hungry at least once a week, and two in three parents are going without food themselves so that their children can eat.

Student nutrition programs address that equation. Thanks to the City of Toronto's leadership and financial support under Mayor Chow, morning meals now reach every student in every public school. That's about 325,000 students. Without stigma, these students eat so they can learn. Now we will be moving to a universal lunch program, which will continue to improve the situation.

Toronto has shown that universality is possible, but a city cannot carry this on a property tax base alone. Government funding covers only 37% of food costs for Toronto's student nutrition program, and Ontario's base funding has not increased since 2015. It's $17 per student per year, so it's nine cents per day.

I offer you four recommendations.

First, every order of government must pay its fair share, and its share needs to keep pace with food inflation. We would ask that you index federal funding to food inflation so that this permanent program doesn't quietly shrink in real terms. Work to build matching commitments into agreements with the provinces and territories so that federal dollars add to provincial investments, rather than replace them.

Second, measure and publish the data. Track each visit, the cost per meal, the share of food costs covered by the government and, ultimately, food insecurity rates among households with children. Report them publicly every year and draw in long-term studies on student health and academic outcomes. That is how Parliament will know this investment is, in fact, paying off.

Third, stretch every dollar further with a federal food donation tax credit. We recommend a 25% non-refundable credit for farmers that donate food to school programs and food banks. This would bring in more fresh, Canadian-grown food into schools and lower the public costs. Ontario has a tax credit like this for farmers, and last year alone, our food bank received over four million pounds of farm donations. Farmers did well by doing good. A stackable federal tax credit would support farmers, cut food waste and give school food programs a cost-effective procurement tool on its path to universality.

Fourth, we recognize that school food is a floor, not a fix. A child can eat well at school and still go home to an empty fridge. After paying for housing, the median food bank client has just $8.33 a day to pay for food, clothing and transportation. Some 85% of our food bank clients are renters. Therefore, we ask that the government consider the Canada's renter tax credit, which could have a substantial benefit to targeted, low-income groups of about two million households. The CRA has already shown it can deliver tax rebates like this quickly, and we look forward to working with the government to provide input in shaping this policy.

● (1110)

The economic case is also clear. Children who are hungry struggle to focus and learn. When parents skip meals so that their children can eat, the stress and health consequences are real. The strain follows food-insecure kids into adult households. We know that those who are food insecure cost taxpayers $450 more per year on average in acute health care costs.

I'd be delighted to take additional questions as they come up. Thank you.

The Chair: Thank you, Mr. Hetherington.

We'll begin the first six-minute round with Ms. Falk.

Rosemarie Falk (Battlefords—Lloydminster—Meadow Lake, CPC): Thank you very much, Chair.

I'd like to thank both of the witnesses for taking the time to be here to discuss this very alarming situation that we have with the number of Canadians who are unable to feed themselves or to even access nutritious food.

I would like to start with Mr. Hetherington, if I may.

How many people would you say—if you're able to share this number—the Daily Bread Food Bank is serving in an average month?

Neil Hetherington: It's 330,000.

Rosemarie Falk: How many people are accessing the Daily Bread Food Bank for the first time?

Neil Hetherington: That number would vary. You have individuals who have an issue and need to come to the food bank. They leave for a year or two years and they might have to come back. It would be difficult—

Rosemarie Falk: Do you keep track of any of that information if there's one person returning more regularly or not?

Neil Hetherington: We do. We have that information. You can parse it in different formats. I'd be delighted to provide it to the committee.

Rosemarie Falk: Yes, that would be great if you could do that.

Has the food bank noticed an increase in visits in, say, five years?

Neil Hetherington: The increase is 340% since 2019.

Rosemarie Falk: Do you do a formal intake?

Neil Hetherington: We do.

Rosemarie Falk: Do you ask at all what the reasons are?

Neil Hetherington: Absolutely.

Rosemarie Falk: Is there a common trend of what they are? Are you able to share that with the committee?

Neil Hetherington: There is.

The first is that large number I gave, where 96% say that, with the cost of living, their income does not meet the typical expenses that you'd expect. There are three reasons they give for that.

The first reason is that they are on income supports that are wholly inadequate. Across the country, we treat those on disability abominably. We provide about $1,000 less than the poverty line for each person who derives their income from disability. That's universal. The Canada disability benefit was very helpful in starting to make up some of that ground.

The second reason is the lack of affordable housing.

The third is the rise of precarious employment. Individuals who are working full-time hours and therefore don't have the ability to access benefits have to rely on food banks.

● (1115)

Rosemarie Falk: You also noted—and I think I wrote this down correctly—that, today, one in eight children use the food bank.

Neil Hetherington: That will be officially announced on November 3.

Rosemarie Falk: Okay. Is that an increase from, say, a five- or 10-year period?

Neil Hetherington: It is.

Rosemarie Falk: Okay.

Have you noticed a decrease since the school food program has been introduced or has it stayed the same or increased with children accessing the food bank?

Neil Hetherington: There has been an increase in all demographics coming to the food bank.

We are starting to see some areas of positive hope through different policies that have been brought in. I'm ever hopeful that the positions and the policies that have been brought in over the last year will mean that, if I come and testify next year, I will deliver better news on the number of people in line.

Rosemarie Falk: For sure.

My last question for you is about donations. Has there been an increase or decrease in donations from Canadians? What does that look like?

Neil Hetherington: There's been an increase in individual major gifts to food banks and a decrease in those who are able to provide $100 or $200 a month. That has decreased. That speaks to a growing divide between those who have and those who do not have. There has been a decrease in individuals donating food at their local grocery store for the food banks. There has been an increase in farmers finding a positive way to provide surplus crops to food banks.

Rosemarie Falk: Thank you so much.

Mr. Charlebois, thank you again for taking the time to be here.

You spoke about purchasing power. We've heard from several witnesses so far in this study that food insecurity in Canada is not from a lack of food; it's from a lack of access to food. Would you say your research supports that?

Dr. Sylvain Charlebois: Yes, absolutely, but I think the problem is much deeper than that.

I do think Canada has a price volatility issue. What I mean by this is that if you look at G7 countries, our food prices have gone up 29% in the last five years, which is basically the average amongst G7 countries. Other countries have done worse than us. The problem is that for 17 months, from one month to another, prices have dropped and then gone up again. When that happens, you're pushing Canadians away from the periphery of the store, where products are fresh and more nutritionally desirable, and when they go to the centre of the store, they find out they can't afford to eat, basically.

The challenge we have in Canada is that we can't really stabilize food inflation over time. We do see huge ups and downs. That makes a lot of Canadians concerned about food prices in general.

Rosemarie Falk: Why are...?

Okay. Thank you, Chair.

The Chair: We are over the time. Thank you.

[*Translation*]

Ms. Koutrakis, you have the floor for six minutes.

[*English*]

Annie Koutrakis (Vimy, Lib.): Thank you, Mr. Chair.

Thank you to our witnesses for being here this morning.

Mr. Hetherington, I'd like to begin my questioning with you.

At the very beginning of your testimony, you said that the program is working. I'm wondering if you could please share with us some of the measures or results. Have you heard stories? Are families or organizations sharing these stories? How do you know that this program is working?

Neil Hetherington: There are two parts. The first would be the increased accessibility to it. The second would be that we know the amount, at least in the Toronto context, that is saved per family by having these programs in place. On an annual basis, that is $900. Moving that to a universal lunch program will bring us in line with the G7 and provide a savings for families of about $1,800. That is $1,800 that our families need in order to be able to pay for food in the conventional grocery store.

● (1120)

Annie Koutrakis: Okay.

We've heard from organizations and previous witnesses, and I believe you touched on this a little in your testimony, who have highlighted the value of ensuring that children have access to nutritious meals at school. How can school food programs complement broader efforts to support families facing food insecurity?

Neil Hetherington: I think what's important is that they are one piece of the puzzle. The government has gone around and looked at the other pieces that are also required in order to support kids. That means the development of affordable housing. It means investing $13 billion in Build Canada Homes. It means there is an investment of $1.1 billion annually for the Canada disability benefit. These are the types of initiatives that deal with the long-term, systemic issues that complement the student nutrition program. These are the efforts we wish to increase.

In the testimony from Daily Bread, we mentioned moving toward a renters tax credit. We are hopeful that the government will contemplate this new initiative. Low-income families would have the opportunity to have a tax deduction for portions of the rent they pay. That would have a direct impact on the individuals in the group that's growing at the fastest rate. These are low-income, working poor Canadians. Sixty per cent of them have a university or college education; 50% of them have full-time employment, and they still have to come to a food bank. This would target that group.

Annie Koutrakis: Would you therefore say that a lot of the investments that the current government is making—in battling house pricing, in helping with affordability issues, in the groceries and essentials tax credit, and in all these programs we've put in place—are working in conjunction to make sure we are addressing what Canadians are facing in terms of food insecurity and affordability overall?

Neil Hetherington: I think there's much to celebrate and more to do. We're anxious to work alongside each of the parties to say that today's the day to build a better Canada. We do that through those three things: building affordable housing; making sure that people on income supports can thrive in community; and how we combat precarious employment.

Annie Koutrakis: We all know there are special challenges for communities living in the north. Would you have any recommendations for how we can do better for those communities?

Neil Hetherington: I would turn to my colleagues at Food Banks Canada for recommendations on that.

Certainly, co-operative models are good. There is subsidy required. The fact that it costs $26 to purchase four litres of milk.... That is not the way it should be. We have opportunities there.

I'd be delighted to submit the report on northern gateway opportunities to provide for low-income Canadians in the north.

Annie Koutrakis: Thank you.

I have two minutes.

Mr. Charlebois, would you like to add any comments to any of the questions I just asked Mr. Hetherington?

Dr. Sylvain Charlebois: Thank you for the opportunity.

First of all, I want to thank Daily Bread Food Bank for the work they're doing. I want to thank Neil. I know him. I want to salute the great work food banks in Canada are doing.

Neil often says that food banks exist due to failed policy. I would argue that there is no perfect policy, so it's always a work in progress.

For this particular program in schools, I see potential to do much better. I think Neil alluded to the fact that we need to measure what is going on. There are many governments helping children in schools. I'm not entirely convinced that we have a good sense of how impactful the program is.

The program has to exist. We're doing great work, but we need to measure its performance.

Annie Koutrakis: Do you have any recommendations for how we can do that?

Dr. Sylvain Charlebois: You could start with the children themselves. How many children are being fed and what are they being fed? Of course, most importantly—I mentioned this in my opening statement—can we afford to feed 400,000 students? If not, how can we adjust our budget, and how can we support that initiative appropriately through local procurement?

Again, Daily Bread Food Bank has a great recommendation in terms of tax credits. That's a very powerful tool to supply schools and lessen the budgetary burden of this program, which is costing well over $1 billion already.

● (1125)

[*Translation*]

The Chair: Thank you, Mr. Charlebois and Ms. Koutrakis.

Ms. Larouche, you have the floor for six minutes.

Andréanne Larouche (Shefford, BQ): Thank you, Mr. Chair.

I thank Mr. Charlebois for joining us here to share his point of view. I also want to thank Mr. Hetherington for giving us a first-hand perspective on what is happening on the ground with food banks.

I'll start with you, Mr. Hetherington, because you answered a question from Ms. Falk about people with disabilities who were eligible for a benefit. However, yesterday at noon, people with disabilities held a gathering to call for measures to reduce poverty among their community.

This morning, Disability Without Poverty organized a breakfast. Their primary demand is that the benefit be made more adequate to meet the needs of people with disabilities. They say that $204 a month covers their needs for barely three days. In short, this budget should be increased and then an adjustment should be made that better reflects inflation.

Is that something you're seeing as well? You were talking earlier about this benefit and the specific needs of people with disabilities.

[*English*]

Neil Hetherington: Thank you for the question, and for your care and concern for those who derive their income from disability benefits.

There are two areas of the Canada disability benefit that we are hopeful the government will continue to address.

The first is, as you mentioned, adequacy. Across the country at the provincial level we are providing about $1,000 less than the poverty line. We should move that towards, at minimum, the poverty line, recognizing that those living with disabilities have additional expenses. The benefit should actually be higher than that, but moving it towards that level at the very least would be ideal. That's the adequacy part.

The second is accessibility of the benefit. In the fall economic statement, the government provided an outline of how it was going to decrease barriers to accessing the benefit. We were delighted with many of the new initiatives that were in there, for people working their way through the very onerous process of the DTC in order to get that benefit.

[*Translation*]

Andréanne Larouche: Thank you very much.

It is true that lifting someone out of poverty would be a goal, although we can make numbers say whatever we want. Does someone who is only a few dollars above the poverty line really live with dignity?

I'll give you an example. That's more or less what we hear from some seniors. In any case, the food banks in my area have made me more aware of this issue. I have a meeting coming up to discuss the situation of seniors in particular. Of course, these food banks also serve, in addition to people with disabilities, many people who are in the workforce, families and workers who come looking for food assistance. There are also seniors. This number has been steadily increasing for a few years—for far too long already. What food banks are saying, in particular, is that incomes are not sufficient, either. Federal benefits paid to seniors are not enough. People aged 65 to 74, for example, did not receive a 10% increase in their old age security pension, unlike those aged 75 and over.

One of the food banks' recommendations is that, at a minimum, people aged 65 to 74 should receive the same amount of benefits as those aged 75 and over.

However, that wouldn't solve everything. Again, this is a federal benefit that doesn't seem to meet needs and leaves seniors struggling. It's being said that so many seniors have been lifted out of poverty, but when they're only a few dollars above the poverty line, that's when they struggle to meet their basic needs: housing and food.

Are you also seeing this reality among seniors who come to your food bank?

[*English*]

Neil Hetherington: We've absolutely seen the difficulty among seniors that you speak about. We've also seen the hope.

On the hope, we started to see a decrease in the number of seniors accessing food banks when the guaranteed basic income came into play. While we saw a decrease there, I don't want to in any way suggest that they are able to thrive in community with the income levels they currently have. They can't. You're entirely right, so I think there's additional investment there.

Going back to what I said earlier, there are some things to celebrate with that benefit that came in. We saw it empirically with food bank usage, but there is still much to do.

● (1130)

[*Translation*]

Andréanne Larouche: You're lucky, Mr. Hetherington, as last year, when the Hunger Count 2025 report was published in Quebec, the director of a food bank in Montreal said in the newspapers that she was seeing an increase in the number of seniors. I'm not talking about the food bank in my area. I'm talking about one of the largest food banks in Montreal. The director said in an interview the morning after the Hunger Count 2025 report was released that she wanted to see an increase in seniors' pensions because there is a need. That was her first recommendation. She also pointed out that the guaranteed income supplement was no longer even sufficient. It forces a senior to live on barely $22,000 a year. Given the rising cost of housing, that's not enough.

I'll wrap up in about 10 seconds. There was also a request from people with disabilities and seniors regarding affordable housing. Again, the concept of social and community housing might be more appropriate, as the term “affordable” can mean many things.

The Chair: Thank you, Ms. Larouche.

[*English*]

Mr. Genuis, you have five minutes.

Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Thank you very much, Chair.

Thank you to both of our witnesses.

My questions will focus on Professor Charlebois.

I do want to say, Mr. Hetherington, thank you for being here, for the work you do and for your testimony. In particular, the point you made about how food inflation leads to an inflation of needs you're seeing at food banks is an important one for us to reflect on.

Professor Charlebois, you've done some work on the relationship between costs of transportation and costs of food. We're in a big country. The transportation costs feed into the costs of things that have to be transported, which you've identified as one reason why food inflation has been higher in Canada than in many other countries and why food inflation has outpaced inflation of other goods.

I wonder if you could share your perspective with the committee on the relationship between transportation costs and food costs?

Dr. Sylvain Charlebois: Obviously, the correlation between diesel costs and food inflation is at 0.89. Knowing that the perfect correlation is 1.0, I can certainly tell you that, whenever diesel costs go up for whatever reason, it does impact food prices, which is why it's one of the factors that concern us right now.

We're in the middle of our planning for Canada's food price report, our 17th edition, which will be released on December 3. Transportation cost is probably the biggest concern we have right now, because several regions in Canada depend on trucks. We have a trucking economy so, as I mentioned in my opening statement, if energy costs remain the same as they are now, we are likely to see a bump of 0.5% to 0.7% on food inflation over the next six to 12 months, and that is significant. That represents basically about $700 to $1,000 more to spend on groceries for the average household in Canada. It is significant.

Garnett Genuis: That's a pretty sobering projection, that things are about to get worse.

To distill this down, diesel costs are correlated with food costs, and food cost increases mean food bank use increases. When we see higher diesel prices, we're going to see more people at the food banks as a direct result. Is that fair to say?

Dr. Sylvain Charlebois: I would say right now, if you look at the lower 40% of income earners in Canada, they are forced to do two things. One is that they trade down. I know in the hunger report that was released a couple of weeks ago, there is the term “working poor”. A lot of Canadians who go to food banks are working. They have one, two, sometimes three jobs. The lower 40% are forced to either trade down at the grocery store or seek help at a food bank, basically.

Food inflation is at 1.7% right now, which is actually below 2%, but that's not what matters most. What matters most is how people feel when they go to a grocery store. They've seen so much volatility over the last five years, it's impossible for them to realize or know that they could or could not afford groceries. That's really the big challenge that we have right now. That's why people are afraid, why people are concerned about food costs.

In reality—

● (1135)

Garnett Genuis: Perhaps I could jump in with one quick question as my time wraps up.

Could you propose specifically what you want to see from the government to address diesel prices? What can we do to lower diesel prices in hopes of the consequent positive effect of lowering of food prices?

Dr. Sylvain Charlebois: It would be important for Parliament to consider lowering taxes on fuel outright, especially for the next 12 months, because the next 12 months will be challenging.

Garnett Genuis: That's a great suggestion, Professor.

Some people are chuckling here because they think this is exactly what I wanted to hear, and it is what I wanted to hear. It's what Conservatives have been proposing for a long time, which is, if diesel prices are lower, food prices are lower, which means, in particular, that people who are struggling are less likely to need to use food banks if food prices are lower, if diesel prices are lower.

It's pretty clear, Mr. Chair—

Dr. Sylvain Charlebois: If I may—

Garnett Genuis: I hope this has been educational for my friends across the way.

The Chair: Thank you. The time is up.

[*Translation*]

Mr. Villeneuve, you have the floor for five minutes.

Louis Villeneuve (Brome—Missisquoi, Lib.): Thank you, Mr. Chair.

I thank the witnesses for being here today.

Thank you, Mr. Charlebois. We see you everywhere in the media. It's helpful to have you with us this morning.

Mr. Hetherington, you may have touched on this briefly at the beginning, but the national school food program currently helps over 85,000 students every year. Do you have any data showing the impact on children's eating habits, health or academic success? You mentioned the need for annual studies, but do you currently have any data?

[*English*]

Neil Hetherington: We have data on cost savings for individual families. In my testimony, I referred to the need for long-term studies on student outcomes, and that is something we would be keenly interested in our research department to work with the government to provide.

[*Translation*]

Louis Villeneuve: Thank you.

What are the main benefits observed among students from remote northern communities who participate in this program?

[*English*]

Neil Hetherington: I don't have specific data that I can provide you on that. I would refer to our colleagues over at Food Banks Canada for the northern strategy and its effects.

[*Translation*]

Louis Villeneuve: Thank you.

The Government of Canada has invested $4.2 million. What concrete results has this investment yielded?

[*English*]

Neil Hetherington: The results we're seeing are kids being able to eat in school. It's as basic as that.

We know it is being done, at least in the Toronto and the Ontario contexts, in a universal way. It is being done without fear or concern about which family needs it and which one doesn't, so that each child does not have that sense of an undignified moment when they need to raise their hand or can't pay for that program. That's incredibly important, and it raises us to the same level of any of the other G7 nations.

[*Translation*]

Louis Villeneuve: Thank you.

I would also like to know what your priorities would be if additional funding were available.

[*English*]

Neil Hetherington: There are four funding streams in Toronto. All three levels of government participate at various levels.

We are hopeful that the federal government will lean into the PT agreements to ensure that they adjust their contributions at the same inflationary rate changes the federal government would be making.

The City of Toronto has taken a leadership position.

The fourth funding stream has been private funding. That would be the area, at least in the Toronto context, where they have reached out from a philanthropic perspective to make that program happen. I would argue that this is probably the least desirable way to be able to fund this type of program. It fluctuates in terms of funding and, therefore, in outcomes for those children.

Setting up a tripartite...but at least with the federal-PT agreements being universal and set with standards that allow for access would be the ideal funding base.

● (1140)

[*Translation*]

Louis Villeneuve: Thank you very much.

I have barely a minute and a half left. I will now turn to you, Mr. Charlebois.

You have raised a number of criticisms about the Canadian food system. If the federal government were to adopt just one of your recommendations tomorrow, which one do you think would provide the greatest benefit to Canadian consumers?

Dr. Sylvain Charlebois: Thank you for that question.

It would be important to properly measure the program's impact, but also to anticipate additional costs. I know that, earlier this week or last week, a witness showed that the program is already underfunded. It's important to understand that there is a lot of volatility in the markets, and that has an impact on the program's influence and effectiveness. These costs must be anticipated.

Louis Villeneuve: Thank you.

I'll try to ask one last question if I have a bit of time, Mr. Chair.

Mr. Charlebois, you've often argued that food affordability issues are partly structural. Which of the factors you've identified fall under federal jurisdiction and which fall under provincial jurisdiction or the private sector?

Dr. Sylvain Charlebois: That's another good question. There is one issue that falls under the jurisdiction of both levels of government. Of course, there are interprovincial barriers, which I think are problematic. I'm in Saskatoon right now, and we're still talking about that. How can we lower interprovincial barriers? If trade among provinces was made more efficient, that could reduce food costs by $700 per year per family.

Louis Villeneuve: Thank you very much, Mr. Charlebois.

The Chair: Thank you, Mr. Villeneuve.

Ms. Larouche, you have the floor for two and a half minutes.

Andréanne Larouche: Thank you very much, Mr. Chair.

I don't have much time. For this second round, I will now turn to you, Mr. Charlebois.

It is true that rising food prices are an issue that has also been studied by the Standing Committee on Agriculture and Agri-Food.

This isn't the Standing Committee on Agriculture and Agri-Food, but I still want to ask you what measure could help and have an impact. Is the lack of competition among the major players in the food industry a factor? There is also the whole issue of dynamic pricing, a phenomenon we've seen emerge. Should the government take action to legislate against this practice? Could it actually help lower food prices?

Dr. Sylvain Charlebois: That's a very good question. We actually need to stabilize the system as a whole. To do that, we really need to invest more in food processing. That's really the strategic cornerstone for Canada, and it's what's missing. The food processing sector is struggling. That's less of an issue in Quebec because 70% of agricultural production is already processed there, but that's not the case elsewhere in the country.

Recently, the government made two announcements that I think are quite important.

First, there was funding for food processing to the tune of, I believe, $1 billion. That's really a step in the right direction.

Next, the other measure that I think will make a big difference—especially for small and medium-sized businesses—is what's known as the productivity mega deduction, which was announced recently. There are many small food processing businesses that can't afford to automate their operations and become more productive. So I think this measure will go a long way toward making food processing more competitive. It will help stabilize food prices and inflation in the long term.

Andréanne Larouche: I have 20 seconds left.

You also mentioned the tax credit for producers. Could that help food banks?

Mr. Hetherington, perhaps you'd like to add something on this topic.

Dr. Sylvain Charlebois: Absolutely. Ontario is a model. I hope to see the other provinces follow suit.

● (1145)

The Chair: Thank you.

Thank you, Ms. Larouche.

[*English*]

We go now to Mr. Reynolds for five minutes.

Colin Reynolds (Elmwood—Transcona, CPC): Thank you, Mr. Chair.

Thank you, witnesses, for coming here today. We really appreciate your coming and providing input on this obviously very important issue.

I want to start with you, Mr. Hetherington.

A school food program is a short-term solution to what I think is a bigger issue. Obviously, people are hungry today and they're being fed today, which is good, but for food inflation overall, having the government feed our people is probably not the best permanent solution. That is what I'm really getting at. Food inflation is one of the major root causes, and cost of living is a major root cause. You mentioned that food bank usage has increased 340% since 2019. That's incredible.

Mr. Charlebois said something interesting. He said that food banks exist due to failed policy. I've never heard that before, actually. With the drastic increase in food bank usage since 2019, what policy changes should the government make to rein in food inflation?

Neil Hetherington: Food is about $350 per person per month for the average Canadian. Inflation of a few per cent has a profound impact on low-income Canadians. It has that effect because of the systemic reasons why they are low-income. That would be precarious employment. It would be income supports that are wholly inadequate. It would be on the expense side of things, the lack of affordable housing. Those are the main policy drivers that result in individuals coming to food banks.

When it comes to food inflation, you want to set up the systems that allow for great competition to occur. You want to make sure that there are tax credits available, that there is the lowering of fuel prices either on a temporary basis or not when there is an acute challenge to the system. These are all the different levers that are available. There's also the new lever that we have, which I am hopeful the government will look at, which is a tax credit for those who are low-income Canadians who are renting.

In the United States, there are income deductions available for mortgage interest. We would love to target that a little bit more to those who need it the most, which would be renters and making the payments that they make on rent tax deductible. It allows for a targeted approach that will result in fewer people having to come to food banks and a reduction in the currently one in four Canadians who are food insecure.

Colin Reynolds: Thank you.

Mr. Charlebois, you mentioned something which I found very interesting, price volatility in our food market. Has that changed over the last five years—the sharp increase was since 2019—or has it always been that way in Canada?

Dr. Sylvain Charlebois: It's actually getting worse.

It really started back in 2008 with the financial crisis. If you look at the data supplied by Statistics Canada, you'll see that food inflation and inflation were progressing in lockstep until 2008. That's when there was a break between the two. Since then, we've seen a huge difference between food inflation, the food price index, prices and the CPI, in general. We've never recovered since 2008. It's only getting worse due to several factors like, for example, climate change, geopolitics, energy costs, currency fluctuations, and so on and so forth.

We've never been focused on granting some immunity to our food system in Canada against all of these factors that do bring more volatility. That's why I've always argued for many years now that food manufacturing is a solution. Ontario is a good example of how food manufacturing has been undermined. Most people talk about cars, but food manufacturing is the top manufacturing sector in the province. We've never given a whole lot of attention to manufacturing until now.

● (1150)

The Chair: You have seven seconds, Mr. Reynolds.

Colin Reynolds: How much of our food in Canada that we consume is from Canada, made or grown here?

Dr. Sylvain Charlebois: With regard to retail, I would say probably about 50% to 60%.

The Chair: Thank you, Mr. Reynolds.

We'll now conclude this first hour with Ms. Harrison for five minutes.

Emma Harrison (Peterborough, Lib.): Thank you, Mr. Chair.

Mr. Hetherington, are you familiar with our national food strategy?

Neil Hetherington: I am.

Emma Harrison: That's excellent. A lot of the national food strategy speaks to what Mr. Charlebois was just speaking about: the structural problems we have with processing capacity.

I'd like to focus on storage. I think my colleague across the table, Mr. Genuis, mentioned this with transportation costs. It's about our development of food hubs and making sure that local food stays local. In the crisis that we're in right now, do food banks have the ability to store food in our biggest harvest seasons when there is a large surplus of food? Do food banks have the capabilities of actually storing and having cold storage for apples, squash and all these things that are being produced and harvested right now?

Neil Hetherington: It varies across the country.

I do want to acknowledge that just last Friday the government announced $10 million that went to both Second Harvest and Food Banks Canada as part of that strategy to secure locations and infrastructure in order to accommodate things just like that.

Emma Harrison: Yes, it was an excellent announcement.

We have so much work to do. We've already spoken to the housing component, and our government is tackling a lot of these structural problems that are leading to.... We are truly trying to control what we can control. We can't control the war in Iran. The diesel spike is completely out of our control. However, we can start to work towards domestic processing capacity, as Mr. Charlebois just brought up. We do export a ton of raw goods and then buy them back as value-added products. The Canadian Food Innovation Network was also just granted $50 million by our government to start doing more research and development so that we can, in fact, build true food sovereignty in Canada.

With regard to what you're facing, what your experience is, do you think the national food strategy goes far enough to build up long-term solutions to the problems that you're seeing today?

Neil Hetherington: Well, I think there are great opportunities ahead. I mean, what we are talking about does make sense, particularly from a food sovereignty perspective. I bemoan the fact that the Daily Bread Food Bank is right beside what used to be the Campbell's soup factory. If you buy soup, you don't buy it from Canada. Some of the raw materials might have been Canadian grown, but they are shipped to either Mexico or the United States for processing. There's the fact that we don't have the manufacturing of tin cans the way we should so that we can be food sovereign. That food security is about national security, and it is incredibly important to continue that investment.

Emma Harrison: In my life outside of this, I farm beef in my riding of Peterborough. With my neighbours around me, I joke sometimes that all we need is a dairy farm, and then we could probably be closed off to the world and be okay.

There's such a massive surplus. My neighbours produce apples. They have an incredible surplus right now that they can't possibly harvest. There's also the transportation piece and the storage piece. They do donate so much food, so I love that you pointed out the tax credit that's available in Ontario for farmers who do donate food. Kawartha Food Share is located in my riding.

There's some work that needs to be done. For instance, if I had a whole cow that I could give to them, there are some issues with the expiry dates and things like that, things that don't happen when we send them to the abattoir and they come back, so we cannot currently donate beef.

With regard to your point, farmers want to do this, and ranchers want to do this. Our producers are some of the most giving people around, but there are some structural constraints to donation. Would you like to speak to what we could do to remove those barriers?

Neil Hetherington: The first thing is that we have to address those three fundamental things through policy: affordable housing, precarious employment and income supports. Yes, we're going to make policy change, but we have to feed that need now.

On that element, this is where the federal tax credit for farmers can come into forceful and fulsome effect. I think this would be unanimous in the House, because it makes radical common sense to say yes to farmers, “We are going to make sure you do well by doing good.” That makes sense. It has worked in Ontario. It has worked in three other provinces to make sure food gets to individuals who need it. We have that opportunity, very quickly, to make it happen here federally.

The Chair: You have 30 seconds.

● (1155)

Emma Harrison: That's excellent, but I don't know if I have another one.

Thank you very much for the work you do and for coming to committee and taking the time to be here to answer questions and guide us in the right direction. This is something that all of government cares deeply about. There's a lot of work to get done, but we are tackling some of these major issues. Testimony from you is really critical to making sure we all get this right.

Neil Hetherington: Thank you.

The Chair: Thank you, Ms. Harrison.

Thank you to the witnesses for coming today and sharing their expertise and time with this committee for this important study.

We'll suspend for a few moments while we transition to the last hour of the committee's agenda today.

● (1155)

_____(Pause)_____

● (1200)

The Chair: Members, welcome back for the second hour of the meeting.

I will briefly review a couple of topics.

Everyone has the privilege of participating in today's meeting in the official language of their choice. To those appearing in the room, please make sure that your earpiece is on and that you're on the channel that will give you the language you need to fully participate in today's meeting.

There's nobody appearing virtually.

If you have any devices, please put them on silent mode so they don't ring, and please refrain from tapping the boom. That's for the benefit of our translators. Please direct all questions through the chair, and wait until I recognize you by name before speaking.

In the second hour, we have, as an individual, Dr. Rachel Engler-Stringer, professor, University of Saskatchewan. From the Canadian Produce Marketing Association, we have Ron Lemaire, president, and Sue Lewis, vice-president, marketing and events. From Food, Health and Consumer Products of Canada, we have Erin Gowriluk, vice-president, government relations.

Each witness has up to five minutes.

If you're sharing, please advise me.

We'll begin with Dr. Engler-Stringer for five minutes.

Dre Rachel-Engler Stringer (Professor, University of Saskatchewan, As an Individual): Thank you for the invitation to speak.

I am a professor in the Department of Community Health and Epidemiology at the University of Saskatchewan. I am one of Canada's leading school food program researchers and have become so over the last decade. I also have expertise in some of the most impactful school food programs globally. As one example, I led research showing just how popular school food programs are, with around nine in ten caregivers in our sample wanting their children to participate when quality universal programs are offered.

Back in the post-Second World War period, when Sweden established its universal school lunch program, that country had the foresight to create a program of longitudinal research alongside it. They can now say that free universal lunches have increased mothers' labour market participation by 5% and resulted in a 2.6% boost in permanent household income. They can also say that students that received nine years of universal free lunches have seen improved economic, educational and health outcomes throughout their lives, including 3% higher lifetime earnings—6% for children from the lowest-income households—compared to those who did not participate.

If we want to know the impacts of our new national school food program, we need an accompanying comprehensive program of research. Without efforts to create academic and practitioner collaboration, there will be missed opportunities to ensure that a comprehensive program develops alongside our national program. We need research on what existed before, along with research on how programs change with new funding and ways research can help support the continuous improvement of programming over time.

Coordinated research is critical to helping us understand what is and what isn't working, understand how to support programs as they grow, and encourage learning from the programs that are most successful. Already, emerging research has found that school food programs are using the new funding to improve the quality of food they are offering, to develop systems that can help reduce costs and to start new programs or offer existing ones to more students. Researchers are needed to study these processes to strengthen programming and to ensure consistency with best practices globally. The problem is that right now, there are no systems in place to ensure that this happens.

I was pleased to see the ESDC and PHAC-funded CIHR catalyst grants and FRESH team grants, which will support the building of strong individual school food research programs. However, stand-alone grants will likely have duplication, may leave significant gaps in knowledge and do not require communication and collaboration across teams.

[*Translation*]

We need research in areas as diverse as the impacts of local procurement initiatives in school food programs on the Canadian agri-food system, how programs support the food sovereignty of indigenous peoples, the long-term health effects of universal meals of good nutritional quality, as well as improvements in students' classroom behaviour and mental health. Each of these areas has already been studied in international contexts, and the evidence shows that these are positive effects associated with high-quality programs.

For example, even such fundamental elements as measuring participation and its changes over time are not carried out in the same way in every province, territory and indigenous government. You'd be surprised at how many different ways there are to measure something as seemingly simple as that.

This limits our ability to compare reported participation rates across jurisdictions and to determine whether these rates lead to improvements in health, education and economic outcomes, as has been observed in other countries.

● (1205)

[*English*]

We need to encourage communication and collaboration across research teams by organizing meetings for sharing of projects, ideas, research approaches and tools. That could be a funded research network, like others already in existence, such as the National Collaborating Centres, where universities, government and foundations together fund the work of creating a comprehensive, transdisciplinary program of school food research.

The investments don't need to be large, but they need to be sufficient to create a basic structure for carrying out this work. Funding for a research chair and/or other research staff, along with funding for holding regular meetings and collaboration opportunities are needed in order to be well-positioned to examine impacts comprehensively and to support evidence-based policy-making.

Thank you.

The Chair: Thank you, Madam Engler-Stringer.

Mr. Lemaire, would you like to begin?

Ron Lemaire (President, Canadian Produce Marketing Association): Thank you, Mr. Chair.

Thank you, committee members, for the opportunity to appear today.

The Canadian Produce Marketing Association represents over 900 companies across Canada in the fresh fruit and vegetable supply chain, representing and responsible for over 90% of the fresh fruit and vegetable sales across the country, from farm gate to dinner plate. We appreciate the committee's examining of food price inflation alongside the national school food program, because these issues are closely connected.

Canadians need access to affordable, nutritious food. At the same time, the businesses responsible for growing and moving that food are operating in an increasingly challenging cost environment. Fresh produce is unique. It is highly perishable, frequently travels significant distances, requires specialized handling and refrigeration and flows within an integrated North American and global supply chain.

That means the costs associated with labour, transportation, fuel, packaging, energy, regulatory compliance and infrastructure can ultimately influence the cost of putting fruit and vegetables on the tables of Canadians. Our message to the committee is that food affordability policy must therefore look at the entire supply chain.

At the same time that our sector faces geopolitical uncertainty, supply chain disruptions and escalating severe weather events, we know that many Canadians are struggling with the cost of food. CPMA's consumer research on price perception has found that the steeper price spikes reported two to three years ago have given way to a feeling of a steady creep upwards. In the third quarter of this year, 8 in 10 Canadians reported seeing produce prices increase over last year.

Families simply cannot defer purchasing nutritious foods—unlike many consumer goods—when prices increase. They are adapting by visiting more discount stores and purchasing more shelf-stable frozen and canned fresh fruit and vegetables. If government wants to sustainably reduce pressure on food prices and enable the effective school food program, we need to examine the cumulative costs of bringing food from farms and distributing them to the consumer network while maintaining Canada's food safety, environmental and labour standards.

We should also be looking at the food distribution infrastructure. We believe that a resilient food terminal, food hub and efficient transportation corridor model, with modern distribution systems, should be considered as part of Canada's food infrastructure. Strengthening that infrastructure can improve resiliency and help reduce uncertainty in costs and disruption through the system. Food affordability is a whole- of-supply-chain issue and, increasingly, a food security issue.

I'll turn it over to my colleague, Sue Lewis, to talk to children's healthy eating and the school food program.

● (1210)

Sue Lewis (Vice President, Marketing and Events, Canadian Produce Marketing Association): Thank you.

When we talk about a school food program, we also need to consider access to nutritious, culturally appropriate food. Canada's national school food program provides an important opportunity to support children and families and encourage healthy eating from a very young age. Fragmented systems are part of the challenge to bringing fresh fruits and vegetables into our classrooms.

Our experience across the produce supply chain, including supporting the federal surplus food rescue program, tells us that a successful national program needs to consider more than simply purchasing food. We need to think about how food gets to schools; how it is stored; if the school has the necessary infrastructure to support the program; how frequently food needs to be delivered; how waste is minimized; and how schools can access seasonally appropriate and culturally appropriate products while maintaining variety year-round. There's also the consideration of who manages the program within the school, as this cannot be an add-on to a teacher's already crowded day.

Fresh produce presents a specific logistical challenge because it's highly perishable. Procurement systems therefore need sufficient flexibility to account for seasonality, availability, transportation distances and regional differences across the country. To support year-round healthy eating and availability of culturally appropriate food, this will have to include not only food we grow in Canada, but also products such as bananas, oranges and other easy-to-eat commodities that we cannot grow.

We would encourage the federal government to work closely with provinces, territories, school authorities and the food industry to make the program as efficient as possible with a connected national framework, and to ensure that healthy food reaches children without creating unnecessary administrative costs or food waste.

There is also the educational opportunity. Providing children with fruits and vegetables is important, but helping them understand food, food skills and where their food comes from can have benefits that extend well beyond the school day. That matters, because fruits and vegetables help reduce the risk of heart disease, stroke and some chronic diseases, yet we know that almost 80% of Canadians are not eating their sufficient servings a day. Low consumption costs Canada a lot of money: close to $8 billion a year in health care costs. Building healthy habits early is an investment in children's health.

Ron Lemaire: In closing, we have four recommendations.

Address food affordability through a “whole of supply chain” lens: transportation, fuel, labour, regulatory and infrastructure costs.

Recognize food distribution, transportation and storage infrastructure as critical components of the food security strategy.

Look at the national school food program and recognize fruit and vegetables as core components and provides the flexibility to add infrastructure to the regions and the system.

Finally, encourage Canada's food industry to work directly with government to make this all possible.

The Chair: Thank you, Mr. Lemaire and Madam Lewis.

Madam Gowriluk, go ahead for five minutes.

Erin Gowriluk (Vice President, Government Relations, Food, Health & Consumer Products of Canada): Mr. Chair and committee members, thank you very much for the invitation to be here.

Food, Health and Consumer Products of Canada represents companies that make and distribute the everyday products that Canadians find on grocery store and pharmacy shelves. Our sector employs more than 350,000 Canadians across 10,000 facilities and transforms close to 40% of Canada's agricultural output into value-added products.

Our contribution today will be focused on food affordability and Canada's ability to supply Canadians with everyday essentials year-round.

Earlier this week, your committee heard about households struggling to afford nutritious food, particularly in rural and indigenous communities. Food security is about more than grocery prices. We have learned that housing, heating, transportation and other everyday essentials all affect what families have left to purchase food.

Affordability also depends on Canada's ability to process, manufacture, package and distribute the food Canadians rely on every day. When FHCP appeared before the House's agriculture committee in June, we argued that domestic food manufacturing should be treated as a strategic national infrastructure. That remains our message today. Improving food affordability requires us to look at both sides of the equation: household budgets as well as the cost and capacity of supplying food in Canada.

With that in mind, I would like to offer the following three observations.

First, grocery inflation has cooled, but groceries have not become more affordable. Statistics Canada reports that grocery prices rose 1.7% year over year in September, the smallest increase since May 2024, yet grocery prices remain 33% higher than they were in September 2020. Families are still absorbing those increases, and targeted support for households facing hardships remains important. We also cannot assume that the recent easing will continue. Energy and transportation costs take time to work through the food supply system. Every product on a grocery shelf has travelled by diesel, often several times. Over the past year, the average price of diesel in Canada has risen by almost 100% to more than $2.67 per litre.

That is why FHCP has joined six other national food system organizations, including Ron Lemaire's group, in calling for temporary relief on diesel and marine diesel used in food production, manufacturing, warehousing and transportation. It is a practical way to ease pressure across the supply chain and help limit further food inflation.

Second, Canada eats on a northern calendar, so domestic processing capacity matters. The government's national food security strategy notes that imports supply 88% of the fresh fruit and nuts that Canadians consume and 72% of vegetables. Frozen, canned and otherwise preserved foods extend the harvest, reduce spoilage and keep nutritious options available throughout the year. Domestic manufacturing connects Canadian farms to households, institutions and schools. We therefore welcome the strategy's focus on expanding processing capacity and capturing more value from what Canada grows.

Third and finally, make food affordability an explicit test of federal policy. Tariffs on food inputs and overlapping regulatory requirements can increase the cost of producing food in Canada. We welcome the government's new cabinet directive on regulatory competitiveness and red tape reduction and its emphasis on competitiveness, coordination and reducing unnecessary burdens for businesses. Government should also consider food affordability when developing new regulations or trade measures, including the combined cost of new requirements and opportunities in order to avoid unnecessary duplication.

This is not about lowering Canada's strong food safety standards. It is about supporting affordability, competitiveness and a resilient Canadian food manufacturing sector.

Thank you.

● (1215)

The Chair: Thank you, Madam Gowriluk.

We will begin with Madam Kramp-Neuman for six minutes, please.

Shelby Kramp-Neuman (Hastings—Lennox and Addington—Tyendinaga, CPC): Thank you, Chair.

Thank you to all the witnesses for being here this afternoon. I think I'm going to address most of my comments towards our last witness, Madam Gowriluk.

Thank you for your testimony. I think it's fair to assume and agree that most Canadians believe that we should be doing more than just growing food here and shipping it somewhere else to be processed. There's a real opportunity to strengthen Canadian manufacturing, creating good jobs and building a more resilient food supply chain. In real talk for families that are struggling with grocery bills, the question is, how can we translate that into lower prices at the grocery store?

When I was doing some background work on your association, I was super happy to hear the advocacy when it came to Canada-U.S. trade. I read a particular op-ed by Michael Graydon. I'd like to share the part of it that stuck with me and which I think is relevant for this study:

> Canada has enormous advantages. We're a global agricultural leader, with abundant natural resources, sophisticated research institutions, talented workers and access to major markets. Yet too often our economic model stops too early in the value chain. We grow it here and ship it somewhere else. Someone else processes it, manufactures it, builds the brand and captures much of the value.
>
> Our ambition should be different: Grow it here. Process it here. Manufacture it here. Brand it here. Then sell it to the world. That isn't protectionism. It is smart economic policy. It creates higher-value jobs, strengthens communities, increases exports and makes Canada more resilient.

What I'm not seeing in that statement is what this shift would do for the affordability of food itself. I'm hoping that you can speak at the macro level as to how greater domestic food processing manufacturing and processing would actually affect food. Ultimately how can we make sure that a stronger Canadian food industry also means lower prices at the grocery stores for Canadians?

● (1220)

Erin Gowriluk: When you link the combination of affordability and domestic production I think it really depends on the product in terms of whether or not that makes the product more affordable.

The first stop in this conversation I think is around our objectives with respect to food security. We've observed some of the volatility more recently, certainly in the last two years, with respect to the trade war that's taking place between Canada and the United States. Canadians, I think, are preoccupied with the idea of having more of those products that they rely on every single day consistently available on store shelves in Canada. That goes to the extent that we can increase production here in Canada and ensure consistent availability to those products.

With respect to what's happening between Canada and the U.S. and the vulnerability that we see price becomes a consideration, for example, if a tariff were to be applied to that product when it was crossing the border from the United States into Canada. However, I think primarily the focus on this would be around availability. Will that product continue to be available if we face challenges? This means decreasing the vulnerability of the Canadian market to ensure consistent product availability.

To your second question, I think we've heard that from a number of witnesses on this study specifically throughout the course of the week, and that's the economic impact and jobs. How do we ensure that more of that value that's being added to those products is being added in Canada versus elsewhere? When we increase overall domestic production in Canada, we create jobs and we make a greater contribution to the Canadian economy.

Shelby Kramp-Neuman: Back in August, the FHCP released a statement signalling apprehension about the suspension of the Canada-U.S. trade talks, citing the effects it would continue to have on food affordability. To follow up from your answer, I'm interested to hear your perspective on the recent good news coming out in the media that Canada and the U.S. appear to be making headway on this issue. Within the context of food affordability, what do you think about this, and what are you hoping to see come out of the negotiations?

Erin Gowriluk: What I will say with respect to the decision that was taken in August is we were pleased to see that the majority of the tariffs that were applied to various Canadian sectors for the most part did not have a significant impact on our members and the everyday essentials that Canadians rely on. There were a few tariff codes that were that were impacted and those for the most part have been eligible through the remissions process. We haven't seen as a result of the decision that was taken in the tariffs that were applied subsequently a significant impact on the everyday essentials on which Canadians rely. That was repeated with respect to the government's response in the form of countermeasures as well.

Shelby Kramp-Neuman: Lastly, what specific issues have your members raised as domestic barriers to increasing our production here in Canada? If you have asks for this committee, what would they be? If the federal government could remove just one barrier, what would it be?

Erin Gowriluk: I think what we're hearing consistently is that our members need to make those significant investment decisions to either increase productivity in Canada, where they already have a presence, or attract new investment from companies that operate in multiple countries. We want to attract that foreign investment to Canada. How do we make this a more attractive place to do business?

I would suggest two potential solutions. I think we've heard from the government, and we've seen evidence of that movement in the right direction, with respect to some of the recent announcements that have been made around the cabinet directive that was issued on October 21, around the commitment to reduce the burden of regulatory red tape, as well as Bill S-7, the bill that was introduced in the Senate, around the reduction of red tape. Create a regulatory environment that positions Canada as being more competitive and more affordable. Reduce the burden associated with regulatory red tape.

The second piece would be that in addition to the conversation we're having around making Canada more competitive, let's apply the same lens to tax policy in this country. Let's have a conversation about the application of tax policy and making Canada a more attractive place to do business.

Shelby Kramp-Neuman: Thank you.

The Chair: Thank you, Ms. Kramp-Neuman.

[*Translation*]

Mr. Joseph, you have the floor for six minutes.

Natilien Joseph (Longueuil—Saint-Hubert, Lib.): Thank you very much, Mr. Chair.

I want to begin by thanking the witnesses for contributing to the development of public policy.

Ms. Lewis, this past Tuesday, we heard from a witness who recommended group purchasing as a way to reduce costs for food banks and school caterers. What do you think about that recommendation?

● (1225)

[*English*]

Sue Lewis: I'm sorry. Could you repeat the last part of that question?

[*Translation*]

Natilien Joseph: On Tuesday, we heard from a witness who recommended group purchasing to lower the costs for food banks and, above all, for school caterers. What do you think of that recommendation?

[*English*]

Sue Lewis: [*Inaudible—Editor*] to recover the costs from the students and the families?

[*Translation*]

Natilien Joseph: Yes.

[*English*]

Sue Lewis: We support a universal program. That may not look exactly the same in each school. Some students or some families may be in a position to contribute, but we strongly encourage that the mechanism be that the program is universal, that all students can partake of it and that there is no stigma attached to any student who chooses to have food at school.

[*Translation*]

Natilien Joseph: I'll continue along the same lines.

Can you tell us how the federal government is working with the provinces, territories and indigenous partners to ensure the effective implementation of the national school food program and to build on the initiatives already in place?

[*English*]

Sue Lewis: I didn't catch your whole question.

[*Translation*]

Natilien Joseph: Mr. Chair, may I repeat my question?

If so, please keep an eye on my speaking time.

The Chair: Yes.

Natilien Joseph: Ms. Lewis, my question was: How is the federal government working with the provinces, territories and indigenous partners to ensure the effective implementation of the program and to build on the initiatives already in place?

[*English*]

Sue Lewis: I think the last part of your question is also the answer. There are very good programs already taking place on the ground. The support of the federal government from a financial point of view will help strengthen those programs and expand them.

As Dr. Engler-Stringer also said, there needs to be a strong research and evaluation component to any program to ensure that the funds put in place are getting the maximum return on that investment and are moving the needle for children.

[*Translation*]

Natilien Joseph: Thank you very much.

Mr. Lemaire, how can this collaboration promote the sharing of best practices and expand access to school meals?

[*English*]

Ron Lemaire: The school food program needs to have collaborative partnerships with industry and government to be successful. We've seen best practice at a provincial level in Ontario. We've looked at a northern school program being run very effectively, with procurement strategies happening at the regional level and distributed to rural and remote areas that are in need.

That collaboration takes time, but it also takes investment. That investment requires the right cold chains, the right infrastructure on site and the right education on how to handle and distribute the product when it arrives. Together, we've already shown that the program can be successful if done in a collaborative manner with the federal, provincial and municipal governments. This is where the complexity comes into play. The management of that in the universal framework that my colleague Ms. Lewis talked to is essential, moving forward.

[*Translation*]

Natilien Joseph: Thank you very much.

Ms. Engler-Stringer, the federal government has committed to making the national school food program permanent. How will this permanent status help ensure the continuity and development of programs across the country?

Dr. Rachel Engler-Stringer: School food programs will evolve over time. We can't just say that, now that there's funding, the programs are in place. Programs existed before. They offered fairly simple meals—often not a lot of vegetables or fruit—but they weren't very expensive. Now that more money is being invested, it's possible to improve the nutritional quality of what's offered. This will make it possible to provide these meals to more and more children in more and more schools.

Therefore, school food programs are not something that didn't exist before and now does exist; rather, they are something that has evolved over time. Knowing that funding will be provided year after year to expand these programs gives us the opportunity to effectively develop systems in which program managers can work together to purchase in large quantities or expand their infrastructure, among other things.

● (1230)

Natilien Joseph: I don't know if I have any time left, Mr. Chair. I would like to continue my discussion with Ms. Engler-Stringer.

The Chair: You have 30 seconds left.

Natilien Joseph: That's fine.

Ms. Engler-Stringer, I'd like to discuss the main challenges that still need to be addressed so that children, regardless of where they live, can receive nutritious meals at school. Can you tell us more about these challenges, regardless of location?

Dr. Rachel Engler-Stringer: Are you talking about the barriers that children face in participating in these programs?

Natilien Joseph: I'm talking about those barriers, yes, regardless of where they live.

[*English*]

Dr. Rachel Engler-Stringer: Okay. I think I'm going to answer this question in English.

There are many barriers, some of which are simply that some kids.... We have a wide range of cultural communities in Canada. We have families that maybe haven't ever seen programs before. They need time to develop trust and to recognize that the foods being offered are going to be appropriate for their children. There are many barriers. I can speak to that more, if someone else wants to ask me more questions.

[*Translation*]

The Chair: Thank you, Mr. Joseph.

[*English*]

Before we move to Madam Larouche, I will again remind those in the room to please use the translation that is available. Keep your earpiece on so that you can fully understand all the debate that is taking place. Sometimes the noise level is high.

[*Translation*]

Ms. Larouche, you have the floor for six minutes.

Andréanne Larouche: Thank you very much, Mr. Chair.

I thank the witnesses for joining us today.

Ms. Lewis, Mr. Lemaire, Ms. Engler-Stringer, Ms. Gowriluk, thank you very much for being with us.

Ms. Engler-Stringer, you concluded your remarks by saying that you would like to be able to expand on your comments regarding barriers. So I'll give you a little time to elaborate.

[*English*]

Dr. Rachel Engler-Stringer: I'm going to answer in English.

The barriers exist because we are developing brand new systems in this country. There was a structure that for the most part existed at the individual school level, with volunteers offering something in a school context, and we are now at a time when, in most provinces and territories, we are talking about having a school food program, and for just over a year, and maybe less than a year in some contexts

Schools now are developing those systems. They're putting in the infrastructure. They are communicating with families. They are developing all of what we need in order to have really strong school food programs in the future. The barriers are around those things.

As time goes on, more children participate. From my own research in working quite closely in the largest school division in my province, I can tell you that as families see themselves in school food programs, they're more willing to participate. The stigma reduces when programs are being offered to all children and not targeted at kids who are perceived as needing a program, when the food offered is culturally appropriate, and when, if there are dietary restrictions, those are taken into consideration in those programs.

[*Translation*]

Andréanne Larouche: Above all, it also addresses much of the discrimination and bullying that can go along with that.

In your opening statement, you talked about creating a research chair. Could you tell us a bit more about what that would look like? Who would be part of it and what would the main benefits be?

[*English*]

Dr. Rachel Engler-Stringer: I spoke of a research network around school food that could include a chair position, like a Canada research chair or something similar to that. The reason we need a network is so that there's a formal system for researchers to communicate across teams.

The way that funding for research exists in this country.... Our tri-council agencies are excellent. They are the envy of many researchers in many parts of the world. However, they do not require collaboration, communication or sharing of resources to ensure there is no duplication and to ensure there are no gaps. That is the system that I believe needs to be created. It doesn't necessarily need enormous resources, but it does need some resources, and it needs a structure behind it. National collaborating centres exist across the country, on different topics related to public health. We could do something very similar.

In my vision, there would be a network that would have nodes at different universities, both English-speaking and French-speaking universities. I've already been bringing about 60 researchers together to do some of this communication and to figure out where those nodes could be. Some nodes could be focused on equity. A node could be focused on local food systems, incorporating as much Canadian product as possible into school food programs and looking at the economic impacts. There could be nodes working on different aspects of school food programs. That's the vision I have, and that could include a Canada research chair.

● (1235)

[*Translation*]

Andréanne Larouche: Thank you.

Ms. Lewis and Mr. Lemaire, being part of the Canadian Produce Marketing Association, you've clearly seen how important Quebec's fruit and vegetable growers are to the local economy. You also know that harvests vary a lot from year to year. That is increasingly the case, in fact, because of climate change.

Is there something the government could do to better support those farmers, who have to cope with the uncertainty caused by climate change? There's no doubt that it affects prices, which are going up. Basically, what can the government do to curb rising produce prices?

[*English*]

Ron Lemaire: Thank you for the question.

Maybe I can answer that first, and then I'll hand it to Ms. Lewis next.

We are heading into an El Niño year. We think prices are significant right now. We are going to be seeing some dramatic shifts in production challenges for our domestic industry in Quebec, in Ontario and across Canada.

Models that we need to look at are working with Agriculture Canada and ensuring our business risk management programs are efficient, which means the provinces have a role to play in coming to the table to support the systems that we can deliver. We need to ensure appropriate insurance frameworks. We need to ensure capital investment opportunities.

My colleague noted the need for investment. In this current climate, growers are not investing in their businesses because of the business risk being perceived because of our trading environment. These challenges need to be looked at, and support needs to be put in place.

Regarding the comment around our letter to the Prime Minister asking for a 50-cent rebate on diesel fuel, this would be another significant value to the grower. They would be able to take what product they have, get it to market in a cost-effective way and recuperate that unique point-in-time surge in fuel prices they're experiencing.

A combination of tactics needs to be put in place. We've heard about tax rebates and a range of other tools.

[*Translation*]

The Chair: Thank you, Ms. Larouche.

[*English*]

That was your five-minute round.

Go ahead, Ms. Falk.

Rosemarie Falk: Thank you very much, Chair.

I'd like to thank the witnesses for taking the time to be here today and sharing all of their expertise.

I would like to start with Mr. Lemaire and Ms. Lewis, if I may.

I know we've heard a lot in the previous hour and also at our other meeting around fuel costs. Would you say that is the biggest input cost when it comes to ensuring that we can grow food and get it places?

Ron Lemaire: At this point in time, it is the most significant cost that we're experiencing. We've seen escalating costs across our entire industry, not only in fresh produce, but in food. Fuel is one, but there are packaging costs and a range of other inputs. At this point in time, as was noted, there's an increase of 100% and some that we've seen in some regions. It's significant.

Rosemarie Falk: Yes. I'm from a rural area and any big centre is either east or west. It's a drive of a good two and a half or three hours for us. I guess that would segue into my next question about transportation costs.

Does the association have an idea of what fuel costs contribute to the final cost of fresh produce on the shelf?

Ron Lemaire: It depends on the sector. We have some of the data that we shared with the government. We're happy to share with the committee. That breaks down the—

Rosemarie Falk: Yes, if you could table that with the committee, that would be wonderful.

Ron Lemaire: Yes, most definitely.

Rosemarie Falk: There's even a big difference from just, say, southern Ontario or even B.C. You have a lot more access to fresh produce, as opposed to some of us who are in the middle of nowhere.

We have a lot of access to yellow canola fields and wheat fields, but this needs to be processed and shipped, etc.

● (1240)

Ron Lemaire: Geography is our challenge. I have to give credit to the government for their food strategy in looking at food terminals and food hubs. This is a viable model moving forward, and it's looking at how we create the hub, so that if you are in rural Canada and you have a hub available to you, it improves efficiencies, provides better access and enables a cross-section of fresh and processed food, and improved manufacturing, potentially, to be brought together to enable access to food—not only Canadian, but from around the world—to go to the communities—

Rosemarie Falk: For the agricultural sector, I know that in Saskatchewan they've been pushing irrigation, for example, for agricultural producers. They can do wonderful things, but they need access to that irrigation to grow that food and then also keep it closer to home, per se, so that shipping is less affected.

Ron Lemaire: It's not only shipping, but also the production in the field. The tractor is moving and you need to put diesel in it. Not everyone has electric, right? We aren't there yet.

Rosemarie Falk: For sure, and I don't know how possible that is. Your yard site can be one place, but you could still be a trek away. We have to take into account your seeding, your spraying, your harvest and then getting that from the field to the bin.

Ron Lemaire: Your points have just talked to why food costs what it costs.

Rosemarie Falk: Yes, for sure. Thank you.

Ms. Gowriluk, I'd like to ask you the same question. I'm interested. Is the fuel price the biggest contributing factor? What about ingredients, labour, packaging and even regulatory compliance? How does that affect the price of food?

Erin Gowriluk: Yes, yes and yes.

Rosemarie Falk: Is there a hierarchy with that? If fuel is the most...what comes next?

Erin Gowriluk: I can't speak to in what order, but what I can say is that, from a manufacturing perspective, we're at the end of the line. We're the last stop before that product hits the grocery store shelf. All of the costs that Mr. Lemaire spoke about with respect to the impact we're seeing on a farm—the input costs around fertilizer, pesticide, fuel—that's at the farm gate. Then you look at the commodity prices. Commodity prices have increased significantly: 6%, I think, depending on the commodity, over the course of the last year. It's set to increase yet again. The costs continue.

Now we're moving off the farmer's field and we're coming into processing facilities and the costs of transportation, freight, shipping and fuel, and also the cost of labour. All of those costs have increased. When you couple with that the lack of competitive regulations that Canada has currently, the regulatory burden and the cost of that, it's a cumulative effect.

Rosemarie Falk: Is it passed on to the consumer?

Erin Gowriluk: Absolutely. We'll absorb as much as we possibly can, but right now, the costs are getting increasingly high and becoming increasingly challenging to manage.

All of those costs you cited, coupled with regulatory burden and the cost compliance associated with that, and tax policies in Canada being less competitive than they are in other jurisdictions, are making it increasingly expensive to do business in Canada. All of that is contributing to the overall cost of the product that you see on the grocery store shelf.

Rosemarie Falk: Thank you.

The Chair: Thank you, Ms. Falk.

Mr. Saini, you're next, for five minutes.

Gurbux Saini (Fleetwood—Port Kells, Lib.): Thank you, Mr. Chair.

Thank you to our witnesses for the great work you do for all of us. It's sad that living in Canada, one of the greatest countries, we are talking about affordability and how our children are suffering.

In the last few months, our government has introduced many programs to help Canadians. The groceries and essentials program gives about $1,800 to $1,900 to families. We also have the schoolchildren program, which helps 400,000 people, and the Canada disability benefit.

If those programs were eliminated, what effect would it have on society and on our children? My friends on the other side do not support any of these programs.

I would like to hear Dr. Engler-Stringer on this.

Dr. Rachel Engler-Stringer: If we eliminated the national school food program, we would go back to the situation that we were in really not very long ago, when a lot more kids going to school were trying to figure out how not to be hungry so that they could learn.

Years ago, when I first started studying this, a former school principal, who was the superintendent, told me about one of the things they noticed. It was the reason they developed and started to put money into these programs. They were tiny programs offering really, really basic food. They were targeted, so that came with stigma. They were not very good programs, but they were programs nonetheless. They noticed that they would have kids who would come to school in the morning. They would be there and then they'd be hungry. They would go home looking for something to eat. They wouldn't show up at school in the afternoon. We had kids who were only getting a few hours of school a day.

If we want children to be in the classroom, to be ready to learn and to be behaving well, we have good evidence from many places in the world showing that when kids get a meal at school, behaviour gets better. Fewer kids are going to the principal's office, getting kicked out and those sorts of things.

The situation we're in now is that we finally are in a place like that of our peer countries. Other countries have been doing this since the end of the Second World War. We're finally developing a system so that all kids can receive a meal at school. It's not only kids who are on the low-income end of the spectrum; it's all kids. All kids in this country are actually not eating very well during the school day. Statistics Canada data show us that kids, even affluent kids, are not eating very well during the school day.

We have the beginnings of it. Let's develop a system further that allows all kids to receive quality, nutritious food, drawing on Canadian vegetables and fruit and other Canadian products so that they can learn. I gave the example of Sweden. They've been able to show quite impressive changes over time through having these programs in existence.

● (1245)

Gurbux Saini: I'm a first-time member of Parliament. When I was going door to door, one of the things I heard was that shrinkflation was a very big factor. Stats Canada shows that between 2022 and 2024, 29.6% of the inflation was caused by it.

I have a private member's bill in front of the House today. Could I hear from Mr. Lemaire and Ms. Lewis on what effect it would have? Currently, Quebec has that legislation, as does Australia, New Zealand and the European Union. It seems to be helping. I would like to hear your viewpoints on that.

Ron Lemaire: We are a firm believer as an organization that we have to allow markets to be open and competitive. That also means we need to provide consumers with the right pack size to meet the market they are living in. It's a complex question as you start looking at whether our pack size is too big to begin with. What is the appropriate pack size we need to provide to the Canadian public so that we reduce food waste, we continue to drive an economic engine and the manufacturers and producers are able to produce, pack and sell an appropriate volume domestically to grow a market and become a food superpower?

The devil will be in the details on how the private member's bill moves forward and how the regulatory backstop that's in place is implemented. It's maybe early to say if it's going to be effective. Yes, it's in other jurisdictions, but we are a big country. A range of other factors do come into play. We need to look at them closely to ensure that all the pieces fit to drive food prices to an affordable level.

The Chair: Thank you, Mr. Saini. That was five minutes.

Those were good questions.

[*Translation*]

Ms. Larouche, you may go ahead. You have two and a half minutes.

Andréanne Larouche: Thank you, Mr. Chair.

Again, I'd like to thank the four witnesses we have with us today for their participation in this important study.

Food is indeed a basic necessity, so what do we do to help families spend less of their budget on food and ensure that fewer people go hungry? How do we give students optimal learning conditions at school? That's what I want to know.

In this last round, I'm going to turn to you, Ms. Gowriluk.

Towards the end of your opening remarks, you talked about avoiding unnecessary duplication. I want to give you an opportunity to talk more about the risks and duplication you were referring to.

● (1250)

[*English*]

Erin Gowriluk: I believe that was from the approach to the regulatory burden in this country. I think we've seen some positive signals so far with respect to duplication, in particular both in the proposed legislative framework that was introduced in the Senate with Bill S-7 and, I think more importantly, with respect to the cabinet directive that was issued on October 21, which spoke specifically to that.

This is going to make the sector more competitive and more attractive to foreign investment, and lead to greater job creation and efficiencies in this system to the extent that we can ensure that the regulations in this country make Canada more, not less, competitive. It will allow Canadian businesses to be more, not less, profitable, and ensure that we leverage other jurisdictions, other like-minded countries and trusted partners, to harmonize and align for regulatory alignment between countries.

I think it will be increasingly important, as well, to create greater efficiency, and that's outlined in that directive, which, if executed properly, I think will be very promising for our sector.

[*Translation*]

Andréanne Larouche: We've talked a lot about fresh food, so to wrap up, I want to ask you this: Do you have one or two pieces of advice to help lower the amount of ultra-processed high-calorie foods in people's diets? I have only a few seconds left.

[*English*]

Erin Gowriluk: With respect to the Canadian diet and processed foods, it's about balance. They serve a purpose and an important role in Canadians' lives. We talked about the need to preserve and create shelf-stable products that are available to consumers. There's a convenience factor as well.

I think they're an important component of the overall Canadian diet.

[*Translation*]

The Chair: Thank you, Ms. Larouche.

[*English*]

For the final round, we'll begin with Mr. Genuis for five minutes.

Garnett Genuis: Thank you, Mr. Chair.

Thank you to the witnesses who are with us for this hour.

I'm going to direct my questions to Ms. Gowriluk.

I think all of us are concerned about high food prices and want food to cost less. There are some people in this Parliament who, for ideological reasons, want fuel prices to be higher. Is there any way to achieve...?

I think the objective of some people—not me, but some others—is having higher fuel prices while having lower food prices. Is that possible?

Erin Gowriluk: I think we're in a very unique moment in time as a country. Right now, there is this incredible sense of urgency coupled with a real sense of optimism in terms of what we can do as a country. We can control what we can control, and there are various factors that are simply out of our control.

When I think about recommendations that we would put forward to the federal government, they're about what we can do as a Canadian government to improve the conditions for Canadian businesses, like the members we represent.

Garnett Genuis: I'm sorry. It was a specific question.

Is it possible to increase fuel prices while lowering food prices, or is it inevitable that if fuel prices go up, food prices will go up as well?

Erin Gowriluk: Fuel prices are one component of the overall costs that we're looking at. I think it was your colleague who cited a number of different factors that contribute to the overall cost of manufacturing food in Canada, and fuel is one.

It is for that reason we've joined the coalition requesting that there be a temporary rebate put in place for the distribution and manufacturing of food in Canada—it's a 50¢-per-litre rebate on diesel and marine diesel—to ease the cost burden and ensure that we don't see food prices increase beyond where they currently are.

Garnett Genuis: I think it's a fair clarification that there are other factors that influence the price of food. Fuel is one of those factors. Is that fair enough? Yes. Okay.

Can I ask you about countertariffs, in the context of the trade dispute with the United States? Are there particular countertariffs that are impacting food prices?

Erin Gowriluk: At this moment in time, no.

The Canadian response, I think, was fairly measured with respect to ensuring that the countertariffs we were in a position to put onto the United States would not have a direct impact on the cost of everyday essentials for Canadians. That was a conversation our association initiated in 2025 after the first round, and that was clearly communicated. We were pleased to see the government's response to ensure that those everyday essentials continue to be tariff-free.

● (1255)

Garnett Genuis: Okay. Thank you.

To go back to the question of diesel prices, could you lay out specifically the policy proposal you'd like to see us perhaps put into a recommendation coming out of this study, in terms of diesel prices? I'm curious about having a recommendation for the short term, based on your projection of the short term, but also longer-term changes you'd like to see in terms of how we structure taxes on fuel and other things.

Erin Gowriluk: Our recommendation at this point is to offer a temporary reduction at 50¢ per litre on diesel and marine diesel used to manufacture and distribute food. That would be put in place as a temporary measure until the cost of fuel comes down.

That's the position we articulated in the letter to the Prime Minister at this point.

Garnett Genuis: It's until the price of diesel comes down. You haven't tied it to a specific timeline. You've said, “based on a price”. Are you saying that the tax should change in relation to the price in general? If the price goes up, the tax goes down to take off the pressure. Would that make sense as a longer-term policy to say that the tax goes down when the price reaches a certain point?

Erin Gowriluk: Yes, and I would invite Mr. Lemaire to comment on that as well, if he can. He's part of the coalition that we have joined. However, I think, to your point with respect to how long this will go on, no one has that insight, and so it would be relief as long as it is required.

Garnett Genuis: Okay.

Please go ahead, Mr. Lemaire.

Ron Lemaire: This is not to be built in as a subsidy. This is to be built in as a temporary measure, as was noted. Yes, if we start seeing fuel prices go down, we'd be looking at a variable change in the rebate. We're also asking to see whether the excise tax can be continued at the current level that it's being delivered, because there was a reduction on the excise tax. That will change again in the new year, so we're asking for that to be pushed forward to the end of 2027.

The Chair: You have 10 seconds.

Garnett Genuis: Chair, I want to raise a point of order on something else. If you are going to do another round for the Liberals, maybe I can bring it up after. Why don't you go to them, and then give me a chance to do that at the end of the meeting?

Thank you.

The Chair: Thank you. Your time is up.

I go to Madam Desrochers to conclude.

[*Translation*]

Caroline Desrochers (Trois-Rivières, Lib.): Thank you, Mr. Chair.

I'll be sharing my time with my colleague Emma Harrison.

[*English*]

Talking about ideology, I want to start my questions with Dr. Rachel Engler-Stringer.

Our colleagues from the opposition have called the national school food program handouts that impact the dignity and the self-esteem of people, and they've consistently voted against them. However, your research seems to indicate that it has a positive impact on success for kids in school—staying in school, paying more attention and, presumably, success later in life. I know we may not have longitudinal data yet. Can you talk about that? Also, what could we do collectively as a society across party lines to remove the stigma associated with supporting our families that are in a precarious situation? We could all be in precarious situations at any point in our lives.

Dr. Rachel Engler-Stringer: The way I think about school food programs is in the context of daily life. Children deserve to have access to the best possible education. If we want to look at what has an impact on lifetime earnings, what has an impact on what children will become as they grow older, having the best possible education is really one of the greatest tools we have as a society to do that. Investing in children means ensuring that the education system is one in which they can fully participate.

I often say, as I said before, that the thing about school food is that it's actually not only a problem for low-income families; it's a problem for all families. Anyone in this room who has children, who is the primary person who prepares those lunches to pack for their kid for school, has the same issue that they face every day, which is that eating at school is actually very challenging. There are all kinds of problems that make it very difficult for kids to eat well during the school day.

Why are we not creating the same systems that exist, literally, in all of our comparator countries minus a handful, where they've recognized that the best way for kids to have the best possible education is to ensure that they eat at school every day? That does not mean it has to be free for every family. There are many countries—some of the best examples are France and Japan—where parents do contribute a portion of the cost. It's simply about creating the best possible system.

Now, you did ask a second question. What was the second question?

● (1300)

Caroline Desrochers: It's about removing the stigma.

Dr. Rachel Engler-Stringer: The way to do that is by offering it to all children. That's how you remove the stigma. If you target it, then parents don't want their children to participate, and then you end up with the quality getting worse. I mean, there are all sorts of problems with that. We need to have programs that are offered to absolutely all children. Like I said, it doesn't have to be free for all children.

Our Atlantic provinces have pioneered the pay-what-you-can example, and that could be something that could be rolled out across the country.

Caroline Desrochers: Thank you very much.

Emma Harrison: Thank you.

Mr. Lemaire, you won't be surprised by this, but one of my biggest goals as a member of Parliament, or just as a human being, is to make sure everyone has access to safe and nutritious food. We have the most incredible producers, and we have the capabilities to do so. The thing I would say I'm most passionate about is equity access to food.

You've talked a bit about BRM programs, which we talked about at length at the agriculture committee, which goes to Ms. Larouche's comments about climate change and adaptation. I don't know whether you have this information, but have you seen that we changed some parameters around tax incentives for a greenhouse? Has there been interest in the 100% capital cost allowance? Have you seen an uptake or an interest in developing more greenhouse growing?

Ron Lemaire: Of course there is an interest in growth, and all the tools are important to see and fuel that growth. The current investment by the government of $750 million in greenhouse expansion is also going to add to that.

We're at a unique point in time. I've been in the fruit and vegetable industry since 1998. Since that time, I've never seen an investment in agri-food and food, and it's encouraging.

Looking at the food terminal and looking at the opportunity for growth are fundamental at this point in time. We're at a peak that I'm excited about.

The Chair: Thank you, Ms. Harrison. The time is up.

That concludes the round.

The witnesses may leave, but there are a couple of items that I have to deal with.

Do you want the floor, Mr. Genuis?

Garnett Genuis: Mr. Chair, I have two items.

The first is that I want to briefly discuss the correspondence we received from the Minister of Women and Gender Equality. We had invited her to appear as part of our study on EI parental leave reform. Her office had written back, saying that they see it as an important issue but not part of the minister's mandate.

My understanding of the role of the Minister of Women and Gender Equality is that she's an advocate for women and gender equality issues within cabinet and in a cross-cutting way across policy files. We have invited Minister Hajdu to appear for the study as well, but I would still like us to follow up and say that we're interested in hearing the perspective of the Minister of Women and Gender Equality on this issue, because parental leave has important implications for women and gender equality. Insofar as the minister's role isn't just administrative, but it's also to be a spokesperson and advocate for these issues, I would still like to hear from her.

I wonder whether we can follow up with the minister's office and make that point.

I also want to discuss what we're going to do regarding the study of Bill S-209, but I'll leave that point for a moment if people want to comment on my initial point.

The Chair: Are there any comments about Mr. Genuis's comments on the communication received from the referenced minister?

Annie Koutrakis: Mr. Chair, as my colleagues know, ministers appear when they get invited, and their schedule allows for it or for any other reason. I don't think that we can argue against the fact that the minister says it's not part of her mandate. I don't know what further we can say in that regard.

We have invited Minister Hajdu and, at the appropriate time, I'm hoping that she'll be able to appear. I mean, Minister Hajdu is the minister for this committee, and I think that should be sufficient.

● (1305)

The Chair: Okay. The invitation was extended as per the committee's request, and the minister responded accordingly, which is the minister's prerogative.

I'm not going to entertain much more debate on it, Mr. Genuis.

Garnett Genuis: Yes, Mr. Chair. I won't go on.

I think my colleague is right on the point that the minister can choose to appear or not appear. We can't summon the minister, and I wouldn't propose to try on something like this.

I do wonder whether we can just send a follow-up saying that we understand the administrative division of responsibilities, but the committee would still be interested in hearing her perspective on this issue. It's up to her to come or not, but the committee would indicate that at least we are still interested in hearing the minister's perspective. We understand the administrative division of responsibilities.

If there's an appetite to send that follow-up correspondence, I would like to. If there's not, then we won't, I suppose.

The Chair: Okay. I'll gauge the appetite. Is there any consensus on sending a second notice?

Annie Koutrakis: I'm not sure what it would yield, if it would make any difference.

The Chair: Okay. Thank you. I'm not seeing any consensus on that.

Let's move to the second item, which is that last night in the House, Bill S-209 was carried and it was referred to this committee. Normally, we would go into committee business for this, but I'm prepared to get some guidance now on Bill S-209. It was approved. I want to acknowledge those members who spoke in support of the bill in the House. I was one of them. Let's have a quick decision on how we'll proceed on Bill S-209.

Are there any comments?

Madam Koutrakis, go ahead.

Annie Koutrakis: Mr. Chair, I'm wondering whether we can deal with this issue at next week's meeting on Tuesday.

The Chair: Yes, sure.

Annie Koutrakis: It'll give us an opportunity to circulate it, in both official languages, and see where we land.

Rosemarie Falk: The clerk has it. It hasn't been moved yet. We were waiting for you guys to respond, but we didn't get that, so the clerk can send it out if....

The Chair: We have it in two official languages, but I'm....

[*Translation*]

Andréanne Larouche: That's good.

[*English*]

Rosemarie Falk: We're just waiting to hear from them.

[*Translation*]

Caroline Desrochers: I think we'll be able to reach an agreement. It's just that—

[*English*]

The Chair: I take direction based on the majority of the committee.

I'll hear from Mr. Genuis. Then I'll come back to Madam Koutrakis.

Garnett Genuis: Okay. I think that, if the clerk can go ahead and distribute, if it's prepared in both official languages. We had sent a potential motion—I gather we won't move that at the present time—just to facilitate further discussion of it. Can the clerk distribute that?

One part of the motion is that the committee should invite the Senate sponsor of the bill, the House sponsor of the bill and the Privacy Commissioner of Canada to appear. I wonder whether we could agree to that as a first step, which would allow the the clerk to begin the work. Then we can finalize number of meetings, witness list deadline and such things next week. Is that agreeable?

The Chair: I have a little bit of time, so I'm going to suspend for a couple of moments to let both sides have a discussion.

We are suspended.

● (1305)

_____(Pause)_____

● (1310)

The Chair: The meeting is back in session.

We'll defer the item that was under discussion until Tuesday to make a decision.

With that, is it the will of the committee to adjourn?

Some hon. members: Agreed.

The Chair: We are adjourned.

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