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Coping with rising costs

How three families are dealing with food bills that are up 70% since 2011

Jacob Lorinc Toronto Star

Six months ago, the Anjum family was forced to start going to a food bank for their fruit and produce. They joined the Fort York Food Bank in downtown Toronto, one of several in Ontario reporting a 10 per cent rise in usage during the first year of the pandemic.

Samina Anjum, who immigrated to Canada from Pakistan in 2020 with her husband, Mohammed, and their teenage son, said the decision felt almost "ironic."

"In Lahore, we were the ones donating to the food bank," she said.

With food prices rising, many Canadian households have found their budgets insufficient to make ends meet. Food banks have reported a rising need throughout the COVID-19 pandemic and are bracing for an influx of new users over the holiday season.

Even Canadians who typically haven't struggled with food costs are noticing the higher price of eggs, pork chops, orange juice and more.

Food costs rose 4.7 per cent in Novem-

ber from a year earlier, marking the largest annual increase since 2015, Statistics Canada reported on Wednesday. Overall, consumer prices also grew 4.7 per cent in November, driven not just by food bills, but also by rising prices for housing, energy and transportation.

"It's going to be a difficult time over the holidays for many families who struggle to afford the daily cost of food," said Michael Graydon, CEO of Food, Health & Consumer Products of Canada.

When the Anjum family recently found a receipt from a grocery haul they made last December, they made a startling discovery: The food they purchased was largely the same as it is now - goat meat, turmeric, basmati rice and chicken nuggets - but the bill was almost half as much.

In the past year, the family of three's food bill has jumped to nearly \$600 from \$300 per month.

That 100 per cent increase is just one of several expenses they're juggling, along with rent and transportation costs, while also trying to save for their son's future college tuition.

Samina, 42, an administrative assistant earning minimum wage, estimates her family's food bill is approaching nearly 40 per cent of their monthly expenses. They've made some adjustments to their grocery shopping to try to keep costs low, including fewer trips to Iqbal Halal Foods in Thorncliffe, and more time at FreshCo. They also cut down on chicken nuggets, Samina said.

"We've made all kinds of changes to manage our costs, but it's still hard. Sometimes it can feel impossible to live here comfortably," she said.

Food prices have been steadily on the rise over the years. According to estimates from Canada's Food Price Report, the average Canadian grocery bill grew by roughly 70 per cent from 2010 to 2020. Over the past 20 years, the price of a 4.54 kilogram bag of potatoes has increased to \$10.17 from \$3.45; 1 kilogram of chicken has increased to \$8.51 from \$4.83.

The Agri-Food Analytics Lab at Dalhousie University estimates that food prices will climb between five and seven per cent in 2022, adding nearly \$1,000 a year to the grocery bill of the average

family of four. Certain food categories are expected to grow, such as the cost of dairy and restaurant menu prices, at six to eight per cent, while other categories will remain more stable, with meat and seafood expected to rise as much as two per cent in price.

But even as food prices have crept up, wages have not kept pace. Between 2015 and 2020, average hourly wages for Canadians increased by 6.5 per cent.

The recent surge in food costs has been 19 months in the making, fuelled by a combination of pandemic-era restrictions, supply chain problems, worker shortages and climate change.

Early in the pandemic, shoppers scrambled to stockpile groceries - clearing aisles of canned items and non-perishables. Governments imposed sweeping restrictions on businesses as a deadly virus spread through workplaces, shuttering restaurants and takeout joints while supermarkets welcomed a rush of customer demand.

Over the summer, a wicked drought desiccated farmland in the prairies and prompted grain farmers to raise prices on dwindling supplies of canola, barley and wheat.

A shortage of shipping containers headed for ports in Canada and the United States caused long delays at shipping docks and higher prices on imported snacks, frozen meat and fresh produce. When a torrential downpour flooded British Columbia in November, damaging the railways that enter and exit the Port of Vancouver, those delays got longer.

Worker shortages, meanwhile, have kept restaurants from hiring chefs and whole-

salers from hiring truck drivers.

The remaining workforce has, on average, sought higher wages and benefits to compensate for increased workloads, but the cost is gradually passed on to the consumer.

Central bankers have sought to limit inflation from growing too fast, but the primary tool used to regain control - namely, hiked interest rates - has consequences of its own, especially for indebted households.

After the flooding in B.C., Victoria Chiu began purchasing meat and produce from locally sourced grocers to support the region's farmers.

The 29-year-old program analyst living in Surrey, B.C., started using SPUD, a local grocery delivery service, to purchase her food.

Between Chiu and her partner, the couple earns a combined \$110,000 annually. They estimate roughly \$8,000 of that (seven per cent) has gone to grocery purchases in the past year.

"It's unsettling to think that, for two people, it costs that much to afford a very basic necessity," Chiu said. "We have a solid income. But what about people who don't?"

Simon Simogyi, an economist and professor at the University of Guelph, noted that these issues will impact low-income families and people of colour the most.

Stalled imports from Bangladesh or Pakistan, for example, could have disproportionate consequences for Muslim-Canadian families who rely on Halal-only grocers.

"We regularly find that higher food

prices severely impact those with lower salaries. We know that they disproportionately impact women, Indigenous populations and people of colour," said Simogyi.

Chanakya Ramdev, a 29-year-old from Waterloo, recently reduced his takeout consumption and started shopping at Walmart. Instead of buying poutine from the place down the street, he buys cheese curds and fries and makes it himself.

An entrepreneur at heart who recently developed waterproof face-masks and sold them to Metrolinx, Ramdev said he lives like he's a non-profit: The money that comes in goes right back out.

Monthly, he spends \$400 on food, \$650 on rent and \$50 for a phone plan, while earning between \$1,000 to \$1,100 from his company.

"Right now, I'm just thinking about covering my rent and food costs," he said.

Heading into the holidays, food banks have been pushing for higher donations and contributions from communities to account for cost increases.

Devi Arasanayagam, board chair at the Fort York Food Bank, said the organization has been feeling the cost pressures in recent months.

"We're spending more for less."