

The Groceries and Essentials Benefit

Policy primer | Oct 2024



Food insecurity is at a historic high in Canada: 8.7 million people can't afford nourishing food.¹ As rent, inflation, and food prices soar, the federal government must take action to address food insecurity's root cause: insufficient income.

That's why Community Food Centres Canada is calling for the federal government to create a [Groceries and Essentials Benefit \(GEB\)](#).

Evidence has shown that only policies that enhance people's incomes can effectively reduce food insecurity.² The GEB would be a consistent and crucial monthly means to afford nourishing food.

**Nearly 1 in 4 people
in Canada experience
food insecurity.¹**

**The time
to act is now.**

What is the GEB?

In 2023, as inflation continued to rise, the federal government used the GST/HST credit to provide a one-time [Grocery Rebate](#). The rebate provided much-needed relief quickly and directly—but temporarily. The GEB builds on this model to more meaningfully address food insecurity.

Developed by the [Affordability Action Council](#) in consultation with food security and poverty reduction organizations, the GEB would:

- be provided to individuals and families earning less than \$60,000 per year to offset the rising cost of groceries and everyday necessities
- provide a monthly benefit of:
 - \$50 per child (\$600 annually per child) to families with children
 - up to \$150 depending on income (capped at \$1800 per year) to people aged 18 to 64.

- be income tested and administered through the tax system, similar to the existing GST/HST credit.

A growing coalition of food security and anti-poverty organizations, including Community Food Centres Canada, is advocating for the GEB.

How the GEB would help

- No federal program exists that meaningfully helps single people aged 18 to 64. Yet this group is among those most affected by poverty and food insecurity.
- By design, the GEB would provide immediate and much-needed income support to single people aged 18 to 64 and families with children.
- Providing a predictable, monthly benefit helps people address monthly budget pressures and increases the likelihood of the benefit being used for its intended purpose: buying food and other essentials.³
- **The GEB would target the people most affected by food insecurity, including the 5.1 million people living on less than \$25,000 per year.**

The GEB would support close to 9.7 million families from coast to coast to coast.

Join us in calling for a Groceries and Essentials Benefit!

Share this primer with [your MP](#) and call on them to support a GEB!

Learn about our [Poverty Action Unit](#) or contact us at pau@cfccanada.ca.



Notes

1. Statistics Canada. (2024, April 26). *Canadian Income Survey, 2022*. <https://www150.statcan.gc.ca/n1/daily-quotidien/240426/dq240426a-eng.htm>
2. Research to Identify Policy Options to Reduce Food Insecurity (PROOF). (2022, October 13). Food insecurity: A problem of inadequate income, not solved by food. *PROOF*. <https://proof.utoronto.ca/resource/food-insecurity-a-problem-of-inadequate-income-not-solved-by-food/>
3. Aguila, E., Kapteyn, A., & Perez-Arce, F. (2017). Consumption smoothing and frequency of benefit payments of cash transfer programs. *American Economic Review*, 107(5), 430–435. <https://doi.org/10.1257/aer.p20171147>

Copyright © Community Food Centres Canada, 2024

cfccanada.ca



community food centres
CANADA good food is just the beginning