

# Written Submission for the Pre-Budget Consultations in Advance of the 2025 Federal Budget

Community Food Centres Canada



**community food centres**  
**CANADA** good food is just the beginning

## Summary of Recommendations

- **Recommendation 1:** Commit to reducing food insecurity by 50% and eliminating severe food insecurity by 2030, relative to 2021 levels.
- **Recommendation 2:** Create dignified income support programs to support people aged 18 to 64 living in households experiencing food insecurity and poverty.
  - **Policy proposal 1:** Transform the GST/HST credit into a Groceries and Essentials Benefit.
  - **Policy proposal 2:** Transform the Canada Workers Benefit into an enhanced Canada Working-Age Supplement.
- **Recommendation 3:** Expand the Canada Disability Benefit to reduce food insecurity and poverty among all people with disabilities.
- **Recommendation 4:** Enhance Employment Insurance to support all workers.
- **Recommendation 5:** Ensure equitable access to federal income and social programs.
- **Recommendation 6:** Honour and strengthen Indigenous and Black food sovereignty.

## Introduction

It may be hard to imagine in a country as wealthy as Canada, but nearly **one in four people experience food insecurity**—that is, inadequate access to food due to financial hardships.<sup>1,2</sup> The rising cost of living, a precarious labour market, and an outdated social safety net are making it difficult for millions of people to meet basic needs such as food, housing, and medication.<sup>3,4</sup> In situations of moderate or severe food insecurity, people are compromising on the quality and quantity of their groceries and going without food.<sup>1</sup> Food insecurity leads to negative health outcomes<sup>5</sup> and denies people their basic human right to food. Canada must do better.

Community Food Centres Canada works with almost 400 community food organizations to help realize our vision: that every community has a place for food that nurtures health and well-being, belonging, and social justice. Our presence in communities across the country gives us a front-row seat on the stress experienced by so many of our neighbours. Hence, we urge the government to **adopt a food insecurity reduction target** in this budget. To meet this target, we recommend **income supports and improvements to the social safety net** so that households experiencing food insecurity and poverty can live healthy and dignified lives.

Additionally, Indigenous and Black communities experience disproportionately high levels of food insecurity and poverty—and, paradoxically, limited access to income benefits and social programs. We therefore call on the government to **enhance equitable access to all federal benefits and to strengthen Indigenous and Black food sovereignty**.

## Context: Food Insecurity in Canada

**Food insecurity is an escalating crisis in Canada, and federal action is required.** In 2023, 8.7 million people experienced food insecurity—a 26% increase from 2022—with nearly three-quarters experiencing moderate or severe food insecurity.<sup>2</sup>

**Food insecurity affects every aspect of people’s lives:** It breaks down relationships, creates illness, and makes it difficult for people to find jobs or keep working.<sup>6,7</sup> Food is the first thing people cut from their budgets to prioritize other basic needs such as paying their rent or mortgage, or buying medication.<sup>7,8</sup>

**Food insecurity is an income problem** and some groups are especially vulnerable. For example:

- Due to inadequate income and social safety support, 41% of female one-parent households experience food insecurity.<sup>1</sup>
- 31% of single unattached individuals experience food insecurity since many rely on one income for their basic needs.<sup>2</sup>

**Food insecurity is also an equity issue:** It disproportionately impacts some populations, mainly due to racism and systemic discrimination. For example:

- Indigenous, Black, and racialized peoples experience food insecurity at rates two to three times higher than white people.<sup>9</sup>
- 30% of families whose main income earner has a disability experience food insecurity, relative to 18% of families whose main income earner does not have a disability.<sup>10</sup>

**Yet income support programs can significantly reduce food insecurity and its negative impacts.** Such reductions are well documented in research on the Canada Child Benefit, Guaranteed Income Supplement, and Employment Insurance (EI).<sup>11</sup>

## Recommendations

### 1. Commit to reducing food insecurity by 50% and eliminating severe food insecurity by 2030, relative to 2021 levels

Canada monitors food insecurity as part of its Poverty Reduction Strategy (PRS), but this is not linked to any targets. We propose the above-mentioned food insecurity reduction target to ensure urgency, accountability, and effective targeting of interventions.

Consistent with Canada's PRS and the UN's Sustainable Development Goals, we recommend 2021 as the baseline year and 2030 as the target year.

For equitable results, the work to achieve the food insecurity reduction target must consider disproportionately impacted groups.

**We urgently call on the government to create a food insecurity reduction working group** comprising people with lived experiences of food insecurity and subject matter experts from the food sector and related sectors. This working group would:

- advise the federal government
- identify and recommend policy options to meet this food insecurity reduction target.

### 2. Create dignified income support programs to support people aged 18 to 64 living in households experiencing food insecurity and poverty

Despite experiencing some of the highest rates of food insecurity and poverty, people aged 18 to 64 have few income support options.<sup>6,12</sup> In the current precarious labour market and affordability crisis, simply getting a job no longer suffices to make ends meet.<sup>3,6</sup>

**We recommend the following two policy proposals** to support this demographic:

#### ***Policy proposal 1: Transform the GST/HST credit into a Groceries and Essentials Benefit***

While helpful, GST/HST credit payments are far too modest, particularly for people

living on low incomes. We support the Affordability Action Council's proposal to transform the GST/HST credit into **a permanent [Groceries and Essentials Benefit \(GEB\)](#) to help offset the rising cost of basic needs for people below 65 years living on low and modest incomes.**

Income-tested and administered through the tax system, the GEB would provide a monthly benefit of up to:

- \$150 (capped at \$1800 annually, compared to \$496 under the current GST/HST credit) per adult aged 18 to 64
- \$50 (capped at \$600 annually) per child.

Monthly, rather than quarterly, GEB payments would provide recipients with more stable income to help meet their basic needs.

If implemented, the GEB would support up to 9.7 million people, over half of whom live on low incomes. To target those most in need, the GEB would have a lower annual income threshold of \$24,824 when payments would begin to phase out, compared to the GST/HST credit's current threshold of \$42,335. Implementing the GEB would cost \$16.4 billion annually.

### ***Policy proposal 2: Transform the Canada Workers Benefit into an enhanced Canada Working-Age Supplement***

The Canada Workers Benefit (CWB) is Canada's main income support program for workers—particularly low-wage earners—aged 18 to 64. Yet it fails to support people who are unemployed and who may experience economic barriers to seeking and securing employment.<sup>13</sup>

Transforming the CWB into an enhanced [Canada Working-Age Supplement](#) (CWAS) can support more people aged 18 to 64 experiencing food insecurity and poverty. **This can be achieved by removing the requirement for employment earnings and increasing the maximum earning limit.**

If implemented, the CWAS would support 3.1 million single adults living with poverty (versus 1 million under the CWB) and reduce deep poverty among single adults by 9% to 39%, depending on their province/territory of residence.<sup>12</sup> Implementing the CWAS would cost \$8 billion annually.<sup>12</sup>

If fiscal space is limited, the CWAS could be implemented incrementally by removing **the \$3,000 employment income eligibility requirement for the CWB while maintaining all other CWB parameters.** This action would cost \$1.03 billion and

significantly transform the lives of an often-ignored demographic.

### **3. Expand the Canada Disability Benefit to reduce food insecurity and poverty among all people with disabilities**

In Canada, **one in eight people aged 15+ with disabilities lives with poverty**, compared to one in 14 people aged 15+ without a disability.<sup>14</sup>

In Budget 2024, the government committed \$6.1 billion to launch the Canada Disability Benefit (CDB) and provide a maximum \$200 monthly benefit to an estimated 600,000 people with disabilities who receive the Disability Tax Credit (DTC). This funding is far too modest to ensure people with disabilities live with dignity. Moreover, because the DTC is difficult to access, many people with disabilities will be excluded from receiving the CDB.

We support calls by the disability sector for this budget to:

- **increase the benefit amount.** A \$200 monthly benefit falls far short of creating equity for people with disabilities.
- **broaden eligibility and improve access to the CDB** by automatically enrolling anyone who already receives provincial/territorial disability support. The CDB application process must be simple, seamless, and fast.
- **individualize the benefit**—rather than means-testing against family income—to ensure independence and dignity for people with disabilities.
- **ensure the CDB builds on—not replaces—existing government support programs** and is excluded from provincial, territorial, and federal clawbacks.

### **4. Enhance Employment Insurance to support all workers**

Canada's EI program provides much-needed income support to workers during times of involuntary unemployment.<sup>15</sup> EI benefits reduce the risk of food insecurity by 23% among households with at least one person receiving EI.<sup>16</sup>

However, the EI program excludes many people who do non-standard or precarious work.<sup>15</sup> Such people often cannot meet the qualifying threshold of 420 to 700 hours worked.<sup>15</sup>

Additionally, the program's income replacement rate—55% on average—is one of the lowest among OECD countries.<sup>17,18</sup> Inadequate benefits contribute to vicious cycles of

food insecurity and poverty.

We recommend that the government enhance EI by:

- **reducing the qualifying hours from 420–700 to 300 for all workers**
- **ensuring access for all workers**, including:
  - self-employed people, and gig and migrant workers
  - people working multiple jobs who lose one of their jobs
  - workers who voluntarily leave low-paying, precarious work to seek better employment.
- **increasing benefit rates to 85% of previously earned income for low-wage workers and 75% for all other workers.**

## 5. Enhance equitable access to federal income and social programs

Filing annual tax returns is necessary to determine access to federal income programs administered through Canada’s tax system.<sup>19,20</sup> Yet, many people experience barriers—such as language and technology barriers—to filing their tax returns. One in 10 people in Canada do not file their taxes, leaving nearly \$2 billion in unclaimed benefits annually.<sup>21</sup>

In Canada, Indigenous and racialized people, renters, people with disabilities, and single adults living alone—the same groups experiencing disproportionately high food insecurity and poverty rates—are more likely to face barriers in navigating the tax system.<sup>19,20</sup>

The government should enhance equitable access to federal programs by:

- **providing clear information** about all income supports in multiple languages, accessible formats, and through multiple forums
- **simplifying all income tax filing processes**, including making forms easy to understand and complete and introducing automatic filing for “simple” returns
- **consulting with and funding** population groups who face barriers in navigating the tax system, and local organizations that support them, to develop culturally appropriate tax system navigation and filing support services
- **applying a Race Equity Impact Assessment** to all food insecurity and poverty reduction programs so they work equitably and benefit disproportionately impacted populations.



## 6. Honour and strengthen Indigenous and Black food sovereignty

We support calls by Indigenous and Black food organizations and communities across Canada for the federal government to:

- **uphold joint custodianship of Canada.** The government must honour its commitments under Nation-to-Nation agreements to share responsibilities with Indigenous peoples in caring for all natural resources in Canada.
- **improve access to land.** The government should:
  - designate land for exclusive hunting, fishing, and gathering for Indigenous peoples
  - adequately fund B3 (Black-led, Black-serving, and Black-mandated) organizations to access land for Black-led food sovereignty programs.
- **increase funding to the Local Food Infrastructure Fund (LFIF)** and allocate 40% of LFIF funds to initiatives that enhance food sovereignty and food security in Indigenous and Black communities.
- **reform Nutrition North Canada** so it focuses on the unique food insecurity needs of Indigenous peoples, as consistent with the available evidence.<sup>22</sup>
- **collect and publish timely and actionable race-based data and fund Indigenous and Black-led research on food insecurity** to ensure that land access, agriculture, and food security policies equitably reflect Indigenous and Black experiences.

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