

Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

By: Feed Nova Scotia



Recommendations

- **Recommendation 1:** Transform the GST/HST credit into a Groceries and Essentials Benefit.
- **Recommendation 2:** Commit \$50 million over three years towards research to better understand and mitigate corporate control of the food system, and identify ways to strengthen the work of non-profit and co-operative food retailers and public markets.
- **Recommendation 3:** Invest in a national program to ensure automatic tax filing for all residents, ensuring that initial priority is for the lowest-income households.
- **Recommendation 4:** Reform and improve Employment Insurance (EI), the Canada Workers Benefit (CWB), and the Canada Disability Benefit (CDB).
- **Recommendation 5:** Fully implement the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and allocate resources to work with Indigenous Nations, leaders, and organizations to affirm Indigenous jurisdiction over food systems, land, and climate-resilient strategies.
- **Recommendation 6:** Add an additional \$100 million to the Local Food Infrastructure Fund over the next 5 years, with 20% allocated to programs supporting Black food sovereignty, and 20% for Indigenous food sovereignty.

Body of Submission

Canada is in a national food insecurity crisis. Over a quarter (25.5%) of people living across the country are currently food insecure, with Nova Scotia having one of the highest rates (29.3%) of food insecurity across all provinces¹. It is critical that Budget 2025 addresses the deep and growing crisis of food insecurity across this country. Food insecurity is a political choice, and one that this government has the power to change.

Feed Nova Scotia is the provincial association for Food Banks Canada and is a Good Food Organization with Community Food Centres Canada. We draw from their recommendations and the Alternative Federal Budget by the Canadian Centre for Policy Alternatives, to call for critical change in three core areas: the rising cost of groceries, income, and food sovereignty.

Rising Cost of Groceries

The cost of groceries has been rising above the rate of inflation, leaving many to make impossible choices about the food they will eat and how they'll feed their families. Since 2022, food inflation alone in Nova Scotia has increased by over 19%². In 2024, the Government of Canada provided a one-time groceries and essentials payment to households across the country, showing that a government subsidy to offset grocery costs is possible, and is necessary.

A coalition of organizations from across the country has been calling for a Groceries and Essentials benefit to immediately offset the escalating cost of food and other essentials, which we are recommending is implemented in Budget 2025.

Recommendation 1: Transform the GST/HST credit into a Groceries and Essentials Benefit (GEB), as called for by Community Food Centres Canada.

Transforming the GST/HST credit into a permanent benefit will help offset the rising cost of basic needs for people under 65 with low or modest incomes.

The benefit, [proposed by the Affordability Action Council](#), would provide monthly, income-tested benefits of up to:

- \$150 (or \$1800 annually, vs. \$533 under the current GST/HST credit) per adult aged 18 to 64.
- \$50 (capped at \$600 annually) per child.

The GEB would reach 9.7 million people - over half with low incomes. It would begin phasing out at an annual income of \$24,824 (vs. \$42,335 under the current GST/HST credit), allowing it to be targeted at those in most need. Implementing the GEB as proposed would incur an additional cost of \$11 billion annually beyond the GST/HST credit.

Beyond the GEB, a long-term solution is needed that addresses the root cause of the issue: corporate concentration. In Canada, just five major food retailers control 80% of the grocery

¹ PROOF (2025). [New Data on household food insecurity in 2024](#).

² Dalhousie Agri-Food Analytics Lab (2025). [Canada's Food Price Report 2025](#).

market. Across these major grocery retailers, there have been reports of price gouging, including under weighing meat and artificially raising the cost of bread, due to claims of inflation.

Groceries are essential: like any other essential service, there should be regulation in the system to ensure that corporate control does not take advantage of household vulnerability. While there has been some progress on this issue from the Competition Bureau, there must be coordinated and sustained action to bring change into effect.

- **Recommendation 2: Commit \$50 million over three years towards research to better understand and mitigate corporate control of the food system and identify ways to strengthen the work of non-profit and co-operative food retailers and public markets , as recommended by the [Canadian Centre for Policy Alternatives](#).**

The Standing Committee on Agriculture and Agri-Food recommended that the Government of Canada should consider introducing a windfall profits tax to disincentivize excess price hikes on grocery items. Other groups, like the Wellesley Research Institute, have proposed a price regulation model for a nutritious basket of groceries. A committed and coordinated research approach must consider these options, among others, to propose a tangible solution.

A lack of competition is core to the issue of corporate control. By identifying ways to bring more non-profit and co-operative food retailers to market, individuals can have more choice and affordability in their day-to-day food purchases. Additional independent and small retailers also strengthens access to food across the country, ensuring that more people can get to the grocery store and access the food they want and need.

Income

Income is a critical issue that directly affects food security. With 3.8 million people living below the poverty line in 2022, it is clear that the current income support programs are not working for everyone, and the gaps in the system leave people in food insecurity.

- **Recommendation 3: Invest in a national program to automatically file taxes for all residents, ensuring that initial priority is for the lowest-income households.**

This government committed to implementing automatic tax filing in the recent election platform, and we want to see it come true. Those who are most vulnerable to poverty and food insecurity are also the least likely to file taxes, due to many reasons, including barriers with the tax system, the expense to file, or fear of owing money. With an estimated \$1.7 billion in income support going unclaimed each year³, automatic filing would support those who need it most by ensuring they enter the tax system to receive the additional income they're eligible for. Automatic filing would enable individual's access to tax credits, the Canada Dental Care plan, and other income supports.

- **Recommendation 4: Reform and improve Employment Insurance (EI), the Canada Workers Benefit (CWB), and the Canada Disability Benefit (CDB) as outlined by Community Food Centres Canada.**

³ Robson, J. and Schwartz, S. (2020). [Who Doesn't File a Tax Return? A Portrait of Non-Filers](#). Canadian Public Policy.

Current income support programs are insufficient to adequately address the need across the country, and low wages and inadequate income-assistance programs are key drivers of food insecurity. National organizations have developed well-researched proposals to reform existing programs to fill the gap. We support their recommendations for EI, the CDB, and the CWB:

- **Employment Insurance:**
 - Reduce the qualifying threshold to 300 hours for all workers
 - Expanding access to all workers, including migrant workers, self-employed, gig workers, those who have multiple jobs and leave one, and those who voluntarily leave low-paying, precarious jobs to find better employment
- **Canada Disability Benefit:**
 - Detach CDB eligibility from the Disability Tax Credit (DTC)
 - Enhance the CDB to lift recipients above the poverty line
- **Canada Workers Benefit:**
 - Transform the program to be for all working-age people (18-64), removing the work requirement
 - Raising the maximum earning limit, depending on employment earnings, as [proposed by the Maytree Foundation and Community Food Centres Canada.](#)

Food Sovereignty

Food sovereignty is a critical issue in Canada, and it goes one step further than food security, recognizing that individuals, especially equity-deserving communities, don't have autonomy over their food systems. Our local food systems are also threatened as farmers retire, farmland is being lost to development, and operating costs are making it challenging for our local food system to keep up, especially when we face external threats like supply chain disruptions or tariffs.

Indigenous communities face disproportionate levels of food insecurity across Canada: in 2024, the rate of food insecurity in Indigenous populations was 39.9% and is likely higher given the lack of data for on-reserve rates of food insecurity¹. This rate is far above the 23% national average. Indigenous communities face ongoing barriers to food sovereignty because of environmental racism and colonial practices that continue to disrupt relationships with the land and traditional food systems. This trend follows for Black communities as well, who also face disproportionate rates of food insecurity, systemic racism, and lack of access to culturally appropriate foods.

- **Recommendation 5:** Fully implement the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and allocate resources to work with Indigenous Nations, leaders, and organizations to affirm Indigenous jurisdiction over food systems, land, and climate-resilient strategies
- **Recommendation 6:** Add an additional \$100 million to the Local Food Infrastructure Fund over the next 5 years, with 20% allocated to programs supporting Black food sovereignty, and 20% for Indigenous food sovereignty, as recommended by the Canadian Centre for Policy Alternatives.

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