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### **HUNGERCOUNT 2021: A TALE OF TWO TRENDS**

"First when COVID-19 hit, our demand decreased due to extra funding to people provided by the government. Now we are seeing many new faces of people who haven't accessed a foodbank before in their lives."

Survey respondent, Newfoundland

#### A lot has happened in the past two years.

In our *HungerCount 2019* report, we outlined a "good news/bad news" story: The good news was that food bank use had stabilized and we were making progress towards reducing hunger and poverty; the bad news was that an increasing number of single-person households, people with disabilities, and seniors needed help from food banks to get by. A combination of a strong economy and good social policy was moving the needle on poverty reduction. However, rapidly rising living costs, an unrelenting housing market affecting rents in both urban and rural areas, and stagnant incomes meant that people who are less able to participate in the labour market were being left behind. We were optimistic about the progress being made, but we were also concerned about the possibility of a recession and how that might affect people already experiencing deepening levels of poverty and hunger.

What we did not foresee was a global pandemic. The economic impact of COVID-19, let alone the health impact, was uncharted territory. As lockdowns began and unemployment rates skyrocketed literally overnight, there was much anxiety about how our communities, and the food banks that serve them, would manage during this crisis.

Then the Canadian Emergency Response Benefit (CERB) was introduced. People who were struggling financially could access \$2,000 a month, and they could do so with unprecedented speed and ease of access. While some regions, such as larger urban centres, still saw visits to food banks increase throughout this period, this initiative



alone may have prevented many more people across the country from turning to food banks for help. Using the now familiar analogy of the medical community, the CERB temporarily "flattened the curve" of food bank use.

Because of COVID-19, we could not conduct our annual HungerCount survey in March 2020. Social distancing requirements and other safety measures prevented us from carrying out our standard data collection procedures, which meant we could not conduct a complete count of food bank visits that month. Instead, we published a report titled *A Snapshot of Food Banks in Canada and the COVID-19 Crisis*, which surveyed a large sample of our network about the impact that COVID-19 had on food bank demand and supply and how the food bank network had adapted to this historic event.

The report gave us a chance to show the positive things that can happen when a basic income-style program is implemented nationwide and the potential such an initiative has to reduce food insecurity and food bank use. The majority of food banks reported a decrease in visits, and most of them attributed that decrease to increased financial supports for clients from government.

However, the report also revealed how many people were living close to the edge, especially in areas that were hit hard by pandemic-related unemployment. With the CERB coming to an end, and no end in sight to the pandemic, we were concerned about the prospect of trying to help a tidal wave of new clients triggered by job losses while simultaneously trying to maintain support for the long-term need created by decades of erosion of provincial social assistance rates.

# "THE PERFECT STORM": THE VOLATILE COMBINATION OF RISING FOOD PRICES AND HOUSING COSTS AND LOW INCOMES

"It's not often that we see unemployment, the rising cost of food and lodging costs significantly affecting Canadians all at once. This is what's happening now, and Canadians are feeling the pressure."

Dr. Sylvain Charlebois

In the spring of 2021, Dr. Sylvain Charlebois, Senior Director of the Agri-Food Analytics Lab at Dalhousie University, warned there was a "perfect economic storm" on the horizon, noting that the combination of high unemployment, rapid food inflation, and rising housing costs would put immense pressure on Canadians' ability to put food on the table in the coming year.¹ In March 2021 alone, there were over 1.3 million visits to food banks across Canada—an increase of approximately 20 per cent compared to 2019. Low and stagnant incomes, rising food costs, and an unrelenting housing market driving market rents up across the country have created a level of need not seen since the aftermath of the 2008 recession.

### A TALE OF TWO TRENDS

While the driving forces behind food bank use were similar across the country, "who" needed help varied across regions. Food banks in larger urban centres were more likely to see very high increases in visits, prompted by pandemic-related unemployment. They were also more likely to see racialized groups, which was another example of how the pandemic has amplified systemic inequities in our society.

Food banks in smaller urban centres were more likely to see people with disabilities and older individuals, two groups that struggle because of stagnant incomes and skyrocketing costs of living. In particular, people who receive provincial disability income support are living on incomes that, when general inflation is taken into account, **are nearly 10 per cent lower in real terms than they were 30 years ago.** 

These two different trends in need are unprecedented. Significant policy change is required to prevent this situation from getting worse.

<sup>1</sup> See https://retail-insider.com/retail-insider/2021/04/food-affordability-in-canada-becoming-the-perfect-economic-storm-sylvain-charlebois/

### FOOD BANKS NATIONWIDE CONTINUE TO ADAPT

As disturbing as these trends are, food banks once again proved they are able to innovate and quickly adapt to the rapidly changing needs of their communities. They not only changed their service models to accommodate public health guidelines—for example, offering home delivery where required—but also made it possible for clients to access support more frequently. One of the most inspiring examples of this ability to adapt can be found in Indigenous communities, where residents are going a step further by facilitating greater access to traditional foods—an essential component in addressing food security among Indigenous populations.

With the generous support of individuals, businesses, and new government partnerships, food banks have been better able to get food directly to people throughout the pandemic. However, significant social policy change is required if we are to reduce the systemic inequities that have been, and continue to be, amplified by the COVID-19 crisis and reverse the decades of social policy neglect that is affecting the most vulnerable people in our society. Working together, we can achieve our vision of a Canada where no one goes hungry.

WE RESPECTFULLY ACKNOWLEDGE THAT THE LAND ON WHICH WE DEVELOPED THIS REPORT IS IN TRADITIONAL FIRST NATION, INUIT, AND MÉTIS TERRITORY, AND WE ACKNOWLEDGE THEIR DIVERSE HISTORIES AND CULTURES. WE STRIVE FOR RESPECTFUL PARTNERSHIPS WITH **INDIGENOUS PEOPLES AS WE SEARCH** FOR COLLECTIVE HEALING AND TRUE RECONCILIATION. SPECIFICALLY, THIS REPORT WAS DEVELOPED IN OTTAWA. ON THE TRADITIONAL UNCEDED TERRITORY OF THE ALGONQUIN PEOPLE. AND IN TORONTO, ON THE TRADITIONAL TERRITORY OF THE WENDAT, THE ANISHNAABEG, HAUDENOSAUNEE, MÉTIS, AND THE MISSISSAUGAS OF THE **NEW CREDIT FIRST NATION.** 



### **OVERALL FINDINGS**

## Food bank visits have increased by over 20 per cent since 2019, with over 1.3 million visits to food banks in March 2021 alone.

After an initial decrease in usage at the beginning of the pandemic, usage rates started to trend upward again in June 2020. Increases in food bank visits coincided with the ending of CERB and the continuation of pandemic-related lockdowns and unemployment. Much of the increase can be attributed to a greater number of people requiring more frequent visits to the food bank because of the combined impacts of low income and rapidly rising costs of living.

## # of visits in March 2021 1,303,997 % change from 2019 20.3%

#### One third of food bank clients are children.

While the percentage of children accessing food banks has been slowly declining, children are still greatly overrepresented at food banks compared to the general population. While income supports such as the Canada Child Benefit have been helpful in buffering some of the economic impact of the pandemic, higher costs related to raising a family, along with unemployment and rising costs of living, are making households with children vulnerable to poverty and hunger.



#### Single-person households remain the most common household type accessing food banks.

Single-person households constitute 46 per cent of the people who visit food banks. While temporary income support measures such as the CERB likely contributed to a reduction in the number of single people accessing food banks, many single people who are unemployed have few options for income support other than provincial social assistance. Income levels for single people on social assistance are extremely low, putting them at about half of the official poverty line.

#### Increases in need were not seen equally across the board.

In March 2021, nearly 47 per cent of food banks reported decreases in visits, while one quarter saw increases of over 50 per cent. Nearly one in seven food banks in the network saw visits more than double over the last two years. The rate of increase often depended on the size of the urban centre that the food banks were located in.

<sup>2</sup> Statistics Canada. (2021, September 29). Table 17-10-0005-01 Population estimates on July 1st, by age and sex. DOI: https://doi.org/10.25318/1710000501-eng

#### Food banks in larger population centres are seeing a new wave of need.

Food banks located in larger urban centres—100,000 people or more—were significantly more likely to see massive increases in need, with 28 per cent of food banks in these areas seeing visits more than double compared to 2019. Clients in these areas were more likely:

- to need help because of job loss or reduced hours of work;
- to be racialized: and
- to be two-parent households with children.

## A strong undercurrent of need persists in smaller urban centres and rural areas, as people with disabilities and seniors struggle with rapidly rising costs of living.

While the economic impact of the pandemic hit larger urban centres particularly hard, there has been a long-term trend of increasing numbers of people with disabilities and seniors accessing food banks. While the new wave of need is closely tied to pandemic-related unemployment, people who are less able to work are struggling as food and housing costs rise and income benefits continue to fall far behind the cost of living. This long-term trend, while also evident in larger urban centres, has been particularly pronounced in smaller urban centres and in rural areas.

## A volatile combination of rising food prices, housing costs, and low incomes has created a "perfect storm" that is driving up the number of visits to food banks.

Regardless of where the food banks were located, rapid food inflation, high housing-related costs, and low incomes—whether related to low benefit levels, job loss, or both—were the main reasons people gave for accessing food banks. These factors have also increased the frequency of need for food banks.

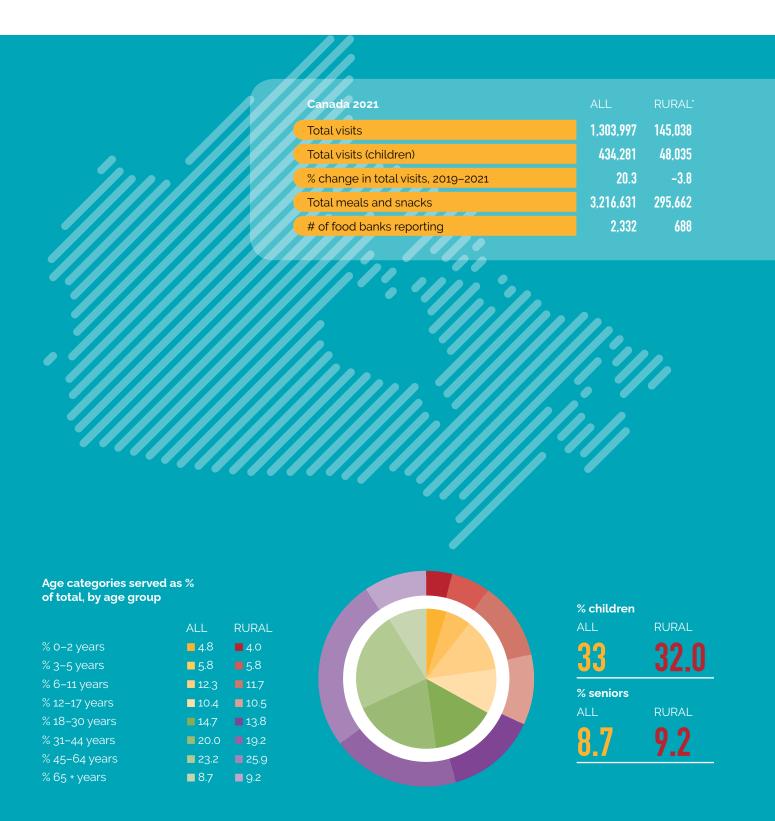
## The percentage of people who identified as Indigenous accessing food banks dropped significantly from 2019.

Indigenous populations in Canada experience extremely high rates of food insecurity. However, the percentage of people who identified as Indigenous accessing food banks dropped substantially compared to 2019—from 15 per cent to 8 per cent. A combination of lockdown restrictions, pandemic-related income benefits, and increased supports for food access on reserve contributed to a decline in the use of food banks by Indigenous populations.

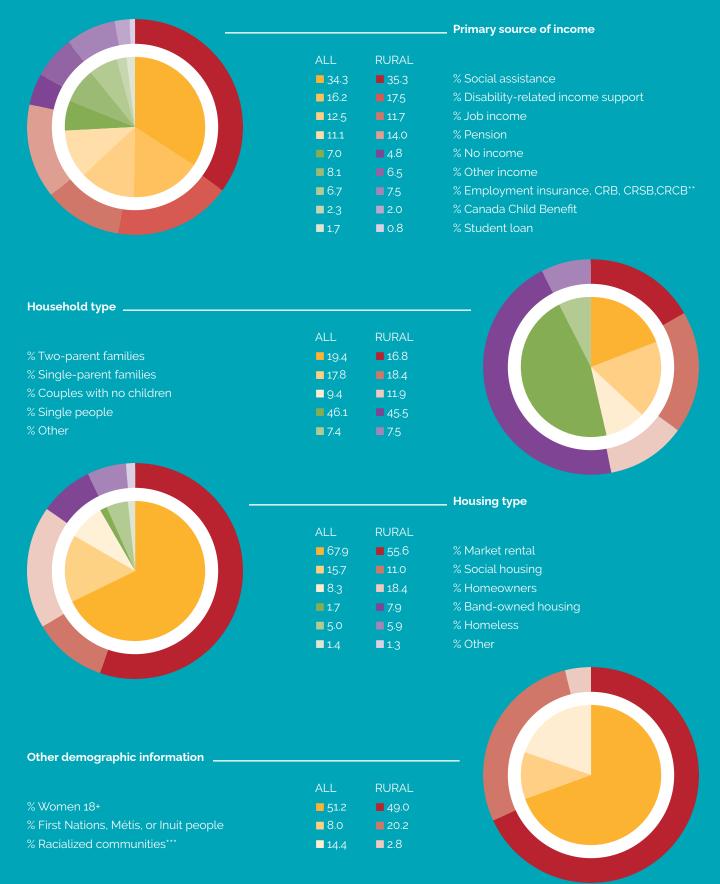
## Food banks nationwide have continued to adapt to the ongoing pandemic, both by changing their service models and by enabling greater frequency of access for clients.

Food banks have simultaneously had to adapt their usual practices to accommodate pandemic-related public health restrictions while also supporting clients who are facing a deeper level of poverty and low incomes than ever before. Nearly 40 per cent of food banks have implemented home delivery to better support seniors and other clients with conditions that make them more vulnerable to COVID-19. Additionally, many food banks mentioned they started enabling more frequent visits to the food bank per month because of the increasing needs in their communities.

## **CANADA: KEY HUNGERCOUNT FINDINGS**



<sup>\*</sup> In the HungerCount survey, "rural" is defined as any municipality with a population of fewer than 10,000 people



Canada Recovery Benefit, Canada Recovery Sickness Benefit, Canada Recovery Caregiver Benefit.

"Racialized communities" refers to whether survey respondents indicated that they belong to a visible minority group as defined by the Employment Equity Act. This question (and other demographic questions) are voluntary in the HungerCount survey. As this question was newly added to this year's HungerCount, response rates may have been lower than for other questions. Therefore, the actual number of respondents who identify as belonging to a racialized community accessing food banks may be higher than these results indicate.

#### Key HungerCount findings: Provincial results

	Total visits	Total visits (children)	% change in total visits 2019–2021	# of food banks reporting	Total meals and snacks provided
ВС	131,001	40,717	5.0	126	128,697
AB	116,396	44,586	29.6	154	523,019
SK	32,827	12,955	-11.8	41	6,610
MB*	65,100	24,297	-	9	256,485
ON	419,532	130,970	23.5	549	707,461
QC	474,002	160,288	38.1	1173	1,415,652
NB	20,408	6,544	-8.3	63	81,085
NS	26,090	7,368	1.8	139	83,093
PE	3,241	1,122	9.5	6	3,997
NL	10,803	3,530	0.9	56	10,532
TERR**	4,597	1,905	-24.8	16	_

#### Age categories served as % of total, by age group

	% 0-2 years	% 3-5 years	% 6-11 years	% 12-17 years	% 18-30 years	% 31-44 years	% 45-64 years	% 65 + years	% children	# of food banks reporting
ВС	4.6	4.9	10.6	9.8	13.7	19.7	24.8	11.9	29.9	105
AB	6.7	6.8	13.5	11.8	15.0	21.9	19.3	5.0	38.8	83
SK	5.3	6.7	15.1	12.7	16.3	19.5	19.7	4.8	39.8	33
MB*	6.2	6.1	16.8	12.5	14.4	16.3	21.2	6.4	41.6	7
ON	4.5	5.1	11.7	10.6	15.5	18.9	24.2	9.4	32.0	431
QC	4.7	6.6	13.1	9.5	13.8	20.8	22.4	9.2	33.8	686
NB	5.0	5.1	11.9	9.9	15.2	19.0	27.8	6.1	31.9	40
NS	3.8	5.1	11.2	9.6	17.8	18.1	25.8	8.5	29.8	83
PE	3.8	7.1	12.8	10.2	17.4	22.1	19.9	6.6	33.9	5
NL	4.0	5.7	11.8	9.4	12.3	21.2	29.5	6.0	30.9	25
TERR**	3.6	11.1	15.9	17.5	15.2	19.0	11.1	6.6	48.1	4

#### Household type

	% single-parent families	% two-parent families	% couples with no children	% single people	% "other" households	# of food banks reporting
ВС	13.0	13.4	11.4	57.9	4.4	116
AB	23.5	21.5	6.5	42.7	5.9	104
SK	24.1	15.5	6.7	44.8	8.9	37
MB*	17.4	24.8	15.4	41.1	1.3	9
ON	17.3	17.9	7.7	46.2	10.9	443
QC	17.0	23.3	10.7	43.5	5.6	656
NB	16.5	17.0	11.3	50.4	4.8	50
NS	17.1	13.3	9.7	48.0	11.9	91
PE	18.1	23.3	8.7	42.1	7.8	5
NL	32.2	8.1	8.4	46.3	5.1	38
TERR**	17.6	41.2	19.3	18.9	3.0	4

<sup>Comparison to previous year not available due to change in provincial network structure and change in data collection methods.
Not enough data received for these variables. Results may not represent the entire territories this year.</sup> 

#### Source of income

	% job income	% employment insurance (CRB, CRSB, CRCB)	% social assistance	% provincial disability support	% pension income	% student loans/ schlrshps	% Canada Child Benefit	% no income	% other income	# of food banks reporting
ВС	14.1	5.8	18.4	26.8	13.0	0.1	2.1	10.6	9.1	103
AB	14.3	14.3	27.4	15.2	8.4	0.9	5.7	7.2	6.6	99
SK	11.1	4.8	44.1	10.9	8.3	0.8	2.3	6.9	10.7	34
MB*	11.4	8.4	37.2	0.5	9.7	2.4	0.3	12.6	17.4	9
ON	9.6	3.0	24.2	30.4	10.2	0.5	0.7	9.0	12.3	433
QC	15.3	8.1	46.0	3.6	13.4	3.1	3.8	3.6	3.1	590
NB	10.3	7.2	52.2	6.9	11.0	0.3	3.1	3.9	5.1	46
NS	12.7	6.4	45.1	12.4	10.9	2.0	0.1	5.1	5.2	89
PE	23.4	13.5	31.1	6.9	8.5	0.3	2.4	9.4	4.6	5
NL	5.9	5.5	62.9	3.5	8.8	0.2	5.8	1.1	6.4	31
TERR**	17.7	2.3	42.3	4.2	19.6	1.2	1.5	10.4	0.8	4

#### Housing type

	% homeowners	% rental market tenants	% social housing tenants	% band- owned housing	% unhoused/ temporary shelters	% other housing	# of food banks reporting								
ВС	8.3	69.8	9.3	3.0	7.4	2.2	106								
AB	9.4	68.1	8.3	7.3	5.8	1.2	100								
SK	7.7	66.1	14.9	3.1	6.0	2.2	34								
MB*	7.7	66.7	14.2	7.3	2.7	1.5	6								
ON	6.1	69.2	17.3	0.4	4.7	2.3	427								
QC	9.1	66.9	17.7	1.4	5.0	0.0	563								
NB	16.8	61.5	14.2	2.2	2.3	3.0	41								
NS	14.0	14.0 68.3 11.9 1.2	11.9	11.9	11.9	11.9	11.9	11.9	11.9	11.9	8.3 11.9	1.2	3.7	1.0	89
PE	13.5	54.8	26.0	1.5	1.5	2.7	3								
NL	15.9	58.7	23.5	0.1	1.3	0.6	28								
TERR**	0.4	21.8	64.6	1.1	5.6	6.7	4								

<sup>Comparison to previous year not available due to change in provincial network structure and change in data collection methods.
Not enough data received for these variables. Results may not represent the entire territories this year.</sup> 

## COVID-19, FOOD INSECURITY, AND FOOD BANK USE IN CANADA

#### Social policy and food bank use during COVID-19

"Initially we saw a slight decrease in the numbers of individuals we were serving due to a number of mixed factors; some clients who were receiving CERB now had enough money to cover all expenses during the month, some clients were fearful of leaving their houses; meanwhile we saw clients who hadn't been here in years coming back because they were in a layoff position and the CERB benefit did not match what their typical earned income was, making it difficult to make ends meet. Midway through when the CERB benefit ended and some of the closures and restrictions ended, we started seeing a number of clients returning who had been more financially stable with CERB as they were now back below the poverty line. By the end of the year and leading to now, we have seen steady increases in the number of clients accessing our services as CERB is long since done, and many layoffs are still occurring, making people very strapped for cash."

Survey respondent, Ontario

"During Covid-19 in March–Aug 2020 our numbers went down because of the extra number of families that got extra government assistance but now with the help being cut back and eliminated our numbers of clients are back to what they were pre-Covid-19 and slowly growing."

Survey respondent, BC.

When the pandemic first took hold in Canada and full lockdowns came into effect in March 2020, food banks across the country watched with trepidation as an unprecedented 3 million jobs were lost in those initial few weeks, and unemployment rates skyrocketed from 7.8 per cent in March to 13 per cent in April.<sup>3</sup> Initially, it appeared that fears of a surge in need were being realized, as the majority of food banks saw increases in client visits that March compared to the previous year. One in four food banks saw increases of over 25 per cent, and one in six saw increases of 50 per cent or more.<sup>4</sup>

However, between late March and May, a wide range of initiatives from both the federal and provincial governments were implemented to assist people who were negatively impacted financially by the COVID-19 crisis. These initiatives ranged from housing-related measures such as mortgage deferrals and eviction bans to top-ups of existing benefits such as the GST and Canada Child Benefit and the introduction of new support programs such as the CERB, Canada Emergency Wage Subsidy, and Canada Emergency Student Benefit.

- 3 See https://www150.statcan.gc.ca/n1/daily-quotidien/200508/dq200508a-eng.htm
- 4 Food Banks Canada. (2020). A Snapshot of Food Banks in Canada and the COVID-19 Crisis, p. 22. https://www.foodbankscanada.ca/FoodBanks/MediaLibrary/COVID-Report\_2020/A-Snapshot-of-Food-Banks-in-Canada-and-the-COVID-19-Crisis\_EN.pdf



While the full impact of the pandemic on food bank use was still unknown at that point, anecdotal evidence from food banks nationwide showed that the initial surge of need eased off for the majority relatively quickly. When asked about levels of demand for their services throughout the entire period of March to June of 2020, 53 per cent of food banks reported a decline in visits.<sup>5</sup> Of those who saw a decrease in visits, the most commonly reported reason was increased financial support for clients from government (90%). Other reasons mentioned included quarantine restrictions (37%) and community support or other services in the region, such as "pop-up" food security initiatives (16%). A combination of the three was often cited as a reason.

The numbers provided from a sample of food banks that were able to collect client information during this chaotic period confirm those anecdotal reports of fewer visits. Using the number of visits to a sample of food banks over a four-month period in early 2020, it emerges that numbers dipped to as low as 16 per cent fewer visits in April 2020 compared to March 2019, before trending back upward in June.

In addition to the anecdotal data harvested from food banks and nationwide trends in the number of visits, official estimates of changes in Canadians' disposable incomes during this period showed that the lowest income quintiles saw their disposable income increase by as much as 34 per cent in the second quarter of 2020.<sup>6</sup> Much of this increase was attributed to COVID-19 support measures. Given that the upper income limit of the lowest quintile is approximately \$25,000.<sup>7</sup> those who benefitted from the impacts of COVID-19 support measures may have included people who were accessing food banks prior to the introduction of these measures.



Table 1: Percent change in visits between March 2019 and March 2021 (n=549)

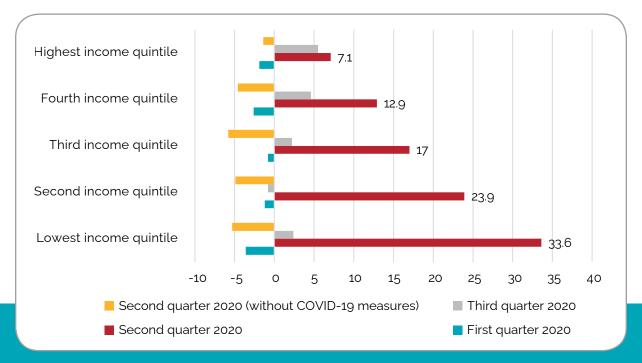
Note: Trends come from a sample of food banks that were able to provide food bank usage data for March 2019, March 2020–June 2020, and March 2021. Because of the pandemic, not all food banks were able to provide data in 2020.

<sup>5</sup> Food Banks Canada. A Snapshot of Food-Banks in Canada and the COVID-19 Crisis, p. 23.

<sup>6</sup> Statistics Canada (2021). Household economic well-being during the COVID-19 pandemic, experimental estimates, first quarter to third quarter of 2020. https://www150.statcan.gc.ca/n1/daily-quotidien/210301/dq210301b-enq.htm

<sup>7</sup> See https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110019201

Table 2: Changes in average household disposable income by income quintile, first to third quarter, 2020, %



Source: Statistics Canada. (2021). Household economic well-being during the COVID-19 pandemic, experimental estimates, first quarter to third quarter of 2020. https://www150.statcan.gc.ca/n1/daily-quotidien/210301/dq210301b-eng.htm

## AFTER THE CERB ENDED: NAVIGATING AN ONGOING PANDEMIC AND A NEW INCOME SUPPORT SYSTEM

"Government benefits appeared to help to relieve demand for food banks. Now benefits have changed, but workplaces continue to be impacted by closures and modifications resulting in reduced working hours and layoffs. To be brief, demand went down with CERB, then back up again after that. It continues to rise."

Survey respondent, Alberta

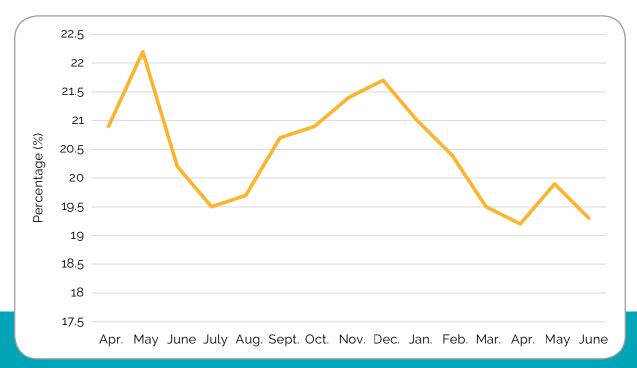
"Our numbers served have decreased slightly since the COVID pandemic began. In our small community we are lucky that we have not had any community outbreaks. In an area where most of the work is seasonal, many people who may normally not qualify for EI have been able to fit into the revamped program."

Survey respondent, New Brunswick

By the fall of 2020, the CERB, which was a temporary measure, had become three different benefits: the Canada Recovery Benefit (CRB), the Canada Recovery Sickness Benefit (CRSB), and the Canada Recovery Caregiving Benefit (CRCB). In addition to EI, these benefits would cast a much wider net of support for working-age adults than would have otherwise been available if only the standard EI had been maintained.

Even with the wider base of support that the new support system offered, however, the pandemic and its economic impacts persisted, as more contagious variants of the virus emerged and the strain on the health care system worsened. As pandemic-related lockdowns continued throughout late 2020 and early 2021, the percentage of Canadians living in a household that reported difficulty meeting basic financial needs peaked at nearly 22 per cent in December. People who were unemployed because of the pandemic, single-parent households, recent immigrants, and racialized or Indigenous communities experienced significantly more hardship than other groups.<sup>8</sup>

Table 3: Canadian households reporting difficulty meeting basic financial needs, April 2020 to June 2021 (%)



Source: Statistics Canada Labour Force Survey, April 2020 to June 2021. In K. Donaldson et.al. (2021), The financial resilience and financial well-being of Canadians during the COVID-19 pandemic, Income Research Paper Series. Statistics Canada and Seymour Management Consulting Inc.

Difficulty meeting financial needs likely also influenced the likelihood of a household's accessing help from a food bank at some point in the last year. In a general population survey carried out on Food Banks Canada's behalf earlier this year, it emerged that 13 per cent of Canadian households—that is, one in eight—had accessed free food or meals from a community organization during the previous 12 months.9 Like the trends in the Statistics Canada Income Research paper, the results from the general population survey showed that people from racialized and Indigenous communities were significantly more likely to have accessed these programs, as were people with lower incomes, and younger cohorts who were more likely to have lost wages because of the economic impacts of COVID-19.

<sup>8</sup> Donaldson, K., et.al. (2021). The financial resilience and financial well-being of Canadians during the COVID-19 pandemic. Income Research Paper Series. Statistics Canada and Seymour Management Consulting Inc. https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2021008-eng.htm

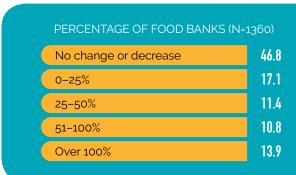
<sup>9</sup> See https://www.foodbankscanada.ca/Blog-/July-2021/One-in-Eight-Households-Needed-to-Access-Food-from.aspx. The question asked in the survey of the general population was a variation of the question asked in the Canadian Perspectives Survey Series (CPSS) 2: "In the past 30 days did you or other household members access food or meals, at no cost to you, from a community organization?" A "community organization" was defined as including "food banks, community centres, school programs, faith-based organizations, or donations from community gardens." For this survey, the question changed the time period from 30 days to 12 months in order to capture the experiences of the entire period from March 2020 to March 2021.

In addition, visits to food banks increased by 20 per cent nationwide compared to 2019—a rate of increase not seen since the years immediately following the 2008 recession. Much of that increase resulted from a greater number of people requiring more frequent visits to the food bank because of the combined impacts of low incomes and rapidly rising costs of living.

Table 4: Rate of change by total visits from March 2019 to March 2021 (%)

#### **DID YOU KNOW?**

DURING THE PANDEMIC, NEARLY 50 PER CENT OF FOOD BANKS ACROSS OUR NETWORK PROVIDED FOOD SUPPORT TO AN EMERGENCY PROGRAM OUTSIDE OF AGENCIES IT USUALLY SUPPORTS OR SHARES FOOD WITH (E.G., SCHOOL PROGRAMS, SOCIAL HOUSING UNITS, OR SOCIAL SERVICES AGENCIES).





## "THE PERFECT STORM": THE COMBINED IMPACT OF RISING FOOD PRICES, HIGH HOUSING COSTS, AND LOW INCOMES

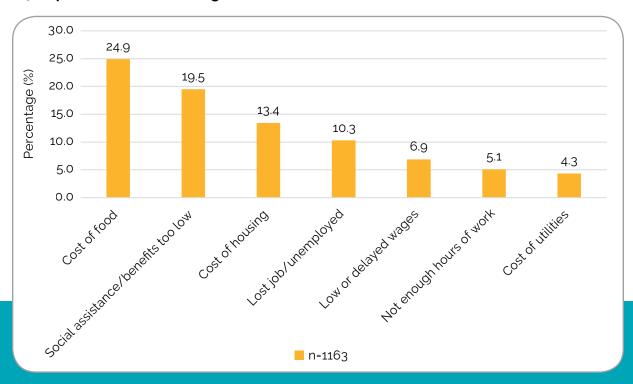
"Food demand has increased and clients have increased since the beginning of the year due in part to the increase in food prices as well as unemployment. The community that we serve is very low income and food costs were high prior to Covid-19."

Survey respondent, Alberta

Regardless of where the food banks were located, rapid food inflation, increasing housing-related costs, and low incomes—whether related to low benefit levels, job loss, or both—were the main reasons reported for people accessing food banks. The volatile combination of these factors, referred to by Dr. Sylvain Charlebois as "the perfect economic storm," will be one of the key social policy challenges to address as we work to strengthen our social safety net and reduce food insecurity in Canada.

10 See https://retail-insider.com/retail-insider/2021/04/food-affordability-in-canada-becoming-the-perfect-economic-storm-sylvain-charlebois/

Table 5: Top reasons for accessing a food bank



"As more individuals lose jobs or hours are reduced at their work, we are starting to see more visits from families/individuals in our community. Everyone is commenting how expensive groceries have become which leads to those who are having trouble making ends meet starting to rely on food banks for assistance."

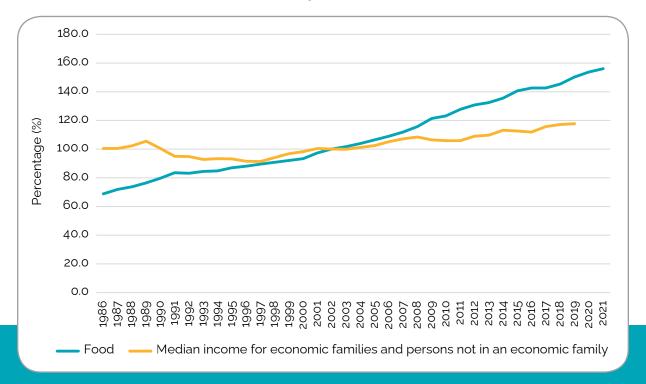
Survey respondent, Ontario

The cost of food was mentioned most frequently as the reason people accessed a food bank in their community. High food inflation has been a notable trend throughout the last decade, far outpacing median incomes, and it showed no signs of abating during the COVID-19 crisis. Food prices increased by nearly 3 per cent in 2020 and are on track to increase by as much as 5 per cent this year. People living in households with low incomes are particularly hard hit by rapid food inflation, as they spend a greater portion of their limited income on food and are less able to afford strategies such as buying in bulk or storing large quantities of perishable food. Perishable food.

<sup>11</sup> See https://www.dal.ca/sites/agri-food/research/canada-s-food-price-report-2021.html

<sup>12</sup> See https://www.policyalternatives.ca/publications/monitor/less-their-plate

Table 6: Food inflation and median incomes, 1986-2021



Source: Data on food prices from Table 18-10-0004-01 Consumer Price Index, Monthly, not seasonally adjusted. Income data added from Statistics Canada, Table 11-10-0191-01 Income statistics by economic family type and income source. DOI: https://doi.org/10.25318/1110019101-eng

"Social assistance/benefits too low" was the second most frequently mentioned reason for accessing a food bank. Respondents who cited this reason are most often referring to one of two provincial social assistance programs.

Social assistance programs in Canada can be divided into two general categories: general welfare, which is commonly intended as short-term assistance for people who are out of work and have no other means of financial support; and disability-related, which is for people who have disabilities or other medical conditions that make regular employment less likely. In 2021, just over half (51%) of people who used food banks were receiving help from one of these two social assistance programs.

The incomes provided by either program have rapidly eroded with general inflation, let alone food inflation. For example, the average real dollar value of the general welfare portion of provincial social assistance is about the same as it was 30 years ago. People who receive the disability portion of provincial social assistance, however, have seen the real value of their income decline by nearly 10 per cent compared to 30 years ago. And while social assistance rates have declined in real dollars, food and housing costs have increased dramatically.

"Some clients were able to access CERB funds in 2020, but we have begun to see those amounts clawed back from social assistance cheques. Any reduction in already inadequate social assistance payments will be a huge burden on people with low incomes and food security will definitely be affected."

Survey respondent, Nova Scotia

<sup>13</sup> Food Banks Canada, A Snapshot, p. 31.

Due to the rapid erosion of these incomes compared to general inflation, people across the country, and especially those in single-person households, who receive social assistance fall well below the official poverty line.<sup>14</sup> Single-person households are also the most common type of household accessing food banks, with nearly half (46%) of people who used food banks reporting they were single-person households.

Being unable to afford food is a clear indicator of the poverty-level standard of living experienced by people whose main source of income is social assistance. People who receive social assistance experience food insecurity at rates that are 11 times higher than those of the general population. <sup>15</sup> A 2017 study from the School of Public Policy, University of Calgary, showed a strong correlation between social assistance caseloads and food bank use. <sup>16</sup>

The cost of housing, the third most frequently mentioned reason for accessing a food bank, most often referred to rental costs. Sixty-eight per cent of people who use food banks live in rental market housing. The combination of rent and utilities devours the majority of the household budget for people who have the lowest incomes in Canada, especially those who are receiving provincial social assistance or government pensions, or are in low-wage employment. Despite the pandemic and increased vacancy rates, rents still increased by an average of nearly 4 per cent nationally throughout 2020.<sup>17</sup>



"The impact of COVID has been a snowball effect starting with lack of affordable housing and increased housing [costs]. Our community has continued to grow with nothing to accommodate the growth. This creates financial hardship for individuals that they may have already been experiencing due to job loss/lessened income."

Survey respondent, New Brunswick

While it is generally recommended that households spend no more than 30 per cent of their income on rent, in all the provinces, the lowest income group is spending well over 50 per cent of their income on rent and utilities. This is considered a "crisis" level of spending on housing, as little is left over for other basic needs such as food, and leaves this group at risk of becoming homeless. The combination of pandemic-related unemployment and rental costs may have contributed to the national rate of rental arrears during the pandemic, with nearly 60 per cent of rental market providers reporting a higher arrears rate than 2019. The commendation of pandemic reporting a higher arrears rate than 2019.

<sup>14</sup> Maytree, Welfare in Canada.

<sup>15</sup> Tarasuk, V., Mitchell, A., & Dachner, N. (2014). Household food insecurity in Canada, 2012. Toronto: Research to identify policy options to reduce food insecurity (PROOF). Retrieved from https://proof.utoronto.ca/

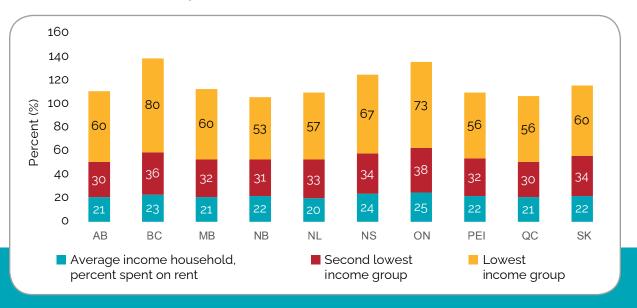
<sup>16</sup> The School of Public Policy. (2017, December). Social policy trends: Calgary food bank clients and social assistance caseloads. University of Calgary. Retrieved from https://www.policyschool.ca/publications/social-policy-trends-calgary-food-bank-clients-social-assistance-caseloads/

<sup>17</sup> See https://www.cmhc-schl.gc.ca/en/blog/2021/2020-rental-market-report

<sup>18</sup> BC Non-Profit Housing Association. (2018, May 08). Families feeling the impact as rental housing affordability worsens across Canada [News release]. https://www.globenewswire.com/news-release/2018/05/08/1498697/0/en/Families-Feeling-the-Impact-as-Rental-Housing-Affordability-Worsens-Across-Canada.html

<sup>19</sup> See https://www.cmhc-schl.gc.ca/en/blog/2021/2020-rental-market-report

Table 7: Percent of income required for rent and utilities



Source: Canadian Rental Housing Index. (n.d.). COST. http://rentalhousingindex.ca/en/#cost\_prov. Across Canada, the top end of the lowest income threshold ranges from an annual income of approximately \$20,000 to \$33,000.

### A TALE OF TWO TRENDS

While the reasons for food bank usage were similar across the country, the "who" accessing them varied across locations. We are seeing a "new wave" of need in larger urban centres, with people from racialized populations being disproportionately impacted by pandemic-related job losses. There is a simmering undercurrent of need among people with disabilities and seniors who are coping with skyrocketing costs of living while living on fixed incomes.

## A NEW WAVE OF NEED: FOOD BANK DEMAND IN LARGER POPULATION CENTRES

In our COVID-19 *Snapshot* report, we found that in the first few months of the pandemic, food banks in urban centres with populations of 100,000 or more, whose economies were more seriously affected by the pandemic and associated shutdowns, were more likely to have reported significant increases in need during this period.<sup>20</sup> Unfortunately, this demand has continued unabated throughout the past year. Food banks located in larger urban centres of 100,000 people or more were significantly more likely to see massive increases in need, with 28 per cent of food banks in these areas seeing the number of visits more than double compared to 2019.

20 Food Banks Canada, A Snapshot.

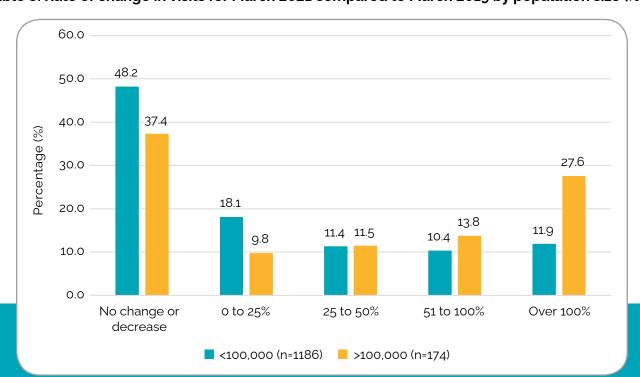


Table 8: Rate of change in visits for March 2021 compared to March 2019 by population size (%)

"Since the onset of COVID-19 we have seen a tremendous increase in client demand for food in the city—about 60% more. The number of first-time food bank users has also gone up by more than 30% as compared to the previous year."

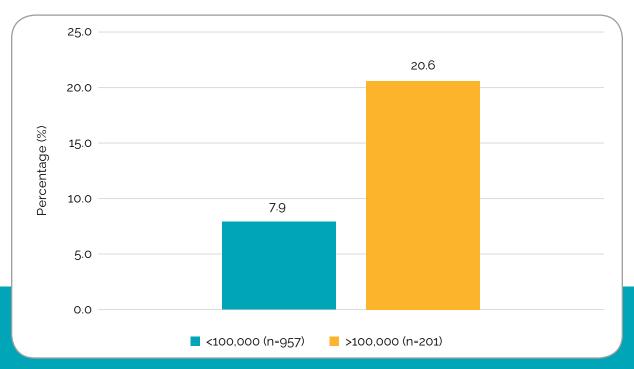
Survey respondent, Ontario

For those living in urban centres with populations of 100,000 or more, job loss and reduced hours of work were cited more frequently as the main reason for accessing a food bank compared to smaller population centres. In urban centres, 21 per cent of people who used food banks attributed their need to job loss, compared with 8 per cent in other areas.

"The number of new clients that we are seeing continues to increase. Previously our clients were almost exclusively those on assistance. Now we are seeing many that are not working due to layoffs because of COVID-19."

Survey respondent, Ontario

Table 9: "Lost job/unemployed" as main reason for visiting food bank, compared to size of population (%)



"We have seen many families for the first time who need a food bank because of loss of job due to COVID. Families who supplemented their social assistance with part-time work, such as Uber driver, lost those jobs due to COVID either because there was no work or they were too fearful of getting sick. We have seen a 48% increase in the number of individuals served when you compare the 1st quarter of 2020 to the 1st quarter of 2021."

Survey respondent, Ontario

The pandemic showed the vulnerability of people in precarious and low-wage work to a sudden change in economic circumstances. People working in minimum wage jobs, and people in the lowest income brackets in jobs that were most affected by shutdowns (such as food service and tourism-related occupations), experienced the largest loss of wages during the pandemic.<sup>21</sup> The sustained increase in food bank use in these regions demonstrates the impact that an "economic shock"—a sudden, unexpected drop in household income—can have on food insecurity and food bank use. In early May of 2020, Statistics Canada's *Canadian Perspective Survey Series (CPSS)2* showed that food insecurity among Canadians increased from 10.5 per cent pre-pandemic to 14.6 per cent during the 30 days prior to the data collection period.<sup>22</sup> Furthermore, higher rates were reported for people who had been absent from work **due to** COVID-19 (28.4%), versus people who were not working during that period for reasons unrelated to COVID-19 (16.8%) and those who were working (10.7%).

<sup>21</sup> Lemieux, T., Milligan, K., Schirle, T., & Skuterud, M. (2020). Initial impacts of the COVID-19 pandemic on the Canadian labour market. *Canadian Public Policy*, 46(S1): S55-S65. / Statistics Canada. (2021, May 28). *Household economic well-being during the COVID-19 pandemic, experimental estimates, fourth quarter 2020*. The Daily. https://www150.statcan.gc.ca/n1/daily-quotidien/210528/dq210528a-eng.htm

<sup>22</sup> Canadian Perspectives Survey Series 2 (May 2020). Food insecurity during the COVID-19 pandemic, May 2020. https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00039-eng.htm

People who suddenly found themselves without employment income and had neither assets nor savings they could draw upon may have been more likely to sacrifice food to pay for other expenses until emergency income benefits became available. Past research has demonstrated that people with greater household assets,<sup>23</sup> including people who own their home rather than rent,<sup>24</sup> may have more of a buffer to protect them from economic shocks that could potentially influence the level of food insecurity in their households, compared to people with fewer assets or who rent rather than own their home.

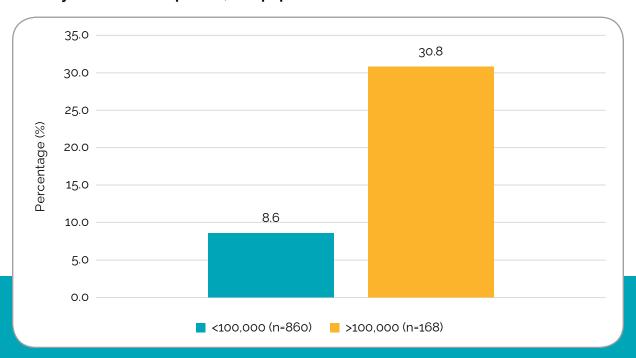
#### Racialized communities, larger urban centres, and the economic impact of the pandemic.

"I have seen an increase in clients who have lost their jobs or have reduced hours because of COVID-19. When the government initially started CERB and increased CCB (Child Tax Benefit), our numbers were significantly lower, but now that CERB has been cut off or lowered in 2021, our numbers are steadily rising. Immigrants are having a more difficult time obtaining a job, so we are seeing an increase of these individuals at our food bank looking for food support."

Survey respondent, Nova Scotia

The large increase in food bank use in the larger urban centres is another example of how the pandemic has magnified the systemic inequities in our society for racialized groups. Food banks in urban centres with 100,000 people or more were significantly more likely to be accessed by racialized communities: 31 per cent of people who accessed food banks in these areas identified as a racialized person, compared with 9 per cent in other areas.

Table 10: Percentage of people accessing food banks who identify as a racialized person, and population size



<sup>23</sup> Guo B. (2011). Household assets and food security: Evidence from the survey of program dynamics. *Journal of Family and Economic Issues*, 32(1), 98–110. DOI: 10.1007/s10834-010-9194-3

<sup>24</sup> McIntyre, L., Wu, X., Fleisch, V., & Emery, J. (2015). Homeowner versus non-homeowner differences in household food insecurity in Canada. *Journal of Housing and the Built Environment*, 31(2), 349–366. DOI: 10.1007/s10901-015-9461-6

Before the pandemic, racialized communities were more likely to experience food insecurity.<sup>25</sup> Black households were 3.56 times more likely to be food-insecure than white households.<sup>26</sup>

Racialized people are more likely to live in larger urban centres<sup>27</sup> and thus more likely to have been affected by the economic impact the pandemic had on the employment sectors in those areas. In 2020, unemployment was much higher among racialized groups,<sup>28</sup> who were also more likely to report experiencing negative financial impacts of COVID-19.<sup>29</sup>

While updated rates of food insecurity for racialized groups have yet to be published for 2020, the indications are that these groups were more likely than non-racialized communities to have accessed food banks and similar programs at some point throughout that year. The results of the general population survey commissioned by Food Banks Canada to explore the extent of use of community food programs such as food banks throughout the last year show that racialized groups were much more likely to have needed to access these programs. For instance, 30 per cent or more of respondents who identified as Black, Arab, Latin American/Hispanic, or Southeast Asian, and over 20 per cent of respondents who identified as South Asian and Filipino lived in households that needed to access a food program in the last year—compared to 9 per cent of those who identified as white.<sup>30</sup> As we begin our collective recovery from the impacts of the COVID-19 pandemic, there is a need for a critical examination of the impacts of social policy, and

how it can address the ways it contributes to systemic racism. This can include increased recognition of foreign credentials of newcomers to Canada or addressing the disproportionate impact that government clawbacks of income support has on racialized communities.<sup>31</sup>

#### Households with children.

"We are starting to see an increase in the number of families coming. Families that we had not seen for a year or more are returning and new families are coming."

Survey respondent, Ontario

"We have seen an increase in families using our services as kids are not in school and parents are trying to organize schooling, work, daycare, etc. We are here to try and simplify getting food, including fresh produce, to help eliminate some stress."

Survey respondent, Ontario



<sup>25</sup> Tarasuk V, and Mitchell A. (2020). Household food insecurity in Canada, 2017-18. Toronto: Research to identify policy options to reduce food insecurity (PROOF). Retrieved from https://proof.utoronto.ca/

<sup>26</sup> See https://foodshare.net/custom/uploads/2019/11/PROOF\_factsheet\_press\_FINAL.6.pdf

 $<sup>27 \ \</sup> See \ https://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-010-x/99-010-x2011001-eng.cfm$ 

<sup>28</sup> See https://www.canada.ca/en/public-health/corporate/publications/chief-public-health-officer-reports-state-publichealth-canada/from-risk-resilience-equity-approach-covid-19.html

<sup>29</sup> See https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00042-eng.htm

 $<sup>30</sup> See \ https://www.foodbankscanada.ca/Blog-/July-2021/One-in-Eight-Households-Needed-to-Access-Food-from.aspx$ 

<sup>31</sup> See https://openpolicyontario.s3.amazonaws.com/uploads/2020/06/Are-CERB-clawbacks-an-example-of-anti-black-racism5.pdf

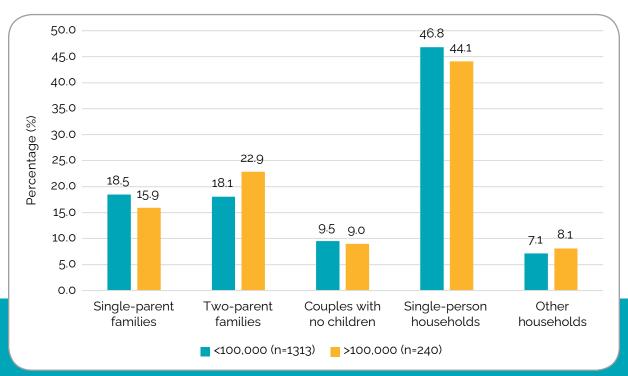
In March 2021, 33 per cent of people using food banks were children, approximately the same proportion seen in 2019. This percentage has been slowly declining since 2010, when children accounted for 37 per cent of people who used food banks, but children are still disproportionately represented at food banks compared to the general population, approximately 19 per cent of whom are under 18.32

Households with children have been more likely to experience food insecurity during the pandemic.<sup>33</sup> While income supports such as the Canada Child Benefit have been helpful in mitigating some of the economic impacts of the pandemic, higher costs related to raising a family, along with unemployment and rising costs of living, leave these households vulnerable to poverty and hunger.

Food banks that serve households with children often mentioned that visits increased around the same time as school closures were implemented, as school meal programs were also put on hold. Food bankers also mentioned that while some larger families did not need to come as frequently because of income supports such as child tax benefits, new families needed support, often because of COVID-19-related job losses or reductions in work hours.

While these issues affected households with children in both larger and smaller population centres, two-parent families, often with larger households, were more likely to be seen by food bankers in urban centres with populations of 100,000 or more. Conversely, single-person households were more likely to be seen in smaller urban centres.

Table 11: Household type by size of population (%)



<sup>32</sup> See https://doi.org/10.25318/1710000501-eng

 $<sup>33 \ \</sup> See \ https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00039-eng.htm$ 

## THE STRONG UNDERCURRENT: FOOD BANK DEMAND IN SMALLER POPULATION CENTRES AND RURAL AREAS

"Our senior clients have challenges to face during the COVID-19 crisis while still trying to balance living on a fixed income and dealing with the rising cost of food. They have been more visible than ever before during the pandemic."

Survey respondent, BC

"We have seen client demand stay relatively the same as a lot of people who use our food bank are on disability and don't work."

Survey respondent, Saskatchewan

"We have been overwhelmed with the number of seniors that have desperately needed help to obtain basic food items."

Survey respondent, Ontario

While the economic impact of the pandemic hit larger urban centres particularly hard, there has been a longer-term trend of increasing numbers of people with disabilities and seniors accessing food banks. While the new wave of need is closely tied to pandemic-related unemployment, people who are less likely to be able to work are struggling with rising food and housing costs and income benefits that are falling far behind the cost of living. This longer-term trend, while also evident in larger urban centres, has been particularly pronounced in smaller centres and in rural areas.

In our 2019 HungerCount report, we noted that people who are less likely to work because they have a disability, or are near to or at retirement age—that is, people whose main source of income is provincial disability support or a pension—had increased from 21 per cent in 2010 to 26.3 per cent in 2019.<sup>34</sup> This year, 27.3 per cent of people using food banks are receiving one of these sources of income support. In rural Canada, 31.5 per cent of people who use food banks have one of these two income sources as their main source of income, compared to 28.4 per cent in 2019. When it comes specifically to provincial disability assistance, it is important to note that areas with fewer than 100,000 people are almost twice as likely to have food bank clients reporting disability assistance as their main source of income than those in areas with more than 100,000 people.

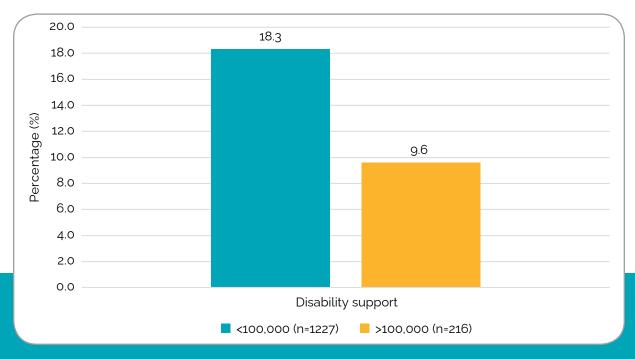
"We have had a few extra families per month during the pandemic, but nothing extraordinary like the cities have been. Most of our clients are regulars on disability."

Survey respondent, Ontario



34 Food Banks Canada, A Snapshot, p. 7.

Table 12: Percentage of people using food banks who receive disability income support, by population size



Provincial disability support has become the fastest-growing source of income support for people with disabilities.<sup>35</sup> Each province has its own eligibility criteria and levels of income support for disability assistance. However, what all provinces and territories have in common is that income levels are generally low; the income level of single people with a disability falls well below the poverty line in every province and territory.<sup>36</sup> This is largely due to the fact that the real dollar values of disability income rates have fallen substantially from 30 years ago in all provinces except Manitoba, Quebec and BC. As Table 13 (below) demonstrates, when averaging the maximum disability incomes of a single person on provincial social assistance for each province, the real value of maximum annual disability social assistance benefits has declined by nearly 10 per cent compared to 30 years ago.<sup>37</sup>

Table 13: Maximum annual provincial disability social assistance benefits, 1989–2019 (2019 constant dollars)

	NL	PEI	NS	NB	QC	ON	МВ	SK	АВ	ВС	Canada (average)
1989	\$13,773	\$14,815	\$14,199	\$13,522	\$11,615	\$16,627	\$12,026	\$14,526	\$10,926	\$13,715	13,574
2004	\$12,570	\$10,522	\$11,484	\$10,295	\$12,866	\$15,571	\$11,141	\$11,756	\$10,192	\$12,748	11,915
2019	\$11,586	\$13,058	\$10,270	\$9,843	\$14,060	\$15,118	\$12,650	\$11,465	\$10,837	\$15,293	12,418
Real % change 1989- 2019	-15.88%	-11.86%	-27.67%	-27.21%	21.05%	-9.08%	5.19%	-21.07%	-0.81%	11.51%	-8.52%

Source: Adapted from Prince, M. J. (2015): Entrenched residualism: Social assistance and people with disabilities, in P.-M. Daigneault & D. Beland (Eds.), Welfare reform in Canada: Provincial social assistance in comparative perspective (pp. 289–304). Toronto, ON: University of Toronto. Adapted from Table 16.3, with income data from Maytree, Welfare in Canada, 2019. Alberta's maximum does not include their Assured Income for the Severely Handicapped (AISH) program, which differs from other programs because recipients are given a flat rate regardless of household size. In 2019 that rate was \$20,808.

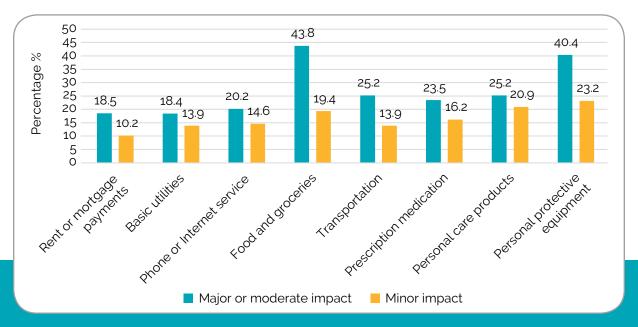
<sup>35</sup> Stapleton, J., Tweedle, A., & Gibson, K. (2013, February). What is happening to disability income systems in Canada? Council of Canadians with Disabilities. http://www.ccdonline.ca/en/socialpolicy/poverty-citizenship/income-security-reform/disability-income-systems#sec-trend

<sup>36</sup> Maytree (2020), Welfare in Canada.

<sup>37</sup> Maytree (2020), Welfare in Canada.

The economic impacts of COVID-19 have increased the challenges for people with disabilities, with 61 per cent of people with disabilities reporting that COVID-19 has had a major or moderate impact on at least one type of financial obligation or essential need.<sup>38</sup> The essential need that people with disabilities reported being most affected was food; 44 per cent reported that COVID-19 had a major to moderate impact on their ability to buy food.<sup>39</sup>

Table 14: Impact of COVID-19 on financial obligations or essential needs for people aged 15–64 living with long-term conditions or disabilities (%)



Source: Statistics Canada, "Impacts of COVID-19 on persons with disabilities," 2020. https://www150.statcan.gc.ca/n1/daily-quotidien/200827/dq200827c-eng.htm

As provincial disability support caseloads continue to expand and retirement benefits continue to fall with inflation, more people on fixed incomes will be increasingly vulnerable to rapidly rising food and housing costs. There is no silver bullet that will help reverse the longer-term trend of people with disabilities and seniors accessing food banks. A modernized income support system to better support people outside the workforce, a labour market that better supports and accommodates people with disabilities, a range of affordable housing options, and in-kind supports such as pharmacare are among the solutions that could help us move forward.

<sup>38</sup> Statistics Canada. (2020, August 27). Impacts of COVID-19 on persons with disabilities.

The Daily. https://www150.statcan.gc.ca/n1/daily-quotidien/200827/dq200827c-eng.htm

 $<sup>39 \ \</sup> See \ https://www150.statcan.gc.ca/n1/daily-quotidien/200827/dq200827c-eng.htm$ 

## INDIGENOUS COMMUNITIES, COVID-19, AND FOOD BANK USE

"Covid-19 has made a huge impact on us. But in the opposite way of city food banks. Due to isolation, social distancing and money given through different programs we have not had near the numbers from a year ago. Also on the reserves around our area, the band council have been encouraging their people to stay on the reserves, not expose themselves to the virus. One way of doing that is to bring in grocery trucks to their communities. Also hunting parties were organized to help sustain their members. We are, just this month and last, starting to slowly increase in numbers."

Survey respondent, Saskatchewan

Food bank clients who identify as First Nations, Métis, or Inuit represent 8 per cent of people accessing food banks across the network. This is a significant drop from 2019, when 15 per cent of people who used food banks identified as Indigenous. While Indigenous populations still face disproportionate inequities that lead to greater levels of poverty and food insecurity, improved income security programs—combined with local, community-led initiatives to help increase food access—have contributed to this reduction in food bank use by Indigenous populations.

Indigenous people face exceptionally high rates of severe food insecurity nationwide. Results from the most recent Canadian Community Health Survey (CCHS) indicate that over 28 per cent of Indigenous households experience food insecurity compared to 11 per cent of white households.<sup>40</sup> As the CCHS excludes First Nations populations who live on reserve, the indications are that food insecurity rates among Indigenous peoples are much higher, with almost half (46%) of First Nations households, including those living on reserve, experiencing food insecurity.<sup>41</sup>

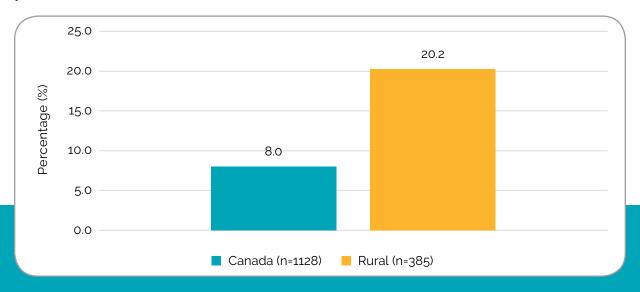
These very high levels of food insecurity were evident to the members of Food Banks Canada's network, including eight food banks located on reserve, and approximately 30 located either close to or directly adjacent to a reserve. This proximity is why rural food banks see significantly more clients who identify as Indigenous. Twenty per cent of people who use rural food banks across Canada identify as Indigenous, compared to 8 per cent across the country as a whole.



<sup>40</sup> Tarasuk & Mitchell, Household food insecurity in Canada, 2017-18. Toronto

<sup>41</sup> Domingo, A., Spiegel, J., Guhn, M., Wittman, H., Ing, A., Sadik, T., Fediuk, K., Tikhonov, C., Schwartz, H., Chan, H. M., & Batal, M. (2021). Predictors of household food insecurity and relationship with obesity in First Nations communities in British Columbia, Manitoba, Alberta and Ontario. *Public Health Nutrition*, 24(5), 1021–1033. https://doi.org/10.1017/S1368980019004889

Table 15: Percentage of food bank clients who identify as Indigenous in rural areas, compared to the rest of Canada (%)



"Our community has always had food insecurity. It has brought to light the issue that was always present. We need to have more jobs on Nations to employ people. The need for food supports is so critical."

Survey respondent, Alberta

Throughout the COVID-19 pandemic, Indigenous people were more likely to report financial hardship than people who were not Indigenous or did not belong to a racialized group,<sup>42</sup> and, along with racialized groups, face ongoing difficulties in the job market.<sup>43</sup> These challenges have contributed to Indigenous households being much more likely to access community food programs throughout the last year than households who identified as white.<sup>44</sup>

"Our client numbers are steady and we are seeing a lower number of Indigenous clients. This is because some of the Indigenous communities have restricted access and/or are helping their members with food needs."

Survey respondent, BC

Despite these challenges, food banks within Food Banks Canada's network saw a substantial drop in the percentage of clients who identified as Indigenous compared to 2019. Overall, the percentage who identified as Indigenous dropped from 15 per cent in 2019 to 8 per cent; in rural areas the percentage dropped from 25.2 per cent to 20 per cent.

"It ended up swaying back and forth, when we had more cases less people showed up, the less cases we had more people showed up. There was a noticeable decrease in demand once CERB was released. People who get money tend not to waste it."

Survey respondent, Manitoba

<sup>42</sup> See https://www150.statcan.gc.ca/n1/daily-quotidien/210909/dq210909d-eng.htm

<sup>43</sup> See https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2021008-eng.htm

 $<sup>44\ \</sup> See \ https://www.foodbankscanada.ca/Blog-/July-2021/One-in-Eight-Households-Needed-to-Access-Food-from.aspx$ 

Food bankers attributed this drop in demand to a combination of access to CERB benefits, restrictions on movement for people living on reserve, and new initiatives set up by the reserves themselves to assist people in need, which facilitated access to both market-based and traditional foods (i.e., foods harvested from hunting, fishing, gathering, and cultivating). Some communities not only had meals delivered directly to people's homes but also increased access to locally grown produce and traditional meats. For example, Chipewyan Prairie First Nation in Alberta restored a historic trail to enable safe winter access to Gypsy Lake, thus providing an abundant source of fish, a traditional food, for the local community.

Sustaining the progress enabled by significant income security reform is essential if we are to reduce the need for food banks among Indigenous populations. The pandemic has also reinforced the resiliency of Indigenous communities across Canada and highlighted how crucial it is that Indigenous populations have increased access to traditional foods.<sup>46</sup>



<sup>45</sup> See https://www.canada.ca/en/public-health/corporate/publications/chief-public-health-officer-reports-state-public-health-canada/from-risk-resilience-equity-approach-covid-19/indigenous-peoples-covid-19-report.html

<sup>46</sup> Batal, M., Chan, H.M., Fediuk, K., Ing, A., Berti, P.R., Mercille, G., Sadik, T., & Johnson-Down, L. (2021). First Nations households living on-reserve experience food insecurity: prevalence and predictors among ninety-two First Nations communities across Canada. *Canadian Journal of Public Health*, 112(Suppl 1), 52–63. DOI: 10.17269/s41997-021-00491-x

### FOOD BANK USE IN THE TERRITORIES

"When CERB was being collected by our clients (who mostly are on income support—some are artists) our numbers actually dropped. This year, without CERB, in March we saw the highest numbers we've had in years. We have new clients each distribution. We applied for 2 grants recently and have implemented 2 new programs—fresh produce and a school pantry program for 2 schools. COVID-19 has not impacted Nunavut to the same extent as southern jurisdictions. However our need remains high. Job losses and economic downturn have not occurred to the same extent, although unemployment remains high. There is a consistent need for emergency food regardless of COVID-19."

Survey respondent, Nunavut

"I know that COVID had some significant impacts in both directions. It was a tough time for many families, but there were also some added supports available in the community. Not only things like CERB, but also support programs by the regional government that provided vouchers for the grocery stores for many households in need. The community freezer in Nain also started a country food delivery program that reached many many households."

Former food bank coordinator in northern Labrador

Food banks across the territories saw a 25 per cent reduction in visits compared to 2019. A large proportion of the people accessing food banks in the territories are Indigenous (80%), and saw similar trends to other Indigenous communities across Canada. A combination of new government income support programs, along with local support outlets that enabled more food access, meant fewer people needed to access food banks in these regions.

"Numerous food programs have surfaced supporting residents under the Food Bank, and the local Aboriginal Groups to provide food vouchers and stock. This has allowed us to provide a consistent source of food to new and old clients. We had to change our service from drop in to delivery in order to maintain service."

Survey respondent, NWT

"Our local Food Bank has experienced a higher number of clients. I believe it resulted from a lot of seasonal and casual workers being laid off due to Covid-19."

Survey respondent, NWT

Earlier in this report, we referred to the "perfect storm" driving food bank use during the pandemic: rising food and housing costs, combined with low incomes. This same set of circumstances was being faced by Northern communities long before the pandemic hit. Communities in the territories contend with a lack of employment opportunities, limited income options aside from social assistance, and food costs that are not only sky-high but also extremely volatile. For example, in Iqaluit, a nutritious food basket to feed a family of four cost \$1,721.56 in March 2018. In Ottawa, it would have cost \$868.<sup>47</sup>

Furthermore, Indigenous people face exceptionally high rates of severe food insecurity nationwide,<sup>48</sup> and in the North they have been particularly affected by the impact of colonization, which forced many people into relying on store-bought goods instead of hunting and harvesting traditional food.<sup>49</sup> These factors may be why food insecurity in northern areas is extremely high: 57 per cent of households in Nunavut are food-insecure, and more than half of female-led, single-parent households are severely food-insecure.<sup>50</sup> A report by Inuit Tapiriit Kanatami (ITK), the national representative organization for Inuit in Canada, reports even higher food-insecurity rates, ranging from 68.4 per cent in Nunatsiavut to 77.6 per cent in Nunavut.<sup>51</sup>

As in other Indigenous communities nationwide, the COVID-19 crisis has shown the resilience and ingenuity of Inuit communities as they adapted to the hardships of the pandemic, both by delivering food directly to households and by continuing to facilitate greater access to traditional foods.<sup>52</sup> As we continue to work on long-term solutions such as income security reform, food banks in the North can continue to strengthen their role as key players in helping to address food insecurity, while also being part of an encompassing food security strategy in their communities.<sup>53</sup>

#### Map of Food Banks in the Territories (NU, NWT, YK)



Note: The postal code conversion file to develop the map was acquired from Geocoder.ca and was used for geocoding food bank location points. The team is grateful to Geocoder.ca for providing this product free of charge for not-for-profit use.

- 47 See https://www.nutritionnorthcanada.gc.ca/eng/1548078467819/1548078497301 and https://www.ottawapublichealth.ca/en/public-health-topics/resources/Documents/2018\_NFB-Report\_EN.pdf
- 48 Tarasuk, Mitchell, & Dachner, Household food insecurity.
- 49 Food Banks Canada. (2015). HUNGERCOUNT 2015. Toronto: Food Banks Canada. https://www.foodbankscanada.ca/getmedia/01e662ba-f1d7-419d-b40c-bcc71agfg43c/HungerCount2015\_singles.pdf.aspx?ext=.pdf
- 50 See https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1310038501
- $51 See \ https://www.itk.ca/wp-content/uploads/2021/07/ITK\_Food-Security-Strategy-Report\_English\_PDF-Version.pdf$
- 52 See https://www.canada.ca/en/public-health/corporate/publications/chief-public-health-officer-reports-state-public-health-canada/from-risk-resilience-equity-approach-covid-19/indigenous-peoples-covid-19-report.html
- 53 It is important to note the concept of "food sovereignty" when speaking of increasing access to food throughout Indigenous communities nationwide. In the North, food sovereignty incorporates "Inuit knowledge, language, culture continuity and community self-sufficiency" in regards to food management. See Qikiqtani Inuit Association, 2019, Food sovereignty and harvesting, https://www.qia.ca/food-sovereignty-and-harvesting-report/

## MEETING THE IMMEDIATE NEED: COPING WITH DEEPENING LEVELS OF POVERTY DURING A PANDEMIC

"Our demand increased, and we started to provide weekly hampers as opposed to the regular monthly access for clients. A lot of clients lost their jobs temporarily or altogether. The cost of housing in our town is difficult for low-income families, and our affordable housing is always at capacity."

Survey respondent, BC

"We've had more clients who required more than one visit per month—between lost wages, insecurity about being in public, children being home more often (and thus not [having access to] school meal programs). We've been doing okay with support from the community and have been able to increase the nutritional value of our hampers and to meet the need [of] those who do require extra assistance."

Survey respondent, New Brunswick

In our 2020 COVID-19 *Snapshot* report, we outlined how food banks adapted to surges in demand while adhering to public health guidelines such as social distancing. This year, food bankers continued to adapt to the changes and demands imposed by the ongoing pandemic, both by changing service models and by enabling greater frequency of access to the food bank for clients.

"We are finding people need to come in more than once per month as they are not able to make ends meet."

Survey respondent, Ontario

One of the changes that food banks most frequently mentioned they had made was offering more frequent visits to the food bank because of the increasing needs in their communities. Before the pandemic, the majority of food banks limited access to once per month, giving out an average of seven days' worth of food. This was due to the limited capacity of food banks, and the fact that they were originally intended to supplement what households could purchase themselves.

As poverty levels and the number of people subsisting on low incomes have increased throughout the pandemic, many food banks have extended access to enable more frequent visits, with some allowing people to come every two weeks and others offering weekly access. They have been able to do this because of generous support from their local communities and new support from government.

In some cases, food banks that saw fewer people because of improved income benefits for clients were then able to provide improved and more comprehensive service provision, with more food, for those who were experiencing deeper levels of need.

"Some clients have come in more frequently (the full amount that we allow) meaning we are giving out more emergency hampers than before. We have increased volunteer recruitment and created more evening shifts."

Survey respondent, Alberta

## Table 16: Service models at food banks for a sample of affiliate food banks (n=300)

"We have transitioned our distribution methods from a 'market style' where people could shop to a registration list where we take food preferences and build a box for them which is picked up outside the building. This system seems to be working well. We have seen an increase in registrations steadily and there is a direct link to COVID case numbers in our town and registrations. We deliver to those that require it."

48.3% Pre-packed hampers—walk-in 43.3% Pre-packed hampers—by appointment 39% Home delivery 24.3% Shopping model—walk-in 15.3% Shopping model—by appointment 15.7% Meal provision—walk-in 6.7% Meal provision—by appointment 27.3% Other

Source: Food Banks Canada Network survey, 2021. Due to multiple responses, percentages will not add up to 100.

Survey respondent, Alberta

Health restrictions also played a large role in how food banks operated. To accommodate space restrictions and social distancing, many food banks started to offer clients pre-packaged hampers. The hampers contained a range of food groups, selected based not only on product availability but also on client preferences.

One of the most significant changes in the food bank network was the introduction of home-delivery services for clients who were hesitant or unable to travel, such as seniors and clients with underlying health conditions.

The third most common method of service provision is the "shopping" model, where clients can choose foods in a location set up like a grocery store. This service option depended on the space and resources available to the food bank, and the resultant ability to adhere to public health guidelines. As noted above, some food banks offered prepackaged hampers to accommodate physical distancing and safety requirements. However, the shopping model is often seen as the most desirable option because it gives clients more choice and can enable greater levels of food security and well-being.<sup>54</sup>

<sup>54</sup> Rizvi, A., Wasfi, R., Enns, A., & Kristjansson, E. (2021). The impact of novel and traditional food bank approaches on food insecurity: A longitudinal study in Ottawa, Canada. *BMC Public Health*, 21, Article number 771. https://doi.org/10.1186/s12889-021-10841-6

"There are a large number of homeless and precariously housed individuals, along with many who are not able to work and/or are losing their businesses due to the lockdowns. We have found that offering a daily meal program has really helped to not only offer good nutrition on a daily basis, but also offers us the opportunity to stay in constant contact with the most vulnerable in our community."

# Survey respondent, Ontario

"For clients, we have implemented a 'Meals à partager' program with (3 meals per day) meal delivery service twice per week to at-risk clients, increased quantities of non-perishable orders and opened a new satellite location in the West Island."

# Survey respondent, Quebec

Providing on-site, prepared meals in addition to food hampers is another important service offered by many food banks. These programs are particularly important for people who are homeless or do not have access to a physical space to store and prepare food. However, many meal programs had to be cancelled or converted to take-away meals to accommodate new public health guidelines in some areas. Several food banks that ran meal programs in March 2019 have still not reintroduced these programs.



# POLICY POLICY RECOMMENDATIONS



# POLICY RECOMMENDATIONS

### Introduction

There is no doubt that the last year was marked by hardship, stress, and loss for many Canadians. Millions lost their jobs virtually overnight, and while some have been able to return to work, a return to pre-pandemic economic stability and normalcy still seems many years away.

However, if there is one silver lining to the first year of the pandemic, it is that we witnessed in real time what Food Banks Canada has been saying for years: good social policies can have a significant impact on reducing food insecurity when they address its root causes, which are low incomes and poverty.

As our data has shown, the rapid introduction of the CERB and other supports initially "flattened the curve" of food bank use early in the pandemic in many parts of the country. These new programs, which have since been pulled back, played a significant role in many Canadians having enough income to buy food to feed themselves and their families.

In Canada, we know that food is only a small part of household food insecurity. Food banks are there to support people with immediate needs. They can only do so much to help people in the long term. The pandemic and the subsequent policies put in place by the federal government offer clear proof that sound public policies that raise people's incomes and lift them out of poverty are the key to reducing food insecurity in the long term.

The fact that the CERB and other supports had such a significant impact on mitigating the potentially devastating consequences of the pandemic should be applauded and used as a building block as we build back a better Canada.

Before the pandemic, food banks in Canada were visited more than 1 million times per month. They were already at capacity and struggling to meet their communities' needs. We now have a roadmap to follow to create a new normal where far fewer Canadians rely on a food bank in the future—and an opportunity to follow it.

# **DID YOU KNOW?**

TWENTY-FIVE PER CENT OF FOOD BANKS ACROSS FOOD BANKS CANADA'S NETWORK ENGAGE IN ACTIVITIES TO HELP SUPPORT POLICY CHANGE. THESE ACTIVITIES INCLUDE MEETING WITH POLICY MAKERS, PARTICIPATING IN COALITIONS, AND HOSTING TOWN HALLS.



Unfortunately, many of the programs introduced at the beginning of the pandemic were only temporary and have already come to an end or will soon phase out. Many Canadians, and food banks, are apprehensive about the months and years ahead, as economic hardship has not gone away, even if many support programs have.

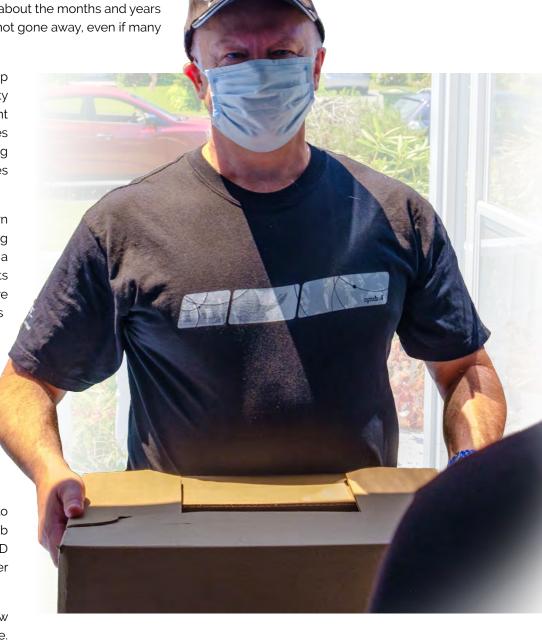
As the country starts to slowly map out what our post-pandemic society will look like, it is especially important that we learn from the policies that were successful in helping Canadians support themselves during difficult times.

It is also important that we learn who fell through the cracks during this period to help us provide a more encompassing set of supports and initiatives for those who are most in need. This includes exploring in more detail why some demographics were economically impacted more negatively than others.

For example, Indigenous and racialized groups had higher numbers reporting a strong or moderate negative financial impact of COVID-19 than white Canadians, even after taking into consideration their differences in job loss, immigration status, pre-COVID employment status, and other demographic characteristics.<sup>55</sup>

Looking forward, Canada now has an opportunity, and a choice.

We can choose to revert to a pre-pandemic "normal" where more than 1 million Canadians every month need help from a food bank to make ends meet—or we can seize the opportunity to build a better Canada, one that leaves no one behind.



<sup>55</sup> Hou, F., Frank, K., & Schimmele, C. (2020, July 06). Economic impact of COVID-19 among visible minority groups. Statistics Canada. https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00042-eng. htm?fbclid=lwAR0SYKs7gcv0SowtfTMwar3NEZONkNgHReQoeNe2llzOmIGSU7W3NY8owYA



# NEW SUPPORTS FOR RENTERS LIVING WITH LOW INCOMES

Even prior to the pandemic, food banks have been reporting every year that the high cost of housing is one of the main reasons people walk through their doors looking for support.

In 2021, a national poll showed that 46 per cent of Canadians ranked the cost of housing as the largest obstacle to affording food—up from 21 per cent only a year before.<sup>56</sup>

Just under 70 per cent of all food bank clients live in private rental market housing in 2021, an increase from 60 per cent in 2010. Within that group, the vast majority are people who live within the lowest income group and spend well over 50 per cent of their income on rent and utilities.<sup>57</sup> Spending this proportion of income on housing is considered a "crisis" level, as it leaves little over for other basic needs such as food and puts people at risk of homelessness.<sup>58</sup> We were therefore encouraged to see the federal government introduce the National Housing Strategy (NHS) in 2017, something that Food Banks Canada had advocated for over many years.

As part of the NHS strategy, the federal government committed to spending around \$20 billion (equally matched by the provinces and territories for a total of \$40 billion) over 12 years, with the ultimate goal of removing 530,000 (half of) households from core housing need and reducing the number of chronically homeless people by half by 2030.<sup>59</sup>

Those were positive developments and sound government policy, yet very little, if anything, has been done since the strategy was announced to help people who currently need the support of food banks because of their high housing costs.

Most of the NHS investments have been put towards loans for the development of market housing rather than directly addressing the needs of the people who most need help. A 2019 Parliamentary Budget Office report found that the NHS changed very little in terms of how much funding the government invested in affordable housing. In

<sup>56</sup> Charlebois, S. (2021, April 16). Food affordability faces perfect economic storm. Canadian Grocer https://canadiangrocer.com/food-affordability-faces-perfect-economic-storm

<sup>57</sup> See http://rentalhousingindex.ca/en/#affordability\_prov

<sup>58</sup> BC Non-Profit Housing Association, Families feeling the impact.

<sup>59</sup> Government of Canada. (2017). A Place to Call Home – Canada's First National Housing Strategy, retrieved from https://eppdscrmssa01.blob.core.windows.net/cmhcprodcontainer/sf/project/placetocallhome/pdfs/canada-national-housing-strategy.pdf



fact, it found that the NHS actually slightly reduced the funding slated for those in core housing need.<sup>60</sup> Meanwhile, the erosion of affordable housing far outpaces its creation: for every affordable unit created, four are removed from the market.<sup>61</sup>

The pandemic and its repercussions have undoubtedly only amplified a problem that was already urgent across the country.

Since the beginning of the pandemic, we believe that the CERB and other pandemic-related supports, combined with local and provincial moratoriums on evictions and deferred payments, have stemmed the tide of renters having to seek help from their food banks, but we expect that to change. Furthermore, in many areas with high housing costs, the number of visits to food banks went up rather than down during the early months of the pandemic.

More recently, as government supports have been wound down and payments have come due, food banks have seen an increase in new clients needing support due to the high costs of housing.

Without immediate government action to support renters, we fear this trend will only get worse over the coming months and years.

- Immediately implement a national rent support program based on an expanded version of the Canada Housing Benefit so that Canadians who are struggling to afford their rent can access support while the rest of the National Housing Strategy takes effect.
- Significantly increase the amount that the federal government plans to invest in the Canada Housing Benefit so that everyone who is living on a low income becomes eligible for the benefit (remove any cap limit on how many eligible citizens can apply).
- Introduce new investments and address an important omission of the National Housing Strategy, to build supportive housing for people with mental and physical health disabilities, particularly for low-income and marginalized populations.<sup>62</sup>
- To address the rate at which the stock of affordable housing units is being reduced, the government must explore new and faster ways to acquire affordable housing and should consider community-targeted funding and non-market solutions to housing acquisitions.

<sup>60</sup> Segel-Brown, B. (2019, June 18). Federal program spending on housing affordability. Office of the Parliamentary Budget Officer. https://www.pbo-dpb.gc.ca/en/blog/news/federal-program-spending-on-housing-affordability

<sup>61</sup> Housing Policy and Research Exchange. (2021, July 30). Getting to 2030—Examining how Budget 2021 helps Canada achieve its housing goals, and what we need to do from here [Submission to Canada's Minister of Families, Children and Social Development and Canada Mortgage and Housing Corporation]. Maytree. https://maytree.com/publications/getting-to-2030/

<sup>62</sup> Canadian Centre for Policy Alternatives. (2018). Alternative Budget 2019: No time to lose. https://www.policyalternatives.ca/afb2019



# MODERNIZE AND EXPAND SUPPORTS FOR LOW-WAGE AND UNEMPLOYED WORKERS

From February to April 2020, over 5.5 million Canadian workers were directly affected by COVID-19-related economic shutdowns across the country.<sup>63</sup> Virtually overnight, the labour market in Canada was flipped upside down.

The economic impacts of the pandemic are likely to be felt for years to come. While many people have been able to return to their previous jobs, millions have been forced to turn to new, less stable employment or have yet to return to the workforce at all.

Exacerbating these issues is the outdated Employment Insurance (EI) system, which in the 2018–2019 fiscal year covered only 39 per cent of Canada's unemployed workers, compared to over 80 per cent in the early 1990s.<sup>64</sup>. This shift in coverage demonstrates the changed nature of work in today's world.

The federal government has already announced that it plans to review the EI program in the years ahead.<sup>65</sup> This review is long overdue and welcomed, but there is concern that a full review of EI will take far too long to undertake and implement when immediate action is necessary.

For years, our data has shown that people who fall out of the labour force (i.e., people who are currently employed, or on EI and looking for work) are far less likely to seek support from a food bank than someone who is forced to turn to welfare or disability assistance.

For many, the road to the food bank starts with a job loss, then a year or less on EI (depending on eligibility), and then weeks of getting by on what is left of savings, informal support systems, and last resources until there is nowhere left to turn but social assistance—which does not provide nearly enough for basic necessities such as food.

Many food banks in Canada fear they will not be able to accommodate a tidal wave of new clients created by the pandemic while maintaining their level of support for long-term need created by decades of social policy neglect.

<sup>63</sup> Statistics Canada. (2020). Labour force survey, May 2020. The Daily. https://www150.statcan.gc.ca/n1/daily-quotidien/200605/dq200605a-eng.htm

<sup>64</sup> Busby, C., & Gray, D. (2021, March 10). A new voluntary El program would bring more workers under safety net. Policy Options Politiques. https://policyoptions.irpp.org/magazines/march-2021/a-new-voluntary-ei-program-would-bring-more-workers-under-safety-net/

<sup>65</sup> Government of Canada. (March 2021). Maintaining flexible access to employment insurance benefits. Federal budget 2021. https://www.budget.gc.ca/2021/report-rapport/p1-en.html#282



Unfortunately, recent Labour Force Survey numbers show that a potential wave of new food bank clients may not be that far away.

In May 2021, close to half a million Canadians who lost their jobs due to the pandemic had been fully unemployed for more than six consecutive months.<sup>66</sup> These are people who are struggling to re-enter the labour market and who may find themselves forced to turn to social assistance and food banks in the months ahead unless a better EI system is put in place very soon.

- Significantly extend the maximum duration of EI benefits beyond 45 weeks so that Canadians are not forced
  into our broken and grossly inadequate provincial social assistance system once their EI benefits run out.
- Immediately expand the Working-While-on-Claim (WWC) provisions in EI to allow workers to retain more
  of their income from temporary/part-time work while on EI without losing benefits or having their income
  clawed back.
  - Workers who are not punished for taking temporary/part-time work while on EI are more likely to reintegrate into the workforce quickly and obtain full-time employment.<sup>67</sup>
- Permanently broaden the EI qualifying definition of "employment" to include self-employed and precarious work.
- Review and reduce the number of qualifying "hours of employment" needed (currently between 420 and
   700 hours of insurable employment) to better reflect the nature of modern jobs and working situations.
- Develop a new program within EI that specifically supports older workers (aged 45-65) who lose employment at a later age and who may need specific training and education programs tailored to their needs to help them re-enter the modern workforce.
- Expand EI sickness benefits beyond 15 weeks to keep people off provincial disability programs which
  provide meagre supports and are very difficult to climb out of.
- To better support low-wage workers currently employed:
  - Expand the Canada Workers Benefit (CWB) further to allow more low-income workers to retain more of their earned income before taxes are clawed back.
  - Introduce government incentives to encourage businesses to pay living wages to all employees.
  - Introduce a Disability Hiring Strategy that includes training and incentives to encourage businesses to hire people with disabilities who are seeking employment (currently 2 in 5 unemployed Canadians with a disability aged between 25 and 65 are without work).<sup>68</sup>

<sup>66</sup> Statistics Canada. (2021). Labour force survey, May 2021. https://www150.statcan.gc.ca/n1/daily-quotidien/210604/dq210604a-eng.htm

<sup>67</sup> Busby, C., Lluis, S. & McCall, B. (2021). Transitioning back to work: How to improve EI working-while-on-claim provisions. IRPP Study 85. Montreal: Institute for Research on Public Policy. https://irpp.org/research-studies/transitioning-back-to-work-how-to-improve-ei-working-while-on-claim-provisions/

<sup>68</sup> Morris, S., Fawcett, G., Brisebois, L., & Hughes, J. (2018, November 28). A demographic, employment and income profile of Canadians with disabilities aged 15 years and over, 2017. Statistics Canada. https://www150.statcan.gc.ca/n1/pub/89-654-x/89-654-x2018002-eng.htm



# A PATH FORWARD WHERE NO CANADIAN IS LEFT BEHIND (PROGRESS TOWARDS A MINIMUM INCOME FLOOR)

For years, food banks across the country have known that their services can only do so much. While they do everything possible to help their community during difficult times, they are also the first to argue that only government policies can address the root causes of food insecurity and food bank use: poverty and low incomes.

To put it simply, when sound social policies are put in place, food bank visits go down.

Unfortunately, much recent progress appears to have only been temporary, with the government winding down widely effective programs such as the CERB and various one-time benefit boosts in favour of less effective alternatives. Yet, while the temporary benefits were not perfect, it is still important to learn from the social policy lessons of the first few months of the pandemic, and we can use them as a foundation for the creation of a social safety net where no one falls through the cracks.

With the CERB coming to an end, it is important to start taking our next steps. The changes to the EI system are long overdue and a big step in the right direction, but too many Canadians will still be left behind.

It is estimated that 482,000 Canadians will not qualify to transition from the CERB, or the other pandemic benefits, to any of the new EI programs and will be far worse off than they were under the CERB.<sup>69</sup> In September 2021 alone, nearly 300,000 Canadians stopped receiving benefits through EI, and a large portion of them are believed to be former CERB recipients.<sup>70</sup>

This group of people will likely face very difficult times ahead, with no other choice but to turn to the current provincial social assistance system, a grossly inadequate system that has been broken for many years.

<sup>69</sup> Macdonald, D. (2020). Transitioning from CERB to EI could leave millions worse off. Canadian Centre for Policy Alternatives. https://behindthenumbers.ca/2020/09/15/transitioning-from-cerb-to-ei-could-leave-millions-worse-off/

<sup>70</sup> Lundy, M. (2021.September 27). El numbers plunge as benefit transition takes hold. *Globe and Mail.* https://www.theglobeandmail.com/business/article-ei-numbers-plunge-as-benefit-transition-takes-hold/



Under the current system of provincial social assistance, one must be virtually penniless before qualifying for support.<sup>71</sup> Furthermore, the average annual welfare income for a single person in 2019 was only \$9,394, an average of \$13,506 below the poverty line.<sup>72</sup> And if one tries to work their way out of welfare, their benefits (cash and non-cash) are clawed back at punitive rates that destroy any incentive to work.

This is a system that has not evolved since the 1990s and that keeps people in a cycle of poverty that is extremely difficult to escape—as is demonstrated by the fact that over 50 per cent of people who are currently being helped by food banks are on either social assistance or disability supports.

Simply put, if the early months of the pandemic taught us anything, it is that Canada needs to work towards a new minimum income floor, at or above the official poverty line, to replace our current failed approach to supporting people who cannot access work.

This means adopting a new approach, one that provides every Canadian with a minimum income floor so they can lift themselves up and move ahead instead of keeping them down and holding them back.

The approach taken by the government during the first few months of the pandemic gave us a glimpse of what is possible with sound policies. It's time to use what we learned to build a Canada where no one is left behind.

- Fund and develop, in collaboration with the provinces and territories, multiple Minimum Income Floor pilot projects of various types across the country in various provinces and territories (in both rural and urban communities.
- Collect and analyze data from these pilot projects over multiple years to determine the type of Minimum Income Floor that is best suited to Canada's needs and accounts for Canada's regional differences.
- In the short term, allow all low-income households to have access to the non-cash benefits that are currently only available to those on social assistance (e.g., childcare subsidies, affordable housing supplements, drug and dental insurance).

<sup>71</sup> Caledon Institute. (2015). Welfare in Canada 2014. Ottawa: Caledon Institute. Retrieved from https://maytree.com/wp-content/uploads/Welfare\_in\_Canada\_2014.pdf

<sup>72</sup> Maytree. (Last updated August 2021). Welfare in Canada https://maytree.com/welfare-in-canada/canada/



# INCREASE SUPPORTS FOR LOW-INCOME SINGLE ADULTS

Over the last few years, Food Banks Canada's annual HungerCount report has highlighted that single working-age adults account for a consistently increasing percentage of the people who need help from a food bank.

Over the last decade, the percent of single people using food banks has increased significantly, having grown from 38 per cent of households helped by a food bank in 2010 to almost half of all households helped (46%) in 2021.<sup>73</sup>

Looking at the staggering economic statistics for this group, it doesn't take long to determine why food banks have seen this jump. Using Canada's Official Poverty Measure (the Market Basket Measure), just over 1 in 10 Canadians live on or below the poverty line. If we look at only unattached (i.e. single) working-age people, that figure jumps to 33%: 1 in every 3 single adult lives in poverty.<sup>74</sup>

This group alone represents a low-income population of 1.3 million people. These are Canadians who live in deep poverty, with average incomes that are 50 per cent below the poverty line. This means these individuals are often struggling to survive on about \$10,000 per year.

Given these statistics, it is hardly surprising that close to one in five single adults experience food insecurity and that so many need support from a food bank to make ends meet.<sup>75</sup>

This is a population that, from a government program perspective, has few places to turn and seems to have been largely forgotten by federal and provincial governments. Many members of this group have mental health issues that are exacerbated by poverty and low incomes.

<sup>73</sup> Food Banks Canada, HUNGERCOUNT 2019.

 <sup>74</sup> Food Banks Canada [2017]. Nowhere to Turn, Toronto: Food Banks Canada. Retrieved from https://www.foodbankscanada.ca/getmedia/00977cg0-66cb-45fe-8133-ede4744037eg/Nowhere-to-Turn\_FINAL\_EN.pdf.aspx?ext\*.pdf
 75 Statistics Canada. (2020). Table 13-10-0385-01 Household food security by living arrangement. DOI: https://doi.org/10.25318/1310038501-eng



As mentioned in our HungerCount 2019 report, single-person households that are food-insecure experience higher levels of mental health issues than other households. Many people in this situation have mental health issues that go untreated because of lack of supports, are stuck in a cycle of inadequate social assistance or disability-related supports, or have lost a job and have nowhere to turn for new training and education programs to equip them to re-enter the workforce. All these issues have been heightened by the pandemic.

For decades, governments have focused policies on specific subsets of the population such as families and seniors, but have routinely overlooked single, working-age adults as a group that requires targeted action.

Applying an optimistic lens, Food Banks Canada is encouraged by recent announcements from the federal government that it will review its antiquated EI program, and we hope our recommendations outlined above (see recommendation 2) are implemented quickly, as they would have a positive impact on the lives of many single adults who are struggling to make ends meet.

Among those people who are unable to work, many are receiving social or disability assistance but cannot climb out of poverty because of the grossly inadequate supports and strict conditions that come with these programs. Current social assistance amounts do not consider the increased cost of living associated with having a disability. And among single Canadians, those with disabilities are facing the intersection of physical, mental, and financial struggles.

- Make single, low-income adults a priority consideration in all future poverty reduction and recovery policy measures, including an expanded and modernized EI, to ensure that this vulnerable population is no longer left behind.
- Develop new mental health measures as part of future health accords with the provinces and territories that include a specific focus on the needs of single, working-age adults.
- Implement our recommendation that governments move towards a Minimum Income Floor (see recommendation #3) for all to replace our current, broken social assistance system to address the high levels of deep poverty among single people with no attachment to the labour force.
- Beyond a Disability Hiring Strategy (see recommendation #2), the rapid implementation of the Canadian Disability Benefits that brings recipients to or near their Market Basket Measure (MBM) is needed to help pull more than 30 per cent of Canadians with a disability out of poverty.
  - This implementation should also include a review of the MBM for Canadians with a disability so that the poverty line can better reflect the costly realities of living with a disability.

<sup>77</sup> Morris et al., A demographic, employment and income profile.



# ENHANCE MEASURES TO REDUCE NORTHERN FOOD INSECURITY

Northern food insecurity remains a significant concern for Food Banks Canada. The issue will likely worsen because of the effects of the pandemic over the coming months and years unless some of the minimum income reforms mentioned in this report are quickly enacted. While consecutive federal governments have attempted to address this problem with various targeted programs and initiatives, it is clear that the current approach is failing.

Food Banks Canada has worked over the last few years to suggest ways to improve the Nutrition North program and Northern food insecurity in general. We are encouraged that the federal government has adopted one of our recommendations from our 2019 HungerCount report and now includes charities in the Nutrition North program on a pilot basis.

However, we remain concerned that food costs in the North have remained largely unchanged since the beginning of the Nutrition North program in 2011. For example, in Iqaluit, Nunavut, the cost of a nutritious food basket to feed a family of four in March 2018 was approximately \$1,721.56. The same basket of food would cost about \$868 in Ottawa.<sup>78</sup> Recent data released by Statistics Canada shows that the Nutrition North subsidy has not had the impact on food costs that many hoped for when the program was first introduced almost a decade ago.

As shown in the most recent numbers released by Nutrition North Canada, the average cost of the Revised Northern Food Basket in March 2018 was actually over 2 per cent higher than it was in March of the previous year, and only 1 per cent lower than in March 2011, prior to the launch of the Nutrition North program.<sup>79</sup>

<sup>78</sup> Government of Canada. (2019). Cost of the revised Northern food basket in 2017–2018. https://www.nutritionnorthcanada.gc.ca/eng/1548078467819/1548078497301 / Ottawa Public Health. (2018). Nutritious food basket.

https://www.ottawapublichealth.ca/en/public-health-topics/resources/Documents/2018\_NFB-Report\_EN.pdf

<sup>79</sup> Government of Canada. (2019). Cost of the revised Northern food basket.



Measures announced by the program in 2018, such as new supports for traditional hunting and gathering programs (a measure that Food Banks Canada has advocated for), and a new Inuit to Crown working group to address future challenges, are welcomed, but they are unlikely to be adequate to address the multiple challenges facing the North, especially in light of a pandemic that has already affected food supply chains issues in Northern communities.

With household food insecurity levels still unacceptably high in the territories, the cost of food barely changing since 2011, and social assistance income that has decreased in real terms, it is time for the federal government, in collaboration with the territories, to review their food security strategies in the North.

Organizations such as Food Banks Canada, the RFDA in Thunder Bay, Winnipeg Harvest, the Ottawa Food Bank, and the Community Food Sharing Association in Newfoundland (to name only a few) are doing what they can to support struggling Northern communities, but high shipping costs are stretching already limited funding to its limit.

Federal funding that flowed through Food Banks Canada during the early months of the pandemic helped many Northern food banks purchase food over the first year of the pandemic, but an already precarious situation is at risk of worsening over the coming months and years.

Addressing food prices and implementing food-driven solutions can only do so much. The federal government must also review its entire approach to the long-term root causes of food insecurity in the North if significant progress is to be achieved.

- Immediately start working towards a Minimum Income Floor (see recommendation #3) and away from the current broken social assistance system that keeps far too many Northern Canadians in a cycle of poverty and food insecurity.
- In collaboration with the newly formed Inuit to Crown Working Group, initiate a comprehensive review
  of Nutrition North Canada to determine why the program is only minimally achieving its objectives of
  reducing the cost of food in the North.
- Working in partnership with local groups, create a Canada-wide Northern Development and Revitalization
  Plan that is focused on the research and development of regional programs that aim to train workers and
  grow business in strategic economic sectors.

# OUR METHODOLOGY



The annual HungerCount is Food Banks Canada's signature report documenting food bank use in Canada. It is a cross-sectional census survey of most food bank agencies, organizations, and programs, within and outside of the Food Banks Canada network. The HungerCount provides a point in time *snapshot* of food bank use in Canada.

Food Banks Canada is always looking for ways to improve the HungerCount report. If you have questions about the report, or ideas on how we could improve it, we would like to hear from you. Please get in touch at <a href="mailto:info@foodbankscanada.ca">info@foodbankscanada.ca</a> and put HungerCount in the subject line of your message.

### Food bank universe

WITHIN THE FOOD BANKS CANADA'S NETWORK
THERE ARE 10 PROVINCIAL ORGANIZATIONS;
770 AFFILIATE FOOD BANKS, WITH NEARLY 4,750
AGENCIES INCLUDED IN THEM; AND 4 DIRECT
AFFILIATES IN THE 3 TERRITORIES. THERE ARE ALSO
INDEPENDENT FOOD BANKS OPERATING OUTSIDE THE
NETWORK THAT ARE INCLUDED IN THE SURVEY.

### **Data collection**

The HungerCount survey is sent out to food banks in February of each year, and the data is collected for the month of March. We use March as the study period because it is an unexceptional month, without predictable high- or low-use patterns. Since March is used consistently, we are able to track usage patterns across times.

To maximize data integrity, and minimize interpretation errors, the survey includes examples of how the data is to be collected and categorized. Definitions of the categories are also included.

The survey is available through an online link and as a PDF and Word document. It is sent to food banks and meal programs through the provincial organizations and directly to food banks not affiliated with Food Banks Canada. In some cases, phone interviews are also necessary. The food bank network of Feed Ontario, Feed Nova Scotia, and approximately 180 food banks in other provinces, including non-affiliated Salvation Army Food Banks, use an online program called Link2Feed. These food banks were given the option to skip client usage questions on the online survey as their data could be obtained through Link2Feed.

### A note on visits

Starting from the 2018 HungerCount, Food Banks Canada has reported the number of **visits** to food banks in the month of March to provide a better representation of the need for food banks across Canada.

A "visit" counts each person once for each time they receive a hamper of food, as well as each person in their household. For example, a single person who accessed the food bank four times in March would count for four visits. A single parent with two children who accessed the food bank twice in March would count as a total of six visits.

Each food bank determines the number of times people in their community can access the services of their food bank, driven by their mission, community need, and available resources. In some cases, people can visit a food bank multiple times per month; in other cases, people can visit less than once per month. The majority of food banks in Canada assist clients once per month.



# Analyzing the data

Survey data are entered into a database and cleaned to ensure a robust analysis, including filtering of results to include only food bank and meal programs, and verifying any outliers to ensure responses did not skew the overall results.

We recognize that errors arise in any data collection process. Food Banks Canada undertakes extensive follow-up with food bank outliers (those who deviate +/-25% in any given year). The analysis performed by Food Banks Canada staff used Statistical Package for Social Sciences (SPSS). To arrive at the overall usage number, primary data is received directly from organizations. We combine total visits from all responding valid surveys and calculate household results using only surveys with complete data in those categories.

In cases where surveys were not completed by operating food banks, conservative estimates are produced by verifying that a food program still exists and using regional data to apply a percent increase or decrease to previously reported numbers. Outliers are removed from the regional data to ensure trends are not over-reported.

To analyze responses to client demographics, a sample of food banks that responded to the relevant questions were used. Where comparisons of demographic items are presented, samples were tested for statistical significance using the Mann-Whitney U test (also called the Wilcoxon rank-sum test). This is a non-parametric test that looks for differences between two independent samples.

### Limitations

Food banks across the country operate with limited resources and capacity for documentation. In some cases, Food Banks Canada follows up with outliers to find out if there was a reporting error in a previous year. In these instances, corrections can be made to data from past years. Usually, discrepancies are minor and do not impact the overall trends. Food Banks Canada makes every effort to ensure that data being presented is as accurate as possible.

# Methodology review

In the fall of 2018, the Social Research and Demonstration Corporation (SRDC) conducted a review of the HungerCount methodology and made several recommendations for the coming years. Overall, SRDC found that HungerCount is a survey program providing rich data concerning vulnerable, and typically under-represented, populations. HungerCount provides a robust snapshot in any given year of food bank use, as well as key demographics of the populations who use food banks across Canada. Several quality control checks are in place to minimize measurement and response errors in data collection phases.

# FOOD PROGRAMS PARTICIPATING IN HUNGERCOUNT 2021 SURVEY



Province	# of affiliates	# of organizations participating	Food bank only	Meal only	Both	# of agencies incl. in affiliate surveys	Total # of orgs. represented
АВ	102	147	95	16	35	813	960
ВС	100	125	85	1	39	867	992
МВ	119	8	7	0	2	353	361
NB	59	62	43	4	15	50	112
NL	53	51	46	1	4	16	67
NS	133	129	90	32	7	12	141
NT	1	4	4	0	0	4	8
NU	2	5	4	0	1	7	12
ON	133	510	384	48	75	698	1,208
PEI	6	6	4	0	2	8	14
QC	31	1,173	418	324	347	0	1,173
SK	30	39	31	0	8	133	172
YK	1	1	1	0	0	0	1
Total	770	2,260	1,212	426	535	2,961	5,221

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