

Sharp price increases make basic foodstuffs unaffordable for millions in Canada

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The latest report on food prices in Canada confirms what the working class, and especially the most vulnerable in society, already know: Nutritious food is quickly becoming a luxury item in one of the world's most advanced and wealthiest capitalist countries.

Along with access to higher education, quality healthcare, proper housing or even a decent-paying job, nutritious food options are now on the list of things that are, or may soon be, unattainable for the vast majority of the population.

Canada's Food Price Report (CFPR) is an annual collaboration between research partners at universities across the country, and is currently produced by the Agri-Food Analytics Lab at Dalhousie University. Using a range of predictive analysis models, the research team forecasts Canadian food prices for the coming year. The report has been published annually since December 2010.

The 2026 report anticipates that overall food prices will increase by 4 percent to 6 percent—significantly above the predicted general inflation rate of 2.2 percent. This is on top of what has already been a 27 percent increase in food prices over the last five years. With an increase of up to \$994.63 in 2025, the average family of four could expect to spend \$17,571.79 on food in the coming year.

The report outlines several areas of particular concern in the year now concluding.

Soaring meat prices led the way with an overall price hike of 7.2 percent, the highest inflation rate of any food category in the country. With climate change-driven drought affecting large areas of North America over the summer, feed prices for cattle shot up, leading to higher beef prices. Added to that were double-digit percentage increases in production costs for livestock, animal products and packaging costs. All of this was passed down to the consumer. And with cattle herds at their lowest levels since 1988 at the beginning of the year, low inventories translated into higher prices through the capitalist “law” of supply and demand.

In the first quarter of 2025 alone, beef prices increased by 16 percent. Although that pressure eased throughout the year, beef prices were still up 9 percent from 2024 and up 23 percent from the five-year average.

As the CFPR notes, many Canadians have turned to chicken

as a more affordable source of protein compared to beef. But the report makes clear that choice is about to encounter the same shocking price increases that drove so many away from beef. Canadian chicken production dropped to record lows in 2025. In a very rare occurrence, Canada's chicken-farming industry has failed to meet its national quota for nine consecutive quota cycles.

Mild temperatures throughout the autumn season, another effect of climate change, allowed wild fowl to linger in Canada before migrating south. The result has been a sudden increase in avian influenza in commercial flocks. Quarantines and culling, together with other supply management issues will contribute to already reduced chicken availability and higher prices in 2026.

The CFPR suggests plant-based proteins such as tofu, beans, lentils and chickpeas as more affordable alternatives to meat. But surely that would offer only temporary respite as the same capitalist law of supply and demand would drive prices; moreover, such crops are also be subject to the effects of climate change.

Agriculture as a whole in Canada is under increasing pressure from the effects of climate change. As the CFPR observes, 66 percent of agricultural land in Canada was experiencing moderate to extreme drought in June of 2025. Alberta and Saskatchewan dominate the beef cattle industry in Canada, but the two provinces also produce the majority of grain, oilseed and pulse crops. Those crops fared well in 2025, but there are ongoing concerns about soil moisture for the next crop year. The fruit- and vegetable-growing regions of Ontario, Quebec and Nova Scotia experienced rainfall levels well below normal, resulting in reduced yields and smaller crop sizes and again, higher prices.

As evidence of the intensification of the climate change threat, more than 8.3 million hectares of land burned across the country in 2025 in the second worst wildfire season in Canadian history. But a more illustrative measure of the effect of climate change is the average of forest carbon burned in Canadian wildfires over time. Over the decade of the 1990s, the average of CO2 emissions from wildfires was 800 metric tonnes per year. Over the past decade, the average was 3,200 metric tonnes per year—a fourfold increase. Higher temperatures

due to human activity (which in fact means the burning of fossil fuels, ruinous extraction methods, deforestation and so on in the pursuit of profits) puts enormous pressure on the world environment as a whole and on food production in particular. Extended droughts can lead to the erosion of soil, wildfires can damage crops and warmer winters make livestock and crops more susceptible to pests and disease.

Imported foods have also experienced significant price increases due to the same pressures as in Canada, according to a recent Statistics Canada report. For example, coffee prices are up more than 28 percent over the past year, with roasted or ground coffee, as opposed to instant, up 41 percent. Nuts, most of which Canada imports from the United States, and seeds saw more than a 15 percent price increase over the year before. And poor weather and disease in West Africa, which supplies 70 percent of the world's cocoa, has led to a more than doubling of the price for that item over the last two years.

While the pressure on ordinary people to afford the basics in the populous regions of Canada is intense, the situation in the North is even more extreme. Food prices in the North are two to four times higher than in urban areas, and food insecurity is about double the national average. For decades, long distances, the lack of infrastructure and transportation costs have been used as excuses for the deficiency of fresh, nutritious food in the North. Northern Saskatchewan recently recorded 27 cases of scurvy, linked to a lack of fresh, affordable foods. The resurgence of this 18th century disease is not an inexplicable cluster of unfortunate maladies but the result of deliberate social policy choices.

An important focus of the CFPR report is the level of market concentration in the grocery sector in Canada. It rightly bemoans the power of the largest four grocery chains, which control at least 72 percent of the market, to limit competition and consumer choice. It does not refer to Loblaw, Sobeys, Metro and Walmart by name, but suggests the "Grocery Code of Conduct," a voluntary framework meant to guide how grocery retailers and their suppliers interact, due to come into effect in January 2026, could help to stabilize food prices. But the history of the insurance, telecom and energy sectors, among many others, prove that such tinkering around the edges of corporate capitalism, which strives for consolidation and market dominance, would prove utterly fruitless. In any case, there is no will within the political establishment to restrict the profit motive and rein in the power of the financial oligarchy, regardless of the negative social impact.

On the contrary, the food affordability crisis, together with deepening social inequality and the growth of homelessness, are manifestations of a systemic capitalist crisis that has been exacerbated for the working class by a one-sided class war waged by the ruling elite over the past four decades. The sustained gutting of worker rights and real wages and the redirection of public resources from public services and social supports to huge tax cuts for big business and the rich and

corporate subsidies by governments of all political stripes have impoverished broad swathes of the population, while enriching a tiny minority at the top.

This process will accelerate under the Carney Liberal government, which with the backing of the trade unions and opposition Tories and NDP is implementing a massive rearmament program at the expense of public spending. As a down-payment on the hundreds of billions of dollars in planned additional military spending over the next decade, the Carney government increased the defence budget by 17 percent just in the current fiscal year.

The proof of this analysis lies in the annual HungerCount report released by Food Banks Canada in October of this year. The March 2025 snapshot showed that more than 2 million people in Canada turned to a food bank for assistance, a number that has doubled since 2019. And of those, 20 percent were employed, also double the rate from 2019. This underscores that a growing number of those who can't afford to eat are so-called "working poor," people whose wage is inadequate to fund the basic necessities of life.

Underlining this trend, a report by Omniweb Leger showed that food insecurity in Quebec has risen from 22 percent in 2020 to 36 percent this year. Severe food insecurity has more than doubled to 17 percent, while almost half of young adults aged 18 to 34 (49 percent) are food insecure.

The CFPR hopes to enable consumers to make better purchasing decisions by understanding trends in the food industry with its reports. But the reality is there are no solutions to be had for the working class within the capitalist system. Food insecurity is increasingly flooding working class families along with precarious employment and unaffordable housing—and no reforms within the capitalist system will stem the tide.

Securing affordable food, and resolving the myriad social problems associated with it, is a task that depends on the independent political and industrial mobilization of the working class in the fight for socialism. Only by expropriating the ill-gotten wealth of the financial oligarchy and placing society's vast resources under democratic workers' control can the needs of everyone for a full and fulfilling life be met.



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