



A GATHERING STORM

THE PRICE OF FOOD, GASOLINE, AND ENERGY AND
CHANGING ECONOMIC CONDITIONS IN ONTARIO

2008



ONTARIO
ASSOCIATION OF
FOOD BANKS

ABOUT US

The Ontario Association of Food Banks (OAFB) is a network of food banks across the province including 100 communities across Ontario, from Ottawa to Windsor and Thunder Bay to Niagara Falls. The organization has helped serve its members since 1992 and has four major aims to achieve its vision of reducing hunger in Ontario.

We acquire and distribute food across Ontario. With the help of our dedicated partners, the OAFB obtains and ships perishable and non-perishable food from our donors to food banks in communities across the province. In 2007, we acquired and distributed seven million pounds of food across Ontario.

We ensure member food banks meet certain standards of safety, quality and ethics. Food banks have a responsibility to the communities that they serve. We help member food banks ensure that they can provide safe, high quality and ethical service to their community.

We provide support to our members through grants and professional development. Although food banks across Ontario come in all shapes and sizes, many face the same challenges of raising funds, directing distribution operations and managing staff and volunteers. We help with the sharing of best practices and offer professional development for our members. In addition, we also provide operating and capital grants to improve food distribution activities.

We reduce poverty through policy, programs and projects. It is the responsibility of the OAFB to tell the story of food banks and those served by food banks, and educate the public on the issues of hunger and poverty facing Ontarians. These efforts are supported by diligent research and the development of long-term, credible solutions. Beyond policy, we also work to reduce poverty on the front line through province-wide programs, and poverty reduction projects in selected communities.

PUBLICATION INFORMATION

Author: Adam Spence

Design & Photography: Adam Spence

Edited by: Vass Bednar, Todd Jaques and Sean Park

Cover Photos: A loaf of bread for sale in a grocery store in northern, fly-in reserve community in Ontario; A gas station in Toronto's West End; An apartment complex at Yonge and Steeles in North York; Vacant storefronts on Barton Street in Hamilton's North End

All inquiries regarding this publication should be directed to:

Ontario Association of Food Banks (OAFB)

5 Adrian Avenue, Unit 118

Toronto, ON M6N 5G4

t: 416.656.4100

f: 416.656.4104

e: info@oafb.ca

w: www.oafb.ca

KEY TRENDS

1. We are experiencing significant short and long-term price increases in many staple foods in Canada. When looking at six month, one year, five year and ten year intervals, it is clear that the price of food in Canada is on the rise. There appears to be an accelerating rate of increase for many items at a rate beyond inflation in the short-term, with well over half of the food items on the retail price index increasing at greater than **annual** inflation since November 2007. The long-term rate of increase is also very significant, as shown by the grocery bills of a number of sample households.

2. The price of healthy foods is increasing at a much faster rate than non-healthy foods. There is a significant difference in the rate of change for the food items in Ontario's grocery stores. It is a long-term trend that healthier foods such as bread, milk, and eggs are increasing at a much faster rate than less healthy foods such as processed cheese and fruit-flavoured crystals.

3. Remote northern Ontario communities have food prices that are already substantially higher than the Canadian average. The price of food in remote, fly-in communities in Northern Ontario is astonishing. Many of these reserve communities that already struggle with issues of hunger and poverty also have to face the reality of food costs that are an average of 86 per cent greater than the Canadian average. Any further increases in the price of food will add further stress to grocery bills that are already stretched beyond their limit.

4. The cost of other basics such as gas and energy are similarly increasing at a rate that could further reduce many Ontarian's ability to pay for rent and put food on the table. The challenges of rising food prices are further compounded by increases in the price of gasoline and household energy. Many low-income households require an automobile for essential transit to work or school. Unfortunately, the price of gasoline has increased by 62 per cent since 2003. This increase translates into an additional expenditure of \$800 per year for gasoline, which is roughly equivalent to one month's rent for a person living in a major urban centre in Ontario. Annual energy costs for both fuel oil and natural gas are also increasing at significant rates that will impact household budgets.

5. The cumulative effect of these trends has a significant impact for Ontarians, particularly for fixed income households who are hit hardest by rising prices. The cumulative effect of rising food, gasoline, and energy bills is reducing or eliminating income gains, or placing some households deeper into poverty. Many working families or single earner households have been able to weather the initial storm given median wage and minimum wage increases. However, fixed income households including social assistance recipients, seniors, and on-reserve First Nations households have witnessed a significant reduction in their income even in the past year.

6. Worsening short-term economic conditions in Ontario will make it even more difficult for many families to make ends meet. Beyond rising prices, Ontarians face the prospect of difficult economic times over the next eighteen months. Ontario is projected to have the lowest economic growth of all provinces, and unemployment is expected to grow by 0.6 per cent, putting up to 45,000 Ontarians out of work. This is concerning as food bank figures rise during difficult economic times.

7. Ontario's food banks and those we serve are beginning to feel the effects of increases in the price of food, fuel, and energy, and changing economic conditions. Ontario's food banks are at the front line of social and economic trends, and many are beginning to feel the impact of rising prices and changing economic times. A significant number of food banks have been forced to spend more money on food, or have seen a reduction in staple food items. In addition, many food banks report that persons have been forced to turn to them because of the rising price of food, fuel, and energy. These trends are not yet severe, but many food banks are worried about what challenges the next year will hold.

KEY FACTS: FOOD & GAS

↑87%

B R E A D

The price of bread has increased by 87 per cent since 1998, going from an average of **\$1.30 to \$2.43** per loaf.

2X

INFLATION

The price of flour, carrots, bananas, macaroni, bread, celery, potatoes, cola, cooking oil, apples, apple juice, steak, eggs, milk, mushrooms, and tea have all increased at double the rate of inflation in the past six months.

\$10.99

2.5 KG BAG OF FLOUR

A 2.5 kg bag of flour in Fort Severn is \$10.99. The average price in Canada is \$4.69.

\$7.65

1 KG BAG OF APPLES

A bag of apples in Pikangikum is \$7.65. The average price in Canada is \$2.95.

+\$583.25

G R O C E R Y B I L L

The annual grocery bill for a single person has increased by \$583.25 in the past ten years. This would represent over **15 weeks worth of groceries** for a single person in 2008. The increase since 2007 would be almost two weeks of groceries.

\$4.17

LOAF OF BREAD

A loaf of bread in Sandy Lake averages \$4.17. The average price in Canada is \$2.43.

GROUND BEEF

\$3.69
IN 1998

\$6.10
IN 2008

PROCESSED CHEESE

\$2.71
IN 1998

\$2.84
IN 2008

Since 1998, key items for a healthy diet such as bread, eggs, milk, chicken, and apples have increased at a rate that is much greater than inflation. This is a contrast to minor increases in the retail price of less nutritious items such as fruit-flavoured crystals, soft drinks, wieners, and processed cheese.

+4%

INCREASE SINCE NOVEMBER

The price of flour, celery, bananas, bread, potatoes, apples, milk, baby food, peanut butter, ground beef, milk, chicken, tea and other items have all increased by greater than four per cent since November 2007.

47%

O W N A C A R

47 per cent of low-income households own an automobile, and one in three adults forced to turn to a food bank in Ontario are working. Many more are searching for work.

62%

INCREASE IN GAS

+\$800

ANNUAL COST INCREASE

Since 2003, the average price of gasoline in Ontario has increased by 62 per cent. The annual expenditure on gasoline for a single car has increased by an average of \$800, which is roughly equal to one month's rent in Thunder Bay, Ottawa and Toronto.

89%

INCREASE IN HEATING FUEL

Between 2003 and 2008, the average price of household heating fuel has increased by 89 per cent.

KEY FACTS: ECONOMY & FOOD BANKS

0.9%
LOWEST ECONOMIC
GROWTH

In 2008-09, Ontario will experience the lowest economic growth of all ten provinces. In 2008, the five fastest growing cities in Canada were outside Ontario.

0.6%

**PROJECTED
RISE IN UNEMPLOYMENT**

Between 2007 and 2009, Ontario's unemployment rate is projected to rise by 0.6 per cent, meaning that **45,000 Ontarians may be out of work by next year.**

+105,500
NEW SALES & SERVICE JOBS

The biggest employment growth in the last eighteen months was in the sales and service sector, which grew by 105,500. This sector has the lowest wages and the most limited job security.

27% QUALIFY FOR
EMPLOYMENT
INSURANCE

Only 27 per cent of Ontarians who are out of work qualify for Employment Insurance (EI). EI benefits have only increased by 1.6 per cent on an annual basis since 2003, compared to a grocery bill (14.5 per cent), heating (89 per cent), and gasoline (62 per cent).

318,540
ONTARIANS TURN TO FOOD BANKS

318,540 Ontarians are already forced to turn to food banks every month. The number of persons served by food banks has increased by almost 15 per cent since 2001.

40%
CHILDREN

40 per cent of Ontarians forced to turn to a food bank are children.

Two-thirds
SPENDING MORE ON FOOD

Two-thirds of food banks are spending more money for the same amount of food in 2008. 76.6 per cent report that the average price of food items purchased has increased.

72%
WORRIED ABOUT RISING PRICES

72 per cent of food banks are worried that the increasing price of food will impact their ability to meet the needs of their clients.

89%
OF FOOD BANKS
REPORTING AN
INCREASE
BECAUSE OF
RISING PRICES

89 per cent of food banks report that they have had an increase in the number of persons requiring support because of the rising price of food, energy, and gasoline since the beginning of 2008.

Introduction

We are living at a rare time when the world's attention is deeply focused on the basics that sustain us including food, fuel, and energy. In many developed nations, including Canada, the conversation around both board room and kitchen tables is also focused on jobs and changing economic conditions. There is a growing worry about the essential things in life, from groceries to gas.

There have been many reports on the severity and impact of these changes on a global scale, but it is uncertain how these changes are currently affecting Canadians, and how these changes will affect them in the future. As food banks, we are particularly interested in knowing how these changes may impact our work.

We have aimed to provide a clear picture of what

is happening in Ontario. The goal of this report is to determine the current and potential severity and impact of changing food prices, gasoline prices, energy prices, and economic conditions in Ontario in terms of food banks and persons forced to turn to food banks in Ontario. This paper will include an analysis of current and future trends in prices of these basics, as well as the changing economic conditions in Ontario. Further, the paper will also review the current impacts of these changing conditions on food banks in Ontario.

Given the gathering storm of factors including rising inflation for basics and difficult economic times, we believe that the impact of pressures including price changes and economic uncertainty could hit Ontario with great force.

Data Sources

There are three major sources of data for this report. The first source is data obtained from Statistics Canada. This source includes monthly datasets from the Canada Food Stats compendium which includes data back to 1995, as well as monthly datasets from the Consumer Price Index and associated CANSIM Tables.

The second major data source is a member survey of the Ontario Association of Food Banks (OAFB). This special survey took place over a two week period in early May 2008 in order to gather information related to the price of food and its impact on food banks. The response rate for the survey was 54 per cent.

The third major data source is a survey of grocery

stores in ten remote communities in Northwestern and Northeastern Ontario. Ten communities were selected that were only accessible via train or air travel. The response rate was low, with only four of ten communities responding. Although the data should be interpreted with some caution, the variance in reported cost was not substantial in most cases. The data reported in this publication represents an average of the data collected.

Beyond these major primary data sources, a number of additional secondary sources were used in order to support the analysis of the data collected. This includes information obtained from TD Economics, the Bank of Canada, and other well-respected secondary sources.

Food Prices

The rising price of food is causing significant concern across the globe. It has sparked conflict, and adds fuel to the flames of humanitarian crises from Darfur to Rangoon to Port Au Prince. The United Nations Food and Agriculture Organization (FAO) warned the world in December 2007 that many families and farmers living in impoverished nations may not be able to cope with the increases.¹ Many major national and international leaders from Gordon Brown to George Bush have expressed how dire the circumstances have become in the past year.^{2,3}

Although it has not received as much attention, there has been a recent effort to determine the severity and impact of food price increases in Canada. Many economists and media outlets have reported that we have been relatively insulated from the global increases in food prices in the short term because of the high Canadian dollar and con-

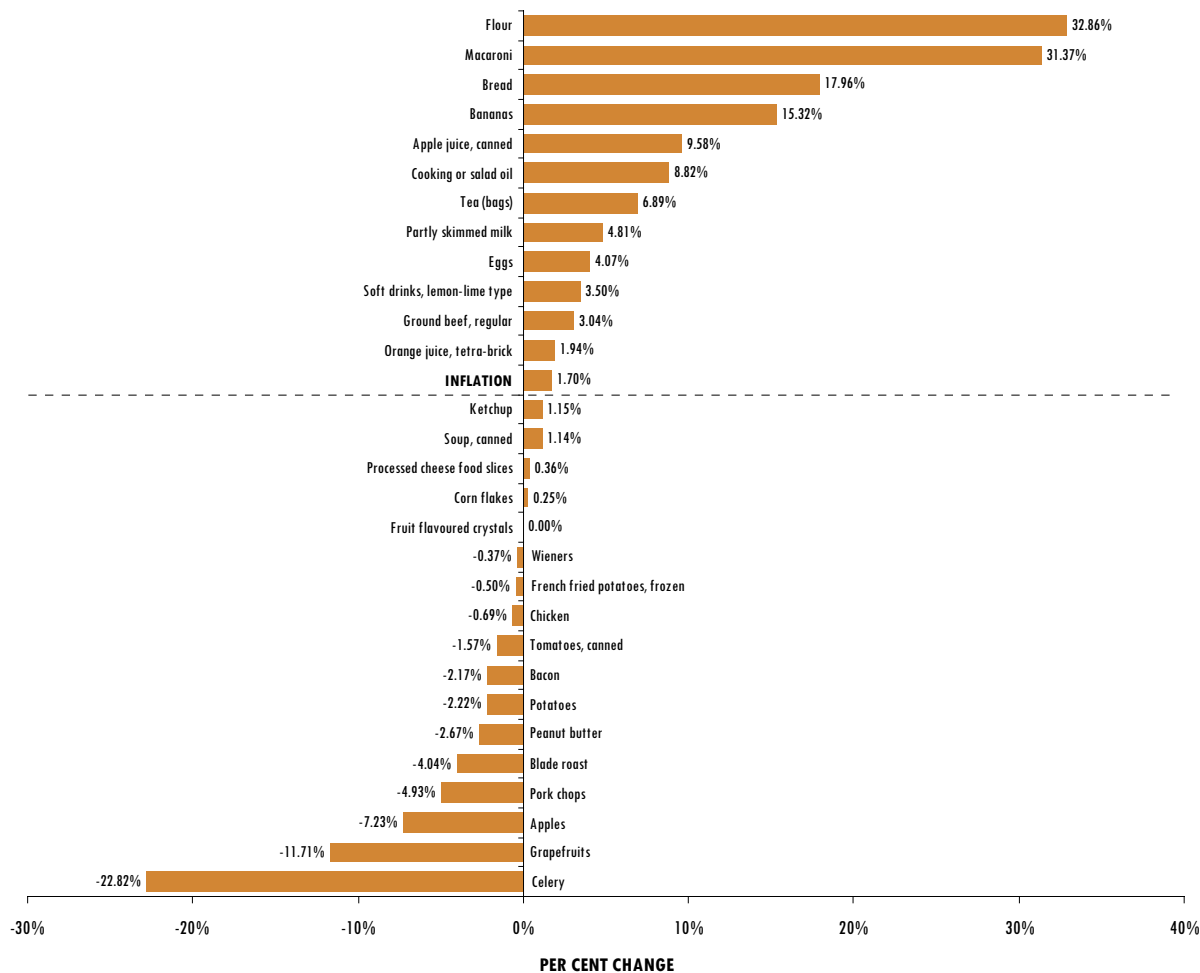
trolled domestic commodity prices.⁴ It is believed that these restrictions may not last.⁵ In particular, concerns regarding inflationary pressures from rising gas prices prevented the Bank of Canada from reducing interest rates.⁶

As we interact with food on a daily basis, we have sought to test these statements by looking at recent and long-term trends in food prices as well as the cost of food in remote reserve communities.

Recent trends: The price of food in Ontario is on the rise. Canada and Ontario have not been wholly insulated from the global rise in food prices. Although the average price of food items has roughly kept pace with inflation over the past year, when looking at six month and one year intervals, there are significant differences in the rate at which many food items tracked by Statistics Canada have changed.

Many staple food items have increased at a rate well beyond inflation. Over the past year, the retail

GRAPH: CHANGE IN THE PRICE OF SELECTED FOOD ITEMS IN CANADA, APRIL 2007 TO APRIL 2008¹⁰



price of flour, macaroni, bread, apple juice, milk, eggs, ground beef, and orange juice have jumped by between two and 32 per cent. Similar stark changes have also occurred rapidly in the past six months, with the price of flour, carrots, bananas, macaroni, bread, cola, cooking oil, apples, apple juice, steak, eggs, milk, mushrooms, and tea all increasing at a rate that is double the inflationary increase in the past year.

The price change in grain-related items such as bread and flour has been the most rapid and significant for all Ontarians. Items such as flour are also particularly relevant to population groups, as it is a key component of South Asian, Middle Eastern and Mediterranean diets. In terms of food banks, we consider this to be a potentially troubling statistic as one third of persons forced to turn to food banks in Ontario are new Canadians.⁷

The relative price stability of all food items is also poised to change in the near future. Some economists project that the cost of all food will rise at a sharper rate. For example, in mid-May, CIBC projected that the cost of food in Canada would increase at a rate three times greater than this year's inflationary increase.^{8,9}

Long-term trends: Healthy food prices rise faster than inflation and less healthy foods. The significant rising cost of key food items is not a short-term phenom-

enon in Canada. Over the last ten years, the retail price of many nutritious foods has grown significantly on the grocery bills of all Ontarians. Key items for a healthy diet such as orange juice, bread, eggs, milk, chicken, potatoes, and apples have increased at a rate that is much greater than inflation.¹¹ The price of bread alone has increased by 87 per cent since 1998, going from an average of \$1.30 to \$2.43 for a single loaf. One kilogram of ground beef has increased by 65 per cent, going from an average of \$3.69 to \$6.10.

This is a contrast to much smaller increases in the retail price of less nutritious items such as fruit-flavoured crystals, soft drinks, frozen fries, wieners, and processed cheese slices. The price of a bottle of pop today is not that much different than one from a decade ago, but a loaf of bread will cost you almost double what it once did. These trends continue back to 1995, which is the earliest detailed data available from Statistics Canada on retail food prices.

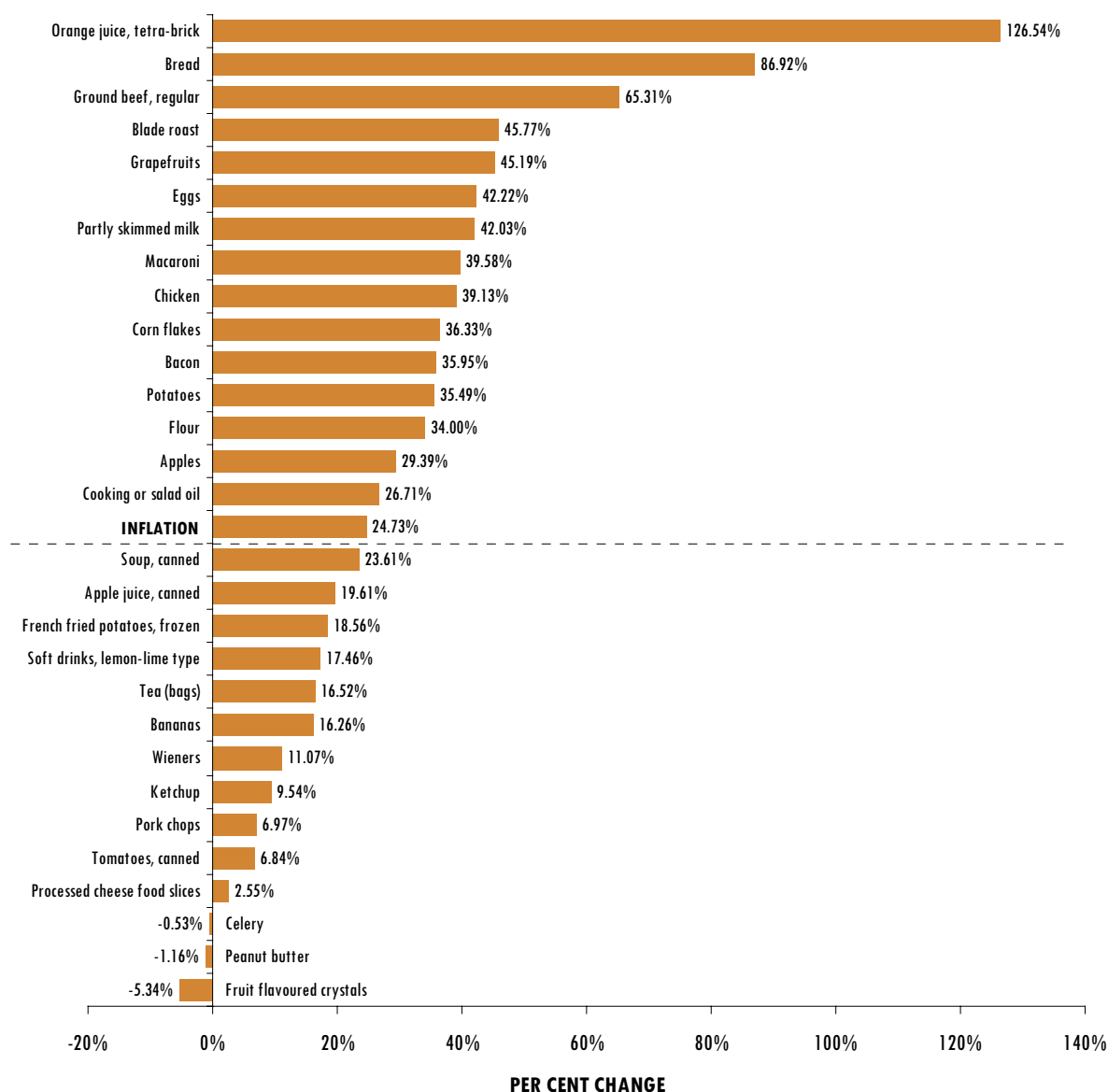
The short and long-term impact of price increases. Although the short and long-term trends may not seem as stark or troubling for the average family, they will certainly adversely impact persons living in poverty in Ontario. For those who must budget by the dime and the dollar, a minor change in food prices does not mean the choice between a

generic and name brand. It means the choice between food and hunger. In the long-term, there are also vital implications for the health and well-being of persons with limited resources. Consider that if the prices of healthy foods are increasing at a rate beyond unhealthy foods, and you must live on a fixed budget - which includes seniors and social assistance recipients - you are likely to be forced to reduce consumption of healthier foods in favour of less healthy choices. There is limited elasticity in

the budgets of persons living in poverty, and once prices change or income is reduced it is one of the first budget items that will be reduced.

The change in food prices is also significant as low-income households spend much more of their income on food when compared to high income households. In 2006, the lowest income quintile spent 15.6 per cent of their income on food compared to 8 per cent for the highest income quintile.¹⁴

GRAPH: CHANGE IN THE PRICE OF SELECTED FOOD ITEMS IN CANADA, APRIL 1998 TO APRIL 2008^{12,13}



RESEARCH UPDATE: SHORT-TERM FOOD PRICE INCREASE ACCELERATES

The most recent monthly data release from Statistics Canada demonstrates an acceleration of the short-term food price increases in Canada. Since November 2007, 29 of the 49 food items tracked increased at greater than the rate of **annual** inflation (2.2 per cent) during that seven month period.^{a,b} Many of these items increased at a substantial rate (beyond four per cent), including flour, celery, bananas, bread, potatoes, apples, milk, baby food, peanut butter, ground beef, milk, chicken, and tea.^c If these trends hold, Canada will likely approach the same level of annual price increases in food as the United States (four to five per cent) and the United Kingdom (five to seven per cent) by this fall.^{d,e}

The Grocery Bill: Case Studies

The changing price of food is not measured by most households in terms of percentages or clever statistics. It is measured by the impact on a grocery bill every week.

The change in the price of food can be seen when looking at a sample grocery bill for a sample single person and a family on a weekly, monthly, and annual basis. The two sample households each have a

Sample Grocery Bill: Single Ontarian

YOUR LOCAL SUPERMARKET			
Anytown, ON			
Served by: Patricia R			
GROCERY	1998	2007	2008
Tea (36 bags)	\$1.67	\$1.82	\$1.94
Apple Juice (1.36 L)	\$1.53	\$1.67	\$1.83
Cooking Oil (500 mL)	\$1.46	\$1.70	\$1.85
Eggs (1 dz)	\$1.80	\$2.56	\$2.48
Macaroni (500 g)	\$0.96	\$1.02	\$1.34
Bread (1.5 loaves)	\$1.95	\$3.09	\$3.65
Corn Flakes (675 g)	\$2.89	\$3.93	\$3.94
Milk (2 L)	\$2.76	\$3.74	\$3.92
PRODUCE			
Apples (1 kg)	\$2.28	\$3.18	\$2.95
Ground beef (1 kg)	\$3.89	\$5.92	\$6.10
Chicken (1 kg)	\$4.14	\$5.80	\$5.76
Potatoes (2.27 kg)	\$1.47	\$2.03	\$1.99
Celery (0.5 kg)	\$0.94	\$1.21	\$0.90
WEEKLY TOTAL	\$27.53	\$37.56	\$38.75
MONTHLY TOTAL	\$119.18	\$162.83	\$167.79
YEARLY TOTAL	\$1,430.20	\$1,951.62	\$2,013.45
TERM 02444842 RECEIPT # 79200203 MERCHANT ID 00294020			
DATE 04/01/1998-2008 TIME 09:00:00 REF # 19249230			
Approved - Thank You 00			

Reference Household: Family of Three

A reference family of three including two parents and one child (aged 7) would spend \$85 per week at the grocery store in 2008. On an annual basis, this would result in a total expenditure of \$4,403.87, compared to \$4,253.71 in 2007. The year-over-year increase would be \$150, or approximately two weeks worth of groceries.

Similar to the single person household, the ten year increase is much greater. Between 1998 and 2008, the family's grocery bill would have increased by \$1,187.55, or 14 weeks of groceries. The bill would have increased at a rate that is much greater than inflation (36.9 per cent vs. 24.7 per cent).

grocery list with items that ensure a balanced diet in line with the Canada Food Guide. The cost per item was calculated for 1998, 2007, and 2008 and totaled based on that list.

A note on food inflation. Average inflation for the essential items on the grocery list for the households was 3.35 per cent between 2007 and 2008, which is roughly double the rate of inflation.¹⁸

Reference Household: Single Person

A single adult would spend almost \$40 per week for healthy food from the grocery store in 2008. On an annual basis, this would result in a total expenditure of \$2,013.45, compared to \$1,951.62 in 2007. This year-over-year increase of \$60 may seem insignificant. However, this would represent almost two weeks worth of groceries for a single person.

The ten year increase is much greater. Between 1998 and 2008, this single person's grocery bill would have increased by \$583.25. This would represent over 15 weeks worth of groceries for a single person in 2008. The grocery bill would also have increased at a rate that is almost double inflation (40.8 per cent versus 24.7 per cent).

Sample Grocery Bill: Three Person Family

YOUR LOCAL SUPERMARKET			
Anytown, ON			
Served by: Tobias F			
GROCERY	1998	2007	2008
Apple Juice (2 X 1.36 L)	\$3.06	\$3.34	\$3.68
Bread (3 loaves)	\$3.90	\$6.18	\$7.29
Celery (2 kg)	\$3.74	\$4.82	\$3.72
Cooking Oil (500 mL)	\$2.92	\$3.40	\$3.70
Corn Flakes (2 X 675 g)	\$5.78	\$7.86	\$7.88
Eggs (2 dz)	\$3.60	\$4.92	\$5.12
Flour (1.25 kg)	\$1.75	\$1.77	\$2.35
Macaroni (2 X 500 g)	\$1.92	\$2.04	\$2.68
Milk (3 X 2L)	\$8.28	\$11.22	\$11.78
Peanut Butter (500 g)	\$2.58	\$2.62	\$2.55
Canned Soup (3 X 283 mL)	\$2.40	\$2.64	\$2.67
Tea (72 bags)	\$3.33	\$3.63	\$3.88
Tomatoes (canned)	\$1.17	\$1.27	\$1.25
PRODUCE			
Apples (1 kg)	\$2.28	\$3.18	\$2.95
Bananas (1 kg)	\$1.23	\$1.24	\$1.43
Chicken (2 kg)	\$8.28	\$11.60	\$11.52
Ground Beef (2 kg)	\$7.38	\$11.84	\$12.20
WEEKLY TOTAL	\$61.90	\$81.87	\$84.76
MONTHLY TOTAL	\$268.03	\$354.48	\$366.99
ANNUAL TOTAL	\$3,216.32	\$4,253.71	\$4,403.87
TERM 02444894 RECEIPT # 79200215 MERCHANT ID 00294020			
DATE 04/01/1998-2008 TIME 09:05:00 REF # 19249246			
Approved - Thank You 00			



The price of food in remote reserve communities

The short and long-term trends in food prices are significantly magnified in remote reserve communities in Ontario. Retail prices for many foods in Northern communities accessible only by train or air are absolutely staggering. The cost of groceries including milk, potatoes, and beef can be up to 180 per cent greater than retail price in the average Canadian grocery store. It is not an unusual sight to see twenty diapers for twenty-five dollars, a bag of oranges or flour for ten dollars, or a case of baby formula for over fifty dollars. It is likely that the cost of all foods in these isolated communities will continue to escalate with the price of airline fuel, as much must be transported in via plane.

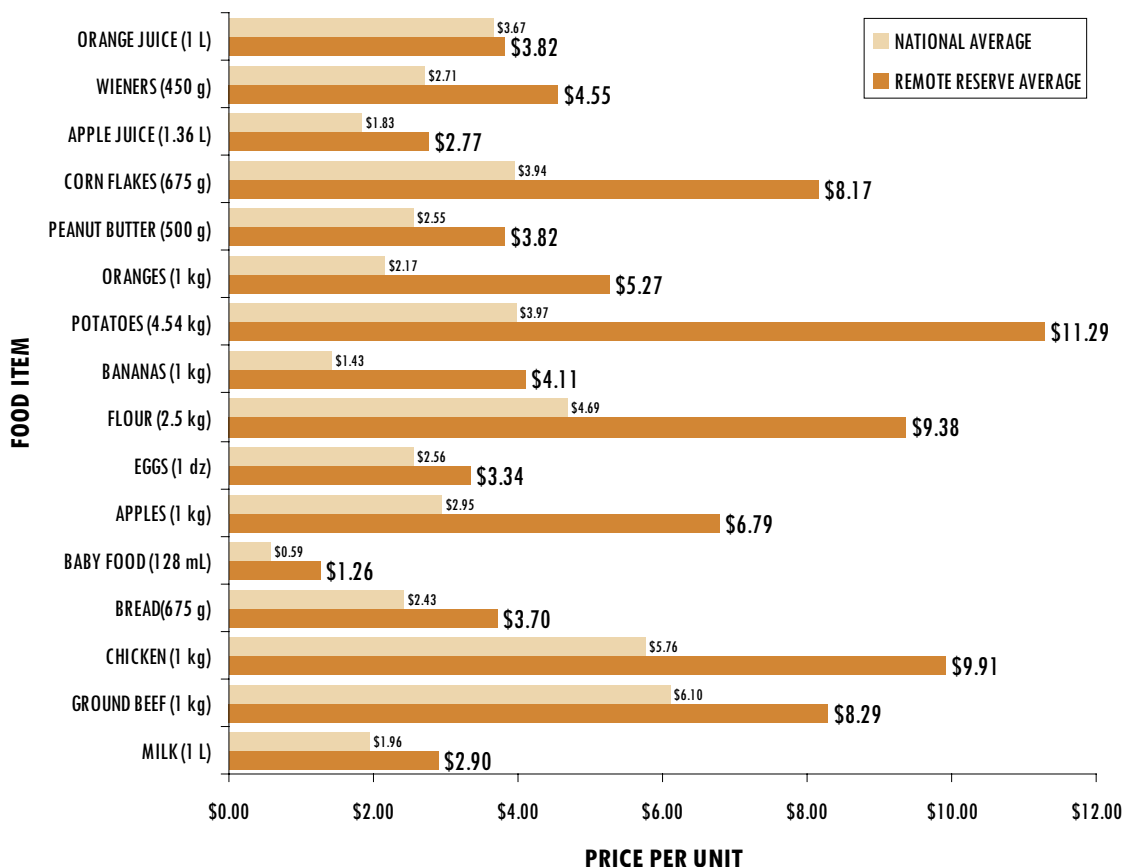
Our fellow Ontarians living in communities from Fort Severn

and Sandy Lake to Landsdowne House and Moosenee have to pay a great price to put good food on their tables. This is particularly troubling given the economic circumstances of these communities which place severe limits on affordability, as well as the increased prevalence of chronic health conditions such as diabetes, which makes healthy food choices a matter of survival.¹⁵

Median household income for Aboriginal women in Canada is \$15,883 per year; median household income for Aboriginal men is \$21,268 per year.¹⁶ A significant proportion of on-reserve Aboriginal Ontarians receive social assistance (22.5 per cent of on-reserve Aboriginals vs. 5.5 per cent for the general population in Ontario).¹⁷



GRAPH: PRICE OF SELECTED FOOD ITEMS, CANADIAN AVERAGE VERSUS REMOTE NORTHERN RESERVE COMMUNITIES IN ONTARIO, APRIL 2008



Other Basics: Gasoline & Home Heating

Beyond the rising price of food, the price of gasoline and home heating is also a crucial factor to consider when determining the severity and impact of the changing price of basics for low-income families in Ontario.

Gasoline: Yearly increase equals one month of rent. Every car owner in Canada has felt the unprecedented rise in gas prices in their purse or wallet over the past few years. This trend is well-reported by media outlets in print, radio, on television and online on a virtually daily basis, as prices continue to rise unabated beyond any rate we have seen before. Since 2003, the price of gasoline has risen by an average of 62 per cent in major Ontario centres.¹⁹

This increase will affect persons living in poverty in Ontario who must travel by car to work or to find employment. Although this is not the commonly held profile of persons living in poverty, it is clear that many low-income Ontarians must own a vehicle. A total of 47 per cent of Canadians living in the lowest income quintile own an automobile, and 17.4 per cent of persons served by food banks are working (approximately one third of all adults), and many more are searching for work.^{20,21}

The recent change in gasoline prices will have

a significant impact on the ability of low-income Ontarians to put food on their table and a roof over their head. For example, the change in the price of gas between 2003 and 2008 is roughly equivalent to monthly rent of a one bedroom apartment in Toronto. Similar increases in gasoline prices have occurred in all major cities in Ontario, from Thunder Bay to Ottawa.

The price of energy: An increasingly difficult choice between a warm home and a full refrigerator. Many authors and advocates have spoken passionately about the terrible choice that families have to make between heating their homes and feeding their children. It is becoming an increasingly difficult choice as the price of energy continues to rise.

It is well-known that the cost of energy represents a disproportionate share of household expenditures for low-income families. Low-income Ontarians spend 13.7 per cent of their household income on energy, compared with the Canadian average of four per cent.²³

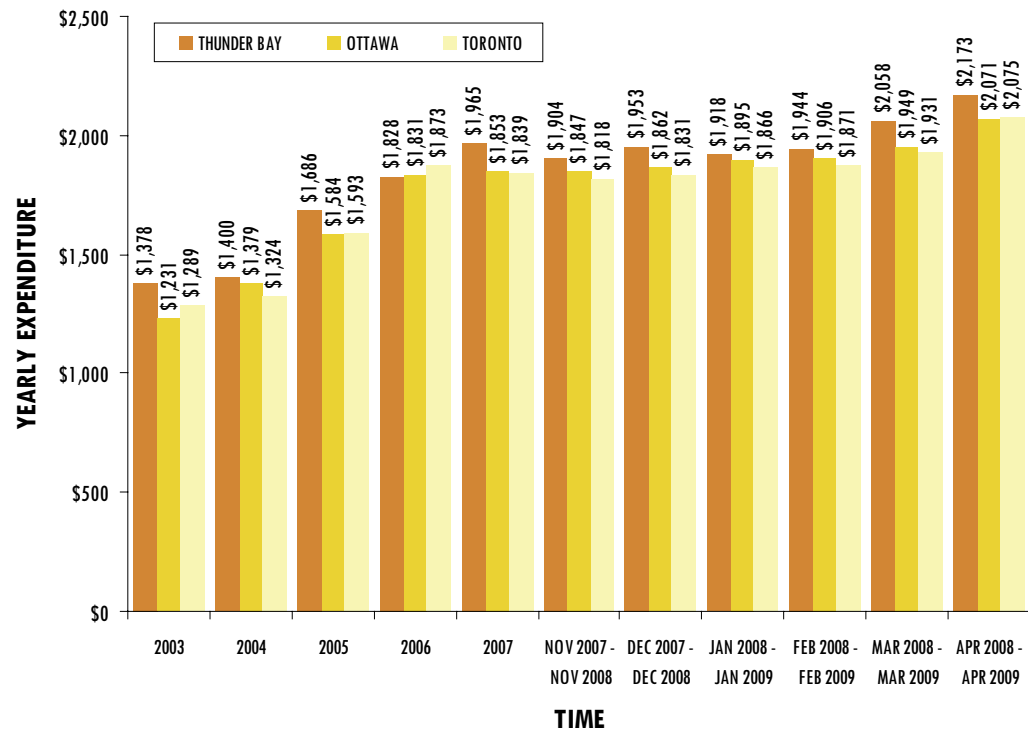
In Ontario, we are supposed to have a regulatory environment for energy that is meant to protect us from significant price shocks. However, many low-income families have experienced and will continue to experience significant increases in

their household energy bills. This will also result in energy becoming an even greater share of household expenditures for these households, and less money for other essentials such as food and rent.

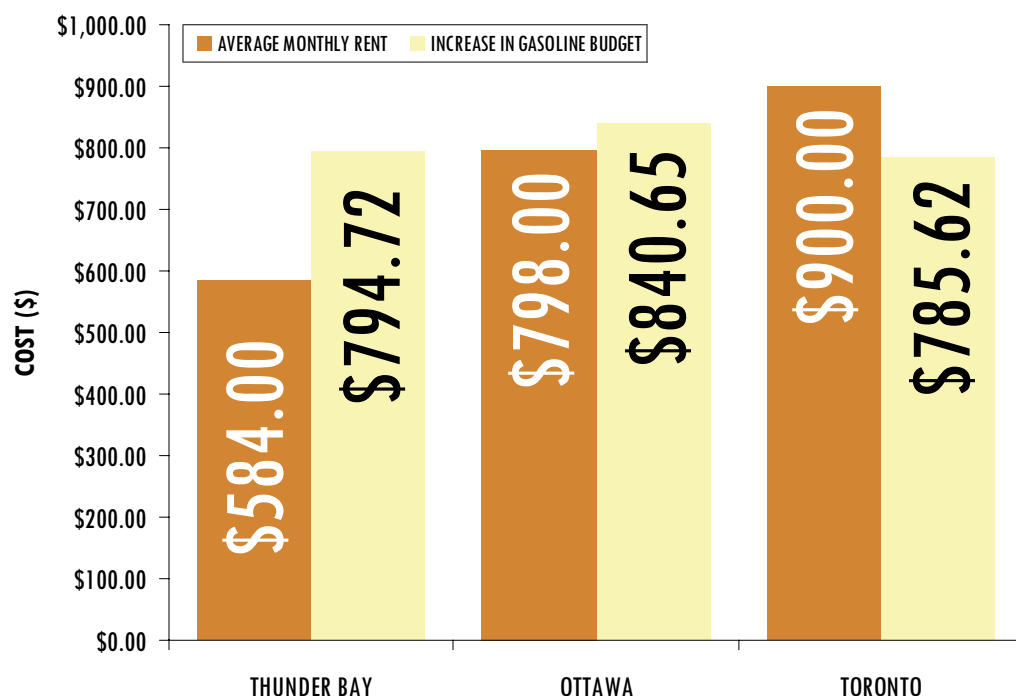
Between 2003 and April 2008, the average price of household heating fuel has increased by 89 per cent. This translates into an increase of over \$1,000

on an annual basis for an average household over that time period.²⁴ This price change is important as ten per cent of low-income households heat their home using oil or other liquid heating fuel. It may also have a more severe impact for First Nations communities, as household energy is often provided by high cost diesel generators.²⁶

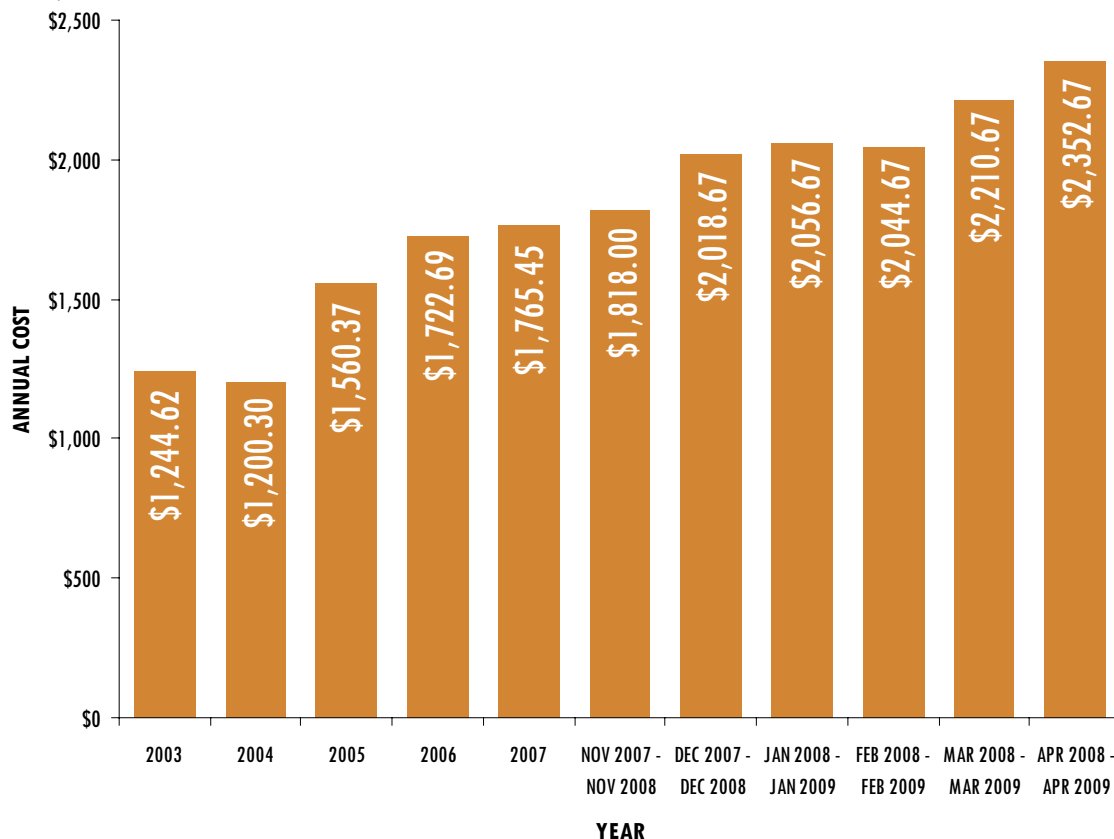
GRAPH: PROJECTED ANNUAL EXPENDITURE ON GASOLINE IN SELECTED ONTARIO CITIES, 2003 TO APRIL 2009



GRAPH: INCREASE IN ANNUAL VEHICLE GASOLINE BUDGET VERSUS AVERAGE MONTHLY RENT IN SELECTED ONTARIO CITIES, 2003 TO APRIL 2008²²



GRAPH: PROJECTED ANNUAL EXPENDITURE ON HOUSEHOLD HEATING FUEL IN ONTARIO FOR A TWO PERSON HOUSEHOLD, 2003 TO APRIL 2009²⁷



Price increases will not only affect households using oil or other liquid fuel. On July 1st, natural gas customers could see an increase of 20 per cent on their natural gas bill.²⁸ Given an estimated consumption of 3,100 cubic metres, this would cost the

average household an additional \$265 per year.²⁹ This is of great consequence as the majority of low-income families (56.7 per cent) use piped gas to heat their homes.³⁰

Beyond Food, Gasoline & Energy: Our Overall Economic Environment

It is clear that the price of food, gas, and energy is having an impact on the ability of Ontarians to make ends meet. But this is only one part of the changing conditions that will affect low-income Ontarians and food banks across the province. We must also look at current and project economic growth, employment, and supports in Ontario.

Economic growth is slowing or on the decline. In many ways, food banks are a function of our nation's economic growth. Food banks were created during a period of significant economic decline in Canada in the early 1980s when recession hit and our nation experienced negative growth of nearly minus five per cent of our GDP.³¹ Food bank leaders thought their services would be a temporary. They thought they would discontinue their operations once our economy recovered. A decade later, a harsh recession and deep cuts to our social safety net institutionalized our services across the country.

Ontario's economy has experienced steady

growth over the past five years, but it has begun to lag behind its provincial counterparts. In 2008-09, Ontario is forecast to experience the slowest growth of all ten provinces. In 2008, the five fastest growing cities in Canada were west of Ontario.³² Although scholars, pundits, and armchair economists may disagree on whether we would define the next few years as a recession, the conversation around many dinner tables makes it clear that the near future will present significantly challenging times for our economy and our fellow Ontarians. The severity and length of these challenging times is uncertain. However, recent Statistics Canada estimates indicate that a recession may already be upon us, with real GDP declining by 0.1 per cent in the first quarter of 2008.³³

An uncertain employment picture: finding or keeping a job may be difficult in Ontario in the next eighteen months. It is likely that declining economic growth will result in more significant unemployment for Ontario.

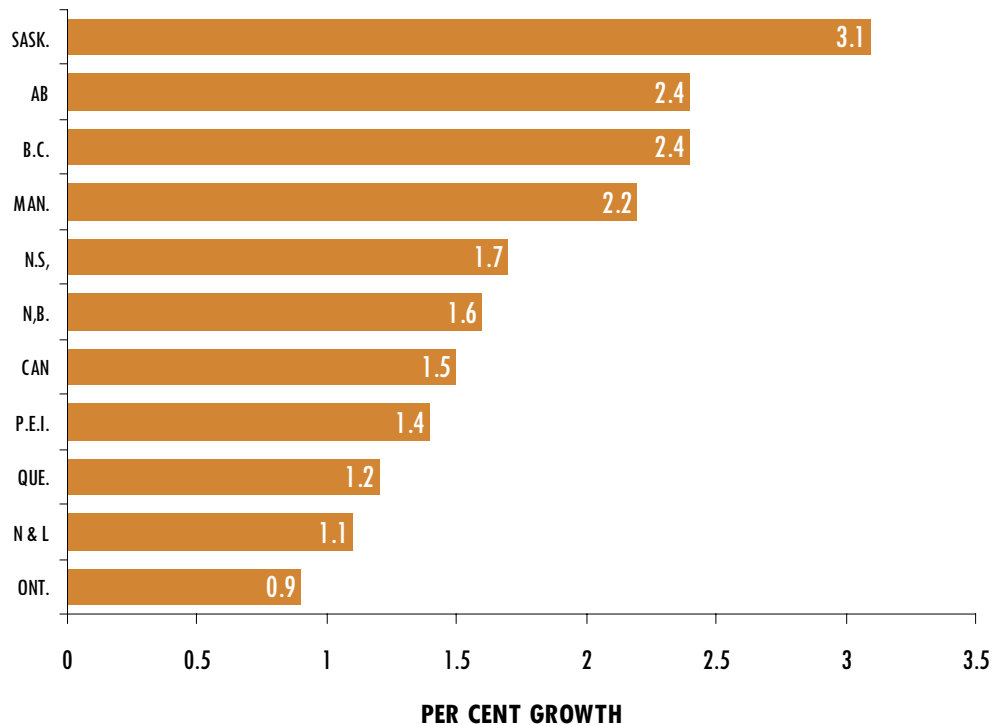
ians. Recent projections by TD Economics would support that proposition. Between 2007 and 2009, it is estimated that Ontario's unemployment rate will grow by 0.6 per cent.³⁵ Given that approximately 6.7 million persons are employed in Ontario, this means that over 45,000 Ontarians could be out of work by the end of next year.³⁶

Recent trends in employment seem to support this trajectory, but over the last eighteen months, it has been a mixed employment picture for Ontarians. We have seen average wages rise, and over half

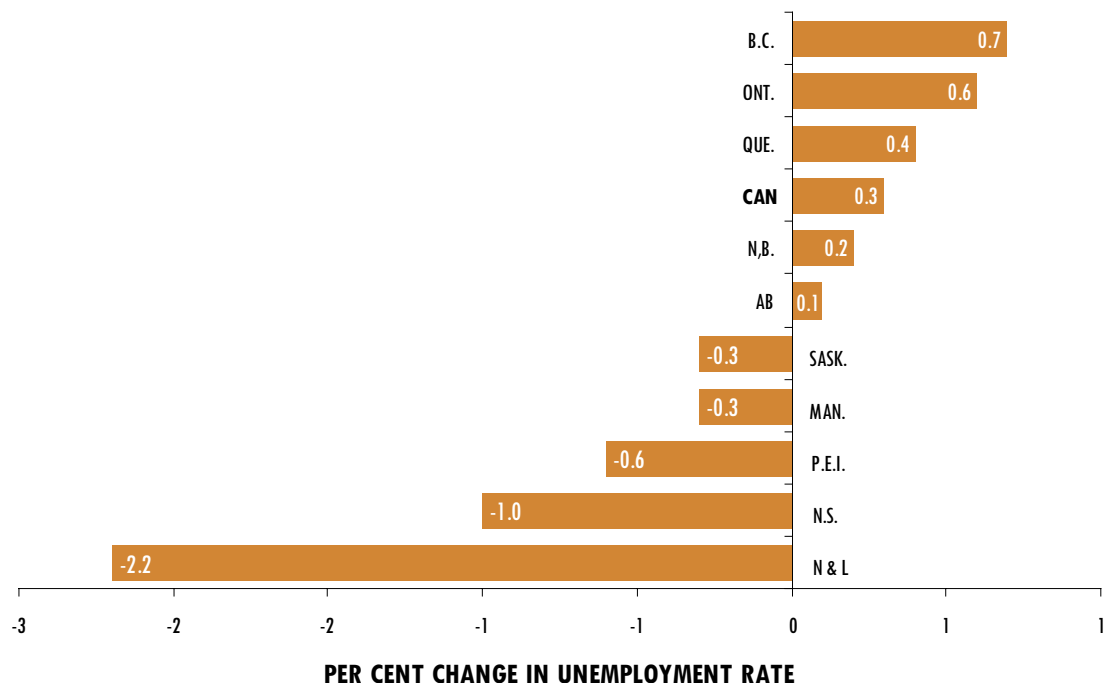
the jobs created were in higher wage occupations.³⁸ Moreover, in between April 2007 and April 2008, the unemployment rate actually declined from 6.4 per cent to 6.3 per cent.³⁹

Despite these positive signs, the employment picture is not bright. Ontario has experienced job losses that have been heavily concentrated in certain regions and sectors. It seems that there is not a day that passes without an announcement of significant layoffs by an Ontario-based manufacturer. This is made more difficult for food banks when

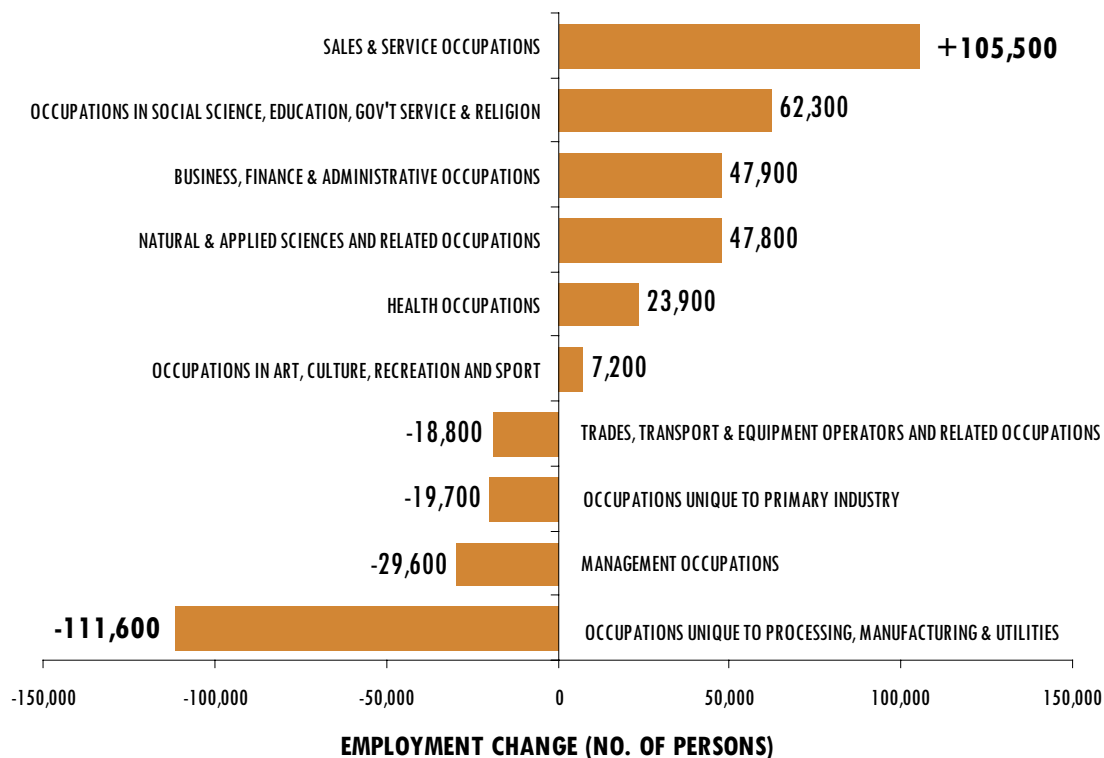
GRAPH: FORECASTED ECONOMIC GROWTH BY REAL GDP BY PROVINCE, 2008-09³⁴



GRAPH: PROJECTED CHANGE IN UNEMPLOYMENT RATE BY PROVINCE, 2007 TO 2009³⁷



GRAPH: CHANGE IN NUMBER OF PERSONS EMPLOYED BY SECTOR IN ONTARIO, OCTOBER 2005 TO APRIL 2008⁴⁰



these employers are significant corporate food donors.

In addition, the largest growth in one sector of employment is in the lowest wage occupations, and the highest wage sector shed tens of thousands of jobs in the last eighteen months. Ontario has gained 105,500 sales and service jobs and shed almost 30,000 management occupations since October 2005.

Government supports are inadequate and continue to be inaccessible. Slow economic growth and a difficult employment picture should be offset by a strong social safety net. Unfortunately, one of the cornerstone programs created to protect Canadians during difficult economic times is both inadequate and inaccessible. Unprecedented surpluses and unparalleled economic growth in our nation have not been applied to our national employment insurance program. Employment Insurance (EI) benefits have only increased by only 1.6 per cent on an annual basis (9.9 per cent cumulatively) since 2003.⁴¹ An average single person's grocery bill has increased by 14.5 per cent, their heating bill may have increased by 89 per cent, and gasoline by 62 per cent. This significant inflationary imbalance is further compounded by the coverage rates for Ontarians who wish to access EI. Less than one third (27 per cent) of persons out of work in Ontario qualify for the program.⁴² Without adequate employment supports, the thousands of Ontarians who do not qualify will be forced to access social assistance or find other tenuous means of support, from friends, family or charitable organizations.

The challenge of income supports does not rest

solely with the federal government. Despite recent increases, the level of benefits provided through the provincial government's social assistance programs has not kept pace with the rising prices of food and fuel. For example, Ontario Works (OW) rates for single adults have risen by only 7.6 per cent cumulatively since 2003.⁴² There is also significant and reasonable concern that the elimination of the Back-to-School Allowance and Winter Clothing Allowance may cause hardship amongst many families.

Despite these inadequacies, the provincial government has made gains to address cost of living and improve income supports for target groups, including the Ontario Child Benefit (OCB) and minimum wage legislation with scheduled increases. It should be clear that these changes and investments are welcome, but they have not solved or markedly ameliorated current and projected conditions. There has been progress, but there is a great deal of work that needs to be done.

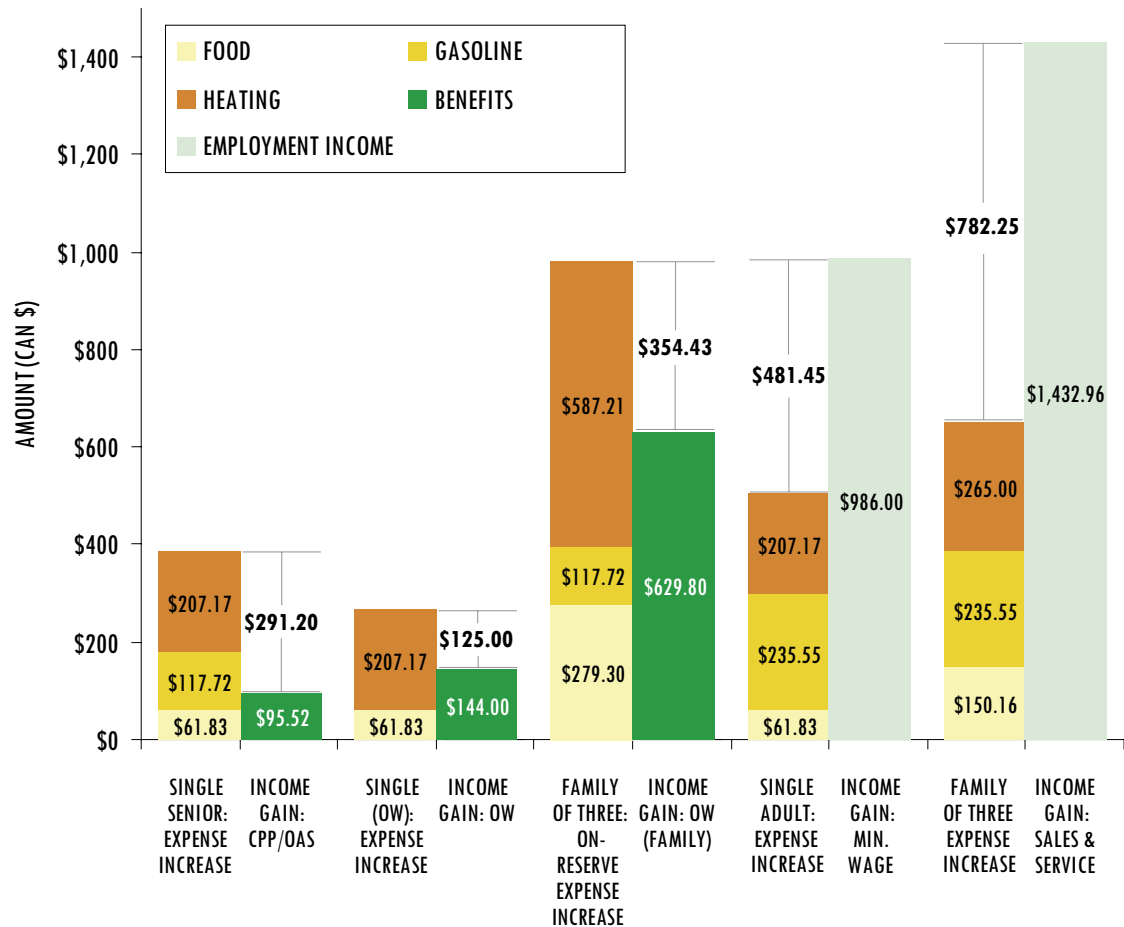
This work will be increasingly important as it is clear that income for many has not kept pace with the price increases for the basics of life. For the already stretched budgets of Ontarians living in poverty, the impact could be tremendous.

The cumulative effect of rising food, gasoline and energy prices is reducing or eliminating any wage gains or benefit increases. The cumulative price increases of gas, fuel, and food have substantially reduced any of the gains made in overall wage growth in many sectors over the past year, and has overtaken many additions to government benefit programs. For example, even though sales and service wages in-

creased by over six per cent in the past year, the net increase for many households may be minimal. Even with conservative projections, the increased cost of living cuts this wage for a reference household of three in half. The increase to minimum wage over the past year was also significantly reduced by increases to food, fuel, and energy prices. An average single person working full time would have received a net increase of \$986 in earnings in

2008. This gain would be reduced by \$504.44 to also cut the increase in half because of the increases in essential items. However, these families and individuals will fare better than many other households. Calculations for reference households including single seniors, single adults, and Aboriginal Ontarians living on-reserve demonstrate a significant negative gap caused by rising prices for food, gasoline and energy.

GRAPH: ANNUAL EXPENSE INCREASES VERSUS INCOME GAINS FOR REFERENCE HOUSEHOLDS IN ONTARIO FROM APRIL 2007 TO APRIL 2008^{44,45,46}



THE IMPACT OF INFLATION: RISING PRICES & TOUGH ECONOMIC TIMES HIT LOW-INCOME HOUSEHOLDS HARDEST

It has been proven that low income households are more sensitive to price increases in basics such as food, fuel, and energy. According to Statistics Canada, between January 2001 and February 2004, low income households in Ontario experienced inflation at a rate of 8.7 per cent, compared to 6.6 per cent for higher income households.⁴⁷ This effect can only magnify during a period when inflation increases at a greater rate, both overall, and in individual areas such as the ones described in this report. When combined with difficult economic times, the cumulative impact, or stagflation, may hit low-income households the hardest.

At the leading edge of the storm: Food banks in Ontario

Food banks are on the front line of social and economic trends that occur in Ontario. The real faces behind the changing demographics of our province and our nation pass through the doors of food pantries and meal programs every day. The immediacy of being on the front line often means that we will bear witness to social and economic change before it appears in the evening news or the latest release from Statistics Canada.

It is the experience on the front line that the effects of the rising price of food and changing economic conditions are already being felt by food banks across the province. The influence is seen in terms of food expenditures, food donations, and the persons forced to turn to food banks in the province.

Food expenditures: More money for the same amount of food. A number of years ago, we broke through a dangerous threshold at which the local community could no longer meet the needs of its local citizens at the food bank. The majority of food banks (64 per cent) purchase ten per cent or more of the food they distribute. One in three food banks purchase over a third of the food they distribute in order to provide emergency relief to their neighbours.

The rising price of food has already begun to affect food expenditures at food banks. Since the beginning of this year, 67 per cent of food banks in Ontario have spent more on food compared to the same period in 2007. This is not a function of food banks purchasing more food. The same proportion of food banks (64.5 per cent) report that they are purchasing approximately the same amount of food for more money than they spent in the same period last year. Three in four food banks (76.6 per cent) reported that the average price of food items purchased has increased in the last six months.

The need to spend additional funds on food will place further pressure on food banks, who already struggle to maintain their financial stability. Some food banks may need to cut back on the amount of food that is distributed, or on other operational activities.

Food donations: Some staples on the decline. Beyond the price of food, food banks are also witnessing changes in food donations from corporations and individuals. The food items that have seen the most significant reductions in terms of food donations align strongly with those items that have increased in price in the recent past, as well as those items that are most needed by persons turning to food banks in Ontario. One in three food banks has experienced a reduction in meat protein since the beginning of the year. Many other food banks have seen a decline in other key items including fruits and vegetables, rice, cereal, dairy products, bread, and pasta.

Although food banks are also beginning to experience financial pressures because of rising prices and declining donations, the changes could not yet be described as severe. Less than half of food banks report that the price of food has reduced their ability to provide food for their clients since the beginning of the year. However, future prospects are not bright. The vast majority (72 per cent) of food banks worry that the price of food will impact their ability to meet the needs of their clients in 2008.

Food banks face additional pressure from food manufacturing shutdowns and declines. It is likely that there have been reductions in a number of staple items because increases to raw material and retail prices have forced local individual and corporate food donors to control their costs. In addition, manufacturing shutdowns and declines have also contributed to the reduction in the donation of certain staple items.

For example, in January 2008, it was announced that CanGro Foods would be closing its plants in Exeter and St. Davids by this summer.⁴⁸ CanGro produced fruits and vegetables in cans and jars for Aylmer, Del Monte and Ideal. The plant in St. Davids was operating in the community for 100 years, and had been a significant corporate food donor to local food banks.⁴⁹ The closure of this plant has meant that a large supply of fruits and vegetables has been eliminated in Southwestern Ontario. A

similar effect may be felt with the closure of other major food manufacturers such as Campbell's Soup in Listowel, which has been a very generous, long-term donor to food banks across the province. The closure of food manufacturing plants often represents a dual challenge: more neighbours are forced to turn to them, and fewer corporate donations are available for the food bank to provide to members of the community.

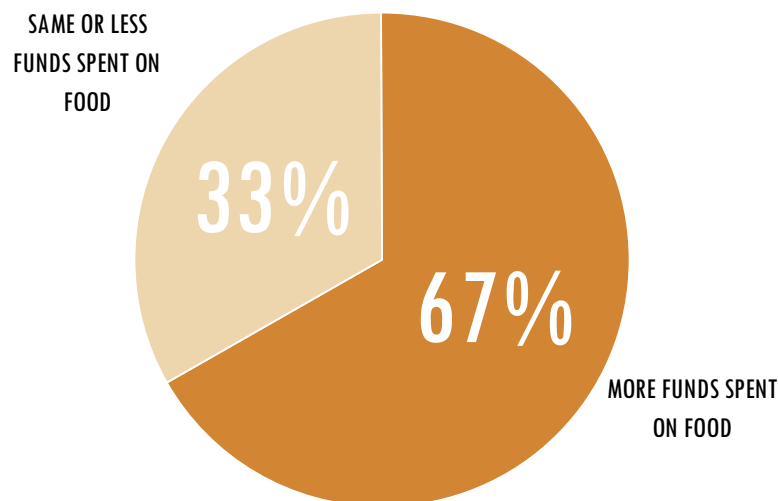
This represents a short-term trend in food manufacturing in Ontario. Although the sector has been extremely resilient, it has experienced declines or stagnation in a number of specific industries. Over the last two years, there has been a decline in the manufacturing of breakfast cereals (-12.5 per cent), dairy products (-11 per cent), and meat products (-3.9 per cent), which represent key staple items for Ontario's food banks. In the last year, the production of dairy has rebounded significantly, but breakfast cereal manufacturing, fruit and vegetable processing, and meat processing are all stagnant or

on the decline. Although we continue to benefit from the generosity of many corporate food donors, it is less likely that they are able to make food donations if these industries are experiencing lower sales.

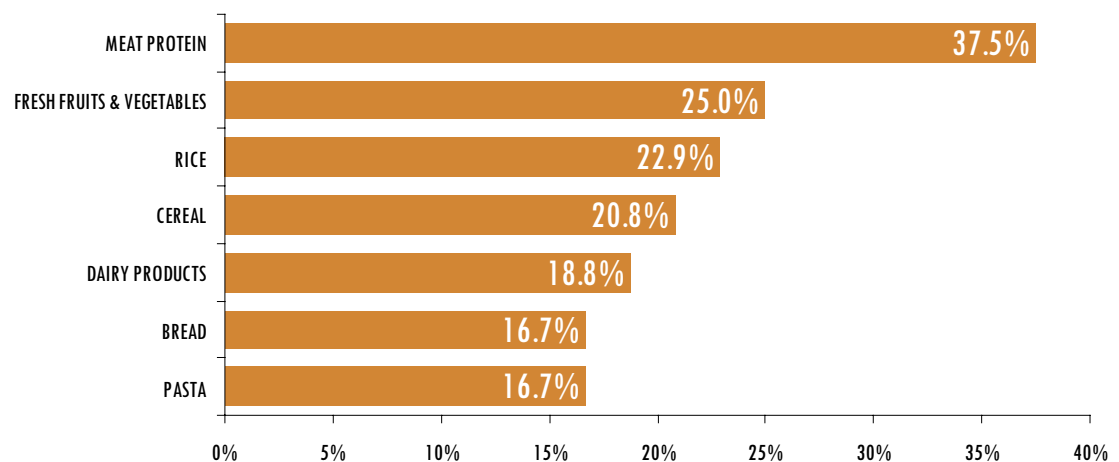
Rising prices are making it more difficult for Ontarians living at the edge. Food banks are beginning to witness the impact of rising food prices through the faces and stories of their neighbours who are forced to turn to them for assistance. Many Ontarians who require the services of a food bank to make ends meet are finding it even more difficult than ever before. A staggering number of food banks (81 per cent) report that a significant number of their clients have stated that rising retail prices have decreased their ability to put food on their tables in 2008. This provides significant support to the earlier argument that the change in food prices is very significant for low-income Ontarians.

Beyond increased difficulty for those who already require the support provided by their local

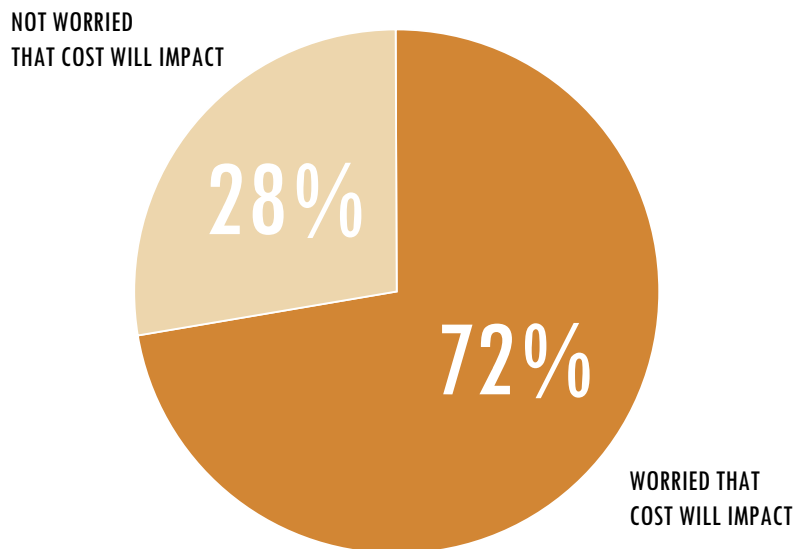
GRAPH: PROPORTION OF FOOD BANKS REPORTING A CHANGE IN FOOD EXPENDITURES, JANUARY 2008 TO MAY 2008



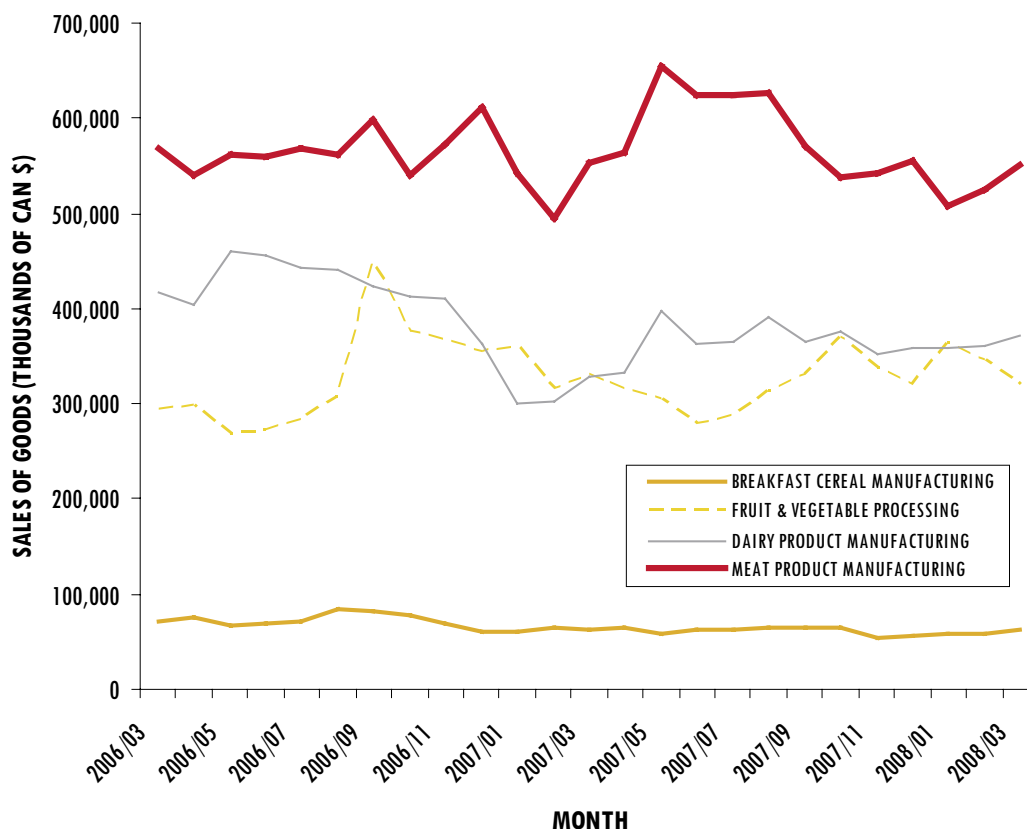
GRAPH: PROPORTION OF FOOD BANKS IN ONTARIO EXPERIENCING A REDUCTION IN SELECTED DONATED FOOD ITEMS, JANUARY 2008 TO MAY 2008



GRAPH: PROPORTION OF FOOD BANKS IN ONTARIO CONCERNED THAT THE INCREASING PRICE OF FOOD WILL IMPACT THEIR ABILITY TO PROVIDE FOOD, 2008



GRAPH: MONTHLY SALES BY FOOD MANUFACTURING CLUSTER IN ONTARIO, MARCH 2006 TO MARCH 2008⁵⁰

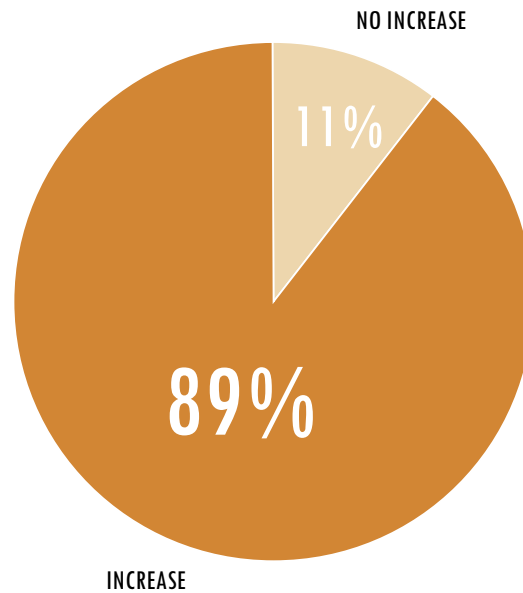


food bank, it is also clear that more Ontarians are being forced to turn to food banks because of current economic conditions. Since the beginning of 2008, 89 per cent of food banks in Ontario reported an increase in the number of persons requiring support because of the rising costs of food, energy, and gasoline.

Rising demand driven by increased prices of basics may only be the first phase of the storm. Although many families and communities have felt the

impact of plant closures and deep job cuts, we have not yet felt the full force of the projected reductions in employment. Although there is no certainty to these projections over the next few years, we may see the greatest increase in numbers of Ontarians forced to turn to food banks in over a decade. We are extremely troubled by this prospect as 320,000 Ontarians must currently turn to food banks each month in our province.

GRAPH: FOOD BANKS IN ONTARIO REPORTING AN INCREASE IN THE NUMBER OF PERSONS REQUIRING SERVICES BECAUSE OF THE RISING COST OF FOOD, ENERGY & GASOLINE, 2008



Next Steps

The potential impact of rising food, fuel and energy alongside difficult economic conditions will have a significant, if not severe, impact for hundreds of thousands of Ontarians. Although this paper is focused on determining that impact, it is clear that we must look beyond to determine what can be done to respond to the challenges that lie before us.

What we will do. We have a lot of work to do. Over the coming year, we will carefully monitor the situation at food banks across Ontario in order to determine the immediate impacts on food banks and persons that are forced to turn to food banks. In the fall, we will release a detailed update on the situation facing food banks in the province. We will also look forward to ensure Ontarians that we are able to mount an effective response to poverty in Ontario by releasing our recommendations to the provincial government this summer for their proposed poverty reduction plan.

What our provincial government should do. Our provincial government has realized that action needs to be taken in order to reduce poverty in Ontario. The work done by the provincial government on their proposed poverty reduction plan will be made more difficult and more important within the context of a challenging economic environment. The findings of this report highlight the necessity for the Cabinet Committee on Poverty Reduction to quickly implement solutions that will improve the lives of Ontarians struggling to make ends meet. They must also ensure that the cost of food, fuel and energy is an important part of their discussions

as they develop their plan. In particular, consideration should be given for the creation of a low-income inflation index that could direct necessary increases to Ontario's income support programs. It will also be necessary for the provincial government to quickly implement a low-income energy strategy that includes both supports and demand reduction initiatives. Moreover, between now and the release of the plan, the provincial government should consider reinstating the Back to School Allowance to ensure that low-income families are able to face the rising cost of living this fall.

Our full recommendations will be presented to the province later this summer. Our provincial government has a lot of work ahead of them in the coming year.

What our federal government should do. Our federal government bears significant responsibility for ensuring that Ontarians are able to make ends meet. Over its tenure, our current federal government has done little to respond to the unique concerns of our province, and to those persons living in poverty in Ontario. If the federal government does not act when they have the necessary fiscal capacity, the worsening conditions for many families will further underline their lack of concern and lack of political will to protect the citizens of Ontario. There are many steps that they could take to protect Ontarians from the effects of changing economic conditions, including significant reforms to Employment Insurance (EI) that would ensure improved adequacy and accessibility for persons who require this vital support program.

What you can do. We will continue to rely on the support of our neighbours to ensure that we are able to effectively respond to hunger and poverty in communities across Ontario. We will need Ontarians to hold the federal and provincial governments to account over the coming year through traditional democratic means, from writing letters to in-person meetings with local representatives. We will need Ontarians to respond to the urgent requests of agencies in their communities when they are

called on for assistance over the coming year. We will also look to our local farmers and producers for partnerships that will have mutual benefits. In addition, we will also need Ontarians to think what they can do beyond traditional democratic means and charitable donations. Ontarians will need to directly engage in hunger relief and poverty reduction activities, from developing social enterprises to organizing local community gardens.

Conclusion

We are at the leading edge of a gathering storm which may either pass us or bear the full brunt of its force upon hundreds of thousands of Ontarians. This view is echoed from food banks on the front line to the halls and offices of Statistics Canada.

The price of food, fuel, and energy is rising at a significant rate in Ontario. It has already begun to impact the lives of low-income Ontarians and food banks across the province. In some cases the impact is severe, but we are only beginning to feel the effects of these changes. The challenge of rising prices is compounded by a troubling economic picture for the next few years in our province.

There is a great deal of uncertainty ahead. Families will be asking themselves difficult questions as they sit around their kitchen tables. How can we afford not to act?

But we do not wish to be alarmist. We are not raising a simple call for food donations to address a temporary shortage. We want to ensure that all Ontarians understand the current and future im-

pact of the economic conditions that are hitting close to home.

Food banks were forged and experienced our greatest growth during periods of economic difficulty. We hope that knowledge of the impending circumstance and its impacts will allow Ontarians and our leaders to take actions that will ensure or improve the quality of life for our neighbours.

We must work towards solutions that will reduce poverty and protect us from the impacts of these emerging trends. It will require a significant amount of creativity, courage, coordination, and resolve to develop and implement solutions that will make a positive impact. We will need the support of our provincial government. We will need the support of our federal government. We will need the support of our neighbours. Without support, we will not be able to weather the coming storm, and any social and economic progress for low-income Ontarians that has been built over the past decade may be washed away.

Sources

1. BBC News. UN warns on soaring food prices. December 17, 2007. As found on: http://news.bbc.co.uk/2/hi/in_depth/7148880.stm.
2. BBC News. Bush offers \$770 m for food crisis. May 2, 2008. As found on: <http://news.bbc.co.uk/2/hi/americas/7378807.stm>.
3. Daily Telegraph. "Gordon Brown says world 'cannot afford to fail' on food crisis." March 6, 2008. As found on: <http://www.telegraph.co.uk/news/worldnews/2069829/Gordon-Brown-says-world-cannot-afford-to-fail-on-food-crisis.html>.
4. Bloomberg. Canada's low food prices may not last. May 31, 2008. As found on: http://www.bloomberg.com/apps/news?pid=20601082&sid=aiS14x_6fufw&refer=canada.
5. Ibid.
6. Scoffield, Heather. "Shock move sounds inflation alarm." The Globe and Mail. June 11, 2008.
7. Spence, Adam. Ontario Hunger Report 2007. Toronto: Ontario Association of Food Banks, November 2007.
8. Canadian Press. Canadians cushioned against rising food prices. The Toronto Star. May 18, 2008. CIBC Economist reported that the price of food is forecast to increase by 3.5 per cent next year.
9. Statistics Canada. The Daily. Latest Release from the Consumer Price Index. May 21, 2008. Inflationary increase for food reported at 1.2 per cent between April 2007 and April 2008.
10. Statistics Canada. Food and other selected items, average retail prices. April 2008. As found on: <http://www40.statcan.ca/101/cst01/econ155a.htm>.
11. Government of Canada. Canada's Food Guide. Ottawa: Ministry of Health, 2007.
12. Statistics Canada. Food and other selected items, average retail prices. April 2008. As found on: <http://www40.statcan.ca/101/cst01/econ155a.htm>.
13. Canada Food Stats. Data obtained from April 1998.
14. Statistics Canada. Survey of Household Spending. The Daily. February 28, 2008.
15. Assembly of First Nations. Backgrounder on Diabetes in First Nation Communities. May 2007. The rate of diabetes in First Nations communities is three to five times that of the general population.
16. National Council of Welfare. "Chapter 2 - Income: Aboriginal Children and Youth in Need." First Nations, Metis, and Inuit Children and Youth. Ottawa: NCW, September 2007, 22.
17. National Council of Welfare. "Chapter 2 - Income: Aboriginal Children and Youth in Need." First Nations, Metis, and Inuit Children and Youth. Ottawa: NCW, September 2007, 28.
18. Statistics Canada. The Daily. Latest Release from the Consumer Price Index. May 21, 2008. Between April 2007 and April 2008, the rate of inflation in Canada was 1.7 per cent.
19. Statistics Canada. Gasoline and fuel oil, average retail prices by urban centre (Ontario cities). As found on: <http://www40.statcan.ca/101/cst01/perecon154c.htm>. Change in price from April 2003 to date.
20. Lucas, K. Transport & Social Exclusion: A Survey of the Group of Seven Nations. Transport Studies Group, University of Westminster/FIA Foundation for the Automobile and Society, 2002.
21. Spence, Adam. Ontario Hunger Report 2007. Toronto: Ontario Association of Food Banks, November 2007.
22. Canada Mortgage and Housing Corporation. Rental Market Report: Ontario Highlights. Ottawa: CMHC, Fall 2007, 8.
23. Stewart, Keith and Jim Fry. A Low-Income Energy Efficiency Program: Mapping the Sector and Program Design Principles. Toronto: Toronto Environmental Alliance, March 2006, 4.
24. B.C. estimates that an average household will use 2,000 litres of home heating fuel per year. As found on: www.bcbudget.gov.bc.ca/2008/background/background_tax_impacts.htm.
25. Stewart, Keith and Jim Fry. A Low-Income Energy Efficiency Program: Mapping the Sector and Program Design Principles. Toronto: Toronto Environmental Alliance, March 2006, 20.
26. Indian and Northern Affairs Canada. Sustainable Development Strategy 2004-2006. Ottawa: INAC, 2004, 31.
27. Statistics Canada. Gasoline and fuel oil, average retail prices by urban centre (Household heating fuel). April 2008. As found on: <http://www40.statcan.ca/101/cst01/perecon154c.htm>.
28. Roseman, Ellen. Natural gas bills to soar by 20 per cent. The Toronto Star. May 14, 2008.
29. Calculated using www.energyshop.com.
30. Stewart, Keith and Jim Fry. A Low-Income Energy Efficiency Program: Mapping the Sector and Program Design Principles. Toronto: Toronto Environmental Alliance, March 2006, 20.
31. Debs, Alexandre. Testing for a Structural Break in the Volatility of Real GDP Growth in Canada. Ottawa: Bank of Canada, June 2001.
32. Conference Board of Canada. "Western Cities Still On Top in 2008." Press Release. January 21, 2008.
33. Statistics Canada. Canadian economic accounts. The Daily. May 30, 2008.
34. TD Economics. Provincial Forecast Update. April 18, 2008.
35. TD Economics. Provincial Forecast Update. April 18, 2008.
36. Statistics Canada. Latest release from the Labour Force Survey. The Daily. May 9, 2008. La-

- bour force characteristics for Ontario: 6.7 million Ontarians employed.
37. TD Economics. Provincial Forecast Update. April 18, 2008.
 38. Statistics Canada. Latest release from the Labour Force Survey. The Daily. May 9, 2008. Median hourly wage growth in the last year was 4.9 per cent.
 39. Statistics Canada. Latest release from the Labour Force Survey. The Daily. May 9, 2008.
 50. Statistics Canada. Average hourly wages of employees by selected characteristics and profession, unadjusted data, by province (monthly) (Ontario). <http://www40.statcan.ca/l01/cst01/labr69g.htm>. October 2005 and April 2008.
 41. Statistics Canada. Average weekly employment insurance benefits. As found on: <http://www40.statcan.ca/l01/cst01/labor17.htm>.
 42. Task Force on Modernizing Income Security for Working Age Adults. Time for a Fair Deal. Toronto: Toronto City Summit Alliance and St. Christopher's House, May 2006, 11.
 43. In 2003, the maximum allowance for a single person receiving Ontario Works (OW) was \$520. In June 2008, the maximum allowance is \$560. Max. allowance (2008, as found on: <http://www.region.peel.on.ca/ow/applying/allowance.htm>).
 44. Service Canada. Old Age Security Pension Guaranteed Income Supplement Allowance. Table of Rates in effect July – September 2008 & Table of Rates in effect October – December 2007. Ottawa: Government of Canada.
 45. Organization for Economic Cooperation and Development. Average annual hours actually worked per person in employment. 2002. In 2002, Canadians worked 1,778 hours on average per year.
 46. Ernst and Young Tax Calculator. As found on: http://www.ey.com/global/content.nsf/canada/tax_-_Calculators_-_Overview.
 47. Chiru, Radu. Does Inflation Vary With Income? Ottawa: Statistics Canada Prices Division, June 2005.
 48. "CanGro to sell or close two plants in Ontario." The Toronto Star. January 9, 2008. As found on: <http://www.thestar.com/Business/article/292261>
 49. Chau, Eddie. "CanGro factory sold." Niagara This Week. June 6, 2008. As found on: <http://www.niagarathisweek.com/news/communities/Niagara-on-the-Lake/article/182573>.
 50. Statistics Canada. Table 304-0015 - Manufacturing sales, by North American Industry Classification System (NAICS) and province, monthly (dollars) (table), CANSIM (database). Accessed June 12, 2008.
 - a. Statistics Canada. Food and other selected items, average retail prices (monthly). May 2008. As found on: <http://www40.statcan.ca/l01/cst01/econ153a.htm>.
 - b. Statistics Canada. Consumer Price Index. June 19, 2008. As found on: <http://www.statcan.ca/Daily/English/080619/d080619a.htm>.
 - c. May 2008 retail price data compared to November 2007 data obtained from same source.
 - d. U.S. Bureau of Labour Statistics. Consumer Price Index Summary. June 13, 2008. As found on: <http://www.bls.gov/news.release/cpi.nr0.htm>.
 - e. National Statistics (UK). Retail Price Index. May 2008. As found on: <http://www.statistics.gov.uk/StatBase/tsdataset.asp?vlnk=229>

We can end hunger. **Think about it.**

www.endhunger.ca