

HungerCount 2023

When is it enough?



**“We can’t keep up with this level of growth —
it’s not sustainable.”**

— SURVEY RESPONDENT, ONTARIO —

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Introduction **When is it enough?**

**When alarm
bells ring and
no one hears.**

In what feels like an eternity ago, there was a point early on during the pandemic when “building back better” was a common refrain of hope for better times ahead. Our *COVID Snapshot* report even showed how food bank visits dropped at one point during the pandemic when government supports were adequate for people to make ends meet.

However, since the end of pandemic-related benefits, our data has shown shocking growth in food bank use, which has now reached unthinkable levels. While our last two HungerCount reports should have been heard as blaring alarm bells for governments in our country, it appears that they were ignored.

In 2023, there were an unprecedented 1.9 million visits to food banks in March alone—an increase of 32 per cent compared to the previous year, and over 78 per cent compared to 2019.

To put it simply, how many more years must food bank use hit new records before we act? When is it enough?

Introduction **When is it enough?**

**When inflation
fuels a bad
situation
to create a
full-fledged
crisis.**

As inflation continued to accelerate throughout 2022/2023 at levels not seen in 40 years, and the cost of essentials such as transportation, food, and shelter increased at an even higher rate, households in Canada saw a dramatic drop in their purchasing power.

This drop substantially affected not only those in the lowest-income households, but also those in higher income brackets. People who were just managing to make ends meet before—including an increasing proportion of people who are employed—now found themselves struggling.

The modest growth in average employment income over the last few years proved to be no match for the rates of inflation that we are currently seeing, with record-breaking food bank visits serving as an indicator of a much grimmer reality.

Introduction **When is it enough?**

When food bank visits show only the tip of the iceberg.

Rates of food insecurity in Canada—the number of people living in households struggling to afford food due to lack of money—have increased to the highest levels on record. According to the latest official data, 18.4 per cent of people in Canada now live in food-insecure households.

Furthermore, the gap between the number of people living under the official poverty line and those living in households experiencing food insecurity is in the millions—and growing each year. It isn't just those at the lowest ends of the economic spectrum who are suffering. Many people who never thought they would need to turn to a food bank are walking through our doors for the first time.

When someone visits a food bank, they are in a dire situation. Many people don't want to ask for help and will exhaust many other avenues before turning to a food bank for support.

In a national poll conducted in May 2023, those who reported eating less at some point in the previous 12 months were more likely to pawn or sell something, miss paying an electricity or utility bill on time, or ask for help from friends or family than go to a food bank.¹ Those who did access a food bank said their need had become too great for them to manage alone and/or there was nowhere else to turn. So, for every new person who seeks the support of a food bank, many more are suffering and strategizing to make it through the month with too little.

The latest figures make it clear that there are far more people struggling than in recent history, and our weak social safety net is not catching them.

¹ Results from the 2023 Grassroots Greenhouse public opinion poll (field dates: May 3–18, 2023; sample size = 1,000), conducted by Grassroots Public Affairs, custom question and tabulation commissioned by Food Banks Canada. Question and cross-tabulation based on approach taken by Tarasuk, V., Fafard St-Germain, A. A., & Loopstra, R. (2020). The relationship between food banks and food insecurity: Insights from Canada. *Voluntas*, 31, 841–852. <https://doi.org/10.1007/s11266-019-00092-w>

Introduction **When is it enough?**

**Two lanes
toward a better
path forward:
Increasing
affordability and
fixing a broken
social safety net.**

The sad reality is that nothing will change until governments in Canada hear the alarm bells that have been ringing for far too long—and they can't keep ringing for much longer.

People in every community across the country are at a breaking point.

Food banks across Canada can't keep up with this rate of growth and they too will soon hit a breaking point.

Food bank visits have long been a "canary in the coal mine" of our collective wellbeing—and now the canary is on its last breath.

We need governments at all levels to hear the alarm bells and to respond. We believe that if we focus on addressing both affordability issues (such as affordable housing) along with fixing our broken social safety net (such as better supports for low-income workers, single adults and people with disabilities), a better path forward is possible—one that leads to a Canada where no one goes hungry.

Because if not now, when is it enough for us to act?

Land Acknowledgement

As an organization that supports a network of associations spanning coast to coast to coast, Food Banks Canada recognizes that our work takes place on the traditional territories of Indigenous Peoples who have cared for this land that we now call Canada since time immemorial.

We acknowledge that many of us are settlers and that these lands that we live, work, meet, and travel on are either subject to First Nations self-government under modern treaty, unceded and un-surrendered territories, or traditional territories from which First Nations, Métis, and Inuit Peoples have been displaced.

We are committed to decolonization and to dismantling the systems of oppression that have dispossessed Indigenous people of their lands, including the land on which we operate, and denied their rights to self-determination.



Overall Findings

Overall Findings

In March 2023, there were over 1.9 million visits to food banks in Canada, far surpassing last year's usage, which set a record at the time.

Food bank visits in March 2023 were at an unprecedented level. The number of visits far surpassed last year's record-breaking number, despite unemployment rates holding at a steady low during that same period. This record level of usage is consistent with findings from other studies referenced in this report that show increasing numbers of people in Canada are struggling to pay for basic expenses, and that levels of food insecurity are rising dramatically.

1.9M Number of visits in March 2023
1,935,911

Overall Findings

32.1% Percentage increase from 2022

This year's food bank usage represents a 32 per cent increase compared to March 2022, and a 78.5 per cent increase compared to March 2019.

Overall, food bank visits have increased at greater and greater rates since 2019, with the highest year-over-year increase in usage ever reported this year. This increase coincided with the highest rates of general inflation in 40 years—and the cost of essentials such as food, shelter, and transportation soared at even higher rates. As the purchasing power of households continues to drop, more households, including those in higher income brackets, are experiencing food insecurity.

According to survey respondents, the top reasons people accessed a food bank this year were food costs, housing costs, and low wages or not enough hours of work.

People accessing food banks in Canada are more likely to be in the lowest income bracket and are therefore particularly affected by any increase in food prices. When all factors are considered, the rising cost of food is only the tip of the affordability iceberg in terms of the cost challenges faced by those in the lowest-income households. Limited financial resources and housing costs that are well over the affordability threshold of 30 per cent of one's income mean those living with low incomes are less likely to be able to manage food inflation and more likely to experience food insecurity. In addition, people working in the lowest-paying jobs were less likely to have seen any increase in wages during the year and were more likely to be working in industries where part-time work is the norm.

Overall Findings



1/3

Number of food bank clients that are children

One third of food bank clients are children.

The percentage of children under 18 accessing food banks has held steady since the pre-pandemic period and currently sits at 33 per cent of food bank clients. However, children are still greatly over-represented in food bank client numbers, as they represent only 20 per cent of the general population. Since the start of the pandemic, households with children have been more likely to experience food insecurity, and there has been an increase in two-parent households with children under 18 accessing food banks—from 18.8 per cent in 2019 to 21 per cent in 2023. Food bankers mentioned that families with children are struggling with the combination of high housing, food, and fuel costs, in addition to the costs of childcare and other child-specific needs. Those struggling include many recent newcomers who are employed but are not receiving enough hours to make ends meet or are in precarious employment.

Overall Findings

The most common income source for food bank clients is provincial social assistance.

The main source of income for 42.4 per cent of food bank clients is provincial social assistance, which includes both the general welfare and provincial disability support income streams. Provincial social assistance rates are so low that all household types receiving social assistance live below the official poverty line in almost every province and territory. In many cases, the real dollar value of these rates has barely risen compared to 30 years ago—and in some cases has actually declined.

42.4%

Main source of income from social assistance

Overall Findings

People receiving provincial disability support represent 13.6 per cent of total households accessing food banks.

While the proportion of clients receiving provincial disability support as their main source of income has declined compared to before the pandemic, this decline is not due to a decreased need among people with disabilities but rather to increases in the proportions of households with other main sources of income. People with disabilities have been experiencing disproportionate levels of hardship because the costs of their greater health care needs are compounded by the effects of rapid inflation. Among the general population in 2023, 28 per cent of people with a physical disability and 39 per cent with a mental disability reported going hungry in the previous 12 months because of lack of money for food, compared to 10 per cent of people without a disability.

13.6%

Households receiving provincial disability support

Overall Findings

17 per cent of food bank clients report employment as their main source of income, compared to 12 per cent in 2019.

After over a decade of hovering between 11 per cent and just over 12 per cent, the percentage of food bank clients whose main source of income is employment has increased significantly since 2021. This group now represents nearly 17 per cent of food bank clients—the highest proportion ever. This increase coincides with the significant increase in racialized groups accessing food banks in the last year—from 32.5 per cent in 2022 to 39.3 per cent in 2023. Racialized groups are more likely to be working poor than non-racialized groups, and according to Statistics Canada, were more likely to be earning lower than average hourly wages and working part-time hours in 2022. Racialized groups who were employed throughout the pandemic were also more likely than non-racialized groups to have needed to access a food bank or similar program during that time.

17.0%

**Employment
as the main
source of
income**

Overall Findings

12 per cent of those accessing food banks are Indigenous, even though they represent only 5 per cent of the general population.

With income-based poverty rates nearly double those of the non-Indigenous population, First Nations, Métis, and Inuit people experience the compounded effects of low income and the challenges of managing inflation rates for basic needs that exceed those experienced by the non-Indigenous population. Climate change has also impacted access—both market-based and traditional—to food among Indigenous communities. Among the general population in 2023, nearly half (48%) of people who are Indigenous reported having gone hungry in the previous 12 months due to lack of money for food, compared to 15 per cent of the white population.

12.0%

**Percentage
accessing food
banks that are
Indigenous**

Overall Findings

26.6 per cent of food bank clients are newcomers to Canada who have been in the country for 10 years or less.

The proportion of recent newcomers to Canada accessing food banks significantly increased from last year—when they comprised 17.2 per cent of food bank clients—and has more than doubled compared to 2016—when they comprised 12.5 per cent of clients. Recent newcomers are more likely to be working poor than people who are not recent newcomers—they are more likely to have unstable jobs, unpredictable work hours, and fewer benefits such as drug and dental insurance. Recent newcomers are also more likely to be renters, which means they are likely paying higher median shelter costs and more than 30 per cent of their income on housing. The combination of these factors leaves them particularly vulnerable to the impacts of rapid inflation. Furthermore, newer arrivals fleeing war in their home countries face extreme challenges finding affordable housing and varying levels of government support depending on their immigration status.

26.6%

**Clients
who are
newcomers
to Canada**



**Key
HungerCount
Findings**

Canada: Key HungerCount Findings

Total visits

1,935,911

% change in total visits, 2022–2023

32%

Total meals and snacks

3,820,925

Total visits (children)

642,257

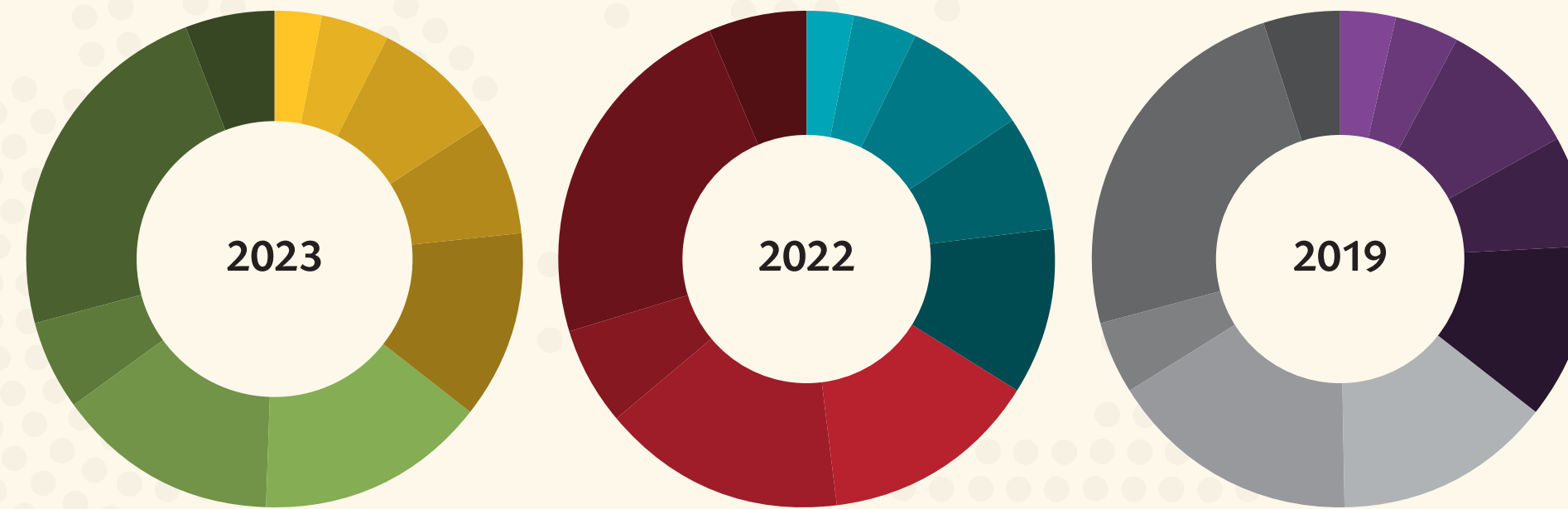
% change in total visits, 2019–2023

79%

of food banks reporting

2,388

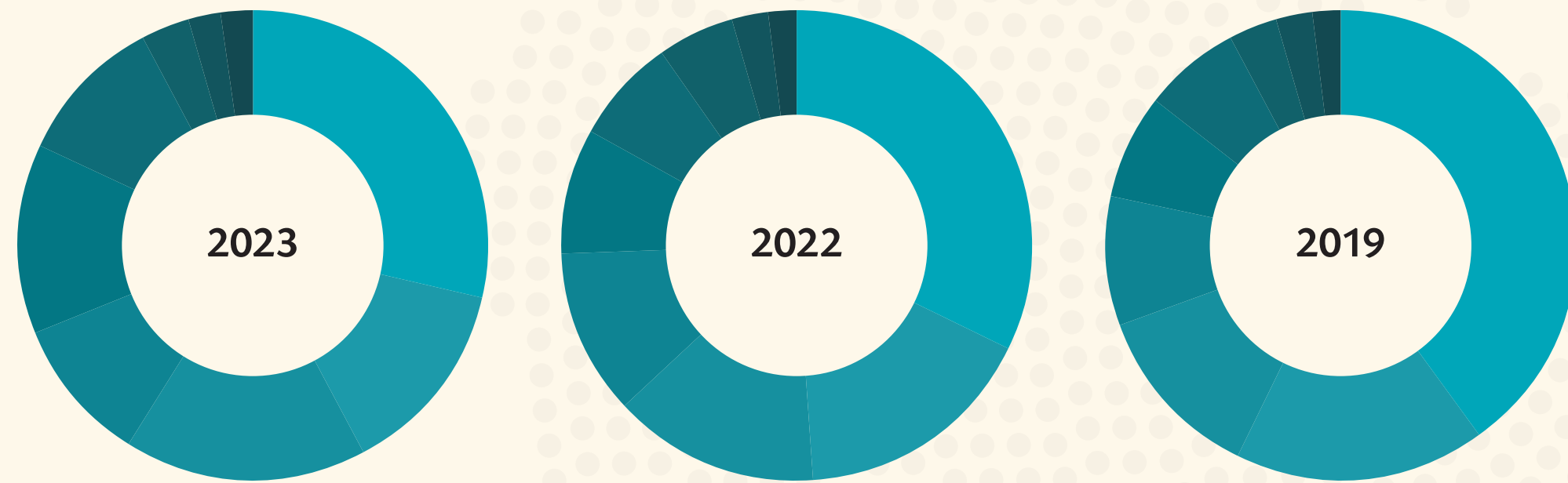
Age categories served as % of total, by age group



AGE	2023	2022	2019
% 0–2 years	4.7	4.5	5.2
% 3–5 years	6.0	5.8	6.1
% 6–11 years	11.9	12.1	12.9
% 12–17 years	10.5	10.7	9.9
% 18–30 years	17.1	15.2	16.3
% 31–44 years	21.2	20.0	20.0
% 45–64 years	20.7	22.8	22.8
% 65+ years	8.0	8.9	6.8
% children	33.0	33.1	34.1
% seniors	8.0	8.9	6.8

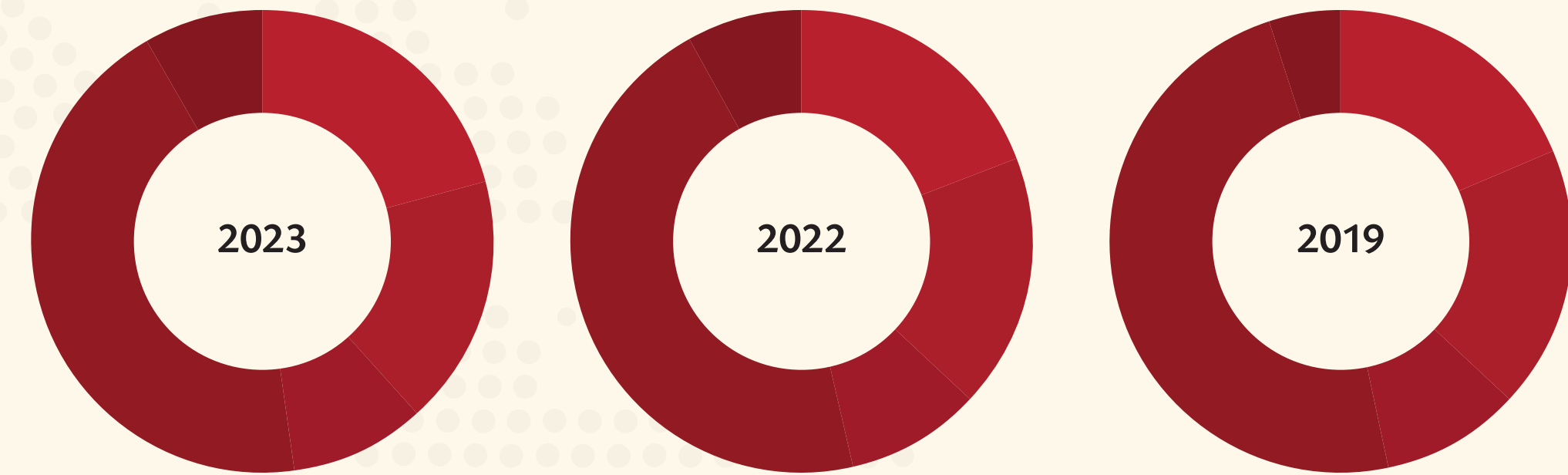
Canada: Key HungerCount Findings

Primary source of income



	2023	2022	2019
% Social assistance	28.8	32.3	40.1
% Disability-related income support	13.6	16.7	17.3
% Job income	16.7	14.1	12.1
% Pension	9.9	11.3	9.0
% No income	13.1	8.7	7.0
% Other income	10.3	7.2	6.7
% Employment insurance, CWLB, CRSB, CRCB ²	3.1	5.4	3.3
% CCB	2.4	2.5	2.5
% Student loan	2.0	1.7	1.9

Household type

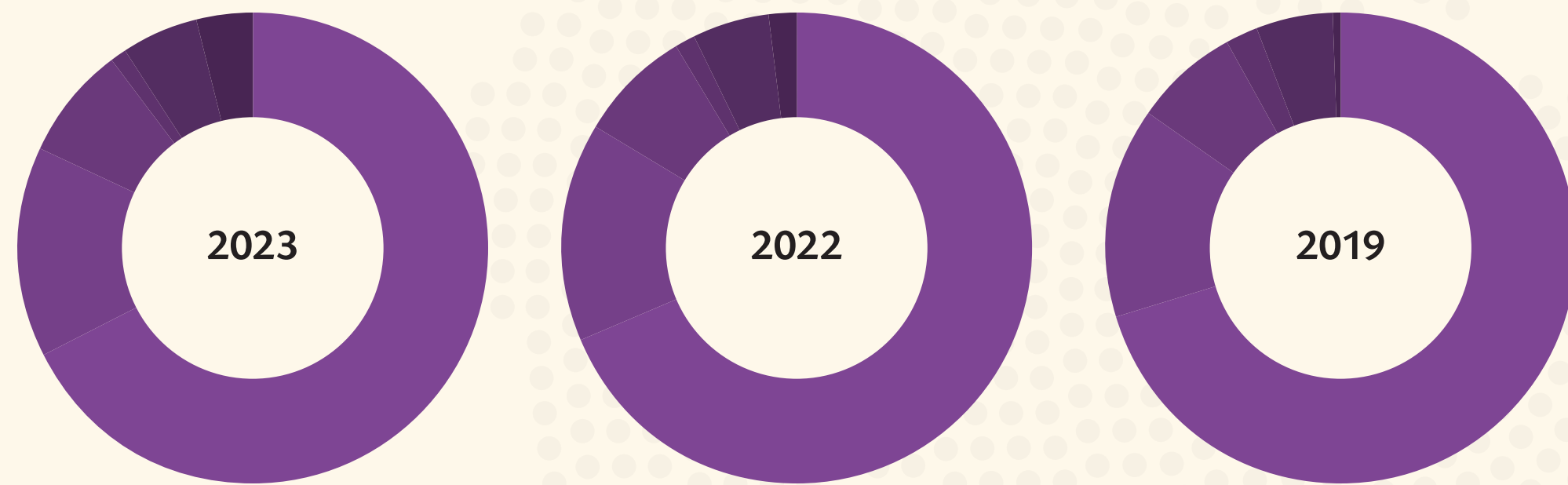


	2023	2022	2019
% Two-parent families	21.0	19.3	18.8
% Single-parent families	17.3	17.9	18.3
% Couples with no children	9.7	9.4	9.8
% Single people	43.8	45.4	48.1
% Other	8.1	8.0	5.0

² Canada Worker Lockdown Benefit (previously CRB), Canada Recovery Sickness Benefit, Canada Recovery Caregiver Benefit.

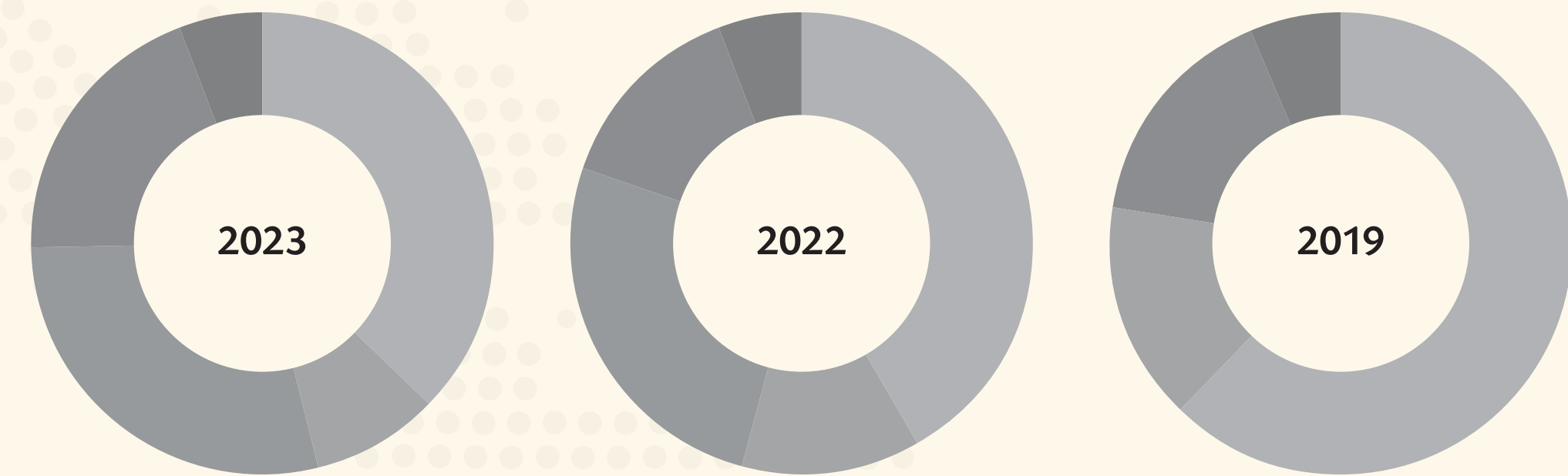
Canada: Key HungerCount Findings

Housing type



	2023	2022	2019
% Market rental	67.7	68.8	70.4
% Social housing	14.4	15.0	14.4
% Homeowners	7.7	7.8	7.4
% Band-owned housing	1.1	1.5	2.0
% Unhoused/ temporary shelter	5.4	5.1	5.3
% Other	3.7	1.9	0.6

Other demographic information



	2023	2022	2019
% Women 18+	51.5	51.9	50.1
% First Nations, Métis, or Inuit people	12.2	15.3	12.3
% Racialized communities ³	39.3	32.5	—
% In Canada for less than 10 years	26.6	17.2	12.9
% Post-secondary students	8.0	7.1	5.0

³ "Racialized communities" refers to whether survey respondents indicated that they belong to a visible minority group as defined by the *Employment Equity Act*.

Canada: Key HungerCount Findings: Provincial Results

Provincial results

	Total visits	Total visits (children)	% change in total visits (2022–2023)	% change in total visits (2019–2023)	# of food banks reporting	Total meals and snacks provided
BC	195,925	62,481	20.0	57.1	127	224,875
AB	174,311	63,729	11.9	94.1	150	535,363
SK	55,753	22,193	24.3	49.8	42	37,506
MB ⁴	57,351	20,794	30.4	–	8	187,737
ON	681,292	202,914	40.1	100.6	499	738,147
QC	682,724	240,325	38.0	97.8	1286	1,910,953
NB	29,846	10,322	24.7	34.0	65	69,918
NS ⁵	32,498	10,039	8.8	26.8	130	86,925
PEI	4,212	1,420	26.9	42.3	6	4,657
NL	15,425	5,305	12.4	44.1	62	24,844
TERR ⁶	6,575	2,735	5.5	7.6	13	–

⁴ Comparison to 2019 not available due to change in provincial network structure and change in data collection methods.

⁵ In the 6 months since March, visits to Feed Nova Scotia food banks have increased significantly. As of September 30, cumulative visits (Jan 1 – Sep 30) were 26% higher than they were for the same time-period of 2022.

⁶ Not enough data received for these variables. Results may not represent the entire territories this year.

Canada: Key HungerCount Findings: Age Categories

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
BC	4.2	4.7	11.2	10.7	14.9	22.0	22.5	9.7	30.9	107
AB	5.2	6.1	12.7	11.2	18.0	23.0	18.5	5.4	35.1	83
SK	5.2	6.8	15.0	13.2	16.4	21.2	17.6	4.6	40.3	33
MB	5.9	8.0	15.4	13.0	13.4	17.7	21.8	4.8	42.3	6
ON	4.0	5.1	11.1	10.3	19.3	20.6	20.9	8.6	30.6	419
QC	5.7	7.6	12.4	10.0	14.0	21.1	20.6	8.6	35.7	581
NB	5.4	5.7	12.5	10.4	14.6	21.9	23.7	5.7	34.0	52
NS	3.7	5.6	11.9	10.3	19.1	21.1	21.8	6.6	31.4	87
PEI	3.7	5.2	13.0	11.8	17.8	24.0	17.7	6.9	33.6	6
NL	3.4	5.4	11.7	10.7	11.7	19.9	26.6	10.6	31.2	35
TERR ⁷	3.8	5.4	9.5	13.6	14.7	20.8	24.3	8.1	32.2	3

⁷Not enough data received for these variables. Results may not represent the entire territories this year.

Canada: Key HungerCount Findings: Household Type

Household type

	% single-parent families	% two-parent families	% couples with no children	% single people	% "other" households	# of food banks reporting
BC	12.2	17.2	11.9	53.3	5.4	120
AB	19.2	26.2	7.6	40.9	6.1	111
SK	25.5	18.0	6.1	41.3	9.1	37
MB	17.2	28.3	17.2	34.7	2.7	8
ON	16.3	17.4	8.1	46.8	11.3	428
QC	18.9	26.3	11.2	37.1	6.5	705
NB	17.0	17.2	8.7	50.0	7.1	55
NS	17.6	15.1	7.7	48.7	11.0	93
PEI	15.3	23.4	9.5	41.8	10.0	6
NL	22.6	13.9	11.1	49.5	2.8	39
TERR ⁸	26.2	21.0	5.9	39.7	7.2	3

⁸ Not enough data received for these variables. Results may not represent the entire territories this year.

Canada:

Key HungerCount Findings:

Source of Income

Source of income

	% job income	% federal employment insurance	% social assistance	% provincial disability support	% pension income	% student loans/scholarships	% CCB	% no income	% other income	# of food banks reporting
BC	21.7	2.9	16.9	19.8	12.8	0.5	1.2	12.4	11.8	116
AB	21.7	3.2	22.6	12.4	8.6	0.8	7.5	16.8	6.3	105
SK	14.3	2.5	40.7	7.8	7.3	1.1	2.7	12.6	11.1	37
MB	15.8	6.3	25.7	0.2	5.5	4.4	0.1	16.5	25.5	7
ON	13.0	1.8	20.5	23.7	8.8	1.3	0.7	18.0	12.2	429
QC	18.6	4.1	42.4	3.7	12.0	3.8	3.6	5.6	6.2	667
NB	13.8	4.2	43.7	5.7	10.2	0.6	5.5	10.7	5.5	55
NS	17.9	4.4	35.9	10.3	9.9	3.1	0.4	8.3	9.9	96
PEI	32.9	6.9	23.1	5.7	3.9	0.1	1.7	15.9	9.8	6
NL	5.6	3.2	64.3	5.4	12.4	0.8	1.4	2.7	4.3	39
TERR ⁹	7.4	3.0	40.5	2.3	3.0	0.0	6.7	26.1	11.0	3

⁹ Not enough data received for these variables. Results may not represent the entire territories this year.

Canada:

Key HungerCount Findings:

Housing Type

Housing type							
	% homeowners	% rental market tenants	% social housing tenants	% Band-owned housing	% unhoused/ temporary shelters	% other housing	# of food banks reporting
BC	7.7	72.7	8.0	0.5	5.3	5.9	112
AB	10.4	64.7	7.4	5.9	6.2	5.4	103
SK	7.0	71.4	13.1	1.1	5.4	1.9	37
MB	11.9	48.2	25.0	0.0	0.1	14.8	7
ON	5.3	71.2	14.7	0.0	6.1	2.7	427
QC	7.5	67.5	15.4	2.1	6.1	1.5	629
NB	14.8	61.5	15.8	1.0	5.2	1.7	53
NS	12.7	70.4	10.0	0.0	4.5	2.2	94
PEI	9.3	57.9	26.6	0.0	3.1	3.1	6
NL	20.1	50.1	26.5	0.0	2.9	0.5	37
TERR ¹⁰	5.9	30.8	49.7	1.4	10.1	2.1	3

¹⁰ Not enough data received for these variables. Results may not represent the entire territories this year.

A nation struggling to make ends meet

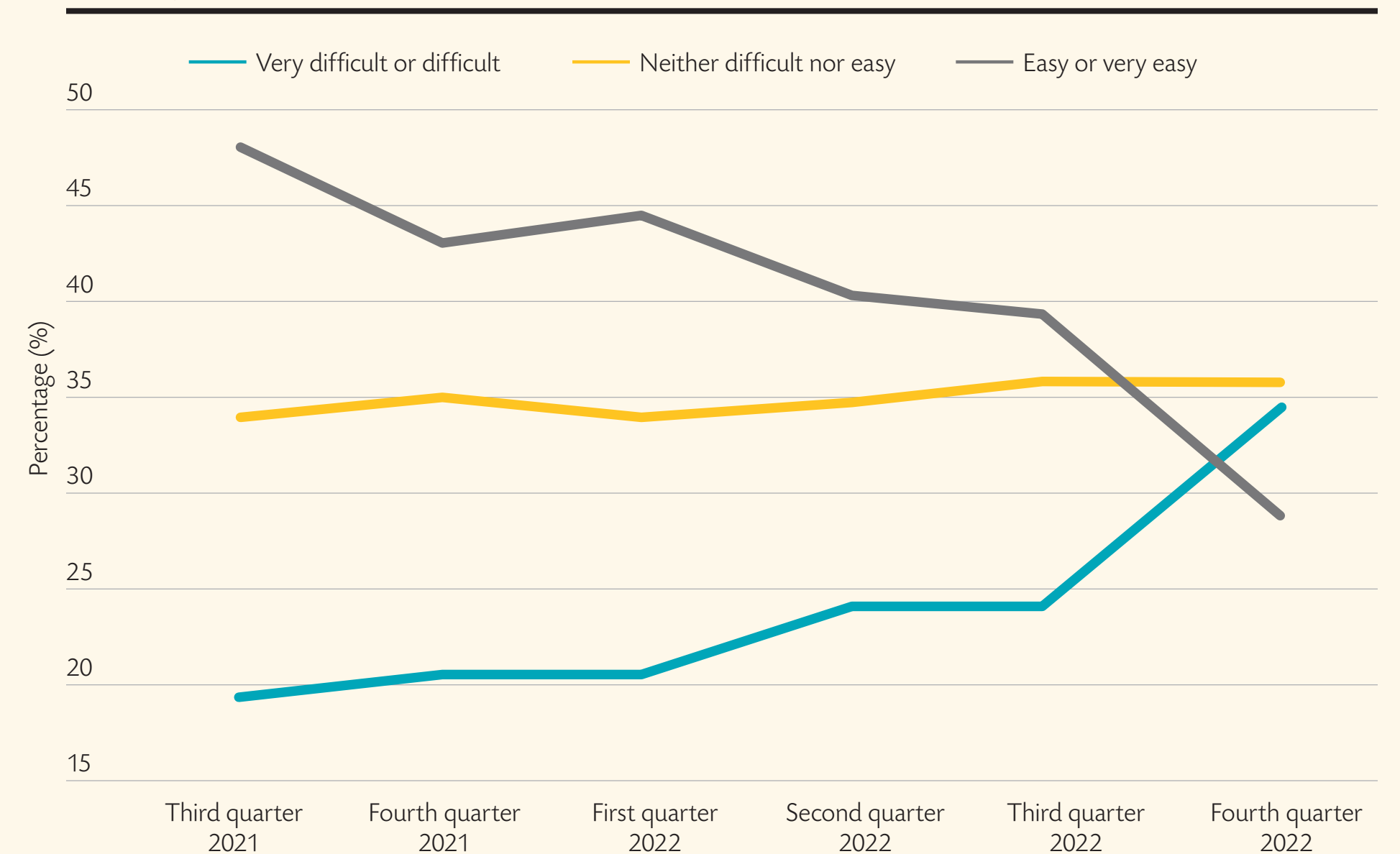
“Before September 2022 and still, the main cause is low income. However, since September 2022, the cost of food and housing have been major issues. The lack of rental properties in the area at all is a problem, let alone ones that are affordable.”

Survey respondent, Ontario

The pandemic crisis may be stabilizing, but people living in Canada are now facing an affordability crisis. A study released by Statistics Canada in March 2023 revealed that the percentage of people living in a household that is having difficulty meeting its food, shelter, and other necessary expenses went from 19 per cent of the population in summer 2021 to 24 per cent in summer 2022—and to 35 per cent of the population by the end of 2022.¹¹ The study also noted that 2022 saw the highest rates of inflation in 40 years, with the Consumer Price Index (CPI) increasing 6.8 per cent over the previous year.¹²

This rate of increase in the general population experiencing financial difficulty meant food banks also saw a high rate of increase in need. Food bank usage in Canada was already at its highest level in history at the end of the first quarter of 2022, when 21 per cent of the population was having difficulty paying for their basic expenses. As a greater proportion of the population began to struggle, it became clear that many more would need help from a food bank. The HungerCount survey took place during the same month that the Statistics Canada report was released, and indications were that the need on the ground would continue to skyrocket during the year. By the time the final numbers were compiled, it was clear that what we were seeing was consistent with the results of the Statistics Canada report: a rate and level of food bank usage that we had never seen before.

Figure 2: Percentage of people by household’s level of difficulty meeting financial needs, third quarter 2021 to fourth quarter 2022



Source(s): Canadian Social Survey, waves 2 to 7 (5354). And Statistics Canada. (2023, March 7). More Canadians are finding it difficult to meet food, shelter and other necessary expenses. *The Daily*. <https://www150.statcan.gc.ca/n1/daily-quotidien/230307/dq230307b-eng.htm>

¹¹ Statistics Canada. (2023, March 7). More Canadians are finding it difficult to meet food, shelter and other necessary expenses. *The Daily*. <https://www150.statcan.gc.ca/n1/daily-quotidien/230307/dq230307b-eng.htm>

¹² Statistics Canada. (2023, January 17). Consumer Price Index: Annual review, 2022. *The Daily*. <https://www150.statcan.gc.ca/n1/daily-quotidien/230117/dq230117b-eng.htm>

When low income alone doesn't tell the whole story about a household's standard of living

In previous years, a decline in poverty rates according to measures of low income (such as the MBM) would also have meant a decline in food bank usage. When considering official poverty rates alone, the decline in those below the low-income threshold is significant compared to before the pandemic.

The introduction of a range of temporary federal and provincial income supports during the COVID-19 pandemic, followed by growth in median employment income, contributed to official poverty rates that are well below pre-pandemic levels.¹³ According to the MBM, poverty rates slowly declined from 14.5 per cent in 2015 to just over 10 per cent in 2019, followed by a drastic drop in 2020 to 6.5 per cent.¹⁴ While the poverty rate for 2021 increased by only a percentage point over the previous year, the proportion of individuals struggling to afford necessary expenses that same year combined with current trends indicate that these official statistics might not be capturing the full extent of the population struggling to maintain an adequate standard of living.

One reason for this disparity is that the MBM is based on the cost of a predetermined basket of goods and services a household needs to achieve a modest standard of living.¹⁵ It is an income-based measure in that if a household earns less income than the cost of that basket of goods and services, the household is considered to be living in poverty—which represents a less than adequate standard of living.

While living in a low-income household as defined by the MBM is a good predictor of how likely that household is to be experiencing a poverty-level standard of living, many other factors could also have an impact—for example, debt, a sudden change in family or health circumstances, or having to pay above-average rent. Soaring inflation could also have substantial negative impacts on a household's standard of living, even if that household is not "low-income" according to official definitions.

¹³ Statistics Canada. (2023, May 2). Canadian income survey, 2021. *The Daily*. <https://www150.statcan.gc.ca/n1/daily-quotidien/230502/dq230502a-eng.htm>

¹⁴ Statistics Canada. (2023). *Table 11-10-0093-01: Poverty and low-income statistics by selected demographic characteristics*. <https://doi.org/10.25318/1110009301-eng>

¹⁵ Government of Canada. *Canada's first poverty reduction strategy: Annex 1: The statistical fine print*. <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/reports/strategy.html#h2.15>

Looking beyond low-income measures—assessing the extent to which people living in Canada struggle to afford food

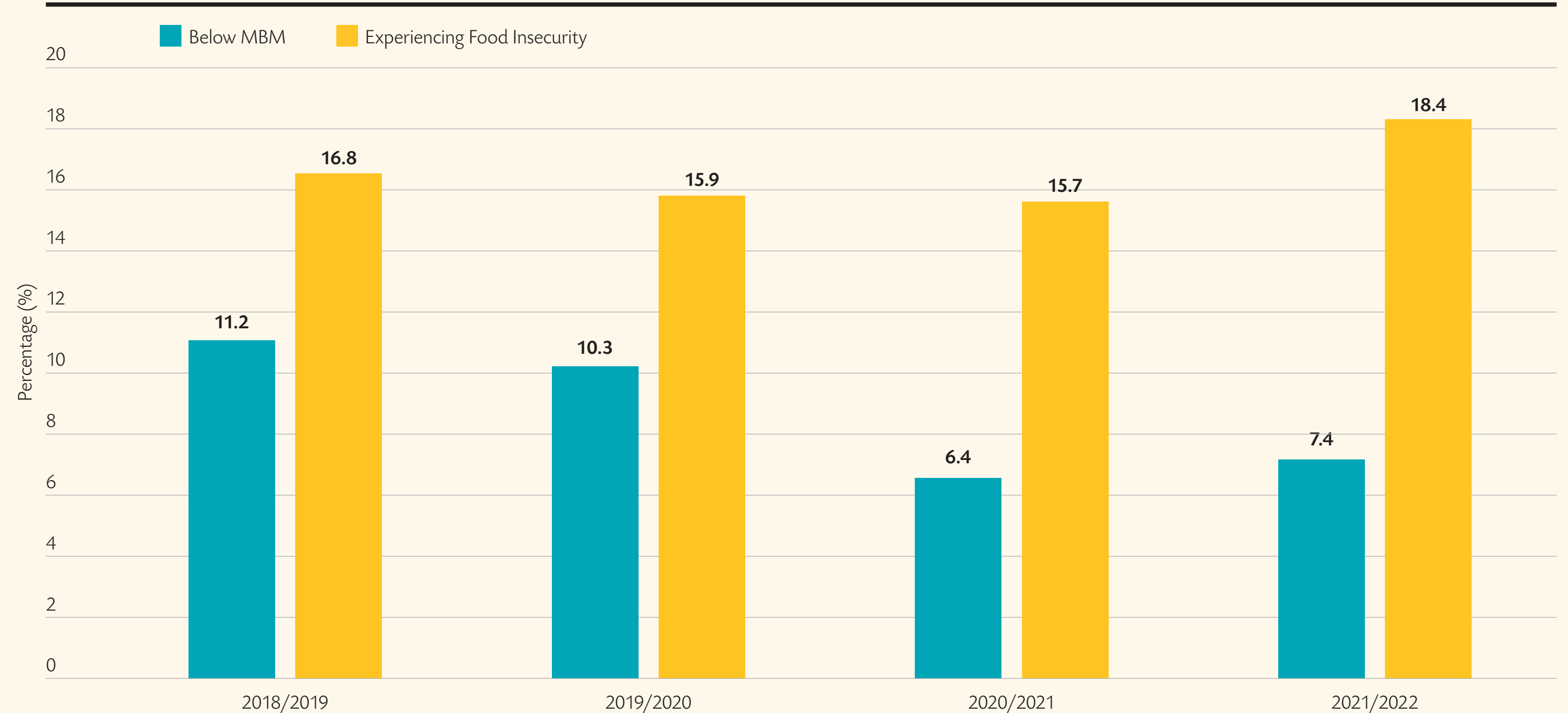
“Many adult clients stating that they generally have just one meal a day.”

Survey respondent, Ontario

One way to assess the outcomes of the various factors that impact a household’s standard of living is to examine the extent to which they struggle to afford food. Food insecurity is an official indicator in this regard and is one way to illustrate the degree to which the population is struggling to make ends meet.

According to Statistics Canada, food insecurity is inadequate or insecure access to food due to financial constraints. It is classed in severity as marginal, moderate, or severe.¹⁶ Food insecurity encompasses a range of experiences that include worrying about running out of food, reducing food intake, and going days without food due to lack of money. In 2021/2022, over 18 per cent of people in Canada—almost 7 million people—lived in households experiencing some level of food insecurity—1.1 million more people than the year before.¹⁷

Figure 3: Percentage of people living below the MBM and percentage of people living in a household experiencing food insecurity, 2018/2019–2021/2022



Source of data: Statistics Canada. (2023, May 2). *Table 11-10-0135-01: Low income statistics by age, sex and economic family type*. <https://doi.org/10.25318/1110013501-eng>. And Statistics Canada. (2023, May 2). *Table 13-10-0834-01: Food insecurity by economic family type*. <https://doi.org/10.25318/1310083401-eng>

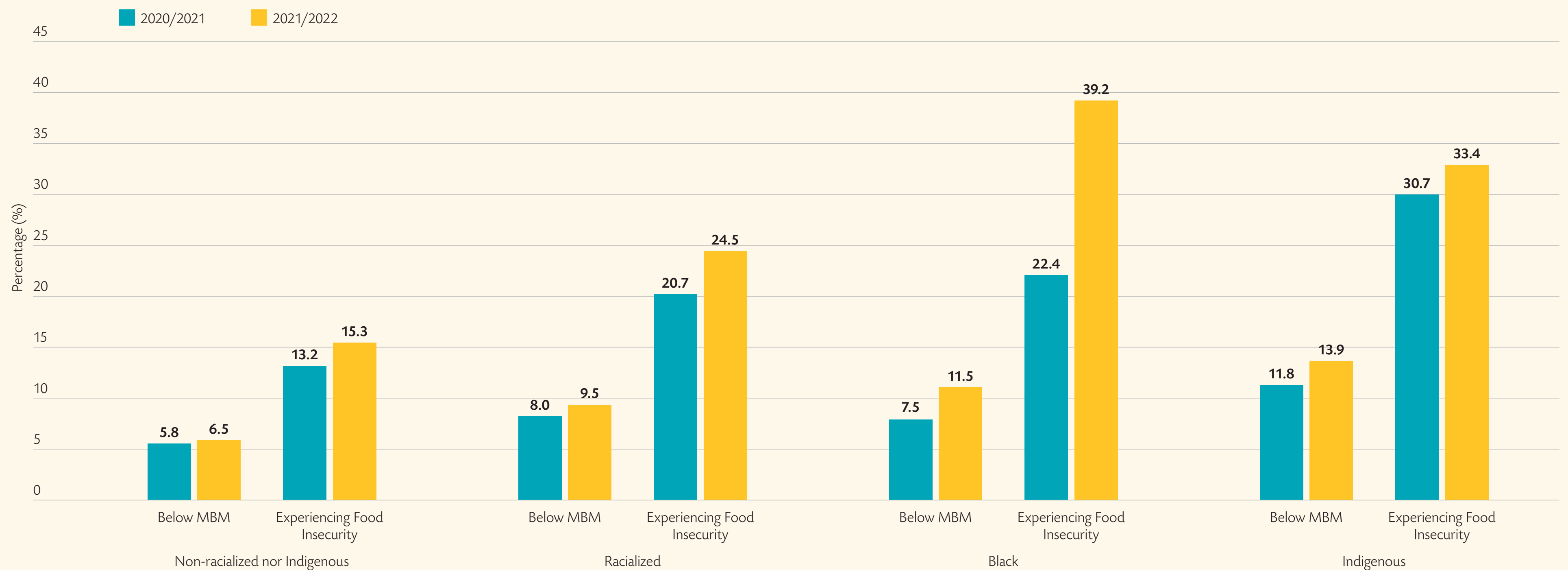
¹⁶ Statistics Canada, Canadian income survey, 2021.

¹⁷ Statistics Canada, Canadian income survey, 2021. The latest data release from Statistics Canada’s 2021 Canadian Income Survey (CIS) uses 2021 tax filer data to provide poverty rates based on the MBM. However, data collection for the food-insecurity scale took place from January to June 2022, referencing the respondents’ experiences for the previous 12 months. Therefore, we are using the two-year period as reference years when referring to food-insecurity data collected by the CIS in order to account for the time reference for both the tax filer data and the food-insecurity reference period. For more information about using 2022 as the reference point for food-insecurity rates, see the explanation from PROOF, based at the University of Toronto: <https://proof.utoronto.ca/2023/new-data-on-household-food-insecurity-in-2022/>

Looking beyond low-income measures—assessing the extent to which people living in Canada struggle to afford food

While the percentage of people living in income poverty according to the MBM is well below pre-pandemic levels, the percentage of people experiencing food insecurity is the highest it has ever been. In addition, the percentage gap between people living below the MBM and people living in households experiencing food insecurity has been steadily widening—from a 5.6 percentage point difference in 2018/2019 to an 11 percentage point difference in 2021/2022. The disparity is even greater when we look at Black, Indigenous, and other racialized households—for example, there was a nearly 28 percentage point difference in the MBM and food insecurity rates of Black households in 2021/2022.

Figure 4: Percentage of people living below the MBM, and percentage of people living in a household experiencing food insecurity, by selected demographic characteristics, 2020/2021, 2021/2022



Source of data: Statistics Canada. (2023, May 2). *Table 11-10-0135-01: Low income statistics by age, sex and economic family type*. <https://doi.org/10.25318/1110013501-eng>. And Statistics Canada. (2023, May 2). *Table 13-10-0834-01: Food insecurity by economic family type*. <https://doi.org/10.25318/1310083401-eng>. And Statistics Canada. (2023, May 2). *Table 13-10-0835-01: Food insecurity by selected demographic characteristics*. <https://doi.org/10.25318/1310083501-eng>

Households living above the official poverty line are experiencing high levels of food insecurity

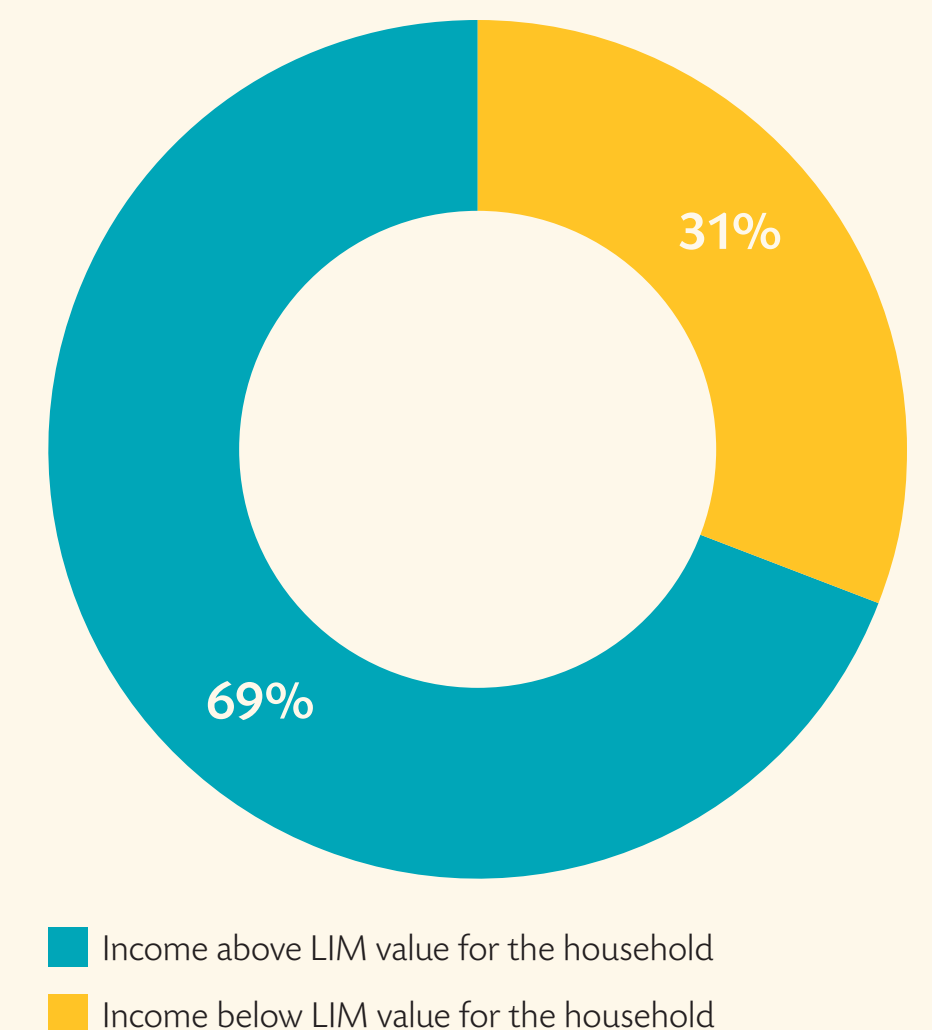
“The general cost of living in our community is becoming unsustainable for some average income earners and those that fall short of that average, let alone those living at or below the poverty line. General costs were always a key factor, especially housing, but the gross increase in food costs has greatly exacerbated the negative impacts our neighbours are facing regardless of income status as we see the impacts not only on those we service who are actively experiencing food insecurity, but we are also seeing the impact on donors who are unable to give what they once could.”

Survey respondent, Ontario

While it is well documented that people who are “middle-income” earners are feeling the overall pinch of high inflation, the extent to which they are experiencing food insecurity is less well documented. Until further studies using Statistics Canada data sets are published, we can provide some estimates using data collected from online survey panels administered on behalf of Food Banks Canada.

In a national-level survey commissioned by Food Banks Canada and conducted between April 18 and May 17, 2023, respondents were asked whether they encountered difficulty in affording food in the last 12 months.¹⁸ The questions were modelled on a six-item scale designed to measure various levels of food insecurity, an abbreviated version of the 18-item scale used by Statistics Canada. Those who answered affirmatively to two or more items in this six-item scale are likely experiencing moderate to severe levels of food insecurity. In this survey, 34.8 per cent of the total sample responded affirmatively to missing two or more items, with 69 per cent of those having equalized household incomes above an official low-income measure (LIM) (approximate to the MBM) for their household size.¹⁹

Figure 5: Percentage of people answering affirmatively to two or more items of a six-item food insecurity scale, by LIM status



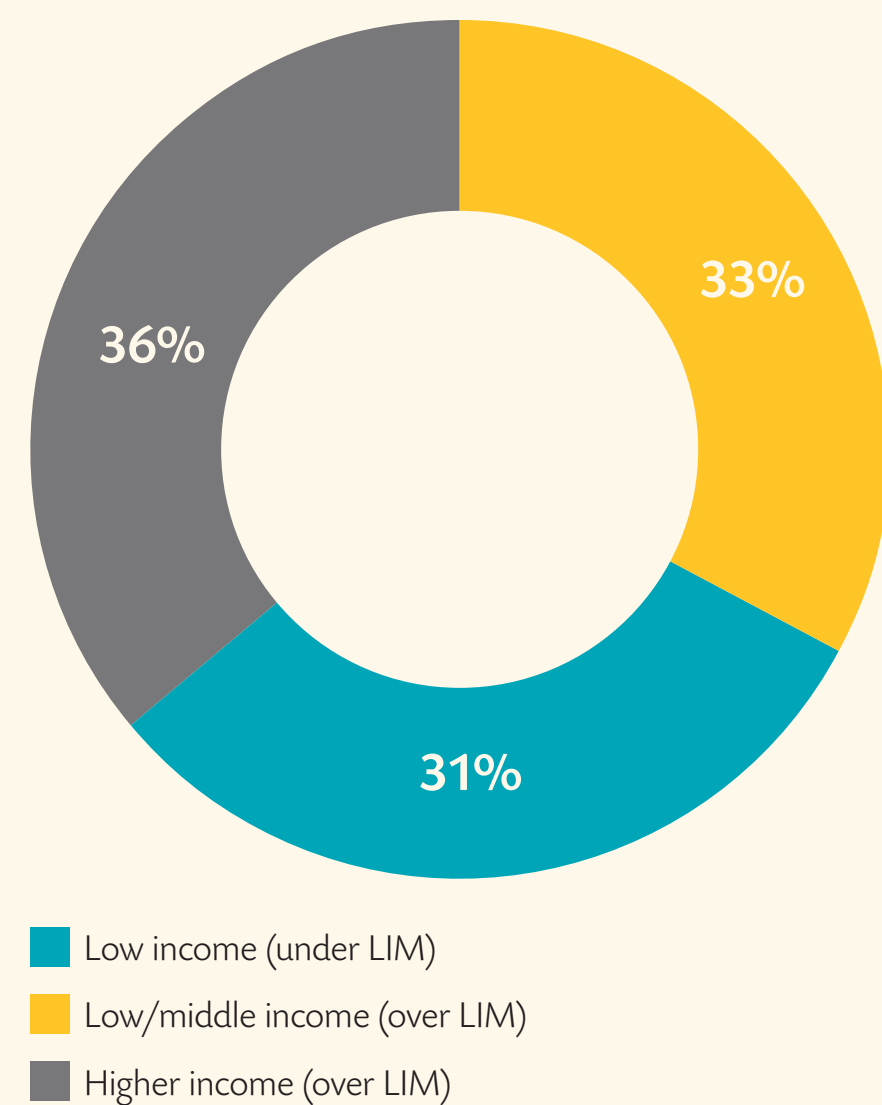
¹⁸ Results from the Material Deprivation in Canada 2022-23 Phase 2 Survey (field dates: April 18–May 17, 2023; sample size = 4,624), conducted by the Environics Institute for *Food Banks Canada/Banques alimentaires Canada*.

¹⁹ The method for calculating equalized household incomes and an approximate low-income measure (LIM) comes from Statistics Canada (see <https://www150.statcan.gc.ca/n1/pub/75f0002m/2012002/lim-mfr-eng.htm>). First, the “equivalent household income” was calculated for each respondent in the survey by dividing their household income by its “adjusted size”—that is, the square root of the number of people in the household. Following this, each respondent was assigned this equalized household income (an income equal to a household size of 1). The “median” of this equivalent household income was then determined over all the respondents—that is, the amount where half of all respondents were above it and half below. The LIM is calculated as 50% of the median income, so in this sample, the equalized household income (equal to a household size of 1) is equal to \$22,500.

Households living above the official poverty line are experiencing high levels of food insecurity

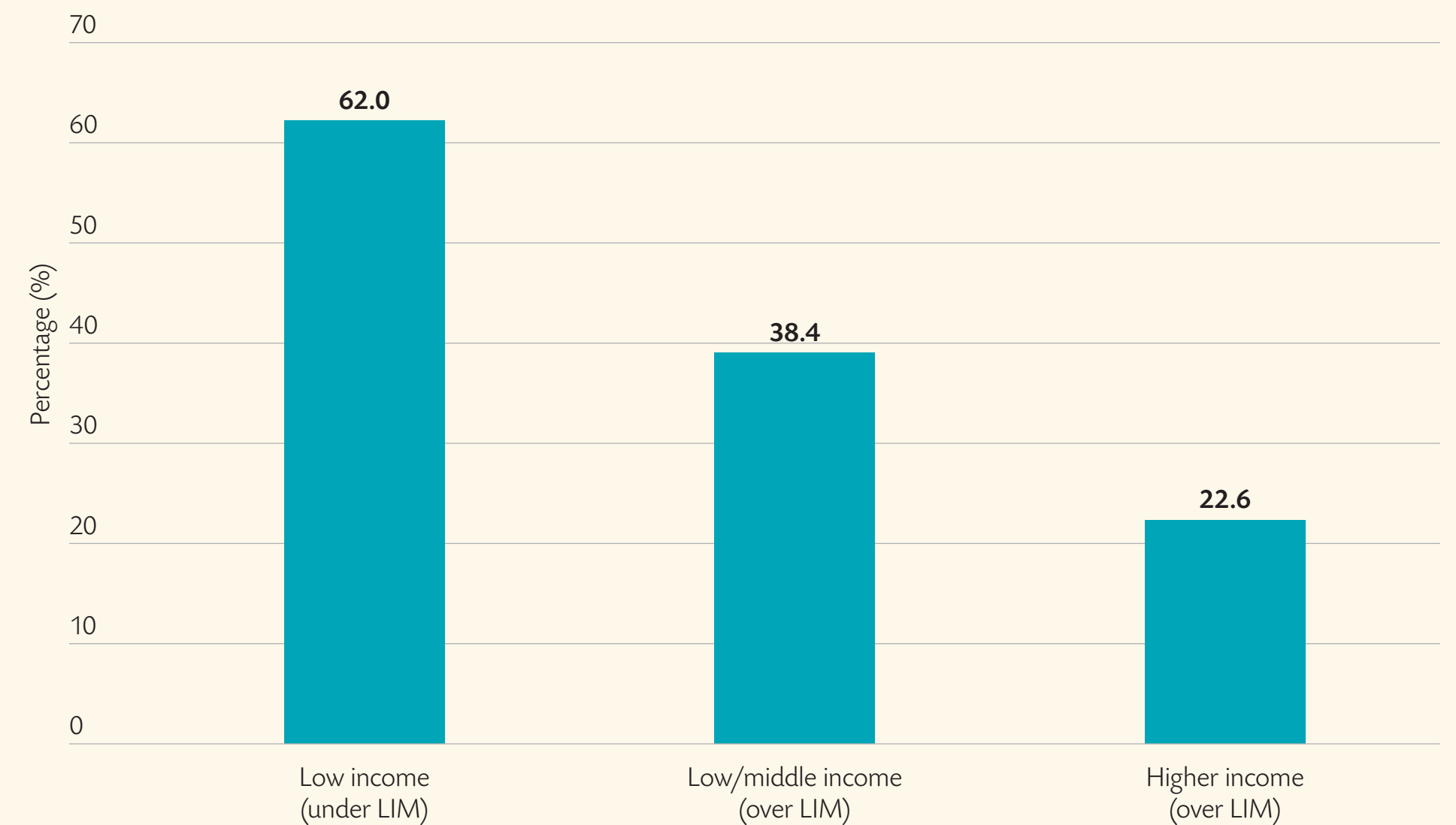
When we split those who responded affirmatively to two or more items into three income groups—“low income” (below the LIM), “low/middle income” (above the LIM, but under the median income), and “higher income” (above the median income)—the highest share of the total population experiencing food insecurity (36%) is in the “higher income” category.²⁰ The percentage share of households in the higher income category who are experiencing food insecurity is due to the fact that about half of households in Canada earn equivalized incomes above \$45,000 (54% of the survey sample), which reinforces that those with higher incomes are likely facing significant levels of food insecurity.

Figure 6: Percentage of people answering affirmatively to two or more items of a six-item food insecurity scale, by equivalized income groups



When we look at the percentage of people answering affirmatively to two or more items within each income group, we see that lower-income households are more likely to experience food insecurity. The results show that 62 per cent of those in the “low income” (under the LIM) group answered affirmatively to two or more items, while a lower proportion answered affirmatively to two or more items within the low/middle income (over the LIM) group and higher income (over the LIM) group—38.4 per cent and 22.6 per cent respectively. However, given that those who responded affirmatively to two or more items are likely to be experiencing moderate to severe levels of food insecurity, these proportions are still substantial within the higher income groups.

Figure 7: Percentage of people answering affirmatively to two or more items of a six-item food insecurity scale, within equivalized income groups



²⁰ “Low income” (below the LIM) for equivalized household income (equal to a household size of 1) is \$22,500, “low/middle income” (above the LIM, below the median) ranges from \$22,500 to \$45,000, and higher income (above the median) is over \$45,000.

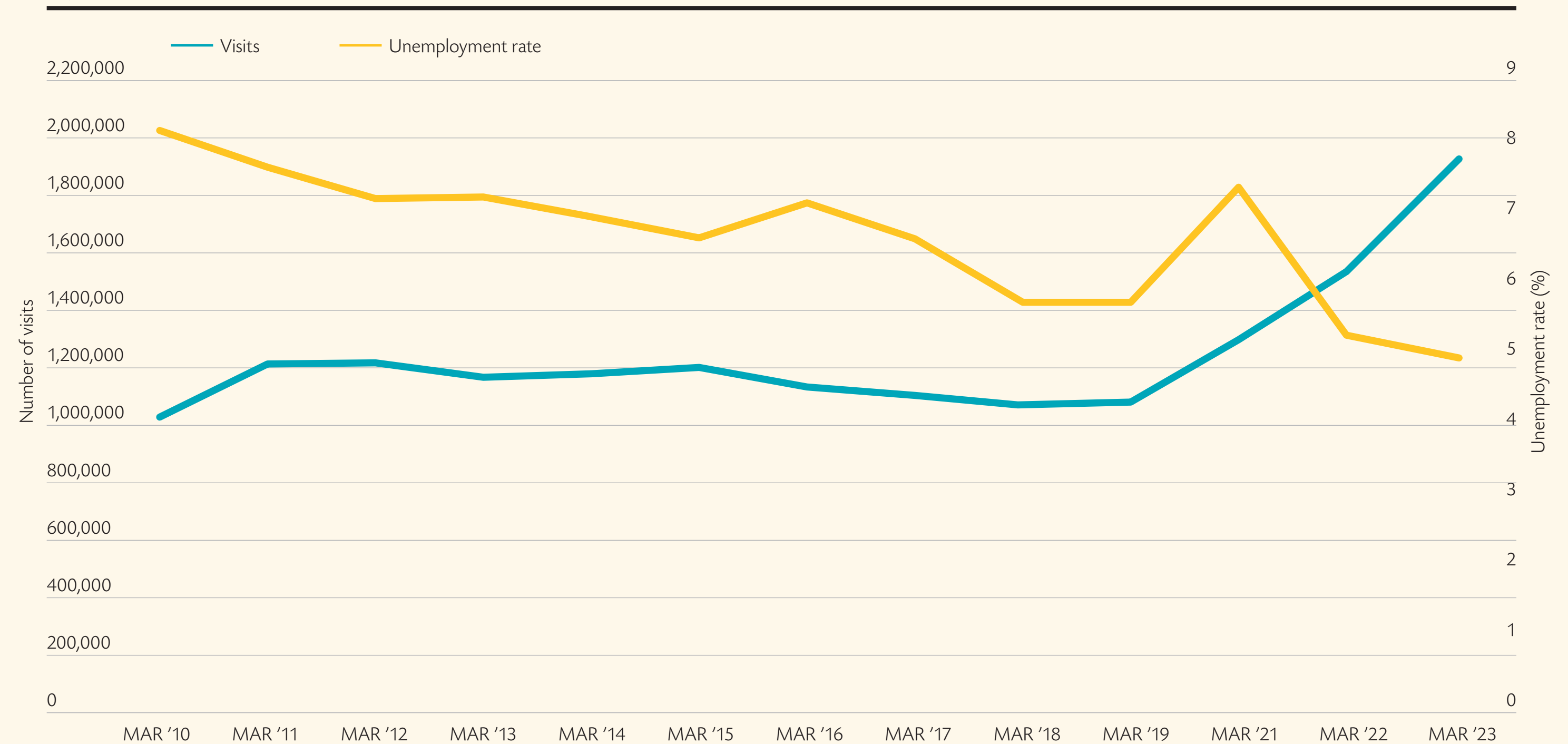
The widening gap between food bank usage and unemployment rates



Another way to assess a population's standard of living is to look at trends in food bank usage and how they compare with standard economic indicators. Until last year, food bank usage closely mirrored unemployment rates. Up until the last couple of years, when unemployment rates were low, the working-age population was more likely to be able to access employment income, which in turn reduced the likelihood of their needing a food bank. However, 2022 marked a drastic departure from this pattern, and the gap has continued to widen in 2023.

In March 2023, despite an unemployment rate that was holding at a steady low of 5 per cent, food bank usage surged to record highs. Similar to the growing gap between income-based poverty measures and rates of food insecurity, employment (and the increased income that comes with it) is less of a predictor of food bank demand at the national level.

Figure 8: Unemployment rates and total food bank visits, March of each year, 2010–2023



Source of data: Statistics Canada. (2023, September 8). *Table 14-10-0287-01: Labour force characteristics, monthly, seasonally adjusted and trend-cycle, last 5 months.* <https://doi.org/10.25318/1410028701-eng>. Food bank visit numbers from Food Banks Canada HungerCount.

Status quo income support programs plus inflation = gasoline on a fire

“Despite the end of COVID-19 lockdowns and a return to a new normal economy, soaring prices for necessities such as food, housing, and energy are eating up the purchasing power of households’ incomes with every purchase and bill payment.”²¹

“Increases in food costs as well as fuel and other costs of living have doubled our numbers over the last 2 years. For many of our clients it comes down to: Pay the rent/mortgage, Heat your home, Maintain your vehicle to get to work etc., eat. Pick any 3 out of 4.”

Survey respondent, Nova Scotia

“Housing costs and instability is a big cost. Increased costs for all essentials—food, energy, transport. Closing employment opportunities as businesses scale down or close.”

Survey respondent, British Columbia

²¹ Notten. G. (2023, May 12). An inflation-proof methodology to measuring policy effects on poverty. *OUPblog: Oxford University Press's Academic Insights for the Thinking World*. <https://blog.oup.com/2023/05/an-inflation-proof-methodology-to-measuring-policy-effects-on-poverty/>

Status quo income support programs plus inflation = gasoline on a fire

“In our community in particular, and in the region in general, the lack of affordable housing is the leading cause of food insecurity. The high shelter costs for most low-income households severely impacts their financial ability to maintain basic food security. This has been complicated by the economic inflationary issues that have intensified since September 2022.”

Survey respondent, British Columbia

Last year, a return to status quo income support programs after the ending of pandemic-related benefits combined with high inflation drove demand for help from food banks. This year, with inflation continuing unabated, it was like gasoline being thrown on a fire.

In 2021, the CPI rose by 3.4 per cent—the fastest growth since 1991.²² Inflation continued to accelerate into 2022, while the lowest income quintile saw their disposable incomes decline by 7.5 per cent in the first quarter of 2022 compared to the previous year, in large part because pandemic-related benefits ended.²³ By the time 2022 came to a close, the year had seen the highest rate of general inflation in 40 years at 6.8 per cent, with essentials such as transportation increasing by 10.6 per cent, food by 8.9 per cent, and shelter by 6.9 per cent.²⁴

In 2022, the impact of this inflation varied across different income groups, with lower income quintiles being the most affected overall in a range of areas. For example, the lowest income quintile was significantly more likely than the highest income quintiles to be very concerned with their ability to afford housing or rent, to have to borrow money, or to experience extremely stressful days, and most likely to obtain food from a community organization in the next six months due to rising food prices (17% for the lowest income quintile compared to 5% for all other quintiles).²⁵

While the bottom income quintile has been hit the hardest in most areas, high proportions of the second-lowest income quintile were significantly impacted in a range of areas as well, including concern about their ability to meet day-to-day expenses, borrowing money, experiencing high levels of stress, or potentially having to obtain food from a community organization. The impact of the price of housing or rent reaches the third income quintile, and being able to afford housing or rent and concern about gasoline prices almost reaches the top.



²² Statistics Canada. (2023, January 19). Consumer Price Index: Annual review. *The Daily*. 2021 <https://www150.statcan.gc.ca/n1/daily-quotidien/220119/dq220119b-eng.htm>

²³ Statistics Canada. (2022, August 03). Distributions of household economic accounts for income, consumption and saving of Canadian households, first quarter of 2022, Table 36-10-0662-01. *The Daily*. <https://www150.statcan.gc.ca/n1/daily-quotidien/220803/dq220803a-eng.htm>

²⁴ Statistics Canada, Consumer Price Index: Annual review, 2022.

²⁵ Uppal, S. (2023, February 8). Rising prices and the impact on the most financially vulnerable: A profile of those in the bottom family income quintile. *Insights on Canadian Society*. Statistics Canada. <https://www150.statcan.gc.ca/n1/pub/75-006-x/2023001/article/00002-eng.htm#a13>

Status quo income support programs plus inflation = gasoline on a fire

Table 1: Impact of rising prices on people living in Canada, by income quintiles, 2022

	Household income quintile				
	Bottom	Second	Third	Fourth	Top
	Percentage				
Very concerned with the impact that rising prices may have on ability to meet day-to-day expenses over the next 6 months	63.0	57.6	41.7 *	37.1 *	18.7 *
Due to rising food prices, very likely to obtain food or meals from a community organization over the next 6 months	17.0	7.9	4.8*	4.9	1.2*
Very concerned with ability to afford housing or rent because of rising housing prices	46.4	34.0	35.5	18.7*	16.8*
Very concerned with rising gasoline prices	73.3	75.0	74.6	67.2	47.0 *
In the past 6 months, due to rising prices, often had to borrow money to meet day-to-day expenses	19.2	14.9	6.6*	7.0*	2.1*
Most days extremely stressful due to financial issues	22.9	17.6	4.9 *	8.4*	5.8*

* significantly different from the bottom quintile (p<0.05)

Source: Uppal, S. (2023, February 8). Rising prices and the impact on the most financially vulnerable: A profile of those in the bottom family income quintile. *Insights on Canadian Society*. Statistics Canada. <https://www150.statcan.gc.ca/n1/pub/75-006-x/2023001/article/00002-eng.htm>

Food inflation— the tip of the affordability iceberg

“Food costs have increased so much that many new clients have come to need our help. Housing costs, low income levels have also contributed.”

Survey respondent, New Brunswick

The impact of weekly trips to the grocery store on a household budget can be the most difficult to predict and plan for. In 2022, 43 per cent of people living in Canada said rising food prices impacted them the most in the previous six months compared to all other areas of inflation.²⁶ However, people in lower income brackets experience greater challenges with coping with these increased costs—for example, they are more likely to have no savings or credit to draw upon, and they are less able to afford strategies such as buying in bulk or storing large quantities of perishable food.²⁷

For the over 40 per cent of food bank clients receiving one of two forms of provincial social assistance—either general welfare or provincial social assistance—status quo means receiving incomes that are well below the official poverty line. In many cases, the real dollar value of that income has barely risen—and in some cases has even declined—compared to its value 30 years ago.²⁸ Households within this income bracket spend a higher percentage of their limited incomes on food²⁹ and are impacted by even moderate rates of food inflation. Studies from the US Supplemental Nutrition Assistance Program (SNAP), whose participants mostly live below that country’s official poverty line, found that a \$10 increase in the price of a modest food basket increased food insecurity among these households by 5 per cent.³⁰

When all factors are considered, the rising cost of food is the tip of the affordability iceberg in regard to the cost challenges faced by those in lowest-income households. Limited financial resources, along with housing costs that are well over the affordability threshold of 30 per cent of their income,³¹ make the lowest income quintiles less likely to manage food inflation and more likely to experience food insecurity. For middle-income households, high housing/rental costs combined with various other household circumstances—for example, health or dental care needs, debt, or family emergencies—increase the risk of food insecurity when food prices surge.

²⁶ Uppal, *Rising prices*.

²⁷ See Stapleton, J. (2011). *Less on their plate: Canada’s poorest people facing a frightful food crisis*. Canadian Centre for Policy Alternatives. <https://www.policyalternatives.ca/publications/monitor/less-their-plate>

²⁸ Maytree. (2023). All-Canada overview. <https://maytree.com/changing-systems/data-measuring/welfare-in-canada/all-canada/>

²⁹ Uppal, *Rising prices*.

³⁰ Gregory, C., & Coleman-Jensen, A. (2013). Do high food prices increase food insecurity in the United States? *Applied Economic Perspectives and Policy*, 35(4), 679-707. <https://doi.org/10.1093/aapp/ppt024>

³¹ 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.

Providing a fuller picture of poverty in Canada: The Material Deprivation Index

“Non-monetary indicators of poverty such as the European Union’s (EU) Material and Social Deprivation (MSD) indicator are exceptionally well suited to register the pinches and punches delivered to the purchasing power of households with relatively low resources and/or high needs.”

Geranda Notten

“An inflation-proof methodology to measuring policy effects on poverty.”

*OUPblog: Oxford University Press’s Academic Insights for the Thinking World.*³²

³² Notten, An inflation-proof methodology.

Providing a fuller picture of poverty in Canada: The Material Deprivation Index

To show the full extent of poverty and its effects on food insecurity from coast to coast to coast, Food Banks Canada's research team is collaborating with the Maytree Foundation and the Maple Leaf Centre for Food Security to develop a made-in-Canada MDI, which will be similar to measures that are already being used in many countries throughout the world.

Unlike other measures of poverty, such as the MBM, which are based on income, the MDI looks at the goods and activities a household with an acceptable, above-poverty standard of living would be expected to have in a wealthy country like Canada. The MDI is a complementary tool that could be used in conjunction with the MBM, and other income-based measures of poverty such as the LIM. By asking a household directly about which goods and activities they cannot afford, we can better understand the impact that factors such as rapid inflation have on their standard of living.

A previous study using a 2013 data set shows that an MDI-type measure assesses significantly more households as experiencing poverty than income poverty-type measures alone. The study found that 57 per cent of people considered to be living in poverty according to the MDI were not considered to be in a "low-income" household, and 50 per cent of people considered to be in a "low-income" household were not living in poverty according to the MDI.³³ This lack of overlap between income-based and MDI-type measures has been observed internationally as well. The discrepancy arises because people's financial resources, needs, and living arrangements are far more diverse than income poverty measures can accommodate. The impacts of the pandemic, as well as rapid inflation, have likely only magnified this lack of overlap.

The two types of measurements together will give us some insight into where we may be misunderstanding the extent of poverty when we use the MBM or other income-based standards alone. This includes being able to better understand the full extent of poverty among single parents, people with disabilities, and racialized, Indigenous, and other groups facing systemic barriers. When we better understand the extent of poverty, we can better understand the needs of a population, enable more appropriate eligibility requirements for government benefits and supports, and better monitor the positive impacts of poverty reduction initiatives such as subsidized childcare and PharmaCare.



³³ Notten, G., & Kaplan, J. (2021). Material deprivation: Measuring poverty by counting necessities households cannot afford. *Canadian Public Policy*, 47(1), 1-17. <https://utpjournals.press/doi/10.3138/cpp.2020-011>

Providing a fuller picture of poverty in Canada: The Material Deprivation Index

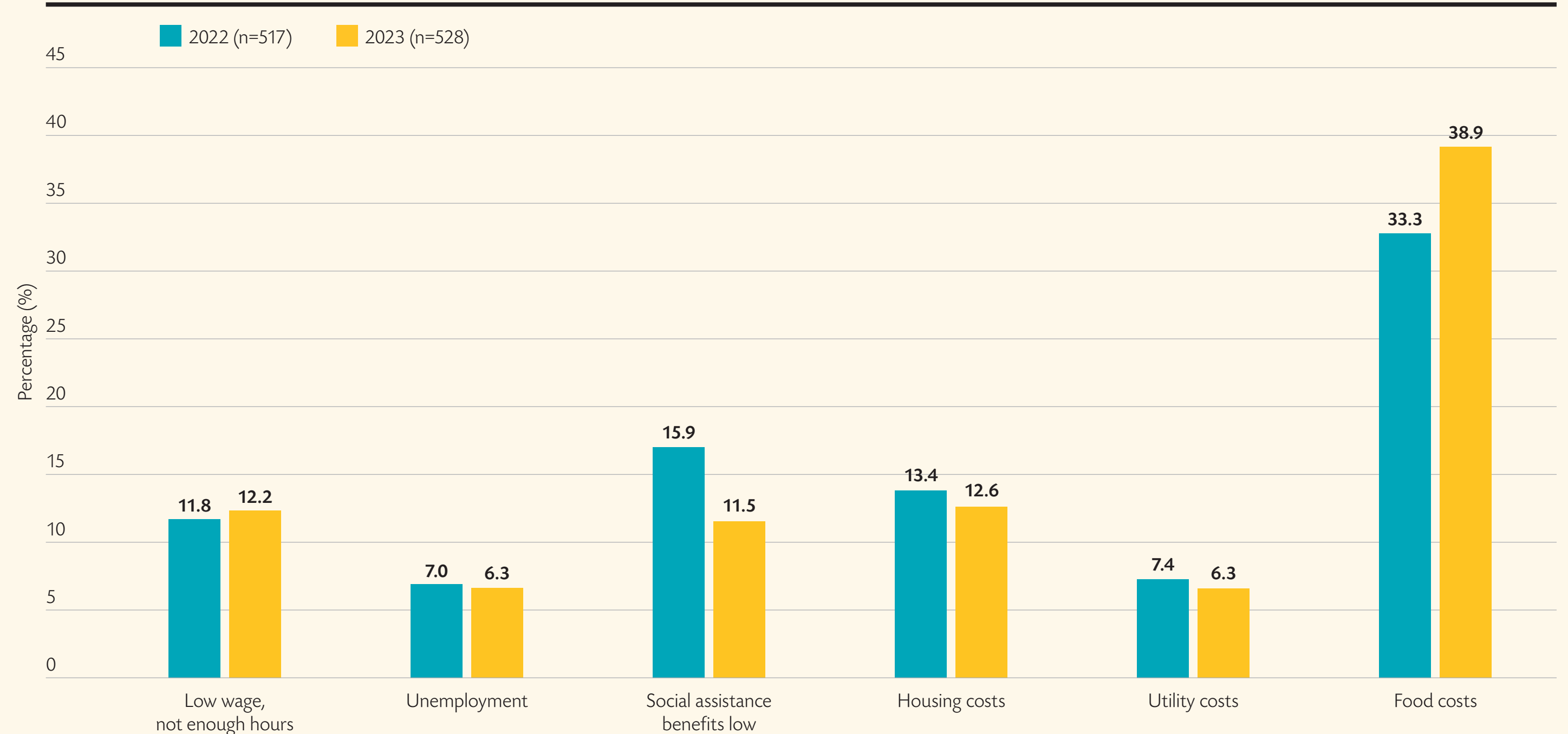
“Our rental housing averages 1,500 for a single to over 3,000 a month for a family, clients are choosing to make sure the rent is paid, and they can supplement their food purchases with food bank hampers. The cost of food, gas prices are also a factor. Fish farms, mines are closing, and unemployment is also a factor.”

Survey respondent, British Columbia

People accessing food banks in Canada are likely to be in the lowest income bracket, and therefore are more vulnerable than other groups to the impacts of any increase in food prices. Since the question was first asked, in the HungerCount survey in 2021, the top reason for accessing a food bank has been the cost of food—and the percentage of respondents who cite the cost of food as the main reason has significantly increased, from 24.9 per cent in 2021 to 33.3 per cent in 2022 and 38.9 per cent in 2023.

Other key reasons for accessing a food bank are the cost of housing and utilities, and low income, whether the income is low because of social assistance benefits being too low or earning low wages/not getting enough hours at work. However, this year, for the first time, low wages or not enough hours were cited more frequently than social assistance benefits being too low. This is in large part due to a decrease in the proportion of clients receiving social assistance as their main source of income, and an increase in the proportion of clients with employment as their main source of income.

Figure 9: Main reasons for accessing a food bank, 2022 versus 2023



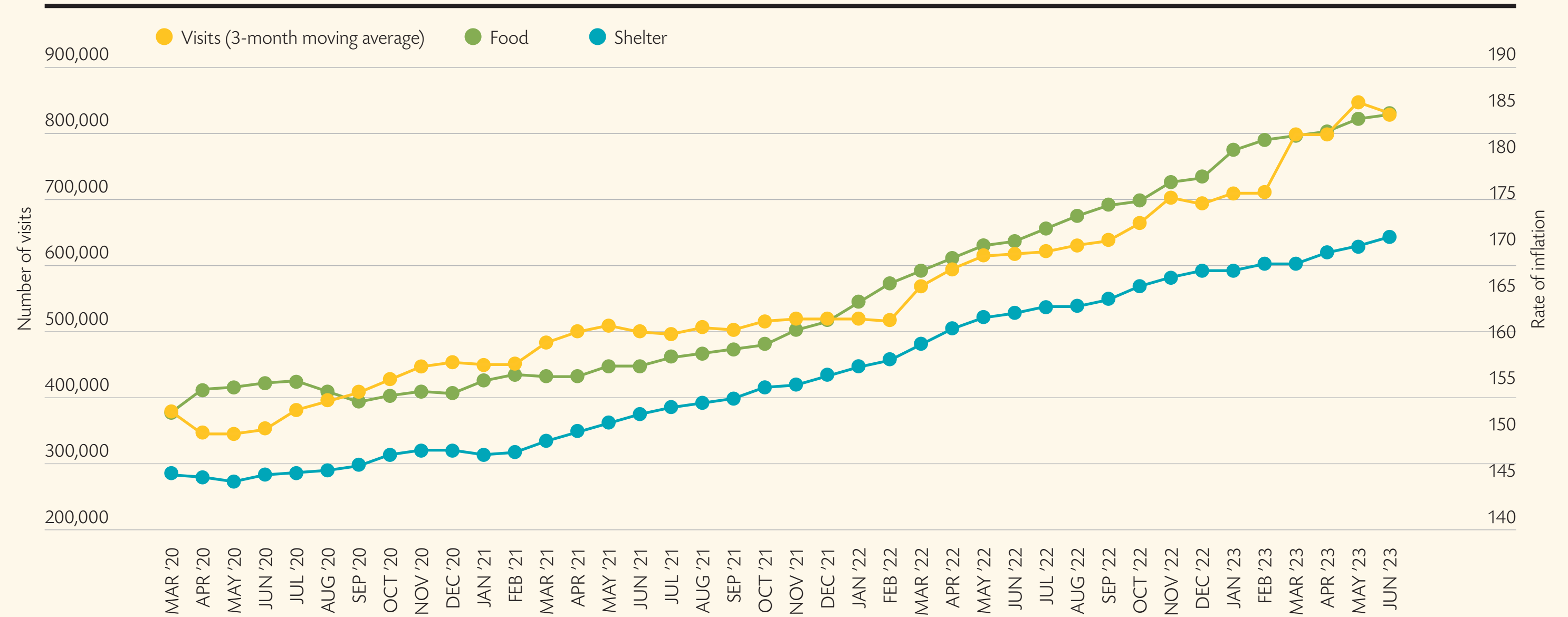
Source of data: Food Banks Canada

Providing a fuller picture of poverty in Canada: The Material Deprivation Index



Usage data collected from the food bank network compared to data available from Statistics Canada continues to corroborate these observations. Looking at monthly food bank visits from March 2020 to June 2023 from a sample of food banks, along with monthly food and housing prices during the same period, we can see the impacts of rising inflation that became more pronounced in February and March 2022 onward. It is important to note that the graph on the right shows only two drivers of food bank usage, and this analysis does not examine other important factors such as social assistance caseloads and the impact of changes in income benefits. Further analysis is needed to explore the importance of these factors in order to provide a clearer picture of the contributions of pandemic benefits to the decline in food bank usage in early 2020.

Figure 10: Monthly food bank usage and food and housing inflation, March 2020–June 2023



Source of data: Statistics Canada. (2023, September 19). *Monthly food bank visits from Food Banks Canada. Food and housing inflation from Statistics Canada. Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted.* <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401>.

Note: Trends come from a sample of food banks on the Link2Feed system that were able to provide food bank usage data throughout this period, representing approximately 50% of the network and 45% of total visits.