

Daily Bread Food Bank – Submission to Toronto City Council

Re: [Item MM39.27](#) – City-Run Grocery Store Pilot

Summary Position

Daily Bread Food Bank welcomes the City's leadership in addressing food insecurity and supports exploring new approaches to improving food access. We want to be part of the solution, assist the City, and would be open to participating in a pilot. However, before proceeding, we recommend undertaking a rigorous feasibility and financial viability assessment to ensure this is the most effective use of public resources. We would be pleased to support or help lead this analysis with City staff.

Context: Food Insecurity in Toronto

Food insecurity is a city-wide crisis affecting every neighbourhood. Daily Bread's network saw over 4 million client visits last year, reflecting unprecedented need.¹ This crisis is driven primarily by inadequate incomes relative to the cost of living.

Assessing Potential Impact

The average four-person Canadian household is expected to spend approximately \$17,571.79 on groceries this year, or roughly \$370 per person per month.² Retail grocery margins in Canada are estimated at approximately 3–5% on food items.³

Even if a city-run grocery model eliminated these margins entirely, this would translate to approximately \$40–\$73 per household per month in maximum theoretical savings (or \$11 to \$18 per person per month), and likely less once operating costs are considered.

While any savings are meaningful, this level of reduction alone is unlikely to significantly improve affordability for households experiencing food insecurity without additional subsidy.

Key Considerations for Feasibility

A feasibility and viability assessment should examine:

¹ Daily Bread Food Bank (2025). Who's Hungry Report. <https://www.dailybread.ca/research-and-advocacy/research/whos-hungry-report/>

² Agri-Food Analytics Lab (2025). Canada's Food Price Report. <https://www.dal.ca/sites/agri-food/research/canada-s-food-price-report-2026.html>

³ Retail Council of Canada (2022). <https://competition-bureau.canada.ca/en/how-we-foster-competition/consultations/response-retail-council-canada-consultation-market-study-retail-grocery>

- Whether the City can procure and operate grocery retail at costs equal to or lower than the private sector
- The level of subsidy required to deliver meaningful price reductions
- The extent to which food access (vs. income) is the primary barrier in specific neighbourhoods
- Comparative cost-effectiveness relative to alternative interventions

Geographic Need

Existing research suggests Toronto generally has strong geographic access to food retail, though affordability remains a major barrier. A targeted analysis is needed to identify any true food deserts or underserved areas.

Leveraging Existing Infrastructure

Toronto already has a robust network of over 200 community-based food programs with established supply chains, logistics, and community reach. Expanding access to City-owned spaces for these programs could provide a lower-cost and faster alternative to improving food access, and has long been called for by our food bank agencies.

Addressing Root Causes

Food insecurity is fundamentally driven by income and housing affordability. Long-term solutions require investments in income supports and deeply affordable housing.

Conclusion

Daily Bread supports the City's efforts to address food insecurity and is committed to working collaboratively with Council and staff. Given the above considerations, we recommend conducting a comprehensive feasibility and financial viability assessment before proceeding with a pilot and would welcome the opportunity to support this work.