How the grocery supply chain works, from wheat fields to weekly flyers

Over the past five years - COVID, conflict, climate change being the most notable examples of global stresses - and that is to translate into inflated food prices for all goods across the global economy," said David Littler, director of the Food Retailing Industry Research. Consumers are acutely aware of increases in food costs because other costs, especially housing, are also skyrocketing, said Littler, and so food prices have become emblematic of a wider inflation.

"Because consumers don’t really understand the ins and outs of the supply chain, the blame is often placed on the retailer," said Michael Gervais, CEO of the Food, Health and Nutrition Board. "But there’s a lot of complexity that needs to be assessed.

"People are significantly pressurised from a cash flow perspective and - to the extent possible - they’re trying to squeeze and stretch every dollar they have," said Gervais. "And that’s a bit of a challenge that the whole industry is facing.

Higher interest rates have also slowed inflation since its peak in March, while food prices rose at a rate of 4.7 per cent.

"The major commodities that saw in price and drove foodstuff inflation are due to factors including war in Ukraine and Russia, higher energy prices, and the COVID outbreak in China," said David Littler. "These are all factors that have increased food prices.

"There’s also of pressure in the supply chain over-"...

In order to mitigate rising costs, processors may change the ingredients in a product, invest in automation or alter recipes, said Gervais. "But higher interest rates are making it harder for food manufacturers to absorb additional expenses. When they’re done allaying some cost into a product, they may be less willing to absorb additional cost.

"While those costs may not be going up at the same pace as before, they’re not come down for the consumer," said Littler.

“Government has recently increased the rate of food sales tax to 10.50 per cent from 7.50 per cent in order to offset the cost of groceries,” said Mayor Christine Sorensen. "This is a temporary measure and will be removed once the Bank of Canada has reduced its interest rates."