

Proposal Outline

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Introduction

As national grocery store chains report record profits, many Canadians are struggling to afford food for themselves and their families. Grocers often blame their increasing prices on supply chain issues, increasing costs, and post-COVID inflation; but, no matter the cause, these price increases are putting an excess financial burden on already vulnerable groups, such as low-income individuals or households, members of racialized communities, and Indigenous peoples. To tackle this problem, our team is proposing the FoodCard program to provide targeted aid to those who need it, and support local businesses.

Project Details

The FoodCard Partnership program is our idea to help remedy food insecurity within low-income households and other vulnerable individuals and communities. The cost-of-living crisis in Canada, specifically in British Columbia, has put a strain on many people's personal finances, especially when it comes to necessities like food. When it comes to low-income individuals, the amount that households spend on food increases to a greater extent than other income brackets, harming already vulnerable families (See Figure A1). Our proposed program aims to remedy this issue by empowering marginalized groups that are at a greater risk of experiencing food insecurity. To achieve this, we aim to partner with locally owned grocery stores to provide communities with affordable and accessible groceries using our FoodCard program. Komakech and Jackson (2016) found that small ethnic retail grocery stores were more "trusted, provided a valued cultural social [space] for ethnic identity formation, and ethnic food security" for the community. In this program, we aim to support these types of businesses.

The first part of this program will provide benefits for eligible businesses, such as tax breaks, a certification, greater exposure, and connections and discounts from local producers. In order to qualify for our program, these retailers must follow certain guidelines. These businesses will receive FoodCard Partner status. Some guidelines include price rises that are not greater than inflation in the previous years (within a reasonable range), and sell local products (see Appendix B for more extensive details about the program). For low-income households, we aim to support consumers by providing a weekly food allowance that can be used at FoodCard Partner businesses.

The main goal of this program is to uplift low-income households to reduce the proportion that they spend on groceries. For businesses, we want to support small businesses run by ethnic minorities, Indigenous peoples, and other marginalized groups. For consumers, we want to prevent larger grocery chains from dominating the market and limit price increases due to greed. Partnering with these retailers, such as small ethnic grocery stores, provide a

trustworthy and affordable place to buy ethnic foods, and a cultural centrepiece of the community.

Implementation

To implement the project we first analysed municipalities with the highest low income individuals, which were located in the Lower Mainland in Vancouver. Thus, we decided that the pilot program of the project would target 100 low income households and partner with 10 established community grocery stores, 2 of which must be Indigenously owned. The project will ensure that the distribution of permits to corporate partners is sporadic throughout the municipality for better access. To apply to the program, low income individuals or households are required to apply through an application that informs the program of the intersectional challenges they may face. Once admitted to the program the recipient will receive a food card issued with credit to claim groceries from our partnered stores. The financial aid the project required would be an estimated amount of 1.2million CAD. This will account for fair wage amounts for administrative staff, food card subsidies and physical cards. Moreover an estimate of 200 thousand CAD will be reduced through benefits of the program to account for partnered stores.

Conclusion

Overall, our team has planned a proposed solution to alleviate the burdens food-insecure households experience in British Columbia. Our proposed solution is to implement the FoodCard program, where we partner with locally owned grocery stores to provide accessible and affordable groceries for low-income households in BC. Not only will we provide affordability and accessibility to low-income households, but we will also showcase local businesses through promotions. Through our pilot program, we aim to gauge the viability of the FoodCard program and gain interest. Although this alone does not solve the problem of food insecurity, it is a step in the right direction to achieve.

Timeline

Jan - Aug 2025:

- Hire team to oversee FoodCard program
- Find eligible partners that fit the criteria
- Map out the 10 local grocery stores for the pilot program (must not be concentrated in one area)
- Set up grocery stores and train them with appropriate software used for handling FoodCards

Sept 2025:

- Launch pilot program for 2 years

- Find appropriate households to enroll in program - 100 total
 - Ensure variety of groups represented

March 2026:

- 6-month check-in with the stores and households

Aug 2026:

- First renewal period opens for pilot households
 - Need to fill in an anonymous satisfaction survey - includes questions asking about frequent FoodCard Partner locations
- Check-in with FoodCard partners to ensure they are upholding the standards

March 2027:

- 6-month check-in with stores and households

July 2027:

- Assess the impact of the FoodCard program on the pilot households

Sept 2027:

- Pilot program ends
- Another anonymous satisfaction survey for households and FoodCard Partners

Appendix A

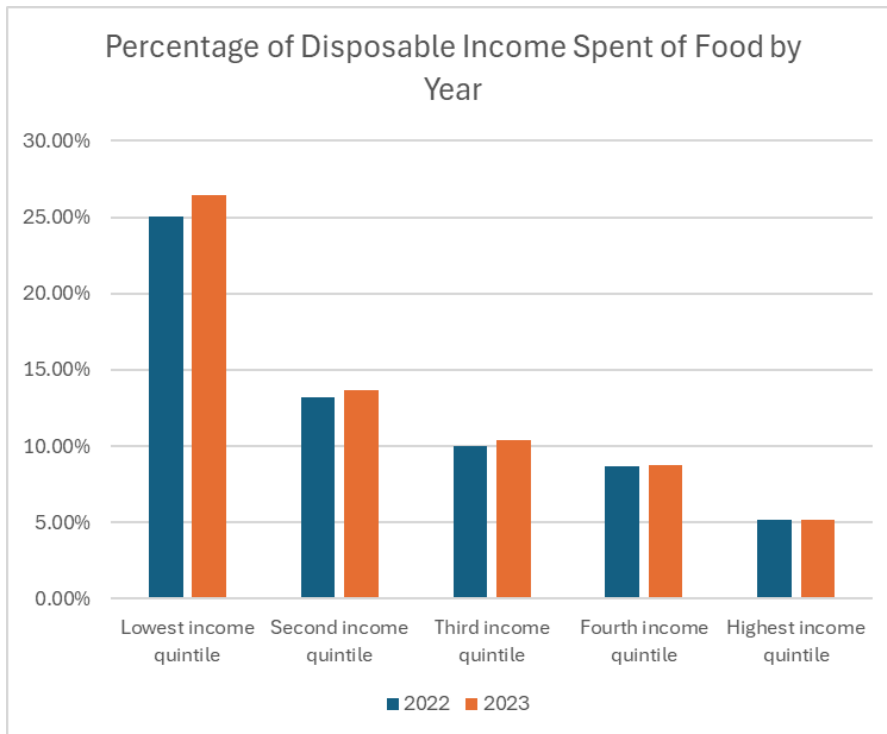


Figure A1. Percentage of disposable income spent on food by year 2022 and 2023. (Statistics Canada, 2024)

Appendix B

Details about Program

1. Benefit amount:
 - a. One-person household: \$50 per week
 - b. Two-person household: \$75 per week
 - c. Three-person household: \$95 per week
 - d. Greater than three-person household: \$120 per week
2. Food Card Holders:
 - a. In order to be eligible for a food card, applicant must identify as
 - i. Low-Income - based on family and community size (submit tax slips from the previous year)
 - ii. Produce a small write up explaining their situation and other factors affecting their food security
 - iii. Priority will be given to BIPOC, recent immigrants/refugees, self-identified indigenous individuals
 - iv. Must renew the card every year, in order to renew must submit tax slips from the year and complete an anonymous survey (so we can see the efficacy of the program over the years)
 1. Survey will include what stores they frequented, categories of food & card was used for, demographic questions
 - b. Usage
 - i. One representative must get a personalized Food Card
 1. Photo
 2. Government-Issued Name
 3. Personal Number (precaution to ensure people don't make their own and so it is easier to keep track of uses)
 - ii. Food Card
 1. Automatically resets every week with amount issued
 2. Applicable for use at partner businesses
 - c. Benefits
 - i. Only for food at participating FoodCard Partner stores
3. Partner Businesses:
 - a. Application
 - i. In order to be eligible for the program
 1. Is an independent food retailer
 2. must be a small business with only 1-9 employees (Innovation, Science and Economic Development Canada (ISED), 2024)
 3. The average profit margin for grocery stores in Canada is between 1% and 3%, which is lower than other retail sectors. In order to be eligible, your profit margin must not exceed 3%

4. Quota for:
 - a. Stores run by BIPOC
 - b. Stores run by immigrants
 - c. Indigenous businesses
- ii. Ineligibility
 1. Non-independent retailers (i.e. national chains).
 2. Manufacturers of alcoholic beverages.
 3. Pet food, cannabis-infused products, and/or nutritional supplements.
 4. Restaurants and food service, including catering services.
 5. Provincial or federal agencies.
 6. Non-B.C. based businesses.
 7. New entrants, with less than two years of operations.
- b. Benefits
 - i. Current small business corporate income tax rate since April 2017, is 2%, can file for income tax credit for the program and get the full 2% back.
 - ii. Will receive a certification to validate partnership
 - iii. Will be promoted on different government platforms
 - iv. Will have access to a hub of local producers
- c. Obligations
 - i. Price increases must be maintained within a 1% range of inflation
 - ii. At least 10 food card swipes per week, in order to ensure they are catering to the population owning food cards
 - iii. After 2 years in the program, at least 10% of goods must be locally grown or produced.
 - iv. To produce a report at the end of every year for audit purposes.

References

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