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Report Name: Canada Announces Its First National Food Security Strategy

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Report Highlights:

The federal government invests over $2 billion USD over 10 years in Canada's first food security strategy to increase competition in the grocery retail sector, support independent retailers, boost domestic food production, reduce reliance on foreign food suppliers, and make food more affordable for consumers. The Competition Bureau launches an examination of competition in Canada's food supply chain.

On June 11, 2026, the federal government announced Canada's first Food Security Strategy with the taglines: "More Choice. More Control. More Canada". The plan includes spending over $700 million USD on building and expanding food terminals and hubs for increased access by independent groceries; investing $900 million USD in expanding the domestic food processing capacity; investing nearly $550 million USD in expanding year-round Canadian production of fruits and vegetables, including through greenhouses; and cutting red tape in the agricultural supply chain. The food security strategy also includes a statement saying that "supply management is fundamental to Canadian self-sufficiency for dairy, egg, and poultry products at stable prices".

The food security strategy includes several key performance indicators, to measure progress in the implementation of various initiatives, such as:

- By 2032, the domestically produced share of healthy food available to Canadians will increase from 75 percent to 85 percent
- By end of 2028, construction of 2 additional food terminals is underway, as well as 10 food hubs are established or expanded
- By 2030, the number of independent grocers who purchase from terminals or hubs increases by 15 percent, while the proportion of local food sales by small and mid-sized producers increases by 25 percent
- From 2027 to 2035, the GDP of the food processing industry, which currently grows at an average rate of 1.6 percent per year, will grow at an average rate of 2.75 percent per year
- Increase the proportion of processed food consumed in Canada that was domestically produced from 70 percent to 80 percent
- By 2032, double the value of fresh produce production grown in controlled environment agriculture (greenhouses, etc.) and sold to the Canadian market
- Reduce the dependence on imported crops that can be grown through controlled environment agriculture by 20 percent by 2032
- Eliminate the agri-food regulatory approval backlog by end of 2026, and reduce the average time for future approvals at the Canadian Food Inspection Agency and the Pesticides Regulatory Directorate by at least one third

Strengthening the food manufacturing industry, by boosting its annual growth rate and increasing the share of domestically produced processed food in total consumption, is likely to decrease Canada's reliance on imported processed food, of which the United States is the largest supplier, and to increase competition from Canadian exports in the U.S. and other foreign markets. Between 2019 and 2025, U.S. exports of processed food to Canada increased by nearly 30 percent, to over $16 billion USD, whereas imports of processed food from Canada increased during the same period by almost 70 percent, to more than $24 billion USD in 2025.

In the fresh produce category, while Canada captures about half of U.S. exports of fresh fruits and vegetables, the value of such exports remained virtually flat at $3.5 billion between 2019 and 2025. In contrast, U.S. imports of fresh produce from Canada increased by over 60 percent during the same period, reaching almost $3 billion in 2025. The measures announced in the food security strategy related to boosting fresh produce production grown in greenhouses will reduce Canada's dependence on imports, while increasing Canada's potential to export and compete in the United States in this market segment.

In a related development, on June 16, 2026, the Competition Bureau Canada announced an examination of competition across Canada's food supply chain. The Bureau's examination will look for potential competition issues in 3 key areas (production and processing, transportation and distribution, and retail pricing practices) and seeks input by July 31, 2026, from individuals, as well as organizations and industry stakeholders. Between Fall 2026 and Spring 2027, the Bureau will organize roundtables and calls to gather additional information, followed by the publication of a final report to include findings and recommendations.

Attachments:

No Attachments.