



A better start for every child.



Ontario Budget Submission 2025

September 27th, 2024



Overview

For close to 30 years, Breakfast Club of Canada (BCC) has been supporting the implementation and development of high-impact breakfast programs in schools from coast-to-coast-to-coast. In partnership with Indigenous programs and Student Nutrition Ontario (SNO), BCC helps to reach a total school population of 432,000 students among 2,000 schools in Ontario, including 53 schools made up of over 50% First Nations students.

Canada remains a privileged country, yet a significant percentage of children and youth are unable to access the healthy food items needed to thrive towards success. Children and youth consume a significant proportion of their daily energy intake during school hours which makes them the optimal environment for ensuring children have access to healthy foods, as well as the promotion of good nutrition, which support optimal growth and development.

Direct Impacts on Educational Success and Prevention

The presence of school meal programs has a concrete influence on the lives of youth, both at school and at home:

- ▶ Improvement of learning abilities and academic performance
- ▶ Fulfillment of students' basic nutritional needs and reduction of hunger
- ▶ Reliable access to nutritious and varied food
- ▶ Creation of a positive school climate, fostering positive relationships, and the development of a sense of community belonging
- ▶ Improvement of mental health, mood, and behavior
- ▶ Contribution to nutrition education and food literacy
- ▶ Increase in attendance and punctuality
- ▶ Support for parents and reduction of stress

Studies reveal that – depending on age and gender – between 25 and 55 percent of students do not eat breakfast regularly. This figure is striking considering the evidence that children and youth who consume breakfast are more likely to have higher nutrient intakes, healthier and adequate diets, enhanced cognitive and academic performance, and improved psychosocial functioning. Despite this, food insecurity is now a reality for one in four Canadians under the age of 18, a 27% increase from 2021 to 2022¹.

On April 1st of this year, the federal government made a historic announcement. The first investment toward a National School Food Program shed light on the growing need for school children and their families to receive access to a morning meal. Literature underscores that a national school food program could serve as a significant economic development opportunity and lead to local purchasing and the creation of over 200,000 direct and indirect jobs in the country, highlighting the potential for substantial growth and development, a promising outlook for our economy².

Food Program Impacts on the Economy

School breakfast programs go far beyond just providing meals; they are designed to support the entire community that supports children, notably by generating economic benefits:

- ▶ **Promotion of Local Agriculture and Purchasing.** Canadian research estimates that purchasing local ingredients could result in a contribution of \$4.8 billion in domestic food purchases by 2029. A U.S. study reported that the ‘farm-to-school’ approach to school food procurement led to farmers receiving nearly five times the sales compared to a more traditional food supply chain—80 cents per dollar compared to 17 cents. In addition, for every dollar spent by schools on local produce has been found to generate an additional \$1.30 to \$2.60 in local economic activity³.

¹ Uppal, Sharanjit. *Food Insecurity among Canadian Families*, Government of Canada, Statistics Canada, 14 Nov. 2023, www150.statcan.gc.ca/n1/pub/75-006-x/2023001/article/00013-eng.html

² Ruetz, A.T., & Fraser, E.D.G. (2019). National School Food Program a short-term opportunity for jobs creation and economic growth. Canadian Science Policy Centre

³ Bobronnikov, E., Boyle, M., Grosz, M., Lipton, I., Nutter, R., Velez, M., & Yadav, L. (2021). Farm to school literature review. Abt Associates. <https://doi.org/10.22004/AG.ECON.338161>

- ▶ **Return on Investment.** High-income countries where these programs exist show a substantial return, up to seven times, in improved human health and economic benefits^{4 5 6}
- ▶ **Job Creation.** These types of programs are expected to support job creation, in some cases seeing more than 200,000 direct and indirect jobs nationwide⁷
- ▶ **Financial Savings.** Monthly savings of \$129 to \$189 per child for families. Better academic outcomes and improved nutrition through universal school meals leads to a 3 to 6% increase in lifetime earnings for students, particularly those from disadvantaged backgrounds⁴
- ▶ **Labor Market Participation** increased among mothers, resulting in higher family incomes and reduced socioeconomic inequalities, particularly for low-income mothers or those living in rural areas.
- ▶ **Human Health and Economic Benefits.** From a health standpoint, the Rockefeller Foundation and the Center for Good Food Purchasing reveal that school meal programs in the U.S. provide nearly \$40 billion in human health and economic benefits, when they only cost \$18.7 billion per year to run⁶

The additional funding from the federal government was expected to start for the 2024 school year, however, there remains significant and growing gaps in support. This is due, in part, to the 20% increase in food and transportation costs and the 30% increase in attendance rate within existing programs. Following consultations with our partners, it is estimated that almost 3,000 schools in Canada, including 1,500 in Ontario would need BCC's support to offer a quality breakfast program to all students in need.

Despite the progress made by the Ministry of Children, Community, and Social Services (MCCSS) to review the provincial program needs and invest an additional \$5 million towards the Ontario Student Nutrition Program (OSNP) and the First Nations Student Nutrition Program (FNSNP) for school year 23-2024, no long-term funding increase has yet been put in place.

⁴ Ruetz, A.T., Edwards, G., Zhang, F. (2023, October 26). The Economic Rationale for Investing in School Meal Programs for Canada: multi-sectoral impacts from comparable high-income countries. Prepared by Ruetz Consulting for the Government of Canada, funded by the Arrell Family Foundation

⁵ Petter Lundborg, Dan-Olof Rooth, Jesper Alex-Petersen, Long-Term Effects of Childhood Nutrition: Evidence from a School Lunch Reform, The Review of Economic Studies, Volume 89, Issue 2, March 2022, Pages 876–908, <https://doi.org/10.1093/restud/rdab028>

⁶ Rockefeller Foundation. (2021). True Cost of Food: School Meals Case Study. <https://www.rockefellerfoundation.org/report/true-cost-of-food-school-meals-case-study/>

⁷ Ruetz, A.T., & Fraser, E.D.G. (2019). National School Food Program a short-term opportunity for jobs creation and economic growth. Canadian Science Policy Centre.

The current government of Ontario school food investment ratio being invested per student per day is still only 10 cents, and while 82% of schools are being supported, this is only equating to 38% of the students in the province, making the need for long-term secured universality of programming vital⁸.

Following the program review led by the MCCSS, over 90% of the stakeholders recommended increasing the core funding allocation to OSNP and FNSNP in the Ontario budget to support increased food costs in current programs and those on the waitlist. Also, it is understood that key cross-ministerial priorities for the program are as follows: food distribution, centralized purchasing, data collection & management, as well as key partnership development.

Breakfast Club of Canada has demonstrated, through its partnership with other Provincial Governments, with the Ministry of Agriculture and Agri-Food Canada, with Nutrition North and with the Wiche'waymagon members that it is uniquely positioned to support the government of Ontario and MCCSS in providing immediate assistance to the OSNP and FNSNP. Specifically, BCC, has the operational and strategic capabilities to support your government with the implementation of optimal food procurement and supply chain strategies. Therefore, to evaluate how our organization should adapt its operational expertise and services to the Ontario network, we have recently mandated a food logistic expert to conduct a comprehensive assessment of the key opportunities in terms of food distribution and centralized purchasing in southern and northern Ontario.

BCC wishes to contribute, at all levels, to increasing food sovereignty, while aiding local purchasing, sustainable development, and food literacy. It should be noted that BCC is Imagine Canada accredited, and partners with various Indigenous communities to facilitate discussions around self-determined and culturally appropriate school breakfast programming. Our comprehensive capacity-building approach provides our school and community partners with personalized support to ensure that they have the tools to effectively operate. BCC can create a proactive, adaptive, and trust-based relationship with school communities; act as a supporter and an ally of school communities; and adapt support according to specific local needs.

⁸ Ruetz Consulting (2024, September). The Canadian School Food Program Survey. Funded by the Arrell Family Foundation

Priorities for 2025-2028

Recommendation 1 – Strengthen school food procurement in current OSNP and FNSNP with an investment of \$8M million over three years to provide up to 190,000 students with access to nutritious food at a low cost.

Following consultation with SNO, MCCSS and IAO, we recommend that the Ontario government leverage BCC's 30-year expertise with supply-chain to optimize logistic and food supply for 6 lead agencies and two regional First Nations councils facing challenges while facilitating access to advantageous food prices to the whole SNO network.

- ▶ Helping BCC to increase the support provided to approximately 470 school communities currently reached through 6 lead agencies and 2 regional FN councils, with the expansion of food distribution to food hubs reaching rural, and northern communities.
- ▶ Before January 2025, the above-mentioned BCC assessment of storage and infrastructure capacities as well as turned-key solutions to food delivery adapted to regional needs will be conducted. Conclusions of such assessment and additional costs will be presented to the government of Ontario to enhance logistical support to SNO and to the FNSNP.
- ▶ Strengthening BCC's capacity to facilitate access to advantageous food prices while offering a comprehensive school nutrition experience to all OSNP and FNSNP in Ontario – in partnership with current stakeholders, provide infrastructure upgrades, ensure a dedicated Ontario Club coordinator supports the growth and development of food hubs as well as a regional community of practice.

Recommendation 2 – Alleviate need in the current BCC's First Nations School network and support new FNSNP with an investment of \$3.5M million over three years to provide more varied menu to 2,131 students currently supported and reach close to 2,200 new students with access to nutritious breakfasts.

Breakfast Club of Canada is currently able to invest an average of \$0.55 cents per breakfast, an annual total of \$200K into the existing 35 First Nations programs in the province.

According to our 2023 national school network survey, 58% of respondents anticipated a funding gap for their school breakfast programs for the upcoming school year.

We recommend that the Ontario government supports bridging the gap to leverage this investment and ensure all youth are properly fed for learning by:

- ▶ Helping BCC increase the support provided to the 35 First Nations schools communities currently supported and expand the daily support to cover the total program costs across a full 170-day school year.
- ▶ Help BCC provides guidance and resources to support an additional 36 additional First Nations schools with the implementation of quality sustainable school food programs over 3 years.
- ▶ Facilitate the development of a community of practice across the entire province to support the development of food security strategies and foster strong relationship between communities for improved knowledge sharing. Connecting community leaders, nutrition experts, and program stakeholders increases the sustainability of student nutrition programs and helps develop programs that better suit the specific needs of Ontario communities.

Assumptions

Food & Delivery costs were established based on a limited number of specific food products as well as the delivery to the Lead Agency locations. These costs do not include any storage and delivery expenses from Lead Agencies to schools.

- ▶ BCC current financial support for FN programs amounts to approximately \$0.55 per student per day on average.
- ▶ For calculation purposes, a theoretical average amount of nearly \$2 per day was estimated for FN programs.
- ▶ Additional support costs were estimated at \$1.45 per student per day on average.
- ▶ 170 school days assumed.
- ▶ Average 3% growth in breakfast attendance (contingent of various socio-economic fluctuations).
- ▶ Average attendance of 61 students per new FN school.
- ▶ Inflation factor at 4%.
- ▶ An amount of \$5,000 per new FN school onboarded for equipment purposes.

Projected Operating Costs

Projected operating costs (in thousands of dollars)		2025-26	2026-27	2027-28	Total
FOOD HUB DELIVERY & LOGISTIC	Year 1 – Food delivery and logistic costs to support 3 Lead Agencies + 1 FN group	\$932	\$969	\$1,008	\$2,910
	Year 2 and 3 – Food delivery and logistic costs to support 6 Lead Agencies + 2 FN groups	-	\$1,613	\$1,677	\$3,290
		\$932	\$2,582	\$2,685	\$6,199
	Ontario Advisor - Food and logistic	\$120	\$120	\$120	\$360
	Administration	\$231	\$593	\$616	\$1,440
	SUB TOTAL	\$1,283	\$3,295	\$3,421	\$7,999
FN PROGRAMS	Support costs - current 35 FN programs	\$525	\$568	\$609	\$1,702
	Contributions from BCC donors	\$(199)	\$(213)	\$(229)	\$(641)
		\$326	\$355	\$380	\$1 061
	New FN openings - 12 programs	\$249	\$267	\$286	\$801
	New FN openings - 12 programs	-	\$259	\$277	\$536
	New FN openings - 12 programs	-	-	\$267	\$267
	Equipment new openings	\$60	\$62	\$65	\$187
	Administration	\$139	\$207	\$280	\$626
	FN TOTAL	\$774	\$1,149	\$1,554	\$3,478
GRAND TOTAL		\$2,057	\$4,445	\$4,975	\$11,477

Disclaimers

BCC did not conduct a full review of specific needs and gaps in current Lead Agency and FN supported schools. Some schools may already receive additional contributions from other sources. This may impact these preliminary projections.

The model assumed that the type of support provided to FN schools would be through “financial support”. Should a “food procurement support” approach be used, program cost projections would be different and could be beneficial to schools and communities.

A coordinated annual assessment is required to ensure that BCC's contribution remains accurate based on program needs and economic fluctuations. BCC's strong capacity to monitor and report results will help optimize the impact of each dollar invested by the Ministry. Any under-utilization of funds, if identified as permanent after annual reviews, could be used by the Ministry to meet any gaps identified by the communities and the stakeholders during the project.

Conclusion

There has never been a more critical time in Canadian history to invest in the health, well-being and learning of our children and youth. With the current affordability and food insecurity crisis, we must ensure that all children and youth have access to the nutritious food they need to thrive, especially the most vulnerable ones.

Leveraging the Club's expertise in this realm as a trusted partner will allow the Ministries of Children, Community and Social Services, Education and Indigenous Affairs Ontario to support priority needs quickly and efficiently.

We thank the Government of Ontario for their consideration of our proposal and invite you to reach out to discuss our submission in greater detail.

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