

Legislative
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Bill 113

An Act to address food affordability and price competitiveness

Co-sponsors:

Mr. T. Rakocevic

Ms J. Bell

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Private Members' Bill

1st Reading May 4, 2026

2nd Reading

3rd Reading

Royal Assent



EXPLANATORY NOTE

The Bill enacts the *Fair Prices and Tax-Free Groceries Act, 2026*. The Act requires that a plan be developed to address the affordability of all food products and non-alcoholic beverages and ensure Ontarians have access to food at fair, stable and transparent prices. The plan must, at minimum, include the following elements:

1. The Minister of Public and Business Service Delivery and Procurement is required to remove existing controls on real property that have the effect of limiting and controlling competition among food retailers in Ontario.
2. The Minister of Finance is required to take all necessary steps toward removing the HST on food products and non-alcoholic beverages.

An Act to address food affordability and price competitiveness

Preamble

Food prices are out of control, in part due to the dominance of a small number of retailers and their use of agreements to limit competition.

Ontarians deserve access to food at fair, stable and transparent prices.

Therefore, His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Food Affordability Plan

1 (1) As soon as possible, and in any event within 12 months after this Act comes into force, the Government of Ontario shall develop a plan to address the affordability of all food products and non-alcoholic beverages and ensure Ontarians have access to food at fair, stable and transparent prices.

Same

(2) The plan must include, at minimum, the measures set out in sections 2 and 3.

Publication

(3) The Minister of Public and Business Service Delivery and Procurement shall publish the plan on a Government of Ontario website.

Property controls to be prohibited

2 (1) The Minister of Public and Business Service Delivery and Procurement shall, as part of the plan, take all necessary steps to develop and introduce legislation to,

- (a) declare void any restrictive covenants, exclusivity clauses and other controls on real property that have the effect of limiting and controlling competition among food retailers in Ontario;
- (b) prohibit the use of the controls on real property described in clause (a); and
- (c) impose penalties for contravening the prohibitions.

Municipal consultation

(2) The Minister shall ensure that consultations take place with municipalities in Ontario in connection with the development of the legislation.

Removal of HST

3 (1) The Minister of Finance shall, as part of the plan, take all necessary steps toward removing the HST on food products and non-alcoholic beverages.

Steps

(2) The steps required under subsection (1) include,

- (a) amending the *Retail Sales Tax Act* to remove the Ontario portion of the HST on food products and non-alcoholic beverages, and making all other required legislative and regulatory amendments to implement that change;
- (b) entering into an agreement with the Minister of Finance for Canada to amend the Comprehensive Integrated Tax Coordination Agreement referred to in section 50 of the *Retail Sales Tax Act* with respect to the amendments described in clause (a); and
- (c) formally requesting that the Minister of Finance for Canada remove the tax payable to His Majesty the Crown in right of Canada under subsection 165 (1) of the *Excise Tax Act* (Canada) on food products and non-alcoholic beverages and make all other required legislative and regulatory amendments to implement that change.

Commencement

4 This Act comes into force on the day it receives Royal Assent.

Short title

5 The short title of this Act is the *Fair Prices and Tax-Free Groceries Act, 2026*.