

## World food prices hit a record high

World food prices surged to a new historic peak in January for the seventh consecutive month, according to a closely watched food price index.

The rise, caused by severe weather, competition for crops from biofuels, and rising oil prices, has sparked riots in some parts of the world, including Egypt.

It's also starting to hurt lower-income Canadians.

The United Nation's Food and Agriculture Organization said its Food Price Index rose 3.4 per cent over the previous month.

At 231 points, this is the highest level since the organization started measuring food prices more than two decades ago.

While Canada has been relatively insulated by price wars among supermarket operators, and a higher Canadian dollar that has made importing fruits and vegetables cheaper, food is expected to get costlier here as well.

Canada's third largest food retailer, Metro Inc., predicted last week that supermarket prices would begin rising in February. Metro operates the former Dominion, A&P, The Barn and Loeb stores in Ontario as well as Metro stores in Quebec.

"In certain categories, we're expecting some pretty significant increases," said Eric La Flèche, president and chief executive officer of Metro Inc., who named pasta and bread as examples.

"The new figures clearly show that the upward pressure on world food prices is not abating," said FAO economist and grains expert Abdolreza Abbassian. "These high prices are likely to persist in the months to come."

The trend is particularly worrisome in countries with low incomes that import much of their food, he noted.

But it's not just poorer countries that bear the brunt.

Canadians on low incomes feel the pain more deeply than average consumers, mainly because they spend a greater share of their household income on food.

In Hamilton, more than 18,500 citizens turn to a food bank for help each month, Joanne Santucci, Hamilton Food Share's executive director, told The Spectator in December. About 8,000 of those are children, and food bank use is going up, increasing 20 per cent since 2008.

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