

Farmers and Food Prices

2025

Farmers' Share
Continues to Shrink



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Executive Summary

The Agricultural Producers Association of Saskatchewan (APAS) continues to update its study examining seven retail food products made from Saskatchewan farm commodities. These updates continue providing transparency about the connection between farm prices and retail food costs.

The past three years of data have shown a link between farm prices and consumer food costs, with farm prices experiencing steep declines while food prices continue to rise substantially. Unfortunately, this year's findings paint a similar picture, with further declines in prices producers receive for their commodities, and only marginal decreases in food costs.

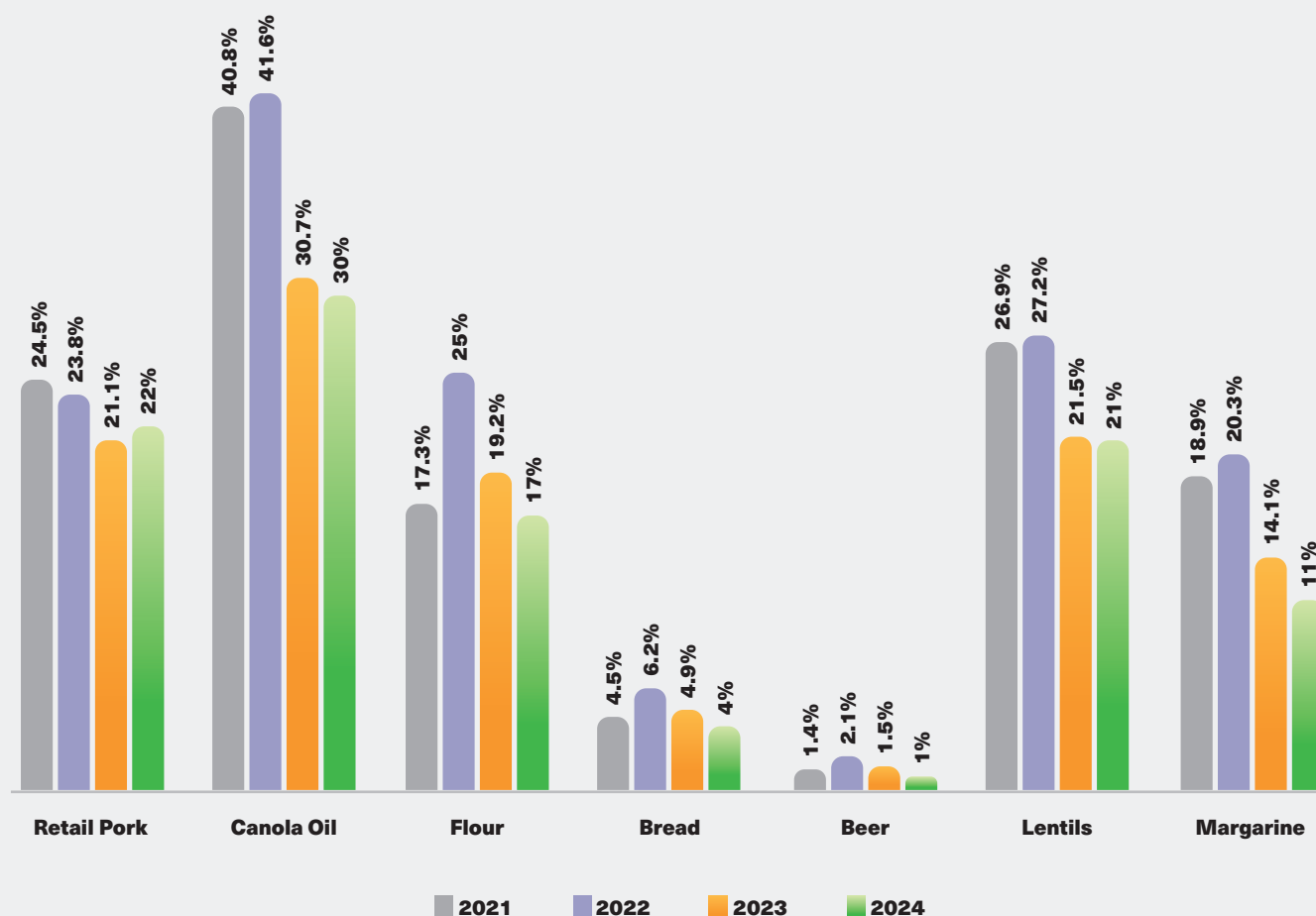
This report comes at a time of economic uncertainty and fluctuating market conditions. Persistent volatility continues to undermine reliable crop and livestock price forecasts, leaving producers in a precarious position.

The data in the 2025 report highlights year-over-year decreases in farm shares and commodity prices, underscoring the challenges faced by the agriculture industry.

In a time of political change and consumer uncertainty, the public continues to look for answers about food costs and, in many cases, search for accountability. APAS advocates for transparency and accountability within the food supply chain by providing a window into the producer's role. This report provides an examination of what farmers earn when consumers purchase food products, such as bread, demonstrating the growing disparity between farmgate prices and retail costs.

Through this work, APAS continues to champion the need for an equitable, accountable, and transparent system that supports both agricultural producers and Canadian consumers.

Farm Share



Introduction

Concerns for food sovereignty and the intricacies of food supply chains dominate conversations and against the backdrop of evolving trade relationships, compound concerns over the cost and availability of food for Canadians. Although the path forward is unclear, APAS's commitment is to provide a detailed review of last year's trends.

The 2025 Farmers and Food Prices Report by the Agricultural Producers Association of Saskatchewan takes place at an important moment in time. Understanding changes to the farm share of the food dollar over these tumultuous years and comparing the change in commodity prices to food costs highlights the effects that global events exert on our domestic food supply chains.

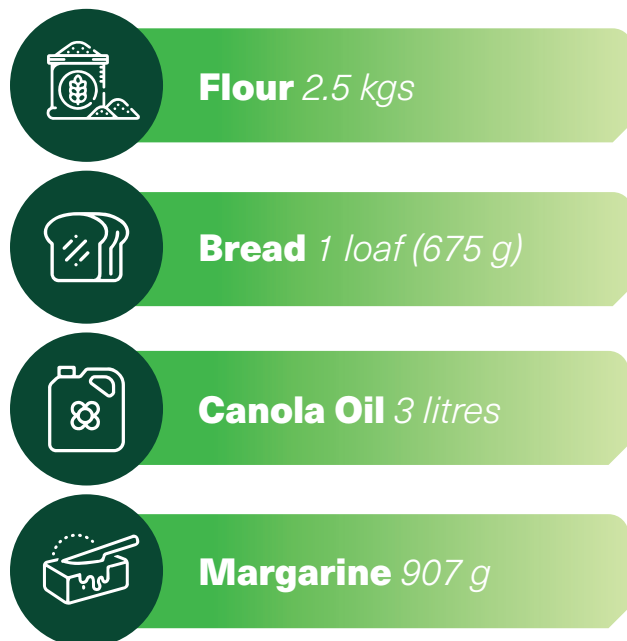
APAS is dedicated to enhancing transparency at the producer level of the supply chain, a segment that is not clearly understood by many consumers. The impending implementation of a grocery code of conduct in the summer of 2025 promises to introduce an essential level of accountability at the retail end of the food chain. Though transparency itself does not directly lead to lower grocery prices, it does offer a means of accountability to ensure fair market participation by these stakeholders.

Our 2025 report builds on the previous two years, offering further insights and data. It highlights the growing concerns associated with market uncertainty and shows the farmer's struggle with volatile commodity prices and reduced farms share.

The Study

Again in 2025, 7 products were studied using the methodology adapted by Canadian market analyst, Kevin Grier, from the USDA's Economic Research Service.

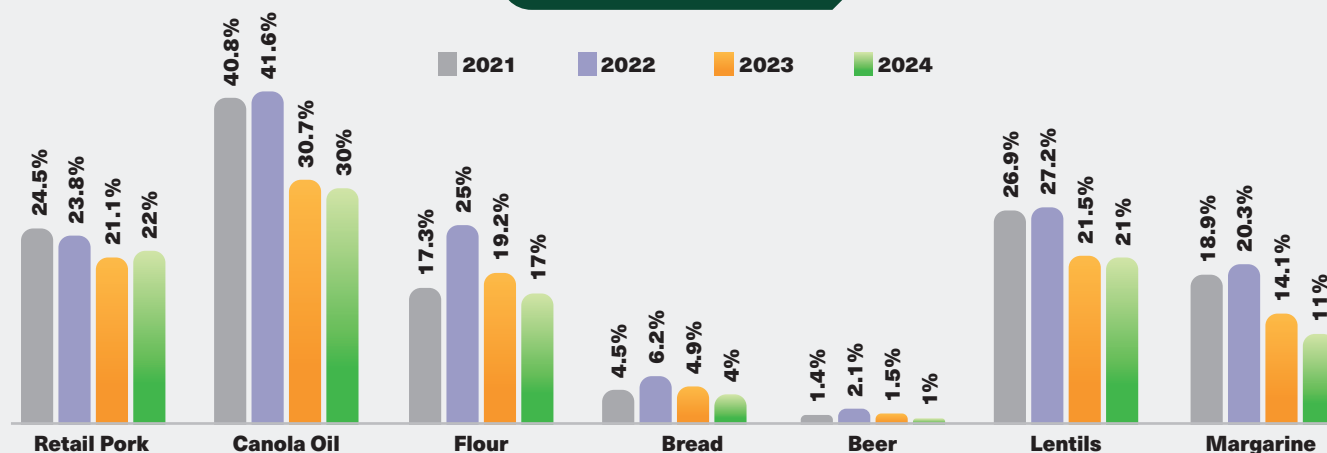
Utilizing the retail price of a product, as well as the price of the underlying commodity, the farm shares for the following products were calculated:



These products were chosen as they represent some of the key commodities grown in Saskatchewan – hogs, canola, wheat, barley, and lentils. They are also common household foods for Saskatchewan consumers and represent a variety of processing lengths. Pork is analyzed as 'retail pork', meaning that it is not a single cut of the animal, but an amalgamation of all cuts that come from a harvested animal, and the total cost of those products at a retail level.

The Results

Farm Share



Since APAS has been conducting this research, a consistent decline in the farmer's share of the food dollar is observed across almost all products. This means that for every dollar spent by consumers at grocery stores, an increasingly smaller portion of it is making its way back to the farm gate. This reduction in farm share also indicates the weakening influence of commodity prices on final grocery store prices.

Previous APAS reports have highlighted this trend. For example, in 2022, with record crop prices, the impact on food prices remained difficult to measure. By 2023, as crop prices dropped significantly and food prices continued to

rise, it became evident that the prices farmers received were not driving consumer food costs. These findings point to the complexity of the food supply chain - a system influenced by many stakeholders and processes, many of which lack transparency.

APAS remains committed to monitoring and reporting on the farmers' share of the food dollar. These efforts aim to bring transparency to the producer's role in the supply chain, shedding light on how much of the money spent by consumers at grocery stores ultimately returns to the farm gate. By providing this data, APAS helps ensure informed discussion and accountability within the food system.

Increasing Uncertainty

Tariffs and ongoing tariff threats have introduced significant volatility and uncertainty across all levels of the supply chain, with consumers bearing the brunt at grocery stores. Understanding of where our food originates and the processes it undergoes before reaching the grocery store is critically important to assess the potential impact of these trade concerns.

While this study focuses on food products made from Saskatchewan commodities, it is important to recognize that farmers operate in a global market. Producers cannot price their livestock, grains, or oilseeds based on whether they are destined for domestic markets or local food products. The uncertainty created by tariffs and market instability drives down prices for farmers across the board,

regardless of whether the commodity ultimately leaves the country or remains within the domestic supply chain.

The potential effects of tariffs on the farm share of the food dollar are challenging to predict. Fluctuation in futures prices may encourage producers to hold onto grain, waiting for more stable conditions, while others may sell. For livestock producers, however, flexibility in timing sales is inherently limited, putting them at greater market risk.

As global factors continue to influence local markets, the importance of providing clarity and support to producers navigating these uncertainties cannot be overstated. Their resilience remains foundational to ensuring both the stability of the food supply chain and long-term food security for Canadians.

Food Price Transparency

The complexity of the food supply chain is often understated. There are many steps and different players involved in bringing food from the farm onto your plate. Despite a growing consumer demand for locally sourced goods, most products still require intermediaries, such as millers, butchers, and brewers, after the initial agricultural production. Beyond these, the chain also includes extensive logistics involving transportation, storage, and various suppliers. The food supply network forms a complex network, characterized by limited transparency and high susceptibility to market fluctuations.

The implementation of the Grocery Code of Conduct by the summer of 2025 marks an important advancement in efforts to enhance transparency with the Canadian food supply chain. Initiated amid concerns about high and

escalating food costs, which were prevalent during the first publication of this study in 2023, this code aims not directly to reduce food prices but to foster greater transparency and accountability among Canadian grocery retailers.

From the producers' perspective, the table below provides a clear and detailed view of the realities in commodity pricing relative to grocery stores. While many food prices have receded from their peaks last year, they remain notably higher than three years ago. This data underscores the ongoing challenges in aligning commodity prices with final consumer prices, highlighting the need for greater clarity throughout the food supply chain to support informed consumer choices and ensure equitable practices across the industry.

Product	2021 Price	2022 Price	2023 Price	2024 Price	% Change 2023 to 2024
Canola (<i>Commodity</i>)	\$666.90	\$954.75	\$800.99	\$634.21	-21%
Canola Oil (<i>Retail</i>)	\$7.67	\$10.79	\$12.23	\$10.00	-18%
Margarine (<i>Retail</i>)	\$4.59	\$6.12	\$7.39	\$7.18	-3%
Wheat (<i>Commodity</i>)	\$300.45	\$447.00	\$383.23	\$300.91	-21%
Flour (<i>Retail</i>)	\$4.66	\$5.22	\$5.67	\$4.83	-15%
Bread (<i>Retail</i>)	\$2.87	\$3.39	\$3.59	\$3.37	-6%
Lentils (<i>Commodity</i>)	\$757.72	\$911.00	\$864.92	\$821.94	-5%
Retail Lentils (<i>Retail</i>)	\$3.02	\$3.58	\$3.92	\$3.77	-4%
Barley (<i>Commodity</i>)	\$257.37	\$400	\$342.90	\$251.26	-27%
Beer (<i>Retail</i>)	\$43.69	\$45.20	\$53.99	\$57.99	7%
Hogs (<i>Commodity</i>)	\$80.29	\$88.81	\$80.36	\$84.28	5%
Pork (<i>Retail</i>)	\$565.00	\$637.58	\$649.07	\$667.60	3%

Conclusion

This year's study is concluded at a time of collective anticipation waiting to witness the unfolding events in the months ahead. The backdrop to this conclusion is set by fluctuating commodity prices, reduced farm shares, and pervasive stress that spans from grocery aisles back to the farm gate

Throughout this study, emphasis has been on the idea

that grocery shoppers and farmers are not adversaries in a battle over prices. Instead, they represent the starting point and the final stop in the food supply chain—both burdened by the costs imposed by the less visible parts of the supply chain.

Moving forward, APAS remains committed to enhancing transparency and accountability along the food chain.



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