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July 29th, 2026
Mayor Chow & Toronto City Council
Toronto City Hall
100 Queen St West
Toronto, ON M5H 2N2

Transmitted as via email: clerk@toronto.ca

Dear Mayor Chow and Members of Toronto City Council,

Re: Toronto City Council's Item 2026.EX33.33 – Proposed Making Grocery Prices Fair: Banning Surveillance Pricing in Toronto

On behalf of the Retail Council of Canada (RCC), we are writing to express our concerns regarding City Council's motion Item **2026.EX33.33.**

The motion unfairly portrays the retail sector in a negative light while attempting to solve a problem that simply does not exist. **Canadian retailers have been clear on this point: surveillance pricing—the practice of using an individual's personal data to selectively increase prices for that specific consumer—is not occurring in Canadian retail.** While Retail Council of Canada (RCC) unequivocally opposes surveillance pricing and would support action if such a practice were ever to emerge in Canada, public policy should be grounded in evidence, not speculation. Creating new municipal regulations to address a speculative and unsubstantiated threat would impose unnecessary burden without delivering any meaningful benefit to consumers.

Furthermore, the proposed motion conflates legitimate customer benefits with predatory practices. Modern retailers use data to offer loyalty rewards, personalized discounts, reduce food waste, and targeted promotional savings. These initiatives are designed to **lower costs for consumers**, not inflate them. In an intensely competitive grocery market, consumers can easily compare prices across retailers and switch stores. Arbitrary, individual price increases would immediately drive customers to competitors and precisely why grocers do not engage in the practice. **We believe specific language needs to be added to this motion that clearly allows for practice and data collection that is used to provide lower prices for consumers.**

RCC remains fully supportive of strong consumer privacy protections, transparent pricing, and the robust legal framework that already governs retail pricing and data use in Canada. Existing federal and provincial laws prohibit deceptive pricing practices, require pricing transparency and accuracy, regulate the collection and use of personal information, and provide significant consumer protections. Before introducing additional regulation, policymakers should first establish that a problem exists and that current laws are insufficient to address it.

A recent OECD report offers a balanced assessments and highlights an important distinction: algorithmic pricing is not the same as surveillance pricing.

Some key takeaways:

- Pricing algorithms can benefit consumers by enabling retailers to respond more quickly to competition, improve inventory management, reduce waste and operate more efficiently.
- The technology itself isn't the issue. The OECD concludes that algorithmic pricing can enhance competition and market efficiency when used responsibly.
- The real policy challenge is ensuring strong consumer protection and competition safeguards—not discouraging the use of technology that helps retailers compete and deliver value.

Retailers employ 863,500 people in Ontario alone and is Canada's largest private sector employer. Retailers are deeply invested in the communities they serve. In Ontario alone, the sector contributes approximately $7.8 billion annually in capital expenditures, supporting the construction, expansion and renovation of stores, distribution facilities and other physical infrastructure, as well as improvements that enhance the customer experience. These investments create jobs, strengthen local economies and reflect retail's long-term commitment to Ontario.

We urge City Council to reconsider this motion and collaborate with the retail sector. We stand ready to work with you on key issues surrounding affordability.

Sincerely,
Kim Furlong
CEO, Retail Council of Canada