

BUSINESS

High produce prices drive up restaurant bills

Ottawa eatery owners find innovative menu solutions to cope with tanking dollar, reports Jenn Ko.

After three decades of service, Maxwell's restaurant on Elgin Street is closing its doors to rebrand and letting "something fresh" move into the beloved space.

Taking Maxwell's place is a second location for Westboro's Pure Kitchen, a vegan-vegetarian restaurant with only one year of experience in the Ottawa food scene.

The vegetable food and juice bar business is booming and general manager Kyle Cruickshank is confident in their market niche, but admits the low dollar is a concern for the investment.

To adjust to market prices, Cruickshank says the restaurant has adjusted the menu price of their Radical Cauliflower Wings, and is looking for creative ways to save money. Pure Kitchen is now stricter about portion control. It strives to minimize waste and using the cauliflower stalk instead of only the florets.

"We're not looking to become millionaires," admits Cruickshank. "We're only looking to provide people with good food."

A loonie hovering around 70 cents and a continued drought in California are among the many complicated reasons for the high cost of produce, according to Queen's University marketing professor Kenneth Wong.

"Businesses will pass on the



Deanne Pittman, Centretown News

Fresh vegetables are displayed in the produce section of Independent Grocer at 296 Bank St. The price of fresh produce is on the rise thanks to Canada's weak dollar.

price to the consumer or swallow it themselves," explains Wong.

Wong, who also contributes regularly to *Canadian Grocer* magazine, says expensive produce will force consumers to "spend less or spend differently."

Wong suggests buying local, Canadian-grown food, or else risk paying more to eat healthy.

And with value of the dollar only expected to sink further, Wong has some advice for lovers of broccoli's cousin: "With all due respect, it isn't our God-given right to eat cauliflower."

The Food Institute at the University of Guelph predicts that Canadian households will spend two to four per cent or \$345 more on food this year compared to last year.

Statistics Canada showed a similar overall increase in Ontario food prices, but fruits and vegeta-

The food price file

The Issue: Rising food prices.

What's New: The low value of the loonie is making produce more expensive.

What it Means: Businesses and individuals will be spending more for imported food.

What's Next: With the dollar expected to reach 59 cents, the price of food could cost even more.

bles saw an especially steep jump between October and November 2015.

While meat, fish, dairy, baked goods and cereals actually cost Ontarians two per cent less, fruits raised a sticky three per cent and vegetables climbed a bitter eight per cent.

Although vegan restaurants may be particularly sensitive to the fresh produce of sunnier destinations, a spike in produce prices affects all restaurants.

Two Six Ate on Preston Street change their menu seasonally and use storage produce from Ontario and Quebec so their prices can stay the same.

Clover Restaurant on Bank Street created feature dishes with better margins to encourage customers to walk in.

Further down on Bank, the Buzz Restaurant offered half-and-half deals in the past, where diners were given the option of both fries and salad with their burger.

Now, with the high cost of greens, patrons can expect a default side of salty house cuts unless they make a specific request for a leafy house salad.

Despite changes, Scott Mos-

ley tells *Centretown News* he has not noticed negative customer feedback buzzing as restaurant manager Holly Johnson nods in agreement behind him.

"Our customers are willing to spend more for sustainable, ethically sourced, higher quality products when they're eating out," says Mosley.

On the other side of the coin, local farmers are thanking the sinking loonie for their raising fortunes.

Standing behind a tower of locally made fruit jams and a pot of steaming hot apple cider at the Lansdowne Farmer's Market, Bill Barkley, owner of Barkley's Apple Orchard, says business has actually improved.

For now, Centretown residents should look for local alternatives to imported foods to get the best bite for their buck.

Declining loonie a boon for Ottawa's tourism industry



Viewpoint

Tal Klachook

The thought of the Canadian dollar dropping to an all-time low – and expected to keep plunging – has bred some worrisome consumers and industries.

Now worth less than three Timbits at Tim Hortons – and soon maybe even less than two – it seems as though Canadians are expecting the next "Y2K."

It's easy to be bogged down with all of the negative consequences

the falling loonie means for Canadian consumers, considering a cauliflower head goes for almost nine dollars, instead of the usual \$3.50. For some, the skyrocketing prices of imported fruits and veggies means their New Year's resolution to eat healthy, might be unattainable.

That being said, let's not forget about some industries like, Ottawa's tourism, which greatly benefits from the falling loonie. With Ottawa 2017 – a celebration of Canada's 150th anniversary of Confederation – just around the corner, the city is in a great position to attract incoming flows of tourists for the next two years.

Surrounded by touristy hubs such as, Parliament Hill, the Ride-

au Canal, Sparks Street and museums like the Canadian Museum of Nature, Centretown is one of the many places in Ottawa that will benefit from the sinking dollar.

Earlier this month, Dick Brown, president of Ottawa Tourism, met with Ottawa Centre MP, Catherine McKenna, to discuss several ways the federal government can help improve the local tourism scene before Canada turns 150.

Recently, Brown has gone public in expressing his top priorities for the city to the media. Among his list of recommendations, he is quoted looking to shift the responsibilities of Winterlude and Canada Day from the Department of Canadian Heritage to the National Capital Commission. Brown is

also quoted pushing to build an entertainment complex within the redevelopment of LeBreton Flats – which includes an arena.

Moving the Senators to LeBreton Flats could bring more business to the downtown core. The proposed location will provide better access for fans and more options for entertainment than the current Canadian Tire Centre in Kanata.

These plans sound promising as the loonie continues to drop. Canadians are expected to vacation at home instead of going abroad – or "stay-cation" as it's known. The falling dollar is good news not only for Canadians but for potential American tourists as well, as many millions of them are

only a stone's throw away from the border. That means they can get a bigger bang for their buck when vacationing in the nation's capital or other cities close to the Canada-U.S. boundary.

Though the rising costs of food might set some local eateries into panic mode, these costs are normally offset by the business generated from higher volumes of Canadians "stay-cationing" and visiting American tourists.

This is, of course, not an overnight phenomenon. Canadians who have already made vacation plans well in advance, will likely still go. But despite the anxieties of the dollar slipping below the 60 cents mark, the future of Ottawa's tourism industry looks promising.