QUEBEC ELECTION 2026

Retail Priorities in Quebec

Letter to the political parties during the election campaign

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As your parties set out their commitments day by day in this campaign leading to October 5, the Retail Council of Canada (RCC) wishes to restate the sector's main priorities and the issues that should be reflected in the electoral platforms.

These concerns are not new. Over recent years and months, RCC has made repeated representations to governments and to some of your spokespersons, and has spoken regularly in the public arena on the issues affecting its members. The election campaign is nonetheless a valuable opportunity to bring these concerns together into a coherent reminder of the conditions required for a retail sector that is dynamic and competitive, resilient and, above all, able to keep serving Quebecers well in every region.

A sector at the heart of the economy and of daily life

Retail is the final link in the distribution chain and the point where the economy meets consumers every day. Feeding oneself, getting dressed, housing, getting around, personal care or simply going about daily life all pass, directly or indirectly, through retail. Its economic weight in Quebec is considerable: retail employs roughly 500,000 workers in the province.

> RCC's members account for more than 18,000 stores and banners in Quebec, of every size and format, from independent retailers to major chains. They are active across every retail segment, including grocery, department stores, electronics, fashion, hardware and e-commerce. RCC is also the only organization representing the entire food distribution and food retail sector. In recent years, several major consumer brands, notably in cafés and quick-service restaurants, along with all of Quebec's ski resorts, have joined our organization. They too face challenges specific to retail.

A sector undergoing profound transformation

Beyond its economic weight, retail is also a sector in profound transformation. RCC documents this evolution regularly through its work, its data and its research partnerships.

Retail now operates in an environment where every sale is harder to win and easier to lose. Today's consumer compares more and has multiple options for buying the same product. A 2026 study by Léger[1] for RCC shows that when a consumer runs into a problem along the purchase journey (delivery delay, technical issue, stock-out), they do not necessarily seek to have it fixed: they simply switch retailer, turn to another channel or abandon the purchase. In a market where alternatives are available almost instantly, the slightest friction can quickly tip the sale to a competitor. This new reality increases the pressure on retailers, who must remain competitive and efficient at every step of the purchase journey.

Quebec retailers thus operate in a world that is now omnichannel, highly competitive and often global, where consumers can compare prices, products and experiences 24 hours a day, seven days a week. Their ability to invest, innovate and adapt quickly has become an essential condition for staying competitive.

This transformation is accelerating further with the emergence of new tools. Another 2026 study, this time by Caddle[2] in partnership with RCC, reveals that 28% of Canadian consumers already use artificial intelligence to help with their purchase decisions. Search engines, digital platforms, social media, consumer reviews and now artificial intelligence are rapidly changing how products are discovered, compared and bought.

In this context, marked at once by trade tensions, the cost of living, labour challenges, rapidly changing consumer habits and a growing number of regulatory requirements, the decisions of the next government will have a concrete effect on business operating costs, on companies' capacity to invest and innovate and, ultimately, on the prices and choices available to Quebec consumers.

1 Business environment and trade crisis

Trade tensions between Canada and the United States are a reminder of how integrated and complex retail supply chains are. Retailers cannot always replace a product, an input or a supplier quickly. When a tariff measure ignores this reality, its cost can be passed on rapidly to businesses and, ultimately, to Quebec consumers.

In this climate of uncertainty, business competitiveness also depends on the quality of the business environment. Yet in recent years, Quebec businesses and stores have had to absorb a considerable number of new regulations, obligations and requirements, often introduced one after another and without sufficient regard for their cumulative effect. While each may pursue a legitimate objective when considered in isolation, their proliferation, and at times their lack of consistency with one

[1] Léger and RCC (Spring 2026). *Canadian Shopper Study: How motivations and purchase journeys shape consumer decisions*. Available online.

[2] Caddle and RCC (March 2026). *The Growing Influence of AI in Shopping – How consumers use AI in their purchase decisions*. Available online.

another or with rules applicable elsewhere in Canada, now places real and growing pressure on businesses.

In recent years, Quebec businesses and stores have had to absorb a considerable number of new regulations, obligations and requirements, often introduced one after another and without sufficient regard for their cumulative effect.

Too often, moreover, new regulations are not accompanied by a genuine impact analysis, so that obligations are imposed without any real knowledge of their effect on businesses and consumers. Added to this is a reporting burden that is at times extremely heavy, both administratively and operationally.

Forced to devote ever more human and financial resources to adapting to new obligations, businesses have seen their room to invest, innovate, remain competitive and absorb successive economic shocks shrink.

For retailers, the issue goes beyond the administrative burden of each new requirement. It also lies in the lack of coordination among the various departments and agencies that design and implement these rules. Too often, businesses must simultaneously comply with obligations covering language, repairability and warranties, curbside recycling or extended producer responsibility, without the timelines, definitions, operational requirements or cumulative impacts being adequately harmonized. These regulatory gears create overlaps, inconsistencies and, at times, obligations that are difficult to reconcile.

This multiplication of obligations also raises a question of competitive fairness. While retailers established in Quebec must invest significant resources to comply with all applicable rules, some players with no place of business in Quebec or in Canada can continue to reach the Quebec market online without, in practice, being subject to the same requirements or the same level of oversight.

In a trade crisis, Quebec must therefore avoid needlessly adding to the pressures already weighing on businesses and consumers. It must use the levers at its disposal to support supply diversification, strengthen the Canadian domestic market and offer businesses a more coherent, predictable and competitive regulatory framework.

RCC CALLS ON THE NEXT GOVERNMENT TO:

- ensure better coordination among departments and agencies so that new requirements are consistent with one another and their timelines, definitions and operational impacts are considered as a whole;

- overhaul regulatory impact analyses so that they measure direct and cumulative costs, effects on prices and productivity, impacts on interprovincial trade and realistic implementation timelines, based on evidence and consultation with the sectors concerned;
- postpone by at least one year, to October 5, 2027, the coming into force of the mandatory extended warranty under Bill 29, in order to properly measure its impact on prices, claims, replacements and the costs borne by consumers and retailers, particularly as these new pressures come on top of those caused by the trade war and tariff measures;
- make regulatory harmonization and the recognition of equivalent rules a government reflex, notably by accelerating the removal of barriers to interprovincial trade and avoiding the creation of Quebec-only requirements where they are not clearly justified;
- ensure tax and regulatory fairness between businesses established in Quebec and sellers or platforms serving the Quebec market from outside.

2 Public safety: theft, fraud and organized crime

Retail crime has changed profoundly in nature and scale. In Quebec alone, losses attributable to retail crime and shrinkage are estimated at close to $2 billion a year.[3] A 2024 nationwide analysis of 10,000 respondents found that between 35% and 37% of citizens had personally witnessed a theft in the preceding months.[4] But the issue goes well beyond the value of stolen goods. Repeated thefts, fraud, swarm thefts, physical or verbal violence against employees and customers, and the growing involvement of organized criminal networks show that this is no longer merely a commercial issue: it is now a genuine public safety issue affecting workers, consumers and communities across Quebec.

A 2024 nationwide analysis of 10,000 respondents found that between 35% and 37% of citizens had personally witnessed a theft in the preceding months.

The very nature of this crime also requires rethinking the response. The issue must be recognized and resourced accordingly. Incidents occurring in different stores and territories must be better connected, information shared more effectively, repeat offenders targeted and the networks that organize and profit from this crime traced. The response must therefore be more coordinated among retailers, police forces, prosecutors and other public safety stakeholders. It must also allow businesses to use, within a clear and responsible framework, the technological tools needed to prevent crime, document incidents and pass relevant information to the authorities efficiently.

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[3] Loss Prevention Research Council and RCC (September 2025). *Retail Crime in Canada: The Hidden Crisis Affecting Businesses, Communities and Safety*. Available online.

[4] Retail Council of Canada (May 2025). *Vol dans les commerces de détail : des opérations concertées pour freiner un fléau grandissant* (news release, in French). Available online.

RCC CALLS ON THE NEXT GOVERNMENT TO:

- explicitly include retail crime among Quebec's priorities in the fight against organized crime and support specialized capacity within the Sûreté du Québec and municipal police forces;
- establish a permanent mechanism for coordination and intelligence sharing among police services, prosecutors, retailers and other partners, to better connect incidents, identify repeat offenders and target organized networks;
- clarify and modernize Quebec's framework for the responsible use of prevention and investigative technologies, including artificial intelligence and, where justified, biometrics, with clear safeguards protecting privacy while allowing crime to be prevented and documented;
- strengthen Quebec's capacity to combat cyberfraud and the forms of fraud that directly affect stores and their customers.

3 Labour: attraction, integration and retention

Retail often offers a first work experience, a gateway to the labour market and career opportunities in every region of Quebec. Amid an aging population and persistent labour scarcity, businesses must be able to recruit, train and, above all, retain workers who are already present and integrated in Quebec. The stakes go beyond business needs. In many regions, keeping a store open is directly tied to a municipality's vitality and to its residents' access to essential local goods and services. According to the Institut de la statistique du Québec, the share of municipalities with fewer than 1,000 residents that no longer have any retail store has doubled since 2006, rising from 11% to 22% in 2024. Today, 102 small Quebec municipalities are in this situation.[5]

The ability to recruit and retain workers in the regions has thus become a matter of territorial vitality. When a store closes for lack of a successor or of staff, it is not only a business that disappears: a community loses a local service, jobs and a hub of economic activity that contributes to its appeal and to its ability to keep its population.

Labour and immigration policies must therefore be predictable, better aligned with sectoral and regional needs, and support francization, workforce integration and skills development alike. Retail, by its very nature of serving the public directly in every region, is one of the most powerful vehicles for integrating any new workforce in Quebec. Policies must take this into account and also recognize that, in many communities, labour availability directly determines the continuation of essential services and the very vitality of our cities, towns and villages.

[5] Institut de la statistique du Québec (April 2026). *Proportion des municipalités de moins de 1 000 habitants qui n'ont pas d'édifices de commerce de détail* (in French). Available [online].

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RCC CALLS ON THE NEXT GOVERNMENT TO:

- recognize that current thresholds are insufficient to meet labour needs in the retail and service sectors and to support the economic vitality of the regions;
- better align immigration and labour policies with economic and regional needs, notably by ensuring sufficient and predictable thresholds, facilitating the retention of workers already established in Quebec and providing measures tailored to sectors and regions facing persistent labour needs;
- simplify and speed up the recognition of skills and experience acquired abroad.

4 Controlling the costs of environmental obligations

Retailers are front-line partners in Quebec's environmental transition. They play an essential role in implementing curbside recycling, deposit-return, recovery and extended producer responsibility systems, notably by informing consumers, adapting their operations and, in many cases, directly taking on recovery responsibilities.

Yet the rapid multiplication and expansion of these programs are driving significant growth in costs, administrative requirements and operational constraints. When a single product can fall under several systems, when definitions differ from one jurisdiction or program to another, or when obligations are designed without sufficient regard for retail realities, complexity rises without necessarily improving environmental performance.

Extended producer responsibility (EPR) programs, which are very popular and growing, mean in particular that businesses must bear ever-larger system costs, stacked one on top of another, with no regard for the cumulative impact on a single company. Recent news has repeatedly reported invoices rising by 100, 200 or even 300% in a single year, without any warning. EPR programs are relevant, but there is currently no mechanism to contain the explosion in costs.

Quebec must pursue environmental objectives that are ambitious but achievable, grounded in evidence and accompanied by mechanisms to measure their costs and results. Priority must go to harmonizing definitions and programs, to transparent governance of the systems and to recovery arrangements compatible with the operational realities of stores.

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RCC CALLS ON THE NEXT GOVERNMENT TO:

- put in place safeguards to control cost increases in extended producer responsibility and curbside recycling programs, including transparency and accountability mechanisms and, where necessary, caps or controls on increases;
- allow differentiated take-back by type of deposit container, so that grocery retailers are not required to take back glass containers and multilayer milk cartons in store, given the significant sanitation, hygiene and safety issues their handling raises;
- ensure better harmonization among Quebec's various extended producer responsibility programs and with other Canadian jurisdictions, notably by standardizing labelling rules, definitions and coverage rules, to avoid overlaps, double obligations and double eco-fees.

One common requirement: predictability, consistency and proportionality

These four priorities rest on a single principle: predictable, consistent and proportionate rules support productivity, competition and affordability. Every new obligation must also be assessed for its cumulative effect on businesses and consumers.

In a context marked by trade tensions, the cost of living, labour challenges and the multiplication of obligations, the next government's decisions will have concrete consequences for retailers and for the millions of Quebecers they serve every day.

RCC intends to pursue a constructive dialogue with all political parties, during the campaign and beyond. We invite each party to incorporate these priorities into its commitments and remain available to discuss solutions that will strengthen retail competitiveness and Quebecers' purchasing power.