

TORONTO STAFF REPORT

February 10, 2003

To: Board of Health
From: Dr. Sheela V. Basrur, Medical Officer of Health
Subject: The Cost of Nutritious Food Basket in Toronto

Purpose:

This report provides information on the Cost of the Nutritious Food Basket in Toronto for 2002.

Source of Funds:

There are no direct financial implications stemming from this report.

Recommendations:

It is recommended that:

- (1) The Board of Health refer this report to the Community Services Committee, through the Food and Hunger Action Committee, for information and appropriate action;
- (2) Toronto Public Health provide information on the Cost of Nutritious Food Basket to community-based agencies in Toronto that provide food/nutrition programs and services in low income communities; and
- (3) The appropriate city officials be authorized and directed to take the necessary action to give effect thereto.

Background:

Boards of Health in Ontario are required to annually monitor the cost of a Nutritious Food Basket in accordance with the Ontario Ministry of Health and Long-Term Care document, Monitoring the Cost of a Nutritious Food Basket Protocol (1998). This is a requirement specified in the Chronic Disease Prevention program standard, Mandatory Health Programs and Services Guidelines (December, 1997). The Ministry of Health and Long-Term Care

recommends that information about the cost of a Nutritious Food Basket be used on an ongoing basis to promote and support policy development to increase access to nutritious food.

In addition, Toronto City Council established the Food and Hunger Action Committee in 1999 to determine food security issues in Toronto and recommend ways to improve food access, enhance the nutritional health of Toronto residents, and support food/nutrition based initiatives that improve the quality of life for Toronto residents. The Food and Hunger Action Committee Phase II Report (January, 2001) recommends initiatives to improve access to safe, affordable and nutritious food and to enhance the co-ordination and delivery of services related to food access. The report also recommends that the Cost of the Nutritious Food Basket should be brought forward to City Council on an annual basis.

Comments:

Determining the Cost of a Nutritious Food Basket:

The Nutritious Food Basket (NFB) is a food costing tool that is a measure of the cost of healthy eating. Although food costing tools have been in existence for over half a century in Canada, in 1998 Health Canada revised the existing NFB template to reflect current nutrition recommendations and food purchasing patterns. The national NFB served as a template for the Ontario Nutritious Food Basket to be used by local Boards of Health in Ontario, based on Ontario food purchase patterns. The Ontario Ministry of Health and Long-Term Care supplied a protocol and software program to all Boards of Health, with a requirement that the pricing survey be completed each year in May or June, and submitted to the Chief Medical Officer of Health by August 1.

The protocol requires that 66 foods be priced in at least six different grocery stores, including both major supermarket chains and independent stores. The survey does not represent a random sample of stores and does not take into account the market share of each type of store within that jurisdiction. Because market share is not factored into the process of calculating the NFB, costs cannot be compared between different jurisdictions.

The lowest price for each food item in specified sizes, including sale-priced items, is collected to calculate the cost of the NFB. These costs are then entered into the software program. The foods included in the survey are not intended to be a prescriptive list of what to eat, but instead provide a realistic sample of foods that can be used to determine benchmark costs of healthy eating. Since the NFB includes basic food items from all food groups in Canada's Food Guide to Healthy Eating, it is relevant for most cultures. However, the basket does not reflect the specific eating patterns of any particular individual or culture. Differences in food preparation techniques, as well as spices and condiments used, account for a large degree of the differences in dishes eaten among many cultures.

The NFB provides information on how much it costs to buy a very economical basket of foods. Expensive food items such as processed convenience foods, prepared baby foods, snack foods and foods of little nutritional value, are generally not part of the basket. Food dollars spent away

from home are also not considered. Hence the cost of the NFB is likely less than most consumers actually spend on food each week.

The NFB tool is based on the assumption that people have the necessary skills to prepare meals from scratch. In addition, non-food items that are typically purchased in grocery stores, such as soap, laundry detergent and paper products are not factored into the cost of the basket. It is recognized, however, that such personal/household items are basic necessities and contribute significantly to household expenditures. Hence the cost of the NFB is not a proxy for overall required household expenditures.

2002 Nutritious Food Basket Survey Results:

Toronto Public Health staff conducted pricing in 12 grocery stores across the city during June, 2002. The prices from all stores were averaged through the software program supplied by the Ontario Ministry of Health. The survey results were analysed according to the energy and nutrient needs of 23 age/gender groups, as defined in the 1990 Recommended Nutrient Intakes for Canadians, and are summarized in Appendix 1.

A key finding from the 2002 survey is that the average weekly food cost for a family of four is \$121.00 per week (\$529.93 per month). These results indicate that food costs have increased by about 3% since the June 2001 survey. Since 1999, when the revised version of the Nutritious Food Basket was implemented, food prices have increased by more than 13%. The majority of this increase was reflected in the June 2001 pricing survey. Statistics Canada also recorded a 3.9% increase in the Consumer Price Index in May 2001 as compared to May 2000. This was the largest increase seen since November 1991. Increased energy costs attributed for most (about 1/3) of this increase, while higher food prices (increase of 5.2% from May 2000 to May 2001) were also key (1/4 of the increase). Annual inflation has generally been in the 1-3% range over the past decade.

Some Implications of the Findings:

Rising food costs can be a significant hardship for low income residents in Toronto. The 2001 Toronto Report Card on Homelessness described the situation of many low income residents in Toronto. In 1995, social assistance rates were cut by 21.6% and minimum wage rates have not kept pace with inflation, while rents have continued to increase. In 1996, more than 23% of households paid more than 50% of their income on rent. In addition, the shelter component of social assistance does not reflect market conditions in Toronto. For example, although the vacancy rate in Toronto has shown recent improvement (2.5% in October, 2002), this has tended to be at the higher end of the rental housing market. The market provides very few units affordable to the one-third of tenants with incomes under \$30,000 (families) or \$20,000 (singles). The waiting list for social housing is also very long; as of December 2002, there are 66,327 households on the Toronto Social Housing Connections waiting list, of which 46,826 are considered "active."

In short, the high cost of rental housing combined with incomes that have not kept pace with the increased cost of living, make it extremely difficult for low income families to make ends meet.

This means that many low income residents are forced to choose between paying the rent or buying food, which in turn forces many people to rely on foodbanks and other emergency food programs to meet basic needs or lose their housing.

Conclusions:

A key finding from the Nutritious Food Basket survey in 2002 is that the average weekly cost for a family of four is \$121.00 per week (\$529.93 per month), an increase of approximately 3% from the 2001 pricing survey. This represents an overall increase of more than 13% since 1999. This is significant for many low income residents in Toronto since rental housing and other costs have increased while incomes have not kept pace with cost of living increases. This means that food security for many low income residents is compromised, making it difficult to meet energy and nutrient needs, which are basic requirements for health.

The most important function of the Nutritious Food Basket is to provide information that can be used to promote and support increased access to nutritious foods. Toronto Public Health staff will continue to work in collaboration with other city staff, community agencies and the Food and Hunger Action Committee to develop advocacy strategies to ensure that Toronto residents have sufficient access to nutritious, affordable and culturally acceptable foods and to meet other basic living expenses essential for their overall health and well-being.

Contact:

Carol Timmings
Regional Director
Telephone: 416-392-1355
Email: ctimming@toronto.ca

Judi Wilkie
Manager, Healthy Lifestyles
Telephone: 416-397-4770
Email: jwilkie@toronto.ca

Dr. Sheela V. Basrur
Medical Officer of Health

List of Attachments:

Appendix 1: Weekly Cost of Nutritious Food Basket in Toronto (June, 2002)

Appendix 1

Weekly Cost of Nutritious Food Basket in Toronto (June, 2002)

Gender Group	Age (years)	Cost Per Week (\$)
Child	1	14.07
	2-3	14.75
	4-6	19.44
Boy	7-9	23.38
	10-12	29.15
	13-15	34.27
	16-18	40.14
Girl	7-9	22.60
	10-12	26.78
	13-15	28.66
	16-18	27.51
Man	19-24	38.24
	25-49	37.23
	50-74	33.77
	75+	30.41
Woman	19-24	28.28
	25-49	26.90
	50-74	26.48
	75+	25.81
Pregnancy Trimester 1 Trimester 2,3 Lactation	13-15	31.60
		33.29
		34.14
Pregnancy Trimester 1 Trimester 2,3 Lactation	16-18	31.84
		34.00
		34.80
Pregnancy Trimester 1 Trimester 2,3 Lactation	19-24	30.92
		32.85
		33.54
Pregnancy Trimester 1 Trimester 2,3 Lactation	25-49	29.68
		31.46
		32.04

This information can be used to calculate the cost of a Nutritious Food Basket for any household by adding up weekly food costs for each household member, based on each person's age/gender. To determine the household's monthly food cost, multiply the household's weekly food cost by 4.33. For example, the Nutritious Food Basket cost for a family of four, including two parents, a 13 year-old boy and an 8 year-old girl, is \$121.00 per week or \$529.93 per month.