

# TORONTO STAFF REPORT

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September 12, 2005

To: Board of Health  
From: Dr. David McKeown, Medical Officer of Health  
Subject: The Cost of the Nutritious Food Basket in Toronto 2005

Purpose:

This report provides information on the Cost of the Nutritious Food Basket in Toronto for 2005.

Financial Implications and Impact Statement:

There are no direct financial implications stemming from this report.

Recommendations:

It is recommended that:

- (1) the Medical Officer of Health report on the implications of the 16.7% increase in the cost of nutritious foods since 1999 on Toronto public health programs which provide food to vulnerable populations;
- (2) the General Manager of Shelter Housing & Support, the General Manager of Children's Services, and the General Manager of Homes for the Aged report to the Board of Health on the implications of the 16.7% increase in the cost of nutritious food since 1999 on the nutritional quality of food provided in City programs to vulnerable populations, including children in day nurseries, residents of homes for the aged, and shelters for homeless people;
- (3) the Board of Health request the Minister of Health and Long-Term Care to revise the document "Monitoring the Cost of a Nutritious Food Basket Protocol" to be consistent with recommendations in Canada's Food Guide to Healthy Eating to be released in 2006 and to address the methodological issues raised in this report; and

- (4) the Board of Health forward this report to the Ontario Minister of Community, Family and Children's Services, the Ontario Minister of Health and Long-Term Care, the Ontario Minister of Health Promotion, the Ontario Minister of Children and Youth, and to the Office of Nutrition Policy & Promotion at Health Canada, as well as the City of Toronto's Community Services Committee, the Food and Hunger Action Committee, and Toronto Food Policy Council;
- (5) the Board of Health forward this report to the Ontario Public Health Association Community Food Security Workgroup, all Ontario Boards of Health, the Association of Ontario Health Centres, the Ontario Society of Nutrition Professionals in Public Health and the Dietitians of Canada; and
- (6) 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. The Food and Hunger Action Committee has recommended that the cost of the Nutritious Food Basket in the City of Toronto be reported 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 purchasing patterns. The Ontario Ministry of Health and Long-Term Care supplies 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<sup>st</sup>.

The Ontario protocol requires that 66 foods be priced in at least six different grocery stores, including 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 a jurisdiction. Because market share is not factored into the process of calculating the NFB, costs from different jurisdictions cannot be compared.

The lowest price for each food item in specified sizes, including sale-priced items, is collected to calculate the cost of the NFB. These lowest costs are then entered into the software program to obtain the average cost for each food item. The foods included in the survey are not intended to be a prescriptive list of what to eat, but instead provide a sample of foods that can be used to determine benchmark costs of healthy eating. 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.

The NFB provides information on how much it costs to buy a very economical basket of foods. It is assumed that the consumer is a person who has convenient access to enough quality stores to permit careful and frugal comparison-shopping. It also assumes that the shopper has the time, skills and equipment to prepare meals from relatively low-cost unprocessed ingredients. 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. Therefore, the cost of the NFB is probably significantly less than most consumers actually spend on food each week.

#### 2005 Nutritious Food Basket Survey Results:

Toronto Public Health staff conducted pricing in 12 grocery stores across the city during May 2005. The prices from all stores were averaged through the software program supplied by the Ontario Ministry of Health and Long-term Care. 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 2005 survey is that the average weekly food cost for a family of four is \$124.62 per week (\$539.60 per month); an increase of 3.03% in food costs from 2004. Since 1999, the cumulative increase in food costs measured by the nutritious food basket survey is 16.7%.

#### Some Implications of the Survey Results:

Rising food costs can be a significant hardship for Toronto residents who are on low and/or fixed incomes. In 2004, social assistance rates increased by 3%, the first increase since 1993. This increase is modest in comparison to the 21.6% cut in social assistance rates in 1995. Minimum wage rates have increased only 8.7% over the past decade, while food costs alone have increased 16.7% since 1999.

On the expenses side, the cost of housing continues to rise. Affordability for tenants is defined as rent that is less than 30% of the total household income. In 2001, 42% of Toronto households spent more than 30% of their income on rent. In 2004, 68% of Ontario Works households paid rents in excess of the Ontario Works shelter allowance. The shelter component of social assistance rates does not reflect market rates in Toronto. The waiting list for social housing is

very long; as of December 2004, there were 63,791 households eligible for subsidy on the Toronto Social Housing Connections waiting list, of which 49,329 are considered “active.”

A study on the affordability of a nutritious diet for households on social assistance in Toronto demonstrated that for households living in market rental accommodation, average monthly incomes were insufficient to cover expenses for both single-parent and two-parent households and barely adequate for the single parent family whose income actually fell below expenses for six months of the year (Vozoris et al, 2002).

The rising cost of housing and nutritious food for people on low and/or fixed incomes means that many must choose between paying the rent and buying food, which in turn forces many to rely on food banks and other emergency food programs to meet basic needs or to live in overcrowded “underhoused” conditions. It is expected that food prices will continue to increase due to rapidly rising fuel prices; transportation costs at all levels of the food production and distribution system contribute to food prices.

Recently, concerns about food insecurity for social assistance recipients in the face of rising food costs led advocates to urge more widespread access to a Special Diet Allowance intended to provide additional funds for people with special dietary needs. All eligible recipients of social assistance must continue to receive additional support for costly special diets. However, all low income households including those on social assistance need adequate income to be able to purchase sufficient nutritious food.

#### Conclusions:

A key finding from the Nutritious Food Basket survey in 2005 is that the average weekly cost for a family of four is \$124.62 per week (\$539.60 per month); an increase of 3.03 % from the 2004 pricing survey. Cumulative results indicate that food costs have increased by 16.7% since 1999. This is significant for many residents in Toronto who live on low and/or fixed incomes since rental housing and other essential costs have also increased. This means that food security for many low and/or fixed income residents is increasingly compromised. This makes it extraordinarily difficult to meet energy and nutrient needs which are basic requirements for health and to practise eating habits that promote health and prevent disease.

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List of Attachments:

Appendix 1: Weekly Cost of Nutritious Food Basket in Toronto (May, 2005)

Appendix 1

Weekly Cost of Nutritious Food Basket in Toronto (May, 2005)

| Gender Group                                           | Age (years) | Cost Per Week (\$) |
|--------------------------------------------------------|-------------|--------------------|
| Child                                                  | 1           | 14.43              |
|                                                        | 2-3         | 15.26              |
|                                                        | 4-6         | 20.07              |
| Boy                                                    | 7-9         | 24.14              |
|                                                        | 10-12       | 30.15              |
|                                                        | 13-15       | 35.37              |
|                                                        | 16-18       | 41.55              |
| Girl                                                   | 7-9         | 23.22              |
|                                                        | 10-12       | 27.65              |
|                                                        | 13-15       | 29.59              |
|                                                        | 16-18       | 28.32              |
| Man                                                    | 19-24       | 39.43              |
|                                                        | 25-49       | 38.27              |
|                                                        | 50-74       | 34.68              |
|                                                        | 75+         | 31.47              |
| Woman                                                  | 19-24       | 29.02              |
|                                                        | 25-49       | 27.75              |
|                                                        | 50-74       | 27.27              |
|                                                        | 75+         | 26.58              |
| Pregnancy<br>Trimester 1<br>Trimester 2,3<br>Lactation | 13-15       | 32.67              |
|                                                        |             | 34.51              |
|                                                        |             | 35.46              |
| Pregnancy<br>Trimester 1<br>Trimester 2,3<br>Lactation | 16-18       | 32.83              |
|                                                        |             | 35.20              |
|                                                        |             | 36.10              |
| Pregnancy<br>Trimester 1<br>Trimester 2,3<br>Lactation | 19-24       | 31.93              |
|                                                        |             | 34.07              |
|                                                        |             | 34.86              |
| Pregnancy<br>Trimester 1<br>Trimester 2,3<br>Lactation | 25-49       | 30.63              |
|                                                        |             | 32.47              |
|                                                        |             | 33.12              |

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 \$124.62 per week or \$539.60 per month.

References:

Ministry of Health, Public Health Branch. Monitoring the cost of a nutritious food basket protocol: Chronic disease prevention program. June 1, 1998.

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