

TORONTO STAFF REPORT

September 2, 2004

To: Board of Health

From: Dr. Barbara Yaffe, Acting Medical Officer of Health

Subject: The Cost of the Nutritious Food Basket in Toronto for 2004

Purpose:

This report provides information on the Cost of the Nutritious Food Basket in Toronto for 2004.

Source of Funds:

There are no direct financial implications stemming from this report.

Recommendations:

It is recommended that:

- (1) the Board of Health advocate to the Government of Ontario to significantly increase social assistance rates to compensate for increases in the costs of shelter, food, transportation and other basic needs for Ontario Works recipients living in Toronto;
- (2) the Board of Health refer this report to the Community Services Committee, through the Food and Hunger Action Committee, with a request that they renew their efforts to institute a permanent community grants stream to support neighborhood-based food security initiatives;
- (3) the Board of Health request that the Medical Officer of Health work with the Commissioner of Urban Development Services to address challenges to food access faced by people in neighbourhoods where there is no pedestrian access to food retail outlets offering affordable, nutritious and culturally acceptable foods;
- (4) Toronto Public Health continue to 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 to encourage other city divisions to make use of this information; and

- (5) 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's (MOHLTC), 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 MOHLTC 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, in 1999 Toronto City Council established the Food and Hunger Action Committee (FAHAC) 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. At FAHAC's initiative, City Council unanimously adopted the Toronto Food Charter in March 2001.

The Charter commits the City to strive to ensure that all Toronto residents can enjoy the right to adequate amounts of safe nutritious and culturally acceptable food. The Food and Hunger Action Committee Phase III Report "Tending the Garden" (July 2003) received approval from Council to appoint a delegation to include members of the FAHAC to meet with Ministers of Community, Family and Children's Services and Labour to discuss the implications of the rising costs of the Nutritious Food Basket and the need to increase the minimum wage, restore eligibility for EI, raise the child benefit supplement, increase allocations to early childhood education and adjust social assistance rates to reflect the rising cost of living in the City of Toronto. 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.

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. More 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.

The Ontario Public Health Association has adopted a new definition for community food security (CFS) to acknowledge the complexity of the issues involved. The definition is outlined in the following four points:

- (1) CFS is a strategy for ensuring secure access to adequate amounts of safe, nutritious, culturally appropriate food for everyone, produced in an environmentally sustainable way, and provided in a manner that promotes human dignity.
- (2) CFS features cooperation among all contributors in a local/regional food system including growers and producers, citizen groups, community agencies, governmental organizations, businesses, academic researchers and environmental advocates.
- (3) CFS actions are based on those of the Ottawa Charter for Health Promotion: building personal skills, strengthening community action, creating supportive environments, building healthy public policy and re-orienting health services.

- (4) CFS addresses issues in the economic, environmental and social aspects of the food system, and thus promotes adequate incomes for consumers and producers; local and diverse food production; environmental sustainability; protection of local agricultural lands and fish habitat; widespread access to healthy food; and food-based community economic development and social cohesion. (Ontario Public Health Association, 2002)

2004 Nutritious Food Basket Survey Results:

Toronto Public Health staff conducted pricing in 12 grocery stores across the city during May 2004. 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 2004 survey is that the average weekly food cost for a family of four is \$120.95 per week (\$523.71 per month), an increase of 2.29% from 2003. Results indicate that food costs have maintained a 13.25% increase since 1999. Ontario Works recipients and low income families have experienced a 9.67% decrease in purchasing power for basic food items since 1999. Statistics Canada reported that Canadian consumers paid 1.6% more in April 2004 than they did in April 2003 for the goods and services included in the Consumer Price Index (CPI) basket.

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 some recent improvement (3.8% in October, 2003) 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 2003, there were 73,697 households on the Toronto Social Housing Connections waiting list, of which 50,218 are considered "active."

The high cost of rental housing combined with incomes that have not kept pace with the increased cost of living makes 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.

The most recent Provincial Budget, released in May 2004, indicates that the government is prepared to respond to these cuts. They have announced that the basic needs and maximum shelter allowances under the Ontario Disability Support Program and Ontario Works will

increase by three per cent. To further assist low-income parents, the Budget proposes that social assistance benefits not be reduced this fiscal year. In 2004-05 this will mean an extra \$7 million in the hands of parents who need it most. The Board of Health can encourage the Provincial Government to continue with this strategy.

Conclusions:

A key finding from the Nutritious Food Basket survey in 2004 is that the average weekly cost for a family of four is \$120.95 per week (\$523.71 per month), an increase of 2.29 % from the 2003 pricing survey. Results indicate that food costs have maintained a 13.25% increase 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. 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 adequate, 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.

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List of Attachments:

Appendix 1: Weekly Cost of Nutritious Food Basket in Toronto (May, 2004) and References

Appendix 1

Weekly Cost of Nutritious Food Basket in Toronto (May, 2004)

Gender Group	Age (years)	Cost Per Week (\$)
Child	1	14.14
	2-3	14.90
	4-6	19.57
Boy	7-9	23.47
	10-12	29.31
	13-15	34.40
	16-18	40.28
Girl	7-9	22.58
	10-12	26.94
	13-15	28.80
	16-18	27.47
Man	19-24	38.16
	25-49	37.05
	50-74	33.59
	75+	30.47
Woman	19-24	28.16
	25-49	26.92
	50-74	26.46
	75+	25.79
Pregnancy Trimester 1 Trimester 2,3 Lactation	13-15	31.86
		33.66
		34.57
Pregnancy Trimester 1 Trimester 2,3 Lactation	16-18	31.95
		34.28
		35.16
Pregnancy Trimester 1 Trimester 2,3 Lactation	19-24	31.08
		33.14
		33.91
Pregnancy Trimester 1 Trimester 2,3 Lactation	25-49	29.80
		31.60
		32.23

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 \$120.95 per week or \$523.71 per month.

References:

1. Pathways to Progress: Structural Solutions to Address Child Poverty. Summary. Campaign 2000 Policy Perspectives. May 2004.
2. Discourse and Definition: Moving from “Food Security” to “Community Food Security.” A Systemic Approach to Community Food Security: A Role for Public Health. OPHA Food Security Working Group. November 2002.