



**STAFF REPORT
ACTION REQUIRED**

Cost of the Nutritious Food Basket - Toronto 2012

Date:	September 7, 2012
To:	Board of Health
From:	Medical Officer of Health
Wards:	All
Reference Number:	

SUMMARY

Boards of Health in Ontario are mandated to monitor food affordability annually, in accordance with the Ontario Public Health Standards protocol and the Nutritious Food Basket Guidance Document 2010. The Nutritious Food Basket (NFB) is a survey tool that is a measure of the cost of basic healthy eating. Food costing is used to monitor both affordability and accessibility of foods on individual and household incomes.

According to the 2012 survey results, the average weekly cost of the Nutritious Food Basket in Toronto for a reference family of four is \$175.99 (\$762.04 per month), a 1.8% increase from 2011.

A nutritious diet and adequate food supply are central to good health. Food insecurity has been associated with numerous negative physical and mental health outcomes ranging from lower self-rated health and restricted activity, to chronic conditions such as heart disease, diabetes, high blood pressure and depression (1). A number of other health determinants impact the ability to access and consume safe, nutritious and culturally appropriate food. By far, the most significant factors are income and the cost of housing.

Everyone should have access to sufficient, safe, nutritious and culturally-appropriate food. When housing costs and other essential living expenses are considered, many individuals and families living on a limited income do not have adequate funds to purchase healthy, nutritious food on a weekly basis. This report provides information on the cost of the Nutritious Food Basket in Toronto for 2012 and the barriers to accessing nutritious food.

RECOMMENDATIONS

The Medical Officer of Health recommends that:

1. The Board of Health request the Minister of Health and Long-Term Care to consider the Nutritious Food Basket Survey results when identifying interventions to achieve a sustainable reduction in childhood obesity;
2. This report is forwarded to: the General Managers of Employment and Social Services, Shelter, Support and Housing Administration; Children's Services; Affordable Housing Office; Parks, Forestry & Recreation; Economic Development and Culture; the Ontario Minister of Health and Long-Term Care; the Ontario Minister of Community and Social Services; the Ontario Minister of Children & Youth Services; the Ontario Minister of Agriculture, Food and Rural Affairs; the Association of Local Public Health Agencies; the Ontario Public Health Association; Ontario Boards of Health; the Association of Ontario Health Centres; the Ontario Society of Nutrition Professionals in Public Health; Dietitians of Canada, all Toronto area MPPs and MPs; and the five Local Health Integration Networks (LHINs) in the Greater Toronto area.

Financial Impact

There are no financial implications associated with the adoption of this report.

DECISION HISTORY

Boards of Health in Ontario are required to monitor food affordability in accordance with *Nutritious Food Basket Protocol*, 2008 and the *Population Health Assessment and Surveillance Protocol*, 2008, as stated in the Ontario Public Health Standards 2008. Results from the Nutritious Food Basket survey must be submitted to the Ministry of Health and Long-Term Care by July 1 of each year. Toronto Public Health reports on findings from the survey to the Board of Health and City Council and they are shared with a range of key stakeholders.

At its meeting of November 21, 2011, the Board of Health recommended that the Chair of the Board of Health and the Medical Officer of Health, together with the Association of Local Public Health Agencies, meet with the Commission for Social Assistance Review in Ontario to discuss the implications of the Nutritious Food Basket survey across Ontario and ensure the findings inform the social assistance system review. This report contains an update on the meeting with the Commission.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.HL9.5>

ISSUE BACKGROUND

The Nutritious Food Basket Survey

The Nutritious Food Basket (NFB) is a survey tool that is a measure of the cost of basic healthy eating. Food costing is used to monitor both affordability and accessibility of foods on individual and household incomes. The survey reflects an eating pattern that meets the recommendations from *Eating Well with Canada's Food Guide* and accounts for actual eating behaviours and food purchasing patterns highlighted in the Canadian Community Healthy Survey 2.2 results. The NFB food costing survey includes 67 basic food items from all four food groups.

The NFB reflects the average lowest price for a specified purchase size, regardless of brand, in the stores surveyed. An additional 5% is automatically added to the cost of the food basket to cover the cost of miscellaneous foods used in meal preparation (e.g. spices, seasonings, condiments, baking supplies, soups, coffee and tea). The Ministry of Health and Long-Term Care requires that the annual NFB costing is conducted during the month of May. The pricing survey results are used to estimate the average cost of feeding 22 age and gender groups and a reference family of four.

The food items on the survey require food skills and equipment to plan, purchase and prepare meals and snacks from low cost food ingredients. The survey does not make allowances for processed and prepared foods, snack foods, foods of little nutritional value and non-food items such as laundry detergent, soap, paper products and toiletries that consumers generally purchase when grocery shopping. The NFB does not reflect actual food spending habits outside the grocery store, such as the cost of eating out, the purchase of convenience foods and beverages or inviting family/friends over for a meal. Also, the NFB does not account for additional cost of transporting the groceries home and access to an adequate number of good quality food stores. As such, the NFB is generally lower than actual grocery expenditures for the average person.

2012 Nutritious Food Basket Results

The average weekly cost for a family of four to purchase the Nutritious Food Basket in Toronto in 2012 is \$175.99 or \$762.04 per month. This is an increase of 1.8% over the 2011 weekly food cost of \$172.84 (\$748.40 per month). The 2012 NFB survey results are summarized in Attachment 1.

The percent increase in food costs in Toronto aligns with both national and provincial averages. In Canada, consumer prices rose 1.2% in the 12 months to May, following a 2.0% increase in April. The main upward contributors to the 1.2% rise in the Consumer Price Index (CPI) were higher prices for food and shelter (3). Prices for food purchased from stores rose 2.5% in the 12 months to May. The main food contributors to the upward 12-month change in the CPI were meat (6.1%), eggs (8.1%), cereal products (4.8%) and fresh fruit (6.2%) (3). Ontario also witnessed a 1.2% increase in consumer prices in the 12 months to May. The main upward contributors to the rise in the CPI were higher prices for food and shelter. Prices for food purchased from stores rose 2.3% in the

12 months to May. The main upward contributors were meat (6.0%), bakery and cereal products (2.6%) and fresh fruit (4.1%) (3).

Analyzing food price inflation by food groups illustrates that some foods have outpaced food inflation more significantly than others – particularly meat, bakery and dairy products (4). This has made basic nutrition more expensive, especially for low income individuals and families.

COMMENTS

The state of the world's food

Since the late 1990s, the world has entered a period of tight food supplies, higher prices and increased price volatility (5, 6). The food price index of the Food and Agriculture Organization of the United Nations, which measures monthly change in the international prices of a basket of food commodities, reached a record high in February 2011.

Observers attach multiple drivers to high and volatile food prices. These factors include:

- Increased weather-related shocks and famine that imposed large economic losses.
- Policies to promote the use of biofuels that increased demand for corn and vegetable oils;
- Longer-term growth in several large, emerging economies which has led to increased demand for diversified diets;
- Rising production costs and transport costs as a result of higher prices for petroleum and fertilizer;

Higher food prices may substantially hurt the poor because, typically, food accounts for a large share of expenditures for people living on low income. In order to manage the reduction in disposable income resulting from higher food prices, households will sell assets or borrow in order to mitigate the decline in consumption. They also shift dietary patterns towards cheaper (starchy) foods and away from nutrient-rich foods such as milk, meat, vegetables and fruit (7). Energy intake will also decline in cases where some people simply cannot afford the same amount of calories at the new higher prices (6). Also, volatile food prices cut into the budgets of poor consumers by increasing uncertainty and making it more difficult for households to budget for food consumption.

Food availability, accessibility and adequacy

A nutritious diet and adequate food supply play a central role in disease outcomes and rising healthcare costs which present serious challenges for society. Total health expenditures in Canada are nearly \$190 billion (8). Forecasts see Ontario's healthcare costs expected to consume 70% of the province's total operating budget by 2022 (9). In Toronto, almost 29% or 3 in 10 Torontonians aged 12 and older reported having been diagnosed with one or more common chronic health conditions (i.e., asthma, diabetes, cancer, high blood pressure and heart disease) in 2008, up significantly from 23% in 2001 (10). Each year from 2001 to 2008, overweight/obesity rates consistently increased with age up to age 45.

In 2008, approximately 21% of adolescents (aged 12-17 years) and 44% of adults (aged 18 and older) were considered overweight or obese (11).

While body weight is determined in part by genetic factors, living environment and lifestyle factors have been identified as key contributors to Ontario's growing epidemic of overweight and obesity. Examples include not eating enough vegetables and fruit, super-sized food portions and inadequate physical activity (12). The World Health Organization indicates that at least 80% of premature heart disease, stroke and type-2 diabetes and 50% of cancer could be prevented through a healthy diet (13). More specifically, research on the health benefits associated with a diet rich in vegetables and fruit and the reduced risk of coronary heart disease, certain types of cancer and obesity is extensive (14, 16-19). In 2008, only 39% approximately 4 in 10, Toronto residents aged 12 and older consumed vegetables and fruit five or more times per day, which is not significantly different from 2001 (38.0%) (15) - (NOTE: The indicator for vegetable and fruit consumption was developed based on an earlier version of *Canada's Food Guide*, which was in use from 1992 to 2007 and recommended 5 to 10 servings of vegetables and fruits each day).

Food insecurity is the inadequate or insecure access to healthy food in the context of financial constraints (20). Canadian adults and adolescents in food insecure households have lower intakes of vegetables, fruit and milk products, lower vitamin and mineral intakes and a greater risk of inadequate nutrient intake. The higher estimated prevalence of nutrient inadequacy is prevalent for protein, vitamin A, thiamin, riboflavin, vitamin B-6, folate, vitamin B-12, magnesium, phosphorus and zinc (21, 22). The Canadian Community Health Survey 2.2 data indicates that Ontario adults who reported food insecurity had significantly lower intakes of vitamin A, magnesium and calcium (23). In Toronto, 10.8% of households reported moderate or severe food insecurity (24). Food insecurity was found to be higher in households with children (particularly below the age of six) led by female lone parents, lower income households, households receiving social assistance or worker's compensation/employment insurance, Aboriginal households, households with recent immigrants, and households in which the dwelling was not owned (25). For instance, the impact of rising food prices on Toronto residents is depicted in the following case scenarios (see Attachment 2 for detailed information). For a family of four on Ontario Works benefits or with one adult earning minimum wage, about 40% of income would be required to purchase nutritious food. In comparison, a household that earns the median income for Ontario would only need to spend about 12% of income on nutritious food.

Diet quality is often dramatically, inversely associated with socioeconomic status (26). Families who cannot afford to buy adequate amounts of nutritious food respond by purchasing and consuming more energy-dense, nutrient-poor food products that are high in saturated and trans-fat, added sugar and sodium (27). Relative food prices are found to influence consumption patterns, particularly, higher prices for vegetables and fruit predict lower frequency of vegetables and fruit consumption and higher dairy prices predict lower frequency of milk consumption (28). Findings indicate nutrient-dense foods tend to cost more than foods high in calories, but offer minimal nutritional value (28). Data

suggests that relative to sweets and fats, the price of vegetables and fruit has been increasing disproportionately over the past twenty years (29, 30).

Recent Provincial Policy Decisions

Provincial planning and policy decisions in 2011 and 2012 have a bearing on food affordability for low income residents in Toronto.

Social Assistance Review

A review of Ontario's social assistance programs is being conducted by a Commission appointed by the provincial government. The Commission is tasked with carrying out a comprehensive review providing the government with specific recommendations and a concrete action plan for reforming the social assistance system.

In June 2011, the Commission released a discussion paper, *Issues and Ideas*, which described the major changes in social assistance over the past 20 years, the system in place today, and the key issues identified through community consultations. In February 2012 the Commission released *Approaches for Reform*. This second discussion paper identified a number of areas being considered for reform and set out options in each area. Toronto Public Health convened the Social Assistance Review Health Working Group which made recommendations to the Social Assistance review regarding using the Nutritious Food Basket to inform social assistance rates as part of submissions to the Commission in September 2011 and March 2012. These submissions were also forwarded to the Board of Health. The Medical Officer of Health, together with other members of the Working Group, met with the Commissioners in April, 2012 in support of the submission. The Commission's Final Report was expected to be complete by July 2012 and for release to the public and submission to the government in September 2012.

Minimal Increase to Ontario Works/Ontario Disability Support Program Rates

It has been a long standing position of the City that social assistance rates are inadequate for residents of Toronto. The Province of Ontario announced a 1% increase to both Ontario Works (OW) and Ontario Disability Support Program (ODSP) rates as part of its 2012 budget. While this is a positive step forward, the proposed rate increase continues to be inadequate in addressing poverty when compared to the rising cost of food and inflation over the years. As referenced by poverty advocates in their analysis of the budget the increase, "works out to an extra \$6 per month for a single person on OW and \$11 per month for a single person on ODSP (31).

Ontario Child Benefit Implementation Delayed

As a means to reduce poverty in Ontario, the Provincial Government also committed in previous years to the creation of an Ontario Child Benefit (OCB) that would provide greater financial assistance to children living in low-income families. Over the years, families have seen an incremental increase to the OCB as part of the five year phase-in period. However, the 2012 budget announced an implementation delay to increasing the OCB to the maximum of \$1310 per child per year by 2013. As a result, there will be no increase for families eligible for the OCB in 2012. In addition, families will be eligible

for a maximum increase of \$100 in 2013 as opposed to the original budget proposal of \$200 for that year. Currently, the OCB helps 1 million children in 530,000 lower income families in Ontario. This delay 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 good health.

Healthy Kids Panel

In May 2012, Ministry of Health and Long Term Care established The Healthy Kids Panel that will provide recommendations to meet the government's target of reducing childhood obesity by 20 percent over five years. The scope of the panel's work will include the identification of specific factors that impact childhood obesity rates; and the identification of comprehensive interventions to achieve sustainable childhood obesity reduction and improved child health. The Panel's report to the Minister of Health and Long-Term Care is expected by December 2012.

Access to nutritious and affordable food is linked to healthy diets and promotes achieving and maintaining healthy weights. The panel will be receiving submissions from a wide range of groups including the Council of Medical Officers of Health, and the Ontario Public Health Association's Chronic Disease Prevention Working Group.

Recommendations will include the importance of government policies that ensure adequate incomes for individuals to meet their basic nutrition needs.

CONCLUSION

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 food. The 2012 annual survey of the cost of the Nutritious Food Basket demonstrates that many people in Toronto continue to have difficulty meeting minimum daily nutrition requirements for good health.

Toronto Public Health will continue to advocate in collaboration with other stakeholders for policies which support access to safe, nutritious, culturally appropriate food.

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SIGNATURE

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ATTACHMENTS

Attachment 1: Weekly Cost of the Nutritious Food Basket in Toronto (May 2012)
Attachment 2: Case scenarios

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