

**SHARP HIKE IN THE COST OF FOOD**  
**Results of a 2011 N.B. Survey**



**Research report prepared by**

**The New Brunswick Common Front for Social Justice Inc.**



**Contact**

**Aur a Cormier**

**Common Front for Social Justice**  
**51 Williams Street, Moncton, N.B. E1C 2G6**

**Tel. (506) 204-1134**

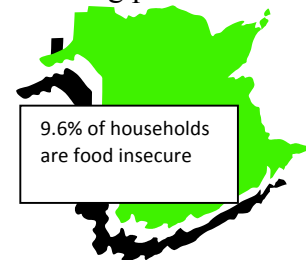
**fcjs@nbnet.nb.ca**  
**[www.frontnb.ca](http://www.frontnb.ca)**

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## I. INTRODUCTION

Article 25 of the Declaration of Human Rights states that everyone has the right to a standard of living adequate for the health and well-being of his family, including food. Indeed, the consumption of nutritious food is one of the most basic necessities for health and wellbeing. Unfortunately, food as a human right is denied for many Canadians. Food insecurity is associated with negative consequences such as the development of chronic diseases, particularly cancer and heart disease, as well as the appearance of mental and emotional strain<sup>1</sup>.

The prevalence of food insecurity in Canada, as determined nationally by Health Canada, indicated that in 2008, 92.3% of Canadians had access, throughout the previous year, to enough food for an active, healthy life for all household members<sup>2</sup>. However, the balance of the households, namely 7.7%, was either moderately food insecure or severely food insecure. Those who were moderately food insecure, representing 961,000 Canadians, had to make compromises in the quality and/or the quantity of food consumed. Those who were severely food insecure, namely 629,600 Canadians had reduced their food intake and disrupted their eating patterns. Among those who were food insecure, **households led by female lone parents were suffering two times more than households led by male lone parents**. As for the households led by couples, 6.3% were food insecure<sup>3</sup>. **Here in New Brunswick (N.B.), 9.6% of households reported either moderate or severe income-related food insecurity, a higher percentage than the national average of 7.7%.**



Food insecurity leads to increased use of food banks. In March 2010, 18,517 New Brunswickers accessed a food bank, representing an increase of 18% since March 2008<sup>4</sup>. Report highlights indicate that 61% of users received social assistance, 13% reported employment income, and 9% received Employment Insurance. Sadly, 34% of the food donated by food banks went to children. In 2008, N.B. child poverty rate was 12%<sup>5</sup> and it probably has not improved since.

Low-income workers, especially those at minimum wage, have difficulty purchasing the food they need. A study by Statistics Canada shows that in 2009, 17,100 workers, representing 5.3% of N.B.'s active population were being paid minimum wage<sup>6</sup>. Young people, aged 15 to 24, fall in the age category most often hired at minimum wage (59%). However, men and women in the age bracket of 25 to 54 years represent 32% of minimum wage workers, women representing 22% of that. Nine percent of minimum wage workers are 55 years old and over<sup>7</sup>. With the adoption of the N.B. Poverty Reduction Plan in November 2009, the minimum wage has been increased from \$8.25 to reach the level of \$9.50 per hour in April 2011. Sadly, the present government decided to postpone the projected September 2011 increase to \$10.00 per hour until

<sup>1</sup> Vosoris N T, Tarasuk V S. Household food insufficiency is associated with poorer health. *J. Nutr.* 2003; 133: 120-126.

<sup>2</sup> Health Canada, Office of Nutrition Policy and Promotion. 2010. Summary data tables on household food insecurity in Canada in 2007-2008. Ottawa, ON: government of Canada.

<sup>3</sup> Statistics Canada. Household food insecurity, 2007-2008. *Health Fact Sheets*. 2010; 82-625-XWE (2).

<sup>4</sup> Food Banks Canada. Hunger Count 2010. A comprehensive report on hunger and food bank use in Canada, and recommendations for change. <http://foodbankscanada.ca/HungerCount.htm>.

<sup>5</sup> [www.campaign2000.ca/reportCards/provincial/NewBrunswick/2010ChildandFamilyPovertyReportCard/English.pdf](http://www.campaign2000.ca/reportCards/provincial/NewBrunswick/2010ChildandFamilyPovertyReportCard/English.pdf)

<sup>6</sup> Statistics Canada. Perspectives on Labour and Income. 2010;17-75-001-X

<sup>7</sup> Statistique Canada. Enquête sur la population active. 2009

April 2012. Even at a \$9.50 per hour rate, households have difficulty in meeting their basic needs.

The N.B. Common Front for Social Justice Inc. (CFSJ) is a non-profit organization committed to greater solidarity within society, especially with those living in poverty. In 2010, the CFSJ opted to carry out a food survey using the standardized tool developed by Health Canada, the National Nutritious Food Basket<sup>8</sup>. Results of this survey were widely distributed and are posted on the CFSJ website<sup>9</sup>. Given that food prices continue to rise, the CFSJ decided to continue to monitor food prices on an annual basis.

This report presents the objectives of the CFSJ's study, followed by the results obtained and some comments and suggestions on how the data could be used to bring about changes in the social conditions of low-income New Brunswickers. The report ends with a conclusion followed by three recommendations.

## II. OBJECTIVES OF THE STUDY

The study had the following objectives:

- A. Collect during July 2011, in 22 N.B. grocery stores, data on the cost of 67 food items comprising dairy products, protein-rich foods, fruit and vegetables, cereal products and lipid-rich foods.
- B. Compare the 2011 prices in 12 stores with those observed in the same stores in July 2010.
- C. Calculate the cost of a nutritious food basket in eight different geographical areas of N.B. designated as focus zones for the Community Integration Networks of the Economic and Social Inclusion Plan
- D. Formulate recommendations to address the problem of food security in N.B.



## III. METHODOLOGY

The research team comprised Auréa Cormier, Emeritus Professor in Nutrition, Université de Moncton, who acted as principal investigator. She was assisted by the following CFSJ members: Jean-Claude Basque, Bill Bastarache, John Gagnon, Melynda Jarratt, James LeBlanc, Sylvie Leblond, Linda McCaustlin, Johanne Petitpas and Nicole Young. Other assistants in data collection were Ella Arsenault, Rose-Marie Haché, Céline Létourneau, Stella Martin, Rhonda Mattson, Tom McNulty, Murielle Porter and Tracy Warden.

These 18 team members were instructed on how to carry out the **National Nutritious Food Basket** (NNFB) methodology developed by Health Canada<sup>10</sup>. It measures the cost of healthy eating based on Canada's Food Guide to Healthy Eating but does not include foods that are not part of *Eating Well with Canada's Food Guide*. When an item was on sale, it was selected as this is the probable decision made by low-income people. (See Annex A for a list of the 67 items surveyed).

<sup>8</sup> Health Canada. National nutritious food basket. <http://www.hc-sc.gc.ca/fn-an/surveill/basket-panier/index-eng.php>.

<sup>9</sup> Impact of food price increases on low-income New Brunswickers. [http://www.frontnb.ca/Document/food\\_prices.pdf](http://www.frontnb.ca/Document/food_prices.pdf).

<sup>10</sup> Health Canada, National nutritious food basket. <http://www.hc-sc.ca/fn-an/surveill/basket-panier/index-eng.php>.



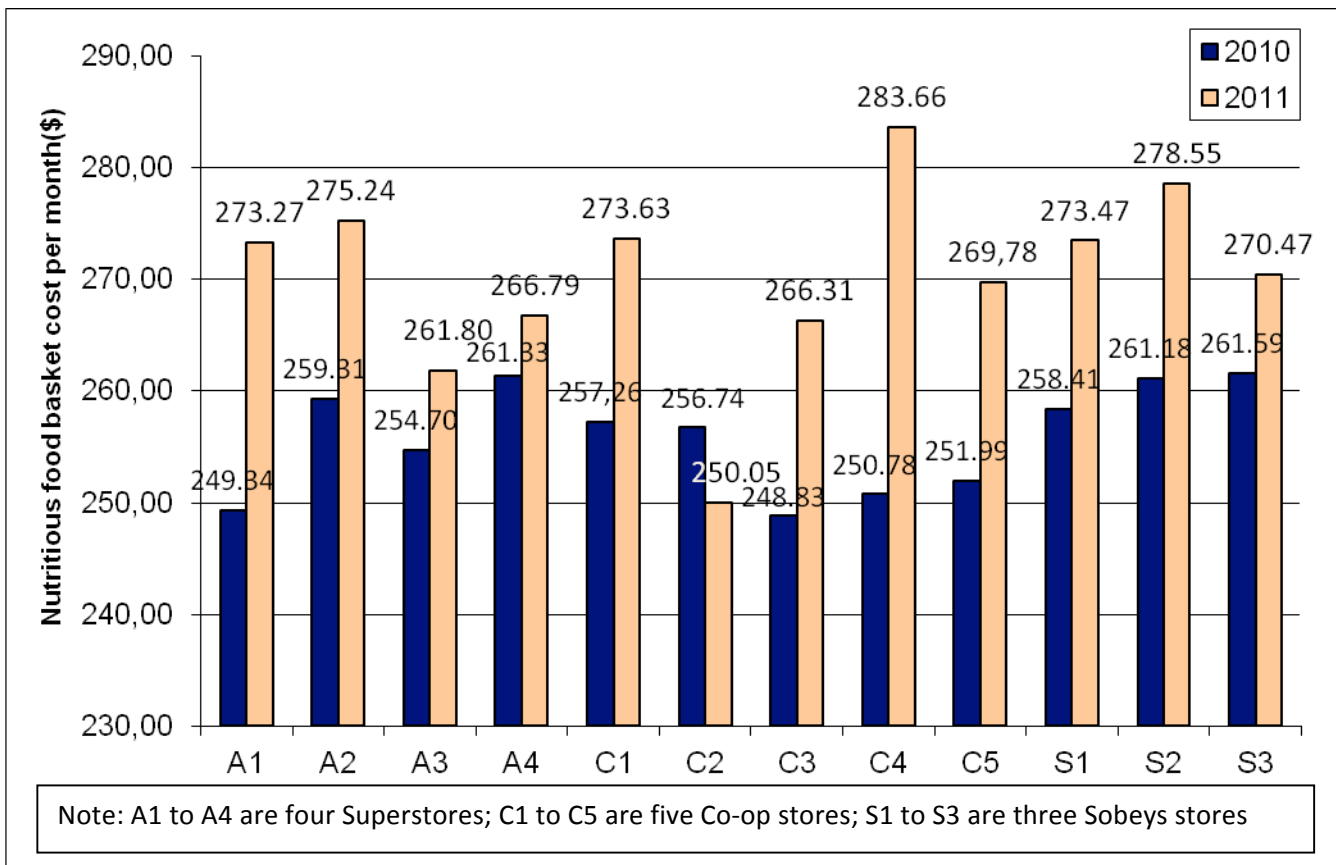
A total of 22 stores were surveyed between July 7<sup>th</sup> and July 31<sup>th</sup> 2011. They were not randomly chosen but an attempt was made to achieve good provincial coverage. These stores included **seven Atlantic Superstores** (Bathurst, Edmundston, Fredericton, Miramichi, Moncton, Saint John and Tracadie-Sheila), **seven Co-op Food Stores** (Bathurst, Fredericton, Miramichi, Moncton, Rogersville, Saint John and Saint-Louis) and **six Sobeys stores** (Bathurst, Edmundston, Fredericton, Miramichi, Moncton and Quispamsis). **One Price Chopper** (in Edmundston) and **one SaveEasy** store (in Saint-Antoine) were also surveyed.

## IV. RESULTS AND COMMENTS

### A. Overall increase in food cost between July 2010 and July 2011

In July 2010, CFSJ had surveyed 12 grocery stores. The same ones were revisited in July 2011 and the 2011 prices were compared with those of 2010. The results are presented in Figure 1.

**Figure 1. Changes in the monthly cost of a nutritious food basket between 2010 and 2011.**

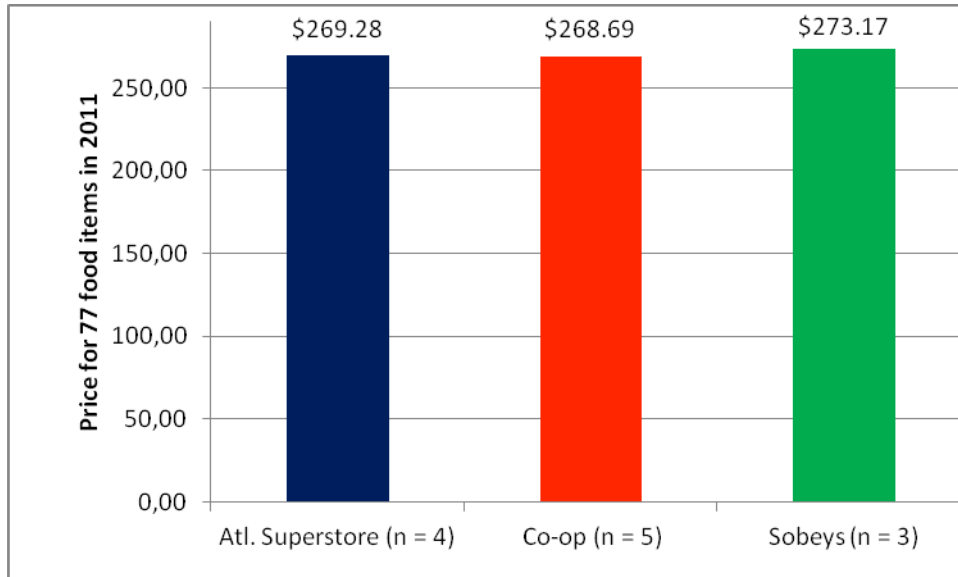


**The cost of a nutritious food basket rose by 5.74% in one year, an increase which is highly significant ( $p = 0.0004$ ). This percentage is based on the average cost of a nutritious food basket in 2010, at \$255.96, compared to the 2011 price average at \$270.25. This observation is in line with the 2010-2011 food price rise of 5.8% rise reported in Ontario food stores but it is**

above the national average food price rise of 4.3% reported by Statistics Canada between June 2010 and June 2011<sup>11</sup>.

In 2011, the average cost of the 67 food items surveyed varied **within** the three major grocery stores surveyed. However, these differences were not sufficient to show significant differences between the three chain stores, as shown in Figure 2.

**Figure 2. Average 2011 cost of the 67 items composing the nutritious food basket in Atlantic Superstores<sup>12</sup>, Co-op stores<sup>13</sup> and Sobeys<sup>14</sup> stores.**



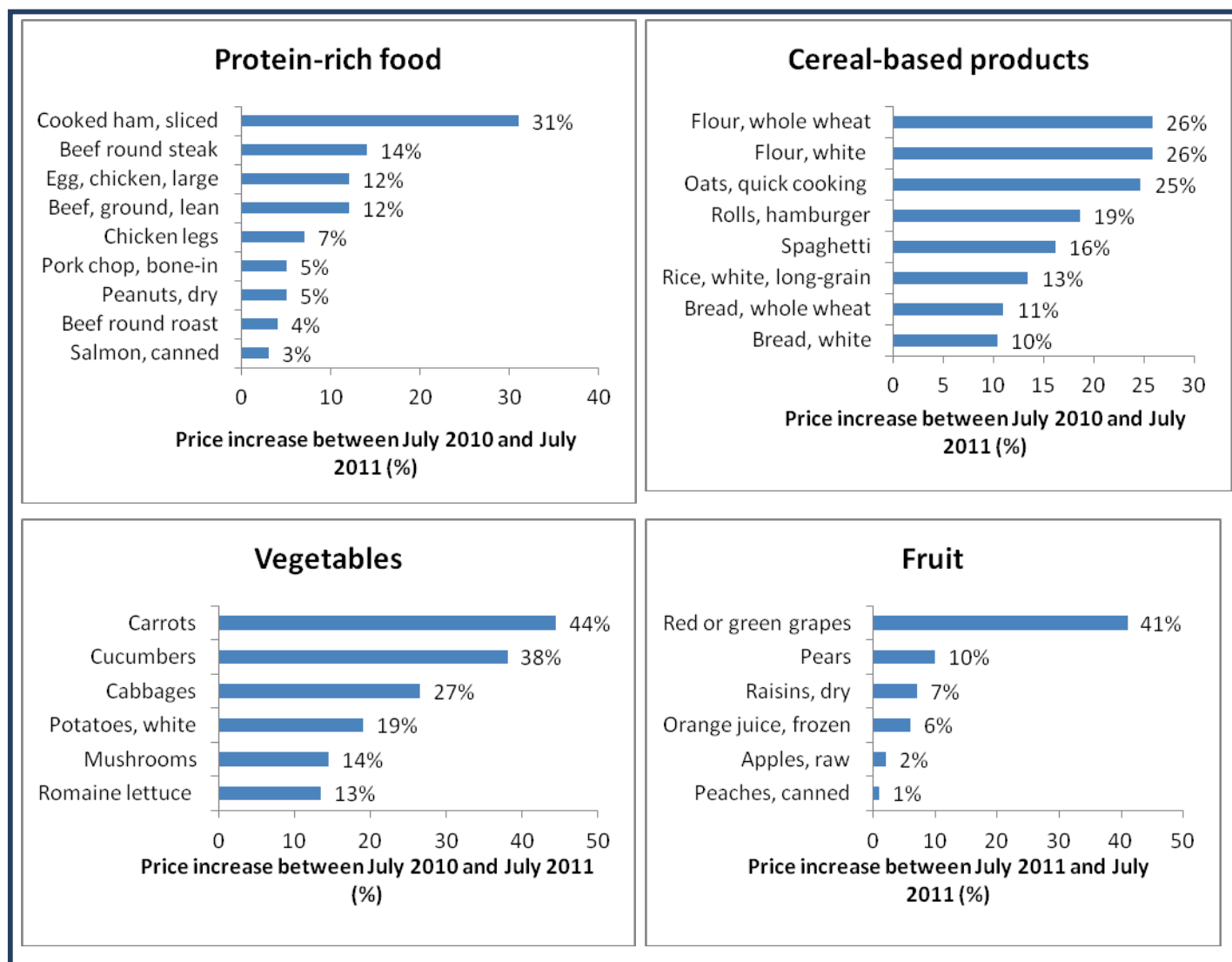
**B. Food items particularly affected by price hikes**

**Forty of the 67 food items surveyed in 2011 were comparatively more expensive than those surveyed in 2010.** Conversely, 27 items were less expensive in 2011 than in 2010. They ranged from 0.8% less expensive in the case of frozen cut green beans to 42% less expensive in the case of cantaloupe. Most of the items which were priced lower in 2011, compared to 2010, were items that were on sale on the day of the survey.

Of the forty items which were more expensive, these can be regrouped under cereal-based products, protein-rich foods, vegetables and fruit. The extent of the price hikes for these four categories are illustrated in Figure 2.

<sup>11</sup> Grant T. Sticker shock hits food buying Canadians. *Globe and Mail Blog* – July 25, 2011.  
<sup>12</sup> Atlantic Superstores were surveyed in Miramichi, Moncton, Tracadie-Sheila and Saint John.  
<sup>13</sup> Co-op stores surveyed were Lamèque, Miramichi, Moncton, Rogersville and Saint John  
<sup>14</sup> Sobeys stores surveyed were in Miramichi, Moncton and Saint John.

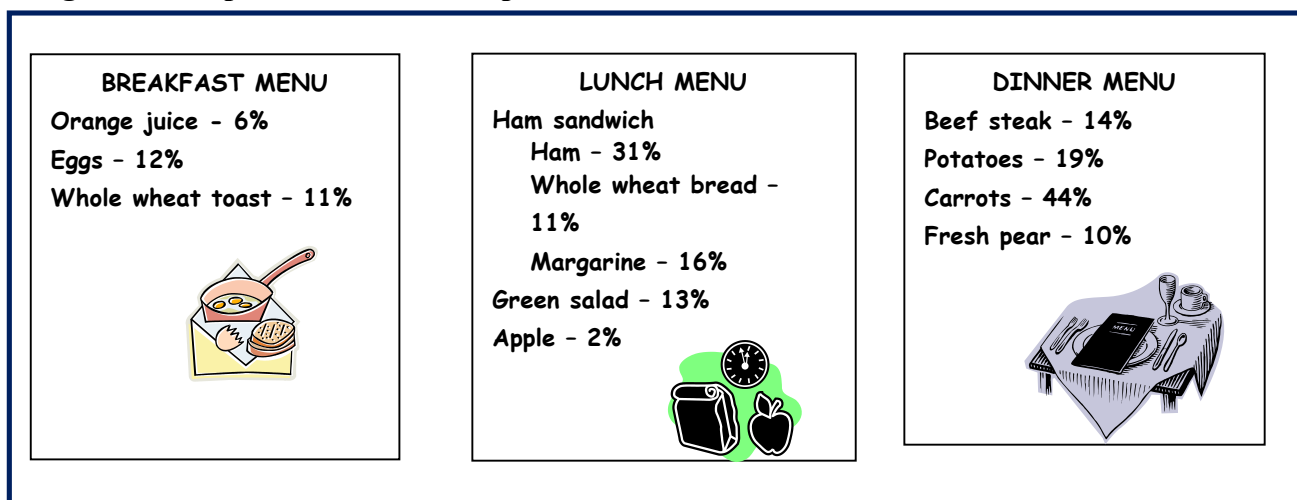
**Figure 2. Percent price increases for selected food items between July 2010 and July 2011.**



As indicated in Figure 2, the price of certain protein-rich foods increased considerably. The same is also true for cereal-based products which are the main source of calories for low-income households. The price of wheat flour rose by 26% so it is not surprising to see that **the price of such a basic staple as bread rose by more than 10% in one year**. Such price increases put a great deal of pressure on poor people's food budget. Fruit and vegetables provide many vitamins and minerals as well as some cancer prevention components. In the area of fatty foods, the cost of salad dressing rose by 16.5% and that of non-hydrogenated margarine, by 16.1%. People living on low income have difficulty adjusting to price hikes and consequently, nutritious foods are beyond their budget capacity. This inevitably has a negative impact on their health status.

These price increases are reflected in the daily menus of New Brunswickers. If a household is on a limited budget, it is increasingly difficult to decide on what to put in a breakfast, lunch and supper menu. Some of these increased food cost are reflected in the menus appearing in Figure 3.

**Figure 3. Samples of the observed price increases in breakfast, lunch and dinner menus**



**C. Cost of feeding selected N.B. households**

A template developed by Health Canada allows one to calculate the weekly cost of a basic nutritious diet for families of any size or composition. Based on the data collected in 22 food stores, Table 1 indicates the cost of a basic nutritious diet for 16 different age groups in July 2011. Weekly food cost is multiplied by 4.33 to put it on a monthly basis.



**Table 1. Average 2011 cost of the National Nutritious Food Basket in N.B. by age and gender.**

Sex	Age (years)	Cost per week (\$)	Cost per month (\$)	Sex	Age (years)	Cost per week (\$)	Cost per month (\$)
Boy	2-3	27.57	<b>119.38</b>	Girl	2-3	27.02	<b>117.00</b>
	4-8	35.42	<b>153.37</b>		4-8	34.33	<b>148.65</b>
	9-13	46.67	<b>202.08</b>		9-13	40.17	<b>173.94</b>
	14-18	65.06	<b>281.71</b>		14-18	47.70	<b>206.54</b>
Man	19-30	62.87	<b>272.23</b>	Woman*	19-30	48.86	<b>211.56</b>
	31-50	57.01	<b>246.86</b>		31-50	48.34	<b>209.31</b>
	51-70	54.96	<b>237.98</b>		51-70	43.06	<b>186.45</b>
	71+	54.34	<b>235.25</b>		71+	42.22	<b>182.81</b>

\*Pregnant mothers' food cost per week ranges from \$52.65 to \$53.51 while lactating mothers' food cost ranges from \$55.40 to \$56.85 per week.

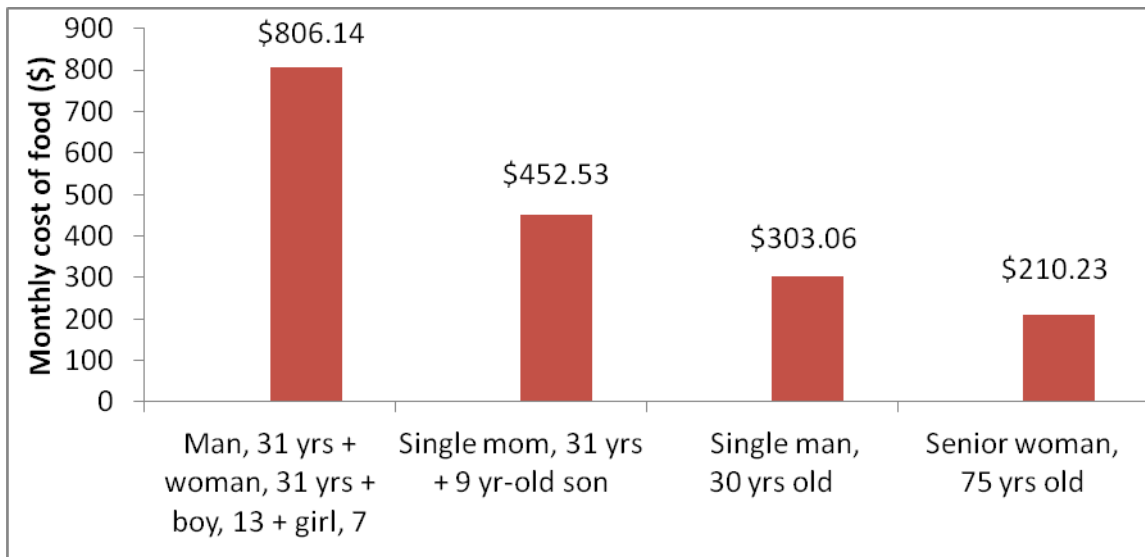
When households are smaller, the price of food tends to be higher. This is why Health Canada recommends that the following factors be used to adjust food cost for different households:

- One person household: multiply by 1.15
- Two person household: multiply by 1.10
- Three person household: multiply by 1.05
- Four person household: use number as is

**D. Monthly cost of a nutritious diet in 2011 for reference households**

The monthly food cost for a reference family of four (man, 31, woman, 31, boy, 13 and girl, 7), a single mom with a 9 year-old son, a single man and a 75-year old woman are presented in Figure 4.

**Figure 4. Monthly cost of a nutritious diet for types of households in 2011**



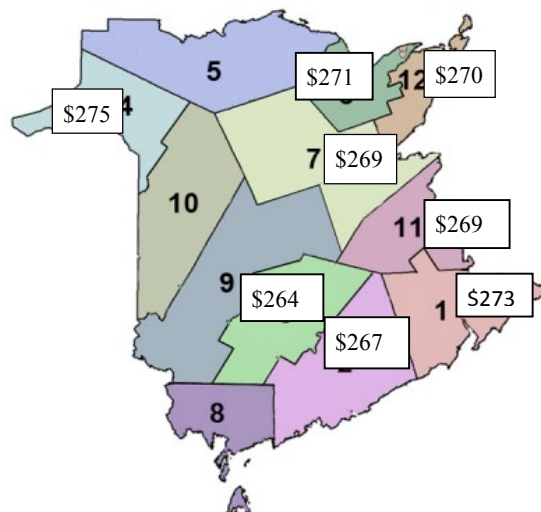
In July 2011, **the monthly cost of a basic nutritious diet for the reference family of four is \$806.14.** This number is in line with the cost of a nutritious diet in Nova Scotia, in June 2010, to feed a reference family of four a basic nutritious diet, namely \$770.65. On a yearly basis, the collected data indicate that a reference **family spends \$9,674** for a nutritious diet, a **single mom with a 9 yr.-old son spends \$5,430**, a **single adult man spends \$3,637** and a **senior woman spends \$2,523.**

**E. Cost of a nutritious food basket in eight Community inclusion network areas**

The Social and Economic Inclusion Corporation proposed 12 geographical areas for the operation of its Community Inclusion Networks. Food prices were surveyed in 8 of the 12 areas. The 2011 average cost of a nutritious food basket in 8 of 12 of these areas is presented in Figure 5.

**Figure 5. Cost of a nutritious food basket in eight N.B. regions in 2011**

- Region 1: 3 stores in Moncton: \$273
- Region 2: 2 stores in Saint John and 1 in Quispamsis: \$267
- Region 3: 3 stores in Fredericton: \$264
- Region 4: 3 stores in Edmundston: \$275
- Region 6: 2 stores in Bathurst: \$271
- Region 7: 3 stores in Miramichi: 269
- Region 11: 1 store in Saint-Antoine and 1 in Saint-Louis: \$269
- Region 12: 1 store in Lamèque and 1 in Tracadie-Sheila: \$270





The average cost of a nutritious food basket, rounded to the nearest dollar, varies slightly across the eight regions, as indicated in Figure 5. It ranges from \$264 in Fredericton to \$273 Moncton. This indicates that the price of food is relatively high, no matter where one lives in N.B.

## V. AFFORDABILITY OF FOOD

People at the lower end of the income scale such as minimum wage workers, social assistance recipients, single parents with children and senior citizens receiving the supplement are unable to feed themselves properly. In a later publication, the CFSJ will document this fact in detail.

Results from this July 2011 survey indicate that low-income New Brunswickers cannot afford a basic nutritious diet and their health is probably compromised. Despite the significant increases which have been made to minimum wage, N.B. workers relying on minimum wage are still at risk of food insecurity. This is particularly true for lone mothers who are the sole bread winner for their children.

Income related food insecurity leads to a variety of health, social and economic problems<sup>15</sup>. Not having enough to eat has an impact on other social determinant of health such as literacy, early childhood development and education. Food insecurity also contributes to chronic disease such as heart disease and cancer, two of the most prevalent chronic disease in N.B. Moreover, individuals in food insecure households are more likely to report mental health problems, and multiple chronic conditions such as high blood pressure, heart disease and diabetes. Low income pregnant mothers have less access to nutritious food and poor nutrition during pregnancy can affect a child's health throughout the life cycle.

## VI. CONCLUSION

The province of N.B. has a higher rate of food insecurity than the Canadian average. Evidence of this is manifested by the fact that close to 19,000 New Brunswickers use food banks. Low income workers, mainly those at minimum wage, cannot afford to purchase the nutritious food they require to remain in good health. The situation is worse for those on social assistance.

In July 2011, the Common Front for Social Justice (CFSJ) surveyed the price of 67 food items, (those included by Health Canada in the nutritious food basket) in 22 New Brunswick grocery stores. This survey was a repeat of the one carried out in 2010 in 12 grocery stores. It is therefore possible to compare the rising cost of food in the province and to calculate the cost of feeding various households of New Brunswickers. **The data indicated that between July 2010 and July 2011, the price of a nutritious food basket went from \$255 to \$270, a 5.74% increase in one year.** Food groups most affected were: (1) cereal-based items such as flour (26% rise) and bread (10 to 11% rise); (2) protein-rich foods such as sliced ham (31% rise), ground beef (14%

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<sup>15</sup> Nova Scotia Food Security Network and Participatory Action Research and Training Centre at Mount Saint Vincent University. May 2011, p. 25.

rise) and chicken legs (7% rise); (3) vegetables such as carrots (44% rise), cucumber (38% rise), cabbage (27% rise) and potatoes (19% rise); (4) fruit such as grapes rose by 41%.

The monthly cost of a nutritious diet is now at an all-time high. **For a reference family of four, their household rounded cost was \$806 in July 2011. For a single mom with one child, it was \$453. A single 30-yr- old man needed \$303 to purchase nutritious food and a senior woman needed \$210.** This high food cost is quite comparable throughout the province.

Affordability of food is a serious problem for many low-income New Brunswickers. The CFSJ will document this issue in the near future.

## VII. RECOMMENDATIONS

Given that the mission of the N.B. Common Front for Social Justice (CFSJ) is to promote social policies and greater solidarity among N.B. citizens, especially those living in poverty, this survey provided concrete evidence that it is urgent to protect the food buying power within specific income groups. The urgency applies especially to people living on low income, mainly minimum wage workers and social welfare recipients.

The CFSJ has selected, as major priorities, (1) to lobby political decision makers to increase the income level of social assistance recipients so as to be able cover their basic needs and (2) to lobby the Minimum Wage Board for a decent minimum wage for low income workers. In light of these two priorities, the CFSJ makes the following recommendations:

- 1. Implement a food solidarity program of \$50 per month for all households on social assistance.**
- 2. Raise the basic social assistance rates to match the average of those in place in Atlantic Canada.**
- 3. Implement the recommendation contained in the New Brunswick Economic and Social Inclusion Plan to “*Raise the minimum wage to the Atlantic average by September 1<sup>st</sup>, 2011 and adjust for inflation thereafter.*”**

### ACKNOWLEDGEMENTS

The project was made possible through the financial assistance of the Southeast Chapter of the Common Front for Social Justice which covered the travel cost to collect the data. Thanks are also expressed to the CFSJ members and their colleagues<sup>16</sup> who were trained to do the food costing study and who actually carried it out in 22 N.B. grocery stores.

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<sup>16</sup> CFSJ members: Jean-Claude Basque, Bill Bastarache, Auréa Cormier, John Gagnon, Melynda Jarratt, James LeBlanc, Sylvie Leblond, Linda McCaustlin, Johanne Petitpas, Dan Weston and Nicole Young. Other assistants in data collection were Ella Arsenault, Brenda Brawn, Margo Cragg, André Faust, Rose-Marie Haché, Céline Létourneau, Stella Martin, Rhonda Mattson, Tom McNulty, Murielle Porter and Tracy Warden.

ANNEX A					
Type of food	Price change		Type of food	Price change	
	Higher price	Lower price		Higher price	Lower price
<b>Fruit and vegetables</b>			<b>Cereal-based products</b>		
Apple juice, canned		-9.6	Bran flakes with raisins		-1.6
Apples, raw	+2.0		Bread, white	+10.4	
Bananas		-0.9	Bread, whole wheat	+10.4	
Green beans, frozen		-0.8	Cereal, toasted oats Os	+0.5	
Broccoli		-2.8	Cookie, Arrowroot/Social tea		-3.2
Cabbage	+26.5		Crackers, saltine		-11.1
Carrot	+44.5		Flour, white	+25.8	
Celery		-2.8	Flour, whole wheat	+11.0	
Corn, canned		-3.9	Oats, quick cooking	+24.7	
Cucumber	+34.0		Pita bread, whole wheat	+26.8	
Grapes, red or green	+41.2		Rice, long grain	+13.4	
Lettuce, iceberg		-34.4	Rolls for hamburger	+18.6	
Lettuce, romaine	+13.5		Spaghetti	+13.4	
Melon, cantaloupe		-42.2			
Mushrooms	+4.3		<b>Milk and milk alternatives</b>		
Onions	+0.9		Cheese, cheddar		-4.6
Orange juice, frozen		+5.8	Cheese, mozzarella		-5.6
Oranges, all varieties		-2.8	Cheese, processed and sliced		-5.6
Peaches, canned	+1.1		Milk, 2%		-1.6
Pears	+10.5		Yogourt with fruit	+0.6	
Peas, frozen		-8.8			
Pepper, sweet, green	+7.4		<b>Meat and meat alternatives</b>		
Potatoes, white	+19.0		Beans, canned in tomato sauce		-3.5
Raisins, seedless	+7.3		Beef, ground, lean	+11.9	
Strawberries, frozen		-3.8	Beef, inside round roast	+4.4	
Sweet potatoes	+2.3		Beef, inside round steak	+14.4	
Tomatoes, canned, whole		-4.7	Chicken legs	+6.7	
Tomatoes, red, raw	+2.1		Eggs, large	+12.1	
Turnip		-3.4	Fish white fillet, frozen	-2.1	
Vegetable juice cocktail		-4.0	Ham, sliced	+73.5	
Vegetables, mixed, frozen		-0.9	Lentils, dry		-4.8
			Peanut butter	-12.4	
<b>Fats and oils</b>			Peanuts, dry and roasted	+5.0	
Canola oil	+3.5		Pork chops, bone in	+5.1	
Margarine, non-hydrogenated	+16.2		Salmon, canned	+2.6	
Mayonnaise, salad dressing type	+16.5		Tuna, light, canned		-9.1

Note: Food items that were less expensive are those which were often on sale on the day of the survey. Moreover, it was observed that the trade mark specific to the each chain store tended to be cheaper to other non-store brand.