

Common Front for Social Justice

Sharp Increase in the Food Prices
Results of a study done July 2011 in New Brunswick

We are experiencing a sharp increase in food prices.

In July 2010, the Common Front for Social Justice had surveyed 12 grocery stores. The same ones were revisited in July 2011 and the 2011 prices were compared with those of 2010.

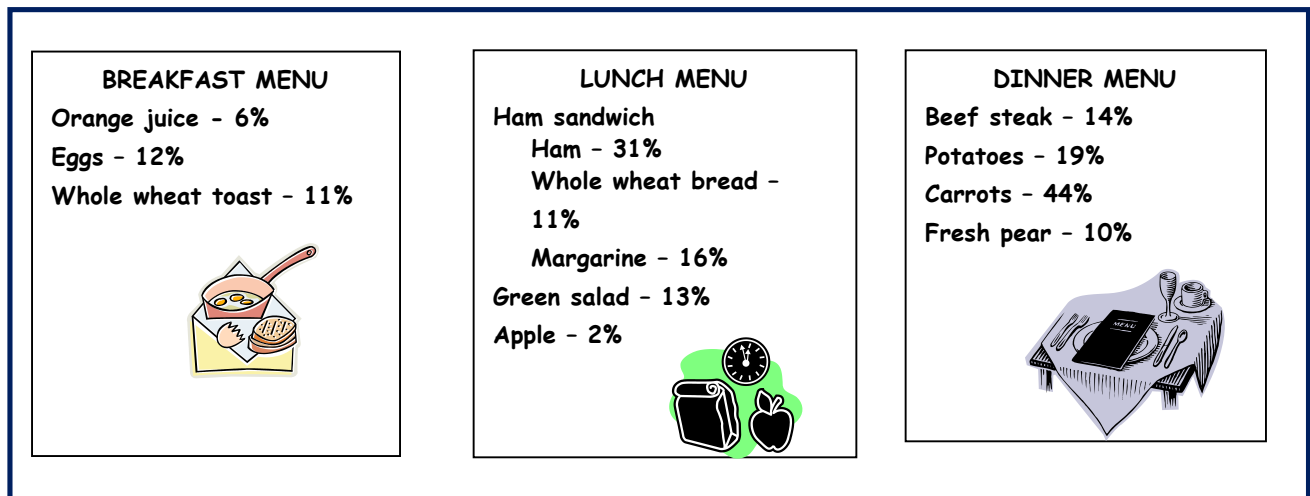
The results show that the cost of a nutritious food basket rose by 5.74% in one year, an increase which is highly significant. This percentage is based on the average cost of a nutritious food basket in 2010, at \$255.96, compared to the 2011 price average at \$270.25. This observation is in line with 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

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.

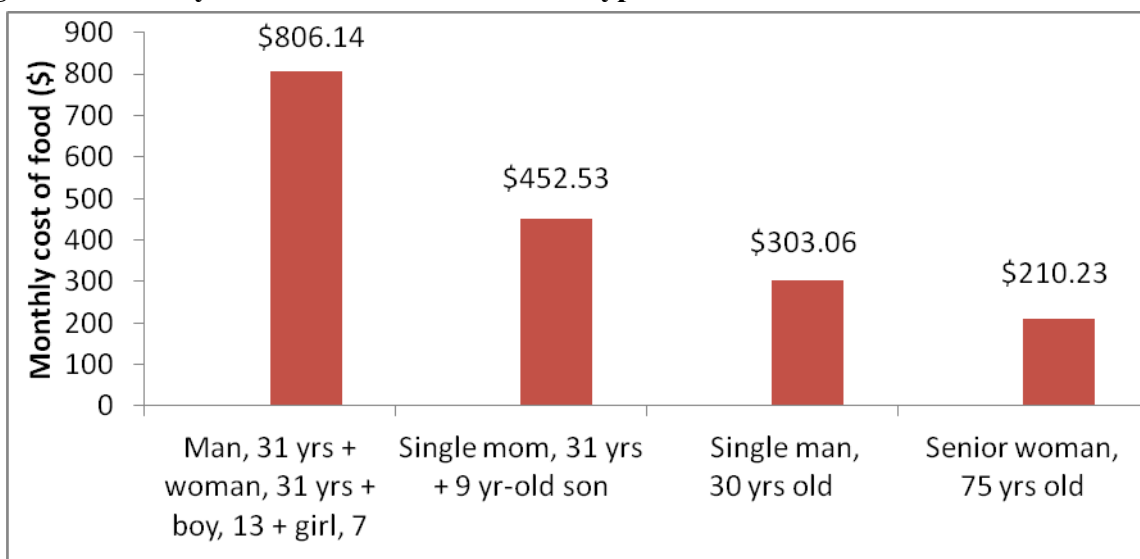
These price increases are reflected in the daily menus of New Brunswickers. If a household is on a limited budget, it is increasingly difficult to decide on what to put in a breakfast, lunch and supper menu. Some of these increased food cost are reflected in the menus appearing in Figure 3.

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



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



On a yearly basis, the collected data indicate that a reference **family spends close to \$10,000** (\$9,674) for a nutritious diet, a **single mom with a 9 yr.-old son spends more than \$5,400** (\$5,430), a **single adult man spends around \$3,640** (\$3,637) and a **senior woman spends around \$2,600** (\$2,523).

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 problems¹. 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.

¹ Nova Scotia Food Security Network and Participatory Action Research and Training Centre at Mount Saint Vincent University. May 2011, p. 25.

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 conclusion, **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% 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.

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

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 1st, 2011 and adjust for inflation thereafter.*”**

For information:

Linda McCaustlin, co-chair – 855-7047

Aur a Cormier- 204-1134

Jean-Claude Basque – 875-4232