**CITY OF HAMILTON**

*Public Health Services*

*Healthy Living Division*

<table>
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<tr>
<th>TO: Mayor and Members Board of Health</th>
<th>WARD(S) AFFECTED: CITY WIDE</th>
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<tbody>
<tr>
<td><strong>COMMITTEE DATE:</strong> October 21, 2013</td>
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<tr>
<td><strong>SUBJECT/REPORT NO:</strong> Nutritious Food Basket (BOH13030) (City Wide)</td>
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**SUBMITTED BY:**
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Public Health Services Department

**PREPARED BY:**
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**RECOMMENDATIONS**

(a) That the Board of Health correspond with the Premier of Ontario and the Minister of Community and Social Services to request an increase in social assistance rates to a level that reflects the true costs of nutritious food and housing, considering the annual results of the Ministry of Health and Long-Term Care’s Nutritious Food Basket survey and the Canada Mortgage and Housing Corporation Rental Income (Ontario) reports. In the interim, the Board of Health requests an immediate increase of $100 per month, for every adult in receipt of social assistance.

(b) The Board of Health requests the Ontario government sign a bilateral housing agreement with the federal government that will commit funds for cost-sharing the five year extension of the federal Investment in Affordable Housing Program.

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OUR Vision: To be the best place in Canada to raise a child, promote innovation, engage citizens and provide diverse economic opportunities.

OUR Mission: WE provide quality public service that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Values: Accountability, Cost Consciousness, Equity, Excellence, Honesty, Innovation, Leadership, Respect and Teamwork
EXECUTIVE SUMMARY

The Nutritious Food Basket (NFB) is a survey that collects the lowest average cost of 67 foods to represent a nutritious diet based on Canada’s Food Guide.

The estimated average cost for a family of four\(^1\) to purchase the NFB in Hamilton in 2013 is $171.21 per week, or $741.34 per month. This is a $6.41 monthly decrease from the cost of the NFB in 2012.

The estimated average cost for a family of four to rent a three bedroom unit in 2013 Hamilton is $988 per month. This is a $17 monthly increase in the cost of housing compared to 2012. When the higher rental costs in 2013 are factored, families in Hamilton continue to have a financial struggle to make ends meet.

The 2013 Hamilton Nutritious Food Basket Scenarios table (Appendix A) compares the average cost of food and rent for families and individuals who receive a limited income from OW, minimum wage, ODSP, and the Old Age Security/Guaranteed Income Supplement, to families with a median Ontario wage. The table in Appendix A shows that individuals and families with a limited income must spend more than 30% of their income on rent, and this leaves them with inadequate funds to purchase sufficient nutritious food on a consistent basis. Poor nutrition and inadequate housing directly contribute to poor health and well-being.

This report recommends that the Board of Health advocate for adequate income and investment in affordable housing so all residents can afford to buy nutritious food.

*Alternatives for Consideration – See Page 8*

FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)

**Financial:** OW is cost-shared with the City (for 2013, the city’s portion is 14.2%). If social assistance rates increase, this would increase the levy portion as well as the provincial portion, at whatever rate of increase was implemented. Effective January 1, 2018, the province will assume 100% of the cost of OW basic financial assistance.

**Staffing:** No staffing implications.

**Legal:** No legal implications.
HISTORICAL BACKGROUND  (Chronology of events)

The Ontario Public Health Standards 2008, Chronic Disease Prevention Standards Requirement #2, states: “The board of health shall monitor food affordability in accordance with the Nutritious Food Basket Protocol, 2008 (or as current) and the Population Health Assessment and Surveillance Protocol, 2008 (or as current).”

The NFB is a survey tool that is a measure of the cost of basic healthy eating. It reflects an eating pattern that meets the recommendations from Canada’s Food Guide and takes into account actual eating behaviours and food purchasing patterns found in the Canadian Community Health Survey 2.2.

From May 6 to 10, 2013, Registered Dietitians and nutrition student volunteers with Public Health Services conducted food pricing in seven grocery stores across the City of Hamilton in accordance with the Nutritious Food Basket Protocol.

For the past six years, the Board of Health has used the NFB data to advocate for increases in social assistance and affordable housing that would allow people with limited incomes to buy nutritious food.

POLICY IMPLICATIONS/LEGISLATED REQUIREMENTS

Social assistance benefits are issued in accordance with rate schedules specified in the OW and ODSP Support Program Acts and Regulations.

RELEVANT CONSULTATION

The following have reviewed and/or contributed to the report:

- Housing Services Division, Community and Emergency Services Department provided comments on the average rental costs and the social housing waitlist.
- Members of the Food Security Workgroup, Ontario Society of Nutrition Professionals in Public Health provided the Nutritious Food Basket Scenarios Template.
- Employment and Income Support Division, Community and Emergency Services Department provided the policy implications of increased social assistance benefits and current caseloads.
- Strategic and Business Planning, General Manager’s Office, Planning and Economic Development Department assisted with the recommendation for affordable housing.
- City Housing Hamilton was consulted and asked that the implementation strategy for the Housing and Homelessness Plan be mentioned in this report.
The estimated average cost for a family of four to purchase the NFB in Hamilton in 2013 is $171.21 per week or $741.34 per month. This is a $6.41 monthly decrease from the cost of the NFB in Hamilton in 2012. When the higher average monthly rental costs ($17.00) in 2013 are factored, families in Hamilton continue to have a financial struggle to make ends meet.

Figure 1: Estimated monthly cost of rent and a nutritious food basket for a family of four: two adults (male and female ages 25-49 years), two children (girl age 7, boy age 13) living in Hamilton, in May of each year from 2010 to 2013.

Hamilton Nutritious Food Basket Scenarios (Appendix A) gives a detailed comparison of the 2013 cost of food and rent to total income, in seven different family situations.

How Much Does Healthy Eating Cost? (Appendix B) allows individuals and families to estimate their cost of purchasing the NFB in 2013.
Figure 2: Estimated monthly funds remaining after paying for rent and food in six sample households in May of each year from 2010 to 2013.

The cost of food and rent leave families, and in particular single OW recipients, without adequate remaining income to cover other basic needs such as transportation, telephone, household and personal care items, childcare, clothing, school supplies, shoes, and other living essentials.

A total of 9.5% of households in Hamilton reported moderate or severe food insecurity (where they compromised the quantity or quality of food they consumed and/or changed their eating patterns due to financial constraints) in the previous 12 months. This number is higher than the 8.5% reported for Ontario and likely under-estimates the true prevalence of household food insecurity in Hamilton.²
Hamilton food banks are struggling to meet the high demand for their services. Hamilton Food Share reports that in March, 2013, 17,069 people accessed a food bank. Research shows that only 22% to 28% of food insecure families access food from a food bank, despite the fact that food banks are located close to their homes.

Food insecurity (inadequate or insecure access to food because of financial constraints) is a serious public health problem because it is tightly linked to individuals’ health and well-being.

- The experience of hunger leaves a lasting mark on children’s physical and mental health, leading to a greater likelihood of conditions such as depression and asthma in adolescence and early adulthood.
- Adults in food insecure households have poorer physical and mental health and higher rates of many chronic conditions, including depression, diabetes, and heart disease.

A number of social determinants of health impact the ability to buy food. By far, the most significant factors are income and the cost of housing.

**Income**

In July 2013 there were 12,666 cases (families and individuals) that received OW financial and employment assistance in the City of Hamilton. The caseload is still 26% higher than the pre-recession average monthly caseload of 10,035 in 2008. In June 2013, 18,058 cases (individuals or families) received ODSP benefits in the City of Hamilton. The ODSP caseload continues to climb, and is up 4.1% compared to June 2012.

Of those who accessed food from a Hamilton food bank in 2013, 76% were in receipt of OW or ODSP assistance.

**Housing**

When housing costs more than 30% of before-tax household income, a household will struggle to meet other expenses including the cost of a nutritious food basket. The Nutritious Food Basket Scenarios table (Appendix A) shows that the percentage of income required for rent is more than 30% for all of the following scenarios:

- a family of four receiving Ontario Works assistance
- a family of four earning a minimum wage,
- a single parent household with two children, receiving Ontario Works assistance
- a one person household receiving Ontario Works assistance
• a one person household receiving Ontario Disability Support Program and
• a one person household receiving Old Age Security and Guaranteed Income Supplement.

For a family of four, the average monthly cost for rental housing has increased $17.00 a month from 2012 to 2013. A three bedroom rental unit for this family would cost $988 a month.

For those who must adhere to a strict budget, the choice is between paying for rent and buying healthy food. If people choose rent it may be necessary to go hungry, or at the very least, purchase unhealthy food.

Good housing is one of the most fundamental requirements for good health.

• Precarious housing and homelessness can result in numerous negative health outcomes, ranging from respiratory infections and asthma due to moulds and poor ventilation, to mental health impacts associated with overcrowding.\(^7\)

• Adequate housing is linked to healthy child development since stable, affordable housing contributes to school success, community connections, and healthier neighbourhoods.\(^8\)

• The risk of severe health issues or disability increases up to 25% in poor housing.\(^8\)

Hamilton has a shortage of affordable rental housing and a long waiting list for social housing. The number of active applications on the Social Housing Waitlist was 5,540 as of July 2013.\(^9\) An implementation strategy for the Housing and Homelessness Plan will be presented to Council later this year and will outline actions to improve housing affordable in Hamilton.

Food insecurity needs to be a policy priority. Any program that involves “doing something in the meantime” needs an advocacy component for a policy change. Public Health Services is developing an educational flyer to distribute in the City to build awareness of the fact that many people in Hamilton do not have adequate incomes to buy nutritious food, and that a policy solution is necessary.

Addressing adequate income and investing in affordable housing

By far, the most significant factors in the ability to buy food are income and the cost of housing. This report recommends that the Board of Health advocate for adequate income and investment in affordable housing so all residents can afford to buy nutritious food.

A $100 healthy food supplement would allow residents to buy more of their own food rather than relying on charity. For example, after costs for rent and basic necessities, a
one person household on Ontario Works would require an additional $104 to be able to purchase adequate nutritious food (Appendix A).

Addressing affordable housing is also necessary as housing costs above 30% of income make it difficult for a household to purchase nutritious food. An opportunity now exists to address affordable housing. In its March 2013 budget, the federal government announced a five-year extension to the Investment in Affordable Housing program to 2018-2019.¹⁰ The NFB Board of Health recommendation is requesting the provincial government commit to cost-share its portion and sign a bilateral housing agreement with the federal government.

<table>
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<th>ALTERNATIVES FOR CONSIDERATION</th>
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<td>(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)</td>
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The Board of Health can choose not to advocate for improvements in social assistance or an extension to the federal Investment in Affordable Housing Program that could enable recipients to buy nutritious food.

**Pro:** Social assistance rates would remain the same and the city’s levy portion would remain the same.

**Con:** Advocating for improvements in social assistance or an extension to the federal Investment in Affordable Housing Program could enable recipients to buy nutritious food. Given that individuals’ health and well-being is tightly linked to both their household food security and to adequate housing, the negative health outcomes associated with poor nutrition, and the significant number of Hamiltonians who live on an income below the low income cut off measures would not change.

**Financial:** No financial implications.

**Staffing:** No staffing implications.

**Legal:** No legal implications.

**ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN:**

**Strategic Priority #1**
A Prosperous & Healthy Community
WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.
(vii, xii) Residents in need have access to healthy food and affordable accommodation.

APPENDICES / SCHEDULES

Appendix A - Hamilton Nutritious Food Basket Scenarios

Appendix B - How Much Does Healthy Eating Cost?

References

1 The reference family of four includes 2 adults (male and female ages 31 to 50), 2 children (girl age 8, boy age 14).

2 Canadian Community Health Survey 2009/10, Share File, Ontario, Ministry of Health and Long-Term Care. This measure of food security is a household measure, so it does not determine the food security status of each individual member residing in the household. It cannot be assumed that all members of a household share the same food security status. The data are weighted using Statistics Canada’s household weights that are representative at the provincial level. Estimates are likely conservative because certain high risk populations are not represented in the Canadian Community Health Survey (CCHS). Information was not stated for 3.5% of City of Hamilton households.

3 Hamilton Hunger Count 2013, Hamilton Food Share.


6 Correspondence from staff in Employment & Income Support Division, Community and Emergency Services Department, City of Hamilton, August, 2013.


9 Correspondence from staff in Housing Services Division, Community and Emergency Services Department, City of Hamilton, August 2013.

# Hamilton Nutritious Food Basket Scenarios May 2013

## Appendix A to BOH13030

### Monthly Calculations

<table>
<thead>
<tr>
<th>Scenario 1</th>
<th>Scenario 2</th>
<th>Scenario 3</th>
<th>Scenario 4</th>
<th>Scenario 5</th>
<th>Scenario 6</th>
<th>Scenario 7</th>
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**Income**

- Income from Employment: $1,777.00, $7,317.00
- Basic Allowance\(^a\): $453.00, $350.00
- Maximum Shelter Allowance\(^b\): $695.00, $641.00
- Old Age Security/Guaranteed Income Supplement\(^c\): $1,287.00, $1,167.00
- Ontario Guaranteed Annual Income System\(^d\): $83.00
- Canada Child Tax Benefit\(^e\): $759.00, $759.00
- GST/HST credit\(^f\): $66.00, $66.00
- Ontario Trillium Benefit\(^g\): $139.00, $139.00
- Working Income Tax Benefit\(^h\): $77.00
- Employment Insurance paid\(^i\): $(33.00), $(132.00)
- Canada Pension Plan paid\(^j\): $(74.00), $(333.00)

**Total Income**

- Monthly: $2,112.00, $2,711.00, $6,852.00, $1,927.00, $688.00, $1,167.00, $1,499.00

**Selected Expenses**

- Average Monthly Rent (may or may not include heat/hydro)\(^k\): $(988.00), $(988.00), $(988.00), $(820.00), $(543.00), $(694.00), $(694.00)
- Food\(^l\): $741.00, $741.00, $741.00, $560.00, $249.00, $249.00

**Total Selected Expenses**

- Monthly: $1,729.00, $1,729.00, $1,729.00, $1,380.00, $792.00, $943.00, $875.00

**Funds Remaining**

- (for other basic needs e.g. telephone, transportation, child care, household and personal care items, clothing, school supplies etc.): $383.00, $982.00, $5,123.00, $547.00, $(104.00), $224.00, $624.00

**Percentage of income required for rent**

- $47\%, 36\%, 14\%, 43\%, 79\%, 59\%, 46\%

**Percentage of income required to purchase healthy food**

- 35\%, 27\%, 11\%, 29\%, 36\%, 21\%, 12\%

Note: All dollars rounded to nearest whole number.

### Scenario References:

- Scenario 1 - 2 adults (male and female ages 31-50), 2 children (girl age 8, boy age 14); on Ontario Works (OW).
- Scenario 2 - 2 adults (male and female ages 31-50), 2 children (girl age 8, boy age 14); income is based on one minimum wage earner, 40hr/wk, $10.25/hr.
- Scenario 3 - 2 adults (male and female ages 31-50), 2 children (girl age 8, boy age 14). Assumption of a dual income family with a split of 65% / 35% between partners.
- Scenario 4 - 1 adult (female age 31-50), 2 children (girl age 8, boy age 14); on Ontario Works.
- Scenario 5 - 1 adult (male age 31-50); on Ontario Works.
- Scenario 6 - 1 adult (male age 31-50); on Ontario Disability Support Program (ODSP).
- Scenario 7 - 1 adult (female age 70+); income based on Old Age Security and Guaranteed Income Supplement (OAS/GIS).
o - Housing for Scenario 6 was changed from a Bachelor apartment in 2010 to 1-bedroom in 2011. This change reflects a more accurate housing need for persons with a disability. This change will need to be recognized when attempting to compare year over year results.

a - Due to the Northern Ontario Energy Credit portion of the Ontario Trillium Benefit (OTB), this worksheet is applicable for Ontario districts, excluding the Northern Ontario districts of Algoma, Cochrane, Kenora, Manitoulin, Nipissing, Parry Sound, Rainy River, Sudbury (including the City of Greater Sudbury), Thunder Bay, and Timiskaming.


g - Ontario Trillium Benefit (OTB) includes Ontario Energy and Property Tax Credit, the Northern Ontario Energy Credit, and Ontario Sales Tax Credit. Based on average apartment rental rates for Ontario (see i) and net annual income. Ontario Trillium Benefit is issued on a monthly basis. Figures derived from Ontario Trillium Benefit and related provincial programs calculator, effective July 2012-June 2013. http://www.cra-arc.gc.ca/bnfts/clcltr/menu-eng.html (accessed July 8, 2013).


l - Reference: Nutritious Food Basket Data Results 2013 For Hamilton - Includes Family size adjustment factors.


o - Housing for Scenario 6 was changed from a Bachelor apartment in 2010 to 1-bedroom in 2011. This change reflects a more accurate housing need for persons with a disability. This change will need to be recognized when attempting to compare year over year results.
How Much Does Healthy Eating Cost in 2013?

Registered Dietitians with Public Health Services conducted a survey of the price of nutritious foods in seven grocery stores in the City of Hamilton - the survey is called the Nutritious Food Basket survey.

What foods were priced?
The foods for the Nutritious Food Basket survey are based on Canadian eating patterns and buying habits* as well as nutritional value. The survey represents the lowest average cost of 67 healthy foods in seven Hamilton grocery stores.

The foods surveyed are found in Canada’s Food Guide:
- Vegetables and Fruit
- Orange Vegetables and Fruit
- Dark Green Vegetables
- Whole Grains/ Whole Wheat Products
- Non Whole Grain Products
- Milk and Milk Alternatives
- Meat, Poultry, Legumes, Eggs and Fish

These foods can be used to prepare nutritious meals and snacks. To get the total cost for a week, an extra 5% was added to account for additional food items used in meal preparation such as spices, seasonings, condiments, baking supplies, soups, coffee and tea.

*Eating patterns and purchasing frequency based on the Canadian Community Health Survey 2.2 results.

What items were not included?
The total cost does not include processed and convenience foods, soft drinks, popular snack foods, special dietary foods, infant foods, religious or cultural foods, soap, shampoo, toilet paper or other personal items that people might add to their shopping cart.
Use the Nutritious Food Basket to estimate the cost of feeding:

- yourself and your family
- a group of people sharing living space (group homes, shelters, students)

**Step 1.** Write down the gender and age of each person in the household.

**Step 2.** Use the Nutritious Food Basket Weekly Costs and write down the weekly food cost for each person.

**Step 3.** Add the weekly food costs together for the subtotal.

**Step 4.** Multiply the subtotal by the amount below for the number of people in the household. It costs a little more to feed small groups of people and a little less to feed larger groups.

- 1 person - multiply by 1.20
- 2 people - multiply by 1.10
- 3 people - multiply by 1.05
- 4 people - make no change
- 5-6 people - multiply by 0.95
- 7 or more people - multiply by 0.90

**Step 5.** To find out the monthly costs, multiply your total by 4.33.

### Example: 2-Person Household

<table>
<thead>
<tr>
<th>Gender</th>
<th>Age</th>
<th>Cost ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Woman</td>
<td>27</td>
<td>41.06</td>
</tr>
<tr>
<td>Girl</td>
<td>7</td>
<td>27.78</td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td>68.84</td>
</tr>
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</table>

Multiply for 2 people X 1.10

**Total =** 75.72 (per week)

**Total X 4.33 =** 327.88 (per month)

### Your Household

<table>
<thead>
<tr>
<th>Gender</th>
<th>Age</th>
<th>Cost ($)</th>
</tr>
</thead>
</table>

Subtotal

Multiply for ___ people X

**Total =** (per week)

**Total X 4.33 =** (per month)