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Submission from the Dietitians Association of Australia Grocery Issues Paper

The Dietitians Association of Australia (DAA) commends the Australian Government for commissioning the ACCC to commence a formal inquiry into food prices and welcomes the opportunity to comment on the grocery issues paper.

DAA is the National Association of the dietetic profession, with branches in each State and Territory. DAA represents over 3400 members. DAA is a leader in nutrition and advocates for better food, better health, and better living for all. Members working in a range of practice areas including public health nutrition, Indigenous and rural communities contributed to the development of this submission. DAA commends the Australian Government on their commitment to investigating food pricing.

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Summary of Recommendations

- 1. That the ACCC consider the existing tools and methodology available to monitor food cost.**
- 2. DAA supports the provision of unit pricing information at point-of-sale.**
- 3. DAA supports the identification of factors that influence food cost and transparency in this process. We call for a national system for regular monitoring of the food availability, accessibility and cost.**
- 4. DAA is interested in the associations between food cost and health and would welcome the opportunity to be involved in an inquiry, public hearing and/or consultations.**

Background

As a nation, Australia may be considered to be food secure. Food security is defined as “access by all people at all times to sufficient food for an active and healthy life”(1). Within Australia however, as in other developed countries; there are far too many Australians who are food insecure(2). Access to nutritious food is a basic human right(2). The cost of nutritious food has been recognised as an important determinant of food security, nutritional intake and thus health(3). An intake of nutritionally inadequate foods can result in nutrient deficiencies, hunger, or obesity if poor food choices are made; hence having a significant link with chronic disease and health(4).

The increasing rates of preventable chronic disease, such as overweight and obesity are of concern. It is estimated that up to 60% of Australians are overweight or obese(5). This illustrates the significant role of food and nutrition in both the prevention and treatment of chronic diseases such as obesity. The link between food cost and health is of interest to DAA.

The DAA would like to bring to the attention of the inquiry a number of tools already in existence that measure the cost of food. A range of different validated ‘healthy food basket surveys’ exist to assess the cost and access to a nutritious basket of food for a family for a fortnight. For example, the Queensland Healthy Food Basket Survey(6) has been used in Queensland and other states to assess accessibility and cost of food. The Northern Territory also has a Market Basket Survey(7). Most recently a Victorian healthy food basket survey was developed(8). This basket meets the nutritional requirements of a range of different family types based on the revised nutrient reference values, published by the Department of Health and Ageing, the NHMRC and New Zealand Ministry for Health in 2006(9). DAA would invite the ACCC to access and use existing tools and methodology in the inquiry.

Dietitians and nutritionists are concerned with the evidence emerging that the cost of healthy foods has increased more over time compared with unhealthy food items. Healthy foods, referred to in the Australian Guide to Healthy Eating as core foods, include fruits; vegetables; breads and cereals; meat and alternatives; and milk and milk products. Unhealthy foods, referred to as non-core foods, include those food which are energy dense (high fat, high sugar) and nutrient poor(10). DAA acknowledges that this is described in the background paper to this inquiry. However, other key research has also found this to be the case. Findings from Queensland suggest the cost of healthy foods has increased more over time compared with less nutritious foods (see attached)(6). Other data emerging from the use of healthy food basket surveys in different states of Australia suggest that:

- food prices vary significantly within states(11);
- food is more expensive in rural and remote areas compared to urban areas(6,7);
- competition may reduce food prices(12).

There is clearly a range of influences on the prices of food. Transport is often blamed for higher food costs in rural and remote areas however there is little evidence to substantiate this claim. The approach currently used within different states for collecting

and assessing food accessibility and cost using different tools and systems is not ideal. DAA would support the ACCC inquiry into the transparency of how food prices are calculated and the factors that influence food cost. We call for a national system of regular monitoring of food availability, accessibility and cost.

DAA supports the idea of providing unit pricing information at point-of-sale for all foods, as is done in a number of other countries. Currently, consumers can readily view the cost per kilogram of fruit, vegetables and meats on the supermarket shelves but have to calculate the cost per kilogram of processed foods. Lack of this information on the shelf-tag makes it difficult for consumers, especially those with low numeracy skills, to compare the cost of similar foods packaged in different weights and volumes. Having this information on the shelf-tag may in part address the misconception that some healthy foods are more expensive in relation to other food groups, which may in turn influence the consumption of these foods.

DAA supports wide consultation as part of this inquiry. The health sector is very interested in the issue of food cost and its links to health. The inquiry would benefit from including the health sector in its consultation. DAA can provide the avenue for consultation with accredited practising dietitians and nutritionists working in a range of different health areas. DAA recommends that consultations with public health nutrition departments in each state and territory also be made as part of the process.

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