Why is understanding diet costs important?

Poor diet is a leading cause of preventable disease worldwide¹ and in Australia.² Fewer than 4% of Australians have diets that are consistent with the Australian Dietary Guidelines.³ More than 35% of adults’ energy intake and more than 40% of children’s energy intake comes from unhealthy choices (foods not needed for health that are high in added sugar, saturated fat, salt and/or alcohol).⁴

A perception that healthy foods are expensive is believed to be a barrier to improving diets. Internationally, policy actions, such as taxes and subsidies, are used to reduce the cost of healthy foods and increase the price of unhealthy foods, to help improve diets.⁵

Before this study, it was known that foods in remote areas in Australia were more expensive than in urban areas, due to factors such as transport.⁶ However, there was little information about differences between the costs of healthy and current (unhealthy) diets that could inform policy actions to help improve diets.⁵

In Australia, the cost of food was monitored previously using a single basket of ‘healthier’ food items, but this was neither consistent with current dietary guidelines⁷ nor accurately reflected current Australian diets.⁸ A new tool based on current guidelines⁷ and data⁸ has now been developed to help inform policy – the Healthy Diets ASAP (Australian Standardised Affordability and Pricing) approach.⁹

What did this project do?

This project used the Healthy Diets ASAP approach to calculate the cost, relative cost and affordability of healthy (recommended) diets and current (unhealthy) diets, for a family of two adults and two children, in different socioeconomic and geographic locations in Queensland. The recommended diet is healthier, more equitable and more environmentally sustainable than the current diet, but similar in energy content. Food prices were collected in food outlets including supermarkets, bakeries and takeaways in 17 randomly selected stratified communities by members of the Queensland Country Women’s Association, health service agencies and research assistants in 2019. Household income data was determined from ABS Community profile¹⁰ and Services Australia¹¹ websites.
Summary Results Brief
Diet Cost and Affordability in Queensland

What did we find?

The cost of current and healthy diets in different socioeconomic areas in Queensland, per family of four per fortnight*

<table>
<thead>
<tr>
<th>Socioeconomic Area</th>
<th>Current Diet</th>
<th>Healthy Diet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest socio-economic areas</td>
<td>$778</td>
<td>$628</td>
</tr>
<tr>
<td>Median socio-economic areas</td>
<td>$619</td>
<td>$497</td>
</tr>
<tr>
<td>Lowest socio-economic areas</td>
<td>$520</td>
<td>$482</td>
</tr>
</tbody>
</table>

The cost of current and healthy diets in different areas in Queensland, per family of four per fortnight*

<table>
<thead>
<tr>
<th>Area</th>
<th>Current Diet</th>
<th>Healthy Diet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban centres</td>
<td>$772</td>
<td>$619</td>
</tr>
<tr>
<td>Regional areas</td>
<td>$773</td>
<td>$463</td>
</tr>
<tr>
<td>Very remote areas</td>
<td>$1,060</td>
<td>$813</td>
</tr>
</tbody>
</table>

*Error bars indicate the standard error, reflecting the variation in prices between stores

A healthy diet for a fortnight would cost Queensland families in urban centres $619, those in regional areas one percent more ($627), and those in very remote areas 31% more ($813).

Throughout Queensland healthy diets would be 20% less expensive than current (unhealthy) diets. On average, Queensland families are spending $806 a fortnight on their current diet. A healthy diet would cost $644, saving families $162 per fortnight.

At 30%, the differential between the cost of current and healthy diets is greatest in very remote areas.

Households in all socioeconomic and geographical areas in Queensland are currently spending more on unhealthy food and drinks (around 60% of their food budget) than on healthy food and drinks. This is about 3% more than in other states where data are available.

Food stress occurs when diets cost more than 25% of household income; healthy diets are unaffordable when they cost more than 30% of household income.

On average Queenslanders would need to spend 23% of their household income on a healthy diet.

However, healthy diets are not affordable in very remote areas or in low socioeconomic areas of Queensland, costing 35% and 30% of median household income in these areas, respectively.

Policy influences the price of foods. For example, in Australia basic, healthy foods are exempt from the 10% GST. The increased income from the JobSeeker Coronavirus Supplement means healthy diets are potentially 12% more affordable for unemployed Queenslanders than they were previously. Expanding the GST to apply to all foods in Australia, or removing the JobSeeker Supplement, would make healthy diets less affordable, potentially worsening diets and increasing rates of diet-related chronic disease.

To help improve diet and health, more needs to be done to increase household incomes and/or reduce the high cost of healthy foods in Queensland, especially in low socioeconomic and remote areas.

Healthy diets can be more affordable than unhealthy diets in Queensland. However, factors other than food prices, such as availability, advertising, convenience, and promotion, also influence food choices.
Why does it matter?

The poor quality of the current Australian diet increases risk of obesity and diet-related disease, such as type 2 diabetes, cardiovascular disease and some cancers. These conditions reduce life expectancy, which is relatively decreasing in remote areas and among low socioeconomic groups in Australia.

There is an urgent need for policy actions to help shift the diet of the whole population, and especially of the most vulnerable groups, towards the recommendations of the Australian Dietary Guidelines.

This research answers key policy questions to help achieve this.

Acknowledgements

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References


