Fiscal policies may help improve population diets but standardised food pricing methods to inform decisions are lacking. We aimed to develop and validate methods following approaches proposed by the International Network for Food and Obesity/Noncommunicable Diseases Research, Monitoring and Action Support (INFORMAS), assess the price, relative price and affordability of current and healthy (recommended) diets and the impacts of potential changes to taxation policy in Australia.

Current diets were constructed from recent Australian Health Survey data and healthy diets from Australian Dietary Guidelines models, for households of two adults and two children. Food prices were collected in all stores in randomly selected areas of SEIFA quintiles in capital cities. Diet cost under potential policy scenarios was compared with household incomes. Methods were endorsed at a National Forum.

Households spent the majority (58%) of their current food budget on unhealthy, energydense choices, including take-away foods (14%) and sugar sweetened beverages (4%) as confirmed by Australian Bureau of Statistics analysis of household consumption data. Healthy diets cost 15% less than current diets and 31% disposable income of low socioeconomic households. They would become unaffordable under proposed changes to expand 10% goods and services tax (GST) to include basic healthy foods. However, retaining exemptions and increasing GST rate may help improve food security.

This project shows that standardized diet pricing methods can be developed, validated and agreed nationally. Results suggest that healthy diets can be more affordable than current diets, but other factors may be as important as price in determining food choice.