SUNCORP BANK

News Release

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The Cost of Being Green

Buying organic groceries over conventional supermarket fare annually costs the equivalent of a family holiday, a new computer or even a fair chunk of the kids school fees, according to new analysis from Suncorp Bank.

Suncorp Bank has found that a typical basket of organic, artisan or locally-grown, sustainable food costs $100.30 per week, compared to $55.99 for conventional supermarket fare (see Table 1), and equates to $2,340 per year.

Analysis of supermarket prices shows that organic food is 79 per cent more expensive than established supermarket groceries, with some individual items up to 300 per cent dearer.

Organic pasta is 318 per cent dearer than its traditional alternative, while organic bananas are 302 per cent more expensive.

Suncorp Bank Executive Manager Craig Fenwick said most Aussies wanted to live sustainably but were under significant cost of living pressures , with the option of 'going green' not always seeming achievable for them.

"While it's becoming increasingly important for Australians to minimise their impact on the environment including their use of energy, water, soil, chemicals, fuel and other resources, the impact on the family budget is not always considered," Mr Fenwick said.

"Opting for organic over conventional food alone comes with a cost that needs to be carefully budgeted for to avoid burning a hole in the back pocket of many Australians," he said.

Organic farming is one of the fastest growing industries in Australia, thanks to higher disposable incomes and increasing demand for organic food[1].

Australians spent nearly $1 billion on organic products in 2010, up from $947 million the previous year[2].

More than 60 per cent of Australians buy organic occasionally, an increase of 40 per cent compared with 2008[3].

Approximately 82 per cent of adult Australians[4] say the environment is one of their biggest concerns, with 53 per cent saying they thought the natural environment around them was declining.

Australia has the largest area of organic farmland in the world at 12 million hectares, with the vast majority of this land for organic cattle production[5].

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[1] http://www.theaustralian.com.au/life/food-wine/organic-farming-growing-fast/story-e6frg8jo-1225985504103
[2] http://www.theaustralian.com.au/life/food-wine/organic-farming-growing-fast/story-e6frg8jo-1225985504103
[3] http://www.theaustralian.com.au/life/food-wine/organic-farming-growing-fast/story-e6frg8jo-1225985504103
[4] http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features20Jun+2010
[5] http://www.smartcompany.com.au/food-and-beverages/20111221-against-the-grain.html

Mr Fenwick said there was a solution for many families keen on adopting a more sustainable lifestyle, but who could not afford it at the supermarket checkout.

“It’s all about researching, prioritising and making trade-offs. For example if you buy organic pasta, you can save by growing your own tomatoes to make the sauce. Careful planning, budgeting and ongoing dedication are essential to make it work,” Mr Fenwick said.

Suncorp Bank has come up with 10 tips to help Australians live more green and financially mean this year.

Top 10 ways to live green and financially mean
1. **Make your own eco-friendly laundry powder** - all you need is soap flakes, washing soda, borax and water.
2. **Replace incandescent bulbs** with fluorescent lights to reduce energy costs.
3. **Save water** by only using the dishwasher once it is full. The same goes for the washing machine.
4. **Compost** your household and garden waste to make natural fertilizer for your garden.
5. **Plant fruit and vegetables** to lessen dependency on supermarkets.
6. **Walk or ride a bike** to the local shops to lessen emissions and also improve your fitness.
7. **Rid energy vampires** (the electrical devices in your home on standby) by turning them off at the wall. Approximately 10 per cent of Australian households’ electrical bills come from vampire use[6]
8. **Say no to bottled water** and buy a reusable water canteen bottle. National Geographic estimates that 17 million gallons of crude oil is used on an annual basis to produce plastic bottles[7]
9. **Invest in a good book or do some research online** about homemade eco remedies and solutions.
10. **Recycle properly**. About 80 per cent of our waste is recyclable however Australians recycling rate is only 52 per cent[8]

[6] http://www.energyrating.gov.au/products-themes/standby-power/about/
[7] http://greenliving.nationalgeographic.com/water-bottle-pollution-2947.html
[8] http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4613.0Chapter40Jan+2010

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Table 1: Nine items or less grocery basket – Organic vs normal goods[9]

Item no	Type	Normal price (per kg)	Organic price (per kg)	% increase
1	Pasta	$ 2.80	$ 11.70	318%
2	Banana	$ 1.98	$ 7.96	302%
3	Eggs	$ 6.13	$ 15.00	145%
4	Washing machine detergent	$ 5.38	$ 9.66	80%
5	Chicken breast	$ 9.99	$ 17.29	73%
6	Minced beef	$ 7.96	$ 12.99	63%
7	Pasta sauce	$ 3.20	$ 4.60	44%
8	Weet-Bix	$ 5.65	$ 6.80	20%
9	Peanut butter	$ 12.90	$ 14.30	11%
	TOTAL	**$ 55.99**	**$ 100.30**	**79%**

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About Suncorp:
Suncorp Group includes leading general insurance, banking, life insurance, superannuation and investment brands in Australia and New Zealand. The Group has around 16,000 employees and relationships with nine million customers. It is a Top 20 ASX listed company with over $96 billion in assets. Today Suncorp is Australia's leading regional bank, largest domestic general insurance group, and second largest in New Zealand and has representation in 450 offices, branches and agencies throughout Australia and New Zealand.

[9] Prices from www.woolworths.com.au/online (SYDNEY)