

Dates of Publication

Surveys are conducted quarterly: March, June, September, December

Cost of Food at Home for a Week in Alaska

June 1997

19 Communities Surveyed

Up to three stores in each of nineteen communities were surveyed during June of 1997 for the cost of a specific set of food and non-food items. The 104 food items selected were taken, with some modification, from the USDA Low-cost Food Plan which is itself based on a nationwide survey of eating habits of Americans, conducted in 1977-78. In addition, the costs of such items as water, propane and electricity are collected. All costs have been adjusted to reflect local sales tax when applicable. Since Wasilla and Palmer were combined in this census, their differing sales taxes were averaged when calculating food costs.

The estimated prices of unavailable food items in various communities were calculated as the expected cost as judged from the prices of all available items relative to the price of those items in Anchorage. The percent of foods unavailable in each community are shown in the survey.

Weekly food consumption rates for a family of 4, children 6 - 11 years, form the basis of the expressed food costs. All other costs are ratios of that cost as calculated from the USDA Cost of Food at Home survey issued June, 1997. The cost for this family of 4 can be calculated from the table by summing the individual members. For smaller families such a sum would be too low and should be adjusted up by 20%, 10% or 5% for families of 1, 2 or 3 persons respectively. Similarly, the sum for larger families would be too

high and downward adjustments of 5% and 10% are suggested for 6 and 7 or more member families. These adjustments reflect that some economies may be realized when preparing foods for larger families.

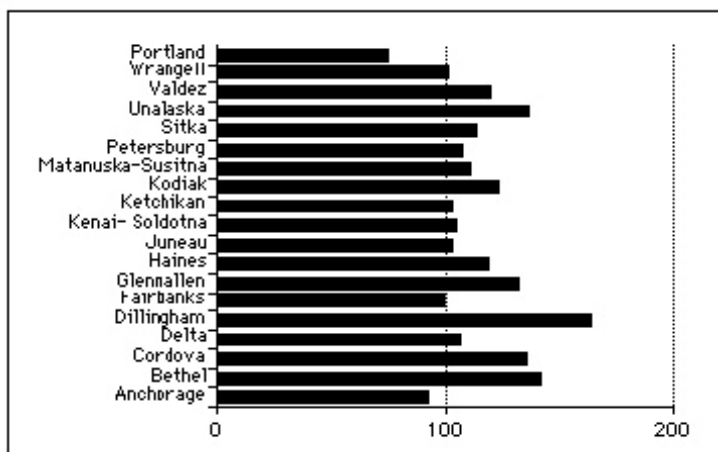
The historical prices are given as percentages relative to the benchmark value of Anchorage. The food costs in June 1997 for all Alaskan communities were estimated to be higher than in Anchorage. The Portland survey is conducted by Alaska Cooperative Extension and are figures directly comparable to the Alaska communities. The remaining rows are taken from previously published issues of the Food Cost Survey. Small quarterly price fluctuations are commonly reported and probably result from the relatively small number of food items surveyed.

Although the USDA reports the weekly US average for the cost of food at home, these figures cannot be directly compared to the Alaska figures because of differences in methodologies. However, we have tabulated the percentage increase of the US average over previous weekly averages. These figures represent the apparent change in food costs in the US, as judged by the USDA methodology. Using this perspective, it is seen that the cost of food in Anchorage, according to the current survey, has decreased 6% since March of 1997, whereas the US cost has decreased 1%. Whether these changes are representative for a particular household depends on how closely food consumption habits in that household match the expected habits upon which the surveys are based.

Let's use Bethel as an example to explain the historic food costs in other communities throughout the state. This quarter Bethel food costs were 153% higher (1.53 times higher) than Anchorage's, but only 149% higher when measured last quarter. Since the cost of food fell in Anchorage by 6% this quarter, it appears that Bethel's food prices did not decrease in a similar fashion. Precisely, the March 1997 food cost in Bethel had to have been $1.49 \times (92.84 / 0.94)$ or \$147, which amounts to $141.97 \times 100 / 147$, or 97%. Bethel's food prices fell relative to last quarter, but not as much as Anchorage's. A dip in food costs in June is not uncommon.

In addition to food costs, representative values are presented for fuels, utilities and building materials. It is important to note that the food costs presented here are based on a prescribed low cost diet plan. It is assumed that meals will be planned, that cooking facilities are available and few convenience foods are eaten. Each of the foods were priced for their lowest available cost regardless of packaging or brand.

The accompanying graphic shows an alphabetically arranged (except Portland) bar graph of food costs around the state. For this survey at least, decreased food costs are not necessarily consistent with proximity to a major community or road access, as might have been expected.



To see the results of Alaska Cooperative Extension's Food Cost Survey on the world wide web, point your browser to <http://www.uaf.edu/coop-ext/fcs/fcs.html>

Further information on the USDA survey is available from the USDA Center for Nutrition Policy and Promotion and on the world wide web <http://www.usda.gov/fcs/cnpp.htm>

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