

Cost of Food at Home for a Week in Alaska Quarter 2: June 2004

Up to three stores in each of 25 communities were surveyed during June of 2004 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 were collected. All costs were adjusted to reflect local sales tax where applicable.

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 2004. 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.

Rows 19 through 23 represent historical food costs. The Anchorage column is a comparison of present to previous Anchorage costs. Similarly the U.S. Average column represents changes in U.S. average prices. A one (1)

appearing in the Anchorage column indicates that the current Anchorage cost is 1% higher now than at that date. Therefore, rising food costs are indicated by positive values. The remaining columns are each community's cost relative to Anchorage at that date. For instance, a cell containing a one (1) indicates a community that was experiencing a food cost 1% higher than Anchorage at that date.

Title: History & Design of the Alaska Food Cost Survey

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Alaska residents have long recognized the high cost associated with living in this northern state. The high cost of food is of particular interest because we have some control over food selection and diet is a known risk factor for many diseases. Just how much does it cost to eat well in Anchorage, or Bethel, or Nome? In September 1984, the Cooperative Extension Service (CES) of the University of Alaska Fairbanks began evaluating the monthly cost of food with a quarterly food cost survey (FCS). The FCS includes 104 items and is based on a month-long low cost nutritionally balanced menu intended to feed a family of four with school age children, as developed in 1983 by the USDA. This menu was derived from a 1977-78 national survey of food consumption habits although Anchorage was the only Alaskan city included in the survey. The list of market foods items required for the menu was simplified by CES staff so that a single surveyor could gather the prices reasonably easily from multiple retailers in a given community. Foods were added to the list that represented some of the more commonly purchased items in Alaska that were not represented in the USDA menu. The list of items included in the FCS is available from the CES FCS website (<http://www.uaf.edu/ces/fcs>).

Known for their unique dietary habits, the applicability of using a menu based on a national survey to evaluate food cost in Alaska is open to question. Alaskans consume the typical American fare as well as making use of their native foods. Moose, salmon, berries and other tasty wildlife, in addition to unusually large amounts of ice cream, Spam, and sodas, among other popular food items. Clearly no one menu will accurately reflect the dietary patterns of all Alaskans given the broad geography, diverse population and wide variety of foods.

Currently, the FCS covers approximately 20 Alaskan communities, mostly where the largest populations reside, covering approximately 70% of the population, based on State of Alaska 2003 figures available online. As possible, new communities are added to the survey as well as communities that voluntarily submit surveys. From each community we calculate the average price from up to three stores for each food item on our list, multiply each average by its menu quantity, and report the grand total. When more stores are available the survey alternates among the stores.

Row 1 of the survey shows any tax that applies to food at the time of survey. Some communities are geographically proximate and combined both in food cost and taxes, but differ in tax rates. The simple average of tax rates is used regardless of which community provides the larger share of the stores surveyed.

In some cases a given survey food is missing from the shelves of every store in a community. Since row 18 is the sum of costs, a missing value cannot be tolerated and therefore an estimate is created based on the ratio of the prices of the available foods to those same foods in Anchorage (so far Anchorage has never had an unavailable item on our list). The number of missing food items is shown

in row 2.

The totaled price of the 104 items for each community is presented as line 18 in the data table. The other data lines (3-17) are calculated from simple ratios taken from the most current national survey on the Center for Nutrition Policy Promotion website.

Row 19 expresses the percent by which a community exceeds the discovered food cost for Anchorage. Anchorage exceeds its own food cost by 0% (food cost in Anchorage is 100% of Anchorage), a community whose food cost is double Anchorage exceeds the Anchorage food cost by 100%.

Rows 20 to 23 are historical data, which is to say they are previous 'Row 19's'. Their original date of publication is shown in column 2.

Some non-food prices are presented in rows 24 to 28 (electricity, heating oil, gasoline, lumber and propane). Bolded electricity prices are those affected by the power cost equalization (PCE) program, a subsidy found in many rural villages, which applies to the first 500 kwh of household electricity consumed. In older surveys water and sewage was also reported but inconsistencies in rate assessment and reporting made interpretation of the data difficult, so reporting was discontinued.

Revisions to the survey are underway; any suggestions for improving the survey are welcome.

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