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Food Spending And Income

Americans' disposable (after tax) personal incomes increased about \$145 billion in 1982, over \$15 billion more than did their expenditures on goods and services, according to U.S. Department of Commerce preliminary (February 1983) estimates.

Disposable Personal Income (DPI) ex-

ceeded an estimated \$2,173 billion last year, while Personal Consumption Expenditures (PCE) topped \$1,970 billion (table 1). Both DPI and PCE were about 7 percent higher than in 1981, thus consumer expenditures continued to take about 91 percent of DPI.

While the percentage of income used

for PCE was the same as in 1981, the proportions going to components of PCE did change. Of the DPI, 44.5 percent was spent on services—up 1.4 percentage points from 1981. In contrast, the percentage of DPI allocated to nondurable goods declined from 36.2 to 35.1, and the por-

Table 1.—Personal Consumption Expenditures, Annually, 1975-82

Item	1975	1976	1977	1978	1979	1980	1981	1982 ¹
	Billion dollars (Current)							
Total personal consumption expenditures	976.4	1,084.3	1,204.4	1,346.5	1,507.2	1,667.2	1,843.2	1,971.3
Nondurables	407.3	441.7	478.8	528.2	600.0	670.4	734.5	762.0
Food, beverages, and other groceries ²	250.3	270.5	291.9	321.8	362.1	398.5	435.9	461.6
Food exc. alcoholic beverages	185.2	200.4	217.4	240.9	272.2	300.0	329.1	349.7
At home	139.4	149.3	160.4	177.0	199.8	221.5	242.9	255.0
Away from home	45.8	51.2	57.0	64.0	72.5	78.4	86.1	94.7
Alcoholic beverages	28.4	30.1	32.5	34.9	39.3	43.7	46.2	47.5
At home	18.5	19.4	20.7	22.0	24.8	27.7	28.8	29.3
Away from home	9.9	10.7	11.8	12.9	14.5	16.0	17.4	18.2
Cleaning and household supplies	12.4	13.2	14.3	15.7	17.6	19.4	21.4	22.5
Toiletries	9.5	10.2	11.2	12.3	13.6	14.7	16.1	16.9
Tobacco	14.8	16.5	16.6	18.0	19.3	20.7	23.1	25.0
Drugs	11.0	11.9	12.9	14.2	15.8	17.1	18.6	19.6
Clothing and shoes	69.6	75.3	82.6	92.4	99.1	104.7	114.6	118.7
Gas and oil	40.4	44.0	48.1	51.2	66.6	87.0	96.8	93.7
Fuel oil and coal	8.2	9.8	10.7	11.9	16.1	19.0	19.7	17.6
Other	27.8	30.2	32.6	36.7	40.4	44.1	48.9	50.9
Durables	132.2	156.8	178.2	200.2	213.4	214.3	234.6	242.5
Motor vehicles and parts	55.8	72.6	84.8	95.7	96.6	89.7	98.6	106.0
Furniture and household equipment	53.5	59.1	65.7	72.8	81.8	86.3	93.4	92.8
Other	22.9	25.2	27.7	31.7	35.1	38.3	42.6	43.7
Services	436.9	485.7	547.4	618.0	693.7	782.5	874.1	966.8
Housing	149.8	166.5	185.9	209.6	236.1	266.0	295.3	324.6
Household operation	63.3	71.6	81.1	90.1	99.3	111.7	128.9	144.4
Transportation	33.2	38.6	46.4	51.2	56.3	62.9	65.4	70.2
Personal care	10.7	11.3	12.6	14.0	15.2	16.6	17.4	17.3
Medical care	73.7	83.3	96.5	108.4	124.1	143.5	170.9	194.7
Personal business service	52.2	55.6	60.7	72.6	83.7	93.7	99.8	109.5
Recreational services	20.9	23.4	26.0	29.3	31.7	35.2	38.6	41.9
Other	33.1	35.5	38.3	42.8	47.3	52.9	57.7	64.2
Savings	94.3	82.5	78.0	89.4	96.7	106.2	130.2	142.7
Disposable personal income	1,096.1	1,194.4	1,314.0	1,474.0	1,650.2	1,824.1	2,029.1	2,173.4

¹Preliminary.

²Contains some items not normally purchased in grocery stores.

tion going for durable goods fell from 11.6 to 11.2 percent.

A significant change in consumer expenditures for nondurable goods was a \$3.1-billion decrease for gasoline and oil. This occurred despite a 3-percent increase in consumption; however, the gasoline and oil, and fuel oil and coal categories showed price declines, the only ones to do so.

Also within the nondurable group, Americans spent more for both at-home and away-from-home food last year as both consumption and prices increased. Food consumption increased approximately 2 percent despite the price increases, primarily because population grew by 2.2 million, an increase of almost 1 percent. Even so, per capita food consumption also increased slightly since

overall inflation and after-tax income increased more rapidly than food prices—making food a comparatively better buy.

Overall, the proportion of DPI spent for food at home fell from 12 to 11.7 percent, continuing a decline that began in 1975. For the first time since 1979, the proportion of income set aside for food away from home increased—from 4.2 to 4.4 percent. □

Table 2.—Personal Consumption Expenditures, Annually, 1975-82

Item	1975	1976	1977	1978	1979	1980	1981	1982 ¹
	Billion dollars (Constant 1972)							
Total personal consumption expenditures	780.2	823.1	864.4	903.2	927.6	930.5	947.7	957.0
Nondurables	308.2	321.9	333.4	344.4	353.1	355.8	362.4	365.0
Food, beverages, and other groceries ²	185.4	193.4	199.6	201.7	206.7	210.6	212.2	214.0
Food exc. alcoholic beverages	132.3	139.7	145.2	146.1	149.3	152.6	154.2	157.4
At home	97.7	103.5	107.5	107.0	109.4	113.3	114.7	116.1
Away from home	34.6	36.2	37.8	39.1	39.9	39.3	39.6	41.3
Alcoholic beverages	24.7	24.4	25.4	25.7	26.8	27.6	27.2	26.6
At home	15.5	15.8	16.4	16.5	17.3	17.8	17.4	16.9
Away from home	9.1	8.6	9.0	9.2	9.5	9.8	9.8	9.7
Cleaning and household supplies	8.2	8.0	8.0	8.3	8.6	8.5	8.5	8.4
Toiletries	7.4	7.5	7.8	8.1	8.4	8.4	8.3	8.0
Tobacco	12.9	13.7	13.1	13.5	13.7	13.6	14.1	13.7
Drugs	9.7	10.0	10.2	10.4	10.8	10.7	10.6	10.0
Clothing and shoes	60.9	63.8	67.5	73.6	76.7	78.0	82.7	84.1
Gas and oil	25.6	26.8	27.7	28.3	27.4	25.7	25.7	26.5
Fuel oil and coal	4.2	4.6	4.4	4.7	4.7	4.0	3.5	3.1
Other	22.4	23.3	24.0	25.7	26.7	26.8	27.7	27.2
Durables	112.7	126.6	138.0	146.8	147.2	137.1	140.0	138.7
Motor vehicles and parts	47.5	57.3	63.5	66.9	62.6	53.8	54.2	55.6
Furniture and household equipment	45.9	48.9	52.9	56.5	60.4	60.1	61.6	59.1
Other	19.3	20.4	21.5	23.4	24.2	23.2	24.3	24.0
Services	359.3	374.7	393.0	412.0	427.3	437.6	445.2	453.3
Housing	128.3	134.9	141.3	148.5	154.8	159.6	162.6	165.4
Household operation	49.9	52.0	55.1	57.8	60.1	61.5	63.5	64.1
Transportation	29.6	30.8	32.7	34.0	35.0	34.1	32.4	32.5
Personal care	8.4	8.1	8.3	8.4	8.3	8.2	7.8	7.3
Medical care	59.8	62.9	66.6	68.6	71.7	74.4	78.6	80.3
Personal business service	41.1	41.9	43.3	46.3	48.5	50.2	49.9	50.9
Recreational services	17.9	19.1	20.4	21.8	22.2	23.1	23.8	24.5
Other	24.4	25.0	25.3	26.6	26.7	26.6	26.7	28.2
Disposable personal income	875.8	906.8	942.9	988.8	1,015.7	1,018.0	1,043.1	1,055.2

¹Preliminary.

²Contains some items not normally purchased in grocery stores.

Table 3.—Allocation of Disposable Personal Income, Annually, 1975-82

Item	1975	1976	1977	1978	1979	1980	1981	1982 ¹
Total personal consumption expenditures	89.1	90.8	91.7	91.3	91.3	91.4	90.8	90.7
Nondurables	37.2	37.0	36.4	35.8	36.4	36.7	36.2	35.1
Food, beverages, and other groceries ²	22.8	22.6	22.2	21.8	21.9	21.8	21.5	21.2
Food exc. alcoholic beverages	16.9	16.8	16.5	16.3	16.5	16.4	16.2	16.1
At home	12.7	12.5	12.2	12.0	12.1	12.1	12.0	11.7
Away from home	4.2	4.3	4.3	4.3	4.4	4.3	4.2	4.4
Alcoholic beverages	2.6	2.5	2.5	2.4	2.4	2.4	2.3	2.2
At home	1.7	1.6	1.6	1.5	1.5	1.5	1.4	1.3
Away from home	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.8
Cleaning and household supplies	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.0
Toiletries	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8
Tobacco	1.4	1.4	1.3	1.2	1.2	1.1	1.1	1.2
Drugs	1.0	1.0	1.0	1.0	1.0	0.9	0.9	0.9
Clothing and shoes	6.3	6.3	6.3	6.3	6.0	5.7	5.6	5.5
Gas and oil	3.7	3.7	3.7	3.5	4.0	4.8	4.8	4.3
Fuel oil and coal	0.8	0.8	0.8	0.8	1.0	1.0	1.0	0.8
Other	2.5	2.5	2.5	2.5	2.4	2.4	2.4	2.3
Durables	12.1	13.1	13.6	13.6	12.9	11.7	11.6	11.2
Motor vehicles and parts	5.1	6.1	6.5	6.5	5.9	4.9	4.9	4.9
Furniture and household equipment	4.9	4.9	5.0	4.9	5.0	4.7	4.6	4.3
Other	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.0
Services	39.9	40.7	41.7	41.9	42.0	42.9	43.1	44.5
Housing	13.7	13.9	14.1	14.2	14.3	14.6	14.6	14.9
Household operation	5.8	6.0	6.2	6.1	6.0	6.1	6.4	6.6
Transportation	3.0	3.2	3.5	3.5	3.4	3.4	3.2	3.2
Personal care	1.0	0.9	1.0	0.9	0.9	0.9	0.9	0.8
Medical care	6.7	7.0	7.3	7.4	7.5	7.9	8.4	9.0
Personal business service	4.8	4.7	4.6	4.9	5.1	5.1	4.9	5.0
Recreational services	1.9	2.0	2.0	2.0	1.9	1.9	1.9	1.9
Other	3.0	3.0	2.9	2.9	2.9	2.9	2.8	3.0
Savings rate	8.6	6.9	5.9	6.1	5.9	5.8	6.4	6.6
Disposable personal income	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

¹Preliminary.²Contains some items not normally purchased in grocery stores.