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Nationwide Food Consumption Survey: Results on Spending

Anthony E. Gallo and
William T. Boehm
(202) 447-8707

The two most comprehensive surveys of household food spending in the United States are the USDA's Nationwide Food Consumption Survey (NFCS) and the Bureau of Labor Statistics' Consumer Expenditure Survey (CES). The NFCS covers 15,000 households for the year beginning April 1977, and the CES covers over 45,000 households for the 2-year period from 1972 to 1974. Although some methodological differences exist in the procedures of the two surveys, both measure household expenditures by income group, region, family size, and urbanization.

The preliminary results of the spring

1977 NFCS recently released by USDA's Science and Education Administration includes data on 3,500 households in the 48 contiguous States.

Between the two survey periods, retail food prices rose by almost 40 percent, while disposable income increased almost 45 percent. In addition, participation in the Food Stamp Program rose sharply. Yet the two surveys show remarkably similar expenditure patterns by socioeconomic and demographic groups.

Income

Both surveys indicate that family ex-

penditures for food at home are remarkably similar regardless of family income level. However, spending for food away from home has a strong positive relationship with the level of family income.

The NFCS data show that all families earning under \$20,000 spent about the same amount for food at home on a per person basis. For families earning over \$20,000, weekly per capita food-at-home spending varied about 8 percent above the mean. Between the highest and lowest income group, weekly spending varied from \$14.99 to \$16.36 (current dollars). The CES showed that food-at-home spending varied from \$8.42 for the lowest income group to \$9.91 for the highest income group (current dollars). There was virtually no difference in food spending among families earning under \$15,000.

The actual difference in food-at-home spending between the highest and lowest income groups was less than 18 percent, although the median income was 550 percent greater for the high-income group. Food produced at home was not included in the CES.

Both surveys showed that low-income families spend considerably less on food away from home than high-income families. In the NFCS, families earning less than \$5,000 spent 14 percent of their food dollar on food away from home. Households earning over \$20,000 spent 29 percent of their food dollar on away-from-home eating. The CES indicated that households with incomes over \$20,000 spent a third of their food dollar eating out compared with about a sixth for families earning under \$5,000.

The minor disparities in the two survey results may be due to the fact that

Value of Food Used in a Week by Households¹, Spring 1977

	Total	At home	Away from home
		Dollars	
All households	19.91	15.17	4.74
Region:			
Northeast	22.56	16.77	5.79
North Central	19.19	14.61	4.58
South	18.40	14.46	3.94
West	19.99	15.08	4.91
Urbanization:			
Central city	20.69	15.75	4.94
Suburban	20.91	15.54	5.38
Nonmetropolitan	18.17	14.32	3.84
Income (1976) before taxes: ³			
Under \$5,000	17.51	14.99	2.52
\$5,000-\$9,999	17.26	14.20	3.06
\$10,000-\$14,999	18.50	14.15	4.35
\$15,000-\$19,999	19.99	14.99	4.99
\$20,000 and over	23.19	16.36	6.83
People living in household: ²			
One	26.34	20.81	5.53
Two	24.28	18.36	5.93
Three	20.80	15.41	5.39
Four	18.88	14.22	4.66
Five	18.07	13.80	4.27
Six or more	15.52	12.36	3.17

¹Household with at least one person having 10 or more meals from household food supply during the 7 days preceding the interview.

²Includes value of food used by household members and guests that was bought, home produced, and received as gift or pay. Value of food received without direct expense by

a household is based on the average price per pound paid for that food by survey households in the same region.

³Includes only households providing income information.

Source: USDA 1977-78 Nationwide Food Consumption Survey, 48 contiguous States, spring 1977 (preliminary).

National Income Accounts and the NFCS¹

	Food at home	Food away from home	Total
	Billion dollars		
NIA	162.6	54.3	216.9
NFCS	170.5	53.3	223.7

¹Spring 1977.

Food Expenditures of Food Stamp Recipients

Kathryn Lohgen and Thomas Stucker
(202) 447-9200

the value of food received away from home by household members as guests or in payment for services was not available from the NFCS. It is included in the CES. And the value of home-produced food was not included in the CES.

Family Size

Both surveys indicate that as family size increases, total family food spending increases, but per person weekly food spending declines. This seems to confirm the notion of economies of family size. One-member families spent \$26.34 per person weekly, while families with six or nine members spent about \$15.50 per week. In the CES, one-person families spent \$15.50 compared with about \$9.00 for families with six or nine members. Both surveys showed that smaller families spent a much larger portion of their food dollar dining out.

Region

Both surveys showed that food spending was about 13 percent above the average in the North and about 8 percent below the average in the South. The NFCS showed the West having a greater influence on food expenditures than the North Central; the converse was true for the CES.

Urbanization

Both surveys showed that suburban households were larger and used food with higher money value than households in the central city and in non-metropolitan areas.

Comparison to National Income Accounts

The NFCS data appear to be pretty much in line with the U.S. Department of Commerce National Income Accounts (NIA) food expenditure data. Total food expenditures in the NIA series totaled \$224 billion in the spring quarter of 1977, whereas the NFCS expenditures totaled \$217 billion on an aggregate basis. Food at home was 5 percent greater in the NFCS while away-from-home eating was 2 percent less. ■

The Food Stamp Program (FSP) has grown from a pilot project in the early 1960's to this Nation's primary means of eradicating hunger. Questions often arise concerning what proportion of total food consumption is accounted for by food stamp recipients, and what effect the FSP has on the demand for particular food products.

The answers to these questions have important implications for both the food production and marketing sector. For example, if food stamp recipients consume relatively more of a particular product, the demand for that product may be strengthened disproportionately by increased participation in the FSP.

The 1973 Consumer Expenditure Survey (CES) provides the most recent comprehensive information available on household food consumption. The proportion of the at-home food dollar allocated to various food groups by food stamp and non-food stamp households was estimated using these data.¹

Results indicate that food stamp households allocated a relatively higher proportion of their at-home food dollar to pork, poultry, eggs, cereal, and cereal

¹For another perspective on the data, see Food Expenditures by Food Stamp Participants and Nonparticipants, by Donald West in the June 1978 *National Food Review*.

Proportion of Total At-home Food Dollar Spent by Type of Household

	Food stamp	Nonfood stamp
	Percent	
Red meats	27.5	29.0
Beef	12.0	15.7
Pork	10.8	8.6
All other meats	4.7	4.7
Poultry	6.3	4.7
Fish & seafoods	2.7	2.8
Eggs	3.5	2.6
Dairy products	13.8	13.8
Fresh milk & cream	9.3	8.1
Other	4.5	5.7
Fruits	5.4	6.5
Fresh	3.1	3.7
Processed	2.3	2.8
Vegetables	8.3	7.6
Fresh	4.4	4.5
Processed	3.9	3.1
Cereals & cereal products	5.2	3.2
Bakery products	7.6	8.8
Sugars & sweets	2.8	2.9
Fats & oils	3.3	2.9
Nonalcoholic beverages	7.1	7.2
Misc. prepared foods	6.5	8.0
Total	100.0	100.0

Proportion of Expenditures for Specified Food Groups, by Source

	Food stamp households	Nonfood stamp households
	Percent	
Red meats	3.4	96.6
Beef	2.8	97.2
Pork	4.5	95.5
All other meats	3.6	96.4
Poultry	4.7	95.3
Fish & seafoods	3.5	96.5
Eggs	4.8	95.2
Dairy products		
Fresh milk & cream	4.1	95.9
Other	2.9	97.1
Fruits		
Fresh	3.0	97.0
Processed	3.0	97.0
Vegetables		
Fresh	3.5	96.5
Processed	4.5	95.5
Cereals & cereal products	5.7	94.3
Bakery products	3.1	96.9
Sugars & sweets	3.5	96.5
Fats & oils	4.1	95.9
Nonalcoholic beverages	3.5	96.5
Misc. prepared foods	2.9	97.1
Total	3.6	96.4