

Household Spending on Food

This section provides information on how much households spent on food, as reported in the December 2004 food security survey. Food insecurity is a condition that arises specifically from lack of money and other resources to acquire food. In most households, the majority of food consumed by household members is purchased—either from supermarkets or grocery stores, to be eaten at home, or from cafeterias, restaurants, or vending machines to be eaten outside the home. The amount of money that a household spends on food, therefore, provides insight into how adequately it is meeting its food needs.¹⁵ When households reduce food spending below some minimum level because of constrained resources, various aspects of food insecurity such as disrupted eating patterns and reduced food intake may result.

Methods

The household food expenditure statistics in this report are based on *usual* weekly spending for food, as reported by respondents after they were given a chance to reflect on the household's actual food spending during the previous week.¹⁶ Respondents were first asked to report the amounts of money their households had spent on food in the week prior to the interview (including any purchases made with food stamps) at (1) supermarkets and grocery stores; (2) stores other than supermarkets and grocery stores, such as meat markets, produce stands, bakeries, warehouse clubs, and convenience stores; (3) restaurants, fast food places, cafeterias, and vending machines; and (4) any other kind of place.¹⁷

Total spending for food, based on responses to this series of questions, was verified with the respondent, and the respondent was then asked how much the household *usually* spent on food during a week. Earlier analyses by ERS researchers found that food expenditures estimated from data collected by this method were consistent with estimates from the Consumer Expenditure Survey (CES)—the principal source of data on U.S. household expenditures for goods and services (Oliveira and Rose, 1996).

Food spending was adjusted for household size and composition in two ways. The first adjustment was calculated by dividing each household's usual weekly food spending by the number of persons in the household, yielding the "usual weekly food spending per person" for that household. The second adjustment accounts more precisely for the different food needs of households by comparing each household's usual food spending to the estimated cost of the Thrifty Food Plan for that household in December 2004. The Thrifty Food Plan—developed by USDA—serves as a national standard for a nutritious, low-cost diet. It represents a set of "market baskets" of food that people of specific ages and genders could consume at home to maintain a healthful diet that meets current dietary standards, taking into account the food consumption patterns of U.S. households.¹⁸ Each household's reported usual weekly food spending was divided by the cost of the Thrifty Food Plan for that household, based on the age and gender of each household member and the number of people in the household (see table C-1).¹⁹

¹⁵Food spending is, however, only an indirect indicator of food consumption. It understates food consumption in households that receive food from in-kind programs, such as the National School Lunch and School Breakfast Programs, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), meal programs for children in child care and for the elderly, and private charitable organizations. (Purchases with food stamps, however, are counted as food spending in the CPS food security survey.) Food spending also understates food consumption in households that acquire a substantial part of their food supply through gardening, hunting, or fishing, as well as in households that eat more meals at friends' or relatives' homes than they provide to friends or relatives. (Food spending overstates food consumption in households with the opposite characteristics.) Food spending also understates food consumption in geographical areas with relatively low food prices and overstates consumption in areas with high food prices.

¹⁶In CPS food security surveys that asked about both actual food spending in the week prior to the survey and usual food spending per week, median food spending in the previous week was higher than median usual food spending. This finding was consistent across the various years in which the survey was conducted and across different household types. The reasons for this difference are under study. Pending outcomes of this research, analysts should be aware of a possible downward bias on food spending statistics based on "usual" food spending data.

¹⁷For spending in the first two categories of stores, respondents were also asked how much of the amount was for "nonfood items such as pet food, paper products, detergents, or cleaning supplies." These amounts are not included in calculating spending for food.

¹⁸The Thrifty Food Plan, in addition to its use as a research tool, is used as a basis for setting the maximum benefit amounts of the Food Stamp Program. (See appendix C for further information on the Thrifty Food Plan and estimates of the weekly cost of the Thrifty Food Plan and three other USDA food plans for each age-gender group.)

¹⁹Thrifty Food Plan costs are estimated separately for Alaska and Hawaii using adjustment factors calculated from USDA's Thrifty Food Plan costs for those States for the second half of 2003.

The median of each of the two food spending measures was calculated at the national level and for households in various categories to represent the usual weekly food spending—per person and relative to the cost of the Thrifty Food Plan—of the typical household in each category. Medians are reported rather than averages because medians are not unduly affected by the few unexpectedly high values of usual food spending that are believed to be reporting errors or data entry errors. Thus, the median better reflects what a typical household spent.

Data were weighted using food security supplement weights provided by the Census Bureau so that the interviewed households would represent all households in the United States. About 6 percent of households interviewed in the CPS food security survey did not respond to the food spending questions and were excluded from the analysis. As a result, the total number of households represented in tables 8 and 9 is somewhat smaller than that in tables 1 and 2.

Food Expenditures by Selected Household Characteristics

In 2004, the typical U.S. household spent \$40 per person each week for food (table 8). Median household food spending relative to the cost of the Thrifty Food Plan was 1.25. That is, the typical household usually spent 25 percent more on food than the cost of the Thrifty Food Plan for its household type. Median spending for food relative to the cost of the Thrifty Food Plan was statistically unchanged from 2003 (1.26) to 2004.

Households with children under age 18 generally spent less for food, relative to the Thrifty Food Plan, than those without children. The typical household with children spent 11 percent more than the cost of the Thrifty Food Plan, while the typical household with no children spent 37 percent more than the cost of the Thrifty Food Plan. Median food expenditures relative to the Thrifty Food Plan were lower for single females with children (1.00) and for single males with children (1.08) than for married couples with children (1.16). Median food expenditures relative to the Thrifty Food Plan were highest for men living alone (1.51).

Median food expenditures relative to the Thrifty Food Plan were lower for Black households (1.02) and Hispanic households (1.07) than for non-Hispanic White households (1.31). This pattern is consistent with the lower average incomes and higher poverty rates of these racial and ethnic minorities.

As expected, higher income households spent more money on food than lower income households.²⁰ The typical household with income below the poverty line spent about 8 percent less than the cost of the Thrifty Food Plan, while the typical household with income above 185 percent of the poverty line spent 38 percent more than cost of the Thrifty Food Plan.

Median relative food spending of households outside metropolitan areas was 1.10, compared with 1.27 for households inside metropolitan areas. Median spending on food by households in the Midwest (1.17) and South (1.22) was slightly lower than that for households in the other Census regions.

²⁰However, food spending does not rise proportionately with income increases, so high-income households actually spend a smaller *proportion* of their income on food than do low-income households.

Table 8

Weekly household food spending per person and relative to the cost of the Thrifty Food Plan (TFP), 2004

Category	Number of households ¹	Median weekly food spending	
		Per person	Relative to TFP
	<i>1,000</i>	<i>Dollars</i>	<i>Ratio</i>
All households	105,717	40.00	1.25
Household composition:			
With children < 18	38,082	31.25	1.11
At least one child < 6	17,272	28.57	1.10
Married-couple families	25,843	32.50	1.16
Female head, no spouse	9,155	28.33	1.00
Male head, no spouse	2,532	33.00	1.08
Other household with child ²	552	33.33	1.08
With no children < 18	67,635	50.00	1.37
More than one adult	40,084	43.33	1.29
Women living alone	15,685	50.00	1.38
Men living alone	11,866	60.00	1.51
With elderly	23,726	40.00	1.13
Elderly living alone	9,634	45.00	1.23
Race/ethnicity of households:			
White non-Hispanic	76,372	41.67	1.31
Black non-Hispanic	12,344	32.50	1.02
Hispanic ³	11,371	32.50	1.07
Other	5,631	37.67	1.21
Household income-to-poverty ratio:			
Under 1.00	12,698	30.00	.92
Under 1.30	17,505	30.00	.94
Under 1.85	26,844	30.00	.98
1.85 and over	61,080	45.00	1.38
Income unknown	17,794	40.00	1.22
Area of residence: ⁴			
Inside metropolitan area	86,301	40.00	1.27
In principal cities ⁵	27,963	40.00	1.26
Not in principal cities	43,429	41.25	1.32
Outside metropolitan area	19,417	35.00	1.10
Census geographic region:			
Northeast	19,438	40.00	1.29
Midwest	24,174	37.50	1.17
South	38,699	40.00	1.22
West	23,406	41.67	1.32

¹Totals exclude households that did not answer the questions about spending on food. These represented 6.9 percent of all households.

²Households with children in complex living arrangements—e.g., children of other relatives or unrelated roommate or boarder.

³Hispanics may be of any race.

⁴Metropolitan area residence is based on 2003 Office of Management and Budget delineation. Food spending statistics by area of residence are not precisely comparable with those of previous years.

⁵Households within incorporated areas of the largest cities in each metropolitan area. Residence inside or outside of principal cities is not identified for about 17 percent of households in metropolitan statistical areas.

Source: Calculated by ERS using data from the December 2004 Current Population Survey Food Security Supplement.

Food Expenditures and Household Food Security

Food-secure households typically spent more on food than food-insecure households. Median food spending relative to the cost of the Thrifty Food Plan was 1.28 among food-secure households, compared with 0.98 among all food-insecure households, 0.99 among households classified as food insecure without hunger, and 0.96 among households classified as food insecure with hunger (table 9). Thus, the typical food-secure household spent 31 percent more for food than the typical household of the same size and composition that was food insecure and 33 percent more than the typical household of the same size and composition that was food insecure with hunger.

The relationship between food expenditures and food security was consistent across household structure, race/ethnicity, income, metropolitan residence, and geographic region (table 10). For every household type, median food spending relative to the cost of the Thrifty Food Plan was higher for food-secure than food-insecure households. This was true even for households within the same income category. For example, among households with incomes below the poverty line, median food spending relative to the cost of the Thrifty Food Plan was 0.85 for food-insecure households, compared with 0.96 for food-secure households. Furthermore, for food-secure households, median food spending for every household type except those with incomes below 130 percent of the poverty line was higher than the cost of the Thrifty Food Plan.

Although the *relationship* between food expenditures and food security was consistent, the *levels* of food expenditure varied substantially across household types, even within the same food security status. For food-insecure households, food expenditures of typical households in most categories were close to the cost of the Thrifty Food Plan, but there were some notable exceptions. Nonelderly food-insecure individuals living alone spent substantially more on food than the cost of the Thrifty Food Plan for their age and gender. Food-insecure households with incomes above 185 percent of the poverty line also registered median food expenditures substantially higher than the cost of the Thrifty Food Plan.²¹

²¹ERS analysis has found that the experiences of food insecurity of higher and middle-income households are, disproportionately, occasional and of short duration (Nord et al., 2000). Their food expenditures during those food-insecure periods may have been lower than the amount they reported as their “usual” weekly spending for food.

Table 9

Weekly household food spending per person and relative to the cost of the Thrifty Food Plan (TFP) by food security status, 2004

Category	Number of households ¹	Median weekly food spending	
		Per person	Relative to TFP
	<i>1,000</i>	<i>Dollars</i>	<i>Ratio</i>
All households	105,717	40.00	1.25
Food security status:			
Food secure	92,494	40.00	1.28
Food insecure	13,004	30.00	.98
Without hunger	8,707	30.00	.99
With hunger	4,297	30.00	.96

¹Total for all households excludes households that did not answer the questions about spending on food. These represented 6.9 percent of all households. Totals in the bottom section also exclude households that did not answer any of the questions in the food security scale.

Source: Calculated by ERS using data from the December 2004 Current Population Survey Food Security Supplement.

Table 10

Weekly household food spending relative to the cost of the Thrifty Food Plan (TFP) by food security status and selected household characteristics, 2004

Category	Median weekly food spending relative to TFP ¹	
	Food secure	Food insecure
	<i>Ratio</i>	
All households	1.28	0.98
Household composition:		
With children < 18	1.16	.90
At least one child < 6	1.15	.92
Married couple families	1.19	.93
Female head, no spouse	1.05	.88
Male head, no spouse	1.14	.95
Other household with child ²	1.08	NA
With no children < 18	1.38	1.08
More than one adult	1.34	.98
Women living alone	1.40	1.11
Men living alone	1.63	1.26
With elderly	1.14	.84
Elderly living alone	1.26	.98
Race/ethnicity of households:		
White non-Hispanic	1.36	1.02
Black non-Hispanic	1.06	.93
Hispanic ³	1.12	.95
Other	1.25	.84
Household income-to-poverty ratio:		
Under 1.00	.96	.85
Under 1.30	.98	.86
Under 1.85	1.01	.90
1.85 and over	1.40	1.13
Income unknown	1.26	.96
Area of residence: ⁴		
Inside metropolitan area	1.35	1.00
In principal cities ⁵	1.36	1.01
Not in principal cities	1.37	1.00
Outside metropolitan area	1.12	.90
Census geographic region:		
Northeast	1.35	1.05
Midwest	1.21	.95
South	1.26	.97
West	1.38	.97

¹Statistics exclude households that did not answer the questions about spending on food and those that did not provide valid responses to any of the questions on food security. These represented 6.9 percent of all households.

²Households with children in complex living arrangements—e.g., children of other relatives or unrelated roommate or boarder.

³Hispanics may be of any race.

⁴Metropolitan area residence is based on 2003 Office of Management and Budget delineation.

Food spending statistics by area of residence are not precisely comparable with those of previous years.

⁵Households within incorporated areas of the largest cities in each metropolitan area. Residence inside or outside of principal cities is not identified for about 17 percent of households in metropolitan statistical areas.

NA = Median not reported; fewer than 100 interviewed households in category.

Source: Calculated by ERS using data from the December 2004 Current Population Survey Food Security Supplement.