

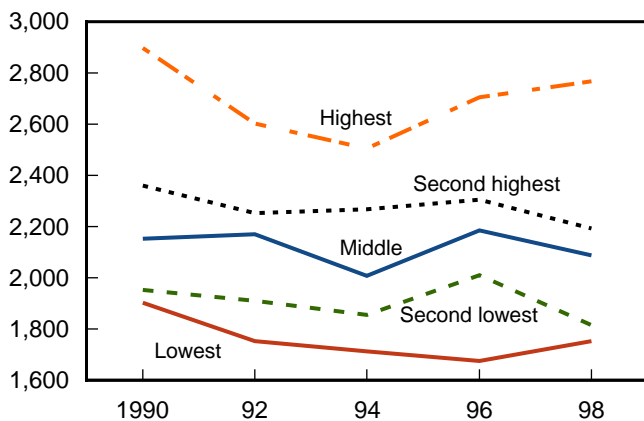
## Total Food Spending Fell the Most in Poorest Households

Per-person total food spending for the poorest 20 percent of the population fell from \$1,903 in 1990 to \$1,754 in 1998 (about 8 percent, fig. 12). In contrast, spending for the wealthiest 20 percent of all households decreased from \$2,897 per person in 1990 to \$2,768 in 1998 (about 5 percent). Total food spending was down for the other quintiles as well. The largest decline, already noted, was for the poorest households, while the smallest decline was for the middle-income households, about 3 percent from \$2,153 to about \$2,088.

Per-person at-home food spending declined in 1990-98 for all income groups, but declined most for the second lowest and second highest income quintiles, 8 and 7 percent, respectively (fig. 13). For the wealthiest households, at-home food spending declined just 1 percent. Likewise, per-person spending on food away from home fell for all groups (fig. 14). Food-away-from-home expenditures for the lowest income quintile declined from \$711 to \$637 per person (about 10 percent). Even the wealthiest households realized a decline of about 8 percent from \$1,407 per person in 1990 to \$1,301 in 1998.

Figure 12  
**Total food spending by income quintile**

Spending/person (dollars)



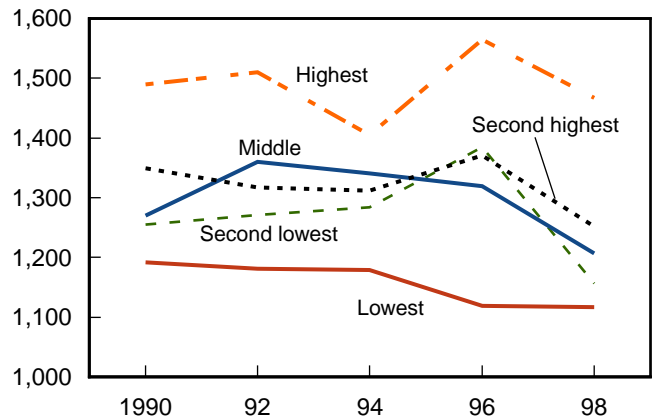
1998 prices.

Source: Economic Research Service from Bureau of Labor Statistics data.

As expected, wealthier households spend about twice as much on food-away-from-home as poor households. While households in the top income quintile spent \$1,301 per person in 1998, the poorest households spent less than half that amount, \$637 per person. For at-home food spending, however, the poorest spent \$1,117 per person in 1998 and the richest households

Figure 13  
**At-home food spending by income quintile**

Spending/person (dollars)

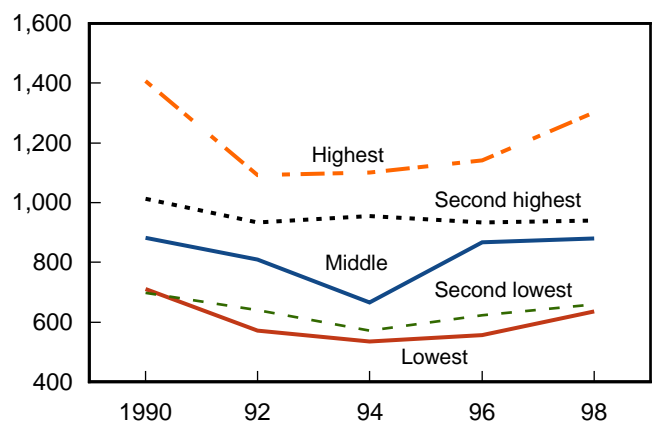


1998 prices.

Source: Economic Research Service from Bureau of Labor Statistics data.

Figure 14  
**Away-from-home food spending by income quintile**

Spending/person (dollars)



1998 prices.

Source: Economic Research Service from Bureau of Labor Statistics data.

spent \$1,467, a 31-percent difference. The wealthiest households tended to spend a greater share of their food budget on eating away from home than the least wealthy households: 47 percent versus 36 percent in 1998.

Not surprisingly, poorer households spend a larger share of their income for food than do wealthier households. However, the amount spent on food

remained remarkably constant during the 1990s. For example, the poorest households spent about 35 percent of their income on food in 1990 and 33 percent in 1998. In contrast, the richest households spent only about 8 percent in 1990 and about 7.5 percent in 1998. The difference between the amount spent by the poorest and the wealthiest households demonstrates a well-known rule in economics that states that the budget share of necessities declines as income increases.