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What are the Real Facts About Food?

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WHAT ARE THE REAL FACTS ABOUT FOOD?

South Dakota consumers, like those across the nation, are often heard to complain about the substantial increases in food prices during 1973. Often these complaints are based upon rumor or faulty information. The following quiz is designed to test your food I.Q. and help put rising food prices in perspective with other prices in our economy. Circle the right answer to each of these questions. A score of 6 or 7 is pretty good. Answers are given at the top of the second page.

1. In 1973 you read about rising food prices. The rise in 1973 was about:
(a) 4.5 percent. (b) 9.5 percent.
(c) 14.5 percent. (d) 19.5 percent.
2. The reason food prices rose in 1973 was:
(a) We had more money to spend. (b) Other countries bought more of our farm products. (c) The cost of practically everything went up in 1973. (d) Weather conditions. (e) All of these.
3. The biggest share of our food money is spent on meat. Out of every \$10.00 spent for food, meat takes about:
(a) \$1.40. (b) \$2.40.
(c) \$3.40. (d) \$4.40.
4. Average food prices rose less than 30 percent between 1953 and 1971, but by 1973 food prices had jumped 70 percent above 1953 levels. During this 20-year period, wages went up:
(a) Less than food prices. (b) About the same as food prices. (c) A little more than food prices. (d) About twice as fast as food prices.
5. As a nation, we increased the amount of money we spent on food in 1973 by 11 percent. At the same time, average income rose by:
(a) 5.5 percent. (b) 10.7 percent. (c) 17.9 percent.
(d) Less than any of these.
6. In 1972, the amount of money we spent on food amounted to 15.7 percent of the average income per person--after taxes. In 1973, the percentage of income going for food was:
(a) Less than 15.7 percent. (b) The same as in 1973--15.7 percent. (c) Somewhat more than 15.7 percent. (d) Much more than 15.7 percent.
7. We spend about 15.7 percent of our aftertax income on food. This is:
(a) About equal with countries such as France and Japan. (b) More than in countries such as Russia and India. (c) Less than in any other major country.
8. When the government publishes figures monthly on the cost of living, the cost of food includes:
(a) Only food eaten at home. (b) The cost of food eaten away from home, but not the cost of food service. (c) Both the cost of the food eaten away from home and the service.
9. Output per man-hour is a common measure of how efficient an industry or group is. Would you say that farmers' output per man-hour has been:
(a) Lagging behind manufacturing industries. (b) Increasing at about the same rate as in manufacturing industries. (c) Increasing a little faster than in manufacturing industries. (d) Increasing about twice as fast as in manufacturing industries.
10. Twenty years ago, we ate an average of 78 pounds of beef per person

during the year. Last year we ate an average of: (a) 70 pounds of beef per person. (b) 87 pounds of beef per person. (c) 109 pounds of beef per person. (d) 123 pounds of beef per person.

Quiz answers: 1=c, 2=e, 3=c, 4=d, 5=b, 6=b, 7=c, 8=c, 9=d, 10=c,

How Much Have Food Prices Gone Up?

*The foods we bought for \$1.00 in 1972, cost nearly \$1.15 by the end of 1973. The 14.5 percent increase in food prices was the largest since the end of World War II, a quarter of a century ago.

*In the first three months of 1974, the price of food rose again. Most of that rise was caused by a spillover from the 1973 forces at work in the marketplace.

*For 1974, retail prices of food are expected to be 12 percent higher than the 1973 average, a slightly smaller climb than the 14.5 percent rise the year before. Almost all of the 1974 increase took place in the early part of the year.

*The rise in food expenditures for 1973

averaged about 17 cents more per person per day, compared with 1972. Slightly more than half that increase--about 9 cents--was spent on meat.

*The average retail price of Choice beef--the "Cadillac" of food--increased 21.7 cents per pound in 1973 over 1972. Since we eat an average 3 ounces of Choice beef per day, the 1973 increase in Choice beef prices cost us a little more than 4 cents more a day. Thus Choice beef accounted for one-fourth of the 17-cent increase in the average daily cost of food in 1973.

*Food price increases slowed in early 1974, then declined, and are expected to be fairly stable the rest of 1974. The prices farmers received for major food products fell sharply--20 to 40 percent--in the spring of 1974. Farmers received about 40 cents of the retail food dollar in the spring of 1974, compared to 46 cents during 1973.

For additional information concerning food prices, write for "The Real Facts About Food" available free of charge from the Office of Communication, U.S. Department of Agriculture, Washington, D.C.

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