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A Snapshot Of US Food And Nutrition Programs

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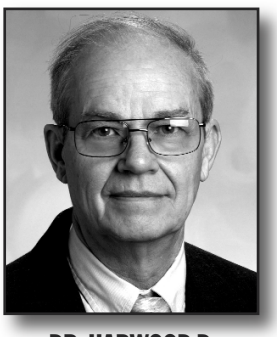

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Though the Dow Jones Industrial Average has topped its previous high reached in late 2007, the use of US Department of Agriculture (USDA) food assistance programs remains at high levels, partly because the on-ground economy has not fully recovered. For fiscal year 2012 (October 1, 2011-September 2012), about one-quarter of the US population have benefitted from at least one of the USDA's 15 food programs.

The five major nutrition programs including the Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), National School Lunch Program, School Breakfast Program, and Child and Adult Care Food Program are examined in "The Food Assistance Landscape FY 2012 Annual Report" (http://www.ers.usda.gov/publications/eib-economic-information-bulletin/eib109.aspx#.UWtqEspGj4Y). The expenditures for these programs along with the 10 other food programs increased from $103.8 billion in FY 2011 to $106.7 in FY 2012.

The FY 2012 report notes that "USDA's food and nutrition assistance programs form a nutritional safety net for millions of children and low-income adults, a role that is especially important when the economy falters and many Americans lose jobs and income." To analyze the relationship between economic cycles and individual nutrition programs the USDA looked at the four major business cycles that occurred between 1976 and 2010. Each business cycle consists "of a period of economic growth characterized by a falling unemployment rate and a period of economic decline characterized by a rising unemployment rate."

"The results of this study indicate that SNAP, as expected, is the nutrition assistance program that is most responsive to changes in economic conditions, with participation in the program clearly following the unemployment rate over the business cycle. However, the study reveal[ed] that the other four major nutrition assistance programs are also impacted to some degree by economic conditions.

"For example, WIC caseloads appear to have become more responsive to economic conditions after the program became fully funded in the late 1990s (the number of births also had a strong influence on the number of participants).

"While economic conditions do not affect total participation in the child nutrition programs (NSLP, SBP, and CACFP), they do appear to affect the proportion of participants receiving free or reduced-price meals. Thus, these other programs, like SNAP, are countercyclical, with their use by needy families increasing during economic downturns."

Between FY 2011 and FY 2012, average monthly participation in SNAP increased by 4.3 percent from 44.7 million persons to 46.6 million persons with total program expenditures increasing by 3.4 percent to $78.3 billion. SNAP benefits can be used to purchase any food or food product for home consumption excluding alcoholic beverages, tobacco products, hot food, and any food sold for on-premises consumption.

WIC, which served an average of 8.9 million persons a month during FY 2012, "helps safeguard the health of low-income pregnant, breastfeeding, and postpartum women as well as infants and children up to age 5 who are at nutritional risk by providing a package of supplemental foods, nutrition education, and health care referrals." About a quarter of the 8.9 million participants were women, one quarter were infants and one half were children.

The average number of children participating in the school lunch program during any month declined slightly between the two fiscal years to 31.6 million. "A total of 5.2 billion meals were served." with 59 percent of the participants receiving free meals and 9 percent receiving reduced price meals.

Average monthly participation in the School Breakfast Program grew by 5.4 percent to 12.8 million children. "New nutrition standards for school meals reflecting the latest nutrition science began to be phased in during school year 2012. Schools were required to increase the availability of fruits, vegetables, whole grains, and fat-free and low-fat fluid milk in school meals; reduce the levels of sodium, saturated fat and trans fats in meals; and meet the nutrition needs of school children within their calorie requirements. These improvements are expected to enhance the diet and health of school children and to help mitigate the childhood obesity trend."

"The Child and Adult Care Food Program subsidizes healthy meals and snacks in participating childcare centers and homes and adult daycare facilities. Care providers are reimbursed for each type of qualifying meal (breakfast, lunch/supper, or snack) they serve. During fiscal 2012, a total of 1.9 billion meals were served." Δ

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