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Memorandum

TO: Representative Kurt Olson
FROM: ^{TS} Tim Spengler, Legislative Analyst
RE: Cost of Living Comparison Between Anchorage and Seattle
LRS Report 09.187

You were looking for a cost of living comparison between Anchorage and Seattle. Specifically you wanted the most current consumer price index or "retail food market basket" study available.

Table 1 shows the most current ACCRA Cost of Living Index comparison available between the two cities for professional and managerial households in the upper fifth of income earners.¹ The expenses in both cities are compared to each other as well as to an index of the national average. Anchorage's composite index total of 125.7 is slightly higher than Seattle's total of 123.1.²

The index compares costs in the following categories: groceries, health, housing, transportation, utilities and miscellaneous. Anchorage was costlier than Seattle in all indexes except transportation and housing. Both cities were more expensive than the national average in every category except utilities.

Table 2 contains cost estimates for numerous items such as particular foods, doctor visits, clothing, and haircuts. These are some of the specifics upon which the index is based.

Please let us know if you have questions or need additional information.

¹ Data for this comparison come from the first and third quarters of 2008. Taxes are not figured in to these estimates. The ACCRA Cost of Living Index compares prices and the overall cost of living in more than 300 cities. It is produced by the Council for Community and Economic Research (C2ER), a membership organization compiling community economic data. More information is available at <http://www.c2er.org/>.

² This means that it is 25.7 percent more expensive to live in Anchorage (and 23.1 percent in Seattle) compared to the national average.

**Table 1: Cost of Living Index Comparison,
Anchorage and Seattle, 2008**

Index	Percent	Anchorage	Seattle	National Average
Composite	100	125.7	123.1	100
Grocery	12.49	142.7	117.3	100
Housing	29.84	137.2	152.0	100
Utilities	9.94	97.1	83.4	100
Transportation	10.73	106.9	110.6	100
Health	4.07	130.1	120.8	100
Miscellaneous	32.93	123.5	116.3	100

Notes: Data for this comparison come from the first and third quarters of 2008. Taxes are not figured in to these estimates. The Cost of Living Index is designed to provide relative cost of living comparisons between cities for professional and managerial households in the upper fifth of income earners.

Source: C2ER--the Council for Community and Economic Research, <http://www.c2er.org/>.

**Table 2: Cost of Living Comparison Detail,
Anchorage and Seattle, 2008**

Item	Anchorage	Seattle	National Average
T-Bone Steak	\$11.20	\$11.02	\$8.96
Ground Beef	\$2.95	\$3.26	\$2.61
Sausage	\$4.11	\$3.98	\$3.19
Frying Chicken	\$1.77	\$1.62	\$1.13
Chunk Light Tuna	\$1.33	\$1.04	\$0.78
Whole Milk	\$2.79	\$2.18	\$2.19
Eggs	\$3.40	\$2.49	\$1.60
Margarine	\$1.19	\$1.09	\$0.87
Parmesan Cheese	\$5.97	\$5.22	\$3.50
Potatoes	\$4.36	\$4.04	\$4.03
Bananas	\$0.93	\$0.77	\$0.54
Lettuce	\$1.57	\$1.41	\$1.29
White bread	\$2.42	\$1.35	\$1.29
Fresh Orange Juice	\$4.48	\$3.61	\$3.19
Coffee	\$4.86	\$4.54	\$3.41
Sugar	\$2.67	\$2.38	\$1.89
Corn Flakes	\$3.89	\$4.11	\$3.20
Sweet Peas	\$1.35	\$1.25	\$0.89
Peaches	\$2.65	\$2.03	\$1.93
Facial Tissues	\$2.33	\$2.54	\$1.84
Detergent	\$5.28	\$5.05	\$4.16
Shortening	\$6.03	\$5.62	\$4.07
Frozen Meal	\$3.60	\$2.85	\$2.57
Frozen Corn	\$2.00	\$1.64	\$1.28
Potato Chips	\$4.28	\$2.99	\$2.54
Soft Drink	\$2.47	\$1.86	\$1.36
Apartment Rent	\$948	\$1,474	\$786
Home Price	\$427,092	\$445,978	\$306,892
Total Energy	\$181.30	\$120.80	\$168.16
Phone	\$23.80	\$29.39	\$26.17
Tire Balance	\$10.97	\$11.66	\$9.41
Gasoline	\$3.62	\$3.71	\$2.90
Optometrist Visit	\$111.90	\$107.67	\$79.99
Doctor Visit	\$115.07	\$100.27	\$80.20
Dentist Visit	\$109.41	\$102.83	\$72.31
Ibuprofen	\$7.32	\$6.51	\$5.94

**Table 2: Cost of Living Comparison Detail,
Anchorage and Seattle, 2008 (continued)**

Item	Anchorage	Seattle	National Average
Lipitor	\$144.74	\$139.24	\$127.75
Hamburger	\$3.54	\$3.37	\$2.77
Pizza	\$13.32	\$12.32	\$10.58
Fried Chicken	\$4.66	\$2.89	\$3.08
Haircut	\$18.63	\$16.73	\$12.19
Beauty Salon	\$37.33	\$42.45	\$29.80
Toothpaste	\$3.29	\$3.12	\$2.43
Shampoo	\$1.31	\$1.20	\$1.05
Dry Cleaning	\$11.40	\$14.15	\$9.65
Man Dress Shirt	\$34.73	\$30.74	\$25.87
Boy Jeans	\$23.04	\$21.19	\$19.79
Women Slacks	\$40.86	\$31.26	\$27.40
Washer Repair	\$67.83	\$67.88	\$56.39
Newspaper	\$14.82	\$16.32	\$14.18
Movie	\$9.62	\$9.73	\$8.02
Bowling	\$3.63	\$4.08	\$3.68
Tennis Balls	\$2.09	\$3.09	\$2.30
Veterinary Services	\$49.82	\$56.38	\$38.39
Beer	\$10.41	\$8.39	\$7.89
Wine	\$9.06	\$7.21	\$6.65
<p>Notes: Items on this list fall within the six major categories that ACCRA's cost of living index measures: grocery, health, housing, utilities, transportation, and miscellaneous. Data for this comparison come from the first and third quarters of 2008. Taxes are not figured in to these estimates. The Cost of Living Index is designed to provide relative cost of living comparisons between cities for professional and managerial households in the upper fifth of income earners.</p> <p>Source: C2ER--the Council for Community and Economic Research, http://www.c2er.org/.</p>			