

**Food prices rise 5.2 per cent**



	<b>Feb 2007</b>	<b>Feb 2008</b>
Cheese (mild cheddar, 1kg)	\$6.60	\$10.54
Milk (standard homogenised, 2L)	\$2.64	\$3.25
Butter (salted 500g)	\$2.00	\$3.83
Chicken (frozen No 15)	\$6.77	\$7.75
Fish and chips (one fish, one chips)	\$4.52	\$4.79

STEEP STAPLES: Food prices rose 5.2 per cent in the year to February, figures from Statistics New Zealand's food price index show.

Struggling to afford the staples? It might be time to turn to a box of chocolates for comfort.

Food prices rose 5.2 per cent in the year to February, figures out yesterday show.

Grocery foods were the worst, according to Statistics New Zealand. The cost of dairy products has soared, with butter costing almost twice as much as it did last year.

In the past month alone, milk has gone up by 4 per cent and bread by 3.4 per cent.

Boxed chocolates fell by more than 14 per cent in the month. Yet at \$6.99 for a 250-gram box, the price is still slightly higher than the same time last year.

But there is no excuse for not eating your fruit and vegetables.

Their food group was the only one with an overall price decrease in the year to February, dropping by 2.5 per cent.

Avocados were the biggest contributors (down 55.7 per cent), followed by oranges (down 17.8 per cent) and apples (down 7.6 per cent).

Overall, meat, poultry and fish prices rose 3.9 per cent in the past year. Poultry climbed 10.4 per cent, but lamb prices dropped 2.8 per cent.

Prices for restaurant meals and ready-to-eat food rose 4.2 per cent and non-alcoholic beverages by 4.8 per cent.

The Federation of Family Budgeting Services' chief executive, Raewyn Fox, said food price rises were having a big impact on families.

"Milk and bread are some of the staples that you rely on to keep the kids full."

Petrol and power prices had also gone up, leaving little room to cut back to cover increased food costs.

She said parents might be inclined to buy less-wholesome options to save money, such as white bread instead of wholemeal.

They might also ask their children to eat less, something that was difficult for families to do.

The Food and Grocery Council's commercial director, Lindsay Davidson, said global demand for food was hitting prices.

"We are very much linked to what's happening globally."

Milk products and anything with grain or wheat were in demand.

New Zealand prices were "relatively low by global standards".