South Florida consumer costs rising faster than the national average

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We are not imagining it: The cost of living has jumped in South Florida in the last year, more so than the rest of the nation.

And it's not just gasoline — although that is the main culprit, a new federal report shows. Food, health care and even clothing costs have also spiraled from April 2010 to April 2011, according to the Bureau of Labor Statistics’ Consumer Price Index.

Overall, costs have gone up 4 percent in the Miami-Fort Lauderdale area compared to 3.2 percent for the U.S. city average. Atlanta had only a 2.5 percent jump. Federal officials do not include Palm Beach County in the South Florida tally, but experts say consumer prices are comparable across South Florida.

Transportation costs in Broward and Miami-Dade counties surged 13.6 percent in the last year, said Steve Rondone, an economist with the Bureau of Labor Statistics in the Atlanta regional office. The average U.S. city cost for transportation rose 11.8 percent.

"It's more expensive to ship fuel to South Florida," Rondone said, citing one factor for the higher transportation costs.

Those higher shipping costs may also be affecting other goods. The prices of clothing in Miami-Dade and Broward surged 8 percent in the last year while food and beverages jumped 3.5 percent and medical care was up 4.9 percent. All three were higher than the national average.

Chris Lafakis, an economist with Moody's Analytics, cautioned there may be other factors. For example, South Florida merchants may have had a lower inventory of clothing and did not have to discount as much as other U.S. retailers.

The regional cost of living index can also be more volatile and not as accurate as the national average, he added. The numbers may be dramatically different in two months, he said.

Still, South Florida's food prices jumped when oil costs surged in 2008 just as they are doing now, said William B. Stronge, a professor emeritus of economics at Florida Atlantic University.
"Our food tends to come from such a far distance," he said. "Remember, we are at the bottom corner of the country."