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CONSUMER EXPENDITURES – 2011

Average annual expenditures per consumer unit¹ rose 3.3 percent in 2011 following a decrease of 2.0 percent in 2010, the U.S. Bureau of Labor Statistics reported today. The rise in spending in 2011 barely outpaced the 3.2-percent increase in prices for goods and services from 2010 to 2011, as measured by the average annual change in the Consumer Price Index (CPI-U). This was the first yearly increase in spending since the 1.7-percent rise from 2007 to 2008, as expenditures had declined in both 2009 and 2010.

All major components of household spending increased in 2011, as shown in table A. The 8.0-percent rise in transportation spending was the largest percentage increase among all major components. Overall spending on food and cash contributions (including payments for support of college students, alimony and child support, and giving to charities and religious organizations) both increased by 5.4 percent. Other spending highlights include a 4.9-percent rise in health care spending, and modest increases in housing (+1.5 percent), apparel and services (+2.4 percent), entertainment (+2.7 percent), and personal insurance and pensions (+0.9 percent).

Table A. Average annual expenditures and characteristics of all consumer units and percent changes, 2009-2011

Item	2009	2010	2011	Percent change	
				2009-2010	2010-2011
Number of consumer units (000's)	120,847	121,107	122,287		
Average age of reference person	49.4	49.4	49.7		
Average number in consumer unit:					
Persons	2.5	2.5	2.5		
Earners	1.3	1.3	1.3		
Vehicles	2.0	1.9	1.9		
Percent homeowner	66	66	65		
Income before taxes	\$62,857	\$62,481	\$63,685	-0.6	1.9
Average annual expenditures	49,067	48,109	49,705	-2.0	3.3
Food	6,372	6,129	6,458	-3.8	5.4
At home	3,753	3,624	3,838	-3.4	5.9
Away from home	2,619	2,505	2,620	-4.4	4.6
Housing	16,895	16,557	16,803	-2.0	1.5
Apparel and services	1,725	1,700	1,740	-1.4	2.4
Transportation	7,658	7,677	8,293	0.2	8.0
Health care	3,126	3,157	3,313	1.0	4.9
Entertainment	2,693	2,504	2,572	-7.0	2.7
Cash contributions	1,723	1,633	1,721	-5.2	5.4
Personal insurance and pensions	5,471	5,373	5,424	-1.8	0.9
All other expenditures	3,404	3,379	3,381	-0.7	0.1

¹ Consumer units include families, single persons living alone or sharing a household with others but who are financially independent, or two or more persons living together who share expenses.

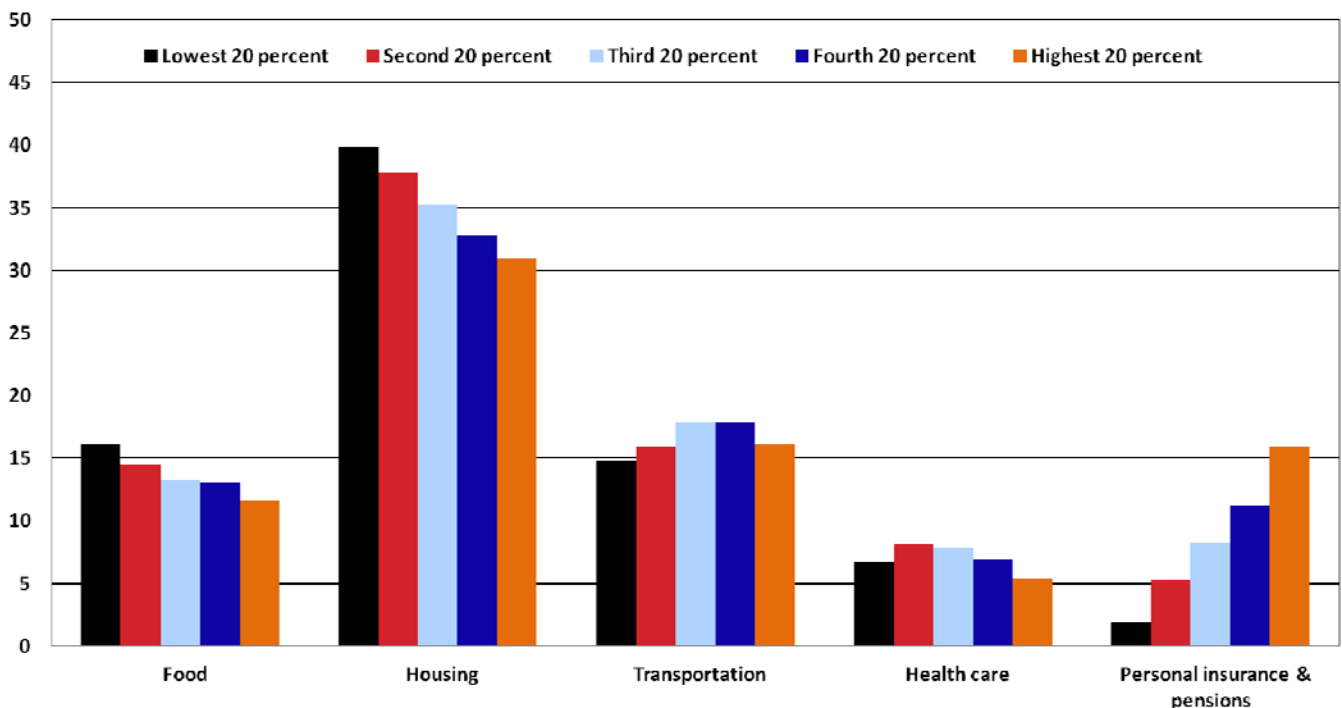
Spending by selected demographics

Consumer Expenditure Survey (CE) data measure how consumers allocate their spending among the various components of total expenditures. For example, table B and chart 1 compare the share allocated to selected expenditures by income quintiles. The lowest income quintile allocated more money to food and housing than the other quintile groups. The highest income group allocated more money to personal insurance and pensions (including payments for life insurance, other nonhealth insurance, pensions, and Social Security) than any other group. No clear trend existed for the share allocated to transportation and health care among the income quintile groups.

Table B. Shares of average annual expenditures on selected major components by income quintiles, 2011

Item	Lowest 20 percent	Second 20 percent	Third 20 percent	Fourth 20 percent	Highest 20 percent
Food	16.1	14.5	13.3	13.0	11.6
Housing	39.9	37.8	35.2	32.8	31.0
Transportation	14.8	16.0	17.9	17.8	16.1
Health care	6.8	8.1	7.8	7.0	5.4
Personal insurance & pensions	1.9	5.3	8.3	11.2	15.9

Chart 1. Shares of average annual expenditures on selected major components by income quintiles, 2011



Spending patterns, 2009-2011

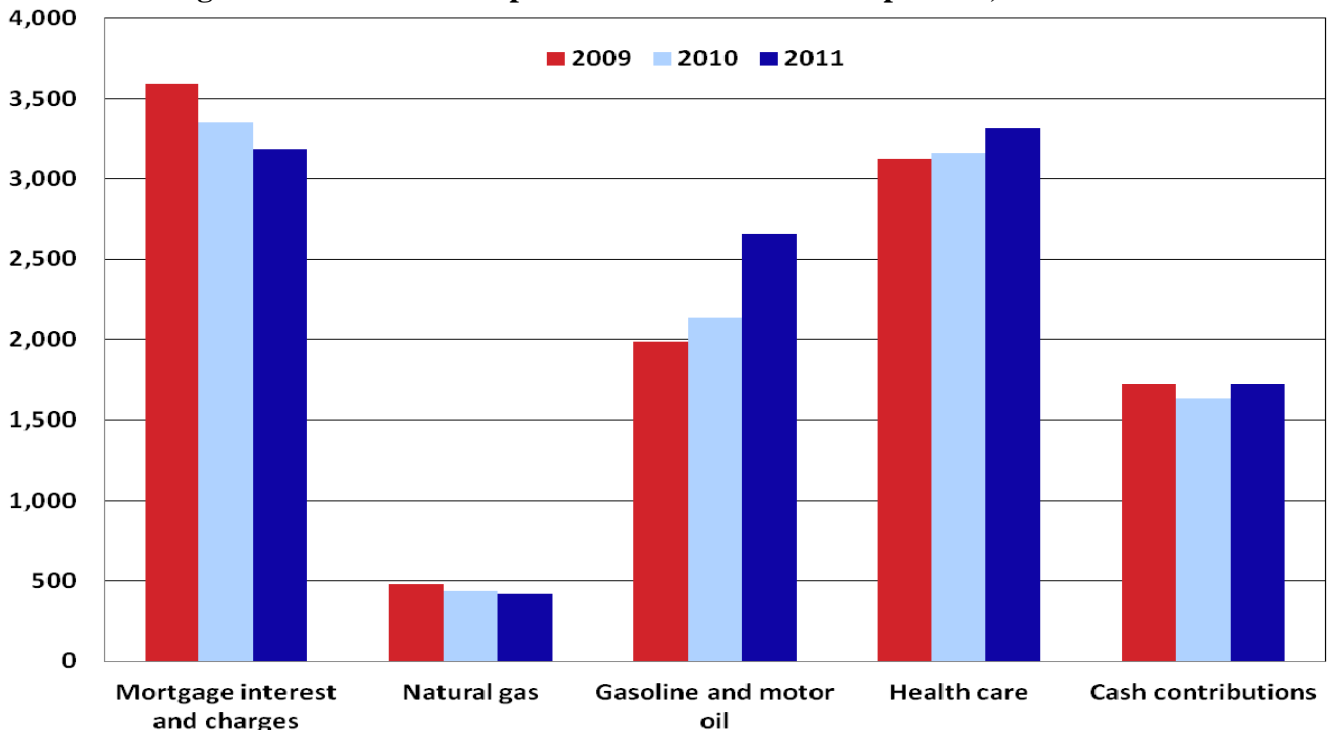
Table C and chart 2 show amounts spent for selected expenditure components over the 3-year period from 2009 to 2011. Spending changes included:

- Mortgage interest and charges for owned homes, a subcomponent of housing, fell from \$3,594 in 2009 to \$3,184 in 2011.
- Natural gas expenditures fell from \$483 in 2009 to \$420 in 2011, a 13.0-percent decrease.
- Expenditures on gasoline and motor oil increased 33.7 percent during the period, with a 24.5-percent increase from 2010 to 2011. The spending increase can partly be explained by the yearly rise in the price of gasoline during 2010 (+18.4 percent) and 2011 (+26.4 percent), as measured by the CPI-U.
- Health care spending rose from \$3,126 in 2009 to \$3,313 in 2011. The overall increase in health care spending was driven by a 7.7-percent increase in health insurance spending during the period. The level of spending for health care has increased every year starting in 1996, while the level of spending for health insurance has increased every year starting in 1997.
- Cash contributions fell 5.2 percent from 2009 to 2010, then rose almost by the same margin from 2010 to 2011 (+5.4 percent).

Table C. Average annual consumer expenditures for selected components, 2009-2011

Item	2009	2010	2011
Mortgage interest and charges	\$3,594	\$3,351	\$3,184
Natural gas	483	440	420
Gasoline and motor oil	1,986	2,132	2,655
Health care	3,126	3,157	3,313
Cash contributions	1,723	1,633	1,721

Chart 2. Average annual consumer expenditures for selected components, 2009-2011



Consumer Expenditure Survey data include the expenditures and income of consumers, as well as the demographic characteristics of those consumers. Tables with more expenditure detail are available at www.bls.gov/cex. Published tables provide 2011 CE data by standard classifications that include income quintile, income class, age of reference person, size of consumer unit, number of earners, composition of consumer unit, region of residence, housing tenure, type of area (urban-rural), race, Hispanic origin, occupation, and education. Standard error tables are available for most of the demographic breakouts. Other tables available on the website include expenditures by age, region, size, or gender cross-tabulated by income before taxes and other demographic variables. Historical tables back to 1984 and tabulations for selected metropolitan areas are also available.

Other available data

A forthcoming Annual Report will include a brief discussion of expenditure changes in 2011 and tables with data classified by the standard characteristics that are included on the website. Future articles in the BLS *Beyond the Numbers* web report series will highlight recent trends in prices and spending in the U.S. economy, and will feature 2011 CE data. Recent CE-specific *Beyond the Numbers* articles provide analyses of topical economic issues and long term spending trends, as well as comparisons of CE data to other data series (see <http://www.bls.gov/cex/csxwebarticles.htm>). Methodological and analytical articles using CE data will be published in 2013. All data published in the Annual Report and posted to the website are integrated from the two CE components—the quarterly Interview Survey and weekly Diary Survey.

Other survey information available on the Internet includes answers to frequently asked questions, a glossary, order forms for survey products, and analytical articles that use CE data. Also available are the Diary Survey questionnaire form and a modified version of the computer assisted personal interview (CAPI) instrument used to collect the Interview Survey data.

The 2011 CE public-use microdata, including Interview Survey data, Diary Survey data, and paradata (information about the survey process), are now available on the CE website for free electronic download. The Interview files contain expenditure data in two different formats: MTAB files that present monthly values in an item-coding framework based on the CPI pricing scheme, and EXPN files that organize expenditures by the section of the Interview questionnaire in which they are collected. Expenditure values on EXPN files cover different time periods depending on the specific questions asked, and the files also contain relevant non-expenditure information not found on the MTAB files. Past releases of CE public-use microdata that were previously only available on CD-ROM for purchase will become available on the CE website for free electronic download. The 2010 release is already available online. Prior releases will be posted incrementally online in reverse chronological order through the 1996 release. For releases prior to 1996 and those not yet available online for download, users can continue to purchase CDs using the public-use microdata order form (see <http://www.bls.gov/cex/pumhome.htm>). All future releases of public-use microdata will solely be available online for free electronic download.

For further information, contact the Division of Consumer Expenditure Survey, Office of Prices and Living Conditions, Bureau of Labor Statistics, 2 Massachusetts Ave., N.E., Washington, DC 20212-0001 or call (202) 691-6900; E-mail: cexinfo@bls.gov. Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1 (800) 877-8339.