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A CHILD BORN IN 2010 WILL COST \$226,920 TO RAISE ACCORDING TO USDA REPORT

WASHINGTON, June 9, 2011 – The Department of Agriculture today released its annual report, *Expenditures on Children by Families*, finding that a middle-income family with a child born in 2010 can expect to spend about \$226,920 (\$286,860 if projected inflation costs are factored in) for food, shelter, and other necessities to raise that child over the next 17 years. This represents a 2 percent increase from 2009. Expenses for transportation, child care, education, and health care saw the largest percentage increases related to child rearing from 2009. There were very small changes in housing, food, clothing, and miscellaneous expenses on a child since 2009.

The report, issued annually since 1960, is a valuable resource to courts and state governments in determining child support guidelines and foster care payments. It is based on data from the Federal government's Consumer Expenditure Survey, the most comprehensive source of information available on household expenditures. For the year 2010, per child annual child-rearing expenses for a middle-income, two-parent family range from \$11,880 to \$13,830, depending on the age of the child.

The report by USDA's Center for Nutrition Policy and Promotion notes that family income affects child rearing costs. A family earning less than \$57,600 per year can expect to spend a total of \$163,440 (in 2010 dollars) on a child from birth through high school. Similarly, parents with an income between \$57,600 and \$99,730 can expect to spend \$226,920; and a family earning more than \$99,730 can expect to spend \$377,040.

For middle-income families, housing costs are the single largest expenditure on a child, averaging \$69,660 or 31 percent of the total cost over 17 years. Child care and education (for those incurring these expenses) and food were the next two largest expenses, accounting for 17 and 16 percent of their total expenditure. These estimates do not include costs associated with pregnancy or the cost of a college education or education beyond high school.

The report notes geographic variations in the cost of raising a child, with expenses the highest for families living in the urban Northeast, followed by the urban West and urban Midwest. Families living in the urban South and rural areas have the lowest child-rearing expenses.

This is the 50th year USDA has issued its annual report on the cost of raising a child. In 1960, the first year the report was issued, a middle-income family could have expected to spend \$25,230 (\$185,856 in 2010 dollars) to raise a child through age seventeen. Housing was the largest expense on a child both then and now. Health care expenses on a child doubled as a percentage of total child-rearing costs. In addition, some current-day costs, such as child care, were negligible in 1960.

The report also highlights that expenses per child decrease as a family has more children. Families with three or more children spend 22 percent less per child than families with two children. As families have more children, the children can share bedrooms, clothing and toys can be handed down to younger children, food can be purchased in larger and more economical quantities, and private schools or child care centers may offer sibling discounts.

The full report, *Expenditures on Children by Families (2010)*, is available on the web at www.cnpp.usda.gov. In addition, an interactive version of the report where families can enter in the number and ages of their children to obtain an estimate of costs is available at this website.

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