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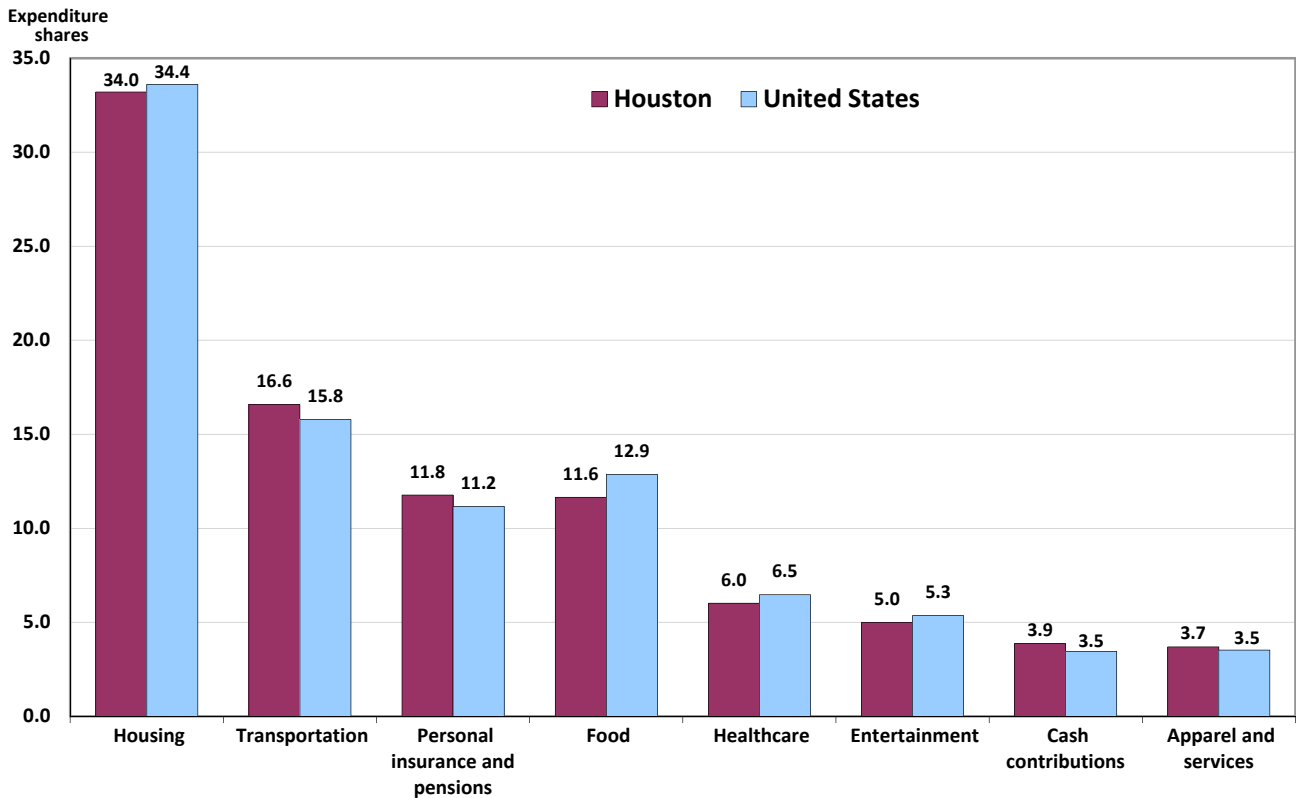
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CONSUMER EXPENDITURES FOR THE HOUSTON AREA: 2009 – 2010

Consumer units¹ (households) in the Houston-Galveston-Brazoria metropolitan area spent an average of \$56,764 per year in 2009-2010, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Stanley W. Suchman noted that this figure was nearly 17 percent above the \$48,588 average annual expenditure level for a typical household in the United States. Although households in the Houston area spent more than the U.S. average, they tended to allocate their dollars similarly among the major categories, differing significantly in only one of the eight. (See chart 1.). Expenditures for food represented a significantly smaller share of the total budget in the Houston area, 11.6 percent, than the nationwide average of 12.9 percent.

Chart 1. Percent distribution of average annual expenditures for eight major categories in the Houston metropolitan area and the United States, 2009–2010



¹ See the Additional Information section for the definition of a consumer unit. The terms consumer unit and household are used interchangeably throughout the text for convenience.

Housing in the Houston metropolitan area averaged \$19,323 annually and was the largest expenditure category, accounting for 34.0 percent of the average Houston area household's total budget. (See tables 1 and 2.) This share was not significantly different from the 34.4-percent national average. Overall, 10 of the 18 published metropolitan areas had expenditure shares for housing measurably above the U.S. average; only Detroit had a significantly lower than average share. (See chart 2.) Among the 18 areas, housing shares ranged from 43.6 percent in Miami to 32.6 percent in Detroit. (See table 3.)

The majority of total housing expenditures in Houston went toward shelter, 56.4 percent, which includes mortgage interest, property taxes, repairs, and rent, among other items; this was significantly below the 59.4-percent share allocated toward shelter nationwide. (See table A.) In contrast, expenses for utilities, fuels, and public services accounted for 23.5 percent of the local housing budget, well above the national average of 21.8 percent. The rate of homeownership in Houston, 68 percent, was above the U.S. average of 66 percent.

Table A. Percent distribution of housing expenditures, United States and Houston, 2009–2010

Category	United States	Houston
Total Housing	100.0	100.0
Shelter	59.4	56.4
Utilities, fuels and public services	21.8	23.5
Household operation	6.0	7.7
Housekeeping supplies	3.8	3.2
Household furnishings and equipment	8.9	9.2

Note: Columns may not add to 100 due to rounding.

Source: U.S. Bureau of Labor Statistics

At 16.6 percent of the total budget, transportation was the second-largest expenditure category in the Houston area and was not significantly above the national average of 15.8 percent. Among the 18 metropolitan areas nationwide, only Detroit had a transportation share that was significantly above average. (See chart 3.) Among the remaining areas, six had significantly lower shares than the U.S. average, the lowest being Baltimore at 12.4 percent, followed by San Francisco at 12.6 percent.

Of the \$9,410 in annual expenditures for transportation in Houston, 94.4 percent was spent buying and maintaining private vehicles compared to the national average of 93.7 percent. Despite the higher local area transportation share, the average number of vehicles per household in Houston (2.0) was comparable to the national average (1.9). The remaining 5.6 percent of the average Houston household's transportation budget was spent on public transit—which includes fares for taxis, buses, trains, and planes; this was below the 6.3-percent average for the nation. (See table B.) Among the 18 areas, public transportation budgets accounted for more than 10 percent of local transportation expenditures in 4 areas, led by New York (13.5 percent) and San Francisco (12.5 percent).

Table B. Percent distribution of transportation expenditures, United States and Houston, 2009–2010

Category	United States	Houston
Total Transportation	100.0	100.0
Vehicle purchases (net outlay)	34.2	35.6
Gasoline and motor oil	26.9	26.3
Other vehicle expenses	32.6	32.5
Public transportation	6.3	5.6

Note: Columns may not add to 100 due to rounding.

Source: U.S. Bureau of Labor Statistics

The portion of the average Houston consumer unit's budget spent on food, 11.6 percent, was significantly below the U.S. average share of 12.9 percent. Houston was 1 of 7 metropolitan areas with food expenditure shares significantly below the U.S. average; no area had food expenditure shares significantly above the national average. The lowest food shares were in Seattle and Washington, D.C., both at 11.0 percent.

Households in Houston spent \$3,527, or 53.4 percent, of their food dollars on food at home and the remaining 46.6 percent on food away from home, such as restaurant meals, carry-out, board at school, and catered affairs. In comparison, the typical U.S. household spent 59.0 percent of its food budget on food at home and 41.0 percent on food away from home.

As noted, Houston is 1 of 18 metropolitan areas nationwide for which Consumer Expenditure Survey (CE) data are available. We encourage users interested in learning more about the CE to contact the Southwest Information Office at (972) 850-4800. Metropolitan area CE data and that for the four geographic regions and the United States are available at www.bls.gov/cex/tables.htm.

Additional Information

Data contained in this report are from the Consumer Expenditure Survey, which is conducted on an ongoing basis by the U.S. Census Bureau for the Bureau of Labor Statistics (BLS). The CE data were averaged over a two-year period, 2009 and 2010 and are available for the nation, the 4 geographic regions of the country, and 18 metropolitan areas. The metropolitan area discussed in this release is Houston-Galveston-Brazoria, Texas, which is comprised of Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto, and Waller Counties.

The survey consists of two components, a diary or recordkeeping survey, and an interview survey. The integrated data from the BLS Diary and Interview Surveys provide a complete accounting of consumer expenditures and income, which neither survey component alone is designed to do. Due to changes in the survey sample frame, metropolitan area data in this release are not directly comparable to those prior to 1996.

A consumer unit is defined as members of a household related by blood, marriage, adoption, or other legal arrangement; a single person living alone or sharing a household with others but who is financially independent; or two or more persons living together who share responsibility for at least 2 out of 3 major types of expenses – food, housing, and other expenses. The terms household or consumer unit are used interchangeably for convenience.

The expenditure data in this release should be interpreted with care. The expenditures are averages for consumer units with the specified characteristics, regardless of whether a specific unit incurred an expense for that specific item during the recording period. The average expenditure may be considerably lower than the expenditure by those consumer units that purchased the item. This study is not intended as a comparative cost of living survey, as neither the quantity nor the quality of goods and services has been held constant among areas. Differences may result from variations in demographic characteristics such as consumer unit size, age, preferences, income levels, etc. However, expenditure shares, or the percentage of a consumer unit's budget spent on a particular category, can be used to compare spending patterns across areas. Users should also keep in mind that prices for many goods and services have changed since the survey was conducted.

The CE significance tests in this release compare expenditure shares for selected expenditure categories in the United States to expenditure shares in selected metropolitan areas. (See table 3.) Expenditure shares for housing and transportation that are above or below that for the nation after testing for significance at the 95-percent confidence interval are also identified in charts 2 and 3 for the 18 metropolitan areas surveyed. Sample sizes for the metropolitan areas are much smaller than for the nation, so the U.S. estimates and year-to-year changes are more reliable than those for the metropolitan areas.

NOTE: A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with the ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

Table 1. Percent distribution of average annual expenditures, United States and Houston, Consumer Expenditure Survey, 2009-2010

Category	United States	Houston
Average annual expenditures	\$48,588	\$56,764
Percent distribution:	100.0	100.0
Food	12.9	11.6 *
Alcoholic beverages	.9	1.0
Housing	34.4	34.0
Apparel and services	3.5	3.7
Transportation	15.8	16.6
Healthcare	6.5	6.0
Entertainment	5.3	5.0
Personal care products and services	1.2	1.3
Reading	.2	.2
Education	2.2	2.1
Tobacco products and smoking supplies	.8	.6 *
Miscellaneous	1.7	2.2
Cash contributions	3.5	3.9
Personal insurance and pensions	11.2	11.8

* Statistically significant difference from the U.S. average at the 95-percent confidence level.

Note: Columns may not add to 100 due to rounding.

Source: U.S. Bureau of Labor Statistics

Table 2. Average annual expenditures and characteristics, United States and Houston, Consumer Expenditure Survey, 2009-2010

Category	United States	Houston
Consumer unit characteristics:		
Income before taxes	\$62,669	\$70,713
Age of reference person	49.4	47.0
Average number in consumer unit:		
Persons	2.5	2.9
Children under 18	0.6	0.8
Persons 65 and over	0.3	0.2
Earners	1.3	1.6
Vehicles	1.9	2.0
Percent homeowner	66	68
Average annual expenditures	\$48,588	\$56,764
Food	6,250	6,610
Food at home	3,689	3,527
Cereals and bakery products	504	438
Meats, poultry, fish, and eggs	813	817
Dairy products	393	351
Fruits and vegetables	668	638
Other food at home	1,311	1,283
Food away from home	2,562	3,083
Alcoholic beverages	423	541
Housing	16,726	19,323
Shelter	9,943	10,903
Owned dwellings	6,410	7,499
Rented dwellings	2,880	2,793
Other lodging	653	612
Utilities, fuels, and public services	3,652	4,539
Household operations	1,009	1,494
Housekeeping supplies	635	618
Household furnishings and equipment	1,486	1,770
Apparel and services	1,712	2,095
Transportation	7,668	9,410
Vehicle purchases (net outlay)	2,623	3,351
Gasoline and motor oil	2,059	2,471
Other vehicle expenses	2,500	3,058
Public transportation	486	531
Healthcare	3,141	3,413
Entertainment	2,599	2,833
Personal care products and services	589	755
Reading	105	129
Education	1,071	1,176
Tobacco products and smoking supplies	371	341
Miscellaneous	833	1,268
Cash contributions	1,678	2,193
Personal insurance and pensions	5,422	6,677
Life and other personal insurance	314	325
Pensions and Social Security	5,108	6,352

Source: U.S. Bureau of Labor Statistics

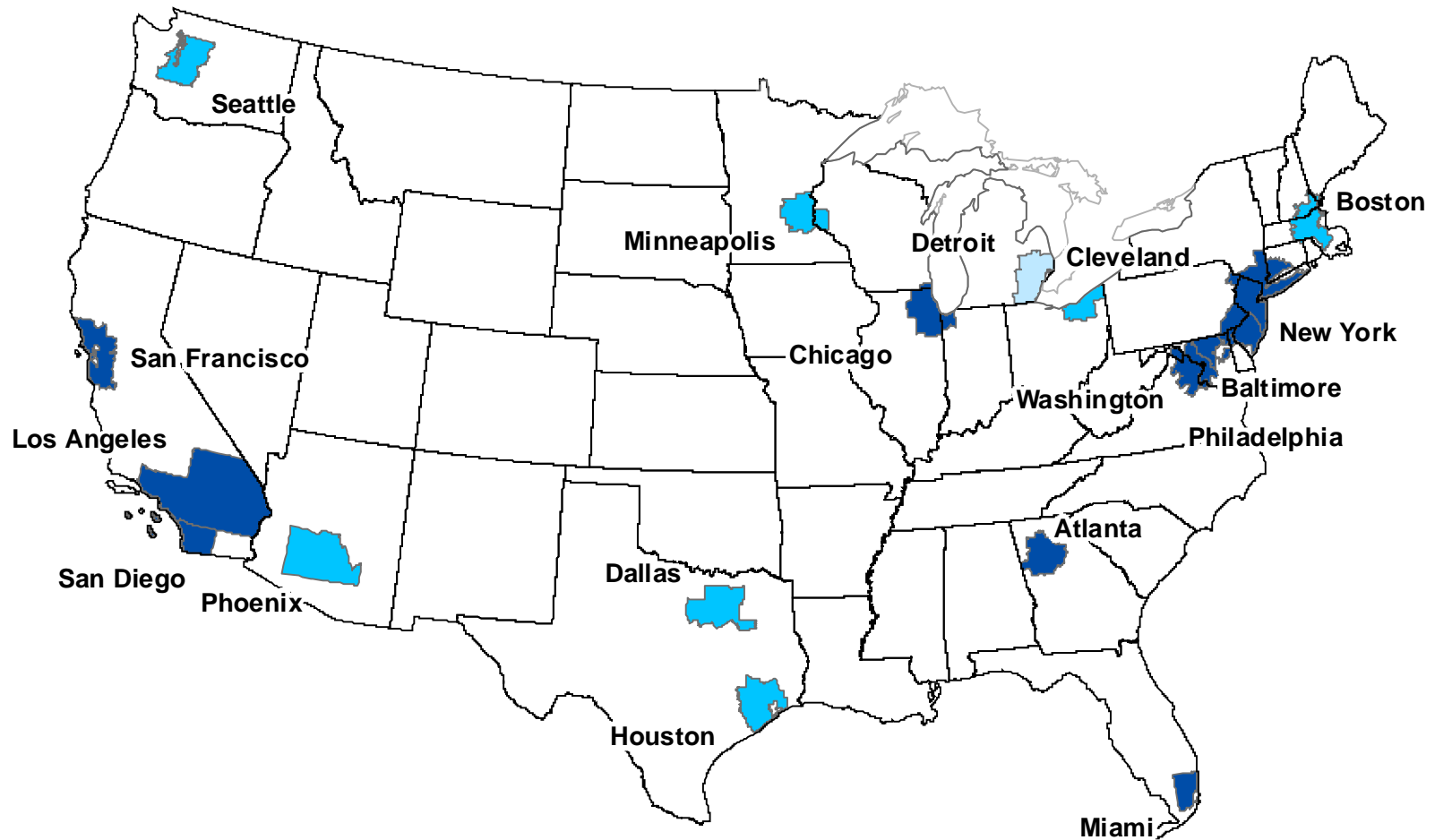
Table 3. Percent share of average annual expenditures for housing, transportation, and food, United States and 18 metropolitan areas, Consumer Expenditure Survey, 2009-2010

Area	Housing	Transportation	Food
United States	34.4	15.8	12.9
Atlanta	37.7 *	15.1	11.4 *
Baltimore	39.1 *	12.4 *	11.7
Boston	33.2	14.4	12.8
Chicago	36.0 *	15.2	12.6
Cleveland	33.0	15.6	12.4
Dallas	34.3	15.1	12.6
Detroit	32.6 *	18.7 *	12.0
Houston	34.0	16.6	11.6 *
Los Angeles	37.7 *	15.6	13.2
Miami	43.6 *	15.5	12.7
Minneapolis	33.6	13.7 *	12.7
New York	39.4 *	13.5 *	12.6
Philadelphia	37.8 *	13.4 *	11.9 *
Phoenix	33.6	16.3	13.4
San Diego	41.7 *	13.4 *	11.2 *
San Francisco	39.0 *	12.6 *	11.8 *
Seattle	33.1	15.4	11.0 *
Washington	36.3 *	14.4	11.0 *

* Statistically significant difference from the U.S. average at the 95-percent confidence level.

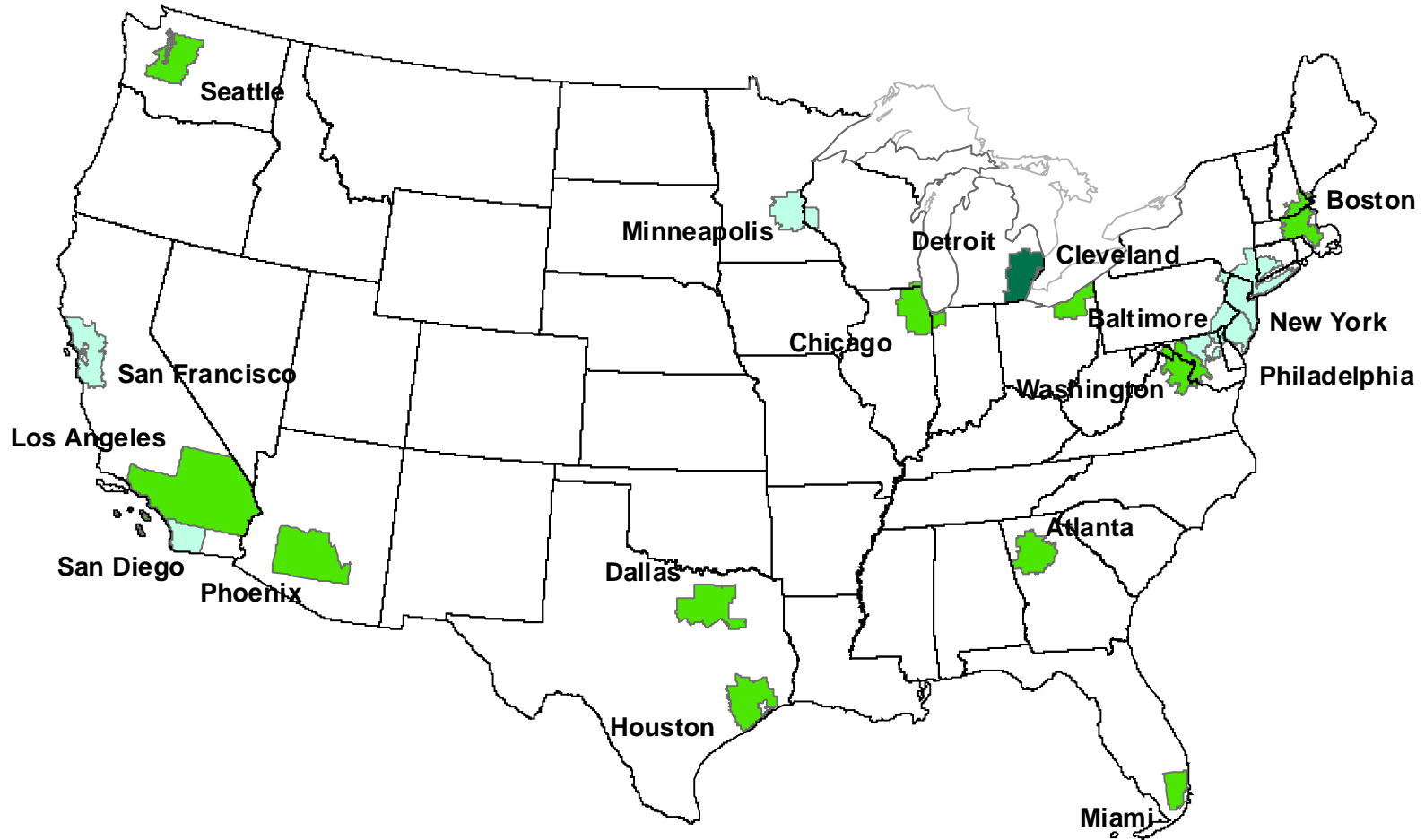
Source: U.S. Bureau of Labor Statistics

Chart 2. Expenditure shares spent on housing in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2009–2010



Note: Statistical significance tested at the 95-percent confidence interval.
Source: U.S. Bureau of Labor Statistics

Chart 3. Expenditure shares spent on transportation in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2009–2010



Significantly Below Not Significantly Different Significantly Above

Note: Statistical significance tested at the 95-percent confidence interval.
Source: U.S. Bureau of Labor Statistics