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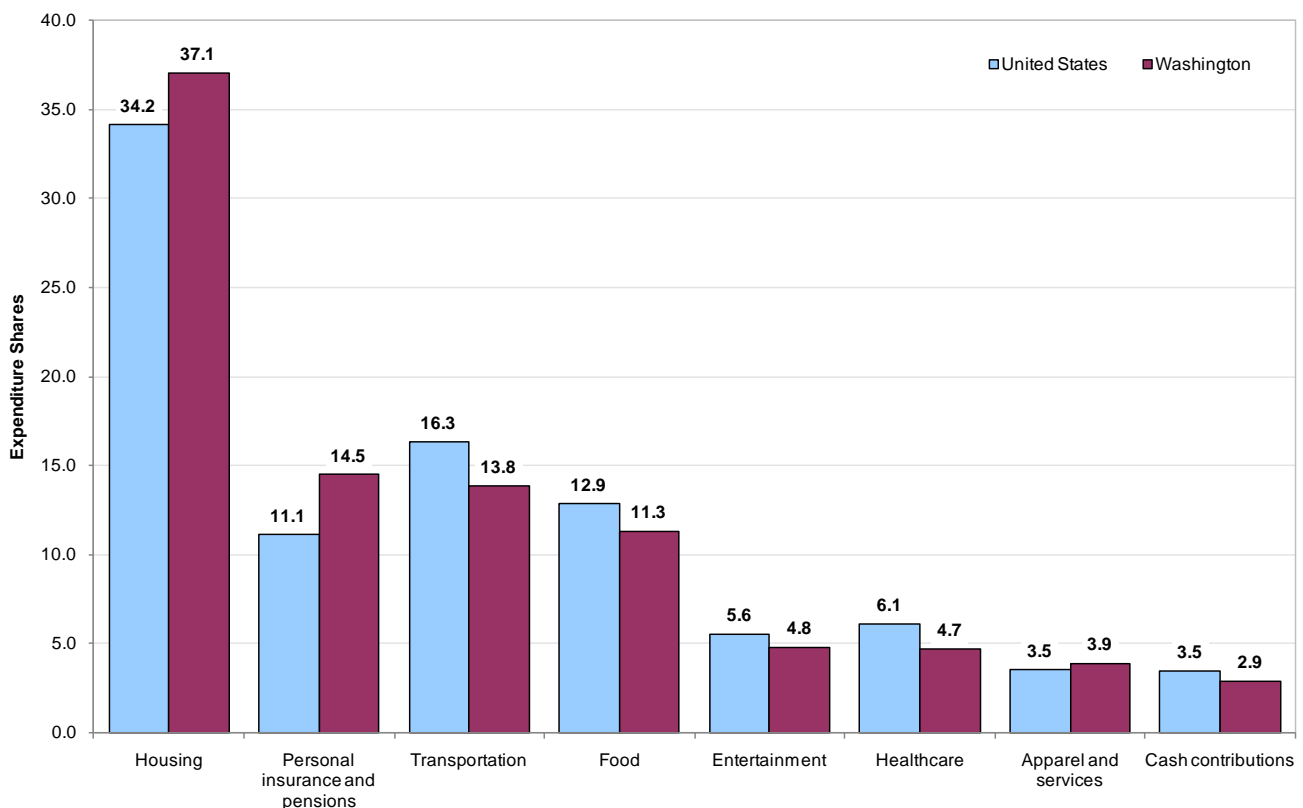
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Technical Information: (215) 597-3282 • BLSInfoPhiladelphia@bls.gov • www.bls.gov/ro3
Media Contact: (215) 861-5600 • BLSMediaPhiladelphia@bls.gov

CONSUMER EXPENDITURES FOR THE WASHINGTON, D.C. AREA: 2008–09

Consumer units¹ in the Washington, D.C.-Md.-Va.-W.Va. metropolitan area spent an average of \$69,106 per year in 2008–09, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau’s regional commissioner, noted that this figure was over 38 percent higher than the \$49,778 average expenditure level for a typical household in the United States. Not only did households in the Washington area spend more than the U.S. average, they allocated their dollars differently among the major categories, varying significantly in seven of the eight. For example, the expenditures for housing, which comprised 37.1 percent of a typical household’s budget in the Washington area, were significantly greater than the nationwide average of 34.2 percent. (See chart 1.)

Chart 1. Percent distribution of average annual expenditures for the eight major categories in the United States and Washington metropolitan area, 2008–09



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

Housing in the Washington metropolitan area averaged \$25,622 annually and was the largest expenditure category, accounting for 37.1 percent of a Washington-area household's total budget. (See tables 1 and 2.) This share was significantly higher than the 34.2-percent national average. Overall, 10 of the 18 published metropolitan areas had expenditure shares for housing measurably above the U.S. average; only Houston had a lower-than-average share. (See chart 2.) Housing expenditures ranged from 41.3 percent in San Diego to 31.9 percent in Houston among the 18 areas. (See table 3.)

The majority of housing expenditures in Washington went toward shelter, 65.7 percent, which includes mortgage interest, property taxes, repairs, and rent, among other items; nationwide, 59.6 percent of the housing budget was allocated for shelter. (See table A.) Utilities, fuels, and public services expenses accounted for 15.5 percent of the housing budget locally; nationally, it made up 21.5 percent. The rate of homeownership in Washington, at 68 percent, compared to the U.S. average of 66 percent.

Table A. Percent distribution of housing expenditures, United States and Washington, 2008–09

Category	United States	Washington
Housing	100.0	100.0
Shelter	59.6	65.7
Utilities, fuels, and public services	21.5	15.5
Household operations	5.9	7.2
Housekeeping supplies	3.9	3.0
Household furnishings and equipment	9.2	8.6

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

At 13.8 percent of the total budget, transportation was the third-largest expenditure category in the Washington area; this was significantly lower than the national average of 16.3 percent. Among the 18 metropolitan areas nationwide, only Detroit had an above-average transportation share at 19.2 percent. (See chart 3.)

Of the \$9,563 in annual expenditures for transportation in Washington, 87.4 percent was spent buying and maintaining private vehicles; this compared to the national average of 93.9 percent. The remaining 12.6 percent of a Washington household's transportation budget was spent on public transit, which includes fares for taxis, buses, trains, and planes; this allocation was more than twice the 6.1-percent average for the nation. (See table B.) Still, the average number of vehicles per household in Washington (1.9) was similar to the national average (2.0). In addition to Washington, three other metropolitan areas also allocated more than 10 percent of their transportation budget to public transit—New York, San Francisco, and Seattle.

Table B. Percent distribution of transportation expenditures, United States and Washington, 2008–09

Category	United States	Washington
Transportation	100.0	100.0
Vehicle purchases (net outlays)	33.3	31.7
Gasoline and motor oil	28.9	25.8
Other vehicle expenses	31.7	29.9
Public transportation	6.1	12.6

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

The portion of a Washington consumer unit's budget spent on food, 11.3 percent, was significantly less than the 12.9-percent U.S. average. In addition to Washington, six other metropolitan areas had food expenditure shares that were measurably smaller than the nationwide average; Boston (13.8 percent) was the only area with an expenditure share for food significantly above that for the nation.

Households in Washington spent \$4,160, or 53.1 percent, of their food dollars on food prepared at home and the remaining 46.9 percent on food prepared away from home, such as restaurant meals, carry-out, board at school, and catered affairs. In comparison, the typical U.S. household spent 58.5 percent of its food budget on food prepared at home and 41.5 percent on food prepared away from home.

As noted, Washington 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 Mid-Atlantic Information Office at (215) 597-3282. Metropolitan area CE data and that for the four geographic regions and the United States are available on our Web site at www.bls.gov/ro3/.

Additional Information

Data contained in this report are from the Consumer Expenditure Survey, which is collected 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, 2008 and 2009, 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 Washington, D.C.-Md.-Va.-W.Va. PMSA, which includes the District of Columbia; Calvert, Charles, Frederick, Montgomery, Prince George's, and Washington Counties in Maryland; Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park cities and Arlington, Clarke, Fairfax, Fauquier, King George, Loudoun, Prince William, Rappahannock, Spotsylvania, Stafford, and Warren Counties in Virginia; and Berkeley and Jefferson Counties in West Virginia.

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 two out of three 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 or not 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 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 risen 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 1 and 2 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 our 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 Washington, Consumer Expenditure Survey, 2008–09

Item	United States	Washington
Average annual expenditures	\$49,778	\$69,106
Percent distribution:	100.0	100.0
Food	12.9	11.3 *
Alcoholic beverages	.9	1.0
Housing	34.2	37.1 *
Apparel and services	3.5	3.9
Transportation	16.3	13.8 *
Healthcare	6.1	4.7 *
Entertainment	5.6	4.8 *
Personal care products and services	1.2	1.4 *
Reading	.2	.2
Education	2.1	2.7
Tobacco products and smoking supplies	.7	.3 *
Miscellaneous	1.7	1.4
Cash contributions	3.5	2.9 *
Personal insurance and pensions	11.1	14.5 *

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

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

Table 2. Consumer unit characteristics and average annual expenditures, United States and Washington, Consumer Expenditure Survey, 2008–09

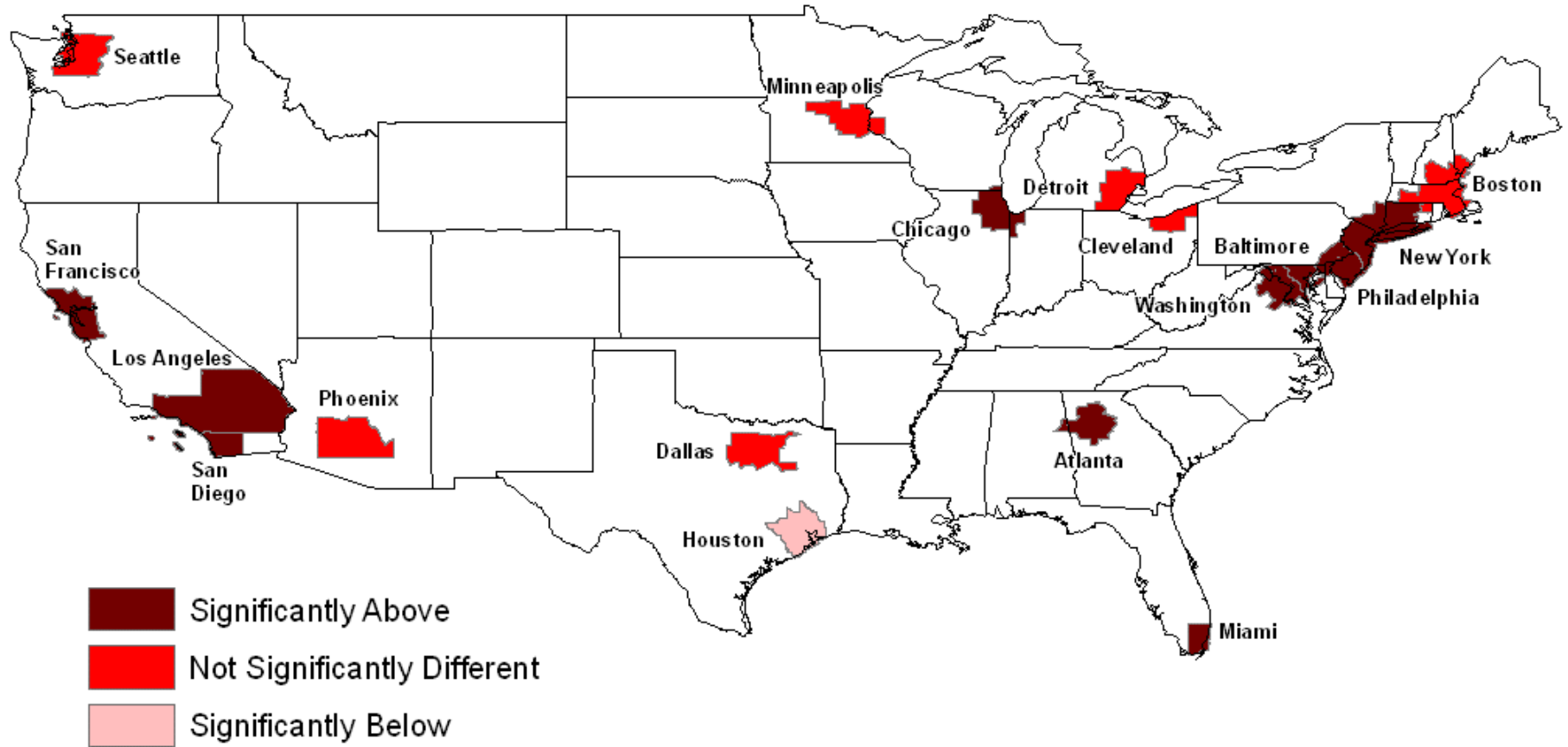
Item	United States	Washington
Consumer unit characteristics:		
Income before taxes	\$63,209	\$99,881
Age of reference person	49.2	47.6
Average number in consumer unit:		
Persons	2.5	2.6
Children under 18	.6	.7
Persons 65 and over	.3	.2
Earners	1.3	1.5
Vehicles	2.0	1.9
Percent homeowners	66	68
Average annual expenditures		
Food	\$49,778	\$69,106
Food at home	6,407	7,835
Cereals and bakery products	3,749	4,160
Meats, poultry, fish, and eggs	507	563
Dairy products	844	970
Fruits and vegetables	418	476
Other food at home	657	809
Food away from home	1,324	1,342
Alcoholic beverages	2,658	3,675
Housing	439	673
Shelter	17,002	25,622
Owned dwellings	10,129	16,842
Rented dwellings	6,651	11,447
Other lodging	2,792	4,180
Utilities, fuels, and public services	685	1,216
Household operations	3,647	3,977
Housekeeping supplies	1,004	1,842
Household furnishings and equipment	657	767
Apparel and services	1,565	2,193
Transportation	1,763	2,687
Vehicle purchases (net outlay)	8,133	9,563
Gasoline and motor oil	2,706	3,028
Other vehicle expenses	2,351	2,465
Public transportation	2,580	2,864
Healthcare	496	1,206
Entertainment	3,051	3,239
Personal care products and services	2,764	3,320
Reading	606	969
Education	113	146
Tobacco products and smoking supplies	1,057	1,853
Miscellaneous	348	220
Cash contributions	828	969
Personal insurance and pensions	1,730	2,002
Life and other personal insurance	5,538	10,008
Pensions and Social Security	313	523
	5,225	9,485

Table 3. Percent share of average annual expenditures for housing, transportation, and food, United States and 18 metropolitan areas, Consumer Expenditure Survey, 2008–09

Area	Housing	Transportation	Food
United States	34.2	16.3	12.9
Atlanta	37.2 *	14.7 *	11.7 *
Baltimore	39.6 *	12.6 *	11.3 *
Boston	35.1	14.5 *	13.8 *
Chicago	36.2 *	15.5	12.4
Cleveland	33.8	15.3	12.5
Dallas	33.8	16.1	12.5
Detroit	33.1	19.2 *	13.0
Houston	31.9 *	18.3	11.9 *
Los Angeles	38.6 *	15.5	13.3
Miami	39.9 *	17.7	12.2
Minneapolis	34.0	15.7	12.2
New York	39.2 *	14.1 *	12.3 *
Philadelphia	37.2 *	14.4 *	11.4 *
Phoenix	34.9	17.4	11.9
San Diego	41.3 *	13.3 *	12.2
San Francisco	38.5 *	14.1 *	11.7 *
Seattle	33.4	14.2 *	12.2
Washington	37.1 *	13.8 *	11.3 *

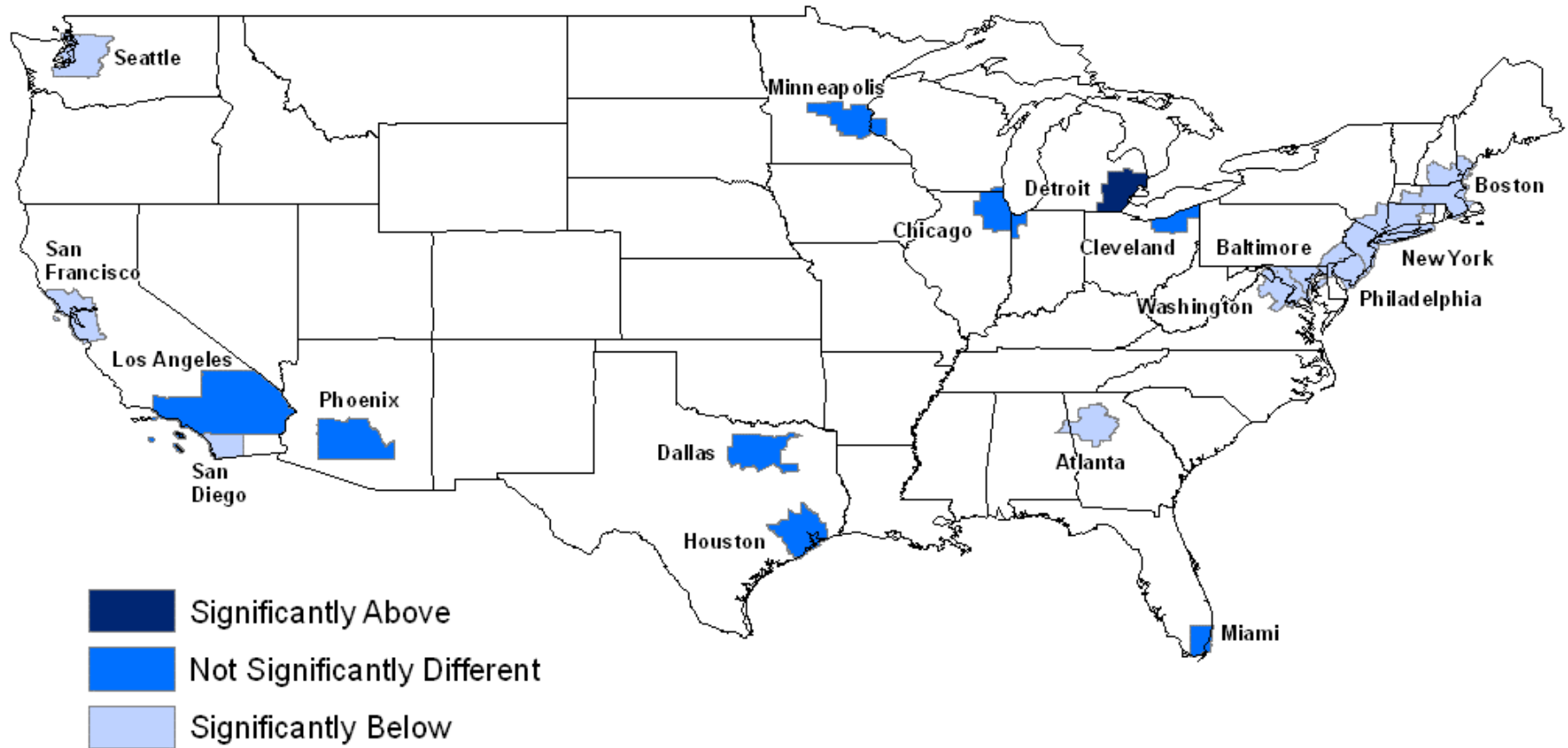
* Statistically significant difference from the U.S. average at the 95-percent confidence level.

Chart 2. Expenditure shares spent on housing in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2008–09



Note: Statistical significance testing at the 95-percent confidence interval.

Chart 3. Expenditure shares spent on transportation in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2008–09



Note: Statistical significance testing at the 95-percent confidence interval.