

# Tradeoffs in the expenditure patterns of families with children

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# Background

- Article for Beyond the Numbers – [bls.gov/opub/btn](https://bls.gov/opub/btn)
- Consumer Expenditure Surveys – Public Use Microdata



# About the selected data

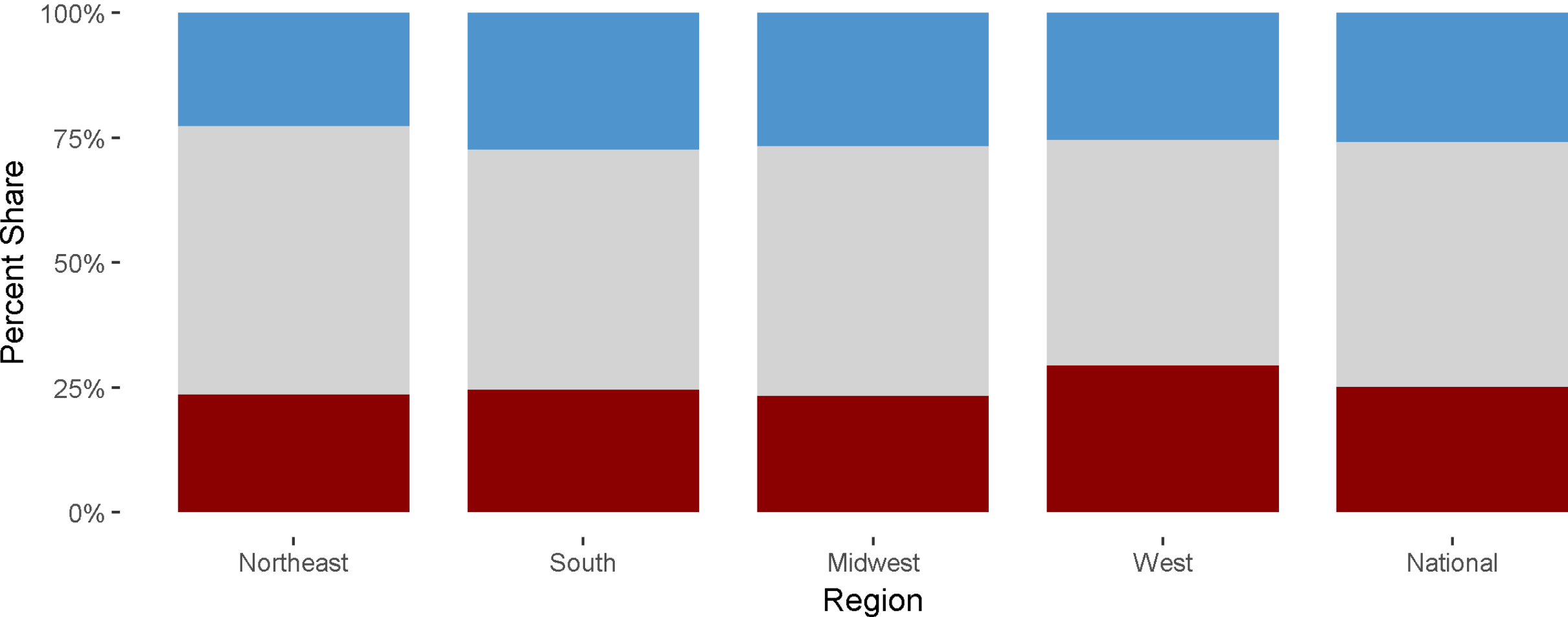
- CU's with at least 1 child under 17 years
- Apparel includes boys', girls', and infants'
- Childcare includes daycare and babysitting
- Education expenditures largely supplemental
- Total expenditures refers to total expenditures on these three items

# Expenditures by region

- Midwest, West, Northeast, and South – compared to national averages (49 percent for childcare, 26 percent for apparel, 25 percent for education)
- Not much fluctuation by region
  - ▶ Apparel between 23 and 27 percent
  - ▶ Childcare between 45 and 54 percent
  - ▶ Education between 23 and 29 percent

# Shares of total expenditures on children by region

Apparel Child Care Education

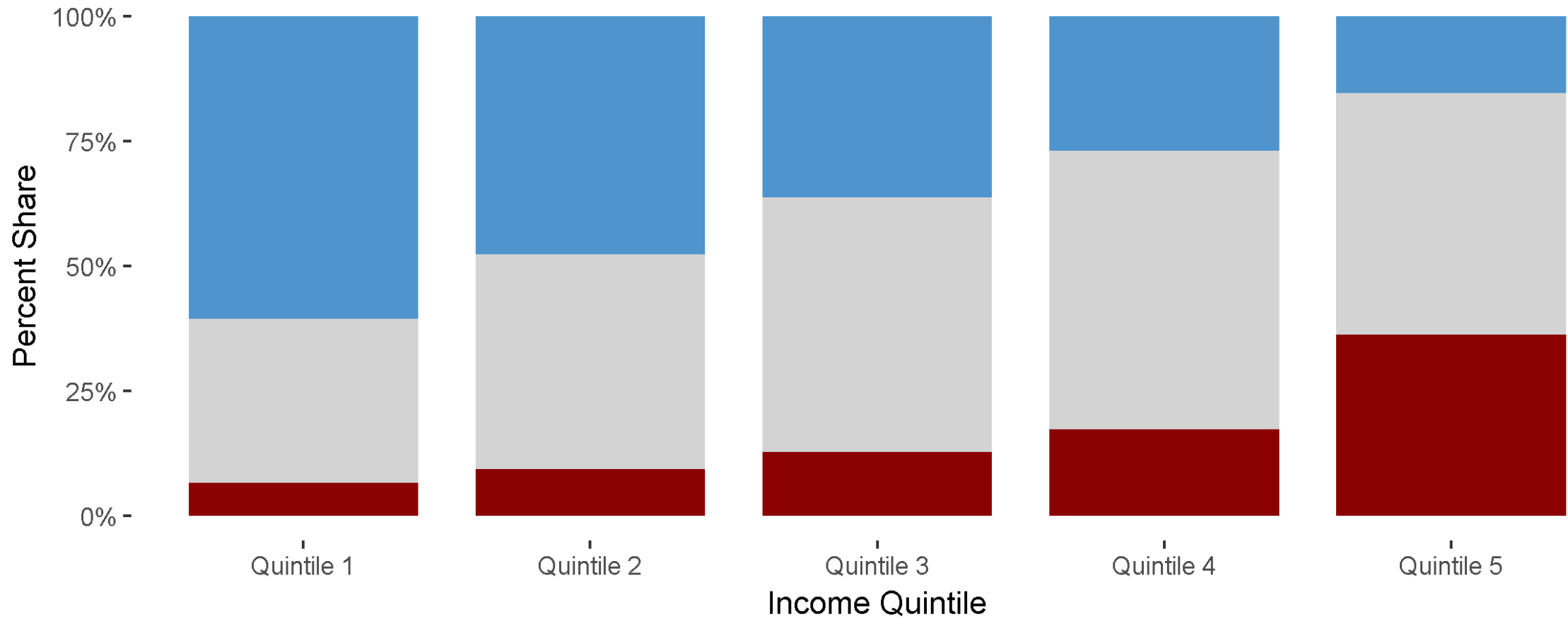


# Expenditures by income

- Apparel decreases from 61% of expenditures for quintile 1 (lowest income quintile) to 15 percent of expenditures for quintile 5 (highest income quintile)
- Childcare ranges between 33 and 56 percent of expenditures
- Education ranges between 7 and 36 percent
  - ▶ Nearly doubles between quintiles 4 and 5

# Shares of total expenditures on children by income quintile

Apparel Child Care Education

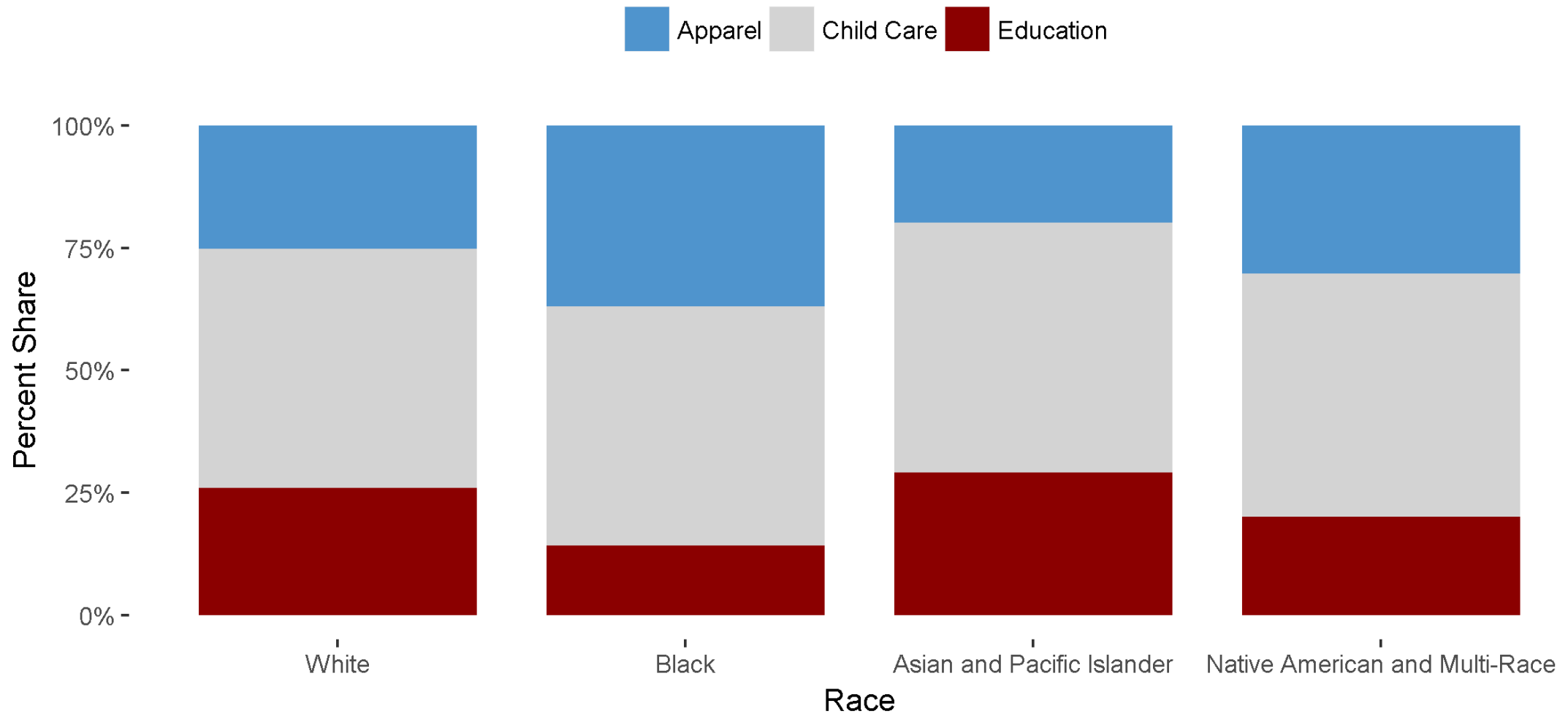


# Expenditures by race

- Public Use Microdata contains four race categories –
  - ▶ Asian and pacific islander, black, native American and multi-race, and white
- Childcare roughly half of expenditure for all race categories
- More variation in education (range 14-29 percent) and apparel (20-37 percent)



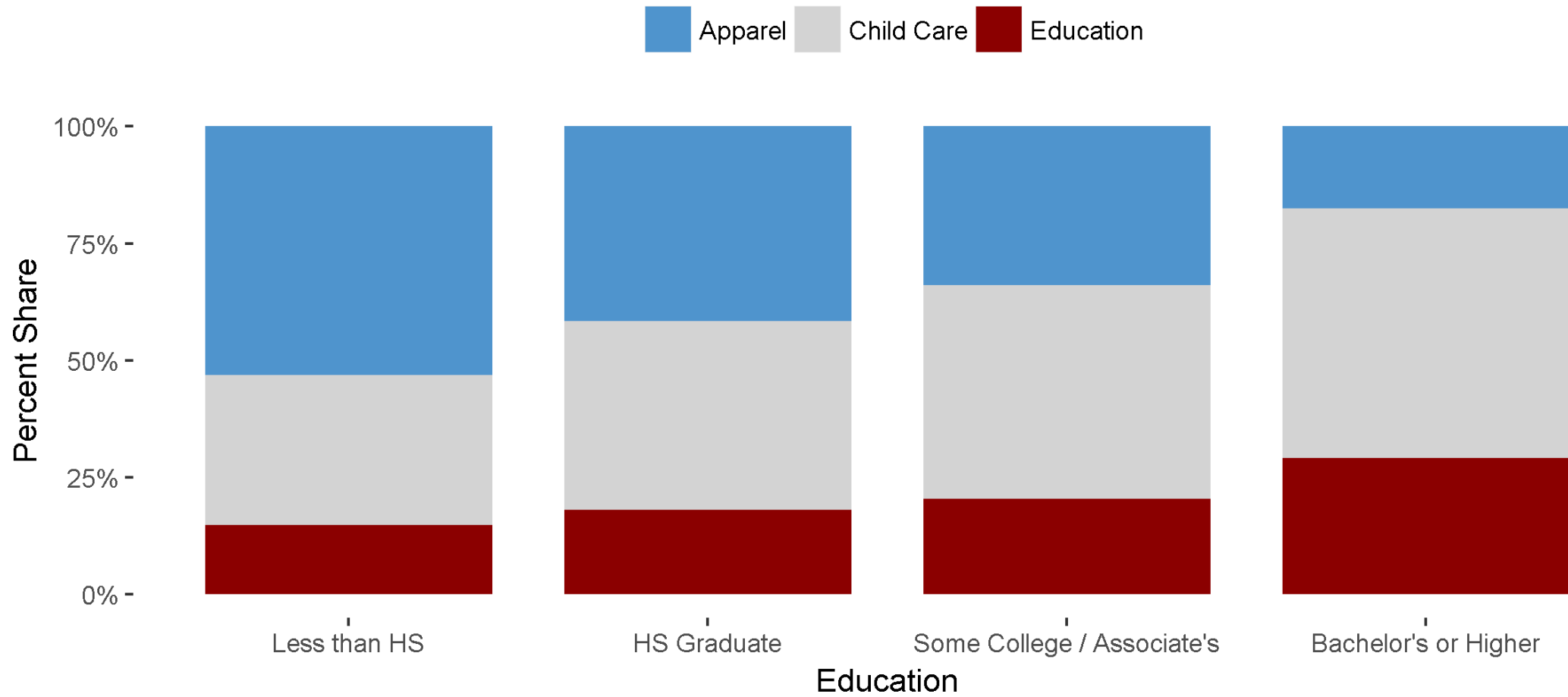
## Shares of total expenditures on children by race of the reference person



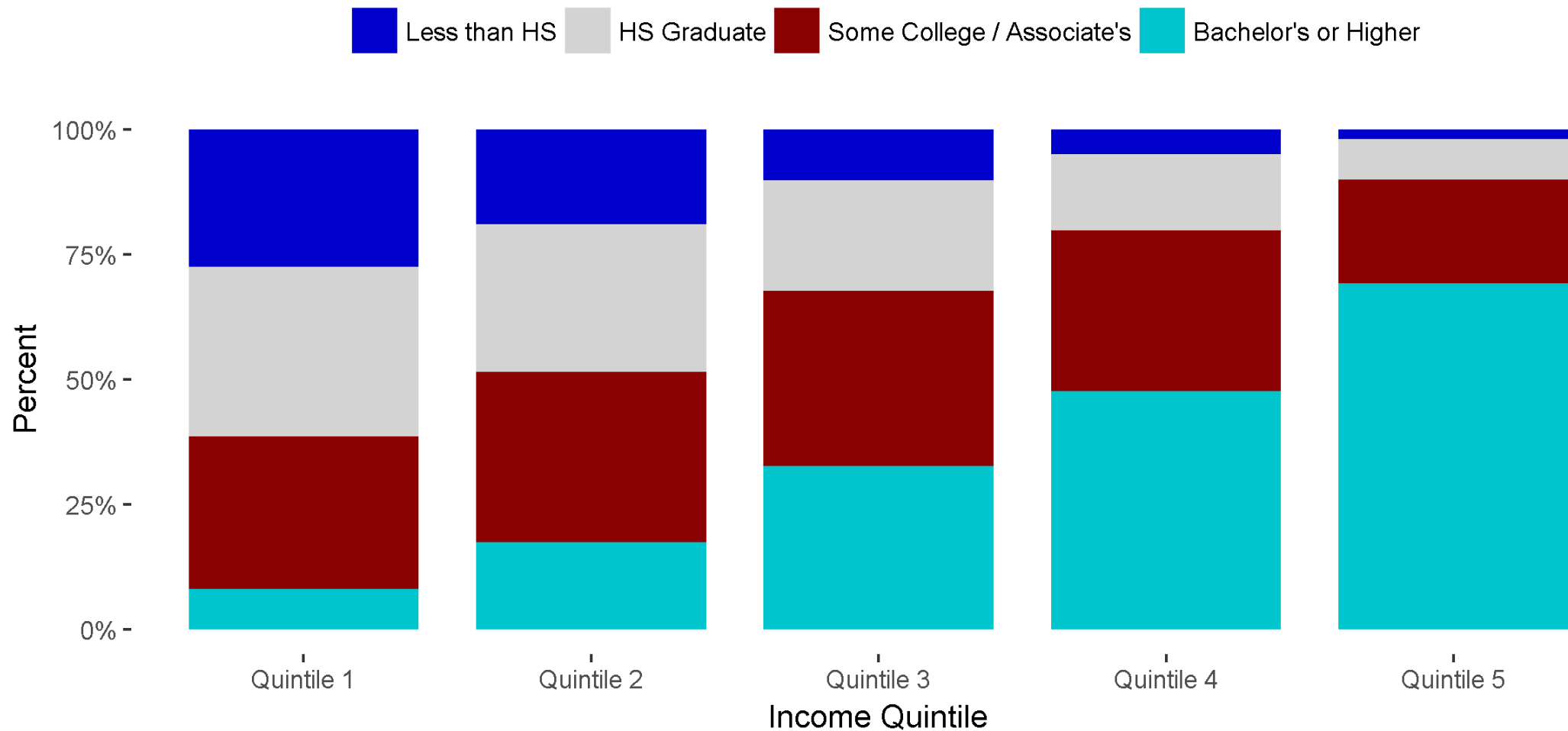
# Expenditures by education

- Four categories of education –
  - ▶ less than high school, high school graduate, some college/associate's degree, bachelor's degree or higher
- Education level is that of the reference person
  - ▶ Not necessarily the highest level of education obtained by a given member of the household
- Apparel ranges 18 to 53 percent of expenditure (decreasing)
- Childcare ranges 32 to 53 percent of expenditures
- Education ranges 15 to 29 percent of expenditures

## Shares of total expenditures on children by education of the reference person



## Distribution of education of the reference person by income quintile



# Conclusions

- Expenditure shares for education ranged most widely by income (29 points), by race (15 points), and by education (14 points)
- Expenditure shares for apparel ranged most widely by income (46 points) and education (36 points)
- Expenditure shares for childcare also ranged most widely by income (23 points) and education (21 points)

# Questions?



# Contact Information

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