State Weights for the Consumer Expenditure Survey

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State Estimates

- Impossible with current population weights.
- First test estimates produced in 2013 for three states.
- First official weights published for 2016.
- Weights will be produced again for 2017 data.
How do they work?

- Suppose the population of New Jersey was 20.
- Each consumer unit in New Jersey is re-weighted to represent the population of New Jersey instead of the national population.

<table>
<thead>
<tr>
<th>National Weight</th>
<th>NJ Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>10</td>
</tr>
<tr>
<td>120</td>
<td>8</td>
</tr>
<tr>
<td>80</td>
<td>2</td>
</tr>
</tbody>
</table>
How well do they do?

- Use of other sources which already have state weights for comparison. (e.g. American Community Survey (ACS))
- Does the state weight produce a difference from other sources that is equal to or better than the national weight?

CE  <->  ACS
Chart 1. Expenditure comparisons between the American Community Survey and Consumer Expenditures Survey for the state of New Jersey, 2016

Chart 2. Expenditure comparison between the American Community Survey and Consumer Expenditures Survey at the national level, 2016

Electricity and natural gas: Ratio = 0.86

How well do they do?

- Compare population targets to US Census.

1. Add up the weights for Florida from PUMD.
   ~8.5 Million Consumer Units (CU)

2. Compute average number of persons per CU with the weight.
   2.4 persons per CU

3. Multiply and compare to census value.
   8.5 * 2.4 = 20.4 million persons

Approximately equal to the 20.66 reported Florida population.
Who uses them?

- Academics
  - Researchers have been asking for greater geographic detail for a long time. This is an effort to provide it where we can.

- Government
  - The New Jersey weights were utilized by the New Jersey State Government.

- You!
  - Curious individuals can now answer questions about state level expenditures.
Do you have an example?

- Use case to do a static examination of the housing market in New Jersey.
- New Jersey has the highest population density of any state.
HOUSING EXPENDITURES AND COMPONENTS BY SELECTED GEOGRAPHIES

- National
- New Jersey
- Washington, D.C.

Components:
- Rented Dwellings
- Owned Dwellings
- Utilities
- Household Equipment
- Household Operations
<table>
<thead>
<tr>
<th>Major CPI Item Categories</th>
<th>New Jersey Shares</th>
<th>National Shares</th>
<th>Absolute Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Beverages</td>
<td>0.12</td>
<td>0.13</td>
<td>0.01</td>
</tr>
<tr>
<td>Housing</td>
<td>0.39</td>
<td>0.33</td>
<td>0.06</td>
</tr>
<tr>
<td>Apparel</td>
<td>0.03</td>
<td>0.03</td>
<td>0.00</td>
</tr>
<tr>
<td>Transportation</td>
<td>0.12</td>
<td>0.16</td>
<td>0.04</td>
</tr>
<tr>
<td>Medical Care</td>
<td>0.09</td>
<td>0.08</td>
<td>0.01</td>
</tr>
<tr>
<td>Recreation</td>
<td>0.04</td>
<td>0.05</td>
<td>0.01</td>
</tr>
<tr>
<td>Education</td>
<td>0.04</td>
<td>0.02</td>
<td>0.02</td>
</tr>
<tr>
<td>Other Goods and Services</td>
<td>0.19</td>
<td>0.20</td>
<td>0.01</td>
</tr>
</tbody>
</table>
Where’s the data?

https://www.bls.gov/cex/csxresearchtables.htm#stateweights

What’s next?

- Every state is being evaluated for its potential to generate a weight.
- The following concerns are evaluated,
  - Sample size
  - Confidentiality
  - Long term retention in the survey
Contact Information

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