



NEWS RELEASE



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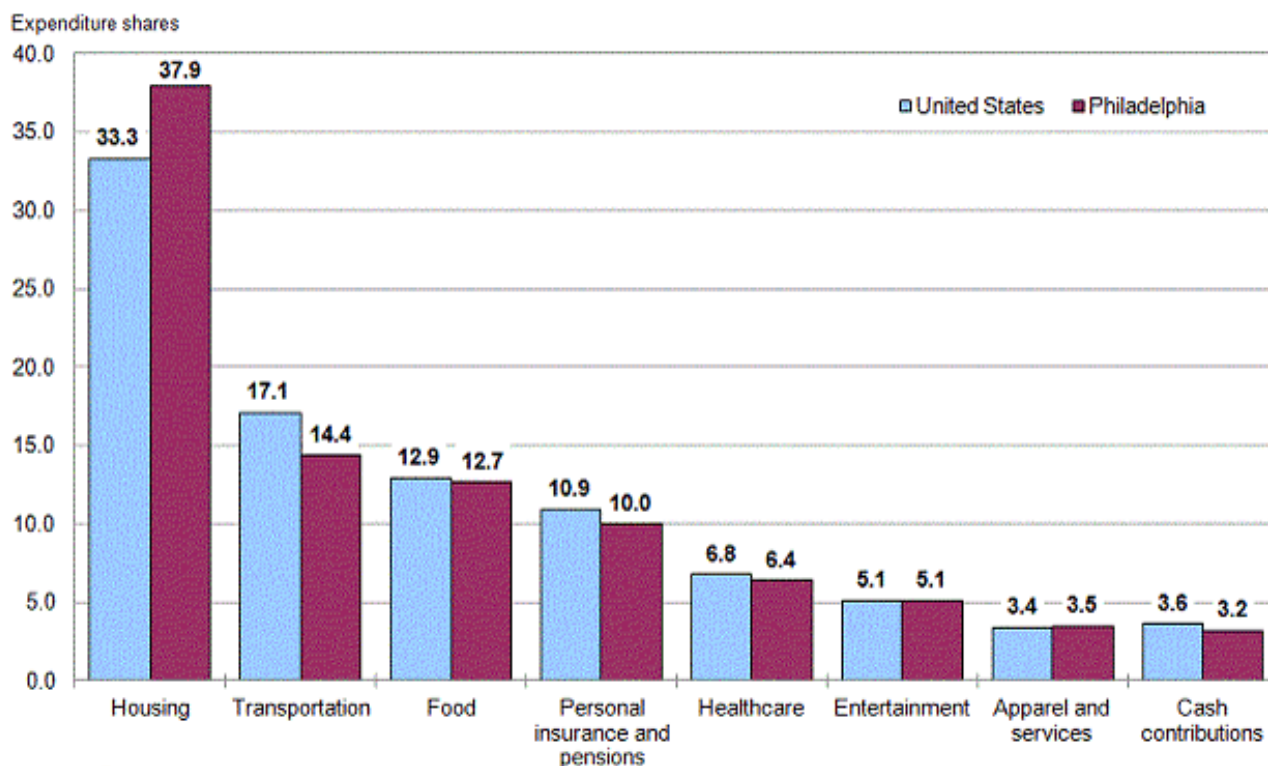
Technical information: (215) 597-3282 • BLSInfoPhiladelphia@bls.gov • /ro3

Media contact: (215) 861-5600 • BLSMediaPhiladelphia@bls.gov

Consumer Expenditures for the Philadelphia Area: 2011-2012

Consumer units¹ in the the Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., metropolitan area spent an average of \$53,546 per year in 2011-2012, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that this figure was over 5 percent greater than the \$50,581 average expenditure level for a typical household in the United States. Not only did households in the Philadelphia area spend more than the U.S. average, they allocated their dollars differently among the major categories, differing significantly in 3 of the 8. For example, the share of expenditures for personal insurance and pensions, which accounted for 10.0 percent of a typical household's budget in the Philadelphia area, was significantly less than the nationwide average of 10.9 percent. (See [chart 1](#) and [table 1](#).)

Chart 1. Percent distribution of average annual expenditures for the eight major categories in the United States and Philadelphia metropolitan area, 2011-2012



Source: U.S. Bureau of Labor Statistics.

Housing in the Philadelphia area averaged \$20,302 annually and was the largest expenditure category, accounting for 37.9 percent of a Philadelphia area household's total budget. (See [table 1](#) and [table 2](#).) This share was significantly above the 33.3-percent national average. Overall, 8 of the 18 published metropolitan areas had expenditure shares for housing significantly above the U.S. average, while 3 had significantly lower-than-average shares. (See [chart 2](#).) Housing expenditures among the 18 areas ranged from 39.7 percent in New York to 31.7 percent in Detroit. (See [table 3](#).)

The majority of housing expenditures in Philadelphia went toward shelter, 60.1 percent, which includes mortgage interest, property taxes, repairs, and rent, among other items; nationwide, 58.5 percent of the housing budget was allocated for shelter. (See [table A](#).) Utilities, fuels, and public services expenses accounted for 22.0 percent of the housing budget locally; nationally, they made up 21.9 percent. The rate of homeownership in Philadelphia was 67 percent, compared to the U.S. average of 65 percent.

Table A. Percent distribution of housing expenditures, United States and Philadelphia metropolitan area, 2011-2012

Category	United States	Philadelphia
Housing	100.0	100.0
Shelter	58.5	60.1
Utilities, fuels and public services	21.9	22.0
Household operations	6.8	7.1
Housekeeping supplies	3.6	3.5
Household furnishings and equipment	9.2	7.3

At 14.4 percent of the total budget, transportation was the second-largest expenditure category in the Philadelphia area and was significantly below the national average of 17.1 percent. Among the 18 published metropolitan areas nationwide, 8 (including Philadelphia) had below-average transportation shares; only Houston's transportation share was significantly higher than the U.S. share. (See [chart 3.](#))

Of the \$7,688 in annual expenditures for transportation in Philadelphia, 93.8 percent was spent buying and maintaining private vehicles; this compared to the national average of 93.9 percent. The remaining 6.2 percent of a Philadelphia household's transportation budget was spent on public transit, which includes fares for taxis, buses, trains, and planes; this allocation was similar to the 6.1-percent average for the nation. (See [table B.](#)) The average number of vehicles per household in Philadelphia (1.4) was lower than the national average (1.9).

Table B. Percent distribution of transportation expenditures, United States and Philadelphia metropolitan area, 2011-2012

Category	United States	Philadelphia
Transportation	100.0	100.0
Vehicle purchases (net outlay).....	34.0	29.5
Gasoline and motor oil.....	31.3	31.5
Other vehicle expenses	28.6	32.8
Public transportation	6.1	6.2

The portion of a Philadelphia consumer unit's budget spent on food, 12.7 percent, was similar to the 12.9-percent U.S. average. Among the 18 published metropolitan areas, 3 had food expenditure shares that were significantly below the nationwide average; only Los Angeles reported an expenditure share for food significantly above that for the nation. (See [table 3.](#))

Households in Philadelphia spent \$3,909, or 57.6 percent, of their food dollars on food prepared at home and the remaining 42.4 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 59.4 percent of its food budget on food prepared at home and 40.6 percent on food prepared away from home.

As noted, Philadelphia is 1 of 18 metropolitan areas nationwide for which Consumer Expenditure Survey (CE) data are available.

Metropolitan area CE data and that for the four geographic regions of the United States are available on our Web site at <http://www.bls.gov/cex/tables.htm>. Metropolitan area CE news releases are available at <http://www.bls.gov/regions/subjects/consumer-spending.htm>.Footnotes

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.

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, 2011 and 2012 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 Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., which includes Bucks, Chester, Delaware,

Montgomery and Philadelphia Counties in Pennsylvania; Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Salem Counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland.

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.

CE metropolitan area estimates are not comparative cost of living surveys, 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. 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. Users should also keep in mind that prices for many goods and services have changed since the survey was conducted.

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.

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

For additional technical documentation and related information, see www.bls.gov/opub/hom/homch16.htm

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.

Table 1. Percent distribution of average annual expenditures, United States and Philadelphia metropolitan area, Consumer Expenditure Survey, 2011-2012

Item	United States	Philadelphia
Average annual expenditures	\$50,581	\$53,546
Percent distribution:	100.0	100.0
Food	12.9	12.7
Alcoholic beverages	0.9	1.0
Housing	33.3	37.9*
Apparel and services	3.4	3.5
Transportation	17.1	14.4*
Healthcare	6.8	6.4
Entertainment	5.1	5.1
Personal care products and services	1.2	1.2
Reading	0.2	0.3*
Education	2.2	2.5
Tobacco products and smoking supplies	0.7	0.5*
Miscellaneous	1.6	1.3
Cash contributions	3.6	3.2
Personal insurance and pensions	10.9	10.0*

* Statistically significant difference from 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 Philadelphia metropolitan area, Consumer Expenditure Survey, 2011–2012

Category	United States	Philadelphia
Consumer unit characteristics:		
Income before taxes	\$64,649	\$71,691
Age of reference person	49.9	51.2
Average number in consumer unit:		
Persons	2.5	2.3
Children under 18	0.6	0.5
Persons 65 and over	0.3	0.3
Earners	1.3	1.2
Vehicles	1.9	1.4
Percent homeowners	65	67
Average annual expenditures:		
Average annual expenditures	\$50,581	\$53,546
Food	6,529	6,788
Food at home	3,880	3,909
Cereals and bakery products	534	605
Meats, poultry, fish, and eggs	843	817
Dairy products	413	446
Fruits and vegetables	723	697
Other food at home	1,367	1,344
Food away from home	2,649	2,879
Alcoholic beverages	454	548
Housing	16,846	20,302
Shelter	9,858	12,204
Owned dwellings	6,101	8,221
Rented dwellings	3,109	3,317
Other lodging	648	666
Utilities, fuels, and public services	3,687	4,465
Household operations	1,141	1,432
Housekeeping supplies	612	720
Household furnishings and equipment	1,547	1,481
Apparel and services	1,738	1,889
Transportation	8,649	7,688
Vehicle purchases (net outlay)	2,942	2,266
Gasoline and motor oil	2,706	2,424
Other vehicle expenses	2,472	2,518
Public and other transportation	529	480
Healthcare	3,436	3,408
Entertainment	2,589	2,739
Personal care products and services	631	652
Reading	112	159

Table 2. Consumer unit characteristics and average annual expenditures, United States and Philadelphia metropolitan area, Consumer Expenditure Survey, 2011–2012 - Continued

Category	United States	Philadelphia
Education.....	1,130	1,346
Tobacco products and smoking supplies.....	341	282
Miscellaneous.....	802	701
Cash contributions.....	1,818	1,693
Personal insurance and pensions.....	5,508	5,352
Life and other personal insurance.....	335	210
Pensions and Social Security.....	5,173	5,142

Table 3. Percent share of average annual expenditures for housing, transportation, and food, United States and 18 metropolitan areas, Consumer Expenditure Survey, 2011–2012

United States 33.3 17.1 12.9

Atlanta 34.7 16.9 11.7*

Baltimore 33.8 13.7* 12.7

Boston 31.8* 14.8* 13.2

Chicago 34.9* 15.0* 12.3

Cleveland 31.9 17.8 12.3

Dallas 32.9 18.6 12.5

Detroit 31.7* 18.8 13.3

Houston 31.9 20.3* 12.5

Los Angeles 37.7* 16.0* 13.6*

Miami 38.4* 17.0 13.7

Minneapolis 31.8* 17.5 12.6

New York 39.7* 13.7* 12.4

Philadelphia 37.9* 14.4* 12.7

Phoenix 34.8 15.9 13.0

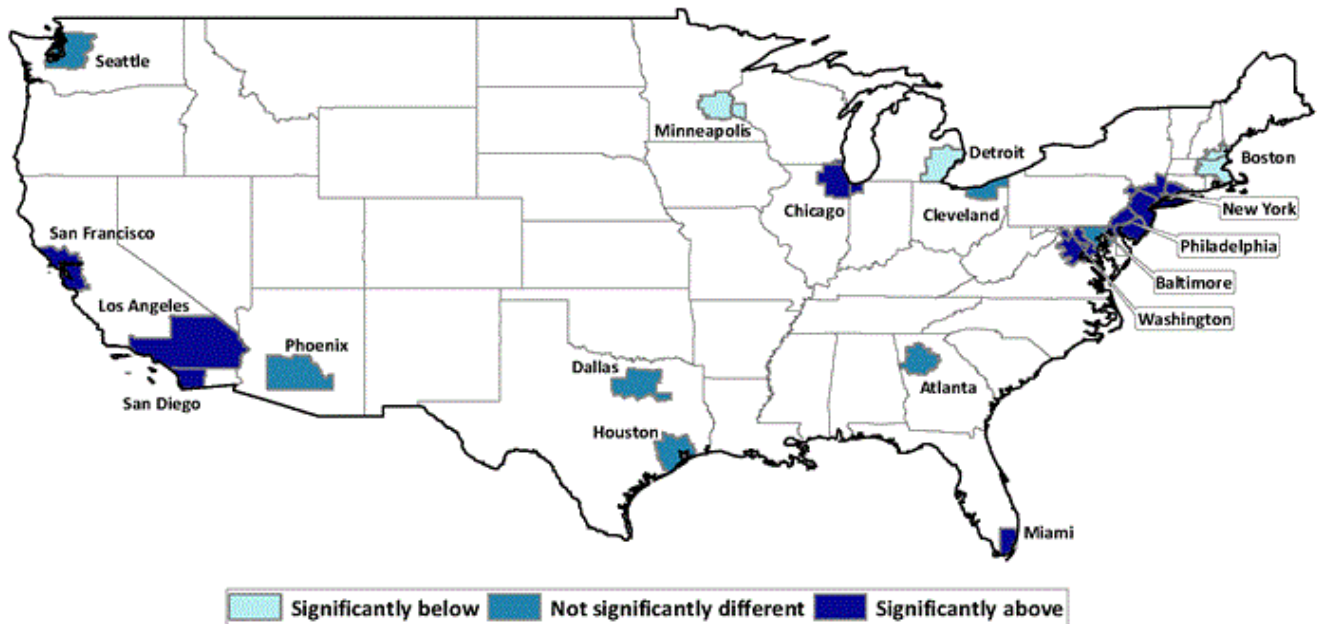
San Diego 38.5* 15.6 12.0

San Francisco 35.2* 14.2* 11.5*

Seattle 34.1 15.7 12.8

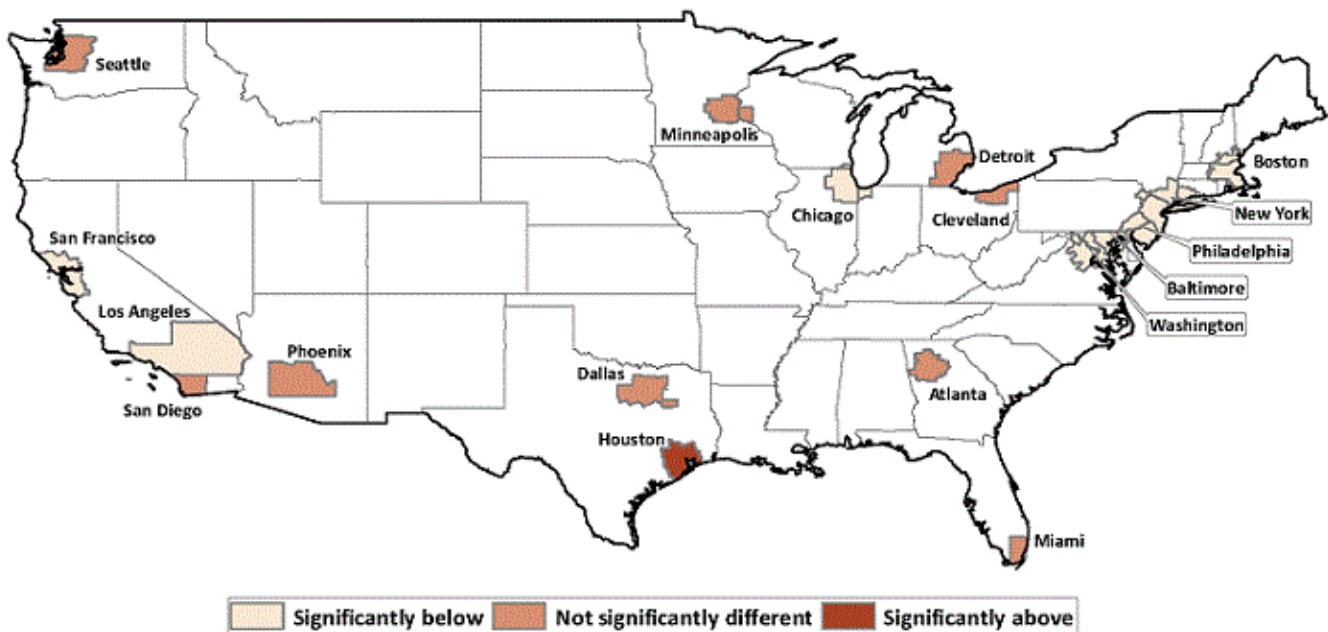
Washington 35.3* 15.0* 11.6* *Statistically significant difference from the U.S. average at the 95-percent confidence level.

Chart 2. Expenditure shares spent on housing in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2011-2012



Note: Statistical significance testing 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, 2011-2012



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