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Consumer Expenditures for the Philadelphia Metropolitan Area: 2018-19

Households in the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD, metropolitan area spent an average of \$72,460 per year in 2018–19, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted that this figure was significantly higher than the \$62,395 average expenditure level for households in the United States. Philadelphia-area households allocated their dollars similarly to the nation in seven major components, with one differing significantly from its respective U.S. average. The share of expenditures for housing, which accounted for 35.3 percent of the average household’s budget in the Philadelphia area, was significantly higher than the national average of 32.7 percent. (See [chart 1](#) and [table 1](#).)

Chart 1. Shares of average expenditures for selected major components in the United States and Philadelphia metropolitan area, 2018–19

Category	United States	Philadelphia
Housing	32.67%	35.29%
Transportation	16.84%	15.37%
Food	12.90%	12.16%
Personal insurance and pensions	11.59%	11.27%
Healthcare	8.14%	7.74%
Entertainment	5.06%	4.70%
Apparel and services	3.02%	4.01%
Cash contributions	3.11%	2.79%

Highlights of the Philadelphia area’s 2018-19 spending patterns:

- **Housing:** This was the largest expenditure component for Philadelphia-area households and averaged \$25,569. Among the 22 metropolitan areas nationwide for which data were available, Philadelphia was the 1 of 11 areas to have a housing expenditure share that was significantly higher than the national average. Housing expenditure shares among the 22 published metropolitan areas ranged from 38.0 percent in New York to 30.3 percent in Detroit. (See [table 2](#).)
- **Transportation:** The portion of a Philadelphia-area household’s budget spent on transportation, 15.4 percent, was not significantly different than the national average of 16.8 percent. Of the \$11,136 in annual transportation expenditures in Philadelphia, 88.5 percent was spent buying and maintaining private vehicles; this compared to the national average of 92.4 percent. Among the 22 metropolitan areas published nationwide, Philadelphia was among the 14 areas to have a transportation expenditure share that was not significantly different than the national average. Transportation expenditure shares for the 22 published metropolitan areas ranged from 19.0 percent in Miami to 12.5 percent in New York.

- **Food:** The portion of a Philadelphia household’s budget spent on food, 12.2 percent, was not significantly different from the 12.9-percent U.S. average. Philadelphia-area households spent \$4,786, or 54.3 percent, of their food dollars on food at home and \$4,026 (45.7 percent) on food away from home. In comparison, the average U.S. household spent 56.6 percent of its food budget on food at home and 43.4 percent on food away from home.

Technical Note

Data in this release are from the Consumer Expenditure Survey (CE), which the U.S. Census Bureau conducts for the U.S. Bureau of Labor Statistics. The data in this release were averaged over a 2-year period, 2018 and 2019.

A household in the CE survey is defined as a consumer unit which includes families, single persons living alone or sharing a household with others but who are financially independent, or two or more persons living together who share expenses. The terms household or consumer unit are used interchangeably for convenience.

Differences in spending among metropolitan areas may reflect differences in the cost of living, but they also may reflect other causes. Spending differences may result from different consumer preferences or variations in demographic characteristics, such as household size, age, or income levels. However, expenditure shares, or the percentage of a household’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.

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. A large difference between two values may not be statistically significant, while a small difference could be significant; both the sample size and the variation among the values in the sample affect the relative error of the estimates.

For additional technical and related information, see <https://www.bls.gov/opub/hom/cex/home.htm>. Data for the nation, the four geographic regions of the U.S., and 22 metropolitan areas nationwide are available at www.bls.gov/cex/tables.htm. Metropolitan definitions used in the survey are available at www.bls.gov/cex/ce_msa_201516.htm. The metropolitan area discussed in this release is the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metropolitan Statistical Area which includes Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties in Pennsylvania; Burlington, Camden, Gloucester, and Salem Counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland. Metropolitan area news releases for the Consumer Expenditure Survey are available at <https://www.bls.gov/regions/subjects/consumer-spending.htm>.

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

Table 1. Average annual expenditures, characteristics and percent distributions, United States and Philadelphia metropolitan area, 2018-19

Category	United States	Philadelphia
Consumer unit characteristics:		
Income before taxes.....	\$80,750	\$98,206
Age of reference person.....	51.3	53.3
Average number in consumer unit:		
People.....	2.5	2.5
Children under 18.....	0.6	0.6
Adults 65 and older.....	0.4	0.4
Earners.....	1.3	1.4
Vehicles.....	1.9	1.6
Percent homeowner.....	64	65
Average annual expenditures.....	\$62,395	\$72,460*
Percent distribution		
Total.....	100.0	100.0
Food.....	12.9	12.2
Alcoholic beverages.....	0.9	1.0
Housing.....	32.7	35.3*
Apparel and services.....	3.0	4.0
Transportation.....	16.8	15.4
Healthcare.....	8.1	7.7
Entertainment.....	5.1	4.7
Personal care products and services.....	1.2	1.4
Reading.....	0.2	0.1
Education.....	2.3	2.2
Tobacco products and smoking supplies.....	0.5	0.3*
Miscellaneous.....	1.5	1.5
Cash contributions.....	3.1	2.8
Personal insurance and pensions.....	11.6	11.3

Note: An asterisk (*) represents a statistically significant difference from the U.S. average at the 95-percent confidence interval.

Table 2. Percent share of average annual expenditures for housing, transportation, and food, United States and 22 metropolitan areas, 2018–19

Area	Housing	Transportation	Food
United States	32.7	16.8	12.9
Anchorage	30.5*	17.3	13.4
Atlanta	33.1	15.4	12.8
Baltimore	31.7	17.1	10.9*
Boston	36.1*	14.1*	12.0
Chicago	36.5*	14.0*	13.7
Dallas-Fort Worth	37.6*	15.6	11.4*
Denver	33.5	16.2	11.5*
Detroit	30.3*	17.3	12.7
Honolulu	36.4*	13.2*	18.9*
Houston	32.1	16.4	11.4*
Los Angeles	35.3*	15.7	13.1
Miami	35.6*	19.0	11.0*
Minneapolis-St. Paul	31.7	13.2*	11.6*
New York	38.0*	12.5*	13.3
Philadelphia	35.3*	15.4	12.2
Phoenix	32.3	18.8	12.4
San Diego	35.8*	15.1	13.8
San Francisco	36.6*	12.7*	13.2
Seattle	36.0*	14.2*	12.7
St. Louis	32.8	17.2	12.0
Tampa	33.9	18.1	15.3*
Washington, D.C.	33.2	14.3*	12.2

Note: An asterisk (*) represents a statistically significant difference from the U.S. average at the 95-percent confidence level.