



## NEWS RELEASE



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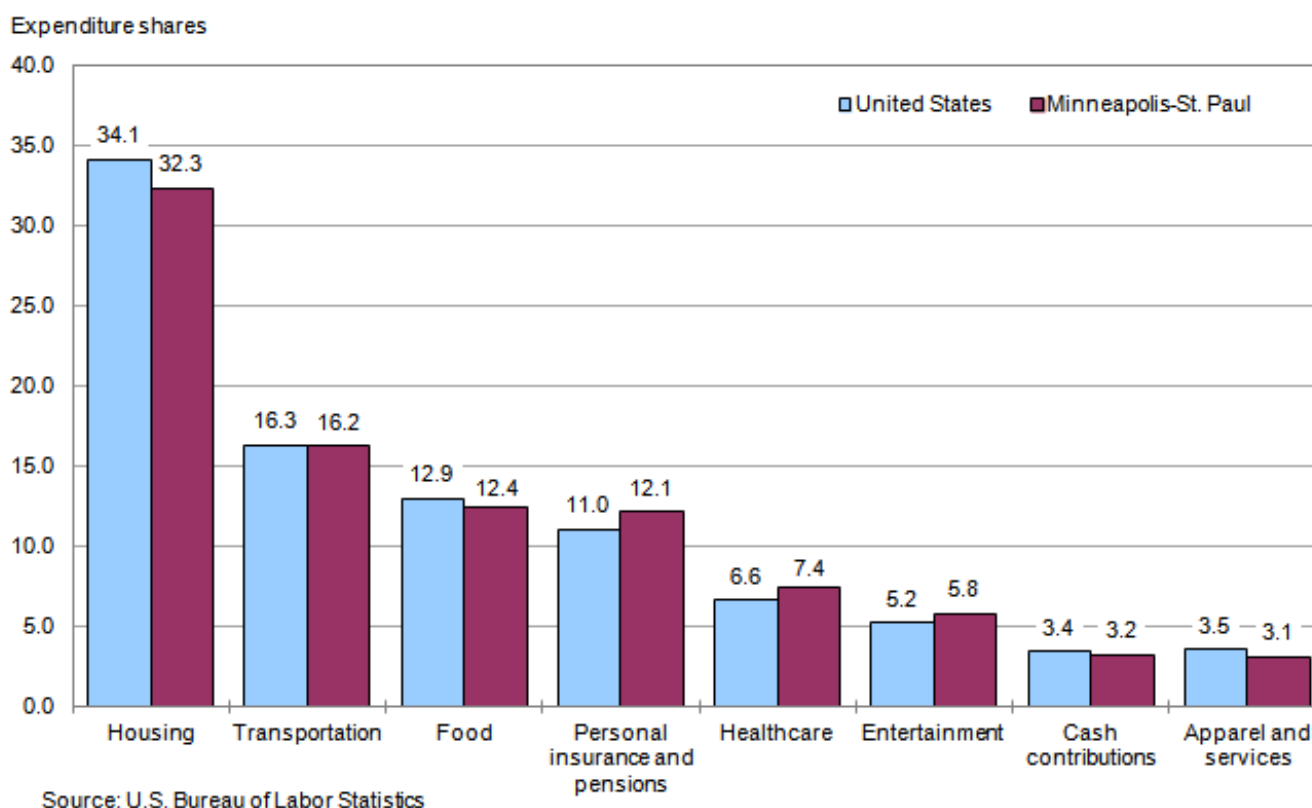
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### **Consumer Expenditures for the Minneapolis-St. Paul Area: 2010-2011**

Consumer units<sup>1</sup> in the Minneapolis-St. Paul, Minn.-Wis., metropolitan area spent an average of \$54,457 per year in 2010-2011, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Charlene Peiffer noted that this figure was 11.3 percent higher than the \$48,926 average expenditure level for a typical household in the United States. Although households in the Minneapolis area spent more than the U.S. average, they allocated their dollars similarly among most of the eight major categories, with only three differing significantly. For example, the share of expenditures for personal insurance and pensions, which comprised 12.1 percent of a typical household's budget in the Minneapolis area, was significantly larger than the nationwide average of 11.0 percent. (See [chart 1](#) and [table 1](#).)

**Chart 1. Percent distribution of average annual expenditures for eight major categories in Minneapolis-St. Paul Area and the United States, 2010-2011**



<sup>1</sup> 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 Minneapolis metropolitan area averaged \$17,586 annually and was the largest expenditure category, accounting for 32.3 percent of a Minneapolis area household's total budget. (See tables 1 and 2.) This share was significantly lower than the 34.1-percent national average. Overall, 9 of the 18 published metropolitan areas had expenditure shares for housing significantly above the U.S. average. Four areas had shares for housing that were significantly below the U.S. average. (See table 3 and chart 2.) Housing expenditures among the 18 areas ranged from 32.0 percent in Cleveland to 41.5 percent in Miami. (See table 3.)

The majority of housing expenditures in Minneapolis went toward shelter, 58.3 percent, which includes mortgage interest, property taxes, repairs, and rent, among other items; nationwide, 58.8 percent of the housing budget was allocated for shelter. (See table A.) Utilities, fuels, and public services expenses accounted for 18.9 percent of the housing budget locally; nationwide, it made up 22.1 percent. The rate of homeownership in Minneapolis was 72 percent, above the U.S. average of 65 percent.

**Table A. Percent distribution of housing expenditures, United States and Minneapolis-St. Paul, 2010-2011**

Category	United States	Minneapolis-St. Paul
Total housing .....	100.0	100.0
Shelter .....	58.8	58.3
Utilities, fuels, and public services .....	22.1	18.9
Household operations .....	6.4	7.2
Housekeeping supplies .....	3.7	5.0
Household furnishings and equipment .....	8.9	10.7

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

Source: U.S. Bureau of Labor Statistics

At 16.2 percent of the total budget, transportation was the second-largest expenditure category in the Minneapolis area; this was not significantly different from the national average of 16.3 percent. Among the 18 metropolitan areas nationwide, 6 had significantly below average transportation expenditure shares. (See [table 3](#) and [chart 3](#).)

Of the \$8,808 in annual expenditures for transportation in Minneapolis, 93.8 percent was spent buying and maintaining private vehicles, compared to the national average of 93.7 percent. The remaining 6.2 percent of a Minneapolis household's transportation budget was spent on public transit, which includes fares for taxis, buses, trains, and planes. Nationally, 6.3 percent of transportation expenditures went to public transit. (See [table B](#).) The average number of vehicles per household in Minneapolis was 2.4, above the national average of 1.9.

**Table B. Percent distribution of transportation expenditures, United States and Minneapolis-St. Paul, 2010-2011**

Category	United States	Minneapolis-St. Paul
Transportation .....	100.0	100.0
Vehicle purchases (net outlays) .....	32.9	33.0
Gasoline and motor oil .....	30.0	28.8
Other vehicle expenses .....	30.8	32.0
Public transportation .....	6.3	6.2

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

Source: U.S. Bureau of Labor Statistics

The portion of a Minneapolis consumer unit's budget spent on food, 12.4 percent, was not significantly different from the 12.9-percent U.S. average. Among the 18 metropolitan areas, 12 had food expenditure shares that were not significantly different from the nationwide average. (See [table 3](#).)

Households in Minneapolis spent \$4,332 or 64.0 percent, of their food dollars on food at home and the remaining 36.0 percent on food away from home, such as restaurant meals, carry-out, board at school, and catered affairs. In comparison, the typical U.S. household spent 59.3 percent of its food budget on food at home and 40.7 percent on food away from home.

As noted, Minneapolis-St. Paul 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 Midwest Information Office at (312) 353-1880.

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/consumerspending.htm>.

### **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, 2010 and 2011 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 Minneapolis-St. Paul, Minn.-Wis., which is comprised of Anoka, Benton, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Stearns, Washington, and Wright Counties in Minnesota; and Pierce and St. Croix Counties in Wisconsin.

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 higher or lower than the national average, 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 <http://www.bls.gov/opub/hom/homch16.htm>.



**Table 1. Percent distribution of average annual expenditures, United States and Minneapolis-St. Paul, Consumer Expenditure Survey, 2010-2011**

Category	United States	Minneapolis-St. Paul
Average annual expenditures.....	\$48,926	\$54,457
Percent distribution:.....	100.0	100.0
Food.....	12.9	12.4
Alcoholic beverages.....	0.9	1.3*
Housing.....	34.1	32.3*
Apparel and services.....	3.5	3.1
Transportation.....	16.3	16.2
Health care.....	6.6	7.4*
Entertainment.....	5.2	5.8
Personal care products and services.....	1.2	1.2
Reading.....	0.2	0.3*
Education.....	2.2	2.9
Tobacco products and smoking supplies.....	0.7	0.5*
Miscellaneous.....	1.7	1.3
Cash contributions.....	3.4	3.2
Personal insurance and pensions.....	11.0	12.1*

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

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

Source: U.S. Bureau of Labor Statistics

**Table 2. Average annual expenditures and characteristics, United States and Minneapolis-St. Paul, Consumer Expenditure Survey, 2010-2011**

Category	United States	Minneapolis-St. Paul
<b>Consumer unit characteristics:</b>		
Income before taxes.....	\$63,086	\$66,789
Age of reference person.....	49.6	46.7
<b>Average number in consumer unit:</b>		
Persons.....	2.5	2.4
Children under 18.....	0.6	0.6
Persons 65 and over.....	0.3	0.2
Earners.....	1.3	1.4
Vehicles.....	1.9	2.4
Percent homeowners.....	65	72
Average annual expenditures.....	\$48,926	\$54,457
Food.....	6,294	6,767
Food at home.....	3,731	4,332
Cereals and bakery products.....	516	632
Meats, poultry, fish, and eggs.....	808	818
Dairy products.....	394	553
Fruits and vegetables.....	697	799
Other food at home.....	1,316	1,529
Food away from home.....	2,562	2,436
Alcoholic beverages.....	434	723
Housing.....	16,687	17,586
Shelter.....	9,819	10,252
Owned dwellings.....	6,212	7,407
Rented dwellings.....	2,965	2,174
Other lodging.....	642	671
Utilities, fuels, and public services.....	3,693	3,315
Household operations.....	1,074	1,260
Housekeeping supplies.....	613	883
Household furnishings and equipment.....	1,487	1,877
Apparel and services.....	1,720	1,665
Transportation.....	7,987	8,808
Vehicle purchases (net outlay).....	2,629	2,908
Gasoline and motor oil.....	2,395	2,538
Other vehicle expenses.....	2,459	2,818
Public transportation.....	504	545
Healthcare.....	3,235	4,008
Entertainment.....	2,547	3,158
Personal care products and services.....	608	676
Reading.....	108	141
Education.....	1,063	1,578

Note: See footnotes at end of table.

**Table 2. Average annual expenditures and characteristics, United States and Minneapolis-St. Paul, Consumer Expenditure Survey, 2010-2011 - Continued**

Category	United States	Minneapolis-St. Paul
Tobacco products and smoking supplies .....	356	288
Miscellaneous .....	812	727
Cash contributions .....	1,677	1,738
Personal insurance and pensions.....	5,398	6,592
Life and other personal insurance.....	318	348
Pensions and Social Security .....	5,081	6,244

Source: U.S. Bureau of Labor Statistics



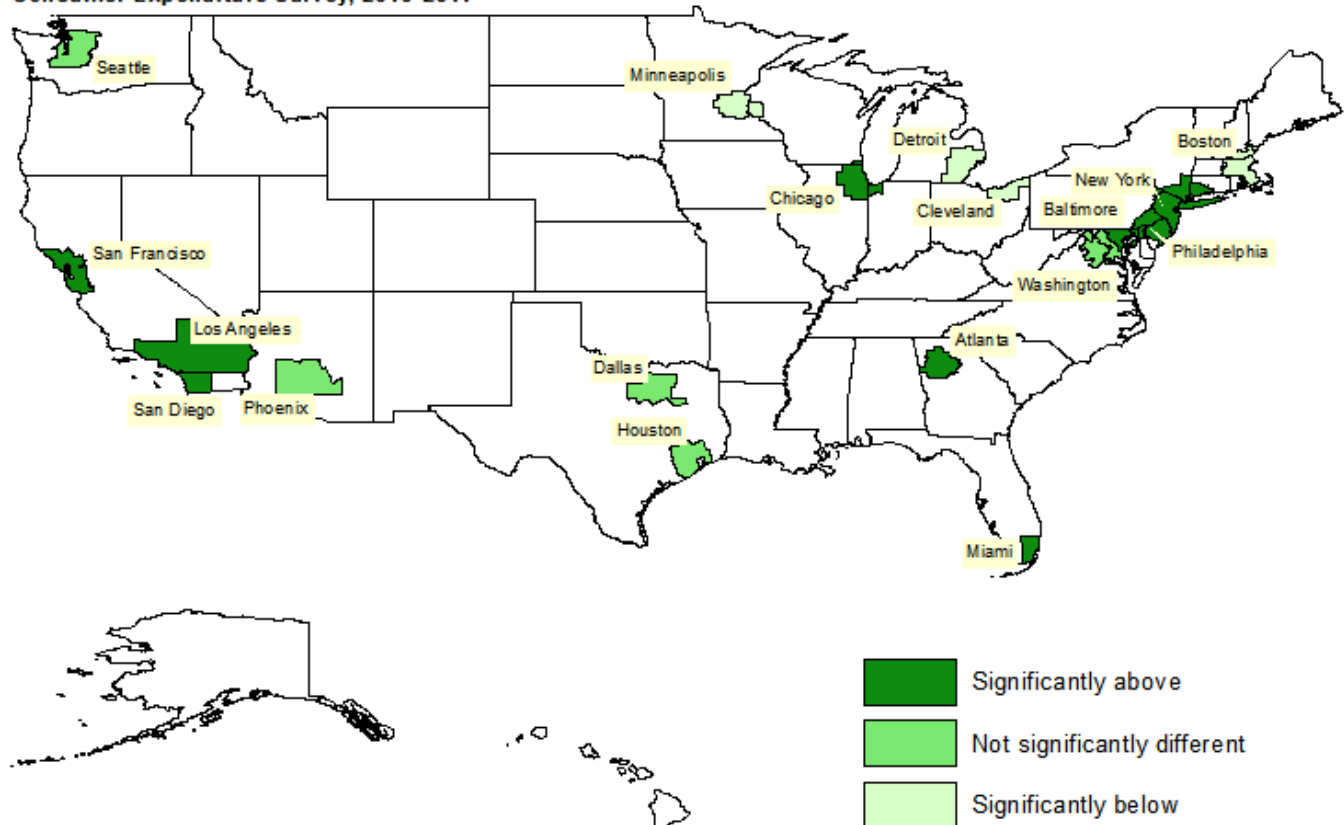
**Table 3. Percent share of average annual expenditures for housing, transportation, and food, United States and 18 metropolitan areas, Consumer Expenditure Survey, 2010-2011**

Area	Housing	Transportation	Food
United States .....	34.1	16.3	12.9
Atlanta .....	37.1*	16.1	11.7*
Baltimore .....	37.4*	11.9*	12.5
Boston .....	32.5*	14.1*	12.5
Chicago .....	35.6*	14.5*	12.4
Cleveland .....	32.0*	17.1	12.4
Dallas .....	33.4	17.1	12.8
Detroit .....	32.2*	17.4	12.5
Houston .....	33.5	16.7	12.5
Los Angeles .....	37.6*	16.2	13.2
Miami .....	41.5*	15.7	12.9
Minneapolis .....	32.3*	16.2	12.4
New York .....	39.8*	13.5*	12.7
Philadelphia .....	38.9*	14.4*	11.8*
Phoenix .....	33.5	16.9	13.0
San Diego .....	40.8*	14.9	11.1*
San Francisco .....	37.7*	13.1*	11.5*
Seattle .....	34.9	15.4	11.3*
Washington .....	35.3	15.0	11.5*

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

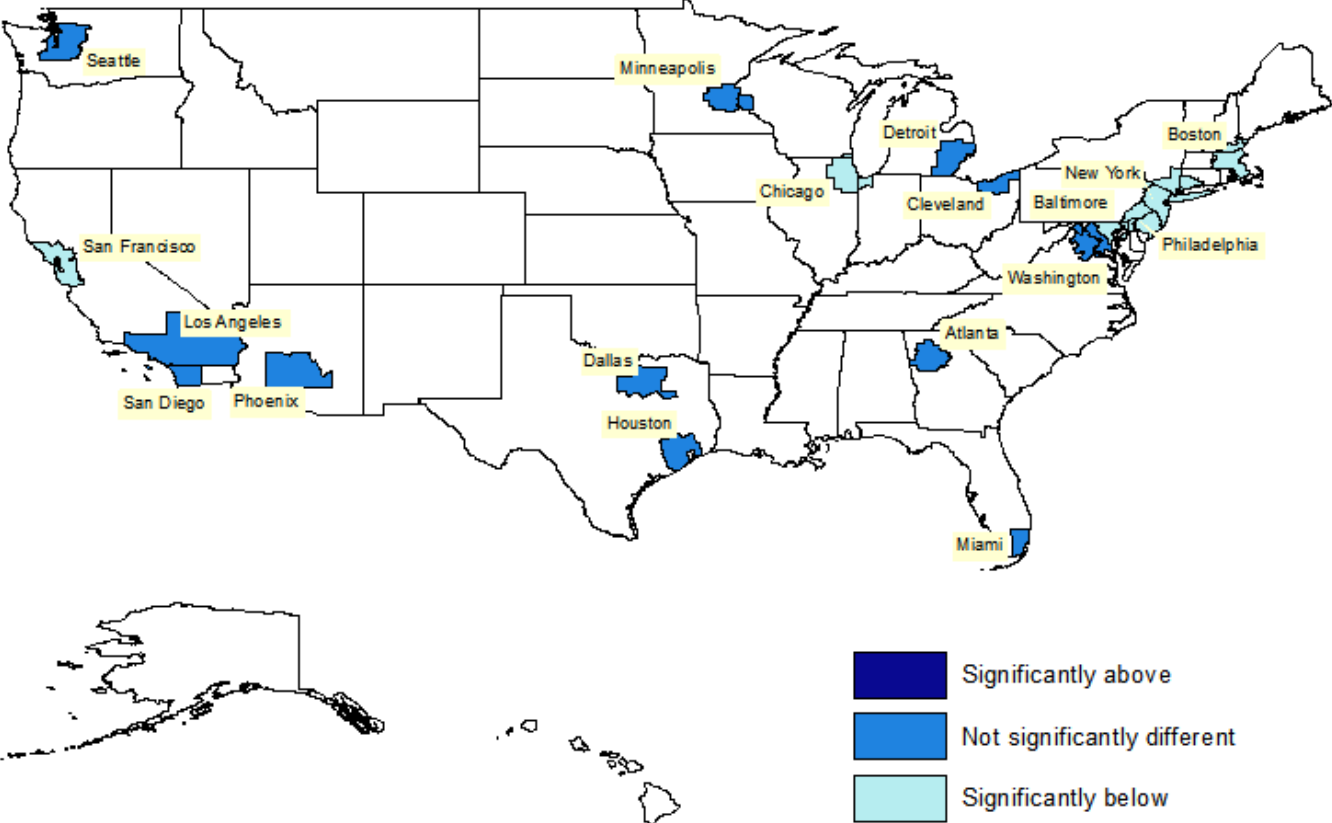
Source: U.S. Bureau of Labor Statistics

**Chart 2. Expenditure shares spent on housing in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2010-2011**



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, 2010-2011



Source: U.S. Bureau of Labor Statistics