



**For Release: Wednesday, December 16, 2015**

**15-2355-CHI**

MIDWEST INFORMATION OFFICE: Chicago, Ill.

Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest

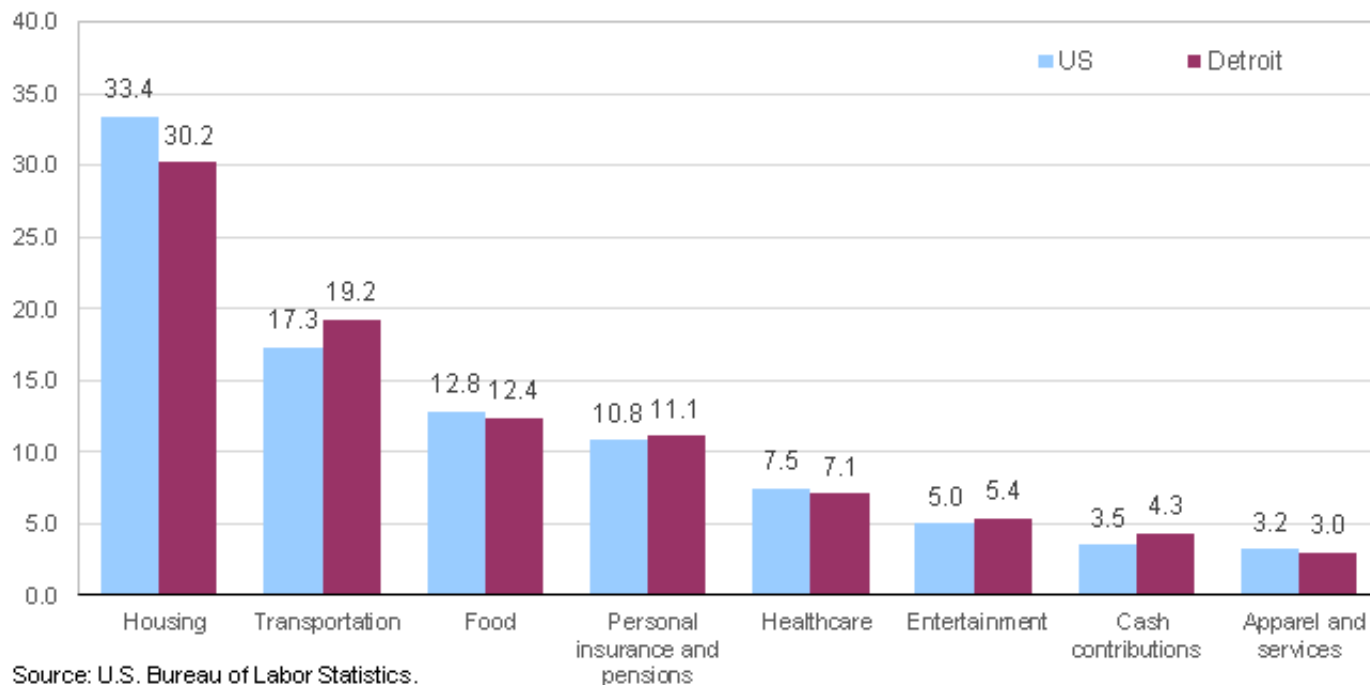
Media contact: (312) 353-1138

## **Consumer Expenditures for the Detroit Metropolitan Area: 2013-14**

Households in the Detroit-Ann Arbor-Flint, Mich. metropolitan area spent an average of \$57,514 per year in 2013–14, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Charlene Peiffer noted that this figure was significantly higher than the \$52,284 average expenditure level for households in the United States. Detroit-area households allocated their dollars similarly among most of the eight major categories, with three differing significantly from the U.S. average. For example, the share of expenditures for transportation, which accounted for 19.2 percent of the average household's budget in the Detroit area, was significantly higher than the national average of 17.3 percent. (See [chart 1](#) and [table 1](#).)

Chart 1. Percent distribution of average annual expenditures for eight major categories in the United States and Detroit metropolitan area, 2013-14

Expenditure  
shares



## Highlights of the Detroit area's 2013–14 spending patterns:

- **Housing:** This was the largest expenditure category for Detroit-area households and averaged \$17,379. Housing accounted for 30.2 percent of the area's household budget, significantly lower than the 33.4-percent U.S. average. (See [table 1.](#)) Among 18 metropolitan areas nationwide for which data were available, Detroit was 1 of 2 areas to have a housing expenditure share which was significantly lower than the national average. Housing expenditure shares among the 18 areas ranged from 39.6 percent in New York to Detroit's 30.2 percent. (See [table 2.](#))
- **Transportation:** As noted, 19.2 percent of a Detroit-area household's budget was spent on transportation, significantly above the national average of 17.3 percent. Of the \$11,053 in annual transportation expenditures in Detroit, 94.7 percent was spent buying and maintaining private vehicles; this compared to the national average of 93.8 percent.
- **Food:** The portion of a Detroit household's budget spent on food, 12.4 percent, was not significantly different from the 12.8-percent U.S. average. Detroit-area households spent \$4,405, or 61.9 percent, of their food dollars on food prepared at home and \$2,712 (38.1 percent) on food prepared away from home. In comparison, the average U.S. household spent 59.5 percent of its food budget on food prepared at home and 40.5 percent on food prepared away from home.

## Additional Information

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, 2013 and 2014.

A household in the CE survey is defined as a consumer unit which consists of members 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.

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 [www.bls.gov/opub/hom/pdf/homch16.pdf](http://www.bls.gov/opub/hom/pdf/homch16.pdf). Data for the nation, the four geographic regions of the U.S., and 18 metropolitan areas nationwide are available at [www.bls.gov/cex/tables.htm](http://www.bls.gov/cex/tables.htm). Metropolitan definitions used in the survey are available at [www.bls.gov/regions/ce\\_areadef.pdf](http://www.bls.gov/regions/ce_areadef.pdf). The metropolitan area discussed in this release is Detroit-Ann-Arbor-Flint, Mich., which is

comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan. Metropolitan area news releases for the Consumer Expenditure Survey are available at [www.bls.gov/regions/consumerspending.htm](http://www.bls.gov/regions/consumerspending.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 Detroit metropolitan area, 2013–14**

Category	United States	Detroit
<b>Consumer unit characteristics:</b>		
Income before taxes.....	\$65,339	\$72,851
Age of reference person.....	50.2	50.3
<b>Average number in consumer unit:</b>		
People .....	2.5	2.4
Children under 18.....	0.6	0.5
Adults 65 and over .....	0.4	0.3
Earners.....	1.3	1.2
Vehicles .....	1.9	2.1
Percent homeowner .....	63	72
Average annual expenditures.....	\$52,284	\$57,514*
Percent Distribution .....	100.0%	100.0%
Food .....	12.8	12.4
Alcoholic beverages .....	0.9	0.8
Housing .....	33.4	30.2*
Apparel and services.....	3.2	3.0
Transportation .....	17.3	19.2*
Healthcare .....	7.5	7.1
Entertainment .....	5.0	5.4
Personal care products and services .....	1.2	1.2
Reading .....	0.2	0.3*
Education .....	2.3	2.6
Tobacco products and smoking supplies.....	0.6	0.6
Miscellaneous.....	1.3	1.7
Cash contributions.....	3.5	4.3*
Personal insurance and pensions .....	10.8	11.1

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 18 metropolitan areas, 2013–14**

Area	Housing	Transportation	Food
United States .....	33.4	17.3	12.8
Atlanta .....	33.2	16.4	12.8
Baltimore .....	33.9	15.0	11.5
Boston .....	33.3	15.1*	11.7*
Chicago .....	35.1*	15.2*	12.7
Cleveland .....	31.0*	18.0	13.7
Dallas .....	33.1	18.3	12.7
Detroit .....	30.2*	19.2*	12.4
Houston .....	33.4	17.9	12.1
Los Angeles .....	38.7*	15.0*	13.1
Miami .....	39.4*	16.8	13.0
Minneapolis .....	32.4	17.9	11.3*
New York .....	39.6*	13.4*	11.6*
Philadelphia .....	35.4*	16.4	12.5
Phoenix .....	34.2	19.4	13.9
San Diego .....	37.6*	16.3	11.0*
San Francisco .....	37.3*	13.7*	11.9
Seattle .....	35.0	15.4*	12.3
Washington .....	35.8*	18.0	10.0*

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