



For Release: Tuesday, November 15, 2016

16-2077-CHI

MIDWEST INFORMATION OFFICE: Chicago, Ill.

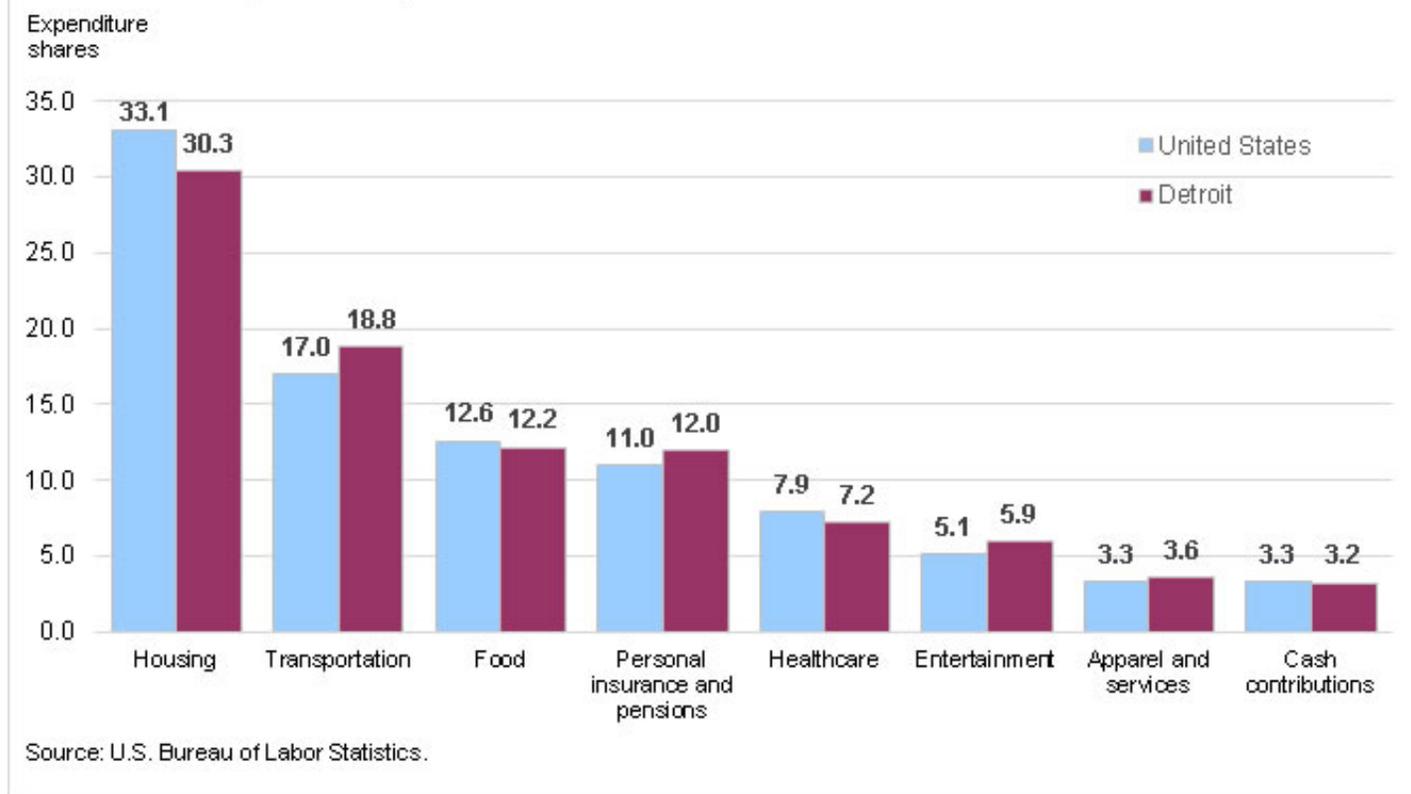
Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest

Media contact: (312) 353-1138

Consumer Expenditures for the Detroit Metropolitan Area: 2014-15

Households in the Detroit-Warren-Dearborn, Mich., metropolitan area spent an average of \$60,485 per year in 2014–15, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that this figure was significantly higher than the \$54,715 average expenditure level for households in the United States. Detroit-area households allocated their dollars similarly among most of the eight major categories, with only two differing significantly from the U.S. average. For example, the share of expenditures for healthcare, which accounted for 7.2 percent of the average household’s budget in the Detroit area, was lower than the national average of 7.9 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, 2014–15



Highlights of the Detroit-area's 2014–15 spending patterns:

- **Housing:** This was the largest expenditure category for Detroit-area households and averaged \$18,356. Housing accounted for 30.3 percent of the area's household budget, significantly lower than the 33.1-percent U.S. average. (See [table 1.](#)) In fact, among 16 metropolitan areas for which data were available, Detroit was the only area to have a housing expenditure share that was significantly lower than the national average. Housing expenditures shares among the 16 areas nationwide ranged from 39.6 percent in New York to 30.3 percent in Detroit. (See [table 2.](#))
- **Transportation:** Detroit-area household's spent 18.8 percent of their budgets on transportation, not significantly different from the national average of 17.0 percent. Of the \$11,357 in annual transportation expenditures in Detroit, 93.1 percent was spent buying and maintaining private vehicles; this compared to the national average of 93.3 percent.
- **Food:** The portion of a Detroit household's budget spent on food, 12.2 percent, was not significantly different from the 12.6-percent U.S. average. Detroit-area households spent \$4,132, or 56.2 percent, of their food dollars on food at home and \$3,225 (43.8 percent) on food away from home. In comparison, the average U.S. household spent 57.9 percent of its food budget on food at home and 42.1 percent on food 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, 2014 and 2015.

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/cex/home. Data for the nation, the four geographic regions of the U.S., and 16 metropolitan areas nationwide are available at [www.bls.gov/cex/tables.htm](http://www.bls.gov/cex/cex/tables.htm). Metropolitan definitions used in the survey are available at www.bls.gov/cex/ce_msa_201415.pdf. The metropolitan area discussed in this release is Detroit-Warren-Dearborn, Mich., which comprises Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne Counties in Michigan. Metropolitan area news releases for the Consumer Expenditure Survey are available at 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.

Note

The Consumer Expenditure Survey (CE) underwent a sample change in 2015. Estimates for the Cleveland Metropolitan Statistical Area (MSA) will no longer be produced, as the population for the MSA was below the threshold necessary to qualify as a publishable MSA. The geographical boundaries of the Boston MSA have changed significantly such that estimates are not comparable to estimates for 2014. Thus, both Cleveland and Boston are not represented in the 2014-2015 tables. Boston will return in the 2015-2016 tables when two years of data based on the new boundaries become available.

Table 1. Average annual expenditures, characteristics, and percent distributions, United States and Detroit metropolitan area, 2014–15

Category	United States	Detroit
Consumer unit characteristics:		
Income before taxes.....	\$68,316	\$79,443
Age of reference person.....	50.4	49.9
Average number in consumer unit:		
People	2.5	2.6
Children under 18.....	0.6	0.6
Adults 65 and over	0.4	0.3
Earners.....	1.3	1.3
Vehicles	1.9	2.1
Percent homeowner	63	69
Average annual expenditures.....	\$54,715	\$60,485*
Percent distribution		
Total	100.0	100.0
Food	12.6	12.2
Alcoholic beverages	0.9	0.9
Housing	33.1	30.3*
Apparel and services.....	3.3	3.6
Transportation	17.0	18.8
Healthcare	7.9	7.2*
Entertainment.....	5.1	5.9
Personal care products and services	1.2	1.3
Reading	0.2	0.2
Education	2.3	2.3
Tobacco products and smoking supplies.....	0.6	0.6
Miscellaneous.....	1.5	1.5
Cash contributions.....	3.3	3.2
Personal insurance and pensions	11.0	12.0

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 16 metropolitan areas, 2014–15

Area	Housing	Transportation	Food
United States	33.1	17.0	12.6
Atlanta	33.2	16.1	11.1*
Baltimore	34.9	15.8	11.4
Chicago	34.5*	15.6	12.4
Dallas-Fort Worth	32.8	17.7	12.9
Detroit	30.3*	18.8	12.2
Houston	32.3	20.0*	12.5
Los Angeles	37.4*	15.1*	12.4
Miami	36.2*	18.1	13.8
Minneapolis-St. Paul	32.2	16.7	11.2*
New York	39.6*	12.7*	11.0*
Philadelphia	35.0*	15.9	11.2*
Phoenix	33.3	16.3	13.0
San Diego	35.8*	15.5	10.5*
San Francisco	37.1*	13.9*	12.1
Seattle	34.4	14.2*	12.9
Washington, D.C.	36.6*	15.7	9.6*

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