



For Release: Monday, October 26, 2020

20-1834-CHI

MIDWEST INFORMATION OFFICE: Chicago, Ill.

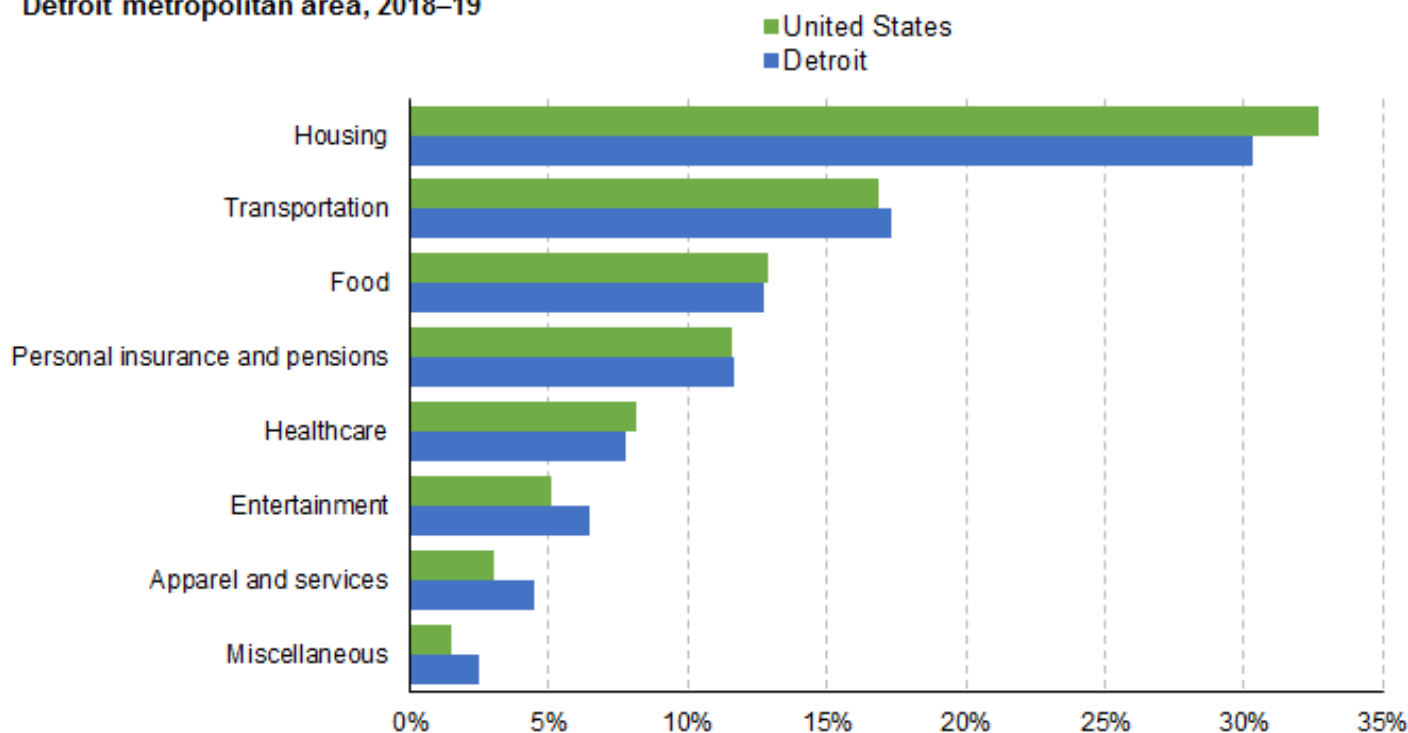
Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest

Media contact: (312) 353-1138

Consumer Expenditures for the Detroit Metropolitan Area: 2018–19

Households in the Detroit-Warren-Dearborn, MI, metropolitan area spent an average of \$65,163 per year in 2018–19, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Jason Palmer noted that this figure was not significantly different from the \$62,395 average expenditure level for households in the United States. Detroit-area households allocated their dollars similarly to the nation in ten major components, while shares for four components differed significantly from their respective U.S. averages. For example, the share of expenditures for apparel and services, which accounted for 4.5 percent of the average household’s budget in the Detroit area, was higher than the national average of 3.0 percent. (See [chart 1](#) and [table 1](#).)

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



Source: U.S. Bureau of Labor Statistics.

Highlights of the Detroit-area's 2018–19 spending patterns:

- **Housing:** This was the largest expenditure component for Detroit-area households and averaged \$19,730. Housing accounted for 30.3 percent of the area's household budget, significantly lower than the 32.7-percent U.S. average. (See [table 1.](#)) Among the 22 metropolitan areas nationwide for which data were available, Detroit was one of two areas to have a housing expenditure share that was significantly lower 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:** Detroit-area households spent 17.3 percent of their budget on transportation, not significantly different from the national average of 16.8 percent. Of the \$11,260 in annual transportation expenditures in Detroit, 93.8 percent was spent buying and maintaining private vehicles; this compared to the national average of 92.4 percent.
- **Food:** The portion of a Detroit household's budget spent on food, 12.7 percent, was not significantly different from the 12.9-percent U.S. average. Detroit-area households spent \$4,590, or 55.5 percent, of their food dollars on food at home and \$3,687 (44.5 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.

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, 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 component, 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.htm. Data for the nation, the four geographic regions of the United States, 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 Detroit-Warren-Dearborn, MI,

Metropolitan Statistical Area which comprises of 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/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 Detroit metropolitan area, 2018–19

Category	United States	Detroit
Consumer unit characteristics:		
Income before taxes.....	\$80,750	\$87,214
Age of reference person.....	51.3	52.6
Average number in consumer unit:		
People	2.5	2.5
Children under 18.....	0.6	0.6
Adults 65 and over	0.4	0.4
Earners.....	1.3	1.4
Vehicles	1.9	1.9
Percent homeowner	64	74
Average annual expenditures.....	\$62,395	\$65,163
Percent distribution		
Total	100.0	100.0
Food	12.9	12.7
Alcoholic beverages	0.9	1.1
Housing	32.7	30.3*
Apparel and services.....	3.0	4.5*
Transportation	16.8	17.3
Healthcare	8.1	7.7
Entertainment.....	5.1	6.5
Personal care products and services	1.2	1.2
Reading	0.2	0.2
Education	2.3	1.6
Tobacco products and smoking supplies.....	0.5	0.7
Miscellaneous.....	1.5	2.4*
Cash contributions.....	3.1	2.2*
Personal insurance and pensions	11.6	11.7

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

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, DC	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.