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**CONSUMER EXPENDITURES MIDYEAR UPDATE -- JULY 2014  
 THROUGH JUNE 2015 AVERAGE**

Average expenditures per consumer unit<sup>1</sup> for July 2014 through June 2015 were up 5.9 percent compared with the July 2013 through June 2014 midyear average, the U.S. Bureau of Labor Statistics (BLS) reported today. Average incomes also increased, up 6.6 percent.

All major components of household spending, with the exception of cash contributions, increased over the 12 months ending June 2015. (See table A.) The 19.2-percent rise in education spending was the largest percentage increase among all major components, followed by a 12.6-percent rise in apparel and services spending and an 11.7-percent increase in healthcare spending.

**Table A. Average expenditures and income of all consumer units**

Item	July 2013 - June 2014 Average	July 2014 - June 2015 Average	Percent change
			July 2013 - June 2014 to July 2014 - June 2015
Income before taxes.....	\$64,432	\$68,662	6.6
Average annual expenditures.....	51,933	54,992	5.9
Food.....	6,665	6,887	3.3
Housing.....	17,377	18,128	4.3
Apparel and services.....	1,674	1,885	12.6
Transportation.....	9,104	9,315	2.3
Vehicle purchases.....	3,353	3,723	11.0
Gasoline.....	2,379	2,094	-12.0
Healthcare.....	3,919	4,379	11.7
Health insurance.....	2,505	2,972	18.6
Entertainment.....	2,560	2,782	8.7
Education.....	1,143	1,362	19.2
Cash contributions.....	1,790	1,761	-1.6
Personal insurance and pensions.....	5,551	6,048	9.0
All other expenditures.....	2,150	2,445	13.7

Note: Subcategories do not sum to 100%.

<sup>1</sup> Consumer units include 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.

## Spending patterns, July 2014 – June 2015 compared with July 2013 – June 2014

- Transportation expenditures edged up 2.3 percent to \$9,315. Within transportation, two underlying components moved considerably in opposite directions, vehicle purchases up 11.0 percent and gasoline down 12.0 percent.
- Healthcare spending rose 11.7 percent to \$4,379 for July 2014 through June 2015. The level of spending for healthcare has increased every year annually from 1996 through 2014<sup>2</sup>. The most recent increase was driven by an 18.6-percent increase in average household health insurance expenditures. This increase was due to both additional consumer units reporting quarterly health insurance expenditures, up over 3 percentage points from the previous midyear period, and higher expenditures by those reporting health insurance expenditures.
- Apparel and services spending increased 12.6 percent to \$1,885, after falling 1.9 percent during the previous midyear period. Increases were seen across all components of this category: men and boys, women and girls, children under 2, footwear, and other apparel products and services.
- Education spending increased 19.2 percent to \$1,362. The rise was driven by increases in spending on college tuition and finance charges for student loans.
- Categories of entertainment and personal insurance and pensions expenditures increased 8.7 percent and 9.0 percent respectively, reversing declines of the previous midyear period.

### Spending by selected demographics

Consumer Expenditure Survey (CE) data measure how consumers allocate their spending among the various components of total expenditures. Table B and chart 1 compare the share allocated to selected expenditures by income quintiles. The lowest income quintile allocated larger shares to food and housing than all other quintiles. The highest income quintile allocated a larger share to personal insurance and pensions (including payments for life insurance, other nonhealth insurance, pensions, and Social Security) than any other group. No clear pattern existed for the shares allocated to transportation and healthcare among the income quintile groups.

**Table B. Shares of average expenditures on selected major components by income quintiles, July 2014 through June 2015**

Item	Income quintiles				
	Lowest 20th percent	Second 20th percent	Third 20th percent	Fourth 20th percent	Highest 20th percent
Food.....	15.7	14.3	12.7	12.5	11.2
Housing.....	40.0	36.4	34.2	32.0	30.3
Transportation.....	14.5	17.1	18.9	18.4	15.8
Healthcare.....	7.3	10.0	9.0	8.5	6.7
Personal insurance & pensions.	2.2	5.0	8.3	11.5	15.8

<sup>2</sup> A change in interview collection methods for health insurance occurred for 2014 data. For details, please see the previous news release [www.bls.gov/news.release/archives/cesan\\_09032015.pdf](http://www.bls.gov/news.release/archives/cesan_09032015.pdf).

**Chart 1. Shares of average expenditures on selected major components by income quintiles, July 2014 through June 2015**

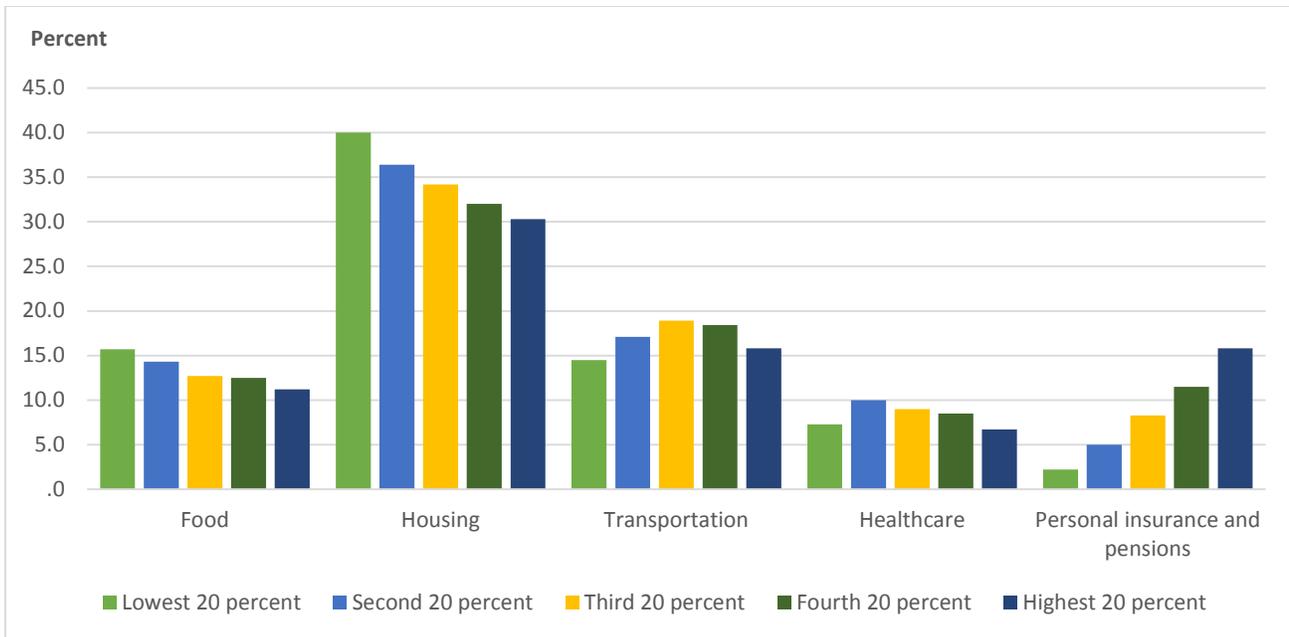
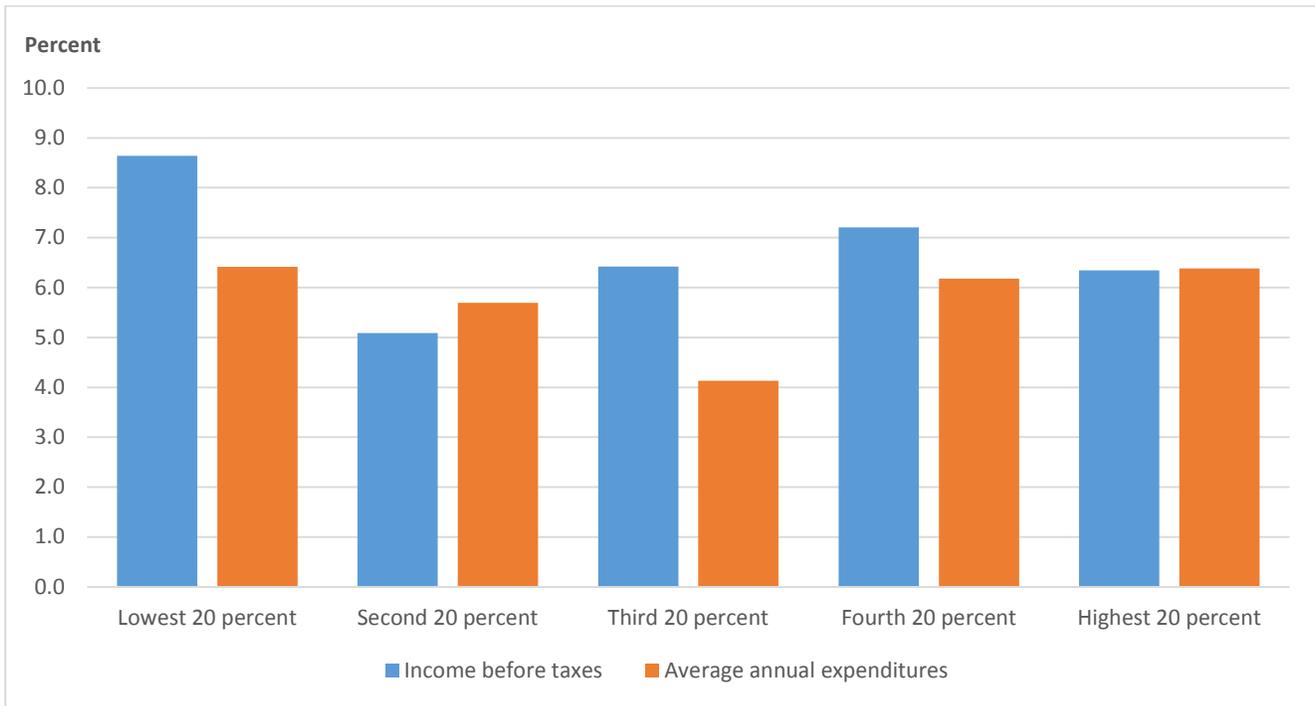


Table C and chart 2 show expenditures and income before taxes by quintile from July 2013 through June 2015. All quintiles showed increases in both average annual expenditures and in income before taxes across the 12 months ending June 2015.

**Table C. Percent change in average annual expenditures and income before taxes by income quintile**

Income quintile	Average annual expenditures			Income before taxes		
	July 2013 - June 2014	July 2014 - June 2015	Percent change	July 2013 - June 2014	July 2014 - June 2015	Percent change
Lowest 20th percent	\$22,981	\$24,455	6.4	\$9,818	\$10,666	8.6
Second 20th percent	32,778	34,645	5.7	26,369	27,711	5.1
Third 20th percent	43,739	45,546	4.1	45,724	48,661	6.4
Fourth 20th percent	59,250	62,912	6.2	74,410	79,773	7.2
Highest 20th percent	100,979	107,424	6.4	166,048	176,583	6.3

**Chart 2. Percent change in average annual expenditures and income before taxes by income quintile, July 2014 – June 2015 compared with July 2013 – June 2014**



## Other available data

Standard CE midyear tables can be found at [www.bls.gov/cex/midyear.htm](http://www.bls.gov/cex/midyear.htm). Data tables with the most detailed subcategories of expenditures can be obtained by sending a request to [cexinfo@bls.gov](mailto:cexinfo@bls.gov).

The 2014 Annual Report, “Consumer Expenditures in 2014,” which will be available in June, will include a brief discussion of expenditure changes in 2014 and tables with data classified by the standard characteristics that are included on the website. Future articles in the BLS Beyond the Numbers web report series will highlight recent trends in prices and spending in the U.S. economy, and will feature CE data. Recent CE-specific articles provide analyses of topical economic issues and long term spending trends, as well as comparisons of CE data to other data series (see [www.bls.gov/cex/csxwebarticles.htm](http://www.bls.gov/cex/csxwebarticles.htm) and [www.bls.gov/cex/cecomparison.htm](http://www.bls.gov/cex/cecomparison.htm)). Additional methodological and analytical articles using CE data will be published in 2016. All data published in the Annual Report and posted to the website are integrated from the two CE components—the quarterly Interview Survey and weekly Diary Survey.

Other survey information available on the Internet includes answers to frequently asked questions, a glossary, and analytical articles that use CE data. Also available are the Diary Survey questionnaire form and a modified version of the computer assisted personal interview (CAPI) instrument used to collect the Interview Survey data.

The 1996 through 2014 CE public-use microdata, including Interview Survey data, Diary Survey data, and paradata (information about the survey process), are available on the CE website for free electronic download. The Interview files contain expenditure data in two different formats: MTBI files that present monthly values in an item-coding framework based on the CPI pricing scheme, and EXPN files that organize expenditures by the section of the Interview questionnaire in which they are collected. Expenditure values on EXPN files cover different time periods depending on the specific questions asked, and the files also contain relevant non-expenditure information not found on the MTBI files. For releases prior to 1996, users can continue to purchase USB flash drives using the public-use microdata order form (see [www.bls.gov/cex/pumhome.htm](http://www.bls.gov/cex/pumhome.htm)).

The 2015 Annual News Release, data tables, and public-use microdata are planned for release at the end of August 2016. Public-use microdata are not released on a rolling half-year basis.

The annual CE Microdata Users' Workshop and Survey Methods Symposium will be held July 12-15, 2016, at the BLS national office. Registration is free. More information and the registration form are available at [www.bls.gov/cex/csxannualworkshop.htm](http://www.bls.gov/cex/csxannualworkshop.htm).

For further information, contact the Division of Consumer Expenditure Survey, Office of Prices and Living Conditions at (202) 691-6900 or by email at [cexinfo@bls.gov](mailto:cexinfo@bls.gov). Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: 1 (800) 877-8339.