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CONSUMER EXPENDITURES – 2012

Average expenditures per consumer unit¹ in 2012 were \$51,442, an increase of 3.5 percent from 2011 levels, the U.S. Bureau of Labor Statistics reported today. This surpassed the spending peak recorded in 2008, after which the effects of the recession led to a low of \$48,109 in 2010. The 2012 calendar year increase in spending outpaced the 2.1-percent increase in prices for goods and services during the same period, as measured by the Consumer Price Index (CPI-U). This contrasts with 2010-2011, when the increase in average expenditures mirrored the increase in prices.

Most of the major components of household spending increased in 2012, with apparel being the lone exception, as shown in table A. The 11.2-percent rise in cash contributions (including payments for support of college students, alimony and child support, and giving to charities and religious organizations) was the largest percentage increase among all major components. Overall spending on transportation (+8.5 percent) and health care (+7.3 percent) rose significantly, while spending on housing (+0.5 percent) and entertainment (+1.3 percent) only increased modestly. Other highlights include a 2.2-percent increase in food and a 3.1-percent increase in personal insurance and pensions.

Table A. Average annual expenditures and characteristics of all consumer units and percent changes, 2010-2012

Item	2010	2011	2012	Percent change	
				2010-2011	2011-2012
Average annual expenditures:					
Total	\$48,109	\$49,705	\$51,442	3.3	3.5
Food	6,129	6,458	6,599	5.4	2.2
At home	3,624	3,838	3,921	5.9	2.2
Away from home	2,505	2,620	2,678	4.6	2.2
Housing	16,557	16,803	16,887	1.5	0.5
Apparel and services	1,700	1,740	1,736	2.4	-0.2
Transportation	7,677	8,293	8,998	8.0	8.5
Health care	3,157	3,313	3,556	4.9	7.3
Entertainment	2,504	2,572	2,605	2.7	1.3
Cash contributions	1,633	1,721	1,913	5.4	11.2
Personal insurance and pensions	5,373	5,424	5,591	0.9	3.1
All other expenditures	3,379	3,382	3,557	0.1	5.2
Consumer unit characteristics:					
Number of consumer units (000's)	121,107	122,287	124,416		
Average age of reference person	49.4	49.7	50.0		
Average number in consumer unit:					
Persons	2.5	2.5	2.5		
Earners	1.3	1.3	1.3		
Vehicles	1.9	1.9	1.9		
Percent homeowner	66	65	64		
Income before taxes	\$62,481	\$63,685	\$65,596	1.9	3.0

Spending patterns, 2010-2012

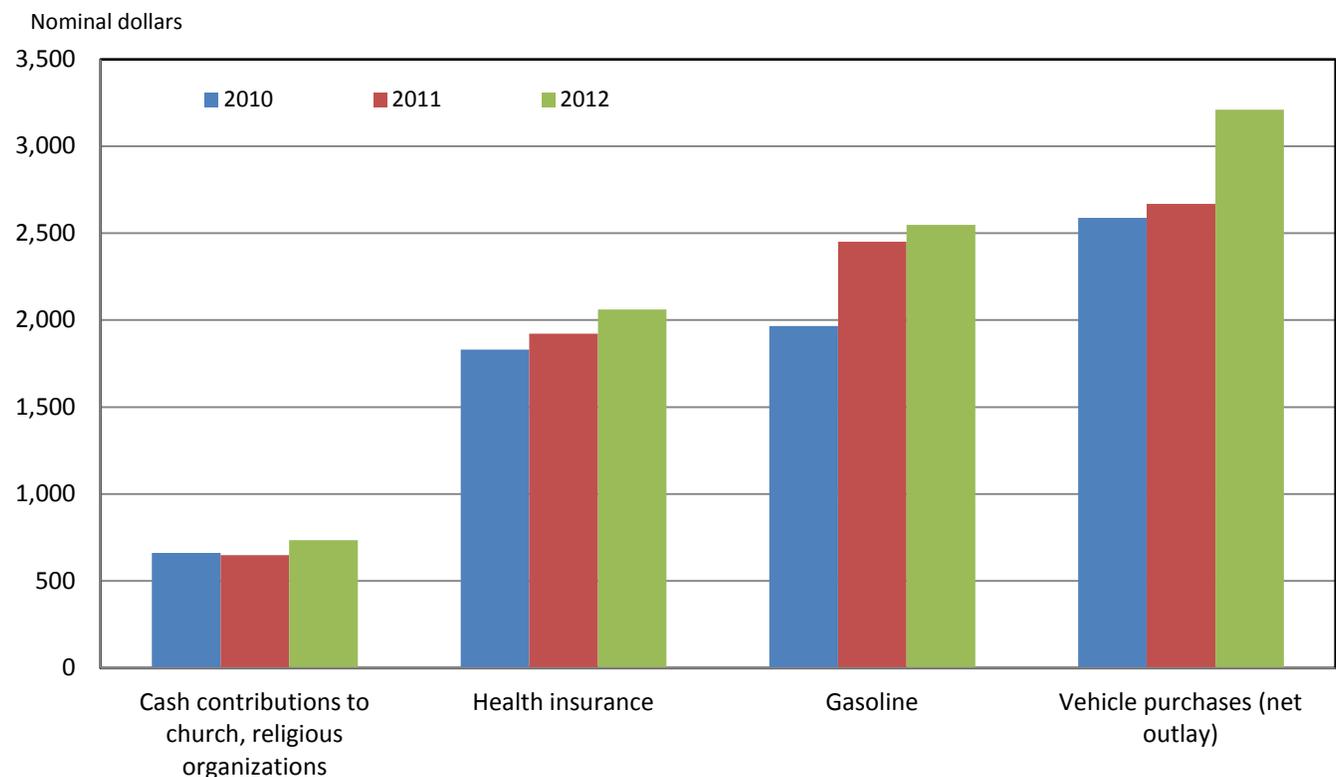
Since overall expenditures began to increase again in 2011, cash contributions, health care, and transportation have had the largest percentage increases of all the major expenditure items. Table B and chart 1 show some of the more prominent components of these categories from 2010 to 2012. Spending changes included:

- The 11.2-percent increase in cash contributions since 2011 can largely be attributed to a 13.1-percent increase in cash contributions to churches and religious organizations over that same time period. This increase is amplified due to expenditures in this category falling in 2011.
- Health insurance routinely consumes nearly 60 percent of overall health care expenditures. The 12.6-percent increase in health insurance since 2010 was the driving force behind the increased expenditures on overall health care.
- Gasoline expenditures (largely dependent on gasoline prices) rose 29.6 percent from 2010 to 2012, but the majority of that was due to a 24.7 percent increase in 2011. In 2012 gasoline expenditures increased 4.0 percent.
- Despite gasoline expenditures remaining relatively stable in 2012, overall expenditures on transportation continued to rise (+17.2 percent since 2010). This can be traced to a 20.3-percent increase in expenditures on vehicle purchases from 2011 to 2012.

Table B. Average annual consumer expenditures for selected components, 2010-2012

Item	2010	2011	2012
Cash contributions to church, religious organizations	\$661	\$649	\$734
Health insurance	1,831	1,922	2,061
Gasoline	1,966	2,451	2,549
Vehicle purchases (net outlay) ²	2,588	2,669	3,210

Chart 1. Average annual consumer expenditures for selected components, 2010-2012



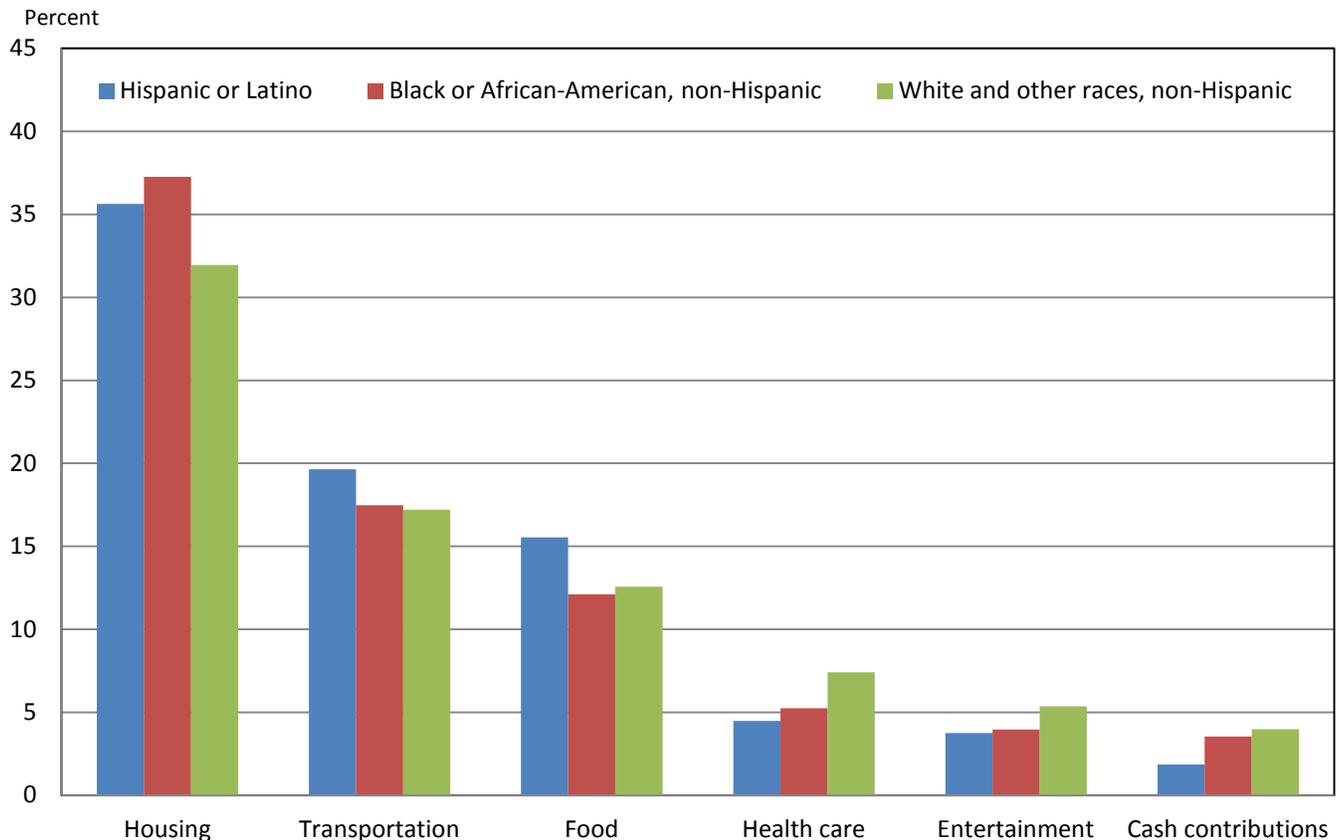
Spending by selected demographics

Consumer Expenditure Survey (CE) data measure how consumers allocate their spending among the various components of total expenditures. For example, table C and chart 2 compare the share allocated to selected expenditures by ethnicity and race. Hispanic consumer units (CUs) allocated more money to transportation and food than the non-Hispanic groups. Black, non-Hispanic CUs allocated more money to housing than any other group, and white, non-Hispanic CUs allocated more money to health care and entertainment than other CUs. Share of spending on cash contributions, the category with the largest percentage increase for all CUs in 2012 was varied, with Hispanics devoting a smaller portion than their non-Hispanic counterparts.

Table C. Shares of average annual expenditures on selected major components by ethnicity and race, 2012

Item	Hispanic or Latino	Black or African-American, non-Hispanic	White and all other races, non-Hispanic
Housing	35.6	37.3	32.0
Transportation	19.7	17.5	17.2
Food	15.5	12.1	12.6
Health care	4.5	5.2	7.4
Entertainment	3.8	4.0	5.4
Cash contributions	1.9	3.5	4.0

Chart 2. Shares of average annual expenditures on selected major components by ethnicity and race, 2012



Tables and data

Consumer Expenditure Survey data include the expenditures and income of consumers, as well as the demographic characteristics of those consumers. Tables with more expenditure detail are available at www.bls.gov/cex. Published tables provide 2012 CE data by standard classifications that include income quintile, income class, age of reference person, size of consumer unit, number of earners, composition of consumer unit, region of residence, housing tenure, type of area (urban-rural), race, Hispanic origin, occupation, and education. New to the annual tables this year is the adjustment of the education table; where previously it was broken out by the education level of the reference person, it is now broken out by the highest level of education within the CU. As of this release, these annual tables include means, shares, and standard errors, as opposed to the prior format which separated these statistics into three different tables. Other tables available on the website include expenditures by age, region, size, or gender cross-tabulated by income before taxes and other demographic variables. Historical tables back to 1984 and tabulations for selected metropolitan areas are also available.

A forthcoming Annual Report will include a brief discussion of expenditure changes in 2012 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 2012 CE data. Recent CE-specific *Beyond the Numbers* articles provide analyses of topical economic issues and long term spending trends, as well as comparisons of CE data to other data series (see <http://www.bls.gov/cex/csxwebarticles.htm>).

Other survey information available on the internet includes answers to frequently asked questions, a glossary, order forms for survey products, 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 2012 CE public-use microdata, including Interview Survey data, Diary Survey data, and paradata (information about the survey process), are now 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. Past releases of CE public-use microdata that were previously only available on CD-ROM for purchase will become available on the CE website for free download. The 2007 to 2011 releases are already available online. Prior releases will be posted incrementally online in reverse chronological order through the 1996 release. For releases prior to 1996 and those not yet available online, users can continue to purchase CDs using the public-use microdata order form (see <http://www.bls.gov/cex/pumhome.htm>). All future releases of public-use microdata will solely be available online for free download.

For further information, contact the Division of Consumer Expenditure Survey, Office of Prices and Living Conditions, Bureau of Labor Statistics, 2 Massachusetts Ave., N.E., Washington, DC 20212-0001 or call (202) 691-6900; E-mail: 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.

¹ 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.

² Net outlays subtract the value of any vehicle trade-ins, in order to capture the out-of-pocket expenditures on vehicles.