

News

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Bureau of Labor Statistics

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CONSUMER EXPENDITURES IN 2007

Average annual expenditures per consumer unit, which is similar to a household, rose 2.6 percent in 2007 following an increase of 4.3 percent in 2006, according to results from the Consumer Expenditure Survey released by the Bureau of Labor Statistics of the U.S. Department of Labor. Spending kept pace with inflation in 2007 as the increase in expenditures from 2006 to 2007 was close to the 2.8 percent rise in the annual average Consumer Price Index (CPI-U) over this period.

Moderate increases in spending on housing (3.4 percent), transportation (2.9 percent), and food (0.4 percent), the three largest components of spending, contributed to the small overall increase in 2007. Among the other major components, spending increased for personal insurance and pensions (1.3 percent), health care (3.1 percent), entertainment (13.6 percent), and apparel and services (0.4 percent).

Average annual expenditures and characteristics of all consumer units and percent changes, Consumer Expenditure Survey, 2005-2007

Item	2005	2006	2007	Percent change	
				2005-2006	2006-2007
Number of consumer units (000's)	117,356	118,843	120,171		
Income before taxes	\$58,712	\$60,533	\$63,091		
Average age of reference person	48.6	48.7	48.8		
Average number in consumer unit:					
Persons	2.5	2.5	2.5		
Earners	1.3	1.3	1.3		
Vehicles	2.0	1.9	1.9		
Percent homeowner	67	67	67		
Average annual expenditures	\$46,409	\$48,398	\$49,638	4.3	2.6
Food	5,931	6,111	6,133	3.0	0.4
At home	3,297	3,417	3,465	3.6	1.4
Away from home	2,634	2,694	2,668	2.3	-1.0
Housing	15,167	16,366	16,920	7.9	3.4
Apparel and services	1,886	1,874	1,881	-0.6	0.4
Transportation	8,344	8,508	8,758	2.0	2.9
Health care	2,664	2,766	2,853	3.8	3.1
Entertainment	2,388	2,376	2,698	-0.5	13.6
Personal insurance and pensions	5,204	5,270	5,336	1.3	1.3
Other expenditures	4,823	5,129	5,060	6.3	-1.3

Consumer Expenditure Survey (CE) data include the expenditures and income of consumers, as well as the demographic characteristics of those consumers. Tables with more expenditure detail than is shown in this news release will be available November 26, 2008 by accessing the BLS website (<http://www.bls.gov/cex>). Tables show 2007 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. 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.

In 2007 there were a number of revisions to the survey questionnaires to capture new products and services that are available to consumers. This was the latest in a series of periodic revisions to keep the surveys current with changes in the marketplace. Also for 2007, a number of expenditure items changed survey source from the Interview Survey to the Diary Survey or vice versa. Due to the overlap in the item coverage between the two surveys, the survey source is periodically reviewed and statistical methods are used to select the best source.

Other available data

A forthcoming annual report will include a brief discussion of expenditure changes in 2007 and tables with data classified by the standard characteristics listed above. Detailed reports that include CE data are published at two-year intervals and include the standard tabulations and cross-tabulations at the same level of expenditure detail as shown on the website. Metropolitan area tables are also included. All data published in the reports 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, order forms for survey products, and analytical articles that use CE data. Beginning with the 2000 data, standard error tables for integrated data are available on the BLS site. 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 2007 Diary and Interview microdata will soon be available on CD-ROM. The Interview files contain expenditure data in two different formats: MTAB 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 MTAB files. The CE microdata files are available on CD-ROM back to 1990 and for selected earlier years. In addition to the standard ASCII and PC SAS formats offered the past several years, three new formats will be offered for 2007—STATA, SPSS, and ASCII comma-delimited. CD purchasers will need to specify which format they want. (See www.bls.gov/cex/csxmicro.htm for details.)

For further information, contact the Division of Consumer Expenditure Surveys, Office of Prices and Living Conditions, Bureau of Labor Statistics, 2 Massachusetts Ave., N.E., Washington, DC 20212-0001 or call 202-691-6900. Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.