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WESTERN INFORMATION OFFICE: San Francisco, Calif.

Technical information: (415) 625-2270 • BLSinfoSF@bls.gov • www.bls.gov/regions/west

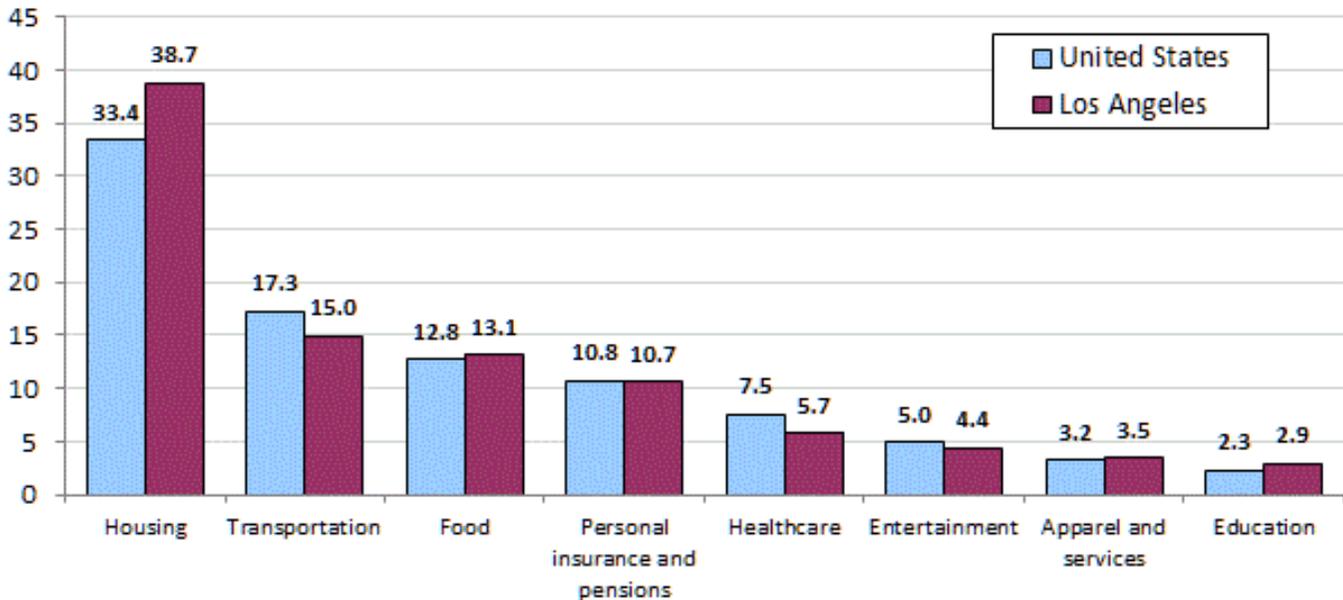
Media contact: (415) 625-2270

Consumer Expenditures for the Los Angeles Area: 2013-14

Households in the Los Angeles-Orange, Calif., metropolitan area spent an average of \$55,546 per year in 2013–14, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Richard J. Holden noted that this figure was significantly higher than the \$52,284 average expenditure level for households in the United States. Los Angeles-area households allocated their dollars significantly different from the U.S. average in 4 of the 8 major expenditure categories. For example, the share of expenditures for housing, which accounted for 38.7 percent of the average household’s budget in the Los Angeles area, was significantly higher than the national average of 33.4 percent. (See [chart 1](#) and [table 1](#).)

Chart 1. Percent distribution of average annual expenditures for eight major categories in the United States and Los Angeles metropolitan area, 2013–2014

Expenditure shares



SOURCE: U.S. Bureau of Labor Statistics.

Highlights of the Los Angeles area’s 2013–14 spending patterns:

- **Housing:** This was the largest expenditure category for Los Angeles-area households and averaged \$21,501. As noted, housing accounted for 38.7 percent of the area’s household budget, significantly higher than the 33.4-percent U.S. average. (See [table 1](#).) Among the 18 metropolitan areas nationwide for which data were available, Los Angeles was 1 of 8 areas to have housing expenditure shares which were

significantly higher than the national average. Housing expenditures among the 18 areas ranged from 39.6 percent in New York to 30.2 percent in Detroit. (See [table 2](#).)

- **Transportation:** Los Angeles-area households spent 15.0 percent of their budget on transportation, significantly below the national average of 17.3 percent. Of the \$8,315 in annual transportation expenditures in Los Angeles, 92.8 percent was spent buying and maintaining private vehicles; this compared to the national average of 93.8 percent.
- **Food:** The portion of a Los Angeles household's budget spent on food, 13.1 percent, was not significantly different from the 12.8-percent U.S. average. Los Angeles-area households spent \$4,196, or 57.7 percent, of their food dollars on food prepared at home and \$3,083 (42.4 percent) on food prepared away from home. In comparison, the average U.S. household spent 59.5 percent of its food budget on food prepared at home and 40.5 percent on food prepared 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, 2013 and 2014.

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/pdf/homch16.pdf. Data for the nation, the four geographic regions of the U.S., and 18 metropolitan areas nationwide are available at www.bls.gov/cex/tables.htm. Metropolitan definitions used in the survey are available at www.bls.gov/regions/ce_areadef.pdf. Los Angeles-Riverside-Orange County, Calif., is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties. 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.

Table 1. Average annual expenditures, characteristics and percent distribution, United States and Los Angeles metropolitan area, 2013-14

Category	United States	Los Angeles
Consumer unit characteristics:		
Income before taxes.....	\$65,339	\$69,118
Age of reference person.....	50.2	48.0
Average number in consumer unit:		
Persons.....	2.5	2.8
Children under 18.....	0.6	0.7
Persons 65 and over.....	0.4	0.3
Earners.....	1.3	1.4
Vehicles.....	1.9	1.6
Percent homeowner.....	63	50
Average annual expenditures:		
Percent distribution.....	\$52,284	\$55,546*
Total.....	100.0	100.0
Food.....	12.8	13.1
Alcoholic beverages.....	0.9	0.9
Housing.....	33.4	38.7*
Apparel and services.....	3.2	3.5
Transportation.....	17.3	15.0*
Healthcare.....	7.5	6.2
Entertainment.....	5.0	4.4*
Personal care products and services.....	1.2	1.4*
Reading.....	0.2	0.1*
Education.....	2.3	2.9
Tobacco products and smoking supplies.....	0.6	0.3*
Miscellaneous.....	1.3	1.1
Cash contributions.....	3.5	2.3*
Personal insurance and pensions.....	10.8	10.7

Note:* 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 18 metropolitan areas, 2013-14

Area	Housing	Transportation	Food
United States.....	33.4	17.3	12.8
Atlanta.....	33.2	16.4	12.8
Baltimore.....	33.9	15.0	11.5
Boston.....	33.3	15.1*	11.7*
Chicago.....	35.1*	15.2*	12.7
Cleveland.....	31.0*	18.0	13.7
Dallas.....	33.1	18.3	12.7
Detroit.....	30.2*	19.2*	12.4
Houston.....	33.4	17.9	12.1
Los Angeles.....	38.7*	15.0*	13.1
Miami.....	39.4*	16.8	13.0
Minneapolis.....	32.4	17.9	11.3*
New York.....	39.6*	13.4*	11.6

Note: See footnotes at end of table.

Table 2. Percent share of average annual expenditures for housing, transportation, and food, United States and 18 metropolitan areas, 2013-14 - Continued

Area	Housing	Transportation	Food
Philadelphia.....	35.4*	16.4*	12.5
Phoenix.....	34.2	19.4	13.9
San Diego.....	37.6*	16.3	11.0*
San Francisco.....	37.3*	13.7*	11.9
Seattle.....	35.0	15.4*	12.3
Washington.....	35.8*	18.0	10.0*

Note:* Statistically significant difference from the U.S. average at the 95-percent confidence level.