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Consumer Expenditures for the Los Angeles Area: 2017-18

Households in the Los Angeles, CA, metropolitan area spent an average of \$68,129 per year in 2017–18, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Richard Holden noted that this figure was significantly higher than the \$60,580 average expenditure level for households in the United States. Los Angeles-area households allocated their dollars differently from the nation in six of the eight major expenditure categories. For example, the share of expenditures for housing, which accounted for 35.7 percent of the average household’s budget in the Los Angeles area, was significantly higher than the national average of 33.0 percent. (See [chart 1](#) and [table 1](#).)

Highlights of the Los Angeles area’s 2017–18 spending patterns:

- **Housing:** This was the largest expenditure category for Los Angeles-area households and averaged \$24,326. Housing accounted for 35.7 percent of the area’s household budget, significantly higher than the 33.0-percent U.S. average. (See [table 1.](#)) Housing expenditures shares among the 22 metropolitan areas nationwide for which data were available ranged from 39.4 percent in San Francisco to 30.1 percent in Detroit. (See [table 2.](#))
- **Transportation:** Los Angeles-area households spent 13.6 percent of their budget on transportation, significantly lower than the national average of 16.0 percent. Of the \$9,273 in annual transportation expenditures in Los Angeles, 90.1 percent was spent buying and maintaining private vehicles; this compared to the national average of 92.1 percent.

- **Food:** The portion of a Los Angeles household's budget spent on food, 13.2 percent, was not significantly different from the 12.9-percent U.S. average. Los Angeles-area households spent \$4,543, or 50.6 percent, of their food dollars on food at home and \$4,431 (49.4 percent) on food away from home. In comparison, the average U.S. household spent 56.4 percent of its food budget on food at home and 43.6 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, 2017 and 2018.

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 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 <https://www.bls.gov/opub/hom/cex/home.htm>. Data for the nation, the four geographic regions of the U.S., 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 Los Angeles, CA Metropolitan Statistical Area which comprises Los Angeles, Orange, Riverside, and San Bernardino Counties in California. 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 Los Angeles metropolitan area, 2017–18

Category	United States	Los Angeles
Consumer unit characteristics:		
Income before taxes	\$76,118	\$82,119
Age of reference person	51	49.2
Average number in consumer unit:		
People	2.5	2.8
Children under 18	0.6	0.7
Adults 65 and over	0.4	0.3
Earners	1.3	1.5
Vehicles	1.9	1.7
Percent homeowner	63	52
Average annual expenditures	\$60,580	\$68,129*
Percent distribution		
Total	100.0	100.0
Food	12.9	13.2
Alcoholic beverages	0.9	1.0
Housing	33.0	35.7*
Apparel and services	3.1	3.1
Transportation	16.0	13.6*
Healthcare	8.1	5.7*
Entertainment	5.3	4.2*
Personal care products and services	1.3	1.2
Reading	0.2	0.1*
Education	2.4	3.4*
Tobacco products and smoking supplies	0.6	0.3*
Miscellaneous	1.7	1.8
Cash contributions	3.1	2.4*
Personal insurance and pensions	11.6	14.3*

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, 2017–18

Area	Housing	Transportation	Food
United States.....	33.0	16.0	12.9
Anchorage.....	31.5	15.7	12.6
Atlanta.....	32.8	16.3	11.5*
Baltimore.....	32.3	15.8	11.9
Boston.....	37.5*	12.0*	12.1
Chicago.....	35.3*	13.2*	13.3
Dallas-Fort Worth.....	36.7*	16.8	11.1*
Denver.....	34.2	15.2	12.4
Detroit.....	30.1*	19.3*	12.3
Honolulu.....	38.0*	10.9*	18.1*
Houston.....	34.1	15.9	11.8*
Los Angeles.....	35.7*	13.6*	13.2
Miami.....	37.3*	15.3	11.8
Minneapolis-St. Paul.....	33.6	12.9*	11.6*
New York.....	39.0*	12.0*	12.3
Philadelphia.....	32.8	15.6	12.6
Phoenix.....	31.0	19.0	11.7
San Diego.....	35.9*	14.3	13.3
San Francisco.....	39.4*	11.3*	12.6
Seattle.....	34.5	14.1	13.4
St. Louis.....	32.9	15.1	11.7
Tampa.....	35.5	15.3	14.3
Washington, D.C.....	33.9	14.4	12.3

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