

NEWS RELEASE



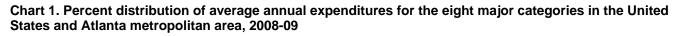
SOUTHEAST INFORMATION OFFICE Atlanta, Ga.

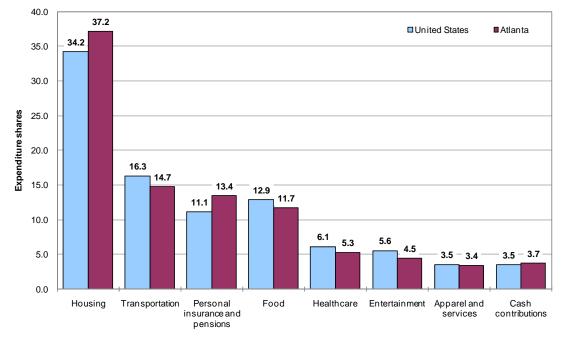
For release: Thursday, October 28, 2010

Technical information: (404) 893-4222 • BLSinfoAtlanta@bls.gov • www.bls.gov/ro4 Media contact: (404) 893-4220

CONSUMER EXPENDITURES FOR THE ATLANTA AREA: 2008-09

Consumer units¹ in the Atlanta-Sandy Springs-Marietta, Georgia metropolitan area spent an average of \$45,941 per year in 2008-09, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that this figure was about 8 percent lower than the \$49,778 average expenditure level for a typical household in the United States. Whereas households in the Atlanta area spent less than the U.S. average, they also allocated their dollars differently among the major categories, differing significantly in six of the eight. For example, expenditures for food, which comprised 11.7 percent of a typical Atlanta household budget, were significantly smaller than the national average of 12.9 percent. (See chart 1.)





¹ See the Additional Information section for the definition of a consumer unit. The terms consumer unit and household are used interchangeably throughout the text for convenience.

Housing in the Atlanta metropolitan area averaged \$17,072 annually and was the largest expenditure category, accounting for 37.2 percent of an Atlanta area household's total budget. This share was significantly different from the 34.2 percent national average. (See tables 1 and 2.) Overall, 10 of the 18 published metropolitan areas had expenditure shares for housing measurably above the U.S. average; only Houston had a lower-than-average share. (See chart 2.) Housing expenditures ranged from 41.3 percent in San Diego to 31.9 percent in Houston among the 18 areas. (See table 3.)

The majority of housing expenditures in Atlanta went toward shelter, 62.3 percent, which includes mortgage interest, property taxes, repairs, and rent, among other items; nationwide, 59.6 percent of the housing budget was allocated for shelter. (See table A.) Utilities, fuels, and public services expenses accounted for 22.8 percent of the housing budget locally; nationally, it made up 21.5 percent. The rate of home ownership in Atlanta, at 67 percent, was just above the U.S. average of 66 percent.

| Category | United States | Atlanta |
|---------------------------------------|---------------|---------|
| Total housing | 100.0 | 100.0 |
| Shelter | 59.6 | 62.3 |
| Utilities, fuels, and public services | 21.5 | 22.8 |
| Household operations | 5.9 | 5.4 |
| Housekeeping supplies | 3.9 | 3.1 |
| Household furnishings and equipment | 9.2 | 6.4 |

Table A. Percent distribution of housing expenditures, United States and Atlanta, 2008-09

Note: Columns may not add to 100 due to rounding.

At 14.7 percent of the total budget, transportation was the second-largest expenditure category in the Atlanta area, significantly lower that the national average of 16.3 percent. Among the 18 metropolitan areas nationwide, only Detroit (19.2 percent) had an above-average transportation share. (See chart 3.)

Of the \$6,760 in annual expenditures for transportation in Atlanta, 94.6 percent was spent buying and maintaining private vehicles; this compared to the national average of 93.9 percent. The remaining 5.3 percent of an Atlanta household's transportation budget was spent on public transit, which includes fares for taxis, buses, trains, and planes; this allocation was on par with the 6.1-percent average for the nation. (See table B.) Among the 18 metropolitan areas, shares of the transportation budget for public transit ranged from 13.6 percent in San Francisco to 3.9 percent in Detroit. The average number of vehicles per household in Atlanta (1.8) was below the national average (2.0).

Table B. Percent distribution of transportation expenditures, United States and Atlanta, 2008-09

| Category | United States | Atlanta |
|--------------------------------|---------------|---------|
| Transportation | 100.0 | 100.0 |
| Vehicle purchases (net outlay) | 33.3 | 23.6 |
| Gasoline and motor oil | 28.9 | 38.9 |
| Other vehicle expenses | 31.7 | 32.1 |
| Public transportation | 6.1 | 5.3 |

Note: Columns may not add to 100 due to rounding.

The portion of an Atlanta consumer unit's budget spent on food, 11.7 percent, was significantly less than the 12.9-percent U.S. average. However, among the 18 metropolitan areas, 10 had food expenditure shares that were not measurably different from the nationwide average. Boston was the only area with an expenditure share (13.8 percent) for food significantly above that for the nation.

Households in Atlanta spent nearly the same percentage of their food dollars on food at home (50.5 percent) as they did for food away from home (49.5 percent). Food away from home includes restaurant meals, carry-out, board at school, and catered affairs. In comparison, the typical U.S. household spent 58.5 percent of its food budget on food at home and 41.5 percent on food away from home.

As noted, Atlanta is 1 of 18 metropolitan areas nationwide for which Consumer Expenditure Survey (CE) data are available. We encourage users interested in learning more about the Consumer Expenditure Survey to contact the Southeast Information Office at (404) 893-4222 from 9:00 a.m. to 12:00 p.m. and 1:00 p.m. to 4:00 p.m. ET. Metropolitan area CE data and that for the four geographic regions and the United States are available on the BLS Web site at www.bls.gov/cex/tables.htm.

Additional Information

Data contained in this report are from the Consumer Expenditure Survey, which is collected on an ongoing basis by the U.S. Census Bureau for the Bureau of Labor Statistics (BLS). The CE data were averaged over a two-year period, 2008 and 2009. CE data are available for the nation, the 4 geographic regions of the country, and 18 metropolitan areas. The metropolitan area discussed in this release is Atlanta-Sandy Springs, Marietta, Ga., which is comprised of Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Newton, Paulding, Pickens, Pike, Rockdale, Spalding, and Walton Counties in Georgia.

The survey consists of two components, a diary or recordkeeping survey, and an interview survey. The integrated data from the BLS Diary and Interview Surveys provide a complete accounting of consumer expenditures and income, which neither survey component alone is designed to do. Due to changes in the survey sample frame, metropolitan area data in this release are not directly comparable to those prior to 1996.

The expenditure data in this release should be interpreted with care. The expenditures are averages for consumer units with the specified characteristics, regardless of whether a specific unit incurred an expense for that item during the recording period. The average expenditure may be considerably lower than the expenditure by those consumer units that purchased the item. This study is not intended as a comparative cost of living survey, as neither the quantity nor the quality of goods and services has been held constant among areas. Differences may result from variations in demographic characteristics such as consumer unit size, age, preferences, income levels, etc. However, expenditure shares, or the percentage of a consumer unit's budget spent on a particular category, can be used to compare spending patterns across areas. Users should also keep in mind that prices for many goods and services have risen since the survey was conducted.

The CE significance tests in this release compare expenditure shares for selected expenditure categories in the United States to expenditure shares in selected metropolitan areas. (See table 3.) Expenditure shares for housing and transportation that are above or below that for the nation after testing for significance at the 95-percent confidence interval are also identified in charts 2 and 3 for the 18 metropolitan areas surveyed. It should be remembered that 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.

NOTE: 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. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

| Category | United States | Atlanta |
|---------------------------------------|---------------|----------|
| Average annual expenditures | \$49,778 | \$45,941 |
| Percent distribution: | 100.0 | 100.0 |
| Food | 12.9 | 11.7 * |
| Alcoholic beverages | 0.9 | 0.7 * |
| Housing | 34.2 | 37.2 * |
| Apparel and services | 3.5 | 3.4 |
| Transportation | 16.3 | 14.7 * |
| Healthcare | 6.1 | 5.3 * |
| Entertainment | 5.6 | 4.5 * |
| Personal care products and services | 1.2 | 1.3 |
| Reading | 0.2 | 0.2 * |
| Education | 2.1 | 1.7 |
| Tobacco products and smoking supplies | 0.7 | 0.5 * |
| Miscellaneous | 1.7 | 1.8 |
| Cash contributions | 3.5 | 3.7 |
| Personal insurance and pensions | 11.1 | 13.4 * |

Table 1. Percent distribution of average annual expenditures, United States and Atlanta, Consumer Expenditure Survey, 2008-09

* Statistically significant difference from the U.S. average at the 95-percent confidence level. Note: Columns may not add to 100 due to rounding

Table 2. Consumer unit characteristics and average annual expenditures, United States and Atlanta, Consumer Expenditure Survey, 2008-09

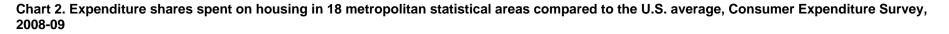
| Category | United States | Atlanta |
|---------------------------------------|---------------|----------|
| Consumer unit characteristics: | | |
| Income before taxes | \$63,209 | \$70,931 |
| Age of reference person | 49.2 | 46.4 |
| | | |
| Average number in consumer unit: | | |
| Persons | 2.5 | 2.4 |
| Children under 18 | 0.6 | 0.6 |
| Persons 65 and over | 0.3 | 0.2 |
| Earners | 1.3 | 1.4 |
| Vehicles | 2.0 | 1.8 |
| Percent homeowners | 66 | 67 |
| Average annual expenditures | \$49,778 | \$45,941 |
| Food | 6,407 | 5,375 |
| Food at home | 3,749 | 2,717 |
| Cereals and bakery products | 507 | 389 |
| Meats, poultry, fish, and eggs | 844 | 644 |
| Dairy products | 418 | 279 |
| Fruits and vegetables | 657 | 456 |
| Other food at home | 1,324 | 949 |
| Food away from home | 2,658 | 2,658 |
| Alcoholic beverages | 439 | 324 |
| Housing | 17,002 | 17,072 |
| Shelter | 10,129 | 10,639 |
| Owned dwellings | 6,651 | 7,313 |
| Rented dwellings | 2,792 | 2,857 |
| Other lodging | 685 | 469 |
| Utilities, fuels, and public services | 3,647 | 3,899 |
| Household operations | 1,004 | 915 |
| Housekeeping supplies | 657 | 522 |
| Household furnishings and equipment | 1,565 | 1,096 |
| Apparel and services | 1,763 | 1,580 |
| Transportation | 8,133 | 6,760 |
| Vehicle purchases (net outlay) | 2,706 | 1,597 |
| Gasoline and motor oil | 2,351 | 2,631 |
| Other vehicle expenses | 2,580 | 2,171 |
| Public transportation | 496 | 360 |
| Healthcare | 3,051 | 2,417 |
| Entertainment | 2,764 | 2,045 |
| Personal care products and services | 606 | 611 |
| Reading | 113 | 81 |
| Education | 1,057 | 788 |
| Tobacco products and smoking supplies | 348 | 212 |
| Miscellaneous | 828 | 814 |
| Cash contributions | 1,730 | 1,695 |
| Personal insurance and pensions | 5,538 | 6,167 |
| Life and other personal insurance | 313 | 282 |
| Pensions and Social Security | 5,225 | 5,885 |

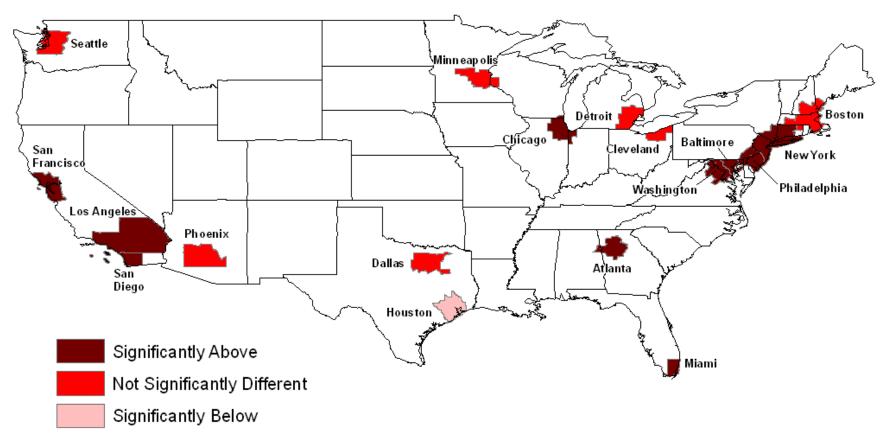
| Area | Housing | Transportation | Food |
|---------------|---------|----------------|---------------|
| United States | 34.2 | 16.3 | 12.9 |
| Atlanta | 37.2 * | 14.7 * | 11.7 * |
| Baltimore | 39.6 * | 12.6 * | 11.3 * |
| Boston | 35.1 | 14.5 * | 13.8 * |
| Chicago | 36.2 * | 15.5 | 12.4 |
| Cleveland | 33.8 | 15.3 | 12.5 |
| Dallas | 33.8 | 16.1 | 12.5 |
| Detroit | 33.1 | 19.2 * | 13.0 |
| Houston | 31.9 * | 18.3 | 11.9 * |
| Los Angeles | 38.6 * | 15.5 | 13.3 |
| Miami | 39.9 * | 17.7 | 12.2 |
| Minneapolis | 34.0 | 15.7 | 12.2 |
| New York | 39.2 * | 14.1 * | 12.3 * |
| Philadelphia | 37.2 * | 14.4 * | 11.4 * |
| Phoenix | 34.9 | 17.4 | 11.9 |
| San Diego | 41.3 * | 13.3 * | 12.2 |
| San Francisco | 38.5 * | 14.1 * | 11.7 * |
| Seattle | 33.4 | 14.2 * | 12.2 |
| Washington | 37.1 * | 13.8 * | <u>11.3 *</u> |

 Table 3. Percent share of average annual expenditures for housing, transportation, and food, United

 States and 18 metropolitan areas, Consumer Expenditure Survey, 2008-09

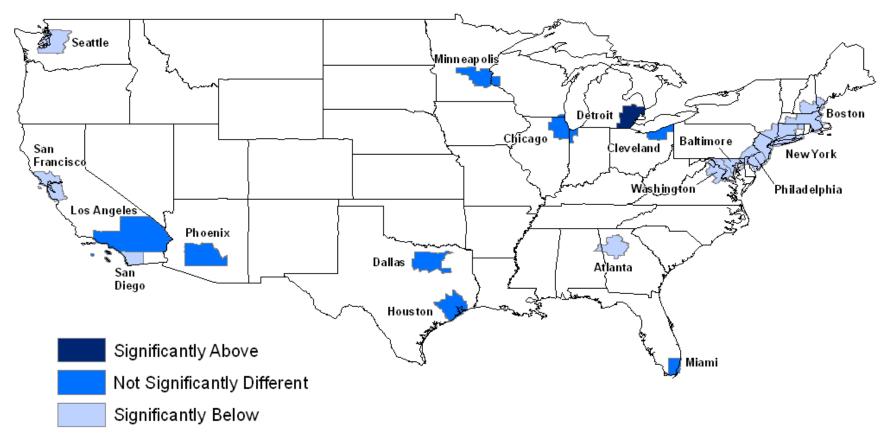
* Statistically significant difference from the U.S. average at the 95-percent confidence level.





Note: Statistical significance testing at the 95-percent confidence interval.

Chart 3. Expenditure shares spent on transportation in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2008-09



Note: Statistical significance testing at the 95-percent confidence interval.