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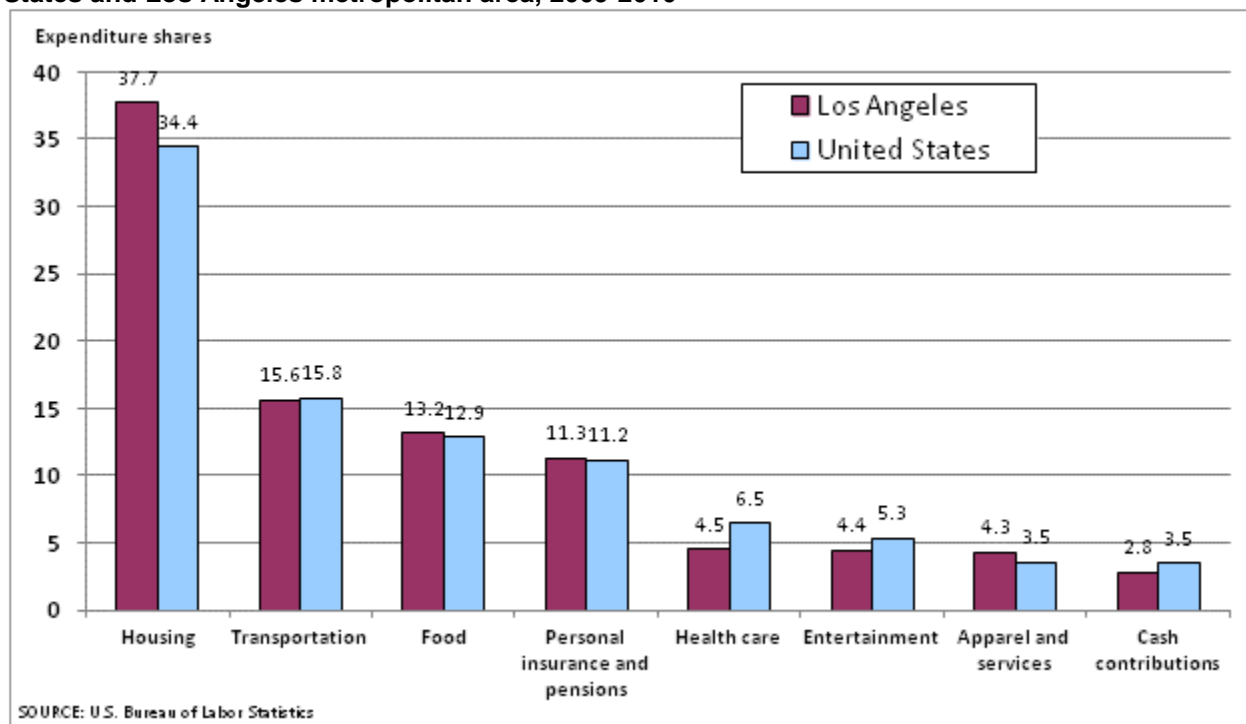
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**CONSUMER EXPENDITURES FOR THE LOS ANGELES-LONG BEACH-SANTA ANA AREA:  
2009-2010**

Consumer units<sup>1</sup> (households) in the Los Angeles-Long Beach-Santa Ana metropolitan area spent an average of \$54,576 per year in 2009-2010, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Richard J. Holden noted that this figure was 12 percent above the \$48,588 average expenditure level for a typical household in the United States. Not only did households in the Los Angeles area spend more than the U.S. average, but they also tended to allocate their dollars differently in 3 of the 8 major categories. Expenditures for housing were significantly larger than the nationwide average, whereas spending on healthcare and entertainment were measurably smaller than the nationwide average. (See chart 1 table 1.)

**Chart 1. Percent distribution of average annual expenditures for the eight major categories in the United States and Los Angeles metropolitan area, 2009-2010**



<sup>1</sup> 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 Los Angeles metropolitan area averaged \$20,584 annually and was the largest expenditure category, accounting for 37.7 percent of a Los Angeles area household's total spending. This share was significantly larger than the 34.4-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 Detroit had a significantly lower-than-average share. (See chart 2.) Among the 18 areas, housing shares ranged from 43.6 percent in Miami to 32.6 percent in Detroit. (See table 3.)

The majority of total housing expenditures in Los Angeles went toward shelter, 68.6 percent, which includes mortgage interest, property taxes, repairs, and rent, among other items; nationwide, 59.4 percent of the housing budget was allocated for shelter. (See table A.) Utilities, fuels, and public services expenses accounted for 14.8 percent of the housing budget locally; nationally, it made up 21.8 percent. The rate of homeownership in Los Angeles, at 52 percent, was less than the U.S. average of 66 percent.

**Table A. Percent distribution of housing expenditures, United States and Los Angeles, 2009-2010**

Category	United States	Los Angeles-Long Beach-Santa Ana
Total Housing	100.0	100.0
Shelter	59.4	68.6
Utilities, fuels, and public services	21.8	14.8
Household operations	6.0	6.4
Housekeeping supplies	3.8	2.9
Household furnishings and equipment	8.9	7.2

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

Source: U.S. Bureau of Labor Statistics

At 15.6 percent of the total budget, transportation was the second-largest expenditure category in the Los Angeles area, not significantly different from the national average of 15.8 percent. Among the 18 metropolitan areas nationwide, only Detroit had a transportation share that was significantly above-average. Among the remaining areas, six had significantly lower shares than the U.S. average, the lowest being Baltimore at 12.4 percent, followed by San Francisco at 12.6 percent. (See chart 3.)

Of the \$8,540 in annual expenditures for transportation in Los Angeles, 92.9 percent was spent buying and maintaining private vehicles; this compared to the national average of 93.7 percent. The average number of vehicles per household in Los Angeles was 1.8, compared to the national average of 1.9. The remaining 7.1 percent of a Los Angeles household's transportation budget was spent on public transit—which includes fares for taxis, buses, trains, and planes—and was above the 6.3-percent average for the nation. (See table B.) Among the 18 areas, public transportation budgets accounted for more than 10 percent of local transportation expenditures in 4 areas, led by New York (13.5 percent) and San Francisco (12.5 percent).

**Table B. Percent distribution of transportation expenditures, United States and Los Angeles, 2009-2010**

Category	United States	Los Angeles-Long Beach-Santa Ana
Total Transportation	100.0	100.0
Vehicle purchases (net outlay)	34.2	26.5
Gasoline and motor oil	26.9	27.3
Other vehicle expenses	32.6	39.1
Public transportation	6.3	7.1

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

Source: U.S. Bureau of Labor Statistics

The portion of the average Los Angeles consumer unit's budget spent on food, 13.2 percent, was not significantly different from the 12.9-percent U.S. average. However, among the 18 metropolitan areas, 7 had food expenditure shares that were significantly below the national average. None of the 18 areas had food expenditure shares significantly above that for the nation.

Households in Los Angeles spent \$3,942 or 54.9 percent, of their food dollars on food at home and the remaining 45.1 percent on food away from home, such as restaurant meals, carry-out, board at school, and catered affairs. In comparison, the typical U.S. household spent 59.0 percent of its food budget on food at home and 41.0 percent on food away from home.

As noted, Los Angeles 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 CE to contact the West Information Office at (415) 625-2270. Metropolitan area CE data and that for the four geographic regions and the United States are available on our Web site at <http://www.bls.gov/cex/tables.htm>.

### **Additional Information**

Data contained in this report are from the Consumer Expenditure Survey, which is conducted 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, 2009 and 2010 and are available for the nation, the 4 geographic regions of the country, and 18 metropolitan areas. The metropolitan area discussed in this release is Los Angeles-Long Beach-Santa Ana, California, which is comprised of Los Angeles and Orange Counties.

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.

A consumer unit is defined as members of a household 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.

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 or not a specific unit incurred an expense for that specific 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 changed 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 1 and 2 for the 18 metropolitan areas surveyed. 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 the 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.

**Table 1. Percent distribution of average annual expenditures, United States and Los Angeles-Long Beach-Santa Ana, Consumer Expenditure Survey, 2009-2010**

Category	United States	Los Angeles-Long Beach-Santa Ana
Average annual expenditures	\$48,588	\$54,576
Percent distribution:	100.0	100.0
Food	12.9	13.2
Alcoholic beverages	.9	.9
Housing	34.4	37.7 *
Apparel and services	3.5	4.3
Transportation	15.8	15.6
Healthcare	6.5	4.5 *
Entertainment	5.3	4.4 *
Personal care products and services	1.2	1.2
Reading	.2	.2 *
Education	2.2	2.0
Tobacco products and smoking supplies	.8	.4 *
Miscellaneous	1.7	1.5
Cash contributions	3.5	2.8
Personal insurance and pensions	11.2	11.3

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

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

Source: U.S. Bureau of Labor Statistics

**Table 2. Average annual expenditures and characteristics, United States and Los Angeles-Long Beach-Santa Ana, Consumer Expenditure Survey, 2009-2010**

Category	United States	Los Angeles-Long Beach-Santa Ana
Consumer unit characteristics:		
Income before taxes	\$62,669	\$69,782
Age of reference person	49.4	48.3
Average number in consumer unit:		
Persons	2.5	2.9
Children under 18	.6	.7
Persons 65 and over	.3	.3
Earners	1.3	1.4
Vehicles	1.9	1.8
Percent homeowner	66	52
Average annual expenditures		
Food	\$48,588	\$54,576
Food	6,250	7,182
Food at home	3,689	3,942
Cereals and bakery products	504	489
Meats, poultry, fish, and eggs	813	883
Dairy products	393	388
Fruits and vegetables	668	828
Other food at home	1,311	1,353
Food away from home	2,562	3,240
Alcoholic beverages	423	491
Housing	16,726	20,584
Shelter	9,943	14,126
Owned dwellings	6,410	7,433
Rented dwellings	2,880	6,070
Other lodging	653	623
Utilities, fuels, and public services	3,652	3,049
Household operations	1,009	1,325
Housekeeping supplies	635	597
Household furnishings and equipment	1,486	1,487
Apparel and services	1,712	2,340
Transportation	7,668	8,540
Vehicle purchases (net outlay)	2,623	2,260
Gasoline and motor oil	2,059	2,334
Other vehicle expenses	2,500	3,339
Public transportation	486	608
Healthcare	3,141	2,478
Entertainment	2,599	2,416
Personal care products and services	589	646
Reading	105	92
Education	1,071	1,112
Tobacco products and smoking supplies	371	196
Miscellaneous	833	804
Cash contributions	1,678	1,550
Personal insurance and pensions	5,422	6,145
Life and other personal insurance	314	233
Pensions and Social Security	5,108	5,912

Source: U.S. Bureau of Labor Statistics

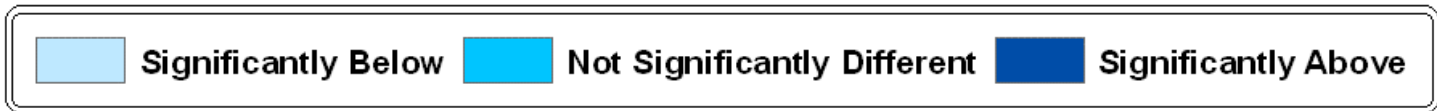
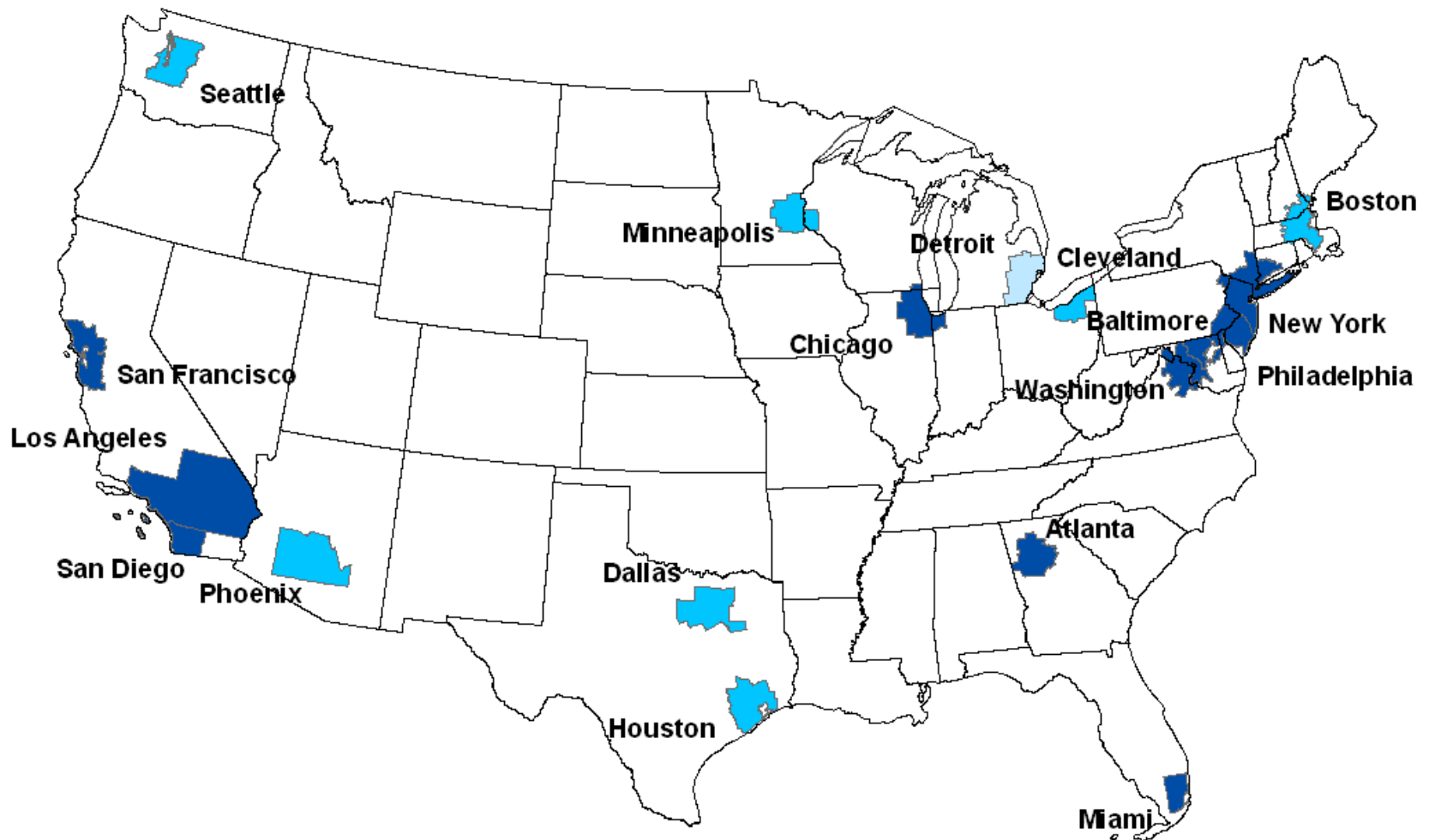
**Table 3. Percent share of average annual expenditures for housing, transportation, and food, United States and 18 metropolitan areas, Consumer Expenditure Survey, 2009-2010**

Area	Housing	Transportation	Food
United States	34.4	15.8	12.9
Atlanta	37.7 *	15.1	11.4 *
Baltimore	39.1 *	12.4 *	11.7
Boston	33.2	14.4	12.8
Chicago	36.0 *	15.2	12.6
Cleveland	33.0	15.6	12.4
Dallas	34.3	15.1	12.6
Detroit	32.6 *	18.7 *	12.0
Houston	34.0	16.6	11.6 *
Los Angeles	37.7 *	15.6	13.2
Miami	43.6 *	15.5	12.7
Minneapolis	33.6	13.7 *	12.7
New York	39.4 *	13.5 *	12.6
Philadelphia	37.8 *	13.4 *	11.9 *
Phoenix	33.6	16.3	13.4
San Diego	41.7 *	13.4 *	11.2 *
San Francisco	39.0 *	12.6 *	11.8 *
Seattle	33.1	15.4	11.0 *
Washington	36.3 *	14.4	11.0 *

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

Source: U.S. Bureau of Labor Statistics

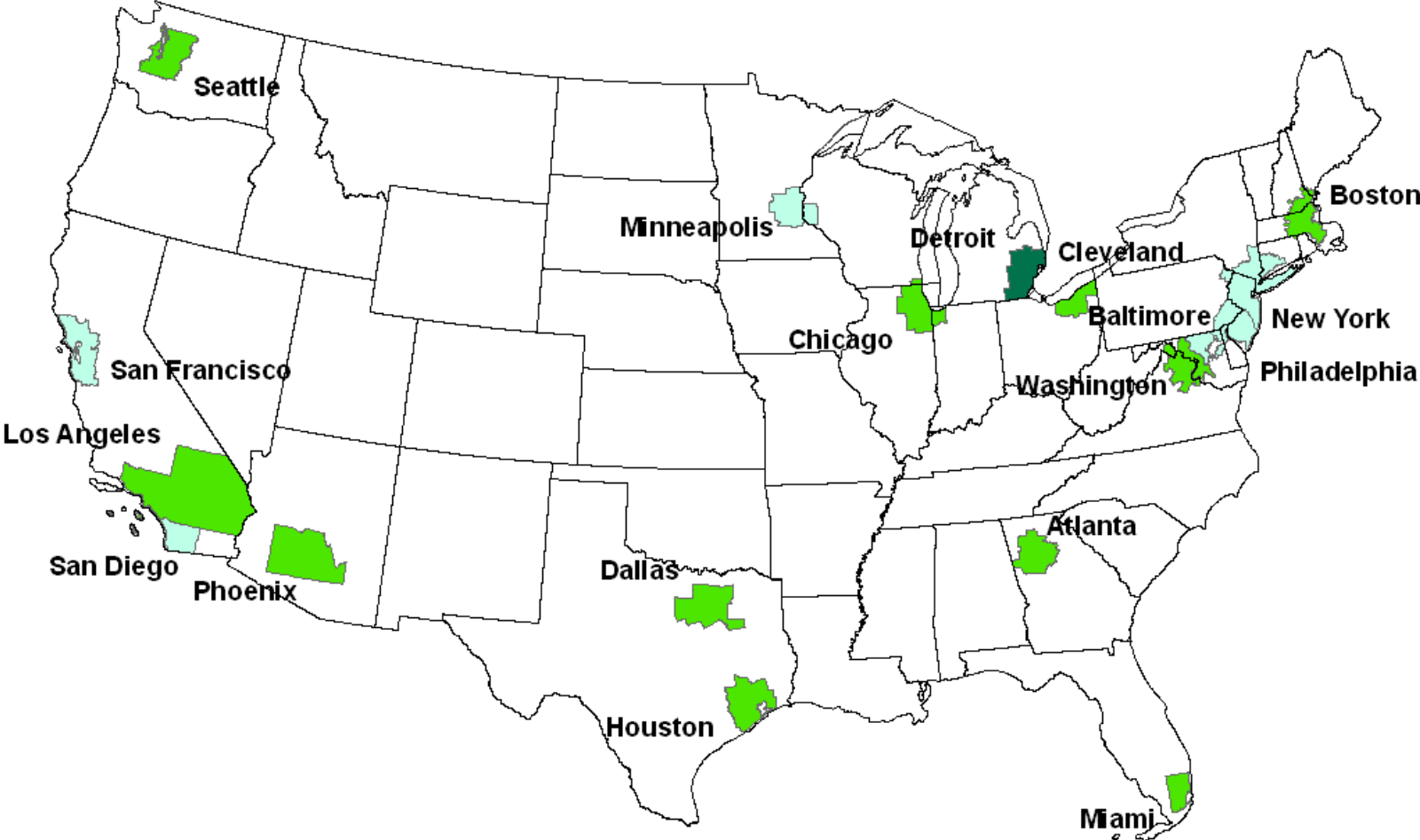
Chart 2. Expenditure shares spent on housing in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2009-2010



Note: Statistical significance tested 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, 2009-2010



Significantly Below   Not Significantly Different   Significantly Above

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