Overview of the Consumer Expenditure Surveys Program

Scott Curtin

Consumer Expenditure Surveys Program

CE Microdata Users' Workshop

August 31, 2020

BLS

Topics

1. CE Program Overview

2. CE Products

3. CE Data Use

BLS

CE Program Mission

■ The mission of the CE is to collect, process, and disseminate information that presents a statistical picture of consumer spending for the Consumer Price Index, government agencies, and private data users.

■ This mission encompasses analyzing CE data to produce socio-economic studies of consumer spending, and providing CE data users with assistance, education, and tools for working with the data.

BLS

CE Survey Overview

■ CE data are collected for BLS by the U.S. Census Bureau, from consumer units (CUs), in other words people living at one address who share living expenses (in most cases, CUs are the same as households)

■ The sample frame is a national probability sample of households designed to be representative of the U.S. civilian noninstitutionalized population

■ Respondents report dollar amounts for all non-investment purchases; business expenses and reimbursements are excluded

Sample Selection

- Geographic areas are <u>randomly</u> selected to represent the total U.S.

- Households are <u>randomly</u> selected to represent the geographic areas

- Guiding principle:

  "*Randomness ensures representativeness.*"
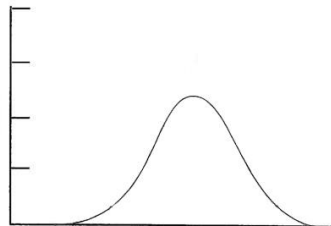
CE Survey Overview

- CE data consist of estimates derived from two separate surveys

- The **Quarterly Interview Survey** is designed to collect data on large and recurring expenditures that consumers can be expected to recall for a period of 3 months or longer, such as rent and utilities (approximately 6,000 interviews/quarter)

- The **Diary Survey** is designed to collect data on small, frequently purchased items, including most food and clothing (approximately 3,000 diaries/quarter)

Quarterly Interview Survey Design

- The Interview Survey collects detailed data on about 60 to 70 percent of total family expenditures.

- Global estimates are obtained for food and other selected items such as alcoholic beverages and tobacco products. These account for an additional 20 to 25 percent of total expenditures.

- On average, it takes 60 minutes to complete the interview.

Diary Survey

- Designed primarily to collect detailed data on small, frequently purchased items which would be difficult to recall in a quarterly interview

- Each CU is assigned two consecutive 7-day diaries with two personal visits

- Approximately 6,200 annual CU interviews (12,400 completed diaries)

- At BLS, each Diary week is treated separately for estimation purposes

Topics

1. CE Program Overview
2. CE Products
3. CE Data Use

Products

- Tables
  - Regular Production: https://www.bls.gov/cex/tables.htm
  - Research: https://www.bls.gov/cex/csxresearchtables.htm

- LABSTAT
  - Database: https://www.bls.gov/cex/data.htm

- Public Use Microdata (PUMD)
  - Data Files: https://www.bls.gov/cex/pumd_data.htm

- Publications
  - News Release: https://www.bls.gov/cex/news.htm
  - Beyond the Numbers: https://www.bls.gov/cex/csxwebarticles.htm
  - Monthly Labor Review: https://www.bls.gov/cex/csxart.htm
  - Spotlight on Statistics: https://www.bls.gov/cex/csxspotlight.htm
  - Data Quality Profile (DQP): https://www.bls.gov/cex/cecomparison.htm#dqp

CE Tables

- Tables are created using several demographic characteristics:

  - Age of reference person
  - Composition of consumer unit
  - Deciles of income before taxes
  - Generation of reference person
  - Highest education level of any member
  - Hispanic or Latino origin of reference person
  - Housing tenure
  - Income before taxes
  - Number of earners
  - Occupation of reference person
  - Population size of area of residence
  - Quintiles of income before taxes
  - Race of reference person
  - Region of residence
  - Size of consumer unit
  - Selected age of reference person
  - Type of area

11

CE Public Use Microdata (PUMD)

■ Data files:

▶ File types available include:

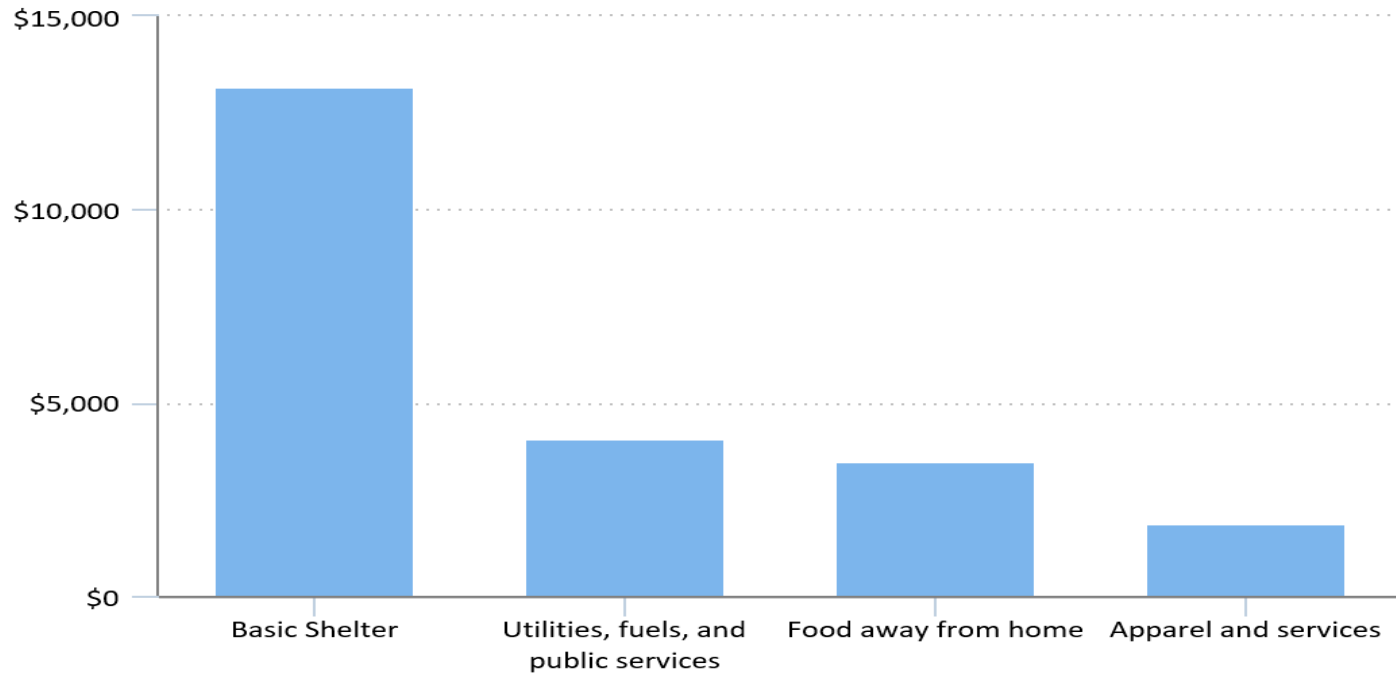SAS (*.sas7bdat), STATA (*.dta), SPSS (*.sav), comma-delimited (*.csv)

■ Documentation:

▶ Getting Started Guide

■ Supplementary resources:

▶ Provide information regarding PUMD disclosure methods and requirements
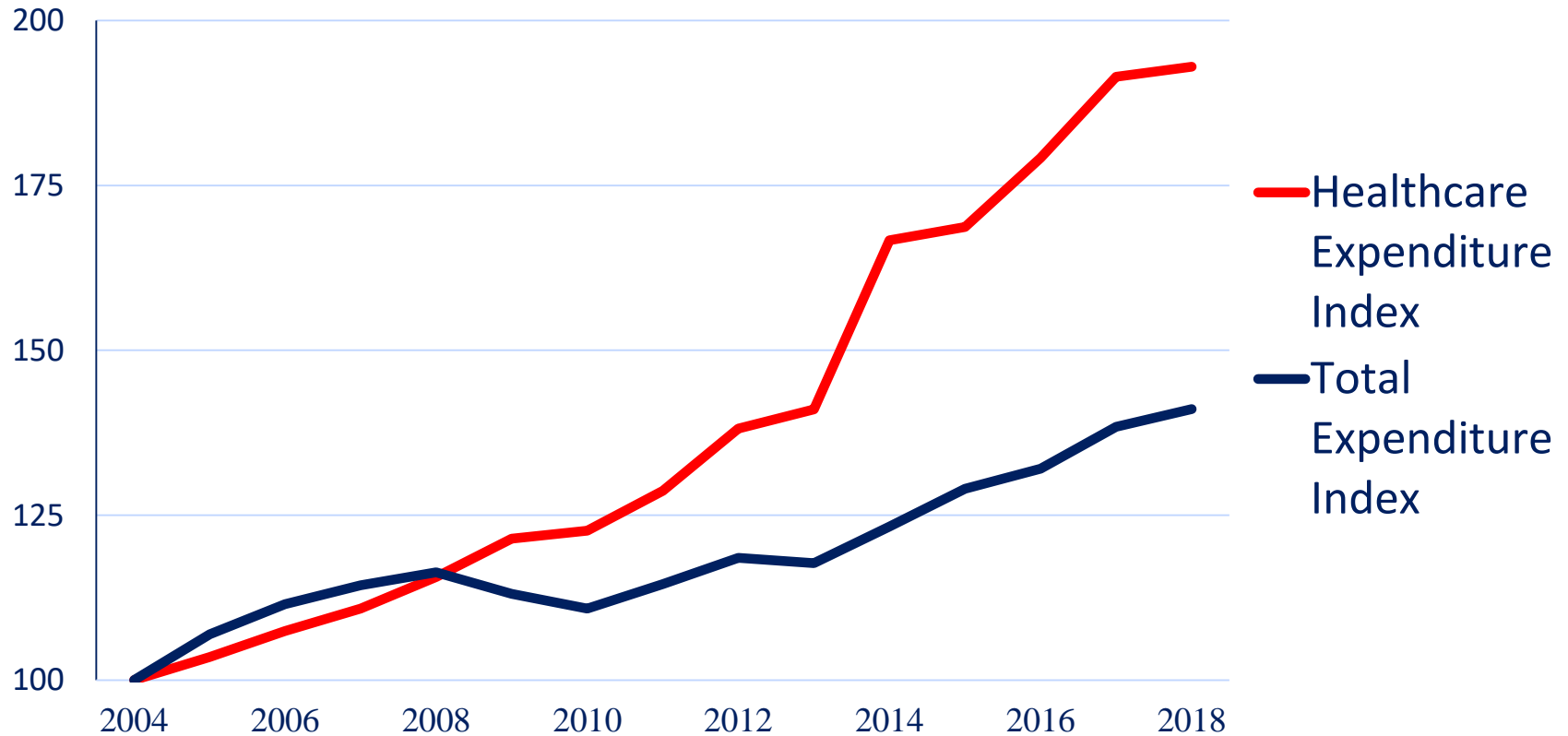
Economic Analysis

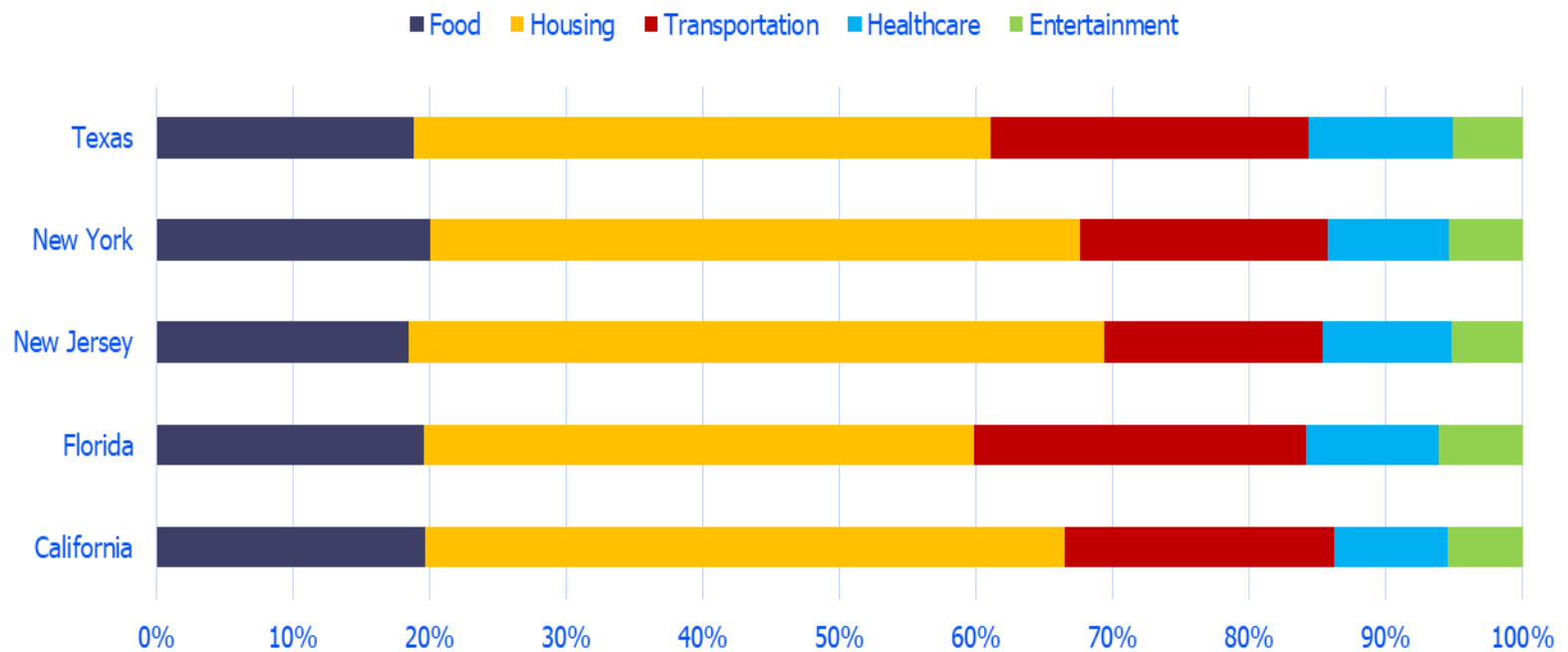## Patterns of Expenditures on Food away from Home

Economic Analysis

Index of healthcare spending and total spending, 2004-2018

Expenditure index,
base 2004=100

Economic Analysis

Shares of the five largest household expenditures for California, Florida, New York, New Jersey, and Texas, by category, 2018

Research

■ Quintiles of income before taxes:

▶ California ([HTM](#))

▶ Florida ([HTM](#))

▶ New Jersey ([HTM](#))

▶ New York ([HTM](#))

▶ Texas ([HTM](#))

■ Utilizes 2 years of PUMD to estimate values.

Topics

1. CE Program Overview
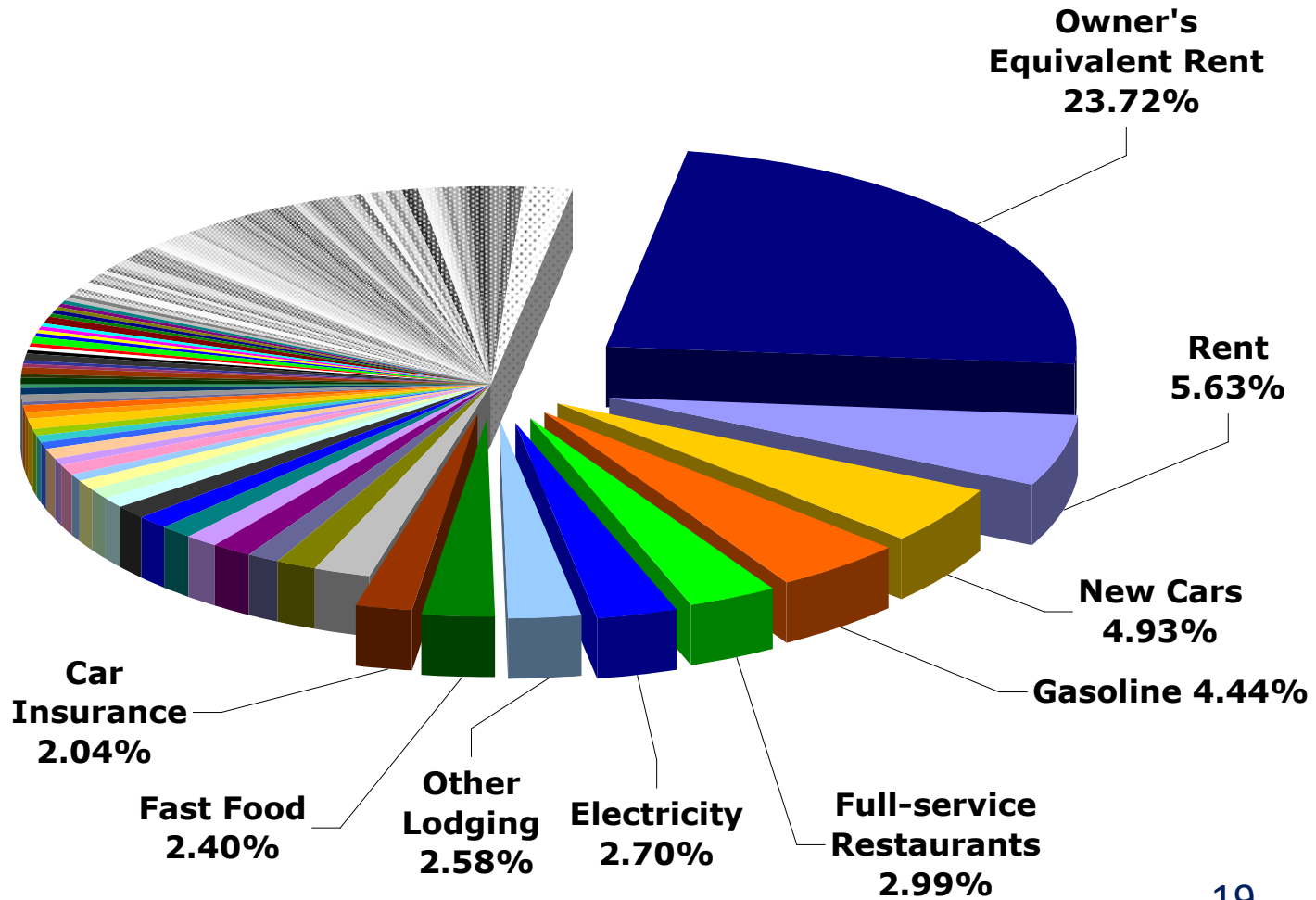2. CE Products
3. CE Data Use

CE Data Use

- Associate expenditures and income of consumers with consumer characteristics

- Study the welfare of particular segments of the population

- Understanding the effects of policy changes on diverse socioeconomic groups

- Market research

18

CE and CPI

Owner's Equivalent Rent 23.72%

Rent 5.63%

New Cars 4.93%

Gasoline 4.44%

Full-service Restaurants 2.99%

Electricity 2.70%

Other Lodging 2.58%

Fast Food 2.40%

Car Insurance 2.04%

19

CE Customers

- **Government**
  - ▶ Consumer Price Index (CPI)
  - ▶ Census Bureau (BOC)
  - ▶ Defense Department (DoD)
  - ▶ Internal Revenue Service (IRS)
  - ▶ Bureau of Economic Analysis (BEA)
  - ▶ Health and Human Services (HHS)
  - ▶ Department of Agriculture (USDA)
- **Media**
- **Market & Academic Research**

20

CE Data in Recent External Publications

Generational Spending

- [Why Do Millennials Hate Groceries?](), The Atlantic

Regional Spending

- [San Diego ranked No. 1 booziest city in America](), FOX 5 San Diego

Health Care Spending

- [The Financial Burden of Health Care Spending](), Kaiser Family Foundation

Policy Analysis

- [Tax Cuts And Jobs Act Begins To Have Positive Impact On Spending Intentions](), Forbes

- [Annual report on US consumption poverty: 2017 - AEI](), AEI

Contact Information

Scott Curtin

Consumer Expenditure Surveys Program

(202) 691-6233 | curtin.scott@bls.gov

BLS