

Spending by Singles

MEAGHAN DUETSCH

Do single women spend their money differently than single men do? If so, can their spending differences be attributed to differences in characteristics between the two groups? In addition, have the spending patterns of single men and single women changed over the past decade? These are some of the questions that can be answered with data from the Consumer Expenditure Survey. Given that people are choosing to marry at a later age and that the life expectancy of women continues to be greater than that of men, more people are single now than ever before, so the answers to the preceding questions loom large in the economic life of a significant proportion of the Nation's population.

This article examines the expenditures of single-person consumer units, both men and women. A single-person consumer unit may differ slightly from a single-person, or one-person, household. Financial independence is a criterion used to determine consumer unit status. A one-person household is a single-person consumer unit; but if two people are living together and are financially independent of one another, as in a roommate situation, then the two people are two separate single-person consumer units. Single parents with children present are not single-person consumer units. Using data for 1991–92 and 2001–02 from the interview and

diary portions of this Consumer Expenditure Survey, this article compares expenditures and demographic characteristics between and during those two periods. Two years of data are used for each period, in order to obtain a sufficient sample for examining expenditures by age and gender. Only single men and single women are compared, as opposed to all men and all women, due to the way data are collected. The Consumer Expenditure Survey collects data on expenditures for the consumer unit as a whole, with no distinction as to who made the expenditures. Therefore, in a consumer unit of more than one person, it cannot be determined who made the expenditures, whereas that is not the case in a single-person consumer unit. Expenditures are examined to determine whether they changed for each gender over the period from 1991–92 through 2001–02 and also to determine whether the expenditure relationship between genders changed during that time. Finally, expenditures are examined for a specific age group, to analyze the role of age in expenditure decisions.

Characteristics

The average age of single women was about 13 years older than the average age for single men for the 1991–92 period (56.6 years and 43 years, respectively) and about 11 years older for the

Meaghan Duetsch is an economist in the Branch of Information and Analysis, Division of Consumer Expenditure Surveys, Bureau of Labor Statistics.

2001–02 period (56.3 years and 45.3 years, respectively). (See table 1.) Since men and women’s birthrates are approximately equal and women have a longer life expectancy, there are more older women than older men. This difference could also explain the higher homeownership rates for single women, 48 percent in 1991–92, compared with 36 percent for single men. Both groups had increased homeownership rates in 2001–02, with women at 56 percent and men at 45 percent. Across the two periods, more female homeowners were without a mortgage than with, a statistic again most likely attributable to the longevity of women, which results in many older widows. Male homeowners were fairly evenly split between those with a mortgage and those without, and this ratio stayed constant over the two periods, despite an increase in men’s homeownership. Both groups experienced an increase in the percentage with a college education: in 1991–92, 46 percent of single women and 54 percent of single men had a college education—figures that increased to 54 percent for single women and 61 percent for single men in 2001–02.

Single men had higher average incomes than did single women for both 1991–92 and 2001–02, and the difference increased over the period. Men’s income grew from \$20,615 to \$31,688, (an increase of 54 percent), while women’s rose from \$16,432 to \$22,930 (an increase of 40 percent). Although single men still owned more vehicles than did single women, the men’s rate of ownership remained constant. On average, men had 1.3 vehicles in both periods, while women had 0.8 vehicles in 1991–92 and 0.9 in 2001–02.

Expenditures

Single men and single women allocate their expenditures differently. Expenditure patterns were examined by looking at shares of total expenditures, because nominal dollar amounts of the expenditures, as well as the nominal amount of average annual expenditures, change over time. The difference in shares held for both periods. Single men spent a larger share of annual ex-

penditures on food than did single women (13.5 percent as opposed to 12.6 percent in 1991–92, and 12.5 percent compared with 11.6 percent in 2001–02). The genders also allocated their spending differently between food at home and food away from home, with men apportioning a larger share of their food dollar to food away from home and women a larger share to food at home. This distinction may be explained by the fact that single women as a group are older than single men and, therefore, take more meals at home. Also, traditionally, women cook more than men. In addition, only about half of all single women are earners. (See table 1.) This fact may contribute to women allocating a larger share of expenditures to food at home, because food at home is usually less expensive. Single women spent a larger share of their expenditures on housing than did single men (38 percent and 33 percent, respectively). The reason could be the higher homeownership rate for single women, or it may be that single women had lower incomes and, thus, spent a larger proportion on necessities. Single women allocated a larger share to apparel and services, while single men allocated a larger share to transportation. This larger share that men allocated to transportation is attributed to the higher average number of vehicles owned by men, together with the associated costs, such as gasoline, maintenance, and insurance. Single women allocated a larger share to health care, compared with single men, while single men spent a larger share of annual expenditures on entertainment than did single women. Both groups spent about the same share on cash contributions.

There were several similarities in the trends of expenditure shares for men and women between 1991–92 and 2001–02. Over the 10-year interval, each group decreased its share spent on food, including food at home and food away from home. The shares allocated for housing, shelter, and utilities remained relatively constant. Both groups spent a smaller share on apparel in 2001–02 than in 1991–92. By con-

trast, both groups allocated a larger share to transportation in 2001–02 than in 1991–92. The expenditure share spent on health care rose slightly for both men and women, while the shares spent on entertainment and cash contributions remained relatively unchanged.

The preceding discussion of single men and single women encompasses all singles, ranging from young adults to those who have reached retirement age and beyond. Many differences in the spending patterns described can be attributed to the average difference in age between single men and single women. The analysis that follows compares income levels and spending patterns between men and women in a specific age group to see if the spending differences between the genders remain for men and women of a similar age. The 25- to 34-year-old age group is examined because it represents those often thought of when the word “singles” is used. The men and women of this group have similarities and differences. In 1991–92, single women and single men had similar average incomes (\$24,721 and \$24,719, respectively) and similar average annual expenditures (\$21,312 and \$21,858, respectively). However, in that same period, the single men allocated a larger share to food (13.4 percent compared with 11.8 percent), but both the men and the women allocated about the same share to food at home (5.6 percent and 5.2 percent, respectively). (See table 2.) Single men allocated a larger share to food away from home (7.7 percent as opposed to 6.6 percent). Single women in this group allocated a slightly larger share to housing overall (36.4 percent compared with 34.2 percent) and also allocated a slightly larger share to shelter (25.4 percent versus 23.8 percent). By contrast, and unlike the situation for all age groups taken together, single women aged 25 to 34 years had a lower homeownership rate (17 percent) than did single men (24 percent). Women and men in the group allocated about the same share to utilities (5.6 percent and 5.4 percent, respectively), even though the women were a higher percentage

of renters (83 percent) than were the men (76 percent). (Because utilities are often included in rent payments, it is not possible to capture the true expenditure for utilities by renters.) Single women aged 25 to 34 years allocated a larger share to apparel and services (7.6 percent) than did single men in the same age group (4.5 percent). In the 1991–92 period, the 25- to 34-year-old men spent a larger share on transportation (17.9 percent) than did the 25- to 34-year-old women (15.7 percent). Men had an average of 1.4 vehicles; women an average of 0.9 vehicles. Also in 1991–92, single women allocated a larger share to health care (3.1 percent) than did single men (2.1 percent). However, single men spent a larger share (2.5 percent) on cash contributions than did single women (0.9 percent).

The picture for singles 25 to 34 years old changed some by 2001–02. In that period, single men had average incomes of \$38,936 and average annual expenditures of \$29,736, while single women had lower incomes (\$31,432) and lower average annual expenditures (\$27,110). Also in 2001–02, 90 percent of single women were earners, compared with 100 percent of single men. The homeownership rate increased over the 1991–92 figures for both men and women, to 33 percent and 30 percent, respectively. Also, more women in this age group had a college education (80 percent) than did men (75 percent), although the differences between the groups were narrower than in 1991–92

(77 percent of women and 70 percent of men).

Although there were some differences from the 1991–92 period, in 2001–02 single men still allocated a larger share to food (12.9 percent) than did single women (11.8 percent), as well as a larger share to food away from home (8.8 percent compared with 6.0 percent). Single women still allocated a larger share to housing overall (37.7 percent as opposed to 33.7 percent), even though a larger percentage of 25- to 34-year-old single men were homeowners. In addition, single women allocated a larger share to shelter (25.9 percent) than did single men (23.8 percent). In 2001–02, the share allocated to apparel and services by all singles 25 to 34 years decreased from the 1991–92 figure; however, the share spent by single women decreased more, to 5.7 percent, compared with single men's share of 4.1 percent. As in the 1991–92 period, 25- to 34-year-old single men spent a larger share on transportation (20.4 percent) than did single women (17.7 percent) in 2001–02. Single men had slightly fewer vehicles, 1.2, compared with 1.4 vehicles in 1991–92; single women had 1.0 and 0.9 in the respective periods. Single men continued to allocate a larger share—more than twice as much—to cash contributions (2.9 percent) than did single women (1.4 percent), possibly due to child support payments that single men make, as they may be fathers of young children who live elsewhere.

Summary

Single women overall are older than single men and have higher rates of homeownership. Single men have a larger number of vehicles. However, both groups had an increase in the rate of homeownership from 1991–92 to 2001–02. Both groups also had an increase in the number of college educated among them from the first period to the second. Both single men and single women spent less of their total expenditures in 2001–02 on food and apparel and services, although men spent more on food and women more on apparel and services. As incomes increase, people tend to spend less on necessities, such as food. Also, the decrease in the costs of apparel and services relative to other goods, coupled with increasing incomes, across the two periods, has enabled consumers to allocate less of their total expenditures to apparel and services. Single men and single women aged 25 to 34 years exhibited spending patterns more similar to each other than did the overall groups of single men and single women. The 25- to 34-year-old men and women had similar rates of homeownership and similar levels of education and also spent similarly on shelter, as well as on entertainment. However, single men spent more on transportation and single women more on apparel and services. Overall, single men and single women had different spending patterns that changed little from 1991–92 to 2001–02. ■

Table 1. Characteristics, average annual expenditures, and expenditure shares, all single women and men, Consumer Expenditure Survey, 1991-92 and 2001-02

Item	Single Women				Single Men			
	1991-92	Expenditure share	2001-02	Expenditure share	1991-92	Expenditure share	2001-02	Expenditure share
Number of consumer units (thousands)	15,583		18,316		12,531		14,603	
Average age	56.6		56.3		43		45.3	
Income before taxes	\$16,432		\$22,936		\$20,615		\$31,688	
Number of earners .....	.5		.5		.8		.7	
Number of vehicles .....	.8		.9		1.3		1.3	
Percent distribution:								
Housing tenure:								
Homeowner	48		56		36		45	
with mortgage	15		21		18		22	
without mortgage	32		35		19		23	
Renter	52		44		64		55	
Highest level of education:								
Elementary school	14		8		10		7	
High school	39		39		35		32	
College	46		54		54		61	
Average annual expenditures	\$16,440	100.0	\$22,209	100.0	\$19,118	100.0	\$25,904	100.0
Food	2,074	12.6	2,583	11.6	2,582	13.5	3,230	12.5
Food at home	1,309	8.0	1,598	7.2	1,210	6.3	1,482	5.7
Food away from home	765	4.7	985	4.4	1,372	7.2	1,749	6.8
Housing	6,337	38.5	8,434	38.0	6,208	32.5	8,576	33.1
Shelter	3,766	22.9	5,111	23.0	4,139	21.6	5,671	21.9
Utilities	1,356	8.2	1,844	8.3	1,133	5.9	1,645	6.4
Household operations, housekeeping supplies, household furnishings and equipment	1,214	7.4	1,478	6.7	936	4.9	1,260	4.9
Apparel and services	1,030	6.3	1,030	4.6	852	4.5	725	2.8
Transportation	2,081	12.7	3,223	14.5	3,217	16.8	4,863	18.8
Health care	1,238	7.5	1,772	8.0	770	4.0	1,118	4.3
Entertainment	649	3.9	986	4.4	1,040	5.4	1,345	5.2
Cash contributions	700	4.3	915	4.1	853	4.5	1,175	4.5
Other expenditures	2,331	14.2	3,266	14.7	3,596	18.8	4,872	18.8

Table 2. **Characteristics, average annual expenditures, and expenditure shares, single women and men aged 25–34 years, Consumer Expenditure Survey, 1991–92 and 2001–02**

Item	Single Women, 25–34				Single Men, 25–34			
	1991–92	Expenditure share	2001–02	Expenditure share	1991–92	Expenditure share	2001–02	Expenditure share
Number of consumer units (thousands)	1,917		1,674		3,076		2,612	
Average age	29.1		29.4		29.5		29.4	
Income before taxes	\$24,721		\$31,432		\$24,719		\$38,936	
Number of earners	1.0		.9		1.0		1.0	
Number of vehicles .....	.9		1		1.4		1.2	
Percent distribution:								
Housing tenure:								
Homeowner	17		30		24		33	
with mortgage	15		23		21		25	
without mortgage	2		7		3		8	
Renter	83		70		76		67	
Highest level of education:								
Elementary school	1		1		2		1	
High school	22		19		28		24	
College	77		80		70		75	
Average annual expenditures	\$21,312	100.0	\$27,110	100.0	\$21,858	100.0	\$29,736	100.0
Food	2,507	11.8	3,202	11.8	2,926	13.4	3,831	12.9
Food at home	1,107	5.2	1,562	5.8	1,233	5.6	1,459	4.9
Food away from home	1,400	6.6	1,640	6.0	1,693	7.7	2,372	8.0
Housing	7,762	36.4	10,218	37.7	7,477	34.2	10,021	33.7
Shelter	5,412	25.4	7,029	25.9	5,210	23.8	7,078	23.8
Utilities	1,199	5.6	1,803	6.7	1,186	5.4	1,727	5.8
Household operations, housekeeping supplies, household furnishings and equipment	1,151	5.4	1,385	5.1	1,081	4.9	1,216	4.1
Apparel and services	1,613	7.6	1,536	5.7	985	4.5	1,206	4.1
Transportation	3,338	15.7	4,797	17.7	3,905	17.9	6,061	20.4
Health care	655	3.1	875	3.2	451	2.1	604	2.0
Entertainment	1,026	4.8	1,221	4.5	1,168	5.3	1,667	5.6
Cash contributions	182	.9	375	1.4	549	2.5	875	2.9
Other expenditures	4,229	19.8	4,886	18.0	4,397	20.1	5,471	18.4