## SSUES Labor Statistics



U.S. Department of Labor U.S. Bureau of Labor Statistics Summary 05-03 September 2005

## Spending by Asian families

Tables regularly published as part of the Consumer Expenditure Survey program were expanded with the release of the 2003 data.1 A new column, "Asian," was added to the table that shows expenditures by the race of the reference person.<sup>2</sup> Member relationships within consumer units (CUs) with an Asian reference person consisted of 32.2 percent husband and wife with children, 30.0 percent single, 16.4 percent husband and wife only, 2.0 percent single parent with children, and 19.4 percent other.3 Among CUs consisting of husband and wife with children and who reported an Asian reference person, 87.7 percent comprised all Asian members. This summary highlights spending by Asian families in 2003 from the Consumer Expenditure Interview Survey, wherein a family is defined as a CU comprising husband and wife with children, an Asian family is one in which all family members are Asians, and other family is one in which not all family members are reported as Asians.<sup>4</sup>

## Characteristics

Asian families comprise 3.7 percent of all families. They have several characteristics similar

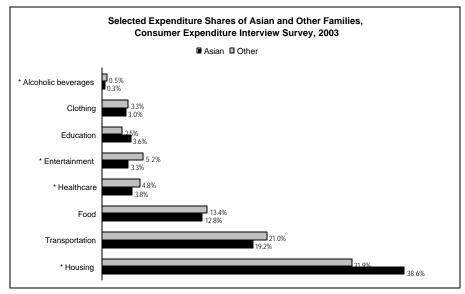
- <sup>1</sup> For more details on changes to published tables in 2003, see www.bls.gov/cex/csxexplan03.htm.
- <sup>2</sup> A reference person is the first member mentioned by the respondent when asked "to start with the name of the person or one of the persons who owns or rents."
- <sup>3</sup> A consumer unit includes (1) members of a household related by blood, marriage, adoption, or other legal arrangement; (2) a person living alone or sharing a household with others but who is responsible for at least 2 of the following 3 major types of expenses—food, housing, and other expenses; or (3) two or more persons living together who pool their income to make joint expenditure decisions.
- <sup>4</sup> Published tables from the Consumer Expenditure (CE) Survey reflect data integrated from the CE Interview Survey and the CE Diary Survey.
- <sup>5</sup> As defined by the U.S. Office of Management and Budget in 1994.

to those of other families—both groups of families average 4.0 members, with 1.5 members under age 18, and the average age of family members is between 27 and 28 years. (See the table on the reverse side.) However, Asian families have significantly fewer earners (1.8 members versus 2.0 members for other families), a correspondingly smaller proportion of CUs in which both husband and wife working (41.5 percent versus 50.8 percent of other families), and a smaller incidence of homeownership (70.8 percent versus 82.4 percent of other families). Almost all Asian families live in a Metropolitan Statistical Area<sup>5</sup> (99.3 percent versus 81.6 percent of other families), and more than 40 percent live in the West (compared with 22.7 percent of other families). Asian families have higher proportions of male reference persons (74.1 percent versus 56.6 percent for other families), and reference persons who are college graduates (63.5 percent versus 32.6 percent). The average age of the reference person of families is similar (42 years) for the two groups.

## **Expenditures**

Although there is no significant difference in average total expenditures between Asian families and other families, significant differences appear in five expenditure categories. Asian families spend significantly less than other families on food at home (\$5,177 versus \$5,462), alcoholic beverages (\$164 versus \$298), healthcare (\$2,059 versus \$2,612), and entertainment (\$1,787 versus \$2,849). However, Asian families spend signficantly more on housing (\$21,052 versus \$17,390).

Food, housing, and transportation comprise 70.6 percent of total expenditure for Asian families, compared with 66.3 percent for other families. (See the chart below.) Significant differences in expenditure shares appear in four categories. The expenditure share among Asian families is significantly higher for housing (38.6 percent compared with 31.9 percent for other families), but significantly lower for healthcare (3.8 percent versus 4.8 percent), entertainment (3.3 percent versus 5.2 percent) and alcoholic beverages (0.3 percent versus 0.5 percent).



 $<sup>^{\</sup>star} \ \ \text{Indicates that difference in expenditure between Asians and other CUs is statistically significant at the 95\% level.}$ 

Table 1. Selected Characteristics and Expenditures of Asian and Other Families, Consumer Expenditure Interview Survey, 2003

	Husband and wife with children				Husband and wife with children		
	All CUs	Asian	Other		All CUs	Asian	Other
Sample size (rounded)	10,300 28,584,004 27.7 1.6 .1 4.0	500 1,050,000 27.3 1.5 .1 4.0	9,840 27,534,004 27.7 1.6 .1 4.0	Age	41.6 57.2 10.5 25.9 29.8 33.8	42.3 74.1 7.7 13.6 15.1 63.5	41.6 56.6 10.6 26.4 30.4 32.6
Number of earners	2.0 13.4 9.9 50.4	1.8 31.3 5.2 41.5	*2.0	Family income and expenditures Income before taxes (\$)1	75,523 54,548	76,636 54.581	75,483 54,547
No earners	1.5 24.8 82.0 82.3	2.0 20.1 70.8 99.3	1.5 25.0 82.4 81.6	Food	7,313 5,452 1,861 293 17,525	6,986 5,177 1,809 164 21,052	7,325 *5,462 1,863 *298 *17,390
Region (% distribution): Northeast Midwest South West	19.6 22.7 34.3 23.4	24.6 12.6 20.1 42.7		Apparel Transportation Healthcare Entertainment	1,793 11,421 2,592 2,810 1,390	1,625 10,486 2,059 1,787 1,974	1,799 11,457 *2,612 *2,849 1,368

<sup>\*</sup> Indicates that difference in expenditure between Asians and other CUs is statistically significant at the 95% level.

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<sup>&</sup>lt;sup>1</sup> Income for complete income reporters only. Complete income reporters are respondents who report on at least one major source of income.