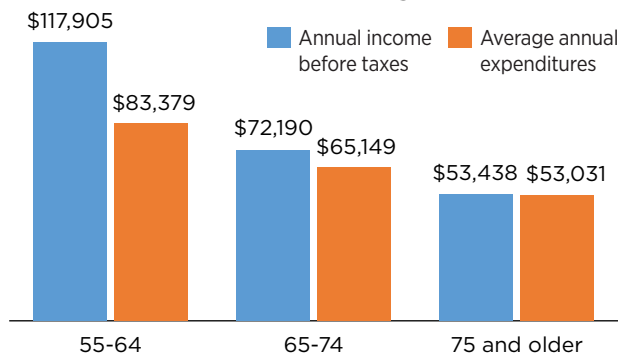


# HOUSEHOLD SPENDING AGED 55 AND OVER

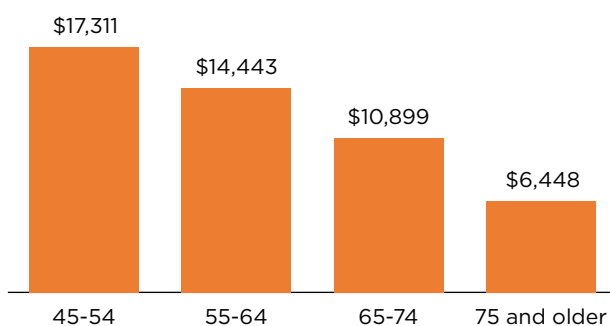
## 2023 Consumer Expenditure Survey

As household members age, understanding spending patterns later in life is crucial in evaluating financial security in retirement.

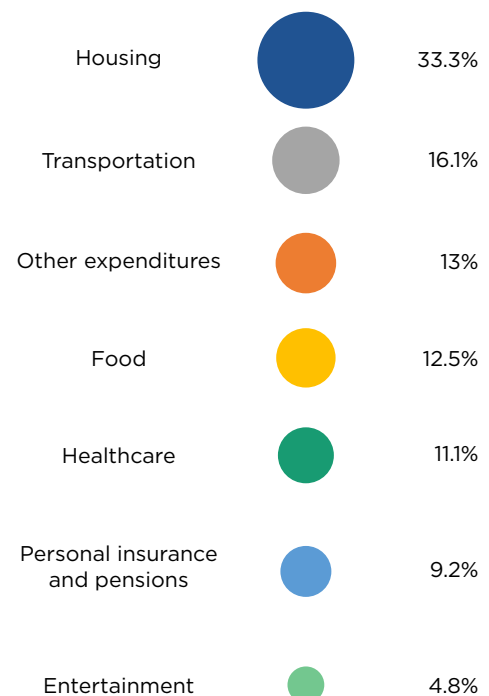
**Average Income and Spending Decline With Age**



**Transportation Spending Declines After the Age of 45**



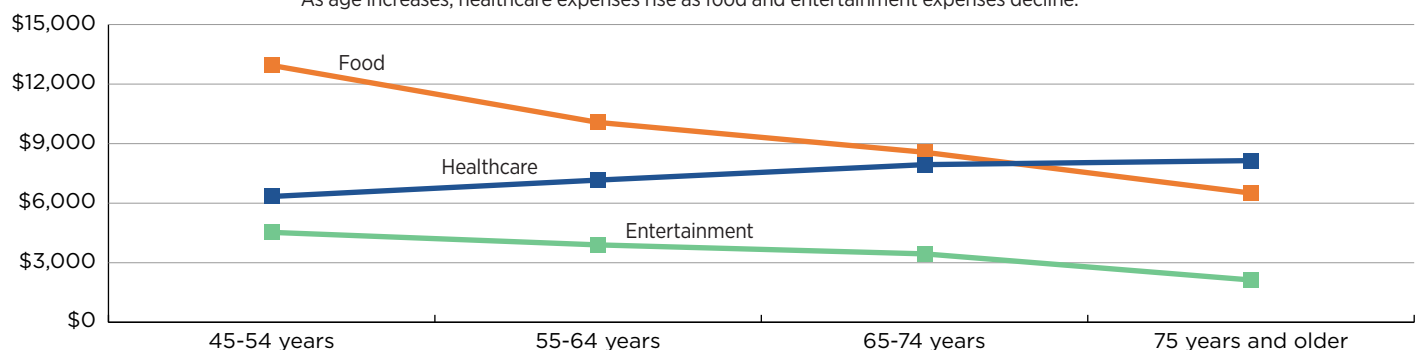
**Percentage of Household Expenses for Those Aged 55 and Over**



Note: Other expenditures include apparel and services, cash contributions, education, tobacco, reading, personal care products and services, and alcoholic beverages.

**Average Healthcare, Food and Entertainment Expenditures Among Age Groups**

As age increases, healthcare expenses rise as food and entertainment expenses decline.



Source: 2023 Consumer Expenditure Survey.

Form No. CE-200(d)(2026)



## What is the survey about?

- The Consumer Expenditure (CE) Survey is a national survey conducted by the U.S. Census Bureau and sponsored by the U.S. Bureau of Labor Statistics (BLS).
- The CE Survey collects information on annual spending for housing, groceries, health care, transportation, and many more expenses.

## How is the survey data used?

- The data that you provide will be used by policymakers, researchers, and federal and state governments to ensure policies and programs consider the experiences of people like you.
  - CE Survey data are used to determine poverty thresholds for the U.S. government's Supplemental Poverty Measure.
  - The Center for Medicare and Medicaid Services uses CE Survey data to estimate spending on health care and out-of-pocket expenses for hospital care.
- The CE Survey data are used to aid in calculating the Consumer Price Index (CPI).

## What is the CPI and why is it important?

- The CPI is the nation's measure of inflation of the prices paid by consumers for a representative basket of goods and services.
  - The CPI and its components are also used to calculate the change in prices or value in other sets of historic economic data to estimate what certain things may cost across different time periods. For example, how much would a \$0.60-cent movie ticket in the 1950's be priced today?
- The CPI is also used as a measure of purchasing power or the value of today's dollar compared to what it was in previous years.
- The President, Congress, and the Federal Reserve Board use trends in the CPI to aid in addressing inflation through policy.
- The CPI affects nearly all Americans because of the many ways it is used:

Cost-of-living adjustments impact the following:

- Social Security benefits and pensions.
- Wages and income tax brackets.
- Insurance and veteran assistance benefits.

Some of the people most affected by CPI changes are:

- Over 67 million Social Security beneficiaries.
- Over 41 million Supplemental Nutrition Assistance Program (SNAP) recipients.
- Over 65 million Medicare recipients.
- About 84 million Medicaid recipients.
- More than 8 million union workers are affected by cost-of-living clauses.