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FAMILY ECONOMICS REVIEW

**Consumer and Food Economics Research Division, Agricultural Research Service,
UNITED STATES DEPARTMENT OF AGRICULTURE**

A quarterly report on current developments in family and food economics and economic aspects of home management, prepared for home economics agents and home economics specialists of the Cooperative Extension Service.

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CONSUMER INTERESTS IN THE WHITE HOUSE

Consumer Advisory Council's First Year

The Consumer Advisory Council appointed by President Kennedy in 1962 issued a report of its first year's work last October (1963).¹ It had concentrated largely on gathering information about the existing programs and practices of Federal Government Agencies, and determining where these might need strengthening, supplementing, or modifying in order to serve consumers effectively.

One chapter of the Council's report is devoted to listing and describing briefly the specific programs by which the Government serves consumers. The U.S. Department of Agriculture stands out among the 26 departments and agencies concerned, because of the number and diversity of its consumer programs. These include such services as inspection of meat and poultry; grading of farm products; distribution of surplus commodities; protection against pesticides; improvement of marketing services; research in food and nutrition, textiles and clothing, housing and equipment, and family economics; and consumer education. (*Family Economics Review* has carried articles about many of these programs in the past. It will present a series of articles in forthcoming issues about consumer services of USDA and other Government agencies.)

During its first year the Consumer Advisory Council also formulated and sent to the Council of Economic Advisors its views on a number of legislative proposals benefiting consumers, and developed a list of studies that might be undertaken in the interest of consumers.

President Johnson Appoints Consumer Staff

President Johnson has taken steps to advance the program providing active representation for consumers in the Federal Government, which President Kennedy started 2 years ago. Early in 1964 he appointed Mrs. Esther Peterson, Assistant Secretary of Labor, as his Special Assistant for Consumer Affairs. He also established a President's Committee on Consumer Interests, made up of (1) representatives of the Government agencies most directly concerned with consumer affairs, (2) the Consumer Advisory Council, composed of private citizens especially qualified to represent consumer interests, and (3) his Special Assistant for Consumer Affairs, who will act as chairman. Mrs. Peterson's dual role as Committee Chairman and Special Assistant provides for a direct link between the committee and the President.

Eleven members appointed to the Consumer Advisory Council in July 1962 are continuing to serve.² President Johnson has appointed a twelfth member, Mrs. Florence W. Low, Assistant Director for Home Economics in the Texas Agricultural Extension Service, and President of the American Home Economics Association. Mrs. John G. Lee, former National President of the League of Women Voters, has been appointed chairman of the Council, to succeed Dr. Helen Canoyer.

The President's Consumer Message

On February 5, 1964, President Johnson sent a Message on Consumer Interests to the Congress. It reaffirmed the concern for consumer welfare expressed by President Kennedy in his Consumer Protection Message of March 1962, urged passage of legislation to protect and benefit consumers, and outlined some of the activities the Committee on Consumer Interests will be expected to undertake.

¹"Consumer Advisory Council: First Report." Executive Office of the President, October 1963. Available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Price 40 cents.

²Members appointed in 1962 are listed in the September 1962 issue of "*Family Economics Review*," U.S. Agr. Res. ARS 62-5, Page 7. (Sylvia Porter resigned soon after her appointment.)

Legislative proposals.—The President expressed opposition to laws that would limit price competition—"quality stabilization" laws, for example. He recommended that Congress pass "truth-in-lending," "truth-in-packaging," and "truth-in-securities" bills. He asked that the Food and Drug Administration be authorized to require that cosmetics and therapeutic devices be tested and proved safe before being placed on the market, and that labels bear warning of possible injuries from drugs, cosmetics, and pressurized containers.

President Johnson also urged legislation assuring greater safety from pesticides, and requiring that all meat and poultry sold in intrastate as well as interstate commerce be inspected for safety and wholesomeness. He requested that the Federal Trade Commission be given authority to stop injurious practices while proceedings against the practices are underway. And he recommended enactment of laws to provide housing for low-income families and to give assistance in the planning of suburban developments.

Work for the Committee on Consumer Interests.—The tasks the President set out for the Committee on Consumer Interests were concerned mainly with establishing communications between consumers and Government and expanding and improving consumer education programs. He said he was asking the committee—

- To hold a series of regional conferences, where representatives of consumer organizations, manufacturers, retailers, advertising agencies, Government agencies, and other interested groups would discuss problems related to consumer information and make recommendations for action.
- To develop effective means of reaching families with information that would help them get the most for their money. The President emphasized especially the need for getting such help to low-income families, and suggested exploring the possibility of adapting Extension methods to consumer education work with city families.
- To take steps to encourage consumer education programs in the schools, and to stimulate the development of new materials for these programs in order to make them attractive to students.
- To develop new methods of keeping the public informed of developments in the consumer field.
- To look into the matter of abuses consumers of services frequently suffer, involving poor quality, high prices, and exaggerated claims, and to make recommendations for improving consumer protection in the area of services.

HOUSEHOLD SERVICE LIFE OF EQUIPMENT, RUGS, AND CARS

How much does household equipment cost per year of use? This depends largely on how long it is used, or, put another way, how soon it is replaced.

Estimates of household service-life expectancy for selected items of equipment, for wool living room rugs, and for the family car are shown in the accompanying table. These estimates are averages. Some pieces of equipment are kept in service longer than others, of course. Variations in the length of time equipment is kept can stem from differences in the equipment or differences in owners or both.

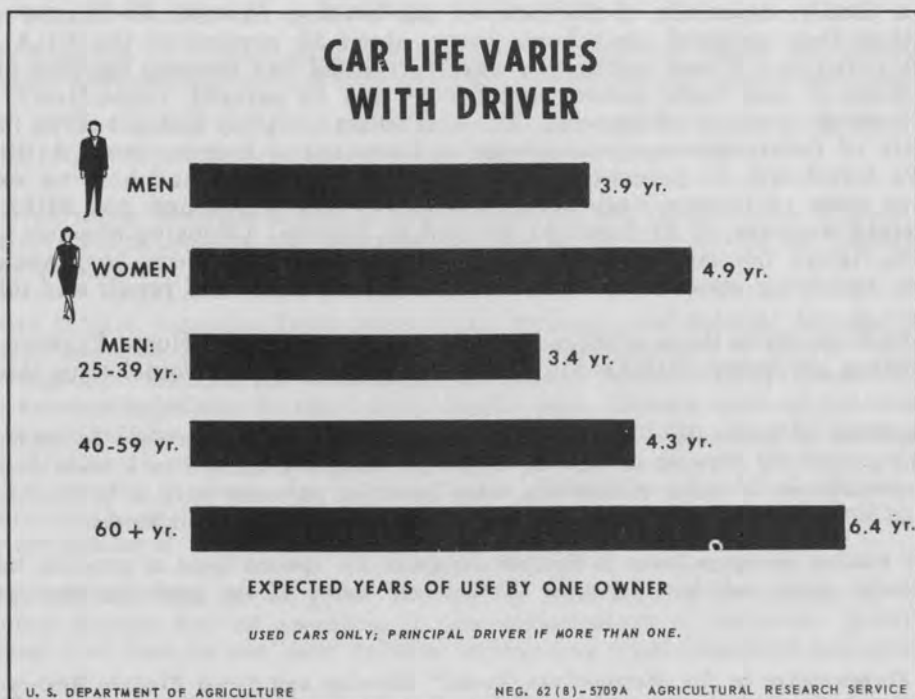
Knowledge of the principal factors affecting household service-life expectancy makes possible estimates for a particular group in the population. Exploratory work on this problem indicates that the owner's age and sex are important in determining how long he keeps equipment. The chart shows the relation of these factors to the service-life expectancy of used cars. The amount of choice the owner had in selecting the item also appears to be important. For example, he will probably keep pieces of equipment he picks out himself longer than those he gets as part of the purchase of a house. However, the owner's place of residence—whether in one region of the country or another, or in a farm, rural nonfarm, or urban area—does not seem to be an important factor in service-life expectancy.

*Service-life expectancy, under one owner, of selected items
of household equipment and furnishings and automobiles*

Item and date of survey	Item acquired—		Item and date of survey	Item acquired—	
	New	Used		New	Used
	Years	Years		Years	Years
Washing machines, electric:			Vacuum cleaners:		
Automatic and semi-automatic:			Upright:		
December 1957	11	5	December 1957	18	8
January 1957	9	5	Tank:		
Wringer and spin-dryer:			December 1957	15	—
December 1957	10	6	Sewing machines:		
January 1957	9	5	Electric:		
Clothes dryers, electric:			June 1959	24	16
May 1961	14	—	Treadle:		
Refrigerators, electric:			June 1959	—	13
May 1960	16	8	Toasters:		
January 1957	15	8	Automatic:		
Freezers:			June 1959	15	8
May 1961	15	11	Nonautomatic:		
Ranges:			June 1959	7	4
Electric:			Television sets: ¹		
June 1959	16	8	May 1960	11	6
January 1957	15	6	Living room wool rugs: ²		
Gas:			December 1957	14	10
June 1959	16	9	Automobiles:		
January 1957	15	8	May 1961	6	4

¹ Alone or in combination with radios and/or record players. Portable and color sets are excluded.

² Limited to rugs 8 x 10 feet or larger, including wall-to-wall carpeting. The transfer of a rug from the living room to another room was classed as a removal from service, limiting the estimated service-life expectancy to service in the living room.



Many households do not keep equipment until it is completely worn out. The decision as to whether to make replacement is often influenced by the alternative costs of repairs, differences between the model owned and models on the market, the mobility of the family, the relative fullness or leanness of the family purse, and the competition of other goods and services for the family's money. Results of repeated studies over short periods of time, while not conclusive, suggest that there is currently a tendency to keep equipment longer. Reversals of this trend—if it is a trend—can be expected as changes occur in equipment, the specific conditions under which families use it, and the general conditions under which they live.

This investigation has been carried on in the Consumer and Food Economics Research Division of the Agricultural Research Service. The estimates have been computed from data collected for the Division by the Bureau of the Census in conjunction with its Current Population Surveys. They are based on reports of the age of items owned at the time of interview and those discarded in the previous 12 months.

Jean L. Pennock

HOME MORTGAGE FORECLOSURES—WHY?

The Housing and Home Finance Agency recently made studies in six metropolitan areas to find out why so many families were losing their homes through foreclosures.¹ Mortgage foreclosure rates had risen between 1960 and 1962—from 3.02 to 9.27 per thousand for loans insured by the Federal Housing Administration, and from 2.89 to 5.88 per thousand for those guaranteed by the Veterans Administration.² This was a matter of some concern to the HHFA, and it decided to learn the reasons for the foreclosures so methods of reducing them could be devised.

All the families questioned had lost their homes by foreclosure during the 12 months ending March 1962. The primary reason given for failing to meet their mortgage payments was reduced income due to work layoffs or cuts in hours or wages. Death or illness in the family and marital difficulties were next in importance. Other major reasons were increased housing costs, increased expenses for other consumer goods and services, and debt loads that had become larger than they could manage.

A combination of lower income and higher housing expense may result in a difficult "squeeze" for a family, especially if the ratio of its housing expense to income was already high. At the time they received their home loans, about 33 percent of the FHA and 41 percent of the VA borrowers whose mortgages were foreclosed had housing expense amounting to 30 percent or more of take-home income and for 12 and 13 percent, respectively, housing expense was at least 40 percent of income. These families probably had not given much thought to the possibility of future decreases in income or increases in housing cost. At the time their mortgages were foreclosed, 65 percent of each group of borrowers had housing expense equal to 30 percent or more of income, and about one-half of the FHA and two-fifths of the VA borrowers housing expense of at least 40 percent of income. (Housing expense here includes payments on mortgage principal and interest; mortgage and property insurance premiums; property taxes; recurring special assessments; fuel and utilities; and repair and maintenance.)

With the findings from these studies in mind, the Housing and Home Finance Agency has made the following recommendations for action, to help families avoid losing their homes by foreclosure:

- That the possibility of developing a system of mortgage unemployment insurance be explored. Such insurance might provide for payment of interest, taxes, and hazard insurance on a home during periods of temporary unemployment or other income loss, when principal payments have to be deferred. This would enable families to weather a short period of "bad times" without losing their homes.
- That persons making mortgage loans to families recognize the upward trend of property taxes and maintenance and repair costs, and that they make the borrower aware of the possibility of increases in these expenses.

¹ "Mortgage Foreclosures in Six Metropolitan Areas." Housing and Home Finance Agency. (Processed.) June 1963. (The six areas studied were Chicago, Dallas, Detroit, Los Angeles, New York, and Philadelphia.)

² "Housing Statistics—Annual Data." Housing and Home Finance Agency. (Processed.) May 1963, (Table A-41, p. 32).

That educational efforts be made to help home buyers to make sound financial plans. These should cover not only the cost of the house, but also the cost of needed repairs, improvements, and equipment, and expenses for other goods and services required for everyday living by the family. The aim of this overall planning should be to help families to understand the full cost of home ownership and its relation to total resources and expenses, and to avoid the mistake of assuming more financial obligations than they can handle.

PRESIDENT'S COMMISSION ON THE STATUS OF WOMEN MAKES RECOMMENDATIONS

The Report of the President's Commission on the Status of Women recommends action for enhancing the quality of American life by full use of the abilities of women. Two sections, "Education and Counseling" and "Home and Community," include recommendations that are particularly applicable to home economics. These relate to community services and programs that will help women prepare themselves for a multiple role. The recommendations are set forth in the report as follows:

- Means of acquiring or continuing education must be available to every adult at whatever point he or she broke off traditional formal schooling. . . . Vocational training . . . should be included at all educational levels.
- In a democracy offering broad and ever changing choices, where ultimate decisions are made by individuals, skilled counseling is an essential part of education. Public and private agencies should join in strengthening counseling resources.
- The education of girls and women for their responsibilities in home and community should be thoroughly re-examined with a view to discovering more effective approaches, with experimentation in content and timing, and under auspices including school systems, private organizations, and the mass media.
- . . . child care services should be available for children of families at all economic levels. Proper standards of child care must be maintained, whether services are in homes or in centers. Costs should be met by fees scaled to parents' ability to pay, contributions from voluntary agencies, and public appropriations.
- Family services . . . to help families avoid or overcome breakdown or dependency and establish a soundly based homelife, and professionally supervised homemaker services to meet emergency or other special needs should be strengthened, extended, or established where lacking.
- Community programs . . . should make comprehensive provisions for health and rehabilitation services, including easily accessible maternal and child health services, accompanied by education to encourage their use.
- Volunteers' services should be made more effective through coordinated and imaginative planning among agencies and organizations for recruitment, training, placement, and supervision.

Each one of these recommendations is discussed in the Commission Report.¹ A more detailed discussion is available in the separate reports of the Committee on Education and Counseling and the Committee on Home and Community.²

The report invites response from community groups, professional associations, voluntary and government agencies at all levels, industry, and foundations—in short, from all who can act in improving opportunities for women in the United States. Many community groups are studying the recommendations in relation to local needs. Others, such as national, service, and professional organizations, are evaluating them in terms of their organizations' mandates and resources. Commissions on the Status of Women have been set up in many of the States to determine what should be done. In Washington, a committee of cabinet officers and a citizen's advisory committee have been appointed by President Johnson to assure continuing leadership in advancing the status of women.

Extension workers can be of great service by interpreting the needs of women to community planning groups and by assisting in the organization of services. Many women want help in deciding how best to use their talents; in learning what resources are open to them, such

¹ "American Women," Report of the President's Commission on the Status of Women. Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20240 (\$1.25).

² Available on request from the Women's Bureau, U.S. Dept. of Labor, Washington, D.C. 20250.

as training and retraining programs; or in locating community groups in which they can participate constructively. As women develop their abilities, more of them will contribute to the productivity and welfare of society.

Margaret M. Morris

USDA BUDGETING BULLETINS

"Family Food Budgeting for Good Meals and Good Nutrition," (Home and Garden Bulletin No. 94) is a new publication of the Consumer and Food Economics Research Division. In it are workable guides to family food budgeting at different cost levels. Its ready-made food plans can help families choose the right foods in the right amounts at prices they can afford to pay. This popularly written bulletin is based on the technical publication, "Family Food Plans and Food Costs," (Home Economics Research Report No. 20), which nutritionists and other adult leaders have been using for some time.

For a number of years the Consumer and Food Economics Research Division has had a series of publications for use by families based on food plans developed by the Division. The series includes bulletins designed especially for families with young children, families with school children, young couples, and older folks. However, there was no publication suitable for families of any age and size until HG-94 was published. It is the closest thing now available to a publication of the 1930's entitled "Food to Fit the Family Income," which was widely used at that time.

Another recent CFE publication is "Helping Families Manage Their Finances," (Home Economics Research Report No. 21, issued June 1963). This is a more technical publication than "Family Food Budgeting," prepared for the use of teachers, social workers, and other adult leaders who have occasion to work with families in setting up budgets. It discusses, step by step, the process of making and using a spending plan. It also brings together much information that is useful as reference material on money management. For example, it gives data from expenditure studies that show spending patterns of families of various types, discusses the cost of installment and mortgage credit, and the cost and benefits of several types of insurance.

"Helping Families Manage Their Finances" is not intended as a guide for families themselves to use in setting up budgets. Plans are under way, however, for the preparation of one or more bulletins on money management for families. The first of these will be a guide to budgeting for young couples.

Single copies of "Family Food Budgeting" and "Helping Families Manage Their Finances" are available free from the Office of Information, U.S. Department of Agriculture, Washington, D.C., 20250. These bulletins may also be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402, for 10 cents and 40 cents, respectively.

NEW YORK FAMILY BUDGET STANDARD

The Community Council of Greater New York recently published a new "Family Budget Standard," to meet the need of health and welfare agencies in the New York area for up-to-date budget materials. It is based in part on an adaptation of the 1960 interim budgets of the U.S. Bureau of Labor Statistics and the moderate-cost food plan of the U.S. Department of Agriculture.

The Family Budget Standard serves as a yardstick of average needs and costs, according to standards and prices in New York City at the time the estimates were prepared. It provides a basis for (1) assessing income adequacy and family use of money; (2) determining whether a family is eligible for free social and health services, and—if not eligible—establishing fees that are consistent with ability to pay; and (3) counseling families on money management.

The publication presents quantity-cost specifications for various family size groups and for individuals by age, sex, and activity, so that costs for any family can be calculated. It also gives a representative list of annual purchases to maintain current standards of adequate consumption at low-to-moderate cost. The cost data will be updated annually and published by the Community Council at the close of each calendar year.

"A Family Budget Standard" is available from the Community Council of Greater New York, 345 East 45th St., New York, N. Y., 10017, for \$3.00.

MIXES AND FROZEN BAKED FOODS AS TIME SAVERS

Homemakers with limited time for baking turn for help to the packaged mixes and frozen baked foods available in such a wide variety in the market. Just how much time may be saved by using these products instead of baking "from scratch" was tested recently by the Human Nutrition Research Division of the Agricultural Research Service.¹

About half an hour of active time was saved by using a mix for a devil's food cake, a pie, or yeast rolls, and 20 minutes for a yellow cake. (See figure 1.) The mix reduced the time required for the devil's food cake by 80 percent (from 41 to only 8 minutes), the time for the yeast rolls and the yellow cake by 67 percent, and the pie by 60 percent.

Angel food cake mix proved to be less of a time saver than the other cake mixes tried. It cut the average time of the worker from 28 to 18 minutes, saving 10 minutes or about a third of the time required to make the cake from the basic ingredients.

Among the hot bread mixes tried, biscuit mix was the best time saver, cutting by half the 24 minutes of active time it took to make them "from scratch." (See figure 2.) Time saved on pancakes was 3 or 4 minutes, and on waffles 5 to 9 minutes, depending on the type of mix used. (The types tested were: Type I—add water only; Type II—add milk only; Type III—add milk or water and egg.)

Using commercially frozen baked products cuts active preparation time for all these foods much more than using mixes, of course, because it usually involves merely getting the food out of the freezer to thaw.

"Active time" in this report refers to preparation time requiring the constant attention of the worker, including time for assembling the ingredients but not for cleaning up. The active preparation times given are averages for the samples tested, which usually included two brands of each mix and frozen food and sometimes duplicate samples of a brand. "Total time" shown in the charts refers to active time plus the waiting time required for baking, cooking, or thawing of the food.

The time experiments were part of a larger study in which quality, composition, and yield of the baked products were also investigated. Money costs of baked products and other home-prepared and convenience foods were calculated and are given in a publication of the Economic Research Service.²

ENRICHMENT AND FORTIFICATION OF FOODS

Enrichment and fortification make important contributions to the nutritive value of food in the United States. Food economists in the Consumer and Food Economics Research Division estimate that cereal enrichment increases the thiamine in the current food supply by about one-third, iron and niacin by one-fifth, and riboflavin by one-tenth. They also estimate that the vitamin A in fortified margarine increases this nutrient in the food supply about 6 percent, and the vitamin A in fortified milk (all forms) increases it by another 1 percent.

¹ "Baked Products: Consumer Quality, Composition, Yield, and Preparation Time of Various Market Forms," Home Economics Research Report No. 22. USDA, Agricultural Research Service (July 1963).

² For data on money cost, see "Comparative Costs to Consumers of Convenience Foods and Home-Prepared Foods," Marketing Research Report No. 609. USDA, Economic Research Service (June 1963).

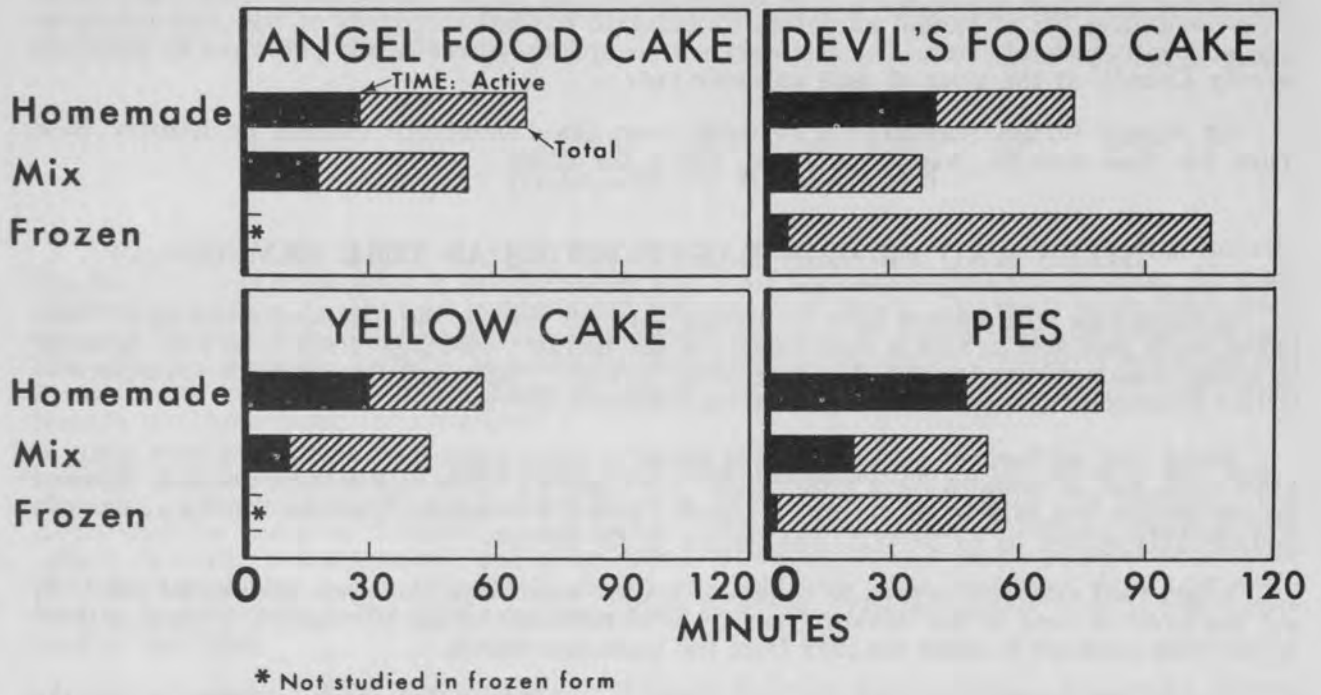


Figure 1.—Preparation time for cakes and pies.

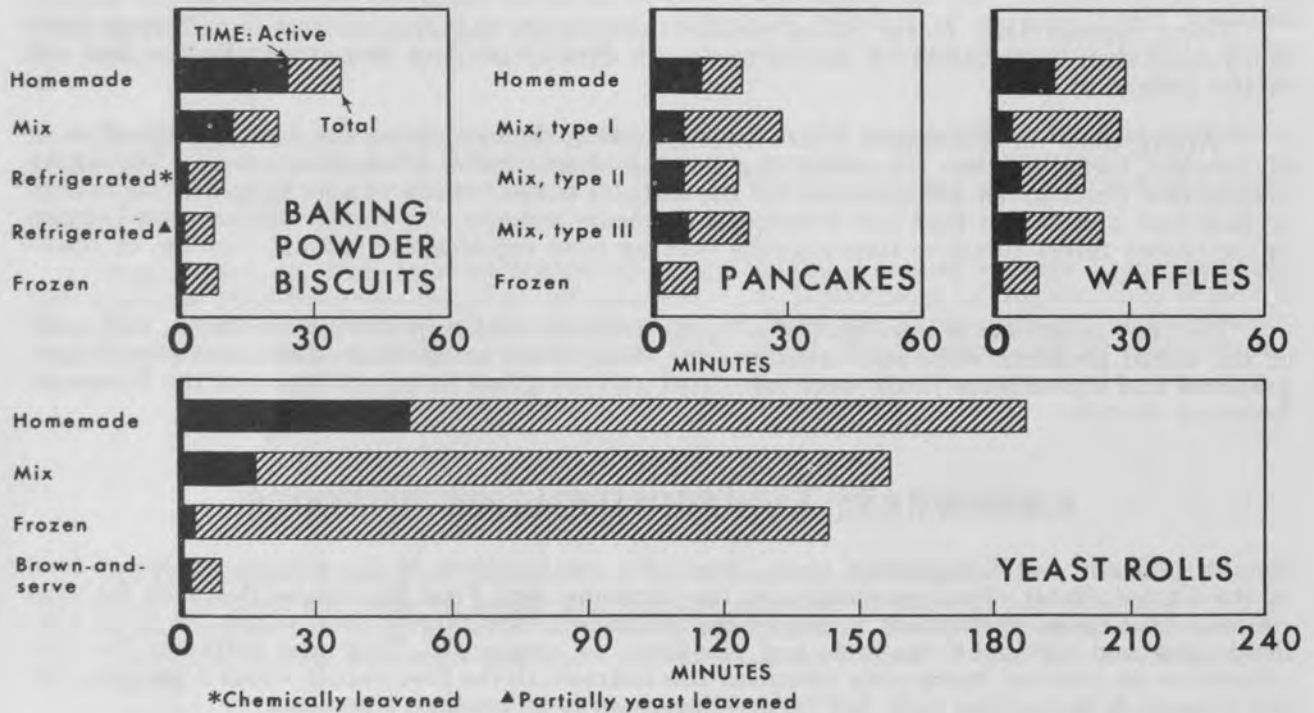


Figure 2.—Preparation time for hot breads.

For those not "in the know," "enrichment" usually applies to addition of nutrients to cereal products, and "fortification" to addition of nutrients to other foods. "Enriched" on a label signifies that the food contains added nutrients in kinds and amounts meeting standards established by the Food and Drug Administration. At present, standards of identity for enriched products have been established for the following:

White bread, rolls, and buns
White flour
Self-rising flour
Farina

Macaroni and noodle products
Cornmeal and corn grits
Self-rising cornmeal
Milled rice

"Fortified" on a label does not carry the same assurance as "enriched" because no standard of identity has to be met. The number of fortified foods on the market has been growing rapidly. The quantity of ascorbic acid sold for addition to fruit juices and drinks tripled, and vitamin A for addition to milk doubled between 1957 and 1961, according to a survey made for the USDA by the Bureau of the Census. The ascorbic acid sold in 1961 for use in fortified foods would be sufficient to increase ascorbic acid in the food supply by 5 percent.

The USDA has had surveys made periodically by the Bureau of the Census, in which manufacturers and distributors of synthetic vitamins and iron have given information on quantities used for enrichment. The latest of these surveys, covering the period 1957-61, was expanded to obtain data on quantities used in fortification of foods.

Berta Friend

PRESENT DAY HOUSING OF U.S. FAMILIES¹

Home building and improvement activities have continued at a high level during the past decade or so, with gratifying results in terms of better housing for U.S. families. According to Housing Census reports, a much larger proportion of families in 1960 than in 1950 were living in homes that were structurally sound, adequate in size for the needs of their occupants, and provided with all the plumbing facilities considered necessary for modern living. Contributing to this improvement were the large amount of new housing built during the decade, the remodeling and modernizing of many old homes, and the removal from the housing inventory of many inadequate units.

More than a fourth of the 58 million housing units in existence in early 1960 had been built during the preceding 10 years. The new homes were somewhat larger, on the average, than those built before 1950. Also, they were much more likely to have modern sanitary facilities. For example, outside of the metropolitan areas 83 percent of the units built since 1950 had a private bathroom, compared with 64 percent of those built before 1950.

By 1960 approximately 1 out of every 10 housing units in existence in 1950 had been torn down; destroyed by fire, flood, or tornado; merged with other units to form larger ones; or converted to commercial or other uses. Since these were likely to be units that were poor or inadequate in some respect, their removal helped with the upgrading of the stock of housing.

Improvement in the quality of housing is reflected in increasing housing values between 1950 and 1960. The median value of owner-occupied nonfarm homes was \$12,200 in December 1959, compared with \$7,400 in April 1950. The increase of 65 percent was due partly to the building of houses with more rooms and more convenience and luxury features. Rising rents also reflected in part the provision of more convenience and luxury features in apartments.

About a third of the homes in 1960 were occupied by families or individuals who had moved in since early 1958. Many of those who moved from an owner-occupied nonfarm home went to another owner-occupied nonfarm home, valued at a higher price than the old one. This

¹ Slightly condensed from a talk given by Emma G. Holmes, Consumer and Food Economics Research Division, at the Agricultural Outlook Conference, Washington, D.C., November 1963. Copies of the complete paper, with tables presenting Housing Census data for each region and State, are available upon request from CFE Research Division, ARS, U.S. Department of Agriculture, 325A Federal Center Building, Hyattsville, Md., 20781.

same type of "trading up" was also apparent for many of those who moved from one rented unit to another.

As a result of the various housing activities, the supply of housing was ample to allow for some spreading out. The number of occupied housing units was 23 percent greater in 1960 than 1950, while the population was less than 20 percent greater. Particularly notable was the increase in single individuals maintaining their own households. About 13 percent of all housing units (21 percent of the rented, 9 percent of the owner-occupied) were occupied by a person living alone in 1960, compared with 9 percent in 1950. More than half of these persons living alone were over 60 years of age. More married couples were keeping house in their own quarters instead of living with others, also.

The average number of persons occupying a house unit was 3.3 in 1960 and 3.4 in 1950. The combination of slightly smaller households and somewhat larger housing units meant less crowding. Units with more than one occupant per room declined from 16 percent of the total in 1950 to 12 percent in 1960. Units with more than 1.5 persons per room—these are considered "overcrowded"—declined from 6 to 4 percent.

Linked with the improvement in housing was an increase in home ownership. Census data have always shown a tendency for owner-occupied homes to rate higher than rented ones in condition, adequacy of size and facilities. Ownership was encouraged in the 1950's by the plentiful supply of new houses, the availability of mortgage financing on favorable terms, and good incomes. By 1960, 62 percent of the housing units were occupied by their owners, up from 55 percent in 1950. Almost three-fifths of the owner-occupied nonfarm homes were mortgaged, and 9 out of 10 of the mortgages had been assumed since the beginning of 1950.

Rural housing.—An introductory statement to a paper on rural housing, written about 20 years ago and based on data from the 1940 census, was "Farm homes in general lag far behind others in convenience and adequacy." Today, according to the 1960 census, there is still some lag, but much less than two decades ago. The percentage of "crowded" farm homes (more than 1 person per room) was down from 30 in 1940 to 14 in 1960; the percentage with electricity was up from 31 to almost 100; piped running water up from 18 to 75; and private bathing facilities and flush toilet up from about 12 to 62 percent.

In 1940, only 15 percent of the farm homemakers were fortunate enough to have a mechanical refrigerator. Two decades later the refrigerator was an indispensable fixture of practically every farm home. Moreover, more than half (53 percent) of the farm homes had the added convenience of a home freezer.

Farm housing compared much more favorably with rural nonfarm housing in 1960 than in 1940 or 1950. Farm houses in the northeastern, north-central, and western regions were a good match for the rural nonfarm homes, insofar as the percentage having sound structural condition, all plumbing facilities, telephones and some of the other household equipment enumerated in the 1960 census is concerned. Moreover the farm homes were less likely to be crowded. In the South, however, although striking gains had been made, farm housing still appeared less adequate than rural nonfarm units in the region. Farm housing in the South was also less adequate than that in the other three regions.

New construction was relatively unimportant in the upgrading of farm housing, since only 12 percent of the farmhouses in the 1960 count had been built since 1950, compared with 31 percent of the rural nonfarm units. Undoubtedly many older farm homes had been modernized and provided with up-to-date household equipment during the decade, though there are no data to tell how many. An even more important factor, perhaps, in raising the general level of farm housing and evening up the score between farm and rural nonfarm dwellings was the shifting of many houses on poor land and small acreages from the farm to the rural nonfarm inventory. This shifting occurred as land was taken out of farming, combined with other farm units to form larger farms, or reclassified as nonfarm by the new Census definitions used in 1960. The number of occupied farmhouses in 1960 was down to about three-fifths of the 1950 total.

Inadequate housing.—Although U.S. housing as a whole has been undergoing a general facelifting, many families and individuals still do not enjoy the advantages of adequate housing. One-fourth of the housing units in 1960 were structurally unsound or lacking one or

more essential facilities. These included the 5 percent that were reported to be "dilapidated"—that is with "defects so critical and widespread that the structure should be extensively repaired, rebuilt, or torn down." Also, approximately 1 out of every 9 housing units failed to meet the generally accepted standard for space adequacy because it had less than 1 room per occupant. On the whole, the structural condition of housing was poorer in rural than urban areas, and in rented than owner-occupied properties, whether urban or rural. (See figure on page 14.)

Housing units occupied by nonwhite persons (about 10 percent of all units in 1960) rated lower in every respect than other housing. Nonwhite owners were better housed than renters, but only 38 percent owned their homes, in comparison with the 62 percent U.S. total. Crowding was common in nonwhite homes, for 28 percent of them housed more than 1 person per room, and 14 percent more than 1.5 persons per room (corresponding figures for the U.S. as a whole were 12 percent and 4 percent here). Only 49 percent of the units occupied by nonwhites were reported to be sound and provided with all plumbing equipment, in contrast with 74 percent for all units. About two-thirds of the homes of nonwhite persons had a private flush toilet, and three-fifths a bathroom for the private use of the occupants.

People 60 years of age or over are somewhat more likely to live in homes that are structurally unsound or lacking in facilities than are younger people.² However, by the time they reach 60 many are living in 1- or 2-person households, so crowding is not usually a problem for them.

The poorer housing of the nonwhite, the elderly, and the rural family is due in part, of course, to the lower income levels of these groups. The 1960 census provides evidence of the relationship between income and certain housing characteristics for owners and renters on farms and in rural nonfarm areas. For example, it shows that only 40 percent of the farm owner-occupants with incomes under \$2,000 had homes that were sound and provided with all plumbing facilities, compared with 83 percent of those with \$10,000 or more.

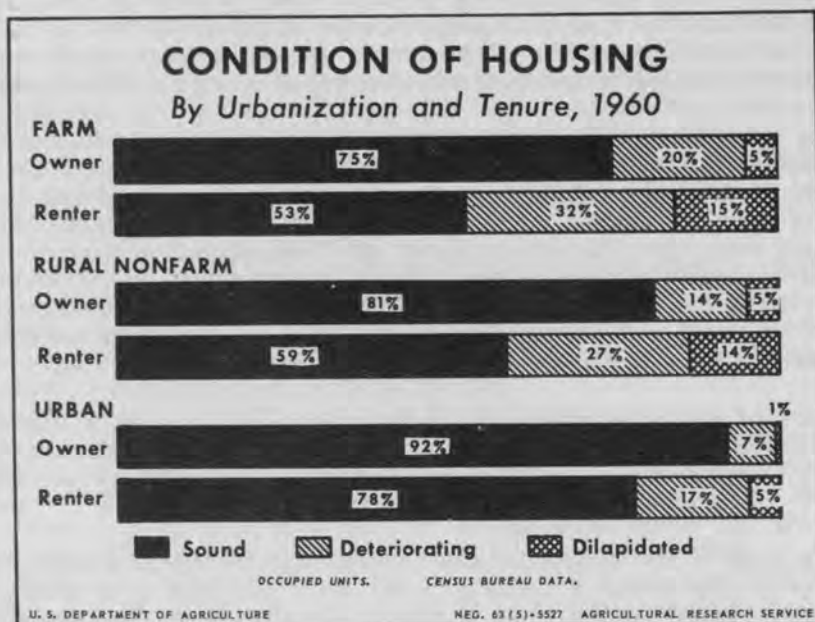
Facilities for rural homes.—Water supply and sewage disposal are becoming matters of urgent community concern as population increases and sparsely settled open country becomes closely settled urban fringe and suburban areas. In 1960, for the first time in a U.S. Census, information was obtained about provision made for these facilities in homes in rural areas and places with up to 50,000 population.

Individual wells were the source of water for 8 out of 10 farm and 5 out of 10 rural nonfarm homes. About 1 out of every 10 rural homes—both farm and nonfarm—used water from springs, creeks, rivers, ponds, lakes, and such. Sewage from 6 out of 10 farm homes and almost as many rural nonfarm dwellings was disposed of by means of septic tanks or cesspools. About 1 percent of the farm and 17 percent of the nonfarm rural households reported the use of public sewage systems. This left a large proportion of rural farm and nonfarm homes to resort to such arrangements for waste disposal as use of privies and the discharging of waste into streams, lakes, and ponds, or onto the ground.

More housing information available.—This paper gives only a bird's-eye view of U.S. housing in 1960. The Census provides much additional information about housing in this country as a whole, as well as in the separate regions, States, metropolitan areas, cities, and counties. The 1960 Census of Housing volumes referred to in this paper are:

- United States Summary: States and Small Areas (HC-1, No. 1).
- State Summaries (one for each State)—(HC-1, Nos. 2-52).
- United States and Regions: Components of Inventory Change—
 - Part 1A: 1950-1959 Components (HC-4, Part 1A-1).
 - Part 1B: Inventory Characteristics (HC-4, Part 1B-1).
- Rural Housing (Volume V).
- Residential Finance: Homeowner Properties (Volume V, Part 1).

² "Senior Citizens and How they Live—An Analysis of 1960 Census Data. Part 1: The National Scene." Housing and Home Finance Agency (processed) July 1962.



CONSUMER PRICE INDEX EXTENSIVELY REVISED

The January 1964 Consumer Price Index introduces an updated and improved series. Periodic revision of the index is necessary as living patterns of city workers change. For information about living patterns the Bureau of Labor Statistics depends largely on nationwide studies of consumer expenditures. The newly revised index incorporates findings from the most recent of these studies, which describes spending of city consumers in 1960 and 1961. This was the first nationwide urban expenditure study in a decade.

The updating of the index included selection of a new list of goods and services to be priced. Some items previously priced were dropped and many new ones were added. Some of the changes reflect the higher level of living of urban workers and the presence of new consumer goods and services on the market. The weights given to expenditures for the various goods and services have been revised in line with changes in spending patterns. Pricing is done in a new sample of retail stores and service establishments in a new sample of cities, to take account of changes in merchandising practices, shifts in population, and the addition of Alaska and Hawaii as States.

The revised Consumer Price Index also gives recognition to the importance of the single person in the urban wage earner and clerical worker population. It covers single workers living alone as well as families of two or more, while the old index covered families only. Indexes based on the new broader coverage will be published for the United States and for individual cities (17 cities through June 1965, 23 cities thereafter). In addition, a revised index for families of two or more will be published for the United States, but not for individual cities. The BLS will also continue the old index through June 1964, designating it the "old series" to differentiate it from the revised or "new series" indexes. (See tables.) The new indexes were linked to the old as of December 1963 to form a continuous series, so they are the same for that month.

The updated index introduces several changes in the group and subgroup indexes published. The new list is given in table 1. Italicized words show which indexes were not published previously and footnotes explain some of the changes. The old list is given in table 2.

Table 1.—Consumer Price Index (New Series)

(1957-59 = 100)

Group	Urban wage earners and clerical workers (including single workers)		Urban wage earner and clerical worker families	
	Dec. 1963	Jan. 1964	Dec. 1963	Jan. 1964
All items	107.6	107.7	107.6	107.7
Food	105.4	105.8	105.4	105.8
Food at home	103.7	104.2	103.7	104.2
Food away from home	114.3	114.3	114.3	114.3
Housing	106.9	106.9	106.9	106.9
Shelter ¹	108.0	108.1	108.0	108.1
Rent	107.3	107.3	107.3	107.3
Homeownership ²	108.4	108.5	108.4	108.5
Fuel and utilities ³	107.6	107.7	107.6	107.7
Fuel oil and coal	105.8	106.6	105.8	106.6
Gas and electricity	108.1	108.1	108.1	108.1
Household furnishings and operations ⁴	102.9	102.7	102.9	102.7
Apparel and upkeep ⁵	106.1	105.0	106.1	105.0
Men's and boys'	106.2	105.2	106.2	105.2
Women's and girls'	103.3	101.4	103.3	101.4
Footwear	111.2	110.9	111.2	110.9
Transportation	108.9	109.4	108.9	109.4
Private	107.5	108.0	107.5	108.0
Public	118.3	118.3	118.3	118.3
Health and recreation ⁶	112.7	112.7	112.7	112.7
Medical care	117.9	118.2	117.9	118.2
Personal care	108.8	108.5	108.8	108.5
Reading and recreation	113.1	113.1	113.1	113.1
Other goods and services	108.3	108.3	108.3	108.3

¹ Includes hotel and motel rates, not shown separately.² Includes home purchase, mortgage interest, taxes, insurance, and maintenance and repairs.³ Includes telephone, water and sewerage service, not shown separately.⁴ Formerly separate indexes were given for housefurnishings and household operation.⁵ Includes "other" apparel, not shown separately (formerly a separate subgroup). Includes laundering and drycleaning of apparel, formerly included in household operation.⁶ Formerly no combined index for the four subgroups was given.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Table 2.—Consumer Price Index (Old Series)

(1957-59 = 100)

Group	Urban wage earner and clerical worker families			
	Jan. 1963	Nov. 1963	Dec. 1963	Jan. 1964
All items	106.0	107.4	107.6	107.6
Food	104.7	105.1	105.4	105.7
Food at home	103.2	103.4	103.7	104.0
Food away from home	112.3	114.0	114.3	114.4
Housing	105.4	106.6	106.9	106.9
Rent	106.3	107.2	107.3	107.3
Gas and electricity	108.2	108.0	108.1	108.4
Solid fuels and fuel oil	104.9	105.4	105.8	106.6
Housefurnishings	97.9	98.8	98.8	98.4
Household operation	109.3	110.7	110.9	110.9
Apparel	103.0	105.6	105.5	104.3
Men's and boys'	103.5	106.1	106.2	105.7
Women's and girls'	100.2	103.5	103.3	101.0
Footwear	109.8	111.1	111.2	111.0
Other apparel	100.3	102.0	102.1	101.3
Transportation	106.6	109.1	108.9	108.9
Private	105.3	107.8	107.5	107.5
Public	115.7	117.6	118.3	118.5
Medical care	115.5	117.5	117.9	118.2
Personal care	107.4	108.4	108.8	109.1
Reading and recreation	110.2	112.8	113.1	113.0
Other goods and services	105.7	108.3	108.3	108.3

Source: U.S. Department of Labor, Bureau of Labor Statistics.

INDEX OF PRICES PAID BY FARMERS FOR COMMODITIES USED IN FAMILY LIVING

(1957-59 = 100)

Item	Feb. 1963	Sept. 1963	Oct. 1963	Nov. 1963	Dec. 1963	Jan. 1964	Feb. 1964
All commodities	104	104	104	104	104	104	105
Food and tobacco	—	104	—	—	104	—	—
Clothing	—	109	—	—	110	—	—
Household operation	—	107	—	—	108	—	—
Household furnishings	—	96	—	—	96	—	—
Building materials, house	—	101	—	—	100	—	—
Auto and auto supplies	—	101	—	—	103	—	—

Source: U.S. Department of Agriculture, Agricultural Marketing Service.

ESTIMATED COST OF 1 WEEK'S FOOD AT HOME—U.S.A. AVERAGE AND FOUR REGIONS

January 1964 estimates of the retail cost of food for the USDA food plans are presented in the following pages for the U.S.A. and the four regions, and for the special adaptation of the low-cost plan for the South. (See tables 1-4, pages 17 to 19.) An explanation of the development of the food plans and the cost estimates for the U.S.A. is given in Home Economics Research Report No. 20, "Family Food Plans and Food Costs," a publication for the use of nutritionists and other leaders who develop and use food plans. Single copies are available from the CFE Research Division, ARS, U.S. Department of Agriculture, 325A Federal Center Building, Hyattsville, Md., 20781.

Table 1.—*Cost of 1 Week's Food at Home Estimated for Food Plans
at Three Cost Levels,¹ January 1964—U.S.A. Average*

Sex-age groups	Low-cost plan	Moderate- cost plan	Liberal plan
	Dollars	Dollars	Dollars
FAMILIES			
Family of two, 20 to 34 years ²	14.20	19.50	22.00
Family of two, 55 to 74 years ²	12.80	17.50	19.60
Family of four, preschool children ³	21.20	28.40	32.50
Family of four, school children ⁴	24.60	33.10	37.70
INDIVIDUALS⁵			
Children, under 1 year	3.20	3.90	4.30
1-3 years	3.80	4.80	5.50
4-6 years	4.50	5.90	7.00
7-9 years	5.40	7.00	8.00
10-12 years	6.30	8.40	9.70
Girls, 13-15 years	6.60	8.90	10.20
16-19 years	6.70	8.90	10.10
Boys, 13-15 years	7.20	9.90	11.20
16-19 years	8.50	11.50	13.00
Women, 20-34 years	5.60	7.80	8.80
35-54 years	5.50	7.50	8.60
55-74 years	5.10	7.10	8.00
75 years and over	5.00	6.60	7.50
Pregnant	7.00	9.10	10.10
Nursing	8.80	11.20	12.50
Men, 20-34 years	7.30	9.90	11.20
35-54 years	6.80	9.30	10.40
55-74 years	6.50	8.80	9.80
75 years and over	6.30	8.40	9.40

¹ These estimates were computed from quantities in food plans published in USDA Home Economics Research Report No. 20, *Family Food Plans and Food Costs*. The costs of the food plans were first estimated by using the average price per pound of each food group paid by nonfarm survey families at three selected income levels in 1955. These prices were adjusted to current levels by use of *Retail Food Prices by Cities* released periodically by the Bureau of Labor Statistics.

² Ten percent added for family size adjustment. For derivation of factors for adjustment, see HERR No. 20, appendix B.

³ Man and woman 20 to 34 years; children, 1 to 3 and 4 to 6 years.

⁴ Man and woman 20 to 34 years; children, 7 to 9 and 10 to 12 years.

⁵ The costs given are for individuals in 4-person families. For individuals in other size families, the following adjustments are suggested: 1-person—add 20 percent; 2-person—add 10 percent; 3-person—add 5 percent; 5-person—subtract 5 percent; 6-or-more-person—subtract 10 percent.

Table 2.—Cost of 1 Week's Food at Home Estimated for Food Plans at Three Cost Levels,¹
January 1964, for Northeast and North Central Regions

Sex-age groups	Northeast			North Central		
	Low-cost plan	Moderate-cost plan	Liberal plan	Low-cost plan	Moderate-cost plan	Liberal plan
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
<i>FAMILIES</i>						
Family of two, 20-34 years ²	16.40	21.60	23.50	15.00	18.60	21.20
Family of two, 55-74 years ²	14.70	19.40	21.00	13.40	16.60	19.00
Family of four, preschool children ³ ..	24.20	31.10	34.40	22.20	27.20	31.30
Family of four, school children ⁴ ..	28.10	36.40	40.10	25.80	31.70	36.40
<i>INDIVIDUALS</i> ⁵						
Children, under 1 year	3.40	4.20	4.40	3.20	3.80	4.20
1-3 years	4.20	5.10	5.70	3.90	4.60	5.30
4-6 years	5.10	6.40	7.30	4.70	5.70	6.70
7-9 years	6.10	7.60	8.50	5.60	6.70	7.80
10-12 years	7.10	9.20	10.20	6.60	8.10	9.30
Girls, 13-15 years	7.40	9.80	10.90	6.90	8.50	9.90
16-19 years	7.50	9.70	10.70	7.00	8.50	9.80
Boys, 13-15 years	8.20	10.80	11.90	7.50	9.40	10.80
16-19 years	9.70	12.60	13.80	8.90	11.00	12.60
Women, 20-34 years	6.40	8.60	9.40	5.90	7.40	8.50
35-54 years	6.20	8.30	9.10	5.70	7.20	8.30
55-74 years	5.90	7.80	8.60	5.40	6.70	7.80
75 years and over	5.70	7.30	8.00	5.20	6.30	7.30
Pregnant	7.90	9.90	10.70	7.30	8.80	9.80
Nursing	9.80	12.20	13.20	9.20	10.80	12.10
Men, 20-34 years	8.50	11.00	12.00	7.70	9.50	10.80
35-54 years	7.90	10.30	11.10	7.20	8.90	10.00
55-74 years	7.50	9.80	10.50	6.80	8.40	9.50
75 years and over	7.20	9.30	10.00	6.60	8.00	9.10

See footnotes 1 to 5 of table 1 on page 17.

Table 3.—Cost of 1 Week's Food at Home Estimated for Food Plans at Three Cost Levels,¹
January 1964, for Southern and Western Regions

Sex-age groups	South			West		
	Low-cost plan	Moderate-cost plan	Liberal plan	Low-cost plan	Moderate-cost plan	Liberal plan
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
<i>FAMILIES</i>						
Family of two, 20-34 years ²	12.30	16.90	19.80	16.30	20.50	23.30
Family of two, 55-74 years ²	11.10	15.30	17.70	14.50	18.40	20.80
Family of four, preschool children ³ ..	18.60	24.80	29.10	24.10	29.80	34.40
Family of four, school children ⁴ ..	21.40	28.90	33.70	28.00	34.80	39.90
<i>INDIVIDUALS</i> ⁵						
Children, under 1 year	2.80	3.50	3.90	3.50	4.10	4.60
1-3 years	3.40	4.20	4.90	4.20	5.00	5.80
4-6 years	4.00	5.20	6.20	5.10	6.20	7.40
7-9 years	4.70	6.20	7.20	6.10	7.40	8.50
10-12 years	5.50	7.30	8.50	7.10	8.80	10.20
Girls, 13-15 years	5.80	7.80	9.10	7.40	9.30	10.80
16-19 years	5.80	7.80	9.10	7.50	9.30	10.80
Boys, 13-15 years	6.20	8.50	9.80	8.10	10.30	11.90
16-19 years	7.30	9.80	11.40	9.60	12.10	13.80
Women, 20-34 years	4.90	6.80	8.00	6.40	8.20	9.30
35-54 years	4.70	6.60	7.80	6.20	7.90	9.10
55-74 years	4.50	6.20	7.30	5.80	7.40	8.50
75 years and over	4.30	5.80	6.80	5.60	6.90	8.00
Pregnant	6.20	8.00	9.20	8.00	9.60	10.90
Nursing	7.70	9.90	11.20	9.90	11.80	13.40
Men, 20-34 years	6.30	8.60	10.00	8.40	10.40	11.90
35-54 years	5.90	8.00	9.20	7.80	9.70	11.00
55-74 years	5.60	7.70	8.80	7.40	9.30	10.40
75 years and over	5.40	7.30	8.40	7.10	8.80	9.90

See footnotes 1 to 5 of table 1 on page 17.

Table 4.—*Cost of 1 Week's Food at Home, Estimated for Special Adaptation of Low-Cost Plan for the South,¹ January 1964*

Sex-age groups	Special low-cost plan	Sex-age groups	Special low-cost plan
	Dollars		Dollars
FAMILIES		INDIVIDUALS²—Con.	
Family of two, 20-34 years ²	11.80	Boys, 13-15 years	5.90
Family of two, 55-74 years ²	10.30	16-19 years	6.90
Family of four, preschool children ³	17.80	Women, 20-34 years	4.70
Family of four, school children ¹	20.50	35-54 years	4.50
		55-74 years	4.20
		75 years and over	4.10
INDIVIDUALS³		Pregnant	6.00
Children, under 1 year	2.70	Nursing	7.60
1-3 years	3.30	Men, 20-34 years	6.00
4-6 years	3.80	35-54 years	5.60
7-9 years	4.50	55-74 years	5.20
10-12 years	5.30	75 years and over	5.10
Girls, 13-15 years	5.60		
16-19 years	5.70		

¹ Based on quantities suggested in table 4, page 9, USDA Home Economics Research Report No. 20, *Family Food Plans and Food Costs*.

See footnotes 1 to 5 of table 1 on page 17.

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