

family economics. review

Consumer and Food Economics Research Division
Agricultural Research Service

UNITED STATES DEPARTMENT OF AGRICULTURE

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As this issue of Family Economics Review goes to press, Dr. Emma G. Holmes, who has guided its development for more than half its existence, retires from Federal service. We are sure her many friends among the readers of Family Economics Review will join the Division's staff in wishing her a new life as personally rewarding as her years in the Division have been to her profession.

Florence Forziati, Acting Director
Consumer and Food Economics
Research Division

Family Economics Review is a quarterly report on research of the Consumer and Food Economics Research Division and on information from other sources relating to economic aspects of family living. It is prepared primarily for home economics agents and home economics specialists of the Cooperative Extension Service.

THE FAMILY ECONOMICS REVIEW EVALUATION SURVEY

The Consumer and Food Economics Research Division appreciates the response Family Economics Review readers have made to the evaluation questionnaire in the March 1970 issue. By July 6, answers had been received from 1,140 persons--about 16 percent of the mailing list--and were still coming. These replies are letting us know what readers do and do not like about this publication. They are also providing some ideas for future issues and asking some questions we are glad for an opportunity to answer for readers.

Reader Uses of Family Economics Review

From answers to the questions about use of the 1969 issues, we learned that about two-thirds of the persons who responded had read articles from all of the subject matter areas represented. Articles on food, family finance, and housing--each read by about 90 percent of the respondents--were of interest to somewhat more people than those on clothing and textiles, which 80 percent read. The most-used regular feature was the current cost of food in the USDA food plans.

We are pleased to know that most of the readers find Family Economics Review of enough value to file their copies for future reference and share them with other people.

Reader Questions and Suggestions

Distribution. --Many readers asked questions about the distribution of Family Economics Review. This publication is free and is prepared primarily for the Extension Service. A large proportion of the copies printed must be used for Extension and other USDA workers. The number of other persons who can be placed on the mailing list is limited. General distribution policies are as follows:

The Extension Service sets its own distribution policy and handles all distribution to Extension personnel. The Extension Publications Officer in Washington, D.C., sends in bulk to each State the number of copies the State Director has ordered for his staff. The Publications Officer in the State then distributes the copies directly to the individuals designated to receive them or sends them to the State specialist to distribute. Extension workers who want more copies than they are receiving or who have questions about service should direct their requests and inquiries to their State office.

Teachers in colleges, universities, and high schools may be placed on the mailing list upon request. We cannot send teachers enough copies to distribute to their classes. However, teachers are free to have copies made of any articles they want to give to students.

Over 500 libraries that are depositories for U.S. Government publications receive Family Economics Review. Other libraries may receive it upon request.

Other professional workers, such as welfare and nutrition workers and members of the press, may be placed on the mailing list upon request.

Students may not be placed on the mailing list because the number of copies printed is too limited.

Homemakers may not be placed on the mailing list unless they are also employed as professional workers.

Subject matter. -- Many readers suggested topics for articles they would like to see in Family Economics Review. Some of these topics will be used in future issues; others are not within the scope of this publication.

Family Economics Review's purpose is to "report on research of the Consumer and Food Economics Research Division and on information from other sources relating to economic aspects of family living." Major emphasis is on the research of this Division (CFE). Studies by State Experiment Stations in cooperation with or under grant from CFE are reported also. As space in an issue and staff time for writing permit, information on pertinent research and consumer programs of other U.S. Government agencies and on Federal laws affecting consumers may be included.

With these limits, Family Economics Review cannot meet all of the information needs of the many professional workers receiving it, for their interests vary widely. Some, for example, wanted less emphasis on food whereas others wanted more. The reason many of the articles are about food is that much of the research in family economics, both in CFE and elsewhere, is concerned with food. CFE has no research that will provide information on such subjects as home decorating, selection of household appliances and furnishings, home laundering, or clothing design and construction. Information from other U.S. Government agencies on textiles research, housing, budgets, consumer prices and credit, and family characteristics will continue to be reported when available.

Several readers asked for up-to-date figures on family expenditures. The problem here is lack of data. Nationwide surveys that provide such data are conducted only at long intervals, and tabulation and analysis of findings take time, too. The most recent nationwide survey of consumer expenditures covered spending in 1960-61. The next nationwide survey is scheduled to be conducted in 1972-73 and cover expenditures made in 1971-72. Results will appear in Family Economics Review as they are released. Information on family spending from studies in limited areas is published as it becomes available. For example, information from a study of spending in 1967 by rural families in North Carolina is given in the June 1970 issue (p. 3) and in this issue (p. 5).

From time to time, Family Economics Review publishes estimates of personal consumption expenditures that are provided by the Office of Business Economics (OBE) of the U.S. Department of Commerce. An article giving the most recent figures from this source will be included in a later issue.

General. -- Several suggestions were made that we would like to follow but cannot at the present time because our staff is too small or they would add too much to preparation time or cost. Among these suggestions were (1) prepare six or 12 instead of four issues a year, (2) give regional food cost estimates every quarter, and (3) use photographs or pictures to make it more attractive.

Many readers said they like Family Economics Review as it is. Although we may not be able to add glamor, we do hope to continue to give accurate, up-to-date information that will be useful to its varied audience.

--Emma G. Holmes

EXPENDITURES AND VALUE OF CONSUMPTION OF FARM AND RURAL NONFARM FAMILIES IN NORTH CAROLINA

Farm and rural nonfarm families in North Carolina in 1967 had about the same average level of living as measured by value of consumption. However, farm families maintained this level on lower expenditures than did nonfarm families. Value of consumption averaged about \$4,650 for each group but expenditures averaged \$4,110 for farm and \$4,470 for rural nonfarm families, according to a survey conducted for the Consumer and Food Economics Research Division by the Research Triangle Institute.^{1/} (Value of consumption includes expenditures for nondurable goods and for services, plus the value of home-produced food and fuel, the value of goods received as gift or pay, and the use-value of housing and durable goods in the possession of the family.)

The Families

The average farm family in North Carolina in 1967 had a head 54 years old with 7.8 years of schooling (table 1). It had 3.7 members, of whom 1.3 were under 18 years of age, and about 0.9 full-time earner.

The average rural nonfarm family had a head 50 years old with 8.7 years of schooling. It consisted of 3.4 persons, of whom 1.3 were under 18 years. It had 0.8 full-time earner.

A majority of both groups of families owned a home and one or more automobiles. Homes were owned by 72 percent of the farm and 68 percent of the rural nonfarm families, and automobiles by 87 and 72 percent, respectively. Income after personal taxes (personal property and Federal, State, and local income taxes) averaged about \$4,265 for farm and \$4,964 for rural nonfarm families.

Expenditures and Value of Consumption

Farm families were able to maintain the same level of consumption as rural nonfarm families with less expenditure because (1) they produced more of their food and fuel, (2) they made smaller increases in their stocks of durable goods, and (3) they spent less on their homes in relation to use-value. Of these three, home food production was the most important, contributing \$421 to the value of consumption of farm families compared with \$92 to that of rural nonfarm families (tables 2 and 3).

Farm families spent less for food than rural nonfarm -- \$943 compared with \$1,143. Both groups had small amounts of free food from such sources as school lunch and donated food programs and meals received as pay. Farm families used food valued at \$126 more than rural nonfarm, but they also had more members to feed. As a result, the value of food used per person was about the same for both groups. Food per farm family accounted for 30 percent of the value of consumption but only 23 percent of expenditures. In rural nonfarm families, food accounted for 27 percent of consumption and 26 percent of expenditures.

^{1/} Another article based on this study appeared in the June 1970 issue of Family Economics Review.

Table 1.--Number, distribution by income, and characteristics of rural farm and rural nonfarm families, North Carolina, 1967

Item	All fami- lies	Rural farm					All fami- lies	Rural nonfarm				
		Income after personal taxes ^{3/}						Income after personal taxes ^{3/}				
		Under \$1,500	\$1,500- \$2,999	\$3,000- \$4,499	\$4,500- \$7,999	\$8,000 or more		Under \$1,500	\$1,500- \$2,999	\$3,000- \$4,499	\$4,500- \$7,999	\$8,000 or more
Families												
Estimated total----number--	119,593	22,192	29,081	22,831	27,850	17,639	665,991	109,490	80,589	144,326	183,020	148,566
Distribution-----percent--	100	19	24	19	23	15	100	16	12	22	27	22
Characteristic												
Family size ^{1/} -----number--	3.7	3.2	3.5	3.5	4.3	4.0	3.4	2.0	3.1	3.8	3.7	3.9
Children under 18--number--	1.3	1.2	1.2	1.2	1.6	1.3	1.3	0.4	1.1	1.6	1.5	1.4
Age of head-----year--	54	56	58	55	53	50	50	67	56	50	45	43
Schooling of head----year--	7.8	6.6	6.7	8.4	8.3	10.0	8.7	5.2	6.7	8.7	9.7	10.9
Full-time earners--number--	0.9	0.7	0.7	0.8	1.2	1.4	0.8	0.0	0.2	0.7	1.0	1.6
Homeowner-----percent--	72	71	59	73	81	83	68	44	64	62	74	85
Auto owner ^{2/} -----percent--	87	76	77	89	100	97	72	14	48	72	94	98
With persons 65 yr. and over-----percent--	32	40	37	32	32	12	28	63	50	28	15	8
Income before per- sonal taxes ^{3/} ---dollars--	4,627	859	2,162	3,595	6,038	12,541	5,443	960	2,249	3,757	6,108	11,296
Income after per- sonal taxes ^{3/} ---dollars--	4,265	811	2,083	3,431	5,615	11,154	4,964	958	2,223	3,612	5,621	9,909

Preliminary

- ^{1/} In year-equivalent persons, derived by dividing by 52 the total number of weeks of membership reported.
^{2/} Automobiles and trucks used for family living purposes.
^{3/} Personal property and Federal, State, and local income taxes.

Table 2.--Expenditures for family living and value of consumption of farm families, by income after personal taxes, North Carolina, 1967

Item	Average expenditures						Average value of consumption					
	All fami- lies	Under \$1,500	\$1,500- \$2,999	\$3,000- \$4,499	\$4,500- \$7,999	\$8,000 or more	All fami- lies	Under \$1,500	\$1,500- \$2,999	\$3,000- \$4,499	\$4,500 \$7,999	\$8,000 or more
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Total -----	4,111	3,025	2,871	3,575	5,205	6,474	4,651	3,621	3,550	4,221	5,643	6,752
Food, total -----	943	715	705	821	1,195	1,383	1,376	1,171	1,098	1,168	1,685	1,874
Purchased 1/ -----	943	715	705	821	1,195	1,383	943	715	705	821	1,195	1,383
Home-produced -----	-	-	-	-	-	-	421	431	380	330	487	489
Other 2/ -----	-	-	-	-	-	-	12	25	13	17	3	2
Tobacco -----	60	59	47	57	67	73	60	59	47	57	67	73
Housing, total -----	1,231	908	943	1,147	1,523	1,756	1,336	1,054	1,080	1,321	1,539	1,805
Shelter -----	537	402	434	484	649	768	609	481	496	606	660	879
Household operation -----	481	357	371	486	605	615	521	410	424	519	639	635
Furnishings and equipment -----	213	149	138	177	269	373	206	163	160	196	240	291
Clothing -----	406	288	232	326	585	662	443	321	349	412	541	635
Personal care -----	112	75	65	94	155	189	116	77	70	97	158	195
Medical care -----	406	342	366	389	428	543	406	342	366	389	428	543
Recreation -----	118	85	51	91	160	235	109	72	49	73	151	232
Reading and education -----	79	50	37	65	111	150	81	50	37	67	118	151
Automobile 3/ -----	698	421	393	528	919	1,422	665	387	416	579	890	1,182
Other transportation -----	22	7	10	21	41	30	25	12	13	23	46	31
Miscellaneous -----	36	75	22	36	21	31	36	75	22	36	21	31
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Total -----	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Food, total -----	22.9	23.6	24.6	23.0	23.0	21.4	29.6	32.3	30.9	27.7	29.9	27.8
Purchased 1/ -----	22.9	23.6	24.6	23.0	23.0	21.4	20.3	19.7	19.9	19.5	21.2	20.5
Home-produced -----	-	-	-	-	-	-	9.1	11.9	10.7	7.8	8.6	7.2
Other 2/ -----	-	-	-	-	-	-	.3	.7	.4	.4	.1	(4/)
Tobacco -----	1.5	2.0	1.6	1.6	1.3	1.1	1.3	1.6	1.3	1.4	1.2	1.1
Housing, total -----	29.9	30.0	32.8	32.1	29.3	27.1	28.7	29.1	30.4	31.3	27.3	26.7
Shelter -----	13.1	13.3	15.1	13.5	12.5	11.9	13.1	13.3	14.0	14.4	11.7	13.0
Household operation -----	11.7	11.8	12.9	13.6	11.6	9.5	11.2	11.3	11.9	12.3	11.3	9.4
Furnishings and equipment -----	5.2	4.9	4.8	5.0	5.2	5.8	4.4	4.5	4.5	4.6	4.3	4.3
Clothing -----	9.9	9.5	8.1	9.1	11.2	10.2	9.5	8.9	9.8	9.8	9.6	9.4
Personal care -----	2.7	2.5	2.3	2.6	3.0	2.9	2.5	2.1	2.0	2.3	2.8	2.9
Medical care -----	9.9	11.3	12.7	10.9	8.2	8.4	8.7	9.4	10.3	9.2	7.6	8.0
Recreation -----	2.9	2.8	1.8	2.5	3.1	3.6	2.3	2.0	1.4	1.7	2.7	3.4
Reading and education -----	1.9	1.7	1.3	1.8	2.1	2.3	1.7	1.4	1.0	1.6	2.1	2.2
Automobile 3/ -----	17.0	13.9	13.7	14.8	17.7	22.0	14.3	10.7	11.7	13.7	15.8	17.5
Other transportation -----	.5	.2	.3	.6	.8	.5	.5	.3	.4	.5	.8	.5
Miscellaneous -----	.9	2.5	.8	1.0	.4	.5	.8	2.1	.6	.9	.4	.5

Preliminary. Detail may not add to total because of rounding.

1/ Includes food purchased for use at home, purchased meals away from home, and alcoholic beverages. 2/ Includes meals as pay, free school lunches, commodities obtained through the Food Donation Program. 3/ Automobiles and trucks used for family living purposes, expenditure for purchase or value of consumption and operating expenses. 4/ Less than 0.05 percent.

Table 3.--Expenditures for family living and value of consumption of rural nonfarm families, by income after personal taxes, North Carolina, 1967

Item	Average expenditures						Average value of consumption					
	All fami- lies	Under \$1,500	\$1,500- \$2,999	\$3,000- \$4,499	\$4,500- \$7,999	\$8,000 or more	All fami- lies	Under \$1,500	\$1,500- \$2,999	\$3,000- \$4,499	\$4,500- \$7,999	\$8,000 or more
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Total -----	4,469	1,514	2,452	3,459	5,101	7,943	4,660	1,869	2,818	3,956	5,322	7,584
Food, total -----	1,143	497	767	1,081	1,310	1,676	1,250	587	909	1,199	1,414	1,773
Purchased 1/ -----	1,143	497	767	1,081	1,310	1,676	1,143	497	767	1,081	1,310	1,676
Home-produced -----	-	-	-	-	-	-	92	56	115	98	96	94
Other 2/ -----	-	-	-	-	-	-	15	34	27	20	8	3
Tobacco -----	65	28	52	62	74	91	65	28	52	62	74	91
Housing, total -----	1,347	572	806	985	1,463	2,419	1,356	691	918	1,178	1,456	2,125
Shelter -----	568	258	302	338	641	1,072	592	314	420	514	650	894
Household operation -----	545	256	349	466	578	901	558	282	365	481	586	905
Furnishings and equipment -----	234	58	155	181	244	446	206	95	133	183	220	326
Clothing -----	392	67	204	279	437	789	492	185	254	413	550	853
Personal care -----	123	28	59	94	148	224	129	32	61	98	160	227
Medical care -----	394	234	265	344	432	584	394	234	265	344	432	584
Recreation -----	153	12	37	81	184	349	134	20	39	76	159	295
Reading and education -----	62	8	24	38	54	158	67	10	29	38	64	162
Automobile 3/ -----	725	46	218	450	909	1,539	706	56	265	499	922	1,358
Other transportation -----	33	12	14	28	19	83	36	16	19	31	19	84
Miscellaneous -----	32	10	6	17	71	31	32	10	6	17	71	31
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Total -----	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Food, total -----	25.6	32.8	31.3	31.3	25.7	21.1	26.8	31.4	32.3	30.3	26.6	23.4
Purchased 1/ -----	25.6	32.8	31.3	31.3	25.7	21.1	24.5	26.6	27.2	27.3	24.6	22.1
Home-produced -----	-	-	-	-	-	-	2.0	3.0	4.1	2.5	1.8	1.2
Other 2/ -----	-	-	-	-	-	-	.3	1.8	1.0	.5	.2	(4/)
Tobacco -----	1.5	1.8	2.1	1.8	1.5	1.1	1.4	1.5	1.8	1.6	1.4	1.2
Housing, total -----	30.1	37.8	32.9	28.5	28.7	30.5	29.1	37.0	32.6	29.8	27.4	28.0
Shelter -----	12.7	17.0	12.3	9.8	12.6	13.5	12.7	16.8	14.9	13.0	12.2	11.8
Household operation -----	12.2	16.9	14.2	13.5	11.3	11.3	12.0	15.1	13.0	12.2	11.0	11.9
Furnishings and equipment -----	5.2	3.8	6.3	5.2	4.8	5.6	4.4	5.1	4.7	4.6	4.1	4.3
Clothing -----	8.8	4.4	8.3	8.1	8.6	9.9	10.6	9.9	9.0	10.4	10.3	11.2
Personal care -----	2.8	1.8	2.4	2.7	2.9	2.8	2.8	1.7	2.2	2.5	3.0	3.0
Medical care -----	8.8	15.5	10.8	9.9	8.5	7.4	8.5	12.5	9.4	8.7	8.1	7.7
Recreation -----	3.4	.8	1.5	2.3	3.6	4.4	2.9	1.1	1.4	1.9	3.0	3.9
Reading and education -----	1.4	.5	1.0	1.1	1.1	2.0	1.4	.5	1.0	1.0	1.2	2.1
Automobile 3/ -----	16.2	3.0	8.9	13.0	17.8	19.4	15.2	3.0	9.4	12.6	17.3	17.9
Other transportation -----	.7	.8	.6	.8	.4	1.0	.8	.9	.7	.8	.4	1.1
Miscellaneous -----	.7	.7	.2	.5	1.4	.4	.7	.5	.2	.4	1.3	.4

Preliminary. Detail may not add to total because of rounding.

1/ Includes food purchased for use at home, purchased meals away from home, and alcoholic beverages. 2/ Includes meals as pay, free school lunches, commodities obtained through the Food Donation Program. 3/ Automobiles and trucks used for family living purposes, expenditure for purchase or value of consumption and operating expenses. 4/ Less than 0.05 percent.

Both farm and rural nonfarm families bought more durable goods than they used up in 1967. Farm families added more to their stock of automobiles and rural nonfarm families more to furnishings and equipment.

Effect of income.--Differences between high- and low-income families in amounts spent and values of consumption were less on farms than off. Each \$100 of after-tax income resulted, on the average, in \$32 in expenditures and \$26 in value of consumption for farm families and \$72 and \$61, respectively, for rural nonfarm families. This difference between the two groups is related largely to the difference in the nature of their incomes. Farm families have incomes that vary much more from year to year, yet they tend to maintain their usual level of living by spending at about the same level. Therefore, farm families had higher spending and consumption than rural nonfarm at the lowest income level and lower expenditures and consumption than rural nonfarm families at the top level.

Expenditures increased faster than value of consumption as income rose. Expenditures of farm families averaged 84 percent of consumption at the low-income level (under \$1,500) compared with 96 percent at the high-income level (\$8,000 and over). For rural nonfarm families at these levels, expenditures were 81 and 105 percent of consumption, respectively. Spending increased faster than consumption because, as income rose, families (1) bought a larger proportion of their food, (2) spent more on durables and homes in relation to the use-value of those they owned, and (3) bought more of their clothing, made less of it, and received less as gift or pay.

Clothing and autos took larger shares of expenditures and values of consumption at high than at low income levels in both groups of families, while food and housing took smaller shares. The differences were usually greater in expenditures than in value of consumption.

--Lucile F. Mork and Jean L. Pennock

POVERTY IN THE UNITED STATES, 1959-69

Persons below the poverty level.--The number of persons below the poverty level declined from 39 million to 24 million--or from 22 to 12 percent of the population--between 1959 and 1969, according to the Bureau of the Census (see table).^{1/} In both years, the poverty rate was about three times as great among persons of Negro and other races as among whites.

The number of poor persons living in families headed by a man declined about one-half between 1959 and 1969, but the number in families headed by a woman remained about the same. As a result, 29 percent of the poor were in families headed by a woman in 1969 compared with 18 percent in 1959.

^{1/} U.S. Department of Commerce. Bureau of the Census. Current Population Reports (available for the prices given from Supt. Doc., U.S. Govt. Print. Off., Washington, D.C. 20402): (1) Poverty in the United States. Series P-60, No. 68 (Dec. 1969), \$1.00; and (2) Selected Characteristics of Persons and Families: March 1970. Series P-20, No. 204 (July 1970). 15 cents.

Number of persons and families below the poverty level in 1969 and 1959, by race

Item	All races			White			Other		
	Number		Change, 1959 to 1969	Number		Change, 1959 to 1969	Number		Change, 1959 to 1969
	1969	1959		1969	1959		1969	1959	
	Mil.	Mil.	Pct.	Mil.	Mil.	Pct.	Mil.	Mil.	Pct.
PERSONS									
All -----	24.3	39.5	-38	16.7	28.5	-41	7.6	11.0	-31
In families -----	19.4	34.6	-44	12.7	24.4	-48	6.7	10.1	-34
With male head ----	12.4	27.5	-55	9.1	20.2	-55	3.3	7.3	-55
With female head --	7.0	7.0	0	3.6	4.2	-14	3.4	2.8	+21
Unrelated individuals	4.9	4.9	0	4.0	4.0	0	.9	.9	0
Male -----	1.5	1.6	-6	1.0	1.2	-17	.3	.4	-25
Female -----	3.4	3.4	0	2.8	2.9	-3	.5	.5	0
FAMILIES									
All -----	4.9	8.3	-41	3.6	6.2	-42	1.4	2.1	-33
With male head -----	3.1	6.4	-52	2.5	5.0	-50	.7	1.5	-53
With female head ----	1.8	1.9	-5	1.1	1.2	-8	.7	.7	0

Detail may not add to total because of rounding.

Unrelated individuals 14 years old and over were also a larger proportion of the poor in 1969 than in 1959 (20 and 12 percent, respectively). Poor women living as unrelated individuals--that is, alone or with persons who were not their family--increased from 9 to 14 percent of all poor. Men unrelated individuals increased from 4 to 6 percent of the poor.

Families below the poverty level. -- Families with incomes below the poverty level totaled 3.4 million less in 1969 than in 1959--a decline of 41 percent. The number of poor white families declined about 42 percent, poor families of other races, 33 percent.

"Poverty level" defined. -- The definition of poverty used in these counts of the poor was established by a Federal Interagency Committee. The poverty thresholds or lines differ according to family size and composition. Poverty thresholds set by the Social Security Administration for nonfarm families for 1963 are used as the base for calculating those for other years. These thresholds were three times the cost of USDA's economy food plan for families of three or more and slightly higher for smaller families. The poverty thresholds are adjusted each year with the movement of the Consumer Price Index. The thresholds for farm families are 85 percent of those for nonfarm families of like size and composition.

THE COST OF MEATS AND MEAT ALTERNATES

Meat, poultry, and fish are usually the most expensive items in a meal. They are valued nutritionally for their protein and for B-vitamins and minerals. Eggs, dry legumes, peanut butter, and cheeses also provide worthwhile amounts of these nutrients and are therefore suitable alternates for meat in meals. Replacing expensive meats with inexpensive ones or with meat alternates can save money without loss of food value.

The nutritive value of equal amounts of lean cooked meat from various meat animals differs only slightly, except that pork is higher in thiamin and organs and glands are usually higher in iron and thiamin than other meats. Therefore, the homemaker can find good buys in food value in meats by comparing the cost of amounts of various cuts and types of meat that will provide equal amounts of cooked lean. She can do this roughly by comparing the cost of amounts large enough to serve her family a meal or amounts large enough for individual servings.

Estimated costs in March 1970^{1/} of 3 ounces of cooked lean from selected types and cuts of meat, poultry, and fish are shown in table 1. A serving might be about 3 ounces or larger or smaller depending on personal preference or on the size of pieces, such as chicken parts, chops, or steaks.

A 2- to 3-ounce serving of cooked lean meat from beef, pork, lamb, veal, chicken, turkey, or fish provides about 20 grams of protein. This is about a third of the recommended daily allowance for a 20-year-old man. To provide this same amount of protein requires about nine slices of bacon, four frankfurters, six slices of bologna, or five fish sticks. These items are not protein bargains, even though the amounts ordinarily served usually cost less than a 3-ounce serving of most meats.

Some foods other than meats--such as dry beans and peas, peanut butter, cheese, and eggs--are good buys in protein. Amounts needed to provide 20 grams of protein are larger than the usual serving--for example, more than a cup of cooked or canned dry beans, 4 1/2 tablespoons of peanut butter, 3 ounces of American processed cheese, or 2/3 cup of cottage cheese. Estimated costs of equal amounts of protein from selected meats and meat alternates are given in table 2.

More information on the selection and preparation of economical meats and meat alternates is given in "Money Saving Main Dishes" (Home and Garden Bulletin No. 43), available free from the Office of Information, U.S. Department of Agriculture, Washington, D.C. 20250. Include your ZIP code with your request.

--Betty Peterkin

^{1/} The food prices used in this article are based on average prices for U.S. cities in March 1970, as reported by the Bureau of Labor Statistics, U.S. Department of Labor.

Table 1.--Cost of 3 ounces of cooked lean from specified meat, poultry, and fish at June 1970 prices

Item	Retail price per pound	Cost of 3 ounces of cooked lean
	<u>Dollars</u>	<u>Dollars</u>
Hamburger -----	0.66	0.17
Beef liver -----	.68	.18
Ocean perch, fillet, frozen -	.64	.19
Chicken, whole, ready-to-cook	.41	.20
Turkey, ready-to-cook -----	.57	.23
Haddock, fillet, frozen -----	.88	.26
Chicken breasts -----	.74	.26
Pork picnic -----	.58	.26
Ham, whole -----	.78	.27
Pork sausage -----	.80	.31
Ham, canned -----	1.22	.31
Chuck roast, bone in -----	.72	.32
Pork loin roast -----	.83	.42
Rump roast, boned -----	1.29	.44
Round steak -----	1.30	.44
Rib roast of beef -----	1.10	.50
Pork chops, center -----	1.17	.53
Veal cutlets -----	2.21	.55
Sirloin steak -----	1.35	.58
Porterhouse steak -----	1.59	.83
Lamb chops, loin -----	1.84	.85

Table 2.--Cost of 20 grams of protein from specified meats and meat alternates at June 1970 prices

Item	Retail price per pound	Cost of 20 grams of protein
	<u>Dollars</u>	<u>Dollars</u>
Dry beans -----	0.19	0.04
Peanut butter -----	.63	.10
Chicken, whole, ready-to-cook	.41	.12
Eggs, large -----	.51 (dozen)	.12
Beef liver -----	.68	.16
Hamburger -----	.66	.17
Tuna fish -----	.39 (6 1/2 oz. can)	.17
American processed cheese ---	.50 (8 oz. pkg.)	.19
Ham, whole -----	.78	.27
Round steak -----	1.30	.30
Frankfurters -----	.84	.31
Bologna -----	.56 (8 oz.)	.42
Rib roast of beef -----	1.10	.42
Bacon, sliced -----	.97	.46

MEDICAL CARE EXPENDITURES ^{1/}

Medical care expenditures totaled \$60.3 billion in fiscal year (FY) 1969--that is, the 12 months from July 1, 1968, to June 30, 1969.^{2/} This compares with \$26.4 billion in FY 1960 and \$12.1 billion in FY 1950. Higher prices caused half of the increase between 1950 and 1969. Other reasons for the increase were population growth; increased use of medical care services--doctors, dentists, and hospitals; and greater availability and use of costly new medical supplies and techniques.

Public Spending for Medical Care

The public share (Federal, State, and local) of medical care financing increased rapidly after 1966 when Medicare and Medicaid went into effect. Government provided 37 cents of every medical care dollar in FY 1969 compared with 26 cents in FY 1966 (fig. 1). Government spending on medical care totaled \$22.6 billion in FY 1969, up from \$10.8 billion in FY 1966. Medicare accounted for 55 percent of the \$11.8 billion increase and Medicaid, the major health program under public assistance, accounted for

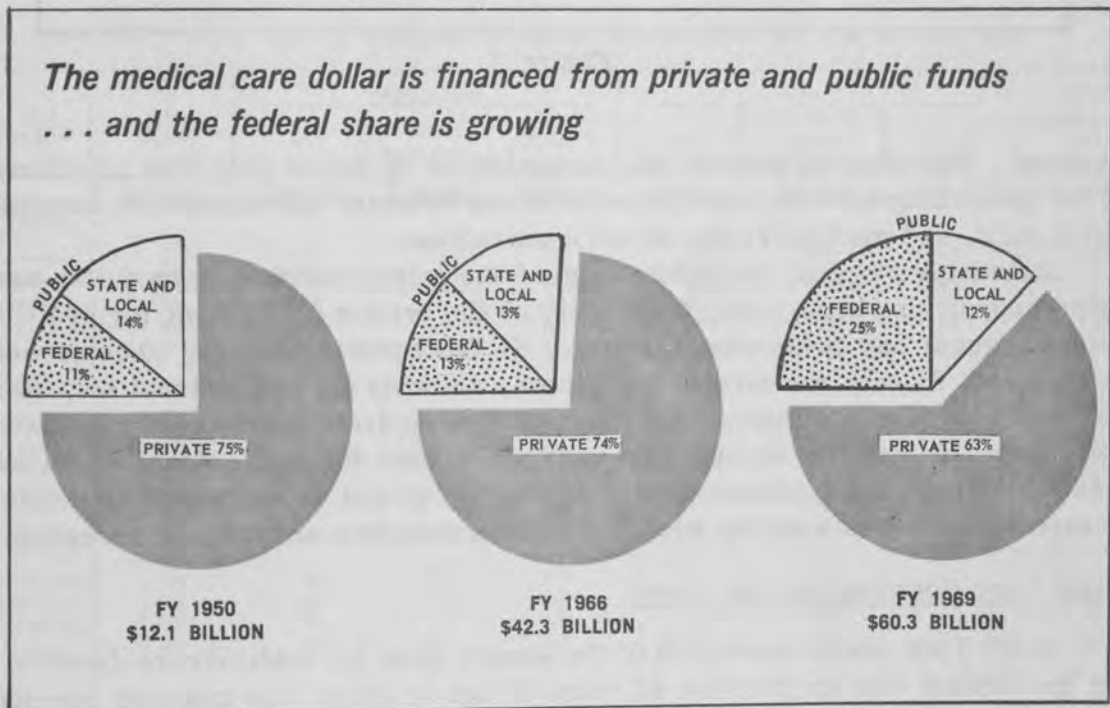


Figure 1

^{1/} U.S. Department of Health, Education, and Welfare, Social Security Administration. The Size and Shape of the Medical Care Dollar--Chartbook 1969. For sale for \$0.40 by Supt. Doc., U.S. Govt. Print. Off., Washington, D.C. 20402.

^{2/} The U.S. Government fiscal or accounting year begins 6 months before the calendar year, covering the period July 1 to June 30. For example, fiscal 1969 is from July 1, 1968, to June 30, 1969.

Medicare pays 45% of the personal health care bill of the aged

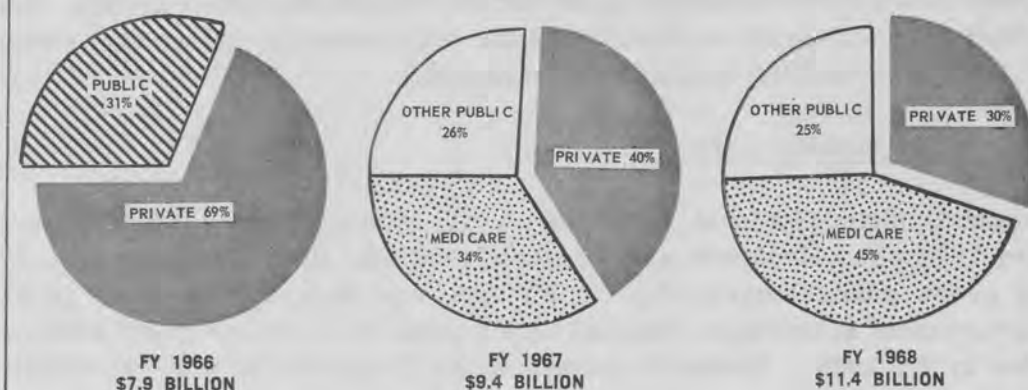


Figure 2

23 percent. The other 22 percent was accounted for by public programs providing support for public hospitals, Defense Department and Veterans Administration hospitals and medical care, and medical research and construction.

Relatively more of the public than of the private medical care dollar went for hospital and nursing home care, while more of the private dollar went for professional services, drugs, and appliances. Of every \$1 from public sources, 50 cents went for hospital care, 8 cents for nursing home care, 14 cents for professional services, and 1 cent for drugs and appliances. Of every \$1 from private sources, 30 cents went for hospital care, 1 cent for nursing home care, 37 cents for professional services, and 20 cents for drugs and appliances. The remaining 27 and 12 cents of each dollar from the respective sources went for such items as construction and medical research.

Medical Care Spending for the Aged

In FY 1968, about one-fourth of the amount spent for medical care directly benefiting individuals was for persons 65 years of age or older, who made up one-tenth of the population. Public programs paid 70 percent of the bill for this age group--Medicare 45 percent and Medicaid and the programs of the Veterans Administration and State and local governments 25 percent (fig. 2). In FY 1966--the year before Medicare and Medicaid became effective--public programs paid 31 percent of the health bill of the aged.

Medical care expenditures per person in FY 1968 averaged three times as high for the aged as for younger persons--\$590 and \$195, respectively. The amount per person for hospital care was more than 3 1/2 times as high for the aged -- \$282 compared with \$77 for those younger. Spending for physicians' services averaged about twice as large for the older as for the younger person--\$97 compared with \$50.

FOOD CANNING BY U.S. HOUSEHOLDS

Changes in home food preservation practices are of interest to educators working with families, food retailers and processors, and equipment manufacturers. According to the most recent nationwide food consumption surveys conducted by the USDA, only 34 percent of U.S. households canned any food for home use during 1964 compared with 44 percent 10 years earlier. In both years, relatively more farm than rural non-farm or urban households did canning. Many more households canned vegetables and fruits than meats. Although 70 percent of the farm households had produced some meat for home use in 1964, only 15 percent canned any.

The proportion of households canning food in 1964 differed from region to region, as follows:

- Fewer urban households in the Northeast than in the other three regions canned any food during the year--13 percent, compared with 25 percent in the North Central, 28 percent in the South, and 27 percent in the West (see table).

Households canning food for home use, by region, urbanization, and type of food, 1964

Region and urbanization	Any food	Vegetables			Fruit			Meat, poultry, fish, game
		Any	Pickles, relishes	Other	Any	Jellies, jams, preserves	Other	
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
<u>United States</u>								
All -----	34	24	17	19	29	25	19	2
Urban -----	23	14	9	10	19	17	10	1
Rural nonfarm	54	42	29	35	46	39	32	3
Farm -----	84	73	57	62	78	68	62	15
<u>Northeast</u>								
All -----	21	15	10	12	17	14	11	1
Urban -----	13	9	5	7	10	9	6	(1/)
Rural nonfarm	46	35	23	28	37	30	26	1
Farm -----	89	76	56	63	81	68	68	16
<u>North Central</u>								
All -----	39	30	21	24	33	28	24	3
Urban -----	25	16	11	12	20	16	12	(1/)
Rural nonfarm	62	51	35	42	53	44	42	5
Farm -----	89	79	62	68	84	73	71	18
<u>South</u>								
All -----	40	29	22	23	34	30	19	2
Urban -----	28	18	13	11	24	21	11	(1/)
Rural nonfarm	51	40	29	35	44	39	26	3
Farm -----	80	71	56	60	72	65	54	13
<u>West</u>								
All -----	32	16	11	10	29	27	19	2
Urban -----	27	12	8	7	24	22	14	2
Rural nonfarm	62	40	30	29	58	53	52	2
Farm -----	76	49	42	38	73	66	60	15

1/ Less than 0.5 percent.

- Fewer rural nonfarm households in the Northeast (46 percent) and South (about 50 percent) than in the North Central and West (62 percent each) canned any food.
- Fewer farm households in the West canned any vegetables during the year than in the other three regions (about 50 percent in the West and 75 percent in each of the others). About 70 percent of the farm households in the West and South and 80 percent in the Northeast and North Central regions canned some fruit. The percentages of farm households canning meat, poultry, fish, or game were small and varied little from region to region.

Data on quantities of foods canned during the year are not available from the survey.

--Ruth Redstrom

INCOME OF PEOPLE AGED 65 AND OLDER^{1/}

Formal retirement programs at the end of 1967 were paying basic benefits to about 9 in every 10 married couples with one or both members aged 65 or older and the same proportion of nonmarried (single, widowed, divorced, or separated) persons of that age. Old-age, survivors, disability, and health insurance (OASDHI) provided regular benefits to more than 5 million aged couples and 7.5 million nonmarried persons and special benefits to another 800,000 aged units (couples or nonmarried persons). Retirement programs for railroad and Government workers provided basic support for an additional 0.5 million aged units and some income for nearly 1 million OASDHI beneficiary units. Private pensions supplemented the OASDHI benefits of about 1.8 million aged units.

Public assistance provided all or most of the support of about 600,000 nonmarried persons--mostly aged widows--and a few couples not eligible for OASDHI benefits.

Of the aged couples receiving OASDHI benefits, about 40 percent also had money from employment and 25 percent had more than one pension. About 25 percent depended on OASDHI for almost their entire support, having not more than \$600 from other sources.

By 1967, only about one-sixth of the population 65 and over were not receiving regular OASDHI benefits. Some of these people were still working and probably chose to postpone retirement. Most of the others received a pension from another source. Least well off were the 1.1 million women without husbands who were not receiving OASDHI. Nearly one-half of these women had incomes under \$1,000 and many had to turn to public assistance for their main support.

Of the total income of the aged in 1967, 26 percent was from OASDHI, 11 percent from other retirement programs, 30 percent from earnings, 25 percent from assets, and 8 percent from such sources as veterans' benefits, public assistance, and contributions from relatives.

^{1/} From: Bixby, Lenore E. "Income of People Aged 65 and Older: Overview from 1968 Survey of the Aged." Social Security Bulletin, April 1970. pp. 3-27.

USE OF BANK CREDIT CARDS GROWS^{1/}

Nearly all major banks and many smaller ones now engage in credit card operations. Most of these operations have been developed since 1966. A few commercial banks adopted credit card plans in the 1950's, but these plans were relatively unsuccessful.

Credit card plans of banks are now growing much faster than revolving credit plans of other lenders. During 1968-69, credit outstanding on bank card plans increased 225 percent. No other type of revolving credit outstanding gained more than 50 percent, as the following figures show:

<u>Credit plan</u>	<u>Amount outstanding</u>		<u>Increase,</u>
	<u>Dec. 31, 1967</u>	<u>Dec. 31, 1969</u>	<u>1967-69</u>
	<u>Bil. dol.</u>	<u>Bil. dol.</u>	<u>Percent</u>
Bank credit cards -----	0.8	2.6	225
Oil company cards -----	1.0	1.5	50
Department store revolving credit	3.5	4.2	20
Retail charge accounts -----	5.9	6.7	14
Travel and entertainment cards --	.1	.1	0
Other -----	.2	.2	0
<hr/>			
All types -----	11.5	15.3	33

The growth of bank credit card plans has been aided by the development of regional and national interchange arrangements. Most banks engaged in credit card operations are members of the Interbank (Master Charge) or Bank America organizations.

About 26 percent of U.S. households had a bank credit card in mid-1969. The proportion with cards varied from 10 percent of the under \$3,000 to 44 percent of the \$15,000-and-over income group, according to a Federal Reserve Board study.^{2/} The credit limit for bank credit cards is typically \$300 to \$500 for most new cardholders.

Many small merchants give credit through bank credit card plans because they find it less troublesome and costly to do this than to operate their own credit facilities.

^{1/} From a statement by Andrew F. Brimmer, Board of Governors of the Federal Reserve System, before a subcommittee of the U.S. House of Representatives, June 10, 1970. Reported in Fed. Reserve Bulletin, June 1970. pp. 497-505.

^{2/} Study of Consumer Awareness of Credit Costs, summarized in the June 1970 issue of Family Economics Review, pp. 17, 18.

COST OF FOOD AT HOME

Cost of food at home estimated for food plans at three
cost levels, June 1970, U.S. average 1/

Sex-age groups <u>2/</u>	Cost for 1 week			Cost for 1 month		
	Low-cost plan	Moderate- cost plan	Liberal plan	Low-cost plan	Moderate- cost plan	Liberal plan
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
<u>FAMILIES</u>						
Family of 2:						
20 to 35 years <u>3/</u> ----	18.50	23.40	28.70	79.90	101.50	124.50
55 to 75 years <u>3/</u> ----	15.10	19.60	23.40	65.40	84.80	101.60
Family of 4:						
Preschool children <u>4/</u>	26.70	34.00	41.20	115.70	147.10	178.80
School children <u>5/</u> ---	31.10	39.60	48.50	134.50	171.70	210.40
<u>INDIVIDUALS <u>6/</u></u>						
Children, under 1 year	3.60	4.50	5.00	15.40	19.30	21.60
1 to 3 years -----	4.50	5.70	6.80	19.70	24.70	29.50
3 to 6 years -----	5.40	7.00	8.30	23.40	30.10	36.10
6 to 9 years -----	6.60	8.40	10.50	28.60	36.60	45.60
Girls, 9 to 12 years --	7.50	9.70	11.30	32.50	41.90	49.00
12 to 15 years -----	8.30	10.70	13.00	35.80	46.50	56.20
15 to 20 years -----	8.40	10.70	12.70	36.60	46.20	54.90
Boys, 9 to 12 years ---	7.70	9.90	11.90	33.30	42.80	51.60
12 to 15 years -----	9.00	11.80	14.10	39.00	51.20	61.00
15 to 20 years -----	10.40	13.20	15.90	45.00	57.10	68.90
Women, 20 to 35 years -	7.80	9.90	11.90	33.70	42.80	51.50
35 to 55 years -----	7.50	9.50	11.40	32.30	41.20	49.60
55 to 75 years -----	6.30	8.20	9.70	27.40	35.50	42.20
75 years and over ---	5.70	7.30	8.90	24.90	31.50	38.50
Pregnant -----	9.20	11.50	13.60	40.00	49.90	59.00
Nursing -----	10.70	13.30	15.50	46.50	57.60	67.30
Men, 20 to 35 years ---	9.00	11.40	14.20	38.90	49.50	61.70
35 to 55 years -----	8.30	10.60	13.00	36.20	46.00	56.10
55 to 75 years -----	7.40	9.60	11.60	32.10	41.60	50.20
75 years and over ---	6.90	9.20	11.10	30.00	40.10	48.30

1/ Estimates computed from quantities in food plans published in FAMILY ECONOMICS REVIEW, October 1964. Costs of the plans were first estimated by using average price per pound of each food group paid by urban survey families at 3 income levels in 1965. These prices were adjusted to current levels by use of Retail Food Prices by Cities, released by the Bureau of Labor Statistics.

2/ Persons of the first age listed up to but not including the second age.

3/ 10 percent added for family size adjustment.

4/ Man and woman, 20 to 35 years; children 1 to 3 and 3 to 6 years.

5/ Man and woman, 20 to 35 years; child 6 to 9; and boy 9 to 12 years.

6/ Costs given for persons in families of 4. For other size families, adjust thus: 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.

CONSUMER PRICES
Consumer Price Index for Urban Wage Earners and Clerical Workers
(1957-59 = 100)

Group	July 1970	June 1970	May 1970	July 1969
All items -----	135.7	135.2	134.6	128.2
Food -----	133.4	132.7	132.4	126.7
Food at home -----	128.7	128.0	127.8	123.0
Food away from home -----	156.2	155.3	154.7	144.8
Housing -----	136.2	135.6	135.1	127.0
Shelter -----	146.2	145.6	144.7	134.0
Rent -----	123.8	123.4	123.0	118.8
Homeownership -----	155.0	154.4	153.3	140.0
Fuel and utilities -----	117.2	116.2	116.4	112.6
Fuel oil and coal -----	122.3	121.2	121.0	117.4
Gas and electricity -----	115.7	115.3	115.8	110.9
Household furnishings and operation -----	123.0	122.8	122.5	118.2
Apparel and upkeep -----	131.4	132.2	131.9	126.8
Men's and boys' -----	132.8	134.2	133.9	128.1
Women's and girls' -----	125.8	126.8	126.6	122.5
Footwear -----	147.5	147.7	147.6	139.9
Transportation -----	131.4	130.6	129.9	124.3
Private -----	127.2	126.7	125.9	121.4
Public -----	170.8	167.8	166.6	149.5
Health and recreation -----	144.3	143.7	142.9	137.0
Medical care -----	165.8	164.7	163.6	155.9
Personal care -----	130.6	130.2	130.3	126.6
Reading and recreation -----	136.6	136.1	135.2	130.7
Other goods and services -----	137.3	136.7	136.1	129.1

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

Index of Prices Paid by Farmers for Family Living Items
(1957-59 = 100)

Item	July 1970	June 1970	May 1970	April 1970	March 1970	July 1969
All items -----	128	128	128	127	127	123
Food and tobacco -----	-	131	-	-	130	-
Clothing -----	-	145	-	-	145	-
Household operation -----	-	124	-	-	123	-
Household furnishings -----	-	108	-	-	108	-
Building materials, house ---	-	122	-	-	122	-

Source: U.S. Department of Agriculture, Statistical Reporting Service.

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