

FAMILY ECONOMICS REVIEW

For Building Use Only

**Institute of Home Economics, Agricultural Research Service,
UNITED STATES DEPARTMENT OF AGRICULTURE**

Prepared for home demonstration agents and home economics specialists of the Agricultural Extension Service, this publication reports current developments in family and food economics, and economic aspects of home management.

CONTENTS

	<u>Page</u>
FAMILY LIVING EXPENDITURES OF LOW-INCOME FARM FAMILIES	3
FOOD CONSUMPTION AND DIETARY LEVELS OF HOUSEHOLDS WITH EMPLOYED AND NONEMPLOYED HOMEMAKERS	9
FACTORS AFFECTING THE EMPLOYMENT OF WOMEN	13
TRENDS IN THE CONSUMER PRICE INDEX FOR HOUSING DURING THE 1950's	15
COLLEGE PLANS OF STUDENTS	19
FHA REDUCES DOWNPAYMENT	20
CHANGES IN EMPLOYMENT OF TEACHERS IN PUBLIC SCHOOLS, 1957-1958 .	20
ESTIMATED COST OF ONE WEEK'S FOOD	22
CONSUMER PRICES	24

FAMILY LIVING EXPENDITURES OF LOW-INCOME FARM FAMILIES

An expanded Rural Development Program is one of the "essential aspects of a sound farm program," according to a recent statement of the Secretary of Agriculture. One goal of the Rural Development Program is to assist families in low-income areas to attain a higher standard of living; another goal is to increase opportunities for off-farm employment in the area.

Data from the U. S. Department of Agriculture's 1955 Survey of Family Living Expenditures of Farm-Operator Families give some insight into the levels of living of low-income farmers and how their spending patterns differ according to various family characteristics and whether they have any off-farm income. The survey, a cooperative effort of the Agricultural Research Service, the Agricultural Marketing Service, and the Bureau of the Census was a nationwide study of 3,845 farm-operator families.

For this analysis, low-income families were defined as those with net incomes, after payment of personal taxes, of less than \$2,000. These low-income families accounted for 47 percent of the total sample. This is probably an overestimate of the percent of farm-operator families that actually had net incomes of less than \$2,000 since total net money income from farm operations reported in this survey was considerably lower than the USDA's estimates for that year based on other sources. The understatement is believed to be greater for the high- and low-income groups than for the middle-income groups. Off-farm income reported, however, was about in line with other estimates.

In part because of this underreporting of income from farm operations, average expenditures for family living exceeded reported net incomes of families in the \$2,000-\$2,999 income group, as well as of families in the under \$2,000 group. In the long run, families cannot continue to spend more than their incomes unless they draw on their assets. Use of assets accumulated in earlier years may account for the high expenditures in relation to income for some families, especially those in the older age groups. Another factor, in addition to the rather widespread underreporting of farm income in the lower income brackets and liquidation of assets for current living by some families, may account for the fact that many people spent more than their reported income. That is, since farmers' incomes fluctuate considerably from one year to another, the low incomes reported by many for 1955 may not have been representative of their usual incomes. Expenditures of such families in the survey year may have been influenced more by what they considered to be their usual incomes than by their actual incomes in that year.

Food and medical care costs represent a larger share of low-income families' expenditures

While the use of average annual expenditures as a measure of the level of living of families has serious limitations, it does provide a useful measure of differences between high- and low-income families. Table 1 on page 4 shows family living expenditures of low-income families compared with farm-operator

Table 1.--Expenditures of farm-operator families for family living, by disposable family income, United States: 1955

Category	Reported money income after taxes for the year 1955					
	\$500- \$999	\$1,000- \$1,499	\$1,500- \$1,999	\$2,000- \$2,999	\$3,000- \$3,999	\$4,000- \$7,499
Percent of families	12	11	10	18	13	14
Average family size	3.2	3.5	3.8	4.1	4.2	4.3
Average expenditures per family (dollars)						
Total expenditures for family living	1,621	2,006	2,480	2,931	3,372	4,428
Food and beverages--						
total	535	631	771	850	976	1,195
At home	480	558	675	729	822	983
Away from home	54	74	96	122	154	213
Dwelling upkeep	102	120	142	174	203	322
Furnishings, equipment.	115	140	182	217	246	327
Household operation ...	176	220	270	313	343	426
Clothing	208	270	361	425	454	624
Medical care	145	186	209	249	271	320
Transportation	164	211	268	368	479	688
Recreation	52	74	95	125	157	200
Personal care	39	50	62	70	76	106
Tobacco	33	42	48	51	57	65
Reading and education .	18	28	38	43	50	69
Other goods, services .	35	34	34	47	58	84
Percentage distribution						
Total expenditures for family living	100.0	100.0	100.0	100.0	100.0	100.0
Food and beverages--						
total	33.0	31.5	31.1	29.0	28.9	27.0
At home	29.6	27.8	27.2	24.9	24.4	22.2
Away from home	3.3	3.7	3.9	4.2	4.6	4.8
Dwelling upkeep	6.3	6.0	5.7	5.9	6.0	7.3
Furnishings, equipment.	7.1	7.0	7.3	7.4	7.3	7.4
Household operation ...	10.9	11.0	10.9	10.7	10.2	9.6
Clothing	12.8	13.5	14.6	14.5	13.5	14.1
Medical care	8.9	9.3	8.4	8.5	8.0	7.2
Transportation	10.1	10.5	10.8	12.6	14.2	15.5
Recreation	3.2	3.7	3.8	4.3	4.7	4.5
Personal care	2.4	2.5	2.5	2.4	2.2	2.4
Tobacco	2.0	2.1	1.9	1.7	1.7	1.5
Reading and education .	1.1	1.4	1.5	1.5	1.5	1.6
Other goods, services .	2.2	1.7	1.4	1.6	1.7	1.9

Note: Components may not add to totals due to rounding.

Source: Farmers' Expenditures in 1955 by Regions, USDA Statistical Bulletin No. 224, April 1958.

families with higher incomes. Families in the lower income groups spent a larger proportion of their incomes for food and beverages, medical care, and household operation than did families with higher incomes, although the latter had larger absolute expenditures for each of these categories of goods. Expenditures for most categories of commodities and services usually associated with a higher level of living, such as food and beverages eaten away from home, transportation, and recreation, were higher--both in absolute and in relative terms--for the higher income classes. Although higher income families spent appreciably more in dollars for housefurnishings and equipment and clothing than did lower income families, there was little difference in the percent of the total expenditure devoted to these commodities by the various income groups.

How low-income families differ from high-income families

In evaluating the expenditures of the low-income families it is important to consider some of the ways in which these families differed from the higher income families. The heads of the low-income families were, on the average, older. Twenty-seven percent with incomes under \$2,000 had heads 65 years of age or older, while only 13 percent with incomes of \$2,000 or more were in that age group. The low-income group had a larger proportion of 2-person families than the higher income groups. Only 27 percent of the low-income farm operators had attended school beyond the 8th grade, as compared with 49 percent of the higher income farmers. Fifteen percent of the low-income farm operators were nonwhite, whereas only 4 percent of the higher income families were nonwhite.

Forty percent of the low-income families reported that they derived all their income from farm sources; another 20 percent obtained from 50 to 99 percent of their income from farm sources. On the other hand, only 22 percent of the families in the higher income groups were entirely dependent on income from farm sources while another 26 percent obtained half or more, but not all, of their income from farm sources. Nearly half of the low-income families were on farms from which the value of agricultural products sold was less than \$1,200 during the year 1954. Retirement pay, unemployment compensation, old age pensions, annuities, alimony, contributions from persons outside the family, and welfare payments were a more important source of income to families on these farms than to other families both in dollars and as a percent of total off-farm income. It is unlikely that many low-income families had any member who had off-farm employment for an extended period during the year. Wages for most full-time jobs plus some farm income would have resulted in an annual income greater than \$2,000. To what extent the higher average age and low educational attainment of these farmers accounts for their meager income from off-farm employment is not known.

Spending patterns of low-income families differ little when classified by major source of income

Turning to a more detailed examination of the expenditures of farm-operator families with incomes under \$2,000, we find little difference in the

level of food and beverage expenditures between families who were wholly dependent on farm income and those who obtained at least half their income from farm sources. (See table 2.) Families who obtained 49 percent or less of their income from the farm, however, spent about 12 percent more for food than the other two groups. Even though food and beverages represented nearly a third of the average low-income farm family's expenditures, these expenditures are believed to understate considerably the value of food they consumed. No estimates of the value of home-produced food were obtained from these families, but data on the value of home-produced food consumed during one week in the

Table 2.--Expenditures of farm-operator families with incomes under \$2,000 for family living, by income level and source of income, United States: 1955

Category	Income level ^{1/}			Source of income		
	Under \$2,000			Farm only	50-99% farm	49% or less farm
	All	Under \$1,500	\$1,500-\$1,999			
Percent of families	100.0	78.3	21.7	40.2	19.5	40.3
Average family size	3.4	3.3	3.8	3.4	3.5	3.5
Average expenditures per family (dollars)						
Total expenditures for family living	2,002	1,868	2,480	1,906	1,994	2,099
Food and beverages	637	599	771	610	602	680
Shelter ^{2/}	478	446	594	452	505	490
Clothing	270	244	361	254	283	279
Transportation	204	186	268	192	202	217
Medical care	190	185	209	185	181	199
Other family expense ^{3/}	223	208	277	213	221	234
Percentage distribution						
Total expenditures for family living	100.0	100.0	100.0	100.0	100.0	100.0
Food and beverages	31.8	32.0	31.0	32.0	30.2	32.5
Shelter ^{2/}	23.9	23.9	24.0	23.7	25.3	23.3
Clothing	13.5	13.1	14.6	13.3	14.2	13.3
Transportation	10.2	10.0	10.8	10.1	10.1	10.3
Medical care	9.5	9.9	8.4	9.7	9.1	9.5
Other family expense ^{3/}	11.1	11.1	11.2	11.2	11.1	11.1

Note: Components may not add to totals due to rounding.

^{1/} Reported money income after taxes for the year 1955.

^{2/} Includes dwelling upkeep, housefurnishings and equipment, household operation.

^{3/} Includes recreation, personal care, tobacco, reading and education, other miscellaneous family expense.

spring of 1955 were obtained in another survey. On the basis of information from the latter survey, it is estimated that farm families with incomes of less than \$2,000 in 1954 used home-produced food valued at about \$530 during 1955.

Expenses for shelter, including dwelling upkeep, housefurnishings and equipment, and household operation, but excluding the rental value of the farm house, represented the second largest category of expenses and accounted for nearly one-fourth of these low-income families' expenditures. Families with some off-farm income spent about 10 percent more for shelter than did families completely dependent on farm incomes.

Clothing costs represented about 13 percent of the average family's expenditures, transportation costs about 10 percent. Total clothing costs increased appreciably as family size increased, but per person costs were lowest for families composed of six or more persons. (See table 3.) Families

Table 3.--Expenditures of farm-operator families with incomes under \$2,000 for family living, by selected family characteristics, United States: 1955

Category	Family size ^{1/}			Age of operator		
	2 persons	3-5 persons	6 or more persons	25-44 years	45-64 years	65 years and older
Percent of families	37.6	40.0	14.9	27.6	44.1	27.0
Average family size	2.0	4.0	7.5	4.6	3.5	2.3
Average expenditures per family (dollars)						
Total expenditures for family living	1,575	2,399	2,459	2,441	2,033	1,504
Food and beverages	491	741	871	769	659	472
Shelter ^{2/}	428	558	475	574	472	387
Clothing	158	339	453	362	288	149
Transportation	158	267	182	226	219	153
Medical care	189	210	199	221	165	199
Other family expense ^{3/}	151	284	279	289	230	144
Percentage distribution						
Total expenditures for family living	100.0	100.0	100.0	100.0	100.0	100.0
Food and beverages	31.2	30.9	35.5	31.5	32.4	31.4
Shelter ^{2/}	27.2	23.3	19.3	23.5	23.2	25.7
Clothing	10.0	14.1	18.4	14.8	14.2	9.9
Transportation	10.0	11.1	7.4	9.3	10.8	10.2
Medical care	12.0	8.8	8.1	9.1	8.1	13.2
Other family expense ^{3/}	9.6	11.8	11.3	11.8	11.3	9.6

Note: Components may not add to totals due to rounding.

^{1/} Family size in equivalent 52-week persons.

^{2/}, ^{3/} See footnotes 2 and 3 of table 2 on page 6.

with off-farm income spent only slightly more for clothing and transportation than families with farm income only, though one might expect them to spend considerably more. It seems likely that few of these families had a member regularly engaged in an off-farm job, however. Expenditures of families who derived 49 percent or less of their income from farm sources probably reflect patterns of living of retired families more than of families with activities associated with off-farm employment.

Medical care costs more burdensome to older families

Medical care costs, which averaged about 9 percent for all the families in this low-income group, were especially burdensome to older families. Families headed by farm operators under 65 years of age reported per capita medical expenses for the year of about \$48, those headed by farm operators 65 years of age or over about \$86. The high per capita medical costs of the 2-person families are probably accounted for by the large proportion of older persons in this category.

Consumption a better measure of level of living than expenditures

The annual expenditures of these families are not, of course, an accurate measure of their level of living. The USDA's Food Consumption Survey mentioned earlier indicates that the food these low-income families purchased probably represented only a little more than one-half the value of the food they consumed. But we have no information on other factors that affected their level of living such as the quality of their housing and the inventory of goods purchased in earlier years which the family was still using.

Information on ownership of household goods and clothing purchased in earlier years which still have use value to the family may be an especially important factor in evaluating the level of living of older families. Conversely, the use of expenditures for goods purchased in the survey year which provide use in subsequent years as a measure of a family's level of living may lead to an overstatement of the level of living of younger families which are in the process of acquiring household equipment, furniture, and other durable goods. Although we would have a better insight into the levels of living of low-income families if we had information on the quality of their housing and the annual consumption value of the goods they used in the survey year, it is unlikely that many had what we would consider an adequate level of living judged by the standards of our "affluent society."

--Laura Mae Webb

FOOD CONSUMPTION AND DIETARY LEVELS OF HOUSEHOLDS WITH EMPLOYED
AND NONEMPLOYED HOMEMAKERS 1/

The food pattern of households in which the homemaker was employed differed somewhat from those in which the homemaker was not employed in the spring of 1955. However, the diets of the two groups of households met the recommendations of the National Research Council to nearly the same extent.

These findings are from the 1955 nationwide Household Food Consumption Survey. More than a quarter of the homemakers reporting on food consumption of their households in the spring of 1955 were employed outside the home, full time or part time. A woman was considered employed full time if she worked 30 hours or more per week, and part time for less than 30 hours. A majority of those employed (70 percent) had full-time jobs. Households with employed homemakers were smaller on the average than the others, and fewer had children under 16--47 percent as compared with 61 percent. (See table, page 10.) Only at the lowest income level--under \$2,000--did more of the employed than of the not employed homemakers have children.

Most of the employed homemakers were in nonfarm households. Only about 10 percent of the rural farm homemakers were employed away from home at the time of the survey, compared to nearly 30 percent of those in urban communities. About the same proportion of homemakers worked outside the home in the North as in the South.

Families with employed homemakers had higher incomes than the others, on the average. A major motive inducing wives to work outside the home is to add to family income. Certainly some of the added income permitted expenditures for more expensive food. However, no tabulations were made to determine how much the earnings of the employed homemaker added to the family income, how much of this addition went for food, or to what extent the increased income accounted for differences in food patterns. The following summary of the data is suggestive, however: (1) With each \$1,000 additional income, urban households--whether with homemaker employed or not employed--spent, on the average, an additional 43 cents per person for purchased food used at home in a week, (2) even with no difference in income the per person expenditure of urban households averaged 56 cents greater in households in which the homemaker was employed than in households in which the homemaker was not employed.

Part of the difference in the per person purchases of the two groups in the table (rural and urban families combined) reflects two facts: Relatively few homemakers in the farm areas work outside the home as compared with urban homemakers as was pointed out earlier; and food purchases are considerably smaller on farms because of the greater importance of home-produced food; also home-produced food, in general, makes a more important contribution to the

1/ From Household Food Consumption Survey, 1955, Report No. 15. Food Consumption and Dietary Levels of Households as Related to Employment of Homemaker, United States, by Region.

Average money value of food per household and per person, household size, and percent of households with children under 16, by money income and employment of homemaker, United States

Money income <u>1/</u> and employment of homemaker	Household size (persons <u>2/</u>)	Percentage with children under 16 years	Money value of food <u>3/</u>		
			Per household	Per person	
			All sources	All sources	Purchased
All incomes <u>4/</u> :					
Employed	3.08	47.3	\$25.13	\$8.16	\$7.66
Not employed	3.70	61.0	27.14	7.34	6.49
Under \$2,000:					
Employed	3.17	53.6	18.14	5.72	4.92
Not employed	3.36	43.3	18.56	5.52	3.90
\$2,000-\$3,999:					
Employed	3.14	54.3	23.04	7.34	6.77
Not employed	3.76	64.7	25.29	6.73	5.91
\$4,000-\$5,999:					
Employed	3.08	49.9	26.23	8.52	8.09
Not employed	3.86	71.3	29.59	7.67	7.08
\$6,000 and over:					
Employed	3.12	42.3	29.59	9.48	9.12
Not employed	3.85	64.4	34.64	9.00	8.49

1/ After income taxes.

2/ 21 meals at home = 1 person. Total number of meals served to all persons was divided by 21 to obtain the household size in equivalent persons.

3/ Includes alcoholic beverages.

4/ Includes households not classified by income.

household supply when the homemaker is not employed. Thus, the all-urbanization average for the employed-homemaker households falls relatively closer to the high urban figure than does the average for the households in which the homemaker is not employed. The difference between the two groups is greater when comparisons are made on the all-U. S. basis than when they are made within a given urbanization category.

Consumption of specific foods

Consumption per person of meat, poultry, and fish and of bakery products was greater in households with employed than with nonemployed homemakers. This

was true at low- and high-income levels, in urban and rural areas, and in the North and South. Almost as consistent was the tendency for the employed group to use more fats and oils and beverages.

Only for flour and other cereal products and the relatively small food group including dried fruits and vegetables was there a fairly persistent tendency for the households with the homemaker not employed to use larger per person amounts than those where she was employed.

For the other food groups--milk products, fruits and vegetables in various forms (fresh, commercially frozen or canned, and as juices), eggs, sugars and sweets, and miscellaneous items--differences were either very small or not consistent.

Individual items within a food group sometimes revealed counteracting tendencies, suggesting why total consumption differed so slightly or inconsistently between households with employed and nonemployed homemakers. For example, consumption of milk (fresh and processed) was generally greater in urban households where the homemaker was not employed--the group with a larger proportion of children under 16. On the other hand, more cheese was quite generally used in households with employed homemakers--the group with fewer children under 16. Also, use of baby and junior fruits and vegetables was greater where there were more children (the not employed), but use of other canned vegetables and fruits was greater in households where the homemaker was employed.

The time-saving aspect of the use of prepared or partially prepared foods doubtless helps to explain their importance in households with employed homemakers. However, not all "convenience" foods are used to a greater extent in households with homemakers employed than in others. For example, there is no evidence that the employed homemaker used flour mixes more than--or even as much as--the homemaker who did not work outside the home. Apparently she simply didn't do much baking, either "from scratch" or with the aid of a mix. She bought ready-baked bread, rolls, and cakes from the store instead. Nor is there evidence that such newer convenience items as frozen vegetables, fruits and juices, canned soups, and jams and jellies were used more consistently by employed than by nonemployed homemakers.

Luncheon meats were used more often by the employed homemaker than by the nonemployed--at least in nonfarm areas--but so also were other types of meats as well as poultry and fish. The data do not provide comparisons between quick-cooking and long-cooking meats, as ground beef and chops versus roasts. Households in which the homemaker was employed did, at most income levels, spend more--pound for pound--for meat, poultry, and fish than did other households. This suggests that more expensive meats or cuts were used.

Food away from home

In general, families with working homemakers spent more for all food away from home, meals and snacks, than did families in which the homemaker was not

employed. When the homemaker works away from home she may buy her noon meal or food or drink to supplement a home-packed lunch. Also, the family may eat out to save the homemaker's time or energy. Families with employed homemakers were more likely to have meals away from home and to spend more for them than those with homemakers not employed. This was true whether comparisons were made on a per family or on a per person basis. An exception was at the top income level, where expenditures for meals away from home were as great as or greater for households with nonemployed homemakers as for those where the homemaker was employed.

Dietary adequacy

There is no evidence from this study of any clear-cut relationship between employment of the homemaker and adequacy of the diets. Though there were some differences in the proportion of households whose food in a week furnished the NRC recommended allowances of eight key nutrients, the differences were generally small, as the following summary shows:

Nutrients:	<u>Homemaker employed</u>	<u>Homemaker not employed</u>
Protein	93	93
Calcium	70	72
Iron	90	91
Vitamin A value	84	83
Thiamine	80	84
Riboflavin	79	82
Niacin	93	93
Ascorbic acid	76	75

These data for the United States as a whole indicate that for only two of the eight nutrients--thiamine and riboflavin--were there statistically significant differences between the percentages of the two groups of households having diets that met the allowances. Households with employed homemakers were less likely to have the recommended quantities of these two vitamins.

Among urban households there is slight indication that the group with employed homemakers fared better in general than the nonemployed-homemaker group, particularly in the North. Among farm households in the North, however, the households seemed to fare better when homemakers were not employed.

Comparisons by income show that for the income classes below \$6,000 there were no consistent differences in dietary adequacy related to the homemaker's employment. In the group with \$6,000 or more a somewhat smaller proportion of the employed than of the nonemployed homemakers provided diets meeting recommendations in calcium, thiamine, and riboflavin. The employed group used more meat, fruits and vegetables, and grain products but less milk than the non-employed. The employed group did not use sufficient milk to provide enough calcium and riboflavin, and it is likely that not enough of the grain products they used were enriched, restored, or whole grain to provide enough thiamine.

One may conjecture that although these homemakers probably did not lack funds for an adequate diet, such factors as less knowledge of nutrition, or less interest in meal planning and greater reliance on paid help may have accounted for the difference.

--Janet Murray

FACTORS AFFECTING THE EMPLOYMENT OF WOMEN 1/

Much has been learned from the regular surveys of the labor force and the decennial censuses about the factors behind the increase in the employment of women. The primary factor in the growth in the actual number of females in the labor force, of course, is the growth in the number of females in the population. But many other factors enter into the determination of how many and which women will be employed at any one time.

The increasing tendency of women to enter the labor force is due in part to such socioeconomic factors as social acceptance of women in paid employment; the growing importance of white-collar jobs; technological changes, opening many factory jobs to women; the changing role of women in society; and the transfer of many household tasks from the home to the commercial field. It is due also to changes in such population characteristics as marriage age of women, migration, school attendance, and educational achievement.

Age at marriage.--During a period when women are marrying young, as in recent years, the number of girls in their late teens and early twenties who are in the labor force is relatively small. Most young wives will have small children to care for in the early years of marriage, and the records show that women with children of preschool age are less likely to be employed than other wives. When women marry early, however, they are likely to complete their families early, which means that they may be ready to return to the labor force by the time they are 35, if not sooner. They are young enough then so age will not bar them from being hired--young enough to be thought worth training, and not too far from the training they received in school.

Labor force rates in 1950 among urban married women over 35 in the Western and Northeastern States illustrate this. Women in the West marry earlier than those in the East. In the age group 35 and over, 25 percent of the married women in the West were in the labor force in 1950, compared to 20 percent in the Northeast. Data for 1959, though not available by age, show that a higher proportion of urban married women were in the labor force in the West than in the Northeast.

1/ Adapted from: "Factors in Labor Force Growth," by Gertrude Bancroft, Bureau of Labor Statistics, U. S. Department of Labor--a paper presented at the annual meeting of the American Statistical Association, Washington, D. C., December 1959.

The labor force participation rates of married women 35 to 54 years old are considerably higher than those for younger wives. The average rate in 1958 was 32 percent for women 20 to 24 years old; 37 percent for those 35 to 44; and 40 percent for wives 45 to 54.

Migration.--Although the movement of population from farm to city reduces the proportion of men in the labor force, it tends to increase the proportion of women working. Many older men and boys residing on farms are included in the labor force figures, because by definition they are in the labor force if they work 15 hours or more during the week on the farm. Women and girls on farms are less likely to qualify for inclusion in the labor force. When they move to the city, job opportunities increase for women of all ages, while boys tend to stay in school longer and fewer older men find suitable jobs. No current data are available on the effect of migration from city to suburbs on entry of women into the labor force. In 1950, however, labor force rates for women living on the fringes of cities were 5 or 6 points below those for women living within the city limits. Among those with young children, labor force rate of wives living in the suburban fringes was about the same as that of wives in the city. Among those with no young children, suburban married women had labor force rates well below those of women in the central city, except in the 45-to-64 age group where they were about the same. It looks now as if migration to the suburbs would reduce the labor force activity of younger married women. However, job opportunities are moving out too and this may make for greater similarity between the urban and suburban wives.

Increased school enrollment and rising educational level.--The fact that girls and boys are attending school longer tends to reduce the labor force rate of teenagers.

A tendency for better educated women to enter or return to the labor force in relatively larger numbers than others was noted in the 1950's, particularly among middle aged or older women. The growing number of women with high school or college education will cause further increases in the employment of women even if labor force rates for these women do not rise--that is, if there are no offsetting developments.

Availability of desirable jobs.--An increase in the number of agreeable kinds of jobs, such as office and sales work has probably had much to do with the increased willingness of women to take employment. The rising importance of service-producing activities--such as nursing, babysitting, acting as beauty operator or waitress--has provided many jobs women can and like to fill.

Another thing bringing many women into the labor force is the increased availability of part-time jobs. Fifteen percent of all persons at work were in part-time jobs in 1950, and 20 percent in 1958. Part-time arrangements tend to increase the size of the labor force because they frequently require two workers where one could have done the job. This is particularly true in the retail trade, where two women working one-half day each do the work one full-time worker might do. Thus, a shortage of persons available for full-time work increases the number of persons in the labor force.

Shortage in the labor force.--A shortage in one segment of the labor force seems to call forth workers from reserves in other segments. For example, between 1950 and 1955 the number of persons of working age under 25 years did not grow at all. In addition, the labor force participation rate of teenagers dropped, and high marriage and birth rates removed many women 25 to 34 years old from the labor force. These shortages of workers were met by an unprecedented increase in the number of women workers over 35.

Availability of other income reduces employment.--For certain types of persons the availability of income from other sources--such as social security benefits--seems to encourage withdrawal from the labor force. Nonwhite women who are widowed, divorced, or separated appear to be leaving the labor force as pensions or other types of social security payments become available to them. The labor force rate of these women living in nonfarm homes fell sharply between 1940 and 1950. The greatest decline has been among the younger women, many of whom have children to care for.

TRENDS IN THE CONSUMER PRICE INDEX FOR HOUSING DURING THE 1950's

The cost of housing, as measured by the Consumer Price Index, rose about 25 percent in the decade between December 1949 and December 1959. The change in the housing index was only slightly more than the average change of 24 percent for all commodities and services included in the CPI. Prior to December 1952 homeowner costs, that is, purchase and maintenance of the house, real estate taxes, property insurance and mortgage interest rates, were not included in the index; changes in such costs were assumed to be similar to residential rents which were priced for the index. Since December 1952, both rent and homeowner costs have been included in the index.

The CPI measures changes in prices for a fixed quantity and quality of goods and services, based on those purchased in greatest volume by moderate-income urban families in 1950. The index is a price barometer; it does not measure changes in the amount of money spent by families.

The housing index represented 32.7 percent of the weight of the Consumer Price Index in December 1958. It is composed of seven subgroups: Rent, home maintenance and repairs, other homeowner costs, gas and electricity, solid fuels and fuel oil, household operation, and housefurnishings. Although the total housing index advanced about one-fourth between December 1949 and December 1959, there was considerable diversity among price movements of the subgroups. (See table, page 16.) This is probably to be expected since such widely different individual items as furniture, refrigerators, coal, bath towels, and telephone service are included in the subgroup indexes. Prices for some of the items increased nearly 50 percent while a few dropped over the 10-year period.

Rents.--The major portion of the increase in residential rents occurred in the first half of the decade. Federal rent controls were relaxed in

Changes in Consumer Price Index for housing, December 1949-December 1959

Item	Relative importance in index, December 1958	Percent change December 1949-December 1959	Percent change December 1958-December 1959
Total housing	100	25.1	1.7
Rent	19	31.6	1.5
Home maintenance and repairs.	9	(1/)	2.0
Other homeowner costs:			
Mortgage interest rates ...	5	(1/)	2/ 4.0
Property insurance	1	(1/)	1.3
Gas and electricity	6	19.0	3.8
Solid fuels and fuel oil	4	26.0	.2
Household operation	17	35.5	2.0
Housefurnishings (including furniture and appliances) .	3/ 17	4/ 6.6	4/ .6
Other 5/	22	(1/)	(1/)

1/ Not available.

2/ Change September 1958-September 1959. Information on mortgage interest rates not collected in December.

3/ Does not include TV and radio. 4/ Includes TV and radio.

5/ Includes real estate taxes and home purchase for which price changes are not shown separately, but which are included in "total."

mid-1947; the rapid advance in rents initiated by that action continued for several years. While rents climbed steadily in the last half of the decade, the increase was about 9 percent compared with 21 percent in the preceding 5 years. (See chart.)

Home maintenance and repairs.--Since these items were not in the index until December 1952, we do not know how the prices moved in the early part of the decade. The index for this subgroup indicates that costs of maintaining a home in good repair increased about 20 percent between December 1952 and December 1959. (During the same period rents advanced 17 percent.)

For the homeowner who hired such work done, the cost for reshingling a roof advanced about 41 percent, and for repainting a garage about 50 percent between 1952 and 1959. The do-it-yourself homeowner had to pay 16 percent more for exterior housepaint, but only 1 percent more for the water heater he installed.

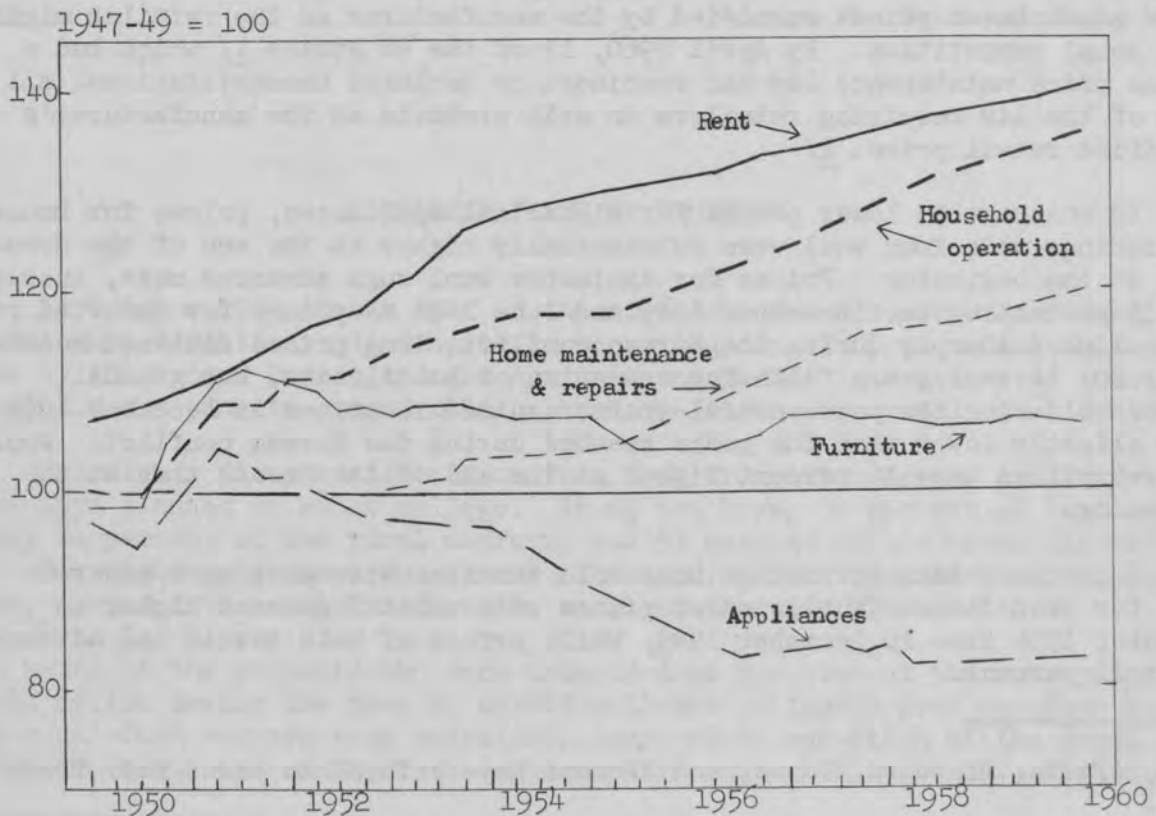
Other homeowner costs.--Home buyers taking out mortgages at the end of 1959 found they were paying a considerably higher interest rate on the loan

than families who took out a mortgage in December 1952. First mortgage interest rates increased by about one-fifth between these dates. Property owners found that their insurance rates had advanced 9 percent over the 7-year period.

Gas and electricity.--There was a substantial difference between changes in rates for gas and electricity during the decade. Rates for gas advanced about 29 percent, electricity rates about 10 percent. Many consumers probably found their December 1959 bills considerably more than 10 percent higher than their December 1949 bills. This may have been because they had acquired additional electrical equipment, such as electric fry pans and electric dryers. The Consumer Price Index reflects price differences for the same amount of electricity in the two periods.

Solid fuels and fuel oil.--Most consumers probably found their fuel bills substantially higher in the winter of 1959 than in 1949 regardless of whether they used gas, coal, or fuel oil for heating. Prices for solid fuels advanced 27 percent over the decade, fuel oil 24 percent.

PRICE INDEXES FOR SELECTED HOUSING GROUPS



* Not available

Source: Bureau of Labor Statistics

Household operation.--Housewives who did their laundry at home had to pay 26 percent more for laundry soaps and detergents in December 1959 than in December 1949. Those who sent laundry to a commercial laundry found charges increased by about 38 percent. Drycleaning and pressing rates advanced 28 percent. Wages to a maid to clean the house and do the laundry rose 47 percent. Costs for water supplied by municipalities have risen 42 percent since December 1952, the earliest month information is available. Postal rates went up 44 percent during the decade.

Housefurnishings, furniture, and appliances.--Appliances were the only group of items which showed a price decline during the decade. Prices for electric refrigerators dropped 35 percent, vacuum cleaners 18 percent, and washing machines nearly 6 percent. Prices for electric toasters, first included in the index in December 1950, dropped 31 percent between that date and December 1959. Although electric cooking ranges and sewing machines were higher at the close of 1959 than in 1949, prices for both declined slightly between 1954 and 1959.

Much of the decline in prices for household electrical appliances during the fifties can be accounted for by the establishment of "discount houses" in large cities, and the reduction of prices on electrical appliances by many other retailers to meet the competition of "discount houses." A number of large manufacturers discontinued the policy of requiring retailers to sell their products at prices specified by the manufacturer so the retailer might meet local competition. By April 1960, 17 of the 46 States ^{1/} which had a resale price maintenance law had rescinded or declared unconstitutional all or part of the law requiring retailers to sell products at the manufacturer's specified retail price. ^{2/}

In contrast to lower prices for electrical appliances, prices for housefurnishings made from wool were substantially higher at the end of the decade than at the beginning. Prices for Axminster wool rugs advanced most, increasing 55 percent between December 1949 and June 1951 as prices for imported raw wool climbed sharply during the Korean conflict. Rug prices declined moderately for several years following cessation of hostilities, but gradual increases during the past several years resulted in prices in December 1959 only slightly lower than the peaks reached during the Korean conflict. Wool blanket prices were 19 percent higher at the end of the decade than at the beginning.

Price increases for cotton household textiles were much more moderate than for wool items. Muslin sheet prices were about 2 percent higher in December 1959 than in December 1949, while prices of bath towels had advanced about 12 percent.

^{1/} Alaska, Missouri, Texas, and Vermont have refused to enact Fair Trade Laws.

^{2/} Source: U. S. Department of Justice, Antitrust Division.

Increases in furniture prices were moderate compared with other components of the housing index. They increased, on the average, about 8 percent during the 10 years.

Prices for some smaller items of housefurnishings introduced into the index in December 1952 have increased substantially since that date--for example, prices of aluminum utensils rose 39 percent and electric light bulbs 55 percent.

Although the housing index advanced each year during the past decade, the increase was sharper in some years than in others. The sharpest advances were recorded in the early fifties, partly as a result of heavy demand for durable goods. This reflected consumers' fears that the Korean hostilities would result in shortages as had World War II.

From December 1958 to December 1959 the housing index increased 1.7 percent--considerably less than the annual average increase over the decade, but nearly twice the rate of advance from December 1957 to December 1958. While most subgroups of the index advanced between December 1958 and December 1959, the largest increases were in public utility rates for gas, mortgage interest, and services such as reshingling the roof, refinishing the floors, and painting the house.

--Laura Mae Webb and Janis Moore

COLLEGE PLANS OF STUDENTS

In October 1959 almost half of the high school seniors in the United States were definitely planning to go to college in 1960, according to a survey made by the Census Bureau and the Agricultural Marketing Service. ^{1/} One-third did not plan to attend college, and one-fifth were still undecided.

Relatively fewer students from farm than from urban areas, and fewer girls than boys planned to enter college. Among the boys, 34 percent of the rural farm, 44 percent of the rural nonfarm, and 55 percent of the urban planned to go. For girls only about 29 percent of the rural farm planned to go to college, compared to nearly half of the rural nonfarm and urban seniors.

Some of the students who were undecided at the time of the survey probably would decide during the year to attend college. Slightly over one-fourth of the rural-farm seniors were undecided, compared to one-fifth of the rural nonfarm, and about one-sixth of the urban. Girls appeared to be more definite

^{1/} U. S. Bureau of the Census and USDA Agricultural Marketing Service. Educational Status and School Plans of Farm and Nonfarm Youth, October 1959. Series Census-AMS (P-27), No. 27. April 1960.

about their college plans than boys; 22 percent of the boys, but less than 18 percent of the girls, were undecided as to whether they would attend college.

FHA REDUCES DOWNPAYMENT

The Federal Housing Administration recently cut the minimum downpayment required of a home buyer who obtains an FHA-insured mortgage. The cut applies to houses valued in the medium-price range.

The minimum downpayment previously required was 3 percent on the first \$13,500, 15 percent on the next \$2,500, and 30 percent on any amounts above \$16,000. Under the new schedule, it is still 3 percent on the first \$13,500, but 10 percent on the next \$4,500, and 30 percent on the amounts between \$18,000 and \$22,500 (rounded to nearest \$100). Here are some examples of the new and old FHA minimum downpayments required:

FHA value of house:	Downpayment	
	New	Old
\$15,000	\$600	\$650
\$18,000	900	1,400
\$20,000	1,500	2,000
\$25,000	3,000	3,500
\$26,000	3,500	3,800

The maximum mortgage the FHA will insure is \$22,500. This maximum plus \$3,500 enables a person to buy a \$26,000 house.

CHANGES IN EMPLOYMENT OF TEACHERS IN PUBLIC SCHOOLS, 1957-1958

About 6 percent more teachers were on the staffs of public schools in continental United States at the opening of classes in the fall of 1958 than in the fall of 1957, according to a recent report from the Office of Education. ^{1/} This report gives data on total teaching staff and the number of teachers entering and leaving the public schools during two periods: the 1957-1958 school year and the summer of 1958. The study is based on a representative sample of school districts in the United States.

^{1/} Adapted from: Mason, Ward S. Teacher Turnover in the Public Schools, 1957-1958. U. S. Department of Health, Education, and Welfare. OE 23002. Circular No. 608.

Changes in total staff

Most staff increase took place between the close of school in the spring and the opening in the fall, although some did occur while school was in session. When classes opened in the fall of 1957, there were 1,257,000 teachers; when they closed in the spring of 1958 there were 1,269,000--an increase of 1 percent during the regular school year. The opening of new schools during the school year and reorganization of classes at midterm accounted for some of this increase. When classes opened again in the fall of 1958 there were 1,330,000 teachers--an increase of almost 5 percent since the spring closing.

The distribution of the total teaching staff (women and men) in elementary and secondary schools in the fall of 1957 and 1958 was as follows:

Teaching staff:	Percent of staff	
	Fall 1957	Fall 1958
Total	100.0	100.0
Elementary schools:		
Women	54.3	53.3
Men	8.2	8.5
Secondary schools:		
Women	17.9	17.7
Men	19.6	20.5

For the 12-month period (fall 1957 to fall 1958) there was a slight increase in proportion of men teachers and a corresponding decrease in women teachers for both elementary and secondary schools.

Additions

Teachers added to school staffs came from three groups: Those with no previous teaching experience, those with experience who were reentering after an absence, and those transferring from another school district. The total number of newly hired teachers from fall 1957 through summer 1958 was 284,000. Slightly over half of these were entering full-time public school classroom teaching for the first time. Twenty percent were experienced teachers (mostly women) who had left the profession at one time and were returning. Teachers transferring from one school district to another accounted for 27 percent of those hired between 1957 and 1958.

Separations

Teachers who left their 1957-58 jobs included some who moved from one public school district to another, and some who left the profession. Together, these two groups made up 214,000 separations, or about 17 percent of the average teaching staff.

The highest separation rate (20 percent) was for women teaching in secondary schools; the lowest (15 percent) for men in secondary schools. Elementary teachers, both women and men, fell between with a separation rate of 17 percent. The lowest rates were in districts with an enrollment of 25,000 or more students, the highest in districts with less than 50 students.

During the 12-month period, fall 1957 to fall 1958, 77,000 teachers transferred to a teaching position in a different school district, and 137,000 left teaching--a separation rate of 6 and 11 percent, respectively. The proportion of men transferring was somewhat higher than of women. More women than men left public school teaching, both in total number and as a proportion of the total. During this period, 108,000 women (11.9 percent) and 29,000 men (8.3 percent) left teaching. Some no doubt transferred to nonteaching positions in the public school system, and some entered the employment of private school systems. Others left the educational system entirely.

This estimate of an annual loss of nearly 11 percent of teachers in the public school system is considerably higher than had been thought heretofore, although it is overstated to the extent that teachers on leave of absence return to public school teaching since the latter were treated as "losses" in this survey. The U. S. Office of Education for a number of years has been using a rate of 7.5 percent in making its annual estimate of the demand for and supply of public school teachers. 1958 was a year of economic recession; an even higher rate loss would be expected in more prosperous years when there were greater job opportunities in other fields. In the coming years public school officials must deal not only with replacement of many teachers who leave the profession, but also with the hiring of teachers required by the increasing school population.

ESTIMATED COST OF ONE WEEK'S FOOD

The table on opposite page presents the estimated cost of 1 week's food to be prepared and served at home. The estimate is based on quantities of food in the low-cost, moderate-cost, and liberal plans. The plans are available as a leaflet--Low-Cost, Moderate-Cost, and Liberal Family Food Budgets, HHE(Adm.)-146. The cost of food for a specific family can be estimated from the table, since costs are given for individuals of different ages. These costs are based on averages of food prices, collected by the Bureau of Labor Statistics in 46 cities, and may not apply to any specific city or region.

Estimated Cost of One Week's Food, 1/ April 1960--U.S.A. Average

Sex-age groups	Low-cost plan	Moderate- cost plan	Liberal plan
	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>
<u>FAMILIES</u>			
Family of two, 20-34 years <u>2/</u>	15.00	20.50	23.00
Family of two, 55-74 years <u>2/</u>	13.40	18.50	20.80
Family of four, preschool children <u>3/</u>	20.50	27.30	31.00
Family of four, school children <u>4/</u>	23.70	31.90	36.20
<u>INDIVIDUALS</u>			
Children:			
Under 1 year	3.00	3.80	4.10
1-3 years	3.70	4.60	5.20
4-6 years	4.30	5.60	6.60
7-9 years	5.20	6.70	7.70
10-12 years	6.00	8.10	9.30
Girls, 13-15 years	6.30	8.60	9.90
16-19 years	6.40	8.60	9.80
Boys, 13-15 years	6.90	9.50	10.80
16-19 years	8.20	11.10	12.60
Women:			
20-34 years	5.40	7.50	8.40
35-54 years	5.20	7.30	8.20
55-74 years	4.90	6.90	7.80
75 years and over	4.80	6.40	7.30
Pregnant	6.70	8.80	9.70
Nursing	8.50	10.80	12.00
Men:			
20-34 years	7.10	9.60	10.80
35-54 years	6.60	9.00	10.00
55-74 years	6.30	8.50	9.50
75 years and over	6.10	8.20	9.10

1/ These estimates were computed from quantities in low-cost, moderate-cost, and liberal food plans published in tables 2, 3, and 4 of the October 1957 issue of Family Economics Review. Quantities for children were revised January 1959 to comply with the 1958 NRC Recommended Dietary Allowances. The cost of the food plans was first estimated by using the average prices per pound of each food group paid by nonfarm survey families at 3 selected income levels. These prices were adjusted to current levels by use of Average Retail Prices of Food in 46 Large Cities Combined released periodically by the Bureau of Labor Statistics. Estimates for food of individuals and small families have been rounded to nearest \$0.10.

2/ Twenty percent added for small families.

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

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

Table 1.--Index of Prices Paid by Farmers for Commodities Used in Family Living
(1947-49 = 100)

May 1959; September 1959-May 1960

Item	May 1959	Sept.	Oct.	Nov.	Dec.	Jan. 1960	Feb.	Mar.	April	May
All commodities	118	118	119	119	119	119	118	118	119	119
Food and tobacco	--	115	--	--	115	--	--	115	--	--
Clothing	--	116	--	--	117	--	--	118	--	--
Household operation	--	118	--	--	119	--	--	117	--	--
Household furnishings	--	104	--	--	104	--	--	104	--	--
Building materials, house.	--	122	--	--	122	--	--	122	--	--
Auto and auto supplies ...	--	139	--	--	147	--	--	142	--	--

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

Table 2.--Consumer Price Index for City Wage-Earner and Clerical-Worker Families
(1947-49 = 100)

April 1959; August 1959-April 1960

Item	April 1959	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. 1960	Feb.	Mar.	April
All items	124	125	125	126	126	126	125	126	126	126
Food	118	118	119	118	118	118	118	117	118	120
Apparel	107	108	109	109	109	109	108	108	109	109
Housing	129	129	130	130	130	130	131	131	131	131
Rent	139	140	140	140	140	141	141	141	141	141
Gas and electricity	118	120	122	122	122	123	123	124	124	124
Solid fuels and fuel oil	139	134	135	136	136	137	139	139	137	136
Housefurnishings	104	104	104	104	104	104	104	104	105	105
Household operation	134	135	135	135	135	136	136	136	137	137
Transportation	145	147	146	148	149	149	148	148	146	146
Medical care	150	151	152	152	153	153	154	155	155	156
Personal care	130	132	132	132	133	133	133	133	133	133
Reading and recreation ...	118	119	120	120	120	120	120	121	121	121
Other goods and services .	128	131	132	132	132	132	132	132	132	132

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