

L 2.3:  
1570-1

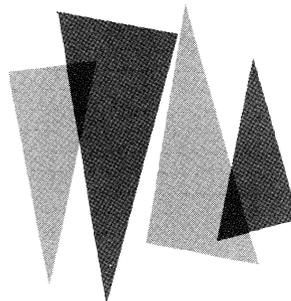
JAN 31 '68



# city worker's family budget

FOR A MODERATE  
LIVING STANDARD  
Autumn 1966-Bulletin No. 1570-1

U.S. DEPARTMENT OF LABOR  
BUREAU OF LABOR STATISTICS



# **city worker's family budget**

**FOR A MODERATE  
LIVING STANDARD**  
Autumn 1966-Bulletin No. 1570-1

U.S. DEPARTMENT OF LABOR  
Willard Wirtz, Secretary  
BUREAU OF LABOR STATISTICS  
Arthur M. Ross, Commissioner

---

For sale by the Superintendent of Documents, U.S. Government Printing Office  
Washington, D.C. 20402 - Price 30 cents



## Contents

	Page
Introduction -----	v
Costs in urban areas -----	1
A moderate standard: Present and past -----	2
Intercity differences -----	8
Data sources and estimating methods -----	16
Food -----	17
Shelter costs -----	18
Transportation -----	19
Medical care -----	19
Other goods and services -----	20
Other costs -----	21
Tables:	
1. Annual costs of the city worker's family budget by major components urban United States, 39 metropolitan areas, and nonmetropolitan areas by regions, autumn 1966 -----	9
2. Indexes of comparative living costs based on the city worker's family budget, autumn 1966 -----	13
Appendix contents -----	23



## Introduction

The City Worker's Family Budget described in this bulletin provides one answer to the question, "How much does it cost to live?" The question, however, is deceptively simple. The answers are multiple and complex, depending primarily on: (1) the age, size, and type of family; and (2) the standard of living to which the family aspires.

All benchmark estimates of living costs are based on specific family situations. The cost estimates of the City Worker's Family Budget are for a family of 4 persons: an employed husband, age 38; a wife not employed outside the home; and two children, a girl age 8 and a boy 13. This type represents a middle stage in the typical family life cycle. The man is presumed to be an experienced worker and well-advanced in his trade or profession. He has been married for 15 years or more. The family group is well established and has average inventories of clothing, house-furnishings, major durables, and other equipment. Three-fourths of such families are homeowners with mortgages they contracted for 7 years earlier. Benchmark living cost estimates for larger families or those with older children will be higher, and estimates for smaller or younger families or retired couples will be lower, than those for the type of 4-person family used in the City Worker's Family Budget. In short, there is no single answer to the question "How much does it cost to live?", since family size, age, and type have a significant effect on spending patterns, manner of living, and family needs.

The other major consideration in developing family budgets is the standard of living for which cost estimates are made. "Standards of living" refer to the goals we set for ourselves as consumers of goods and services and as users of leisure time.

The living standard represented by the current City Worker's Family Budget is described as moderate. It provides for the maintenance of health and social well-being, the nurture of children, and participation in community activities. This generalized concept of a moderate standard has been translated into a list of commodities and services which can be priced. (See appendix A.)

The content of the new budget for a moderate standard is based on the manner of living and consumer choices in the 1960's. Two kinds of data were used to derive the list of goods and services included in the budget. First, nutritional and health standards, as determined by scientists and technicians, were used for the food-at-home and the housing components. The selection among the various kinds of food and housing arrangements meeting the standards was based on actual choices made by families as revealed by surveys of consumer expenditures. Second, where scientific standards have not been formulated, analyses of the data reported in the Bureau's Survey of Consumer Expenditures and related consumption studies were used to determine the specific items, and the quantities and qualities thereof, to be included in the budget.

These analytical procedures result in basing some parts of the budget upon the collective judgment of consumers as to the kinds and amounts of consumption required, rather than upon scientific standards. In such analyses, some exercise of the budget-maker's own judgment is involved; however, in this budget, such judgment has been confined to selection of the basic data and determination of the procedures to be followed in deriving the items and quantities making up these parts of the budget.

The specific decisions that were made with respect to each component of the new City Worker's Family Budget are documented in this bulletin.

The moderate living standard does not show how an "average" family actually spends its money, nor does it show how a family should spend its money. Individual families may spend more on one item and less on others than the amounts indicated in the budget. Furthermore, many families can and do spend less than the total amount specified in this budget without feeling deprived and without impairing their health or their ability to contribute constructively to our society. In general, however, the representative list of goods and services comprising the standard reflects the collective judgment of families as to what is necessary and desirable to meet the conventional and social as well as the physical needs of families of the budget type in the present decade.

The new City Worker's Family Budget is the third study published by BLS which translates a generalized concept of a moderate standard of living into a list of commodities and services that can be priced. The original City Worker's Family Budget was issued in 1947. The quantities and qualities of goods and services included in that budget were based on the manner of living and standards prevailing in the early 1940's. The pricing of the original budget in 34 large cities was discontinued after October 1951 because the budget was outmoded.

In 1960, the Bureau issued The Interim City Worker's Family Budget. It was based on a new list of goods and services representing "modest-but-adequate" living in accordance with standards prevailing in the 1950's. Because the basic data used in the analysis related to the early 1950's, and because of the limited scope of this revision, it was considered "interim," pending a more complete review of the procedures and the availability of data from the Bureau's Survey of Consumer Expenditures in 1960-61. The interim budget was priced only once, in autumn 1959, in 20 large cities.

Both of these earlier budgets were for a family of the same size, age, and type as that in the new budget. Similarly, the living standard in all 3 studies provides for the maintenance of health and social well-being, the nurture of children, and participation in community activities. For the most part, the procedures used to translate this generalized concept of the living standard into a list of goods and services were also the same, but the kinds and quantities of items comprising the standard differ, because the budget reflect the conditions of living in 3 different decades. Changes in educational levels, cultural developments growing out of travel and migration, and growth in purchasing power affect the level of living of American families and their ideas about what constitutes a moderate living standard.

Technological advances also influence the composition of the standard. New types of consumer goods and services are developed, mass production increases their availability, and mass communication and advertising stimulate the demand for them. As real income rise, certain aspects of living, once considered attainable only by a few, come within the reach of many and are accepted as part of the American way of life. In a dynamic society, therefore, the relative position of a moderate living standard on a scale of all living standards may remain fixed, but the description of what constitutes that standard will be ever-changing.

The present study differs from the earlier budgets in two major respects. These differences have affected the level of the 1966 costs and comparative living cost indexes, particularly in relation to the costs and indexes of the 1959 interim budget.

1. For the first time, the budget has been priced in a sample of medium-sized and small cities. Thus, it is possible to estimate the average U.S. urban budget cost and to compare metropolitan and nonmetropolitan area costs. (See appendix B.)

2. Costs of maintaining an owned home have been included in the moderate standard. Shelter costs in the earlier budgets were limited to rental housing. Use of rental housing only was appropriate for large cities in terms of the 1940 modest standard of the original budget, but it was recognized as a limitation in the 1959 interim budget in terms of the standard of the 1950's. The addition of homeowner costs provides, for the first time, comparative budget costs for renter and owner families and intercity indexes of homeowner maintenance costs for equivalent housing.

The effects of these and other changes on the moderate standard are discussed in detail in this bulletin.

A list of the Bureau's previous budgets and related references, is provided in appendix C, including the Report of the Advisory Committee on Standard Budget Research, June 1963. This report summarizes the recommendations of a special committee of experts, representing users of standard budgets in State and local welfare administration, academic research, labor unions, and business organizations. The committee advised the Bureau on the direction that its research on standard budgets should take, and its recommendations formed guidelines for the Bureau in the development of the current budget.

Subsequent bulletins in the current series will report results of other phases of the standard budget research programs.

Bulletin 1570-2 will describe the Revised Equivalence Scale for estimating budget costs for families of different size, age, and type.

Bulletin 1570-3 will report the autumn 1966 Budget Pricing Procedures, Specifications, and Average Prices.

Bulletin 1570-4 will give the autumn 1966 costs for a Retired Couple's Budget for a moderate standard of living.

Subsequently, there will be bulletins on the spring 1967 costs for the moderate standard, and for a lower and a

higher standard for the 4-person family and for the retired couple. The lower-standard budget will represent a minimum of adequacy. Substantial downward adjustments will be made in the content and/or manner of living of the moderate standard, where this is possible without compromising the family's physical health or self-respect as members of their community.

In contrast with the moderate budgets, the lower-standard budgets will not conform in certain respects to prevailing customs and buying practices—that is, to the collective judgments of families of these types concerning what is necessary for a satisfactory standard of living. The lower standard budgets are expected to be more appropriate than the moderate budgets for use in establishing goals for public assistance and income maintenance programs in the current decade.

The higher standard budget will reflect a more comfortable level and manner of living sometimes known as the "American standard of living." It will be useful in determining the ability of self-supporting families to pay for fee services, or their eligibility for scholarships, etc., and in certain general economic analysis.

In the future, estimates of the cost of the three standard budgets for the 4-person family and for a retired couple will be made as of the spring of the year and published periodically for the same metropolitan areas and regional classes of smaller cities as those included in the present study.

This bulletin was prepared by Jean C. Brackett under the supervision of Helen H. Lamale, Chief of the Division of Living Conditions Studies and the general direction of Arnold E. Chase, Assistant Commissioner. Elizabeth Ruiz supervised the research for all budget components except food and medical care, for which Mary H. Hawes was responsible. Other staff members whose work contributed substantially to the project were Miriam A. Solomon, Roseann C. Cogan, Alice B. Curry, and M. Louise McCraw.



# City Worker's Family Budget for a Moderate Standard of Living, Autumn 1966

## Costs in Urban Areas

The annual cost of living at a moderate standard for a family of four persons (husband 38, wife not employed outside the home, boy 13, and girl 8) averaged \$9,191 in autumn of 1966 in urban areas of the United States. The cost averaged \$9,376 in metropolitan areas and \$8,366 in smaller cities.<sup>1</sup> About 80 percent of the total cost of the budget is allocated to family consumption items—food, housing, transportation, clothing, personal care, medical care, and other items used in family living. Such costs averaged \$7,329, about \$795 higher in metropolitan areas than in smaller cities. In addition to consumption items, the total budget includes allowances for gifts and contributions, basic life insurance,

personal income and social security taxes, and occupational expenses. Distributions of costs, by major components of the budget, are shown in the tabulation below.

Budget costs were about \$800 higher for homeowner than for renter families.<sup>2</sup> However, this figure includes an average of about \$450 in

<sup>1</sup> Table 1 shows annual costs of the budget for urban United States, metropolitan and nonmetropolitan areas, 39 individual metropolitan areas, and 4 nonmetropolitan regions. (See p. 9.)

<sup>2</sup> Since the majority of families of the budget type are homeowners, their costs constitute 75 percent, and costs for renter families 25 percent, of the weighted average cost of shelter for urban United States and each individual area.

Distribution of costs by major components, autumn 1966

Component	Total cost of budget			Cost of family consumption		
	Total urban	Metropolitan areas	Nonmetropolitan areas	Total urban	Metropolitan areas	Nonmetropolitan areas
Total cost-----	\$9,191	\$9,376	\$8,366	\$7,329	\$7,474	\$6,681
Percent distribution-----	100.0	100.0	100.0			
Total family consumption-----	79.7	79.7	79.9	100.0	100.0	100.0
Food-----	23.3	23.2	24.0	29.3	29.1	30.0
Housing <sup>1</sup> -----	24.1	24.4	22.6	30.2	30.6	28.3
Transportation-----	8.9	8.7	9.7	11.1	10.9	12.2
Clothing and personal care-----	10.6	10.5	10.8	13.2	13.2	13.5
Medical care-----	5.1	5.1	4.9	6.4	6.4	6.2
Other family consumption-----	7.8	7.8	7.8	9.8	9.8	9.8
Other costs-----	4.5	4.5	4.7			
Gifts and contributions-----	2.8	2.8	2.8			
Personal life insurance-----	1.7	1.7	1.9			
Occupational expenses-----	.9	.9	1.0			
Social security and disability payments-----	3.1	3.1	3.3			
Personal taxes <sup>1</sup> -----	11.8	11.9	11.1			

<sup>1</sup> Weighted average cost for homeowner (75 percent) and renter (25 percent) families.

payments on mortgage principal, an element of "savings" not included in the budget for renter families. The additional income required to cover these payments also results in higher personal taxes for homeowner families, despite the fact that their mortgage interest payments are tax deductible. Few families of the type represented by this budget claim contributions, interest, and other eligible deductions in excess of the standard deduction.

Total budget costs were highest for homeowner families in metropolitan areas and lowest for renter families in smaller cities, averaging \$9,588 and

\$7,946, respectively. (See the following tabulation.) This difference reflects not only the variation in the costs and manner of living associated with renting or owning a home but also the difference in transportation requirements and spending patterns for clothing, personal care, recreation, meals away from home, etc., between metropolitan areas and smaller cities.<sup>3</sup>

<sup>3</sup> See appendix A for separate quantity lists for families residing in metropolitan and nonmetropolitan areas. These lists were developed for all budget components that were derived by analysis of the choices of goods and services made by consumers in successive income groups.

Differences in total budget costs by type of area and tenure

Tenure	Urban United States	Metropolitan areas	Nonmetropolitan areas	Cost difference by type of area
Total budget cost -----	\$9,191	\$9,376	\$8,366	\$1,010
Homeowner families -----	9,390	9,588	8,506	1,082
Renter families -----	8,594	8,739	7,946	793
Cost difference by tenure-----	796	849	560	XXX

## A Moderate Standard: Present and Past

### Defining the Standard

"Standards of living" refer to the goals we set for ourselves as consumers of goods and services and as users of leisure time and to our norms for conditions of living. Standard budgets measure the total costs of maintaining the levels and manners of living represented by these goals. "Level of living" is defined as actual consumption of goods and services; "manner of living" as the way or style of life (city or country, homeowner or renter, etc.)—in other words, how the goods and services are consumed.

In a standard budget, the "goals of consumers" are translated into a list of goods and services which describe a specific standard that can be priced. To provide meaningful estimates of its costs, the budget standard must be related to a specific size and type of

family, and specific assumptions must be made with respect to the family's manner of living. If these assumptions are reasonable and factually based, and if the list of goods and services has been determined by objective methods, then the standard budget provides an independently derived cost estimate for measuring income adequacy and evaluating the actual levels of living of families as revealed by consumer expenditures and other consumption data.

The 1966 budget continues to represent, as did the original and interim budgets, a moderate standard of living for an urban family of four, consisting of an employed husband, age 38, a housewife not employed outside the home, and two children—a girl age 8 and a boy age 13. The concept of this standard budget was described in the original budget as follows:

"The budget was designed to represent the estimated dollar cost required to maintain this family at a level of adequate living—to satisfy prevailing standards of what is necessary for health, efficiency, the nurture of children, and for participation in community activities. This is not a 'subsistence' budget, nor is it a 'luxury' budget; it is an attempt to describe and measure a modest but adequate standard of living."<sup>4</sup>

Two kinds of data were used to arrive at the component parts of the budget: "One, those derived from laboratory experiments or from scientific observation; the other, those showing the spending practices of representative samples of urban families of the same type as that for which the budget was to be constructed." Since budgetary requirements vary with climate and other local conditions, the quantities and types of goods and services required to provide the moderate standard must be adjusted to describe an equivalent standard of living from place to place.

In defining the standard for the original budget, the Technical Advisory Committee recognized that "such a budget is not an absolute and unchanging thing. The prevailing judgment of the necessary will vary with the changing values of the community, with the advance of scientific knowledge of human needs, with the productive power of the community, and therefore with what people commonly enjoy and see others enjoy."<sup>5</sup>

#### Income and Budget Costs

The City Worker's Family Budget provides a measure of income adequacy for a self-supporting family of a specific size, age, composition, residence, and employment status. Thus, the total cost of the budget should be compared directly only with the total annual income of four-person families of similar type living in urban areas. The budget total should not be compared directly with general levels of industrial wages and wage rates or with average income of

all urban families. Estimates of the costs of consumption for other family types can be derived from the revised scale of equivalent income or budget costs noted in the Introduction. These scale values cannot be used, however, to estimate total budget costs including taxes, life insurance, etc., or costs for the components of consumption, such as housing or food.

The level of living represented by the budget is not "minimum" in the sense in which that term is used in relation to standards or goals for public assistance or welfare programs. On the other hand, the standard of living represented by the items and quantities included in the moderate budget is below that enjoyed by a majority of American families of this specific type. Most such families, comparing in detail the items and quantities with their own consumption, may regard them as inadequate in some respects.

In urban United States in the BLS survey for 1960-61, average income before taxes was \$9,095 for families of the general type specified for the budget (hereafter called a budget-type family). This was composed of husband and wife, and two children ages 6-17 years; it contained only one full-time earner. Increases in median incomes from 1959 to 1965 (the latest data available), as reported in the Current Population Surveys of the Bureau of the Census, ranged from 20 percent for all urban families of two persons or more, to 27 percent for urban families with two children. These trend data applied to the 1960-61 average income for budget-type families suggest that their 1966 average income before taxes amounted to at least \$11,000. Although this method of estimating 1966 income of budget-type families is not precise, it provides a reasonable approximation.

---

<sup>4</sup> Technical Reference 10, p. 40, appendix C.

<sup>5</sup> The City Worker's Family Budget, Monthly Labor Review, February 1948, p. 137.

The level of the moderate standard, therefore, is at least 16 and more likely 20 percent below the average level of living for families of this type. A similar analysis of the level of the interim budget in 1959 indicated that it was "about 15-20 percent below the estimated average 1959 income of budget-type families."<sup>6</sup> Thus, the standard of the new budget is at approximately the same relative position on the current scale of consumption as were the standards of the original and interim budgets. The new budget continues to represent the necessary conventional and social as well as biological requirements of a self-supporting family.

#### Comparison with Earlier Budgets

The original budget was defined as "modest but adequate" in terms of standards prevailing in the years immediately preceding and following World War II. For goods and services other than food and shelter, the quantities and pricing lists were derived primarily from analyses of expenditure studies made in 1934-36 and 1941. The nutritional standard for food was based on the 1945 allowances recommended by the National Research Council, but the selection of foods to meet these standards was made from the 1941 and earlier food survey data. Specifications for healthful housing, formulated by the American Public Health Association in the mid-1940's, were used as guides in defining the shelter standard. This budget was priced in 34 large cities in March 1946, June 1947, and autumn 1948, 1949, 1950, and 1951. Pricing was discontinued, because the modest standard of the 1940's was no longer appropriate for measuring budget costs in the 1950's.

The modest standard of the interim budget for the food, shelter, and medical care components was based on standards and purchasing practices of the mid-1950's. For other goods and services, the budget quantities and pricing lists were derived primarily from the Bureau's Survey of Consumer Expenditures in 1950. The interim budget was priced only in Autumn 1959, in 20 large cities.

The current budget is based on the standards of the 1960's. The pricing date is autumn 1966. These three studies provide the basis for approximating the change in the standard over the past two decades. For 18 of the 39 metropolitan areas in the current budget study, cost estimates are also available from the two previous studies. The estimates for 1951 and 1959 are for renter families only; those for 1966 are for renters and for renters and owners combined.

#### Changes in Total Costs

In the 18 cities priced in all three studies, the total cost of a moderate standard of living for the four-person family averaged about \$4,200 in 1951. In 1959 the total cost of the interim budget for the same 18 was \$6,100, or 45 percent higher than in 1951. The cost of the current moderate standard in the same cities in 1966 averaged \$8,700 for renter families and \$9,283 for renter and owner families combined. These levels were 43 percent and 52 percent higher than in 1959. These increases in the level of total budget costs reflect increases in Federal, State, and local income taxes and social security taxes as well as the rise in prices and in the standard of living represented in these budgets.

Personal income taxes, which accounted for 7 percent of the total budget cost in 1951, made up 11 percent of the budget in 1959, and 12 percent of the combined renter-owner budget in 1966. Social security taxes amounted to 1 percent of the 1951 budget, 2 percent in 1959, and 3 percent in 1966. The cost of family consumption items averaged 87 percent of the total budget cost in 1951, 83 percent in 1959, 80 percent in 1966—reflecting the relatively larger increases in personal income and social security taxes than in the cost of the family consumption items.

---

<sup>6</sup> Subsequent analysis indicated that both the estimated average 1959 income of budget-type families and the level of the interim budget costs were understated. See discussion, p. 39 of Technical Reference 5, appendix C.

### Changes in the Consumption Standard

In 1951, the cost of family consumption items in the modest standard for a family of four averaged about \$3,750 in the 18 cities represented in the budgets for all three periods. By 1959, the cost of the interim budget was about \$5,180, or 38 percent higher. The 1966 moderate standard for these cities averaged \$7,189 for commodities and services purchased by renter families, and \$7,655 for renter and owner families combined. These costs were 39 and 48 percent above the 1959 level, respectively, and about double that of 1951. The advance in costs reflects both the rise in the standard of living represented in the budgets and the increase in prices over this period.

A precise measure of the change in living costs attributable to changes in the standard or manner of living, as distinguished from that caused by increased prices, is almost impossible to achieve, because many of the commodities and services constituting the standard for an earlier period cannot be priced in current markets. However, the Consumer Price Index can be used to provide a very rough approximation of the effects of price change. The procedure followed was to update the costs of the earlier standards to 1966 by changes in the Consumer Price Index at the subgroup level for each of the 18 cities. Then, the differences between the costs of the 1966 standard in these cities and the updated estimates of the 1951 and 1959 standards were deflated by the change in the CPI over the appropriate period to adjust for the higher price levels prevailing at the later date. The residual differences in costs between the new and the previous budgets in these 18 cities can be attributed to the upgrading of the standard. The average difference has been used hereafter in this report as a reasonable approximation of the change in the moderate standard for all urban U.S. budget-type families.

About 15 of the total 39 percent increase in the budget costs from 1959 to

1966 for renter families can be identified as resulting from advances in prices, leaving about 24 percent to represent the upgrading of the standard. For owner and renter families combined, the new standard reflects a 32 percent increase in the standard and manner of living after factoring out a 16 percent advance in prices. Compared with 1951, the new standard reflects approximately a 40 percent rise in prices, plus increases in the standard amounting to about 50 percent for renter families only and 60 percent for owner and renter families combined. Hence, over this 15-year period, the rise in the moderate standard (after adjustment for price changes) would average about 3.5 to 4 percent a year.

Over approximately the same period (1950 to 1965), the increase in real after-tax income (also adjusted for price change) has been estimated at about 66 percent for families of the budget type, or approximately 4.5 percent a year. Average after-tax income for budget-type families was \$4,515 in 1950 and \$7,969 in 1960-61, based on the BLS Survey of Consumer Expenditures for these dates. Current Population Surveys by the Bureau of the Census for 1959 and 1965 indicate an increase of 27 percent in median incomes of urban families with two children. Applying this trend to the 1960-61 reported average results in an estimated income of \$10,120 in 1965 for budget-type families. In 1950 dollars, the averages are \$4,515, \$6,442, and \$7,497 in 1950, 1960-61 and 1965, respectively. The estimated increase in real income between 1960-61 and 1965, amounting to 16 percent, is confirmed by the Department of Commerce, Office of Business Economics data on per capita personal income, per capita disposable income, and per capita personal consumption expenditures.

Therefore, almost all of the improvement in the real level of living of the average budget-type family has been reflected in the standard, which continues to represent the same relative position on the scale of consumption over the two decades.

### Upgrading the Food Standard

The cost of the food standard in the 1966 budget reflects both the choice of the specific Department of Agriculture (USDA) food plan used to meet the nutritional standard and changes in the regional preference patterns since 1955. (Preference patterns are regional variations in the choice of foods which provide the nutritional standard.) The 1959 interim budget food standard was based on 1955 regional preference patterns; the 1966 budget, on 1965 patterns.

One of the major sources of upgrading in the 1966 standard was in the food component, which was based on the USDA moderate-cost food plan. In the 1959 budget, food costs were calculated from an average of the low- and moderate-cost plans. The cost of food at home in the 1966 standard is about 12 percent higher than it would have been if an average of the low- and moderate-cost plans based on 1965 preference patterns had been used. Since food at home represents 25 percent of the total cost of consumption in the 1966 budget, the use of the higher food standard accounts for about 3 of the 24 percent increase in the overall standard.

Although families can achieve nutritional adequacy from the low-cost food plan, it has been estimated that only 23 percent of those who spend amounts equivalent to the cost of this plan actually have nutritionally adequate diets. The foods included in the plan require a considerable amount of home preparation and skill in cooking. Many of the families existing on low-cost food budgets have neither the time nor the technical knowledge to produce interesting, varied, and nutritionally adequate meals at this cost level.

The 1959 budget used 1955 data on regional variations in the choices of foods to determine the costs of the food standard. In the 1959 budget, food-at-home costs were lowest in Atlanta and Houston and highest in Boston and

Pittsburgh, with a 24 percentage point spread among the 18 cities common to the interim and current budget studies.<sup>7</sup> These differences resulted primarily from variation in food choices. When only price differences were allowed to affect the costs of the food plans, cities in the South were not among the least expensive.

The new standard is based on 1965 data on regional variations in food choices. The change in food preference patterns over the decade has resulted in relatively lower food costs, in all except the Southern cities, than would have been obtained if the 1955 preference patterns had been continued in the new budget.

In Detroit and Pittsburgh, for example, autumn 1966 moderate-plan food costs, based on the 1965 preference patterns, were 4 and 6 percent lower, respectively, than autumn 1966 costs of the 1955 preference patterns in these cities. In Houston and Atlanta, however, they were 2 and 4 percent higher. As a result, the range in food costs was reduced from 24 to 16 percentage points among these 18 cities. Between 1955 and 1965, regional differences in food patterns lessened. Thus, food buying habits in the South have moved closer to the patterns in other parts of the country.

The new food standard also reflects the increase in the number of meals bought and eaten away from home by families of this type. The 1966 allowance provides for 261 and 310 meals away from home in metropolitan areas and small cities, respectively, compared with 212 in the 1959 budget and 189 in the original budget. The number of times the family group might eat out in a restaurant increased from five visits a year (20 meals) to a visit approximately once a month (42 meals).

---

<sup>7</sup> See Technical Reference 1, appendix C for a complete explanation of the extent to which regional variations in food choices, as opposed to variations in prices, contributed to this overall difference in the cost of the food standard in the interim budget. A similar analysis is planned for the 1966 budget.

### Effect of Changes in Housing

In the housing component of the new standard, rental costs were based on a narrower range of dwelling unit quality (i. e., the average of the middle third of the distribution of autumn 1966 contract rents for units that met the budget criteria of adequacy) than was used for the 1959 budget, in which costs were based on average rents for all units meeting the adequacy criteria. As a result, the published costs for rental housing in Atlanta, Cincinnati, and Pittsburgh were lower in 1966 than the estimates published in 1959, despite the increase in fuel and utility costs over this period to the tenants who pay separately for them.

The narrower quality range used for the 1966 budget provides a more precise basis for measuring the cost of the moderate standard, but the 1966 estimates understate the change in rental housing costs in comparison with 1959. This has relatively little effect on the overall cost level of the new budget, however, since only 25 percent of the budget-type families were assumed to live in rental housing. The more significant change in the new standard is the previously discussed inclusion of homeowner costs for three-fourths of the families.

### Increase in Auto Ownership

Accompanying the change in the housing pattern is a revision of the proportions of automobile owners. In the 1959 budget, New York, Philadelphia, and Boston were specified as low (48 percent) ownership cities. In the new budget for these cities, and also for Chicago, auto ownership is specified for 80 percent of the families.<sup>8</sup> For other areas in the 1959 budget, 76 percent of the families were assumed to own cars, but auto ownership is specified for 95 to 100 percent of the families in these areas in 1966. These upward revisions in the proportions of auto owners were based on trend information from the 1950 and 1960-61 Surveys of Consumer Expenditures and

from transportation surveys of the Bureau of the Census. Increased ownership and use of automobiles accompanied the trend to homeownership and the extension of suburbs in large metropolitan areas to areas not served by public transportation.

### Better Health Care

Since the mid-1950's, there has been a substantial extension of hospital and surgical insurance coverage under provisions of wage and salary contracts to families of the budget type. The medical care budget includes the family's share of the premium for a group hospitalization plan and out-of-pocket expenses for other medical services and supplies. In accordance with the trend in prevailing practices, the new budget provides fewer visits to physicians than the 1959 budget. Quantities for both budgets were based on utilization rates derived from U. S. Public Health Service data, which reported a decline in home and office visits, from 15.7 to 13.7 annually, for the age-sex groups in the budget-type family. The number of physician's visits to family members in the hospital increased during this same period. There are two reasons for the change in the budget costs for physician's visits, (1) the extension of insurance to include surgical services in the new budget provides an alternative method of payment for physician's in-hospital services, and (2) the 1966 budget specifies some partial or complete payment of health insurance premiums by employers.<sup>9</sup>

As a result, the cost of the family's direct payments for physician's visits was lower in the new than in the interim standard, despite the increase in physician's fees between 1959 and 1966. The new budget provides for a substantially higher standard for dental care than the previous budget, particularly for periodic examinations, straightening of teeth, gum treatment, and denture work.

---

<sup>8</sup> For a detailed description, see p. 19.

<sup>9</sup> For description, see p. 19.

### Different Kinds of Clothing

For all of the components derived by the quantity- or expenditure-income elasticity technique,<sup>10</sup> the new budget allowances reflect changes in the standard of living which accompany changes in the level of real income. For example, the quantity of the women's casual shoes tripled, reflecting an increasingly informal way of life and the wider choice of such shoes in stores today; but the quantity of dress shoes declined. The husband's clothing budget includes fewer topcoats, heavy wool suits, and dress shirts but more wool jackets, lightweight suits, sports coats and slacks, and casual shoes—a reflection of the fact that men also are wearing

less formal apparel. Improved heating of homes, automobiles, and places of work requires less protection from cold weather and also contributes to the change of men's apparel.

In personal care, the quantities of haircuts declined for the boy but increased for the man, woman, and girl. Individual preferences play a large part in the way families spend their money, however, and the allowances provided for these items are not suggested as a spending plan for an individual family.

---

<sup>10</sup> This technique is described on p. 20.

## Intercity Differences

The new budget provides a wide variety of comparative living cost indexes, not only for total budget costs but for the major categories of consumer goods and services (table 2). For the first time in the Bureau's program of standard budget research, separate budget cost estimates and comparative indexes are provided for individual medium-sized metropolitan areas and for broad regional groupings of nonmetropolitan areas. The average costs for the items which make up the budget in each area are shown in table 1. Also, for the first time, comparative housing cost data for renter and owner families are included separately.

The intercity indexes reflect not only the difference among areas in price levels but also climatic or regional differences in the quantities and types of items required to provide the specified standard of living, and differences in State and local taxes. They are comparative living cost indexes and not comparative price indexes.

### Variations in Total Costs

The total annual cost of the budget in autumn 1966 ranged from \$7,855 in

the small southern cities to \$11,190 in Honolulu. (New York had the highest cost of the mainland cities.) Since Honolulu costs were also significantly higher than those in the mainland cities for most categories of the budget,<sup>11</sup> the following discussion will be limited to the 42 mainland areas.

Indexes of relative costs for the total budget (U.S. urban average cost: 100) ranged from 85 in smaller cities in the South to 111 in New York—a spread of 26 percentage points (table 2). The allowances for life insurance and occupational expenses were \$160 and \$80, respectively, the same in all cities. The social security deduction, \$277, was also the same, since in all cities the total budget exceeded the maximum level of earnings for withholding tax for Federal old-age and survivor's insurance, i. e., \$6,600. Provision for gifts and contributions, estimated as 3.2 percent of total family

---

<sup>11</sup> All major categories except homeowner shelter, clothing, personal care, and medical care.

Table 1. Annual Costs of the City Worker's Family Budget<sup>1</sup> by Major Components, Urban United States, 39 Metropolitan Areas, and Nonmetropolitan Areas by Regions, Autumn 1966

Item	Urban United States			Northeast								
	Total	Metropolitan areas <sup>2</sup>	Nonmetropolitan areas <sup>3</sup>	Boston, Mass.	Buffalo, N. Y.	Hartford, Conn.	Lancaster, Pa.	New York-North-eastern New Jersey	Philadelphia, Pa.-N. J.	Pitts-burgh, Pa.	Portland, Maine	Nonmetro-politan areas <sup>3</sup>
Food -----	\$2,143	\$2,173	\$2,005	\$2,317	\$2,209	\$2,377	\$2,286	\$2,380	\$2,289	\$2,225	\$2,264	\$2,179
Food at home -----	1,824	1,840	1,754	2,010	1,883	2,015	1,951	1,996	1,957	1,887	1,970	1,904
Food away from home -----	319	333	251	307	326	362	335	384	332	338	294	275
Housing: Total -----	2,214	2,286	1,894	2,732	2,378	2,538	1,945	2,655	2,130	1,966	2,197	2,131
Renter families -----	1,736	1,776	1,557	1,875	1,765	1,949	1,651	1,780	1,534	1,561	1,659	1,511
Homeowner families -----	2,374	2,457	2,006	3,018	2,581	2,734	2,043	2,945	2,329	2,100	2,377	2,338
Shelter: Total <sup>4</sup> -----	1,733	1,808	1,402	2,245	1,891	2,083	1,503	2,181	1,655	1,507	1,704	1,653
Rental costs <sup>5</sup> -----	1,255	1,298	1,065	1,388	1,279	1,494	1,209	1,307	1,059	1,102	1,166	1,033
Homeowner costs <sup>6</sup> -----	1,893	1,978	1,514	2,531	2,095	2,279	1,601	2,472	1,854	1,641	1,884	1,860
Housefurnishings -----	265	266	258	260	272	260	247	266	270	253	266	256
Household operations -----	216	212	234	227	215	195	195	207	205	207	227	222
Transportation: Total <sup>7</sup> -----	815	815	813	812	878	909	773	731	739	790	819	820
Automobile owners -----	860	870	813	964	878	909	773	874	873	820	819	820
Nonowners of automobiles -----	151	184	-	206	202	204	186	159	203	229	194	-
Clothing -----	756	767	709	756	791	783	755	789	766	758	815	730
Husband -----	174	174	179	174	171	175	166	176	169	167	180	175
Wife -----	187	191	169	191	202	186	184	197	186	190	202	173
Boy -----	168	169	164	153	169	171	159	174	171	162	164	176
Girl -----	154	159	132	169	179	170	170	175	169	164	191	140
Clothing materials and services -----	72	74	66	69	70	80	75	68	71	75	78	65
Personal care -----	214	218	194	210	218	224	201	217	213	214	203	193
Medical care: Total -----	468	481	411	471	461	481	413	497	449	433	466	440
Insurance <sup>8</sup> -----	219	225	191	259	233	203	167	210	229	208	268	226
Physician's visits -----	89	94	69	91	88	109	68	119	81	78	94	79
Other medical care -----	284	290	259	269	273	285	273	288	270	266	256	264
Other family consumption -----	719	734	654	746	722	774	730	763	732	729	727	672
Reading -----	65	70	41	73	73	73	63	73	73	76	80	42
Recreation -----	306	310	291	297	291	340	319	308	299	306	291	304
Education -----	55	60	35	60	60	60	60	60	60	60	60	35
Tobacco -----	134	133	139	143	134	129	129	154	138	128	131	142
Alcoholic beverages -----	72	72	69	78	73	76	75	73	75	75	76	64
Miscellaneous expenses -----	87	89	79	95	91	96	84	95	87	84	89	85
Cost of family consumption: Total <sup>9</sup> -----	7,329	7,474	6,681	8,045	7,657	8,086	7,104	8,031	7,319	7,117	7,491	7,166
Renter families -----	6,850	6,964	6,343	7,188	7,045	7,497	6,809	7,157	6,722	6,712	6,953	6,546
Homeowner families -----	7,488	7,643	6,793	8,331	7,861	8,282	7,202	8,322	7,518	7,251	7,670	7,373
Other costs -----	413	419	391	438	425	440	406	438	413	406	419	408
Gifts and contributions -----	253	259	231	278	265	280	246	278	253	246	259	248
Life insurance -----	160	160	160	160	160	160	160	160	160	160	160	160
Occupational expenses -----	80	80	80	80	80	80	80	80	80	80	80	80
Social security and disability payments -----	289	291	280	277	293	277	277	295	277	277	277	290
Personal taxes: Total <sup>9</sup> -----	1,080	1,112	935	1,300	1,269	1,117	1,023	1,351	1,104	1,039	990	1,041
Renter families -----	961	985	852	1,065	1,101	992	958	1,105	969	949	879	891
Homeowner families -----	1,119	1,155	962	1,379	1,326	1,159	1,045	1,433	1,149	1,069	1,027	1,091
Cost of budget: Total <sup>9</sup> -----	9,191	9,376	8,366	10,141	9,724	10,000	8,890	10,195	9,193	8,919	9,257	8,985
Renter families -----	8,594	8,739	7,946	9,049	8,943	9,286	8,530	9,075	8,462	8,424	8,608	8,214
Homeowner families -----	9,390	9,588	8,506	10,505	9,985	10,239	9,010	10,568	9,437	9,084	9,473	9,242

See footnotes at end of table.

Table 1. Annual Costs of the City Worker's Family Budget<sup>1</sup> by Major Components, Urban United States, 39 Metropolitan Areas, and Nonmetropolitan Areas by Regions, Autumn 1966—Continued

Item	North Central														
	Cedar Rapids, Iowa	Champaign-Urbana, Ill.	Chicago, Ill.—Northwestern Ind.	Cincinnati, Ohio—Ky.—Ind.	Cleveland, Ohio	Dayton, Ohio	Detroit, Mich.	Green Bay, Wis.	Indianapolis, Ind.	Kansas City, Mo.—Kans.	Milwaukee, Wis.	Minneapolis-St. Paul, Minn.	St. Louis, Mo.—Ill.	Wichita, Kans.	Nonmetropolitan areas <sup>3</sup>
Food -----	\$2,078	\$2,113	\$2,153	\$2,098	\$2,091	\$2,063	\$2,149	\$1,997	\$2,099	\$2,139	\$2,064	\$2,058	\$2,199	\$2,123	\$1,994
Food at home -----	1,773	1,812	1,835	1,782	1,751	1,778	1,796	1,722	1,796	1,827	1,728	1,764	1,865	1,838	1,767
Food away from home -----	305	302	318	316	340	286	353	276	304	313	336	294	334	285	227
Housing: Total -----	2,337	2,480	2,549	2,170	2,466	2,045	2,076	2,101	2,336	2,083	2,508	2,286	2,202	2,074	2,064
Renter families -----	1,941	2,218	1,961	1,616	1,731	1,798	1,588	1,545	1,819	1,738	1,787	1,813	1,719	1,745	1,721
Homeowner families -----	2,469	2,567	2,744	2,355	2,713	2,127	2,239	2,286	2,509	2,199	2,748	2,444	2,363	2,183	2,179
Shelter: Total <sup>4</sup> -----	1,824	2,002	2,075	1,701	1,988	1,585	1,605	1,630	1,844	1,583	2,039	1,828	1,709	1,586	1,565
Rental cost <sup>5</sup> -----	1,428	1,740	1,488	1,147	1,252	1,338	1,116	1,074	1,326	1,236	1,318	1,354	1,226	1,257	1,222
Homeowner costs <sup>6</sup> -----	1,956	2,089	2,271	1,886	2,234	1,667	1,767	1,815	2,016	1,698	2,279	1,985	1,870	1,695	1,680
Housefurnishings -----	277	268	258	261	256	259	262	260	272	277	243	248	265	270	260
Household operations -----	237	211	215	208	222	201	210	211	221	225	226	211	228	218	239
Transportation: Total <sup>7</sup> -----	842	794	770	832	822	819	817	826	887	871	829	834	839	848	790
Automobile owners -----	842	794	913	832	854	819	850	826	887	871	829	834	872	848	790
Nonowners of automobiles -----	193	193	201	222	209	186	199	172	196	198	186	199	225	191	-
Clothing -----	777	764	770	758	781	764	776	765	784	762	758	759	760	747	731
Husband -----	178	175	183	171	174	177	177	177	181	175	170	175	170	175	193
Wife -----	189	196	189	191	194	194	198	192	190	184	187	189	186	174	186
Boy -----	171	155	164	168	172	173	171	159	177	173	161	160	165	164	155
Girl -----	162	164	156	156	165	149	157	151	155	155	165	157	162	151	137
Clothing materials and services -----	77	74	77	72	76	70	78	80	79	69	78	81	74	71	71
Personal care -----	227	211	229	193	215	198	223	198	219	234	213	226	222	208	199
Medical care: Total -----	435	480	484	401	429	402	465	427	431	441	443	446	443	445	398
Insurance <sup>8</sup> -----	212	255	255	170	257	170	278	199	241	207	238	291	217	248	204
Physician's visits -----	73	85	86	76	86	77	87	69	84	80	79	76	85	85	66
Other medical care -----	271	286	289	252	233	251	258	272	244	272	262	244	264	253	245
Other family consumption -----	748	726	729	721	719	726	735	744	747	741	732	720	710	745	642
Reading -----	65	56	71	76	76	70	76	70	74	67	74	71	67	66	40
Recreation -----	331	324	307	310	309	325	311	328	318	319	303	293	303	330	289
Education -----	60	60	60	60	60	60	60	60	60	60	60	60	60	60	35
Tobacco -----	137	128	133	117	117	119	131	138	129	142	142	136	131	135	129
Alcoholic beverages -----	67	68	67	73	68	69	71	64	77	67	64	73	62	69	68
Miscellaneous expenses -----	88	90	91	85	89	83	86	84	89	86	89	87	87	85	81
Cost of family consumption: Total <sup>9</sup> -----	7,446	7,568	7,685	7,173	7,525	7,016	7,241	7,057	7,503	7,272	7,547	7,329	7,376	7,189	6,819
Renter families -----	7,050	7,306	7,098	6,619	6,789	6,769	6,753	6,502	6,985	6,926	6,827	6,856	6,894	6,861	6,475
Homeowner families -----	7,577	7,655	7,881	7,357	7,771	7,098	7,404	7,243	7,676	7,387	7,787	7,487	7,537	7,298	6,933
Other costs -----	418	422	426	408	420	403	410	404	419	412	421	413	415	409	396
Gifts and contributions -----	258	262	266	248	260	243	250	244	259	252	261	253	255	249	236
Life insurance -----	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160
Occupational expenses -----	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80
Social security and disability payments -----	277	277	277	277	277	277	277	277	277	277	277	277	277	277	277
Personal taxes: Total <sup>9</sup> -----	1,201	1,003	1,038	1,038	994	935	972	1,262	1,114	1,148	1,415	1,395	1,092	1,097	963
Renter families -----	1,101	949	916	912	842	883	868	1,098	992	1,008	1,198	1,247	979	1,015	881
Homeowner families -----	1,234	1,021	1,079	1,080	1,044	953	1,007	1,316	1,155	1,195	1,487	1,444	1,130	1,125	991
Cost of budget: Total <sup>9</sup> -----	9,421	9,350	9,506	8,976	9,297	8,711	8,981	9,080	9,394	9,189	9,740	9,495	9,241	9,052	8,535
Renter families -----	8,926	9,034	8,797	8,295	8,409	8,411	8,388	8,361	8,754	8,703	8,803	8,874	8,645	8,642	8,109
Homeowner families -----	9,586	9,455	9,743	9,203	9,593	8,811	9,178	9,320	9,608	9,351	10,052	9,702	9,440	9,189	8,677

See footnotes at end of table.

Table 1. Annual Costs of the City Worker's Family Budget<sup>1</sup> by Major Components, Urban United States, 39 Metropolitan Areas, and Nonmetropolitan Areas by Regions, Autumn 1966—Continued

Item	South										
	Atlanta, Ga.	Austin, Tex.	Baltimore, Md.	Baton Rouge, La.	Dallas, Tex.	Durham, N. C.	Houston, Tex.	Nashville, Tenn.	Orlando, Fla.	Washington, D. C.—Md.—Va.	Nonmetropolitan areas <sup>2</sup>
Food .....	\$2,016	\$1,995	\$2,026	\$2,028	\$2,021	\$1,961	\$2,039	\$1,964	\$1,988	\$2,135	\$1,925
Food at home .....	1,717	1,700	1,702	1,724	1,700	1,687	1,710	1,677	1,687	1,819	1,675
Food away from home .....	299	295	324	305	321	275	329	287	302	316	250
Housing: Total .....	1,808	1,676	1,997	1,882	1,891	2,016	1,794	2,021	1,961	2,325	1,676
Renter families .....	1,596	1,462	1,859	1,490	1,714	1,628	1,535	1,604	1,696	1,841	1,452
Homeowner families .....	1,878	1,748	2,043	2,013	1,951	2,145	1,880	2,160	2,050	2,487	1,751
Shelter: Total <sup>4</sup> .....	1,312	1,205	1,491	1,431	1,421	1,549	1,310	1,529	1,477	1,833	1,188
Rental costs <sup>5</sup> .....	1,100	991	1,353	1,038	1,243	1,161	1,051	1,112	1,212	1,349	964
Homeowner costs <sup>6</sup> .....	1,382	1,277	1,537	1,561	1,480	1,678	1,397	1,668	1,566	1,995	1,263
Housefurnishings .....	267	249	262	258	254	267	263	263	269	255	254
Household operations .....	229	222	244	194	217	200	221	229	215	237	234
Transportation: Total <sup>7</sup> .....	826	806	810	896	821	804	860	832	827	823	810
Automobile owners .....	826	806	842	896	821	804	860	832	827	856	810
Nonowners of automobiles .....	213	167	204	189	187	162	199	183	198	204	-
Clothing .....	714	703	722	686	702	715	686	741	696	733	671
Husband .....	170	158	173	161	162	169	157	171	165	170	169
Wife .....	185	178	181	176	180	181	176	192	178	186	162
Boy .....	161	164	168	154	162	165	161	166	155	163	156
Girl .....	137	133	137	130	131	133	128	147	131	142	123
Clothing materials and services .....	62	71	63	65	67	68	64	66	68	71	60
Personal care .....	227	195	211	221	214	207	216	207	199	221	187
Medical care: Total .....	437	420	450	426	478	444	466	427	433	464	394
Insurance .....	174	135	222	172	190	213	166	173	165	204	169
Physician's visits .....	87	84	87	89	88	89	89	78	94	93	65
Other medical care .....	275	278	267	263	309	263	306	274	269	283	256
Other family consumption .....	746	710	709	723	734	690	733	736	716	718	648
Reading .....	70	64	70	70	66	66	69	68	68	70	40
Recreation .....	299	301	297	302	304	314	306	299	300	321	282
Education .....	60	60	60	60	60	60	60	60	60	60	35
Tobacco .....	144	143	127	139	150	97	149	142	134	113	143
Alcoholic beverages .....	93	65	72	71	73	72	68	85	73	66	73
Miscellaneous expenses .....	80	77	82	81	81	81	81	82	81	88	75
Cost of family consumption: Total <sup>9</sup> .....	6,774	6,505	6,924	6,863	6,861	6,838	6,794	6,928	6,820	7,419	6,310
Renter families .....	6,563	6,291	6,785	6,470	6,683	6,450	6,534	6,511	6,555	6,935	6,086
Homeowner families .....	6,845	6,577	6,970	6,994	6,921	6,967	6,880	7,067	6,908	7,581	6,385
Other costs .....	394	385	399	397	397	396	395	400	396	417	378
Gifts and contributions .....	234	225	239	237	237	236	235	240	236	257	218
Life insurance .....	160	160	160	160	160	160	160	160	160	160	160
Occupational expenses .....	80	80	80	80	80	80	80	80	80	80	80
Social security and disability payments .....	277	277	277	277	277	277	277	277	277	277	277
Personal taxes: Total <sup>9</sup> .....	908	780	1,118	920	856	1,115	841	867	843	1,188	810
Renter families .....	856	736	1,082	831	819	1,005	788	781	789	1,061	757
Homeowner families .....	925	795	1,130	950	868	1,152	859	896	861	1,231	827
Cost of budget: Total <sup>9</sup> .....	8,434	8,028	8,798	8,538	8,472	8,707	8,387	8,552	8,416	9,381	7,855
Renter families .....	8,170	7,769	8,624	8,056	8,257	8,209	8,074	8,049	8,097	8,770	7,578
Homeowner families .....	8,522	8,114	8,856	8,699	8,544	8,873	8,491	8,719	8,523	9,585	7,947

See footnotes at end of table.

Table 1. Annual Costs of the City Worker's Family Budget<sup>1</sup> by Major Components, Urban United States, 39 Metropolitan Areas, and Nonmetropolitan Areas by Regions, Autumn 1966—Continued

Item	West							
	Bakersfield, Calif.	Denver, Colo.	Honolulu, Hawaii	Los Angeles—Long Beach, Calif.	San Diego, Calif.	San Francisco—Oakland, Calif.	Seattle—Everett, Wash.	Nonmetropolitan areas <sup>3</sup>
Food.....	\$2,073	\$2,111	\$2,551	\$2,100	\$2,032	\$2,188	\$2,268	\$2,037
Food at home.....	1,761	1,797	2,216	1,739	1,686	1,824	1,900	1,786
Food away from home.....	312	314	335	361	346	364	367	251
Housing: Total.....	1,916	2,208	2,848	2,164	2,211	2,408	2,314	2,023
Renter families.....	1,525	1,775	2,376	1,862	1,715	2,092	1,993	1,698
Homeowner families.....	2,046	2,352	3,005	2,265	2,377	2,513	2,420	2,132
Shelter: Total <sup>4</sup> .....	1,430	1,709	2,256	1,698	1,736	1,919	1,811	1,508
Rental costs <sup>5</sup> .....	1,039	1,276	1,784	1,396	1,240	1,603	1,491	1,182
Homeowner costs <sup>6</sup> .....	1,560	1,853	2,413	1,799	1,902	2,024	1,918	1,616
Housefurnishings.....	293	267	314	280	286	286	266	274
Household operations.....	193	232	278	186	186	203	236	242
Transportation: Total <sup>7</sup> .....	894	860	993	873	900	896	923	847
Automobile owners.....	894	860	993	910	900	936	923	847
Nonowners of automobiles.....	193	204	170	172	238	148	205	-
Clothing.....	769	787	737	794	766	819	827	782
Husband.....	173	183	171	172	164	177	183	193
Wife.....	189	191	190	198	191	201	195	178
Boy.....	178	180	169	179	180	188	188	192
Girl.....	155	156	134	159	158	168	173	142
Clothing materials and services.....	75	77	73	86	72	93	89	77
Personal care.....	218	220	222	231	215	253	236	209
Medical care: Total.....	542	476	469	626	579	550	495	441
Insurance <sup>8</sup> .....	262	247	224	262	262	207	203	205
Physician's visits.....	91	84	90	118	100	110	96	72
Other medical care.....	338	286	282	395	367	351	312	281
Other family consumption.....	691	701	806	725	702	745	758	669
Reading.....	61	64	70	72	73	72	69	46
Recreation.....	305	297	354	324	301	333	304	307
Education.....	60	60	60	60	60	60	60	35
Tobacco.....	107	125	137	107	107	114	157	134
Alcoholic beverages.....	74	69	83	73	73	73	76	64
Miscellaneous expenses.....	84	87	102	89	88	93	93	83
Cost of family consumption: Total <sup>9</sup> .....	7,103	7,363	8,626	7,514	7,405	7,860	7,821	7,008
Renter families.....	6,712	6,930	8,155	7,212	6,909	7,544	7,501	6,683
Homeowner families.....	7,233	7,507	8,783	7,615	7,571	7,965	7,928	7,117
Other costs.....	406	415	458	420	416	432	430	402
Gifts and contributions.....	246	255	298	260	256	272	270	242
Life insurance.....	160	160	160	160	160	160	160	160
Occupational expenses.....	80	80	80	80	80	80	80	80
Social security and disability payments.....	351	277	277	351	351	277	277	277
Personal taxes: Total <sup>9</sup> .....	981	1,100	1,748	1,080	1,054	1,164	1,057	1,158
Renter families.....	890	990	1,578	1,010	938	1,090	991	1,066
Homeowner families.....	1,011	1,137	1,805	1,104	1,092	1,188	1,079	1,188
Cost of budget: Total <sup>9</sup> .....	8,921	9,235	11,190	9,445	9,307	9,886	9,665	8,925
Renter families.....	8,439	8,692	10,548	9,072	8,694	9,496	9,279	8,508
Homeowner families.....	9,082	9,416	11,404	9,569	9,511	10,017	9,794	9,065

<sup>1</sup> The family consists of an employed husband, aged 38, a wife not employed outside the home, an 8-year-old girl, and a 13-year-old boy.

<sup>2</sup> For a detailed description, see the 1967 edition of the Standard Metropolitan Statistical Areas, prepared by the Bureau of the Budget.

<sup>3</sup> Places with population of 2,500 to 50,000.

<sup>4</sup> The average costs of shelter were weighted by the following proportions: 25 percent for families living in rented dwellings, 75 percent for families living in owned homes.

<sup>5</sup> Average contract rent plus the cost of required amounts of heating fuel, gas, electricity, water, specified equipment, and insurance on household contents.

<sup>6</sup> Interest and principal payments plus taxes; insurance on house and contents; water, refuse disposal, heating fuel, gas, electricity, and specified equipment; and home repair and maintenance costs.

<sup>7</sup> The average costs of automobile owners and nonowners were weighted by the following proportions of families: Boston, Chicago, New York, and Philadelphia, 80 percent for automobile owners; 20 percent for nonowners; Baltimore, Cleveland, Detroit, Los Angeles, Pittsburgh, San Francisco, St. Louis, and Washington, D.C., with 1.4 million of population or more in 1960, 95 percent for automobile owners and 5 percent for nonowners; all other areas, 100 percent for automobile owners.

<sup>8</sup> The average costs of hospitalization and surgical insurance (as a part of total medical care) were weighted by the following proportions: 30 percent for families paying full cost of insurance; 26 percent for families paying half cost; 44 percent for families covered by noncontributory insurance plans (paid for by employer).

<sup>9</sup> The total represents the weighted average costs of renter families (25 percent) and owner families (75 percent).

NOTE: See appendix A for items and quantities included in each component, and appendix B for the population weights for each city. Because of rounding, sums of individual items may not equal totals.

Table 2. Indexes of Comparative Living Costs Based on the City Worker's Family Budget,<sup>1</sup> Autumn 1966

(U.S. Urban Average Cost = 100)

Area	Total budget	Cost of family consumption										
		Total	Food	Housing (shelter, housefurnishing, household operations)					Transportation <sup>5</sup>	Clothing and personal care	Medical care <sup>6</sup>	Other family consumption
				Total	Shelter							
					Combined <sup>2</sup>	Renter costs <sup>3</sup>	Homeowner costs <sup>4</sup>					
Urban United States	100	100	100	100	100	100	100	100	100	100	100	
Metropolitan areas <sup>7</sup>	102	102	101	103	104	103	104	100	102	103	102	
Nonmetropolitan areas <sup>8</sup>	91	91	94	86	81	85	80	100	93	88	91	
Northeast:												
Boston, Mass	110	110	108	123	130	111	134	100	100	101	104	
Buffalo, N. Y.	106	104	103	107	109	102	111	108	104	99	100	
Hartford, Conn	109	110	111	115	120	119	120	112	104	103	108	
Lancaster, Pa.	97	97	107	88	87	96	85	95	99	88	102	
New York-Northeastern New Jersey	111	110	111	120	126	104	131	90	104	106	106	
Philadelphia, Pa.-N. J.	100	100	107	96	96	84	97	91	101	96	102	
Pittsburgh, Pa.	97	97	104	89	87	88	87	97	100	93	102	
Portland, Maine	101	102	106	99	98	93	100	101	105	100	101	
Nonmetropolitan areas <sup>8</sup>	98	98	102	96	95	83	98	101	95	94	93	
North Central:												
Cedar Rapids, Iowa	103	102	97	106	105	114	103	103	104	93	104	
Champaign-Urbana, Ill.	102	103	99	112	116	139	110	97	101	103	101	
Chicago, Ill.-Northwestern Indiana	103	105	100	115	120	119	120	95	103	103	102	
Cincinnati, Ohio-Ky.-Ind	98	98	98	98	98	91	100	102	98	86	100	
Cleveland, Ohio	101	103	98	111	115	100	118	101	103	92	100	
Dayton, Ohio	95	96	96	92	92	107	88	101	99	86	101	
Detroit, Mich	98	99	100	94	93	89	93	100	103	99	102	
Green Bay, Wis	99	96	93	95	94	86	96	101	99	91	103	
Indianapolis, Ind	102	102	98	106	106	106	107	109	103	92	104	
Kansas City, Mo.-Kans	100	99	100	94	91	99	90	107	103	94	103	
Milwaukee, Wis	106	103	96	113	118	105	120	102	100	95	102	
Minneapolis-St. Paul, Minn	103	100	96	103	105	108	105	102	102	95	100	
St. Louis, Mo.-Ill	101	101	103	99	99	98	99	103	101	95	99	
Wichita, Kans	98	98	99	94	92	100	90	104	96	95	104	
Nonmetropolitan areas <sup>8</sup>	93	93	93	76	90	97	89	97	96	85	89	
South:												
Atlanta, Ga	92	92	94	82	76	88	73	101	97	93	104	
Austin, Tex	87	89	93	76	70	79	68	99	93	90	99	
Baltimore, Md	96	94	95	90	86	108	81	99	96	96	98	
Baton Rouge, La	93	94	95	85	83	83	83	110	94	91	101	
Dallas, Tex	92	94	94	85	82	99	78	101	94	102	102	
Durham, N. C.	95	93	92	91	89	93	89	99	95	95	96	
Houston, Tex	91	93	95	81	76	84	74	106	93	100	102	
Nashville, Tenn	93	95	92	91	88	89	88	102	98	91	102	
Orlando, Fla	92	93	93	89	85	97	83	102	92	93	100	
Washington, D. C.-Md.-Va	102	101	100	105	106	108	105	101	98	99	100	
Nonmetropolitan areas <sup>8</sup>	85	86	90	76	69	77	67	99	88	84	90	
West:												
Bakersfield, Calif	97	97	97	87	83	83	82	110	102	116	96	
Denver, Colo	100	100	99	100	99	102	98	106	104	102	97	
Honolulu, Hawaii	122	118	119	129	130	142	128	122	99	100	112	
Los Angeles-Long Beach, Calif	103	103	98	98	98	111	95	107	106	134	101	
San Diego, Calif	101	101	95	100	100	99	101	110	101	124	98	
San Francisco-Oakland, Calif	108	107	102	109	111	128	107	110	111	118	104	
Seattle-Everett, Wash	105	107	106	104	105	119	101	113	110	106	105	
Nonmetropolitan areas <sup>8</sup>	97	96	95	91	87	94	85	104	102	94	93	

<sup>1</sup> The family consists of an employed husband, aged 38, a wife not employed outside the home, an 8-year-old girl, and a 13-year-old boy.

<sup>2</sup> The average costs of shelter were weighted by the following proportions: 25 percent for families living in rented dwellings, 75 percent for families living in owned homes.

<sup>3</sup> Average contract rent plus the cost of required amounts of heating fuel, gas, electricity, water, specified equipment, and insurance on household contents.

<sup>4</sup> Interest and principal payments plus taxes; insurance on house and contents; water, refuse disposal, heating fuel, gas, electricity, and specified equipment; and home repair and maintenance costs.

<sup>5</sup> The average costs of automobile owners and nonowners were weighted by the following proportions of families: Boston, Chicago, New York, and Philadelphia, 80 percent for automobile owners, 20 percent for nonowners; Baltimore, Cleveland, Detroit, Los Angeles, Pittsburgh, San Francisco, St. Louis, and Washington, D. C., with 1.4 million of population or more in 1960, 95 percent for automobile owners and 5 percent for nonowners; all other areas, 100 percent for automobile owners.

<sup>6</sup> The average costs of hospitalization and surgical insurance (as a part of total medical care) were weighted by the following proportions: 30 percent for families paying full cost of insurance; 26 percent for families paying half cost; 44 percent for families covered by noncontributory insurance plans (paid for by employer).

<sup>7</sup> For a detailed description, see the 1967 edition of the *Standard Metropolitan Statistical Areas*, prepared by the Bureau of the Budget.

<sup>8</sup> Places with population of 2,500 to 50,000.

NOTE: See appendix A for items and quantities included in each component, and appendix B for the population weights for each city. Because of rounding, sums of individual items may not equal totals.

consumption less miscellaneous expenses, varies from city to city, as do the allowances for Federal, State, and local income and personal taxes, which depend on the level of the total budget and the provisions of the specific State and local laws. Personal taxes ranged from \$780 in Austin to \$1,415 in Milwaukee, or from 10 to 15 percent of the total cost of the budget.

### Variations in Consumption Costs

The total cost of family consumption ranged by 24 percentage points around the U.S. urban average of \$7,329. Metropolitan areas as widely dispersed as Philadelphia, Minneapolis-St. Paul, and Denver equaled the U.S. urban average. The 17 metropolitan areas that ranged above the average in costs of family consumption all were located in the North or West, except for Washington D.C. The five areas which exceeded the average by more than 5 percent were Hartford, Boston, New York-Northeastern New Jersey, San Francisco-Oakland, and Seattle.

Below-average family consumption costs were represented by the smaller cities throughout the country, and all metropolitan areas (except Washington, D.C.) in the South. Such northern metropolitan areas as Detroit, Kansas City, Cincinnati, and Pittsburgh, also fell within this category.

The new budgets, like those which have preceded them, show that wide differentials in housing costs are the most important factor causing variations in total family consumption costs among areas. Differentials in food costs are next in importance. The three highest cost areas, Hartford, New York-Northeastern New Jersey, and Boston, had housing costs which ranged 15 to 23 percent above the average, and food costs 8 to 11 percent above the average. Housing costs were higher than average for all but 3 of the 17 areas which ranged above the average in total consumption costs. Food costs were higher than average for nine of the same areas.

On the other hand, housing costs ranged downward from the average for all of the smaller (nonmetropolitan) cities throughout the country; for all metropolitan areas in the South, except Washington, D.C.; and for about one-third of the metropolitan areas in the North and West. The same pattern was evident in food costs, except that they were above average in all cities of the Northeast. Transportation costs averaged the same in small cities as in metropolitan areas on a countrywide basis. Differentials in costs other than for housing, food, and transportation did not follow a consistent regional pattern. Medical care showed the widest differentials, except for shelter.

### Food

The U.S. urban average annual cost of food<sup>12</sup> for the budget-type family was \$2,143. Total annual food costs were highest in the New York area, where they averaged \$2,380. In smaller cities in the South, a nutritionally comparable diet could be purchased for \$1,925. The difference in cost, amounting to \$455, reflects not only variation in prices but also regional food preference patterns used to calculate the cost of the nutritional standard for cities within regions. A special analysis of the food budget data will be made later to determine what part of these cost differentials was due to price and what part to regional preference patterns.

Budget food costs were almost \$200 higher, on the average, in cities in the Northeast than in the North Central and the West, and costs in the last two regions were about \$100 above costs for a nutritionally comparable food plan in the South. Variations in food costs within each region, which reflect price differences only, were nonetheless sizable. In the North Central region they ranged from \$1,994 in small cities to \$2,199 in the St. Louis area. The annual cost of food in Washington, D.C., where the U.S. preference pattern was used in the calculation, was \$2,135.

---

<sup>12</sup> See p. 17 for a detailed description of sources and methods used to derive budget quantities for food.

## Housing

The U.S. urban average outlay for maintaining an owned home amounted to \$1,893, or half again as much as the average cost (\$1,255) for equivalent rental housing. Shelter costs for homeowners, however, include regular monthly payments on the mortgage principal, in addition to interest charges, insurance, taxes, repair and replacement expenses, fuel, and utilities. When principal payments are excluded, homeowner costs were 15 percent above rental housing costs (including fuel, utilities, and insurance where these are not part of the contract rent). The differential was largest in metropolitan areas with over 1 million population, where owner costs (including principal payments) averaged 57 percent above renter costs. In smaller metropolitan and nonmetropolitan areas, owner-renter cost differentials were 38 and 42 percent, respectively. The budget allowance for the housing component covers shelter, household operation costs, and an amount for replacement of housefurnishings, assuming the family had average inventories of these items at the beginning of the year.<sup>13</sup>

Shelter costs for owners (75 percent) and renters (25 percent) combined, averaged \$1,733 for urban U.S., but varied from \$2,245 in Boston to \$1,188 in the smaller cities of the South. Compared with the U.S. urban average (\$1,255) equal to 100, shelter costs for renter families were 139 in Champaign-Urbana, Ill., and 77 in the smaller southern cities. The range in homeowner shelter costs was wider, from 134 in Boston to 67 in small cities in the South.

## Transportation<sup>14</sup>

These costs are based on automobile ownership and operation for all families, except in Boston, Chicago, New York, and Philadelphia where 1 in 5 families was assumed to use public transportation exclusively. Also, in Baltimore, Cleveland, Detroit, Los Angeles, Pittsburgh, San Francisco, St. Louis, and Washington, D.C., the same assumption was made with respect to 1 in 20 families. The varia-

tion in the pattern of automobile ownership reflects the greater availability of public transportation in some areas than in others and, together with price differences, is a factor in the intercity cost differential for this component. Transportation costs ranged from \$923 in Seattle to \$731 in New York. Seattle's costs were 13 percent above, and New York's costs 10 percent below, the U.S. urban average cost (\$815).

## Clothing and Personal Care<sup>15</sup>

Since these costs reflect both differentials in prices and variation in the kinds and quantities of clothing required by the climate, they were lowest in the South. However, costs differed by almost \$100 (10 percentage points) between Nashville, which had the highest of the southern metropolitan areas, and the small cities in the South. Clothing and personal care costs were highest in three large west coast cities—San Francisco, Seattle, and Los Angeles—mostly because prices averaged higher than elsewhere in the country.

## Medical Care<sup>16</sup>

The medical care budget includes the family's share of the premium for a group hospitalization and surgical insurance plan and out-of-pocket expenses for other medical services and supplies. Costs were highest in the four California cities and lowest in Dayton, Cincinnati, and small cities in the North Central and South. Compared with the U.S. urban average cost (\$468) equal to 100, costs were 134 in Los Angeles and averaged downward by 50 percentage points to 84 in nonmetropolitan areas of the South. Since the same medical care standard was used in all cities, the intercity differences in cost are the result of price differences.

## Stable Differentials

Comparative costs indexes for 1951, 1959, and 1966, with a few notable

<sup>13</sup> For a detailed description, see p. 18.

<sup>14</sup> For data sources and a detailed description, see p. 19.

<sup>15</sup> For a detailed description, see p. 20.

<sup>16</sup> For a detailed description, see p. 19.

exceptions, indicate considerable stability of intercity differentials. Among the 18 large cities included in all three studies, the range from high to low was 11 percentage points in 1951, and 20 points in both 1959 and 1966. Among all 34 large cities covered in 1951, the range was 14 points; for the 20 large cities covered in 1959, 20 points; and for 38 metropolitan areas (excluding Honolulu) and four regional groupings of nonmetropolitan areas covered in 1966, the range was 26 points. Inclusion of smaller areas and homeowner maintenance costs in 1966 might have been expected to cause a wider range of variation than that actually observed.

The 18 metropolitan areas covered in both the 1959 and the 1966 budgets were arrayed in three groups based on their relative standing in 1959 with respect to total budget costs. Four of

the six areas in the upper third of the distribution in 1959 remained in that bracket in 1966 (Chicago, Seattle, Boston, and San Francisco). Los Angeles and St. Louis fell to the middle third in 1966. Among the middle third in 1959, two were in the same group in 1966 (Washington, D.C., and Cleveland); Minneapolis moved into the top third; and the other three (Pittsburgh, Cincinnati, and Detroit) dropped to the lowest group. Of the six cities ranking lowest in 1959, the New York-North-Eastern New Jersey area jumped from 13th to 1st place, primarily because of the inclusion of homeowner costs and the expansion of geographical coverage to additional suburban areas in both New York and New Jersey. Two cities (Kansas City and Philadelphia) moved into the middle bracket, and three (Baltimore, Atlanta, and Houston) remained 16th, 17th, and 18th, respectively, in the ranking.

### Data Sources and Estimating Methods

The theoretical basis for the procedures used to develop the budget quantities and pricing lists is summarized in the following quotation from the report on the original budget:

"... In the actual experience of families there is a scale which ranks various consumption patterns in an ascending order from mere subsistence to plenitude in every respect ... This consumption scale is established by society. It can be discovered only through observation of the expressions of society's ratings of the various existing levels of living. These ratings of the various levels of living are expressed in the judgments of scientists, such as medical and public health authorities; and secondly, in the behavior of individual consumers. Scientific judgments are based primarily on the studies of the relation between family consumption and individual and community health. The expressions of consumer judgment appear in the choices made by consumers as economic barriers are progressively removed."<sup>17</sup>

In 1963, the Bureau's Standard Budget Research Advisory Committee, in reviewing the procedures used in the original and interim budgets, affirmed "the previous decision to use standards of adequacy based on the judgment of scientists and experts to the extent that such standards are available, supplemented by the analysis of statistical data on consumer practices."<sup>18</sup>

Budget quantities and pricing specifications which describe the 1966 moderate standard were derived in a variety of ways. For food-at-home and shelter, which constitute 48 percent of the total cost of family consumption, allowances were based on scientific findings or expert technical judgments concerning requirements for physical health and social well-being. For transportation and medical care, accounting for 18 percent of family consumption, the prevailing practices of budget-type families

<sup>17</sup> Technical Reference 10, p. 40, in appendix C.

<sup>18</sup> Technical Reference 9, p. 40, in appendix C.

were used as a guide in developing budget allowances. Quantities for the remaining third of the consumption total were based on analytical studies of the Bureau's 1960-61 Survey of Consumer Expenditures.<sup>19</sup> These studies determined by objective procedures the choices of goods and services made by consumers in successive income classes.

The complete list of items and quantities per year is shown in appendix A. Pricing procedures and specifications for the majority of items in the budget will be described in Bulletin 1570-3. A few items, which are purchased infrequently or represent an insignificant proportion of the total budget, were not priced. Values for these items were estimated as described in appendix A. Procedures for estimating food, shelter, and health insurance costs are described in the text. Explanatory notes on the tables describe variations in the basic budget quantities as required for use in individual cities. The following is a general description of the major sources of data and methods of estimating quantities for the major components of the moderate budget.

### Food

The Food and Nutrition Board of the National Research Council has developed scientific standards for what constitutes adequate diets for various sex-age groups. The U.S. Department of Agriculture has translated these standards into food plans at different cost levels. The food-at-home component of the budget was based on the "moderate-cost" food plan considered suitable for the average U.S. family.<sup>20</sup> The plan contains 11 food categories which group foods according to similarity of nutritive value and uses in meals. The quantities suggested furnish the NRC's recommended allowances for nutrients when average food selections within each group are used.

Regional consumption patterns for specific foods within the food groups in the income class containing the median income (\$5,800) of the middle third of the income distribution were used in estimating costs. The data

were taken from the USDA 1965 Household Food Consumption Study. The pattern for the region in which the city is located was used in the budget for all cities except Washington, D.C., where the U.S. pattern was used. The U.S. weights were used for Washington because its population comes from all parts of the United States and cannot be considered typically southern.

The unit costs within the food groups in the moderate-cost food plan were estimated by applying a set of weights to the prices of the individual food items included in each major food group. The weighting factors take into consideration the regional patterns for individual items. The spring 1965 level of prices in each region was determined from the average prices paid for individual items by urban families in the \$5,000-\$5,999 income class in the USDA survey. Individual city average prices were estimated from the regional survey averages by applying the spring 1965 city-to-region ratios of prices collected by BLS for the same or comparable items. The spring 1965 estimated average prices in each city were adjusted to October 1966 by a special calculation of item price changes. Prices used for food at home were those collected regularly for the Consumer Price Index from a representative sample of food chain stores and independent stores of various types (e.g., groceries and meat markets), stores at different levels of annual sales volume, and stores in different locations within the city. Average prices for each food were obtained by averaging independent and chain store prices separately and then combining them with weights representing the relative volume of food sales by all food stores of each type in the city.

<sup>19</sup> For a description of this survey, see Handbook of Methods for Surveys and Studies (BLS Bulletin 1458, 1966), pp. 54-64.

<sup>20</sup> Family Food Plans, 1964, CA 62-19, November 1964, Agriculture Research Service, United States Department of Agriculture. In this revision of the food plans the National Research Council's 1963 recommended dietary allowances, 1963 USDA nutritive values, and the USDA's most recent estimates of food consumption patterns were used.

The Department of Agriculture food plans provide for 21 meals per person per week to be eaten at home or carried from home. In the budget for metropolitan areas, the food-at-home component was adjusted to provide 4,107 meals a year at home and 261 meals away from home. In nonmetropolitan areas, these quantities were 4,058 and 310, respectively, mainly reflecting the purchase of more school lunches in small cities. The costs of lunches at work and other meals away from home were calculated by using luncheon and dinner prices collected for the Consumer Price Index. School lunch costs were supplied by the public school systems in each budget area.

### Shelter Costs

Standards for the shelter component of the budget were those established by the American Public Health Association and the U.S. Public Housing Administration. They relate to sleeping space requirements, essential household equipment (including plumbing), adequate utilities and heat, structural condition, and neighborhood location.

For renter families, the shelter standard called for an unfurnished five-room unit (house or apartment) in sound condition and with a complete private bath, a fully equipped kitchen, hot and cold running water, electricity, central or other installed heating, access to public transportation, schools, grocery stores, play space for children, and location in residential neighborhoods free from hazards or nuisances.

Rates for dwellings which met this standard were obtained from tenants during the regular rent surveys for the Consumer Price Index between August 1966 and January 1967. The cost of the rental shelter standard was calculated from the average rent in the middle third of the distribution of autumn 1966 rents. Since monthly contract rents in apartment structures usually include water, heat, light, cooking fuel, refrigerator, etc., the cost for these items was added to the contract

rent for dwellings whose tenants paid separately for them. Insurance on household contents and against injury to persons on the property, comparable with the coverage provided for homeowner families, also was included in rental housing costs.

For homeowner families, the cost of maintaining the shelter standard was calculated for a five- or six-room, 1- or 1½-bath house that met the same dwelling unit and neighborhood specifications as described above for rental units. Cost included mortgage principal and interest payments, the assumption being that the family purchased the home 7 years ago with a 15-year first mortgage which represented 75 percent of the purchase price. Terms of the mortgage and the ratio of mortgage to purchase price were based on practices of all urban families reporting the purchase of homes of the budget type in the 1960-61 Survey of Consumer Expenditures. Purchase price was determined separately for each metropolitan area (and within areas for the city proper and the suburbs) and for each small city. It represented the average price in the middle third of the distribution of market values for dwellings which met the housing standard in the BLS 1959-60 Comprehensive Housing Unit Survey.

The average U.S. urban purchase price for such dwellings was \$14,480 in 1960-61. Principal and interest costs were estimated separately for conventional mortgages and mortgages insured by the Federal Housing Administration or by the Veterans Administration. They were combined by weights representing the distribution of type of mortgage reported by U.S. urban buyers in this purchase-price class. In addition, the cost included appropriate taxes, reflecting varying assessment practices and rates in individual cities. On insurance, the most economical comprehensive homeowner's policy was used which would provide insurance up to 80 percent of the 1960-61 market value of the house, in addition to some coverage on its contents and

for injury to persons on the property. An allowance for repairs and replacement costs was included, based on an analysis of the 1960-61 Consumer Expenditure Survey data for budget-type families.

Costs of fuel and utilities also were included. The housing specifications required central heating equipment in cities where the average January temperature is 40° F. or colder, except in five cities where other installed heating equipment was accepted as more typical of the manner of living. Central or other installed heating equipment (base burner, pipeless furnace, or stove, with flue) was required for cities with warmer climates, except for Honolulu, and McAllen, Tex., where average January temperatures were 72° and 61°, respectively. A space heater also was included for each of the second group of cities except Honolulu.

To adjust for climatic differences, fuel requirements for maintaining an indoor winter temperature of 70° F. were estimated. The basis for these estimates was the amount of fuel used to heat homes of approximately the budget specification, as reported in a 1962 trade association survey of 62 cities (supplemented by data from individual utility companies). These data were related to annual degree days in these cities, as recorded by the U.S. Weather Bureau. In the BLS analysis, the quantities of fuel were expressed in standard BTU's converted, for pricing purposes, to the predominant type of heating fuel used in each city. Estimates of electricity and other utilities for the appliances specified for the budget were obtained from utility companies and associations.

### Transportation

The standard for transportation reflects the high level of automobile ownership reported in the 1960-61 Survey of Consumer Expenditures, for budget type families at all income levels. Only a small fraction did not own an automobile, and most

commonly these families lived in the central cities of the largest metropolitan areas where public transportation is readily accessible. Automobile ownership was specified, therefore, for 80 percent of the budget families in Boston, Chicago, New York, and Philadelphia; 95 percent of the families in other metropolitan areas with 1.4 million population or more in 1960; and 100 percent of the families in all other metropolitan and nonmetropolitan areas.

In the tables showing budget costs and indexes, the cost of transportation for nonowners was estimated and published for all areas as a convenience to budget users. In areas in which 100 percent auto ownership was specified, the estimates for nonowners were not used in calculating the total cost of transportation for the budget.

The standard provides for the purchase of a used car every 4 years, based on the customary purchases of families of the budget-type. Data on home-to-work travel were obtained from the 1963 Passenger Transportation Survey of the Bureau of the Census. These were used to adjust the average number of miles driven by automobile owners in New York, Boston, Philadelphia, and Chicago, since the proportions of workers reporting use of a private automobile or carpool to get to work were lower in these than in other metropolitan areas. A corresponding increase in the allowance for public transportation in these four areas also was made.

### Medical Care

The medical care allowance includes a family group insurance contract (or contracts) obtained through the husband's place of employment. This was consistent with the prevailing practices of budget-type families, as reported in the 1960-61 Survey of Consumer Expenditures and confirmed by data from the Department of Health, Education, and Welfare. It covered the cost of hospitalization and surgical services. First quarter 1967 costs of a standardized contract in the

areas priced for the budget were estimated for the commercial carriers by the Health Insurance Association of America. The contract provides full coverage for 70 days' care in a room of two beds or more for each hospital confinement, all supplies and ancillary services normally provided, and surgical benefits.<sup>21</sup> Costs were also obtained for Blue Cross—Blue Shield contracts most nearly comparable to the commercial insurance provisions. Budget costs were based on the lower of the two premiums (either for the commercial or the Blue Cross contracts) in each area.

A majority of families of the budget type do not bear the full cost of their health insurance, since part or all of the premium is paid by the employer. The cost of the plan selected for each area, therefore, was weighted by the following proportions of families: 30 percent paying the full cost of their insurance; 26 percent paying half of the cost; and 44 percent making no contributions (the entire cost being paid by the employer).

Quantities of medical care services not covered by insurance—visits to physicians and dental care—were derived from 1963-64 utilization data from the National Health Survey. Allowances for eye care, prescription and non-prescription drugs, and other miscellaneous medical care were developed from the 1960-61 Consumer Expenditure Survey data.

Average fees and prices for medical services and supplies were those collected for the Consumer Price Index, supplemented by prices obtained specifically for budget use.

### Other Goods and Services

Food at home, shelter, transportation, and medical care, as specified for the budget, account for two-thirds of family consumption. The remaining third includes housefurnishings, household operation, clothing, personal care, education, reading, recreation, meals

away from home, alcoholic beverages, and tobacco. For these components, budget allowances were developed by examining the quantities of, or expenditures for, various items purchased at successive income levels by budget-type families found in the Bureau's 1960-61 Survey of Consumer Expenditures. The purpose of the analysis was to determine the income level at which the rate of increase in quantities purchased, or expenditures, begins to decline in relation to the rate of change in income, i. e., the point of maximum elasticity. The average number and kinds of items purchased at these income levels are the quantities and qualities specified for the budget. Thus, they represent a composite of individual choices. This technique uses the consumers' collective judgment as to what is adequate and is based on the assumption that increasing elasticity indicates increasing urgency of demand, and decreasing elasticity indicates decreasing urgency. The point of maximum elasticity has been described as the point on the income scale where families stop buying "more and more" and start buying either "better and better" or something else less essential to them.<sup>22</sup>

For a majority of the items in the housefurnishings, clothing, personal care, and recreation components, the quantities could be standardized for quality (by use of a constant price) across income classes; for the remainder of the components, only expenditure-income elasticities could be calculated. The point of maximum elasticity for the majority of subgroups in the clothing component was located

---

21

See Wage and Related Benefits. Part II: Metropolitan Areas, United States and Regional Summaries, 1964-65 (BLS Bulletin 1430-83, 1966), pp. 97 and 106; Walter W. Kolodrubetz, "Growth in Employer-Benefit Plans, 1950-65," Social Security Bulletin, 1967, p. 18.

<sup>22</sup> This technique was developed for the original City Worker's Family Budget and is described in detail in Technical Reference 10, appendix C. It was also used, with some refinements, in deriving quantities for The Interim City Worker's Family Budget in 1959 (Technical Reference 5). A mimeographed report providing a more detailed description of its use in the current budget will be available on request.

in the initial (after tax) income class (\$3,000-\$4,000) for this family type. (There were no budget-type families, with a full-time earner, whose 1960-61 after-tax income was below \$3,000.) In the housefurnishings component, the characteristic pattern, in which quantities at first increase relatively more rapidly than income and then increase at a relatively slower rate than income, was found. The inflection, i. e., the point of maximum elasticity, was most commonly in the \$5,000-\$6,000 class.

For reading, recreation, personal care, household operations, and tobacco, the inflection point occurred most frequently in the next highest class (\$6,000-\$7,500). Elasticities for food away from home and alcoholic beverages were ever-increasing, and quantities for these components also were derived from the \$6,000-\$7,500 class. In the main, therefore, the budget allowances for these other goods

and services reflect the collective judgment of families in the income class containing the median 1960-61 after-tax income (\$7,277).

#### Other Costs

The allowance for gifts and contributions was based on an upward adjustment of the ratio estimate used in the interim budget; this adjustment reflected both the change in the level of living and the increase in prices between 1959 and 1966. The average outlay for life insurance in the interim budget was revised in a similar manner. Occupational expenses in the new budget represent the average outlay in the median income class for budget-type families, as reported in the 1960-61 Survey of Consumer Expenditures. Social security and Federal, State, and local income taxes were calculated from rates applicable in 1966, as required by the level of the total budget.



## Appendix—Contents

	Page
Appendix A. Annual quantities of items provided in the components of the City Worker's Family Budget, autumn 1966 -----	23
Tables:	
A-1. Food budget quantities -----	24
A. Food at home -----	24
B. Food away from home -----	24
A-2. Housing budget quantities -----	25
A. Shelter: Renter families -----	25
B. Shelter: Homeowner families -----	25
C. Housefurnishings -----	26
D. Household operations -----	27
A-3. Transportation budget quantities -----	28
A. Automobile owners -----	28
B. Nonowners of automobiles -----	28
A-4. Clothing budget quantities -----	29
A. Husband -----	29
B. Boy -----	29
C. Wife -----	30
D. Girl -----	30
E. Clothing materials and services -----	31
A-5. Personal care -----	33
A-6. Medical care -----	33
A-7. Other family consumption -----	34
A. Reading materials -----	34
B. Recreation -----	34
C. Education -----	34
D. Tobacco -----	34
E. Alcoholic beverages -----	34
F. Miscellaneous expenses -----	34
A-8. Other costs -----	35
A. Gifts and contributions -----	35
B. Life insurance -----	35
A-9. Occupational expenses and taxes -----	35
A. Occupational expenses -----	35
B. Taxes -----	35
Appendix B. Index of population weights used in the City Worker's Family Budget -----	37
Appendix C. Technical references -----	39

**NOTE:** The tables which follow list, for each component of the City Worker's Family Budget, the annual average quantities of items for which autumn 1966 prices were obtained or estimated to determine the annual costs of the budget. The quantities describe a modest living standard for a family of four—an employed husband, age 38, a wife not employed outside the home, and two children, a girl age 8 and a boy 13. The methods and sources used to derive the budget quantities are described in the text of this bulletin.

The codes in the tables identify the specifications used in pricing the commodities and services for the budget. For some budget items for which no code is shown, only an estimated cost in 1966 for all cities is indicated. These estimates were obtained by: (1) Updating the cost of the item, as reported in the 1960-61 Survey of Consumer Expenditures, to 1966 by change in the appropriate subgroup, group, or "all items" Consumer Price Index; (2) updating the level of consumption, using data reported in trade journals, U.S. Department of Commerce's industry reports, and other sources; or (3) calculating the current cost of the item as a ratio of the cost of other items based on comparable ratios reported in the 1960-61 CES. For further information on priced items see Bulletin 1570-3, Pricing Procedures, Specifications, and Average Prices, Autumn 1966 (to be published at a later date), which covers all priced items in the budget, other than food and shelter, for urban United States and five metropolitan areas (Chicago, Dallas, New York, San Francisco, and Washington, D. C.).

## Appendix A

### Table A-1. Food Budget Quantities

A. Food at home <sup>1</sup>				
Item	Metropolitan areas <sup>2</sup>		Nonmetropolitan areas <sup>3</sup>	
	Quantity			
	Per week	Per year	Per week	Per year <sup>3</sup>
Milk and milk products <sup>4</sup> ----- quart--	19.00	929.1	19.00	917.7
Meat, poultry, and fish ----- pound--	17.50	855.8	17.50	845.2
Eggs ----- dozen--	2.25	110.0	2.25	108.7
Dry beans, peas, and nuts ----- pound--	.88	43.0	.88	42.5
Grain products <sup>5</sup> ----- do--	12.25	599.0	12.25	591.7
Citrus fruit and tomatoes ----- do--	9.00	440.1	9.00	434.7
Potatoes ----- do--	8.50	415.6	8.50	410.6
Other vegetables and fruits ----- do--	25.00	1,222.5	25.00	1,207.5
Fats and oil ----- do--	2.75	134.5	2.75	132.8
Sugar and sweets ----- do--	3.38	165.3	3.38	163.2
Accessories:				
Coffee ----- do--	(6)	-----	(6)	-----
Tea ----- do--	(6)	-----	(6)	-----
Soft drinks ----- 72 ounces--	1.96	-----	1.96	-----
Other <sup>7</sup> -----	\$0.27	-----	\$0.27	-----

B. Food away from home			
	Pricing code	Metropolitan areas	Nonmetropolitan areas
		Quantity per year	
Meals -----	-----	261	<sup>3</sup> 310
Lunches at work -----	54-510X-----	82	57
Lunches at school -----	54-520X-----	137	<sup>3</sup> 211
Other -----	54-530X-----	42	42
Snacks <sup>7</sup> -----	-----	\$75.34	\$42.67

<sup>1</sup> Quantities from the moderate-cost food plan published by the U.S. Department of Agriculture. (See footnote 20, p. 17.)

<sup>2</sup> The quantity allowances in metropolitan areas provide 84 meals weekly, and 4,107 meals annually after adjustment for 261 meals away from home.

<sup>3</sup> The quantity allowances in the nonmetropolitan areas provide 84 meals weekly, and from 4,139 to 4,267 meals annually because of variation in the number of school lunches in different cities. Quantities shown are for a nonmetropolitan U.S. average of 4,058 meals at home and 310 meals away from home.

<sup>4</sup> Includes fluid whole milk and milk products; quantities are converted to units containing the same calcium content as milk, by using the following equivalents: 1 cup of milk equals 3/4 pound of cottage cheese (creamed), 1 pound of cream cheese, 1 1/3 ounces of cheddar cheese, or 1 scant pint of ice cream.

<sup>5</sup> Weight in terms of flour and cereal. 1 1/2 pounds of bread or baked goods are counted as 1 pound of flour.

<sup>6</sup> The coffee and tea quantities shown below are for both metropolitan and nonmetropolitan areas within a region and reflect regional preference patterns:

Region	Quantity per week (in pounds)	
	Coffee	Tea
Northeast -----	0.438	0.048
North Central -----	.562	.034
South -----	.370	.058
West -----	.384	.028

<sup>7</sup> Estimated cost in 1966 in all cities.

Explanatory notes: The annual allowance for food at home used in the calculation of the City Worker's Family Budget is the estimated cost of the moderate-cost food plan after adjustment for meals eaten away from home. The selection of specific foods which meet the nutritional standard and reflect regional preference patterns also affects the food budget cost. In estimating the unit cost of each of the major food groups for individual cities, regional preference patterns were taken into account for all cities except Washington, D.C., where the U.S. pattern was used. (See explanation, p. 17.) Specifications for pricing individual food items are available upon request.

Table A-2. Housing Budget Quantities

A. Shelter: Renter families <sup>1</sup>			
Item	Pricing code	Quantity per year, all cities	
Contract rent:			
Unfurnished 5-room dwelling unit containing specified installed equipment ----- month --	21-010X -----		12
Heating fuel:			
Most common type heating fuel used in each city -----			( <sup>2</sup> )
Water ----- cubic foot --	22-748 -----	14,560	
Electricity:			
Lighting, refrigeration, and electrical appliances ----- kilowatt-hour --	22-500X -----		1,800
Power for heating equipment ----- do----			( <sup>3</sup> )
Gas: <sup>4</sup>			
Cooking ----- therm --	22-370X -----		120
Hot water heating ----- do----	22-380X -----		300
Furnace pilot ----- do----	22-390X -----		120
Refuse disposal:			
Trash and garbage removal -----			( <sup>5</sup> )
Equipment:			
Refrigerator -----	23-387 -----		.06
Range -----	23-399, 23-399A, 23-399C----		.06
Insurance on household contents -----	23-970X -----		1.00
B. Shelter: Homeowner families			
Item	Pricing code	Quantity per year	
		Metropolitan areas	Nonmetropolitan areas
Shelter (5- or 6-room dwelling):			
Mortgage interest, principal payment -----	21-110X -----	1.00	1.00
Property tax -----	21-120X -----	1.00	1.00
Homeowner insurance premium -----	21-140X -----	1.00	1.00
Repairs and maintenance:			
Repairs contracted out:			
Painting and redecoration -----	21-527 -----	.09	.14
Repair of roof -----	21-437 -----	.03	.05
Other -----		( <sup>6</sup> )	( <sup>6</sup> )
Repair materials:			
Painting and redecoration ----- gallons --	21-181 -----	3.82	2.35
Other -----		( <sup>7</sup> )	( <sup>7</sup> )
Heating fuel:			
Most common type heating fuel used in each city -----		( <sup>2</sup> )	( <sup>2</sup> )
Water ----- cubic foot --	22-748 -----	14,560	14,560
Electricity:			
Lighting, refrigeration, and electrical appliances ----- kilowatt-hour --	22-500X -----	1,800	1,800
Power for heating equipment ----- do----		( <sup>3</sup> )	( <sup>3</sup> )
Gas: <sup>4</sup>			
Cooking ----- therm --	22-370X -----	120	120
Hot water heating ----- do----	22-380X -----	300	300
Furnace pilot ----- do----	22-390X -----	120	120
Refuse disposal:			
Trash and garbage removal -----	23-984FB -----	1.00	1.00
Equipment:			
Refrigerator -----	23-387 -----	.06	.06
Range -----	23-399, 23-399A, 23-399C----	.06	.06

See footnotes at end of table.

Table A-2. Housing Budget Quantities—Continued

C. Housefurnishings			
Item	Pricing code	Quantity per year	
		Metropolitan areas	Nonmetropolitan areas
Household textiles:			
Bedding:			
Sheets -----	23-001, 23-001A -----	1.44	1.30
Pillow cases -----	23-008FB -----	.81	1.08
Pillows -----	23-013 -----	.16	.13
Blankets and quilts -----	23-022FB -----	.27	.64
Bedspreads -----	23-031 -----	.40	.34
Towels:			
Bath -----	23-050FB -----	1.23	1.41
Other -----	-----	( <sup>8</sup> )	( <sup>8</sup> )
Window coverings:			
Curtains -----	23-085, 23-085A -----	.83	.90
Draperies -----	23-091FB -----	.25	.13
Other -----	-----	( <sup>9</sup> )	( <sup>9</sup> )
Floor coverings:			
Room-size rug -----	23-335, 23-335A, 23-336, 23-377FB --	.06	.06
Other -----	-----	( <sup>10</sup> )	( <sup>10</sup> )
Furniture:			
Living room:			
Living room suite -----	23-132, 23-133, 23-133A -----	.04	.04
Chair, fully upholstered -----	23-130X -----	.09	.09
Table -----	23-169FB -----	.08	.08
Sofa -----	23-192 -----	.04	.04
Other -----	-----	( <sup>11</sup> )	( <sup>11</sup> )
Bedroom:			
Bedroom suite -----	23-211, 23-211A, 23-211B -----	.03	.03
Bed -----	23-200X -----	.02	.02
Mattress and bedspring -----	23-204X, 23-204 -----	.36	.36
Dresser and chest -----	23-210X -----	.01	.01
Dining room:			
Dining room suite -----	23-228, 23-228A -----	.01	.01
Dining room table -----	23-230X -----	.04	.04
Dining room chairs -----	23-240X -----	.05	.05
Dinette set -----	23-220X -----	.03	.03
Porch and garden -----	23-250X -----	.30	.30
Other -----	-----	( <sup>12</sup> )	( <sup>12</sup> )
Electrical equipment and appliances:			
Vacuum cleaner -----	23-411 -----	.07	.07
Washing machine -----	23-423 -----	.15	.15
Toaster -----	23-465 AUX -----	.03	.03
Fryer, food mixer, etc -----	23-470X -----	.10	.10
Iron -----	23-471 AUX -----	.09	.09
Sewing machine -----	23-460X -----	.04	.04
Air conditioner -----	23-440X -----	( <sup>13</sup> )	( <sup>13</sup> )
Fan -----	23-450X -----	.06	.06
Housewares, tableware, miscellaneous equipment:			
Heater, room-size -----	23-480X -----	.02	.02
Carpet sweeper -----	23-591 -----	.04	.04
Dishes, set -----	23-531, 23-531C, 23-533 -----	.09	.09
Other serving pieces -----	-----	( <sup>14</sup> )	( <sup>14</sup> )
Light bulbs -----	H-954 -----	15.00	15.00
Lamp -----	23-608 -----	.24	.24
Miscellaneous equipment -----	-----	( <sup>15</sup> )	( <sup>15</sup> )
Other:			
Servicing, repairs, and rentals -----	-----	( <sup>16</sup> )	( <sup>16</sup> )
Lawn mower -----	23-680X -----	.04	.04
Tools, paint brush, etc -----	-----	<sup>17</sup> \$8.20	<sup>17</sup> \$8.20
D. Household Operations			
Laundry and cleaning supplies:			
Laundry soap:			
Soap flakes, chips ----- 13 ounces--	H-802 -----	4.22	5.08
Detergent powder, granules ----- 20 ounces--	H-804 -----	56.70	74.36
Detergent, liquid ----- 15 ounces--	H-807 -----	25.28	31.03
Starch, spray ----- 14 ounces--	H-952FB -----	3.98	4.65
Bleach, liquid ----- 1/2 gallon--	H-950FB -----	13.46	16.14

See footnotes at end of table.

Table A-2. Housing Budget Quantities—Continued

D. Household Operations—Continued			
Item	Pricing code	Quantity per year	
		Metropolitan areas	Nonmetropolitan areas
Laundry and cleaning supplies—Continued			
Floor wax ----- 27 ounces --	H-951FB -----	3.88	5.03
Scouring powder ----- 14 ounces --	H-953FB -----	17.41	22.59
Scouring pads ----- box of 10 --	H-901 -----	5.56	7.22
Air deodorizer ----- 7 ounces --	H-906 -----	3.76	4.70
Other -----		(18)	(18)
Paper supplies:			
Paper napkins ----- box of 80 --	H-764 -----	13.97	20.82
Toilet tissue ----- 650-sheet roll --	H-799 -----	95.34	95.34
Paper towels, shelf, wax paper, foil, etc -----		(19)	(19)
Services and miscellaneous supplies:			
Launderettes ----- pound --	34-754 -----	139.30	139.30
Miscellaneous supplies -----		(20)	(20)
Communications:			
Residential telephone service:			
Basic charge -----	22-624 -----	12.00	12.00
Long distance -----		(21)	(21)
Postage -----		<sup>17</sup> \$15.56	<sup>17</sup> \$18.28
Stationery, greeting cards, etc -----		<sup>17</sup> \$12.93	<sup>17</sup> \$10.81

<sup>1</sup> Allowances specified for fuel, utilities, and equipment do not apply when the cost of these items is included in the monthly rent.

<sup>2</sup> Heating fuel requirements vary with the length and severity of the cold season, type of structure, and type of heating equipment. The variation caused by climate is measured in standard British thermal units (B.t.u.) (convertible to equivalent quantities of fuel oil, gas, etc.) and the normal number of annual degree days in a given city, derived from annual data published by the U.S. Weather Bureau. (A degree day is a unit, based upon temperature difference and time, which measures the difference between the average temperature for the day and 65° F. when the mean temperature is less than 65° F.; the number of degree days for any one day is equal to the number of Fahrenheit degrees difference between the average and 65° F.) The average number of B.t.u.'s required in a given city may be computed as follows:

$$\text{Million of B.t.u.'s} = -302.817962 + 110.285800 \text{ times the logarithm of the normal number of annual degree days.}$$

The quantity of any type of heating fuel used in a given city can be determined by converting the required number of B.t.u.'s into quantities of the type of fuel used. In the determination of the total amount of fuel required, both the average B.t.u. content and an assumed efficiency factor must be taken into consideration for each specified fuel.

<sup>3</sup> The kw.-hrs. of electricity required to operate gas or oil heating equipment vary according to the amount of fuel used. The average required number of kw.-hrs. assumed here is 0.25 per therm of gas and 0.44 per gallon of fuel oil.

<sup>4</sup> In cities where either electricity or oil was the predominant fuel used for cooking and/or hot water heating, it was substituted for gas. The annual allowances for electricity are as follows: Cooking, 1800 kw.-hrs.; hot water heating, 5220 kw.-hrs. For oil, the annual requirement of hot water heating is 232 gallons.

<sup>5</sup> Cost is included in the rent.

<sup>6</sup> In metropolitan areas, cost is 120.1 percent of cost of contracting for itemized repairs; in nonmetropolitan areas, 122.6 percent.

<sup>7</sup> In metropolitan areas, cost is 64.6 percent of cost of paint and redecorating materials; in nonmetropolitan areas, 128.3 percent.

<sup>8</sup> In metropolitan areas, cost is 19.5 percent of cost of bath towels; in nonmetropolitan areas, 24.5 percent.

<sup>9</sup> In metropolitan areas, cost is 63.3 percent of total cost of itemized textiles; in nonmetropolitan areas, 13.9 percent.

<sup>10</sup> Cost is 66.9 percent of cost of room-size rug in both metropolitan and nonmetropolitan areas.

<sup>11</sup> Cost is 5.0 percent of cost of itemized living room furniture in both metropolitan and nonmetropolitan areas.

<sup>12</sup> Cost is 7.2 percent of cost of itemized furniture.

<sup>13</sup> An annual allowance of 0.04 air conditioners is limited to cities with an average July-Aug. temperature of 85° and over, and a relative humidity of at least 85 percent; cities with an average July-Aug. temperature of 90° or over, regardless of relative humidity; and Los Angeles, with average July-Aug. temperatures close to 85° and relative humidity nearly 85 percent, as reported by U.S. Weather Bureau.

<sup>14</sup> Cost is 96.0 percent of cost of sets of dishes.

<sup>15</sup> Cost is 9.7 percent of total cost of furniture, equipment, and housewares.

<sup>16</sup> Cost is 11.6 percent of total cost of furniture and equipment.

<sup>17</sup> Estimated cost for all cities.

<sup>18</sup> In metropolitan areas, cost is 20.7 percent of cost of itemized laundry and cleaning supplies; in nonmetropolitan areas, 22.0 percent.

<sup>19</sup> Cost is 150.0 percent of cost of itemized paper products.

<sup>20</sup> In metropolitan areas, cost is 21.6 percent of total cost of laundry, cleaning, and paper supplies; in nonmetropolitan areas, 17.4 percent.

<sup>21</sup> In metropolitan areas, cost is 20.9 percent of cost of basic telephone service; in nonmetropolitan areas, 43.6 percent.

Table A-3. Transportation Budget Quantities<sup>1</sup>

Item	Pricing code	Quantity per year	
		Metropolitan areas	Nonmetropolitan areas
A. Automobile owners			
Private transportation:			
Replacement of automobile .....	41-030X .....	0.243	0.296
Automobile operating expenses:			
Gasoline .....	41-065 .....	( <sup>2</sup> )	661.20
Motor oil .....	41-097 .....	( <sup>2</sup> )	26.08
Lubrication .....	41-355 .....	2.00	2.00
Antifreeze .....	41-110X .....	( <sup>3</sup> )	( <sup>3</sup> )
Tires, tubeless .....	41-161 .....	1.22	1.56
Battery .....	41-226FB .....	.33	.33
Repairs and parts:			
Motor tuneup .....	41-483 .....	1.00	1.00
Front-end alignment .....	41-675 .....	.23	.30
Brakes relined .....	41-643FB .....	.29	.27
Other repairs .....	.....	( <sup>4</sup> )	( <sup>4</sup> )
Other operating expenses .....	.....	( <sup>5</sup> )	( <sup>5</sup> )
Insurance:			
Public liability .....	41-807 .....	1.00	1.00
Comprehensive .....	41-810X .....	.50	.50
Registration fees:			
State .....	41-870 .....	1.00	1.00
Local .....	41-871FB .....	1.00	1.00
Inspection fee .....	41-880FB .....	( <sup>6</sup> )	( <sup>6</sup> )
Personal property tax .....	.....	( <sup>7</sup> )	( <sup>7</sup> )
Operator's permit .....	41-902 .....	2.00	2.00
Tolls, parking, fines, etc .....	.....	( <sup>8</sup> )	( <sup>8</sup> )
Public transportation:			
Local:			
School fares .....	42-010X .....	( <sup>9</sup> )	53.00
All other fares .....	42-020X .....	( <sup>10</sup> )	56.00
Out of city .....	.....	<sup>11</sup> \$9.48	<sup>11</sup> \$2.19
B. Nonowners of automobiles			
Public transportation:			
Local:			
School fares .....	42-010X .....	148.00	.....
All other fares .....	42-020X .....	442.00	.....
Out of city .....	.....	<sup>11</sup> \$60.11	.....

<sup>1</sup> The mode of transportation within cities and metropolitan areas is related to location, size, and characteristics of the community. The average costs of automobile owners and nonowners were weighted by the following proportions of families: For 4 cities (Boston, New York, Philadelphia, and Chicago), 80 percent for automobile owners, 20 percent for nonowners; for 8 cities (Pittsburgh, Cleveland, Detroit, St. Louis, Baltimore, Washington, D.C., San Francisco, and Los Angeles), 95 percent for automobile owners, 5 percent for nonowners; for 27 other metropolitan areas, and all nonmetropolitan areas, 100 percent for automobile owners.

<sup>2</sup> The annual allowances for gasoline and motor oil vary by the extent that automobile owners drive to work. In New York, the allowance is 553.0 gallons of gasoline, 21.8 quarts of motor oil; in Boston, Philadelphia, and Chicago, 598.8 gallons of gasoline, 23.6 quarts of motor oil; in 35 other metropolitan areas, 644.6 gallons of gasoline, and 25.4 quarts of motor oil.

<sup>3</sup> The annual allowance is 1.25 gallons for all cities with an average minimum temperature of 32°-15° during January. For cities with below 15° January minimum temperatures, the allowance is 2.00. No antifreeze is provided for mild climate cities.

<sup>4</sup> In metropolitan areas, cost is 56.9 percent of cost of itemized repairs; in nonmetropolitan areas, 36.2 percent.

<sup>5</sup> In metropolitan areas, cost is 4.7 percent of cost of itemized operating expenses; in nonmetropolitan areas, 8.0 percent.

<sup>6</sup> The number of inspections required by law in each city.

<sup>7</sup> Cost required by law in each city.

<sup>8</sup> In metropolitan areas, cost is 4.6 percent of annual allowance for itemized operating expenses; in nonmetropolitan areas, 1.0 percent.

<sup>9</sup> The annual allowance is 183 rides in Boston, New York, Philadelphia, and Chicago; 51 in all other metropolitan areas.

<sup>10</sup> The annual allowance is 220 rides in Boston, New York, Philadelphia, and Chicago; 97 in all other metropolitan areas.

<sup>11</sup> Estimated cost in 1966 for all cities.

Table A-4. Clothing Budget Quantities

A. Husband			
Item	Pricing code	Quantity per year	
		Metropolitan areas	Nonmetropolitan areas
<b>Outerwear:</b>			
Topcoats* .....	31-018 series .....	0.13	0.08
Jackets, sport coats* .....	31-010X .....	.51	.61
Sweaters .....	31-154 .....	.24	.22
Raincoats* .....	31-020X .....	.12	.07
<b>Suits:</b>			
Year-round weight* .....	31-052, 31-053 .....	.27	.30
Tropical weight* .....	31-050X .....	.08	.09
<b>Slacks:</b>			
Dress .....	31-086, 31-087 series .....	1.22	1.33
Work .....	31-171 .....	2.02	2.49
Shorts, walking* .....	31-080X .....	.10	.13
<b>Shirts:</b>			
Dress .....	31-273, 31-273A .....	1.49	1.57
Work .....	31-222, 31-222A .....	1.18	1.42
Sports .....	31-292 .....	1.79	2.03
Other outerwear* .....	.....	( <sup>1</sup> )	( <sup>1</sup> )
<b>Underwear, nightwear:</b>			
Undershorts, briefs .....	31-342FB .....	4.84	4.43
Undershirts .....	31-324 .....	3.89	4.17
Other underwear* .....	.....	( <sup>2</sup> )	( <sup>2</sup> )
Pajamas .....	31-376FB .....	.38	.34
Bathrobes .....	31-370X .....	.05	-
Hosiery .....	31-409, 31-409A .....	9.96	10.14
<b>Footwear:</b>			
<b>Shoes:</b>			
Street .....	33-002, 33-002A .....	1.01	.72
Work .....	33-046 .....	.60	.64
Loafers .....	33-010X .....	.27	.28
Houseslippers .....	33-050X .....	.13	.15
Rubbers, galoshes, boots* .....	33-226FB .....	.18	.19
Other footwear* .....	.....	( <sup>3</sup> )	( <sup>3</sup> )
<b>Hats, gloves, accessories:</b>			
<b>Hats:</b>			
Felt* .....	31-427FB .....	.17	.26
Straw* .....	31-420X .....	.05	.16
<b>Gloves:</b>			
Dress* .....	31-430X .....	.14	.20
Work* .....	31-440X .....	1.77	3.54
Ties, handkerchiefs .....	.....	<sup>4</sup> \$2.93	<sup>4</sup> \$3.96
Jewelry, watches .....	.....	<sup>4</sup> \$3.62	<sup>4</sup> \$5.27
Other accessories* .....	.....	( <sup>5</sup> )	( <sup>5</sup> )
<b>B. Boy</b>			
<b>Outerwear:</b>			
Coats, all purpose* .....	31-570X .....	0.26	0.08
Jackets, sports coats* .....	31-662 .....	.98	1.26
Sweaters* .....	31-714FB .....	.78	.56
Raincoats .....	31-577 .....	.09	.19
Suits .....	31-660X .....	.26	.26
Slacks .....	31-646FB .....	3.57	3.26
Dungarees .....	31-732FB .....	2.23	2.93
Shorts .....	31-640X .....	.25	.17
Bathing trunks .....	31-650X .....	.45	.55
<b>Shirts:</b>			
Dress .....	31-810X .....	1.72	1.53
Sport .....	31-817FB .....	4.56	4.81
Other outerwear* .....	.....	( <sup>1</sup> )	( <sup>1</sup> )
<b>Underwear, nightwear:</b>			
Undershorts .....	31-832, 31-832A .....	5.25	4.87
Undershirts .....	31-830X .....	4.01	4.03
Pajamas .....	31-840X .....	.61	.50
Bathrobes .....	31-850X .....	.12	-
<b>Hosiery:</b>			
Socks .....	31-883FB .....	12.24	10.31
Other hosiery* .....	.....	( <sup>6</sup> )	-
<b>Footwear:</b>			
<b>Shoes, street .....</b>			
Sneakers .....	33-542FB .....	2.75	2.47
Houseslippers .....	33-586 .....	1.36	1.04
Rubbers, galoshes, boots* .....	33-550X .....	.19	.11
Other footwear* .....	33-560X .....	.23	.22
<b>Hats, gloves, accessories:</b>			
<b>Gloves* .....</b>			
Other accessories* .....	31-860X .....	.78	.82
.....	.....	( <sup>5</sup> )	( <sup>5</sup> )

See footnotes at end of table.

Table A-4. Clothing Budget Quantities—Continued

C. Wife			
Item	Pricing code	Quantity per year	
		Metropolitan areas	Nonmetropolitan areas
<b>Outerwear:</b>			
Coats:			
Heavyweight* .....	32-001, 32-002 series .....	0.22	0.16
Lightweight .....	32-010X .....	.15	.15
Carcoats, jackets .....	32-105 .....	.11	.10
Sweaters .....	32-118, 32-118A .....	.80	.73
Suits .....	32-120X .....	.16	.10
Dresses:			
Street .....	32-222, 32-223, 32-226, 32-226A ..	1.67	1.56
House .....	32-248 .....	.56	.60
Skirts, jumpers, culottes .....	.....	<sup>4</sup> \$3.55	<sup>4</sup> \$3.31
Blouses, shirts .....	32-144, 32-144A .....	1.67	1.33
Slacks .....	32-172 .....	.83	.63
Dungarees, blue jeans .....	32-170X .....	.06	.09
Shorts, pedal pushers* .....	32-180X .....	.87	.72
Other outerwear* .....	.....	( <sup>1</sup> )	( <sup>1</sup> )
<b>Underwear, nightwear:</b>			
Slips, petticoats .....	32-287 .....	1.36	1.57
Girdles .....	32-378, 32-378B .....	.57	.46
Brassieres .....	32-391 .....	2.69	2.73
Panties, briefs .....	32-313 .....	4.65	5.05
Nightgowns .....	32-327FB .....	.59	.55
Pajamas .....	32-339FB .....	.38	.35
Robes, housecoats .....	32-340X .....	.22	.25
Other underwear and nightwear* .....	.....	( <sup>7</sup> )	( <sup>7</sup> )
<b>Hosiery:</b>			
Stockings .....	32-405, 32-405A .....	12.79	11.10
Anklets .....	.....	<sup>4</sup> \$0.84	<sup>4</sup> \$0.51
<b>Footwear:</b>			
Shoes:			
Street .....	33-271, 33-272 .....	1.36	1.41
Casual .....	33-361 .....	1.39	1.48
Houseslippers .....	33-406 .....	.43	.38
Rubbers, galoshes, boots* .....	33-410X .....	.14	.11
Other footwear* .....	.....	( <sup>3</sup> )	( <sup>3</sup> )
<b>Hats, gloves, accessories:</b>			
Hats* .....	32-432FB .....	.66	.56
Gloves* .....	32-443 .....	.63	.47
Purses, handbags .....	32-450X .....	1.01	.97
Jewelry, watches .....	.....	<sup>4</sup> \$4.95	<sup>4</sup> \$5.35
Other accessories* .....	.....	( <sup>5</sup> )	( <sup>5</sup> )
<b>D. Girl</b>			
<b>Outerwear:</b>			
Coats:			
Heavyweight* .....	32-554FB .....	0.35	0.31
Lightweight* .....	32-550X .....	.15	.12
Raincoats* .....	32-579, 32-579A .....	.23	.11
Jackets .....	32-580X .....	.37	.19
Sweaters .....	32-631FB .....	.98	1.27
Dresses .....	32-744, 32-744A .....	2.69	3.19
Skirts .....	32-644, 32-644A .....	.85	.62
Blouse .....	32-657FB .....	1.34	1.16
Tee shirts, polo shirts .....	.....	<sup>4</sup> \$1.23	<sup>4</sup> \$1.22
Slacks .....	32-710X .....	1.30	1.25
Overalls, blue jeans .....	32-720X .....	.28	.19
Shorts .....	32-730X .....	1.50	1.24
Playsuits .....	32-740X .....	.69	.38
Other outerwear* .....	.....	( <sup>1</sup> )	( <sup>1</sup> )

See footnotes at end of table.

Table A-4. Clothing Budget Quantities—Continued

D. Girl—Continued			
Item	Pricing code	Quantity per year	
		Metropolitan areas	Nonmetropolitan areas
Underwear, nightwear:			
Slips, petticoats-----	32-801-----	2.07	2.13
Panties, briefs-----	32-827FB-----	6.73	7.12
Undershirts-----		<sup>4</sup> \$1.11	<sup>4</sup> \$0.51
Pajamas, nightgowns-----	32-860X-----	1.16	1.04
Bathrobes-----	32-866-----	.16	.08
Other underwear and nightwear*		( <sup>7</sup> )	( <sup>7</sup> )
Hosiery:			
Anklets, socks-----pair--	32-891FB-----	9.33	8.46
Other hosiery*-----		( <sup>6</sup> )	( <sup>6</sup> )
Footwear:			
Shoes:			
Street-----pair--	33-541A, 33-541B, 33-766-----	2.38	1.86
Casual-----do--	33-760X-----	1.69	1.86
Houseslipppers-----do--	33-770X-----	.35	.25
Boots, rubbers*-----do--	33-901FB-----	.38	.30
Other footwear*-----		( <sup>3</sup> )	( <sup>3</sup> )
Hats, gloves, accessories:			
Hats*-----	32-870X-----	.61	.45
Gloves*-----pair--	32-880X-----	.80	.66
Other accessories*-----		( <sup>5</sup> )	( <sup>5</sup> )
E. Clothing materials and services			
Materials:			
Wool, wool blends-----yards--	34-420X-----	0.58	0.75
Cotton, cotton blends-----do--	34-438, 34-438A, 34-449AUX-----	8.69	11.37
Rayon, acetate-----do--	34-460X-----	.25	-
Nylon, orlon, dacron-----do--	34-469FB-----	.10	-
Other yard goods-----		( <sup>8</sup> )	( <sup>8</sup> )
Notions (yarn, pins, etc.)-----		( <sup>9</sup> )	( <sup>9</sup> )
Services:			
Cleaning and pressing:			
Men's suits-----garment--	34-708, 34-708A-----	8.84	15.54
Women's dresses-----do--	34-731, 34-731A-----	6.12	8.26
Other cleaning-----		( <sup>10</sup> )	( <sup>10</sup> )
Shoe repair:			
Men's and boys' half soles and heels-----number--	34-639FB-----	1.05	.09
Women's and girls' heels-----do--	34-662, 34-662A-----	3.25	2.63
Shoe shines, polish, laces, etc-----		( <sup>11</sup> )	( <sup>11</sup> )
Other clothing services-----		( <sup>12</sup> )	( <sup>12</sup> )

<sup>1</sup> Cost is a specified percentage of total cost of itemized outerwear, adjusted for intercity variations due to climatic differences. The percentages in metropolitan areas are husband, 5.7; boy, 5.2; wife, 19.6; and girl, 27.6. In nonmetropolitan areas the percentages are husband, 7.4; boy, 4.3; wife, 16.7 and girl, 15.0.

<sup>2</sup> Cost is a specified percentage of total cost of itemized underwear, adjusted for intercity variations due to climatic differences. The percentage in metropolitan area is husband, 5.8. In nonmetropolitan areas the percentages are husband, 15.4; wife, 4.4; and girl, 3.7.

<sup>3</sup> Cost is a specified percentage of total cost of itemized footwear, adjusted for intercity variations due to climatic differences. The percentages in metropolitan areas are husband, 1.9; wife, 1.4; and girl, 2.0. In nonmetropolitan areas the percentages are husband, 5.7; and girl, 3.3.

<sup>4</sup> Estimated cost in 1966 for all cities.

<sup>5</sup> Cost is a specified percentage of total cost of clothing, adjusted for intercity variations due to climatic differences. The percentages in metropolitan areas are husband, 0.7; boy, 3.8; wife, 1.3; and girl, 3.1. In nonmetropolitan areas the percentages are husband, 0.9; boy, 5.6; wife, 0.9; and girl, 2.2.

<sup>6</sup> Cost is a specified percentage of cost of socks, adjusted for intercity variations, due to climatic differences. The percentages in metropolitan areas are boy, 2.1; and girl, 8.5. In nonmetropolitan areas, the percentage is girl, 11.9.

<sup>7</sup> Cost is a specified percentage of total cost of itemized underwear and nightwear, adjusted for intercity variations due to climatic differences. The percentages in metropolitan areas are wife, 2.4; and girl, 3.0. In nonmetropolitan areas the percentage is wife, 4.4.

<sup>8</sup> In metropolitan areas the cost is 8.0 percent of cost of itemized yard goods; in nonmetropolitan areas, 3.6 percent.

<sup>9</sup> In metropolitan areas the cost is 114.9 percent of cost of all yard goods; in nonmetropolitan areas, 32.5 percent.

<sup>10</sup> In metropolitan areas the cost is 28.3 percent of cost of itemized cleaning and pressing; in nonmetropolitan areas, 9.0 percent.

<sup>11</sup> In metropolitan areas the cost is 35.5 percent of cost of shoe repairs; in nonmetropolitan areas, 74.9 percent.

<sup>12</sup> In metropolitan areas the cost is 13.3 percent of cost of itemized clothing services; in nonmetropolitan areas, 13.4 percent.

\* See explanatory note, p. 32.

Table A-4. Clothing Budget Quantities—Continued

Explanatory note: Quantities of starred items vary from city to city. The basic clothing budget is the U.S. average quantity, both for metropolitan areas and for nonmetropolitan areas. For each city or metropolitan area, the quantities of clothing articles specified in the following tabulation are adjusted upward or downward in accordance with local climatic conditions, on the basis of the normal number of annual degree days as published by the U.S. Weather Bureau. The tabulation shows the quantities of specified items of clothing required in metropolitan areas when the normal number of annual degree days average 0 and 8,392; and in nonmetropolitan areas when the average is 489 and 10,864. (For definition of degree days, see footnote 2, table A-2.) The quantities required for specific cities were determined by straight-line interpolation.

Item	Normal number annual degree days			
	Metropolitan areas		Nonmetropolitan areas	
	8,392	0	10,864	489
<u>Husband</u>				
Topcoats -----	0.19	0	0.18	0
Jackets, sport coats -----	.58	0.42	.73	0.51
Raincoats -----	.18	.05	.16	0
Suits:				
Year-round weight -----	.29	.24	.33	.27
Tropical weight -----	.05	.11	.05	.12
Shorts, walking -----	.03	.19	.01	.21
Other outerwear -----	<sup>1</sup> 5.1	<sup>1</sup> 10.7	<sup>1</sup> 12.9	<sup>1</sup> 5.5
Other underwear -----	<sup>2</sup> 8.8	<sup>2</sup> 2.5	<sup>2</sup> 38.4	<sup>2</sup> 4.0
Footwear:				
Rubbers, galoshes, boots -----	.27	.07	.33	.08
Other footwear -----	<sup>3</sup> 2.7	<sup>3</sup> 1.6	<sup>3</sup> 8.1	<sup>3</sup> 1.0
Hats:				
Felt -----	.20	.13	.33	.20
Straw -----	0	.13	.05	.24
Gloves:				
Dress -----	.27	0	.34	.07
Work -----	3.63	0	6.46	1.33
Other accessories -----	<sup>4</sup> .8	<sup>4</sup> .5	<sup>4</sup> 1.0	<sup>4</sup> .8
<u>Boy</u>				
All-purpose coats -----	.30	.22	.10	.06
Jackets, sport coats -----	1.06	.88	1.45	1.12
Sweaters -----	.84	.71	.61	.50
Other outerwear -----	<sup>1</sup> 4.8	<sup>1</sup> 7.7	<sup>1</sup> 6.6	<sup>1</sup> 2.1
Other hosiery -----	0	<sup>5</sup> 2.4	0	0
Rubbers, galoshes, boots -----	.46	0	.58	0
Gloves -----	1.80	0	2.30	0
Other accessories -----	<sup>4</sup> 3.8	<sup>4</sup> 3.4	<sup>4</sup> 9.1	<sup>4</sup> 3.7
<u>Wife</u>				
Coats, heavyweight -----	.33	.08	.33	.03
Shorts, pedal pushers -----	.41	1.42	0	1.29
Other outerwear -----	<sup>1</sup> 21.6	<sup>1</sup> 21.8	<sup>1</sup> 19.5	<sup>1</sup> 12.5
Other underwear and nightwear -----	<sup>6</sup> 1.3	<sup>6</sup> 3.3	<sup>6</sup> 1.9	<sup>6</sup> 5.9
Rubbers, galoshes, boots -----	.26	0	.29	0
Other footwear -----	<sup>3</sup> .5	<sup>3</sup> 2.1	-	-
Hats -----	.96	.30	1.03	.21
Gloves -----	.88	.32	.86	.18
Other accessories -----	<sup>4</sup> 1.9	<sup>4</sup> .7	<sup>4</sup> 1.4	<sup>4</sup> .8
<u>Girl</u>				
Coats:				
Heavyweight -----	.53	.14	.58	.10
Lightweight -----	.21	.08	.21	.05
Raincoats -----	.16	.31	0	.19
Other outerwear -----	<sup>1</sup> 27.1	<sup>1</sup> 26.9	<sup>1</sup> 19.7	<sup>1</sup> 17.0
Other underwear and nightwear -----	<sup>6</sup> 2.6	<sup>6</sup> 1.8	<sup>6</sup> 2.5	<sup>6</sup> 4.9
Other hosiery -----	<sup>5</sup> 3.3	0	<sup>5</sup> 5.0	<sup>5</sup> 23.8
Boots, rubbers -----	.88	0	1.08	0
Other footwear -----	<sup>3</sup> 2.9	<sup>3</sup> 3.7	<sup>3</sup> 9.0	<sup>3</sup> 1.0
Hats -----	.88	.28	.87	.13
Gloves -----	1.41	.03	1.64	0
Other accessories -----	<sup>4</sup> 2.9	<sup>4</sup> 4.9	<sup>4</sup> 3.6	<sup>4</sup> 2.2

<sup>1</sup> The allowances are stated as percentages of total cost of itemized outerwear.

<sup>2</sup> The allowances are stated as percentages of total cost of itemized underwear.

<sup>3</sup> The allowances are stated as percentages of total cost of itemized footwear.

<sup>4</sup> The allowances are stated as percentages of total cost of itemized clothing.

<sup>5</sup> The allowances are stated as percentages of total cost of socks.

<sup>6</sup> The allowances are stated as percentages of total cost of itemized underwear and nightwear.

Table A-5. Personal Care

Item	Pricing code	Quantity per year	
		Metropolitan areas	Nonmetropolitan areas
Services:			
Husband:			
Haircut -----	52-697-----	22.7	25.7
Wife:			
Haircut -----	52-753-----	3.3	1.9
Permanent wave-----	52-825-----	.9	1.1
Shampoo and set -----	52-849-----	4.1	6.9
Tinting and coloring-----	-----	( <sup>1</sup> )	( <sup>1</sup> )
Boy: Haircut -----	52-729FB-----	12.3	15.2
Girl: Haircut -----	52-730X-----	1.5	.4
Family: Other -----	-----	( <sup>2</sup> )	( <sup>2</sup> )
Supplies:			
Toilet soap----- medium bar--	52-001-----	110.2	143.8
Toothpaste----- ounce--	52-025-----	64.8	62.6
Shaving cream----- ounce--	52-073-----	23.2	11.6
Cleansing tissue----- box 200 double--	52-625-----	27.4	27.0
Shampoo----- ounce--	52-193AUX-----	50.9	31.8
Face powder-----	-----	<sup>3</sup> \$2.12	<sup>3</sup> \$1.36
Home permanent kit----- refill--	52-529-----	.6	.4
Sanitary supplies----- box of 12--	52-649AUX-----	20.7	13.0
Other -----	-----	( <sup>4</sup> )	( <sup>4</sup> )

<sup>1</sup> In metropolitan areas, the cost is 3.1 percent of total cost of itemized services for the wife; in nonmetropolitan areas, 1.8 percent.

<sup>2</sup> In metropolitan areas, the cost is 1.4 percent of annual allowance for itemized personal services; in nonmetropolitan areas, 0.2 percent.

<sup>3</sup> Estimated cost in 1966 for all areas.

<sup>4</sup> In metropolitan areas, the cost is 110.4 percent of annual allowance for itemized supplies; in nonmetropolitan areas, 96.6 percent.

Table A-6. Medical Care

Item	Pricing code	Quantity per year
		All cities
Prepaid care:		
Hospital-surgical insurance contract <sup>1</sup> -----	51-940X-----	1.00
Medical care not covered by insurance:		
Physicians' visits:		
Home visits-----	51-202-----	.6
Office visits-----	51-201-----	13.1
Hospital visits (nonsurgical)-----	51-838FB-----	1.4
Other medical care-----	-----	( <sup>2</sup> )
Dental care:		
Fillings-----	51-465-----	3.55
Extractions-----	51-466-----	1.07
Cleaning and examination-----	51-469FB-----	5.01
Other dental care-----	-----	( <sup>3</sup> )
Eye care:		
Examination for glasses-----	51-518, 51-519-----	.44
Eyeglasses-----	51-518, 51-519, 51-520, 51-521FB---	.70
Other-----	-----	( <sup>4</sup> )
Drugs:		
Prescription-----	51-061 through 51-181-----	15.9
Nonprescription:		
Vitamins-----	51-001-----	4.3
Other-----	-----	( <sup>5</sup> )
Appliances and supplies-----	-----	( <sup>6</sup> )

<sup>1</sup> The budget includes group hospital and surgical insurance for all family members. This insurance provides full coverage for 70 days' care in a room of 2 beds or more for each hospital confinement, all supplies and ancillary services which are normally provided, and surgical benefits.

<sup>2</sup> Cost is 16.5 percent of cost of physicians' office visits.

<sup>3</sup> Cost is 91.1 percent of total cost of itemized dental procedures.

<sup>4</sup> Cost is 4.6 percent of total cost of eyeglasses and examination.

<sup>5</sup> Cost is 268.0 percent of cost of vitamins.

<sup>6</sup> Cost is 8.5 percent of total cost of prescription and nonprescription drugs.

Table A-7. Other Family Consumption

Item	Pricing code	Quantity per year	
		Metropolitan areas	Nonmetropolitan areas
A. Reading materials			
Newspapers (subscription)-----	53-806 through 53-819-----	1.00	1.15
Books (not school)-----	-----	<sup>1</sup> \$18.75	<sup>1</sup> \$7.20
Magazines-----	-----	<sup>1</sup> \$15.10	<sup>1</sup> \$8.40
Other expenses-----	-----	( <sup>2</sup> )	-----
B. Recreation			
Radios, musical instruments, etc.:			
Radios-----	53-033, 53-033A, 53-034--	.41	.22
Television sets-----	53-001, 53-018-----	.12	.03
Phonographs-----	53-082FB-----	.10	.10
Musical instruments-----	-----	( <sup>3</sup> )	( <sup>3</sup> )
Repairs, including parts-----	53-565FB-----	1.21	1.50
Phonograph records-----	53-177-----	5.26	3.59
Admissions:			
Movies:			
Adults-----	53-612-----	9.90	5.27
Children-----	53-613-----	26.50	23.78
Other admissions-----	-----	<sup>1</sup> \$10.16	<sup>1</sup> \$10.06
Other recreation:			
Participant sports-----	-----	( <sup>4</sup> )	( <sup>4</sup> )
Toys and play equipment-----	-----	( <sup>4</sup> )	( <sup>4</sup> )
Club dues, memberships-----	-----	( <sup>4</sup> )	( <sup>4</sup> )
Hobbies-----	-----	( <sup>4</sup> )	( <sup>4</sup> )
Pets, pet supplies, and other recreation expenses-----	-----	<sup>1</sup> \$29.57	<sup>1</sup> \$32.22
C. Education			
School and college:			
Books, supplies, tuition, fees, etc-----	-----	<sup>1</sup> \$60.00	<sup>1</sup> \$35.00
D. Tobacco			
Cigarettes-----carton--	54-002, 54-006-----	40.9	40.9
Cigars-----each--	54-077-----	86.6	86.6
Pipe tobacco-----ounce--	54-153FB-----	20.9	20.9
Pipe and smoker's supplies-----	-----	( <sup>5</sup> )	( <sup>5</sup> )
E. Alcoholic beverages			
At home:			
Beer and ale-----72 ounces--	54-309-----	26.5	24.7
Liquors (whiskey, etc.)-----1/5 gallon--	54-384, 54-399-----	4.7	3.1
Wine-----1/5 gallon--	54-429, 54-431-----	5.3	2.2
Away from home-----	-----	( <sup>6</sup> )	( <sup>6</sup> )
F. Miscellaneous expenses			
Miscellaneous expenses:			
Lodging away from home, bank service charges, legal expenses, allowances to children, music and dancing lessons for children, and other expenses that cannot be allocated elsewhere.			1.2 percent of all other costs of family consumption.

<sup>1</sup> Estimated cost in 1966 for all cities.<sup>2</sup> Cost is 2.1 percent of total cost of itemized reading materials.<sup>3</sup> In metropolitan areas, cost is 20.1 percent of total cost of radios, television sets, and phonographs; in nonmetropolitan areas, 68.9 percent.<sup>4</sup> Cost is a specified percentage of total cost of radios, musical instruments, etc., and admissions. The percentages in metropolitan areas are as follows: Participant sports, 36.8; toys and play equipment, 23.1; club dues, 7.1; hobbies, 21.3. In nonmetropolitan areas, the percentages are participant sports, 42.8; toys and play equipment, 28.4; club dues, 13.6; hobbies, 28.5.<sup>5</sup> Cost is 1.5 percent of annual allowance for itemized tobacco products.<sup>6</sup> In metropolitan areas, cost is 18.7 percent of total cost of itemized alcoholic beverages; in nonmetropolitan areas, 34.7 percent.

Table A-8. Other Costs

Item	Quantity per year all cities
A. Gifts and contributions	
Gifts and contributions: Christmas, birthday, and other presents to persons outside the immediate family; and contributions to religious, welfare, medical, educational, and other organizations.	3.5 percent of total cost of family consumption, less miscellaneous expenses.
B. Life insurance	
Life insurance policy: A policy to provide for the family during a period of adjustment in event of the death of the breadwinner. The premium should be determined for individual situations by taking into account any group insurance in effect, as well as the type of protection provided.	Insurance is included in the estimated total cost of the budget at an average outlay of \$160.

Table A-9. Occupational Expenses and Taxes

Item	Quantity per year, all cities
A. Occupational expenses	
Occupational expenses: Dues to unions, business and professional associations; licenses, tools, and special equipment other than clothing required for the job; non-reimbursed costs for travel or for use of the family's car for business.	These items, which are included in the estimated total cost of the budget as an average outlay of \$80, should be determined for each individual situation.
B. Taxes	
Taxes: Employee contributions for Federal old-age, survivors', disability insurance, and Medicare (OASDHI); for temporary disability and unemployment taxes where required by State law. Personal income taxes (Federal, State, and local); and capitation taxes.	As required by the level of the total budget.  Rates applicable in 1966 in each city; in metropolitan areas, the applicable rates in each urban part were used.



## Appendix B

**Table B-1. Index of Populations Weights Used in the City Worker's Family Budget<sup>1</sup>**

Area	Population weights	Area	Population weights
United States urban population -----	100.00	United States urban population—Continued	
Metropolitan areas <sup>2</sup> -----	81.70	South <sup>4</sup> -----	22.72
Nonmetropolitan areas <sup>3</sup> -----	18.30	Atlanta, Ga -----	1.64
Northeast <sup>4</sup> -----	30.66	Austin, Tex -----	(5)
Boston, Mass -----	2.54	Baltimore, Md -----	1.59
Buffalo, N. Y -----	2.45	Baton Rouge, La -----	1.32
Hartford, Conn -----	.68	Dallas, Tex -----	2.64
Lancaster, Pa -----	1.76	Durham, N. C -----	1.17
New York—Northeastern New Jersey -----	13.10	Houston, Tex -----	.76
Philadelphia, Pa.—N. J -----	4.35	Nashville, Tenn -----	1.34
Pittsburgh, Pa -----	1.65	Orlando, Fla -----	2.30
Portland, Maine -----	.68	Washington, D. C.—Md.—Va -----	1.28
Nonmetropolitan areas <sup>3</sup> -----	3.45	Nonmetropolitan areas <sup>3</sup> -----	8.68
North Central <sup>4</sup> -----	28.38		
Cedar Rapids, Iowa -----	1.26	West <sup>4</sup> -----	17.75
Champaign—Urbana, Ill -----	2.26	Bakersfield, Calif -----	2.26
Chicago, Ill.—Northwestern Indiana -----	6.98	Denver, Colo -----	1.31
Cincinnati, Ohio—Ky.—Ind -----	.63	Los Angeles—Long Beach, Calif -----	5.20
Cleveland, Ohio -----	1.85	San Diego, Calif -----	2.37
Dayton, Ohio -----	1.70	San Francisco—Oakland, Calif -----	2.26
Detroit, Mich -----	3.13	Seattle—Everett, Wash -----	1.99
Green Bay, Wis -----	.57	Nonmetropolitan areas <sup>3</sup> -----	2.36
Indianapolis, Ind -----	.86		
Kansas City, Mo.—Kans -----	.77	Honolulu, Hawaii <sup>6</sup> -----	.41
Milwaukee, Wis -----	1.26	Anchorage, Alaska <sup>6</sup> -----	.08
Minneapolis—St. Paul, Minn -----	.91		
St. Louis, Mo.—Ill -----	1.33		
Wichita, Kans -----	1.14		
Nonmetropolitan areas <sup>3</sup> -----	3.73		

<sup>1</sup> The weight in each urban area is the total population of 4-person, husband-wife families having children aged 6 through 17 years, 1 full-time earner in the family; i.e., the family type in the 1960-61 Survey of Consumer Expenditures most closely approximating the family for which the budget was constructed. For an explanation of the sample selection, see "Technical Note—the Revised City Sample for the Consumer Price Index," Monthly Labor Review, October 1960, pp. 1078-1083. (Also issued as BLS Reprint 2352.)

<sup>2</sup> For a detailed description, see the 1967 edition of the Standard Metropolitan Statistical Areas, prepared by the Bureau of the Budget.

<sup>3</sup> Places having population of 2,500 to 50,000.

<sup>4</sup> Regions as defined by the Bureau of the Census: Northeast—Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont; North Central—Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin; South—Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia; and West—Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

<sup>5</sup> A population weight for Austin is not shown separately because the sample which represented this type of city worker family was not statistically significant. Therefore, the weight was imputed to other cities of the same size (50,000-250,000 population) in the South.

<sup>6</sup> Honolulu and Anchorage were separate sampling strata in the BLS 1960-61 Consumer Expenditure Survey, and, therefore, are not included in the total weight for the West. Honolulu's weight is in the United States and metropolitan area totals; Anchorage's weight is in the United States and nonmetropolitan area totals.



## Appendix C

### Technical References

1. Brackett, Jean C., "Intercity Differences in Family Food Budget Costs," Monthly Labor Review, October 1963, pp. 1189-1194.

An analysis of the effects on food budget cost estimates of using for all cities a single set of weights representing urban U.S. food patterns, or different weights for each city reflecting the food preferences of the region in which the city is located. Also presents a discussion of the conceptual implications of varying the weights in a place-to-place comparison of family living costs.

2. Clorety, Joseph A., "Consumption Statistics: A Technical Comment," How American Buying Habits Change, chapter X, 1959, pp. 217-242.

Includes a section on "Standard Budgets as Indicators of Progress" (pp. 232-242). Also presents in summary form a representative cross-section of budgets compiled in this country during the 20th century, showing average dollar cost figures for the total and for the major components of each budget.

3. Lamale, Helen H., "Changes in Concepts of Income Adequacy Over the Last Century," Journal of the American Economic Association, May 1958, pp. 291-299.

An analysis of the relationship over time between actual levels of living in the United States and the goals or standards of living which have been accepted in different historical periods and for different purposes; and a discussion of the implications in this relationship for present-day concepts of income adequacy.

4. \_\_\_\_\_ "Poverty: The Word and the Reality", Monthly Labor Review, July 1965, pp. 822-827.

Discusses the role of standard budgets in providing an intelligible definition of poverty, for use in evaluating income adequacy for different family types and in different geographical locations and for estimating the extent of poverty in the United States.

5. \_\_\_\_\_ and Stotz, Margaret S., "The Interim City Worker's Family Budget," Monthly Labor Review, August 1960, pp. 785-808.

Estimates of the cost of a "modest but adequate" standard of living for a husband, wife, and two children (living in rented housing), at autumn 1959 prices, in 20 large cities and their suburbs (Atlanta, Baltimore, Boston, Chicago, Cincinnati, Cleveland, Detroit, Houston, Kansas City, Los Angeles, Minneapolis, New York, Philadelphia, Pittsburgh, Portland, Oreg., St. Louis, San Francisco, Scranton, Seattle, and Washington, D.C.) Includes a detailed list of the goods and services considered necessary by four-person families to maintain the specified living standard as determined by levels of living actually achieved in the 1950's, and describes how this representative list was developed and priced. (See Reference No. 10 for description of original BLS City Worker's Family Budget.)

6. Orshansky, Mollie, "Budget for an Elderly Couple: Interim Revision by the Bureau of Labor Statistics," Social Security Bulletin, December 1960, pp. 26-36.

A summary report on "The BLS Interim Budget for a Retired Couple". (See Reference No. 7.) Includes a discussion of various conceptual problems encountered in developing normative living costs estimates for a retired couple, and some of the limitations of this particular budget for the multitude of purposes for which budgets for older persons and families are needed.

7. Stotz, Margaret S., "The BLS Interim Budget for a Retired Couple," Monthly Labor Review, November 1960, pp. 1141-1157.

Estimates of the cost of a "modest but adequate" standard of living for a man age 65 or over and his wife (living in rented housing), at autumn 1959 prices, in 20 large cities and their suburbs (cities are the same as those listed in Reference No. 5). Includes a detailed list of the goods and services considered necessary for retired couples to maintain the specified living standard as determined by levels of living actually achieved in the 1950's; and describes how this representative list was developed and priced. (See Reference No. 11 for description of original Budget for an Elderly Couple.)

8. U.S. Department of Labor, Bureau of Labor Statistics, "Estimating Equivalent Incomes or Budget Costs by Family Type," Monthly Labor Review, November 1960, pp. 1197-1200.

Describes a scale for measuring the relative after-tax income required by families of differing composition to maintain the same level of material well-being, or for estimating comparable costs of goods and services for families of different age, size, and type. (Scale values cannot be used to estimate relative costs of components of family budgets—food, housing, taxes, insurance, etc.)

9. Report of the Advisory Committee on Standard Budget Research, June 1963, 26 pp.

Members of the BLS Advisory Committee on Standard Budget Research:

Professor Gwen Bymers, Department of Household Economics and Management, Cornell University; Ithaca, N. Y.

Dorothy M. Durand, Private consultant on the development and use of standard budgets; Scarsdale, N. Y.

Gertrude Lotwin, Home Economics Consultant, State of New Jersey Division of Welfare; Trenton, N. J.

Charles A. Pearce, Director, Division of Research and Statistics, Department of Labor, State of New York; New York, N. Y.

Lazare Teper, Director, Research Department, International Ladies' Garment Workers' Union, AFL-CIO; New York, N. Y.

Gertrude S. Weiss, Chairman, Consultant; Washington, D. C.

C. Ashley Wright, Economist, Standard Oil Company (N. J.); New York, N. Y.

Contains recommendations of this committee of experts on the needs for various types of budgets, general concepts of the standards of living to be described by the budgets, and technical and other problems associated with estimating and publishing budget costs. Includes a selected bibliography on the major uses of standard budgets.

10. Workers' Budgets in the United States: City Families and Single Persons, 1946 and 1947, (BLS Bulletin 927, 1948) 55 pp.

Describes concepts, definitions, and techniques used in developing the original City Worker's Family Budget for a four-person family, detailed list of goods and services priced, and 1946-47 cost estimates for 34 cities. Also contains an historical survey of family budgets, and summary data on State budgets for single women workers.

11. U.S. Department of Health, Education, and Welfare, Social Security Administration, "A Budget for an Elderly Couple," Social Security Bulletin, February 1948, pp. 4-12.

Contains estimates of the cost of a "modest but adequate" standard of living for a couple age 65 or older, at March 1946 and June 1947 prices, in eight large cities. (Concepts and techniques used to compile this budget were the same as those employed in developing the original BLS City Worker's Budget. See Reference No. 10.)