

1960-61

United States

By 1960, the U.S. population had surpassed 179 million, a gain of 19.0 percent from 1950. The median age had decreased to 29.5 (28.7 for men and 30.3 for women), the first decline since 1900. The decrease reflected significant growth in the under-15 cohort, which had surged to 31.1 percent of the population. The percentage of Americans who were white had decreased slightly to 88.6 percent, and the male-to-female

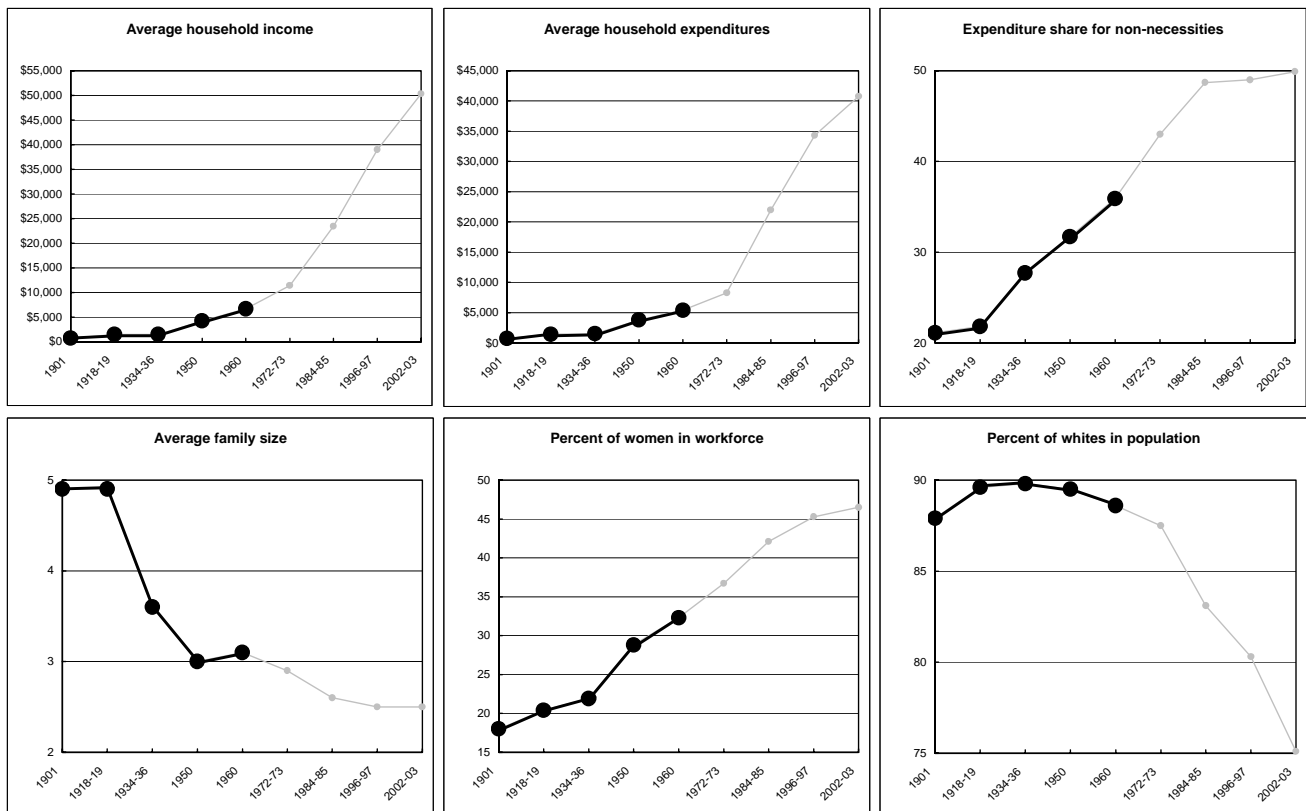
ratio had declined further to 97.1 men for every 100 women.

Although the economy was in a mild recession between mid-1960 and early 1961, female workforce participation rates continued their steady climb, from 33.9 percent in 1950 to 37.7 percent in 1960. In contrast, male participation rates, after peaking in 1950 at 86.4 percent, declined to 83.3 percent in 1960. Women made up 32.3 percent of the U.S. workforce. (See chart 17.) Nationally, unemployment was mea-

sured at 5.5 percent in 1960 and peaked at 7.1 percent in mid-1961. (See table 15 for wages in selected industries in 1960.)

The average family size had increased slightly to 3.1. In 87.4 percent of families, both a husband and a wife were present, and the wife was employed in 26.3 percent of these families. Children under age 18 were found in 60.6 percent of all households. In 16.8 percent of households, there was only one person, while 8.2 percent of

Chart 17. Economic and demographic indicators, United States, 1960



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

households had six or more people.

On average, the head of household was 48 and had attained an 11th grade education. In 38.7 percent of households, the head of the family was employed as a craftsman or a machine operator, while in 26.6 percent of households, the head was a professional, a manager, or a proprietor. In 13.3 percent of households, all the members were retired.

Average family income in the country was \$6,691, 57.9 percent higher than in 1950. Average family expenditures, \$5,390, had increased 41.5 percent from 1950. This amount would have purchased \$4,366 worth of goods and services in 1950 dollars.

Median family income in 1960 was \$5,620. In terms of income distribution in the country, 36.1 percent of families had incomes below \$5,000, while 18.9 percent had incomes under \$3,000.

Food, clothing, and housing accounted for 64.2 percent of family spending, a decrease from 1950 levels. Given the rise in family incomes, along

with a reduction in the expenditure share for necessities, the standard of living for the average U.S. household had increased.

For the first time since 1901, a shift in the relative importance of expenditure categories had taken place. Housing—which included shelter, furnishing, utilities, and operational costs—had become the largest category of expense in 1960–61, at 29.5 percent. Food was in second place at 24.3 percent, followed by clothing at 10.4 percent.

Families spent proportionately less for food despite rising retail prices. One pound of round steak cost \$1.06, up 12 cents from 1950. The price of a pound of pork chops had risen 11 cents to 86 cents per pound. However, the price of a pound of butter was relatively unchanged over the 10-year period, at 75 cents a pound. Among other retail prices, a pound of bacon cost 66 cents, and a half-gallon of milk cost 52 cents. (See table 16.)

Of housing expenditures, 47.1 per-

cent went for shelter. Fifty-three percent of U.S. families owned their own home.

In the food category, 79.0 percent of expenditures went for food at home, with the remainder allocated for food away from home.

In all categories of family purchases, expenditures were higher in 1960–61 than in 1950. More Americans (73 percent) owned automobiles, and they paid more for their cars. Noteworthy was the increase in the average family's charitable giving, from \$165 in 1950 to \$303 in 1960–61.

New York City

In 1960, 9.4 percent of the U.S. population (16.8 million people) lived in New York State, a decline from 1950. Of the State's population, 46.4 percent (7.8 million people) lived in New York City, also a decline from 1950. Between 1950 and 1960, the city's population decreased by about 100,000 or 1.4 percent.

Table 15. Hourly wages for selected industries, United States, 1960

| Year | Manu- facturing | Mining | Con- struction | Transpor- tation | Communi- cations and public utilities | Trade | Finance, insurance, and real estate | Services | Govern- ment |
|------------|--------------------|---------|-------------------|---------------------|--|---------|--|----------|-----------------|
| 1901 | \$ 0.23 | \$ 0.26 | \$ 0.28 | \$ 0.24 | \$ 0.24 | \$ 0.25 | \$ 0.50 | \$ 0.17 | \$0.28 |
| 1918 | .53 | .67 | .57 | .61 | .42 | .45 | .69 | .31 | .49 |
| 1935 | .58 | .55 | .49 | .72 | .71 | .61 | .78 | .42 | .62 |
| 1950 | 1.59 | 1.66 | 1.60 | 1.79 | 1.61 | 1.46 | 1.55 | 1.05 | 1.45 |
| 1960 | 2.57 | 2.73 | 2.62 | 2.97 | 2.73 | 2.21 | 2.42 | 1.69 | 2.25 |

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 16. Retail prices of selected foods in U.S. cities, 1960

| Year | Flour 5 lb. | Round steak lb. | Pork chops lb. | Bacon lb. | Butter lb. | Eggs dozen | Milk 1/2 gallon |
|------------|----------------|--------------------|-------------------|--------------|---------------|---------------|--------------------|
| 1901 | \$ 0.13 | \$ 0.14 | \$ 0.13 | \$ 0.16 | \$ 0.27 | \$ 0.22 | \$ 0.14 |
| 1918 | .34 | .37 | .39 | .53 | .58 | .57 | .28 |
| 1934 | .25 | .28 | .26 | .29 | .32 | .33 | .22 |
| 1950 | .49 | .94 | .75 | .64 | .73 | .60 | .41 |
| 1960 | .55 | 1.06 | .86 | .66 | .75 | .57 | .52 |

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

In the city, there were 2.1 million families, including 1.8 million married couples. Average family size was 2.9, as it was in 1950. Of all households, 30.8 percent consisted of two people, 18.3 percent consisted of one person, and 5.8 percent were made up of six or more people. The average age of the household head was 49, slightly older than the U.S. average.

Demographically, New York City's population was aging. The median age had increased to 35.1 years, notably higher than that recorded for the country. The 65-and-older cohort had increased to 10.5 percent of the population, while 8.8 percent of New Yorkers were under 5 years of age, and 68.7 percent were 21 or older. The percentage of the population that was white had decreased to 85.3, while the percentage of foreign-born residents also had declined, to 20.0. (See chart 18.)

During 1960, there were over 150,000

live births and close to 90,000 deaths. Migration into the city accounted for 10.7 percent of the population.

The average city resident had attained 10.1 years of schooling. The share of the population with less than 5 years of formal education had continued to decline, to 10.5 percent, while percentages at the other end of the spectrum rose, to 37.4 for those who had completed high school and 8.2 for those who had graduated from college.

As for jobs, 48.1 percent of New Yorkers worked in white-collar occupations. Nearly one-fifth (18.3 percent) of household heads were salaried professionals or officials, 15.2 percent held clerical positions or worked in sales, and 5.8 percent were self-employed.

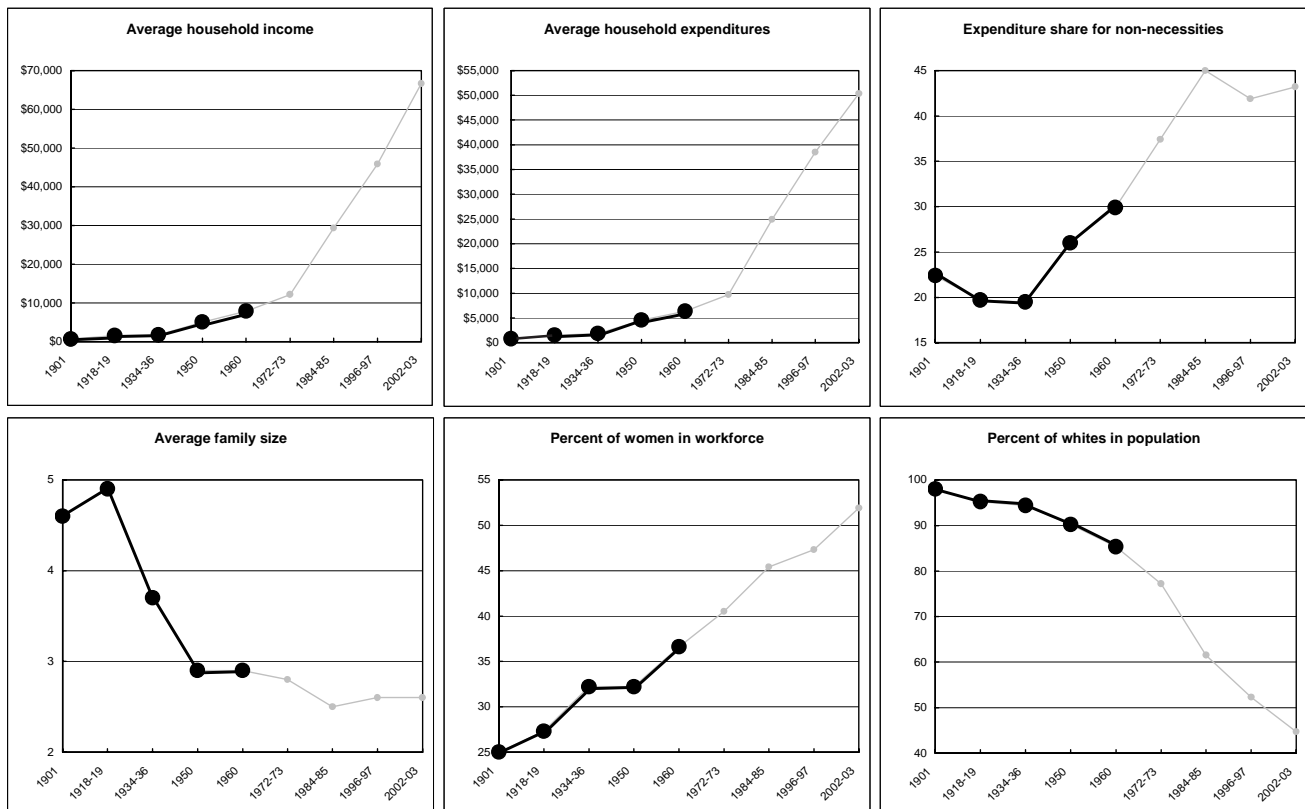
Traveling to work was a fact of life: 39.6 percent of residents worked outside the county in which they lived, and 61.0 percent regularly used public transportation to get to work. The city's

workforce was 63.4 percent male, and the unemployment rate was 5.2 percent.

In 1960, over 42 percent of all city jobs were in manufacturing and in retail and wholesale trade (25.0 percent and 17.9 percent, respectively), with an additional 28 percent in these industries: Finance, insurance, and real estate (7.8 percent); transportation (5.6 percent); public administration (4.6 percent); construction (3.6 percent); educational services (3.3 percent); and communications and utilities (2.7 percent).

Average family income, \$7,918, had increased by 55.1 percent from 1950 and was 18.3 percent higher than that of the average U.S. household. Yet, 15.2 percent of households had incomes under \$3,000, while 18.5 percent had incomes that exceeded \$10,000. Average family expenditures (\$6,353) had increased by 38.9 percent since 1950 and were 17.9 percent greater than

Chart 18. Economic and demographic indicators, New York City, 1960



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

those of the average U.S. household. These expenditures would have purchased \$5,146 worth of goods and services in 1950 dollars.

Food, clothing, and housing accounted for 70.0 percent of all household spending, a decrease from 1950, but higher than the 1960–61 national average.

Consistent with the experience of the average U.S. family, the expenditure share for housing (30.8 percent) exceeded that for food (28.1 percent) and was the single largest category of expenditure. Clothing expenditures accounted for 11.1 percent of family spending.

There were approximately 2.8 million housing units in the city, of which 75.3 percent were rentals. The average housing unit in the city had 3.9 rooms. The market value of the median owned home was \$17,000; the average monthly rent was \$73.

In terms of modern conveniences, 88.1 percent of New York City households owned a television, 76.0 percent had a telephone, 37.6 percent had a clothes washer, and 13.4 percent owned an air-conditioner.

Expenditures for the purchase and operation of automobiles also had increased dramatically. Fifty percent of New Yorkers, a smaller share than for the country as a whole, owned an automobile. Almost 14 percent of New York City families reported purchasing an auto in 1960–61, compared with 11 percent of families in 1950.

Family charitable giving had increased to \$402. Healthcare and personal care accounted for larger shares of household expenditures, with 20 percent of household healthcare spending allocated for some form of health insurance or medical service plan.

Boston

In 1960, 2.9 percent of Americans (5.1 million people) lived in Massachusetts, a decline from 1950. The population of Boston was 700,000, 13.7 percent of the Commonwealth's population and a per-

centage decrease from 1950. Between 1950 and 1960, Boston lost 13.0 percent of its population base, or 100,000 people.

At this time, there were 165,000 families living in Boston, including 131,000 married couples, with an average family size of 3.0—a decrease from previous decades. Among these households, 31.3 percent were made up of two people; 17.2 percent consisted of just one person, and 7.1 percent had six or more people. The average age of the household head was 49, as it was in New York City.

Demographically, Boston's population was younger than New York City's. The median age in Boston was 32.9 years. The 65-and-older cohort represented 12.3 percent of the city's population, while 9.5 percent was under 5 years of age, and 66.3 percent was 21 or older. Although whites as a percentage of the population had declined to 90.2, the percentage of foreign-born residents also had declined, to 15.8 percent. (See chart 19.)

During 1960, there were close to 16,000 live births in Boston and 9,000 deaths. Migration into the city that year accounted for 10.6 percent of the population.

In early schooling, Boston did better than New York City. The average Boston resident had attained 11.2 years of schooling, compared with 10.1 years in New York City, and just 7.7 percent of Boston's population had less than 5 years of schooling. As for the upper grades, 44.6 percent of Bostonians had completed high school, while 7.6 percent were college graduates—a smaller proportion than found in New York City.

There were approximately 239,000 housing units in Boston, of which 68.4 percent were rentals. Approximately 32 percent of families were homeowners, a higher proportion than found in New York City. The average housing unit, at 4.6 rooms, was larger than that in New York City. The market value of the median owned home was \$13,500, while the average monthly rent was \$78.

Ownership of appliances showed an

improved quality of living. Among Boston households, 86.6 percent owned a television, 77.8 percent had a telephone, 50.7 percent had a clothes washer, and 3.9 percent had an air-conditioner.

In terms of employment, 43.8 percent of Boston workers held white-collar jobs. Commuting was less common than in New York City: 16.0 percent of workers were employed outside the county in which they lived, and 40.0 percent used public transportation to get to work. The city's workforce was 60.2 percent male, and the unemployment rate was 5.0 percent.

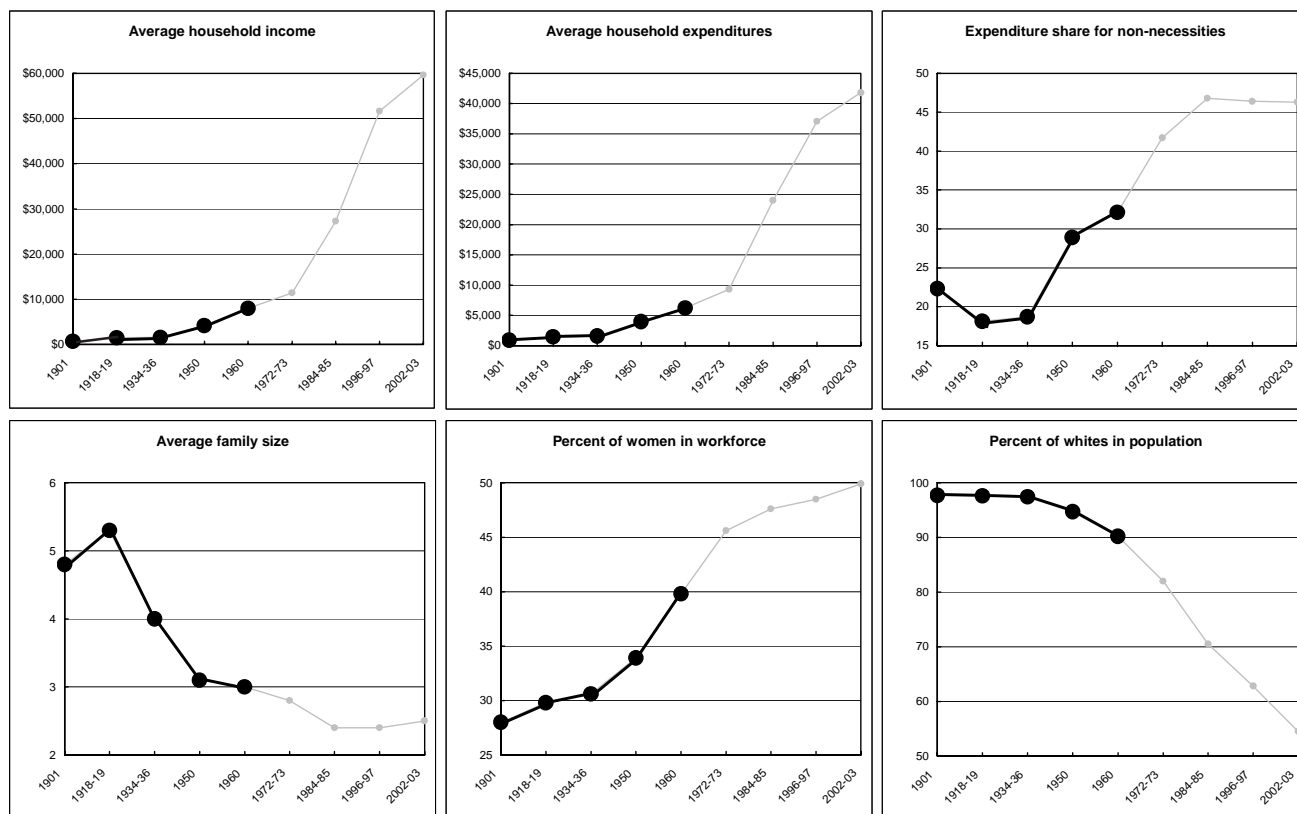
As in New York City, jobs in Boston were concentrated in manufacturing (23.2 percent) and in retail and wholesale trade (17.6 percent), with an additional 29 percent in the following industries: Public administration (6.4 percent); finance, insurance, and real estate (6.0 percent); transportation (4.7 percent); educational services (4.7 percent); construction (4.1 percent); and communications and utilities (2.8 percent). Of heads of household, 23.1 percent were salaried professionals or officials, 12.7 percent worked in clerical positions or sales, and 3.4 percent were self-employed.

The average family income of \$7,992 had increased by 91.3 percent since 1950 and was 19.4 percent higher than the national average. However, as in New York City, 15.2 percent of households earned less than \$3,000, while 18.5 percent earned more than \$10,000. Average family expenditures, \$6,203, had increased by 57.2 percent since 1950 and were 15.1 percent greater than those of the average U.S. household. These expenditures would have purchased \$4,962 worth of goods and services in 1950 dollars.

Food, clothing, and housing accounted for 67.9 percent of family spending, a decrease from 1950. This amount was greater than the average U.S. family's allocation for necessities, but less than the share spent by New York City families.

Housing constituted the largest expenditure category for Boston house-

Chart 19. Economic and demographic indicators, Boston, 1960



SOURCES: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, and U.S. Census Bureau, *Statistical Abstract of the United States*

holds (31.4 percent), as it did for U.S. and New York City households. This steep increase reflected both improvement in housing availability and related growth of home ownership. Food, with a share of 26.1 percent, was the second largest expenditure category, followed by clothing at 10.4 percent.

There were significant shifts in the 1960 expenditure shares of Boston families. Food had decreased in relative importance, while housing had increased—reversing a pattern that had held since 1901. Clothing's share, however, had decreased, in part because clothing prices had increased only modestly during the decade.

Expenditures for the purchase and operation of automobiles had increased significantly for Boston families, from 7.6 percent of total 1950 expenditures to 11.4 percent of 1960-61 expenditures. About 67 percent of Boston families owned automobiles in 1960-61, compared with approximately

40 percent in 1950.

The average family in Boston gave \$396 to charity, a significant increase from 1950. As with New York City families, healthcare and personal care accounted for larger shares of household expenditures, with 28 percent of household healthcare spending allocated for some form of health insurance or medical service plan.

Perspective

The 1960s opened with a brief and mild recession, which was followed by the longest economic expansion on record. The 1960s also began a period of significant shifts in household expenditures, as the country experienced demographic and social changes. Rising family incomes meant that households spent proportionally less for necessities, resulting in a higher standard of living.

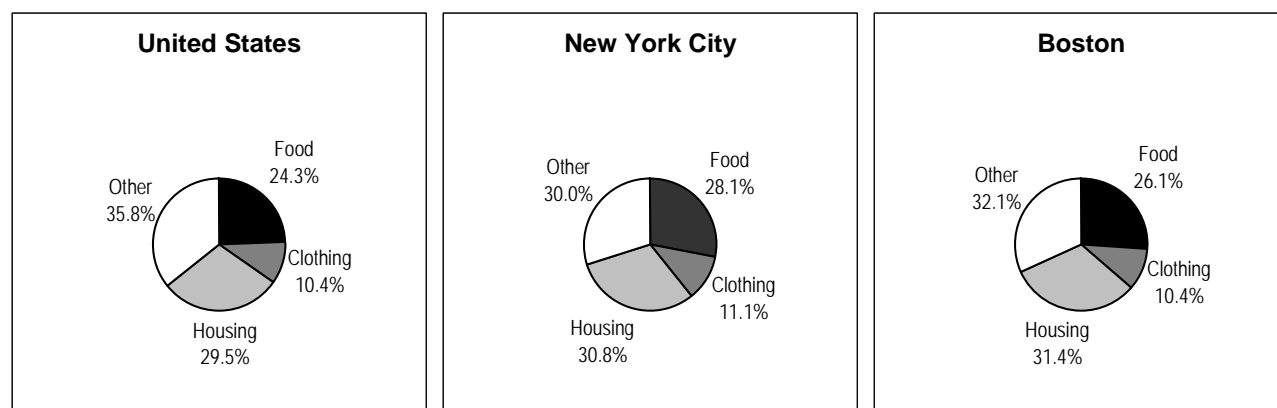
The average household income of Boston families had almost doubled

between 1950 and the early 1960s, exceeding that of New York City families. Yet, New York City families spent more than their Boston counterparts did.

Wages had increased sharply throughout the country, as evidenced by an over-60-percent increase in the hourly earnings of manufacturing and mining workers. Prices, in contrast, had increased moderately, with the cost of a 5-pound bag of flour rising from 49 cents in 1950 to 55 cents in 1960, and the price of a pound of round steak rising from 94 cents to \$1.06.

Housing expenditures replaced food as the largest share of the average budget because of a rise in home ownership. (See chart 20 and table 17.) While more than half of U.S. families were homeowners, in New York City and Boston proportionally fewer families owned a home. However, in both cities sizable gains in home ownership took place over the decade. For example, in 1950 only 18 percent of New

Chart 20. Expenditure shares, United States, New York City, and Boston, 1960-61



SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Table 17. Expenditures and expenditure shares, United States, New York City, and Boston, 1960

| Item | United States | | New York City | | Boston | |
|---|---------------|--------|------------------|------------------|------------------|------------------|
| | Expenditures | Shares | Expenditures | Shares | Expenditures | Shares |
| Food | \$ 1,311 | 24.3 | \$ 1,788 | 28.1 | \$ 1,621 | 26.1 |
| Alcoholic beverages | 90 | 1.7 | (¹) | (¹) | (¹) | (¹) |
| Housing | 1,588 | 29.5 | 1,958 | 30.8 | 1,949 | 31.4 |
| Apparel and services | 558 | 10.4 | 708 | 11.1 | 643 | 10.4 |
| Transportation | 793 | 14.7 | 691 | 10.9 | 836 | 13.5 |
| Healthcare | 355 | 6.6 | 422 | 6.6 | 338 | 5.4 |
| Entertainment | 217 | 4.0 | 239 | 3.8 | 223 | 3.6 |
| Personal care products and services | 155 | 2.9 | 158 | 2.5 | 156 | 2.5 |
| Reading and education | 109 | 2.0 | 128 | 2.0 | 163 | 2.6 |
| Tobacco | 95 | 1.8 | 108 | 1.7 | 114 | 1.8 |
| Miscellaneous | 119 | 2.2 | 155 | 2.4 | 157 | 2.5 |
| Cash contributions | 303 | | 402 | | 396 | |
| Personal insurance | 324 | | 362 | | 359 | |
| Average income per family | 6,691 | | 7,918 | | 7,992 | |
| Expenditures, all items | 5,390 | | 6,353 | | 6,203 | |

(¹) Alcoholic beverages are included in food for both New York City and Boston.

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures. Cash contributions and personal insurance are not included in expenditure shares. Expenditure shares do not add to 100 due to rounding.

SOURCE: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

Yorkers were homeowners, but 10 years later almost a third owned their home. In Boston, the rate had increased over the decade from 26 percent to 46 percent. Housing expenditures in both cities accounted for 3 of every 10 dollars spent.

While food was no longer the largest expenditure category, households were spending more—1 of every 5 food dollars—on food away from home. Additionally, the expansion of

supermarkets and grocery stores blurred the difference between groceries and food away from home, as the increased availability of ready-to-go or prepared and frozen foods accommodated the growing number of dual-earner families.

Spending for personal care products, healthcare, and reading and education constituted a larger share of family expenditures, about 11.5 percent.

There also were changes in the de-

mographic characteristics of households, as family size stayed the same in New York City and declined in Boston. Educational attainment continued to rise, permitting about half of workers to hold white-collar jobs. In the workplace, male participation rates drifted down, while female participation continued its steady upward trend, from 34 percent in 1950 to 38 percent in 1960. Overall, women made up about a third of the U.S. workforce. ■