

# 1996-97

## United States

By the 1990s, the U.S. population had reached 248.7 million, an increase of 9.8 percent over the previous decade. The median age in the country had increased 2.9 years to 32.9 (31.7 for men and 34.1 for women). The percentage of the population younger than 15 had continued to decline and stood at 21.5 percent. Population dynamics had shifted, with the percentage of Americans who were white declining to 80.3 percent and the male-to-female ratio

increasing to 95.1 men for every 100 women. (See chart 29.)

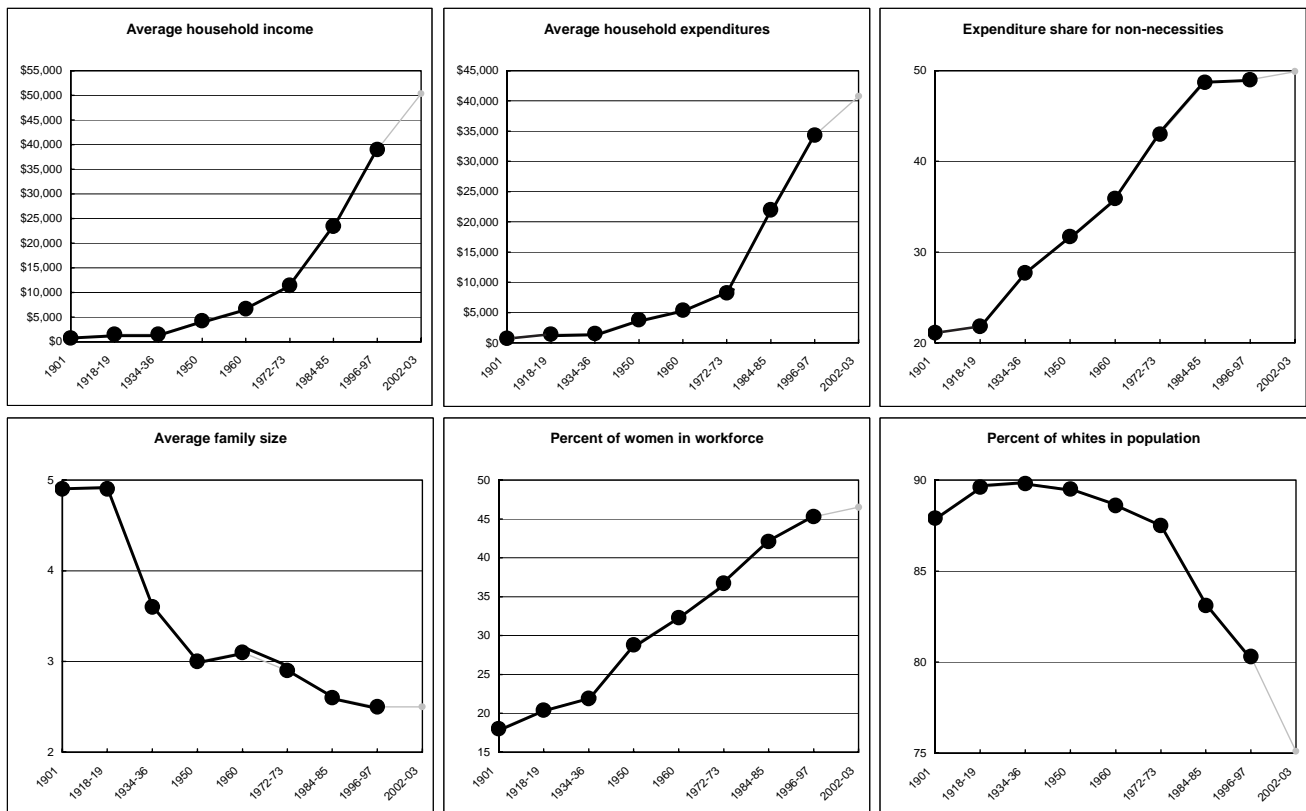
The size of the average U.S. household had declined slightly to 2.5 people. More than a quarter of households (28.3 percent) consisted of only one person; 31.1 percent of households were made up of two people; and 10.5 percent of households included five or more people. Statistically, this household contained 0.7 children younger than 18, 0.3 people aged 65 or older, and 1.3 wage earners.

The age of the reference person was

47.7. In 52 percent of households, this individual had attended college; in 40 percent, this individual had attended high school; and in 8 percent, this individual had, at most, an eighth grade education.

Reference persons held the following jobs: 20.8 percent were managers or professionals; 18.0 percent were technical, sales, or clerical workers; 11.8 percent were operators, fabricators, or laborers; 8.6 percent were service workers; 6.0 percent were construction workers; 5.5 percent were self-employed;

Chart 29. Economic and demographic indicators, United States, 1996-97



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

18.4 percent were retired; and 11.0 percent were unclassified.

After the recession that ended in March 1991, the U.S. economy had continued to expand. Unemployment averaged 5.4 percent for 1996, well below the 7.3 percent recorded in 1984. The male labor force participation rate had continued to decline, to 74.9 percent in 1996, while the female rate had continued to rise, from 53.6 in 1984 to 59.3 in 1996. Women made up 45.3 percent of the U.S. workforce.

Average family income in the country had risen to \$38,983, an increase of 66.1 percent since 1984–85. The income of the average family came from the following sources: 78.4 percent (\$30,547) from wages and salaries; 5.5 percent (\$2,141) from self-employment income; 11.4 percent (\$4,434) from Social Security and from private and government retirement; 2.0 percent (\$792) from interest, dividends, and rental income; 0.5 percent (\$209) from unemployment and workers' compensation and from veterans' benefits; 1.0 percent (\$409) from public assistance; 0.7 percent (\$268) from gifts; and 0.5 percent (\$183) from other sources. (See table 24 for hourly wages in selected industries.)

The average U.S. family had an after-tax income of \$35,787, having allocated 8.2 percent of income for taxes: \$2,420 in Federal income taxes, \$655 in State and local income taxes, and \$121 for other taxes. Of all U.S. families, 5.6 percent earned less than \$5,000, 15.2 percent earned between \$20,000 and

\$29,999, and 13.8 percent earned at least \$70,000.

Average household expenditures, at \$34,312, had grown by somewhat less, 56.1 percent, over the same period. This sum would have purchased \$22,646 worth of goods and services in 1984 dollars. Consumer prices had moderated during the early 1990s, rising 5.4 percent in 1990 and then to an average of only 3.0 percent during 1996.

Expenditures for food, clothing, and housing accounted for 51.0 percent of household spending. This share, equivalent to that in 1984–85, marked the end of the decline recorded during the previous 80 years in spending on necessities. The share for food had decreased to 13.8 percent of spending (\$4,750), and clothing's share had declined to 5.1 percent (\$1,741), while the share for housing had increased to 32.1 percent (\$11,011).

In terms of home ownership status, 64 percent of Americans owned their home (38 percent with a mortgage and 26 percent without a mortgage), while 36 percent of households were renters. The estimated market value of the average home was \$74,835, which translated into an estimated monthly rental value of \$521.

Of total spending on housing, the average U.S. family allotted 56.4 percent (\$6,205) for shelter, 21.6 percent (\$2,380) for utilities and fuel, 13.0 percent (\$1,432) for furnishings and equipment, and 4.2 percent (\$459) for household supplies.

As for household food expenditures, 60.6 percent (\$2,878) went for food at home, while 39.4 percent (\$1,872) went for food away from home. One percent (\$309) of total spending was allocated for alcoholic beverages. More than a fourth of grocery spending (25.7 percent, \$740) was for meat, poultry, fish, and eggs; 16.8 percent (\$483) was for fruits and vegetables; 15.6 percent (\$450) was for cereals and baked goods; and 10.9 percent (\$313) was for dairy products. (See table 25 for retail prices of selected food items.)

Of spending on clothing, 40.2 percent (\$699) went for women's and girls' clothes, 23.9 percent (\$415) for men's and boys' clothes, 4.6 percent (\$80) for infants' clothing, 17.6 percent (\$307) for footwear, and 13.8 percent (\$240) for other apparel products and services.

As previously noted, 85 percent of U.S. families owned at least one vehicle, the average family owning 1.9. These families allotted 18.7 percent (\$6,420) of their total spending for transportation, with 8.1 percent (\$2,775) for the purchase of vehicles; 3.2 percent (\$1,090) for gasoline and motor oil; and an additional 6.3 percent (\$2,145) on other vehicle expenses, including financing and maintenance costs.

Additionally, the average U.S. household allotted 5.3 percent (\$1,806) of total spending for healthcare (with 47.3 percent or \$854 going for health insurance premiums), 5.3 percent

Table 24. Hourly wages for selected industries, United States, 1996

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
1970 .....	3.92	4.45	4.47	4.77	4.28	3.31	3.86	2.86	3.83
1979 .....	6.69	6.16	9.26	8.18	7.85	5.06	5.28	5.36	(n/a)
1996 .....	12.78	15.60	15.43	14.52	16.04	10.41	12.80	11.80	16.73

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

Table 25. Retail prices of selected foods in U.S. cities, 1996

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
1970 .....	.59	1.30	1.16	.95	.87	.61	.66
1984 .....	1.07	2.91	2.38	1.86	2.05	1.00	1.13
1996 .....	1.44	3.12	3.41	2.47	2.11	1.11	1.56

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

(\$1,824) for entertainment, 1.5 percent (\$520) for personal care products, and 2.1 percent (\$708) for reading and education. On average, families made \$971 worth of charitable contributions.

### New York City

During the 1990s, the population of New York State increased 2.5 percent to 18.0 million, which was 7.3 percent of the U.S. population. During the same period, the population of New York City increased 3.4 percent to 7.3 million, accounting for 40.6 percent of the State's residents.

There were still 2.8 million households in the city, as there had been in 1980, but the average size of these households had increased slightly, to 2.6 people. Married couples with at least one child accounted for 44.5 percent of city households, while female-headed family households accounted for 18.0 percent, and one-person households made up 32.9 percent. Nearly one-sixth of families (16.3 percent) lived below the poverty line.

Demographically, the median age of the city's residents had increased a full year, to 33.7. Roughly three-quarters (76.9 percent) of the population was 18 or older, 7.0 percent was younger than 5, and 13.1 percent was at least age 65. The male-to-female ratio was 88.5 men for every 100 women.

The percentage of city residents who were white had continued to decline and was 52.3. Blacks represented 28.8 percent of the population, and Asians, 7.0 percent. Hispanics, who can

be of any race, made up 24.4 percent. The foreign born made up 28.4 percent of residents, and 41.0 percent of the population spoke a language other than English at home.

During 1990, there were 127,000 live births in the city—an increase of 23.3 percent from 1980—and 78,000 deaths.

In terms of education, 68.3 percent of New Yorkers had 12 or more years of schooling, while 23.0 percent had earned at least a bachelor's degree—both percentages higher than in 1980.

There were 3 million housing units in the city, of which 14.7 percent were single-unit structures, and 62.2 percent had 5 or more units. Of city households, half owned their home (32 percent having a mortgage and 18 percent living mortgage free), and half rented. The estimated market value of an owned home in the city was \$101,672; the estimated monthly rental value of this home was \$664. Condominiums constituted 7.2 percent of all housing units.

The economic sector with the greatest share of jobs (17.2 percent) was retail and wholesale trade. Manufacturing represented only 11.4 percent of the city's job base. Jobs in finance, insurance, and real estate accounted for 12.3 percent of employment; jobs in health services, 10.7 percent; and jobs in public administration, 4.9 percent.

Women constituted 47.3 percent of the New York City workforce. (See chart 30.) The city's unemployment rate was 8.6 percent, but, in a reversal from 1984-85, the unemployment rate among women was higher, at 9.0 percent.

When commuting to work, 24.0 percent of city residents drove alone, 8.5 percent were in a carpool, and 53.4 percent used public transportation. A small percentage of New Yorkers (2.4) worked at home.

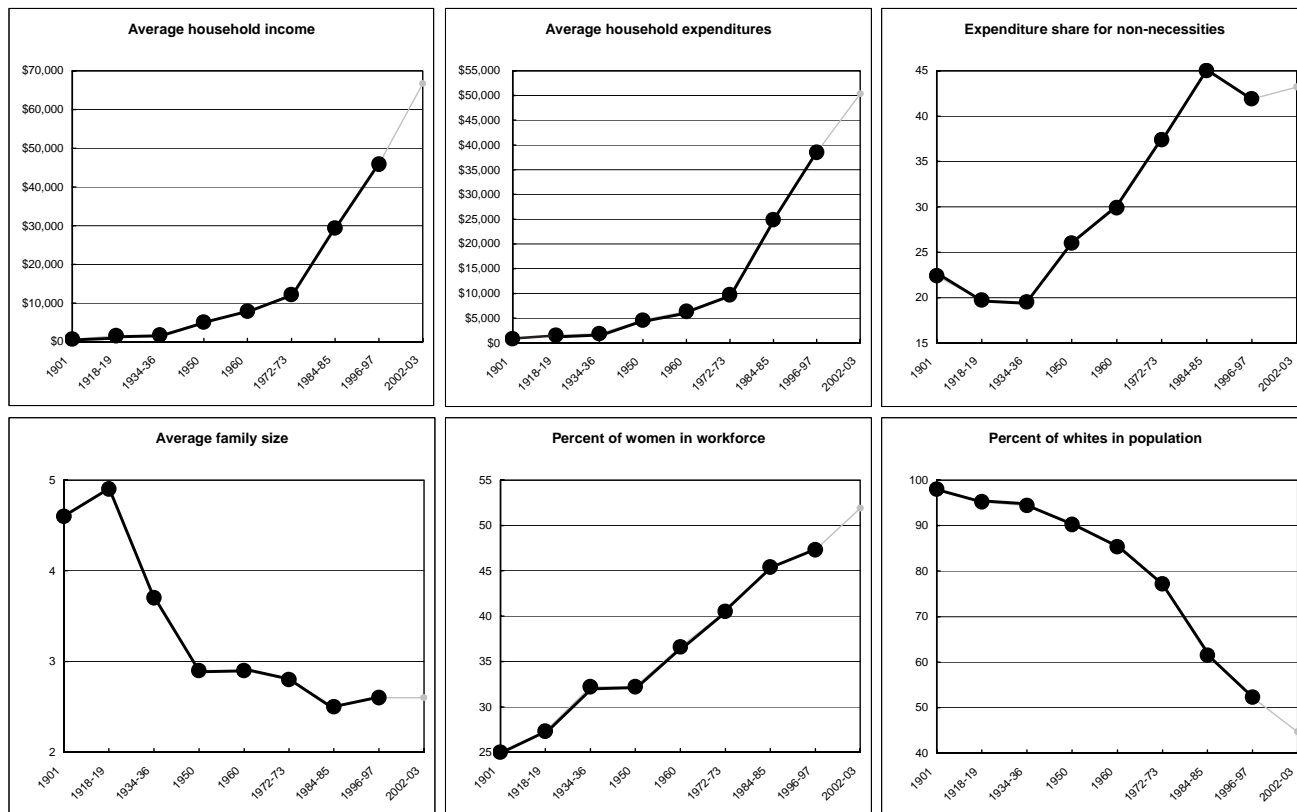
Average household income had increased 56.4 percent to \$45,877, 17.7 percent higher than the average U.S. family's income. There were many components of the average family's income: 80.8 percent (\$37,068) came from wages and salaries; 5.2 percent (\$2,396) came from self-employment; 9.7 percent (\$4,458) came from Social Security and from private and government retirement; 1.6 percent (\$713) came from interest, dividends, and rental income; 0.4 percent (\$186) came from unemployment and workers' compensation and from veterans' benefits; 1.4 percent (\$639) came from public assistance; 0.4 percent (\$201) came from gifts; and 0.4 percent (\$199) came from other sources.

The average New York City household had an after-tax income of \$42,621, having allotted 7.1 percent of income for taxes: \$2,410 for Federal income taxes, \$673 for State and local income taxes, and \$172 for other taxes.

Average household expenses had risen 54.5 percent over the decade to \$38,470, 12.1 percent greater than those of the average U.S. family. This sum would have purchased \$24,236 worth of goods and services in 1984 dollars.

Expenditures for food, clothing, and housing accounted for 58.1 percent (\$22,372) of family spending, an increase from 1984-85. The shares of food (15.4 percent, \$5,927) and cloth-

Chart 30. Economic and demographic indicators, New York City, 1996–97



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

ing (5.7 percent, \$2,211) had decreased, while the share for housing (37.0 percent, \$14,234) had increased substantially, driving up the overall proportion of family spending on these three essential items.

Of overall spending on housing, the average city household allotted 65.1 percent (\$9,267) for shelter, another marked shift from the previous decade; 17.4 percent (\$2,470) for utilities and fuel; 10.4 percent (\$1,480) for furniture and equipment; and 3.2 percent (\$455) for supplies.

Food at home accounted for 57.5 percent (\$3,410) of food expenditures, an increase from the previous decade. Of this spending, city residents allotted 28.7 percent (\$977) for meat, poultry, fish, and eggs; 19.0 percent (\$648) for fruits and vegetables; 16.5 percent (\$563) for cereals and baked goods; and 10.8 percent (\$369) for dairy products. Food away from home accounted for

42.5 percent (\$2,517) of total food spending, while spending on alcoholic beverages amounted to 1.2 percent (\$443) of total expenditures.

Of spending for clothing, 38.4 percent (\$848) went for women’s and girls’ clothes, continuing the decline recorded in the previous decade; 23.4 percent (\$518) went for men’s and boys’ clothing; 4.3 percent (\$94) for infants’ clothes; 19.0 percent (\$421) for footwear; and 14.9 percent (\$330) for other apparel products and services.

As previously noted, the average New York City family owned 1.2 vehicles, compared with 1.9 for the average U.S. household. City families allotted 13.5 percent of total spending (\$5,202) for transportation expenses, with 3.2 percent (\$1,225) allocated for the purchase of vehicles; 2.2 percent (\$847) for gasoline and motor oil; and 5.9 percent (\$2,269) for other vehicle expenses, including financing and

maintenance costs.

Additionally, New York City households allocated 4.5 percent (\$1,736) of total spending for healthcare (with 50.5 percent or \$876 of this spending allotted for health insurance), 4.7 percent (\$1,791) for entertainment, 1.6 percent (\$600) for personal care products, and 2.8 percent (\$1,066) for reading and education. New York City households gave \$923 in charitable contributions.

### Boston

By 1990, the population of Massachusetts had surpassed 6 million, gaining 4.9 percent during the preceding decade. Within the Commonwealth’s borders resided 2.4 percent of the U.S. population. During the same timeframe, the population of Boston had increased 2.0 percent to 574,000—9.5 percent of Massachusetts residents.

Demographically, the median age of

Boston residents was 30.3 years, younger than that recorded for New York City residents but a 1.4-year increase from 1980. Eight out of ten Bostonians were at least 18 years of age, with 6.4 percent younger than 5 and 11.4 percent at least 65. The male-to-female ratio was 92.5 men for every 100 women.

In Boston, the decline in the percentage of the population that was white had continued and stood at 62.8. Blacks represented 25.6 percent; Asians, 5.3 percent; and Hispanics, who could be of any race, 10.8 percent. Among city residents, 20.0 percent were foreign born, and 25.6 percent spoke a language other than English at home.

There were 228,000 households in Boston, with an average size of 2.4 people—smaller than that reported for either New York City or the country as a whole. Married couples with at least one child constituted 42.3 percent of these households, female-headed families accounted for 16.5 percent of households, and one-person households made up 35.5 percent of the total. Roughly 1 in 7 families (15.0 percent) lived below the poverty line.

During 1990, there were 9,700 live births in the city—an increase of 26.0 percent from 1980—and 5,700 deaths.

In terms of education, 75.7 percent of Bostonians had at least a high school education, while 30.0 percent had earned at least an undergraduate degree. Both proportions were higher than those recorded in New York City.

There were 251,000 housing units in the city, of which 15.8 percent were single-unit structures, and 43.0 percent contained 5 or more units. Of all city households, 61 percent owned their home (40 percent having a mortgage and 20 percent living mortgage free), while 39 percent were renters. The estimated market value of an owned home was \$104,541, while the estimated monthly rental value of the average home was \$727. Condominiums represented 11.6 percent of all housing units.

As in New York City, the manufacturing sector had continued to contract and represented only 9.9 percent of

Boston's job inventory. Of jobs in other sectors, 16.6 percent were in retail and wholesale trade; 13.3 percent were in health services; 10.8 percent were in finance, insurance, and real estate; and 5.6 percent were in public administration.

Women represented 48.5 percent of the workforce, and their unemployment rate at 8.3 percent was equivalent to the overall city unemployment rate of 8.4 percent. (See chart 31.) In commuting to work, 40.1 percent of residents drove by themselves, 10.5 percent were members of carpools, and 31.5 percent used public transportation. A small percentage of Bostonians (2.2) worked at home.

Average family income had increased 88.9 percent from a decade earlier, to \$51,616. This amount was 32.4 percent higher than average U.S. family income. The components of family income were the following: 82.7 percent (\$42,684) came from wages and salaries; 6.1 percent (\$3,130) came from self-employment income; 7.3 percent (\$3,780) came from Social Security and from private and government retirement; 1.8 percent (\$923) came from interest, dividends, and rental income; 0.4 percent (\$200) came from unemployment and workers' compensation and from veterans' benefits; 0.5 percent (\$245) came from public assistance; 1.0 percent (\$509) came from gifts; and 0.3 percent (\$145) came from other sources.

The average Boston household had an after-tax income of \$48,492, having allotted 6.1 percent of income for taxes: \$2,237 for Federal income taxes, \$855 for State and local income taxes, and \$32 for other taxes.

Average family expenses, \$37,069, had increased 54.4 percent over the preceding decade and were 8.0 percent greater than those of the average U.S. household. This amount would have purchased \$23,724 worth of goods and services in 1984 dollars.

Expenditures for food, clothing, and housing accounted for 53.6 percent (\$19,869) of spending, a proportion

equal to that allocated in 1984-85. The share for food (11.6 percent, \$4,297) had decreased over the decade, while the share for clothing (5.3 percent, \$1,956) had remained level, and the share for housing (36.7 percent, \$13,616) had increased.

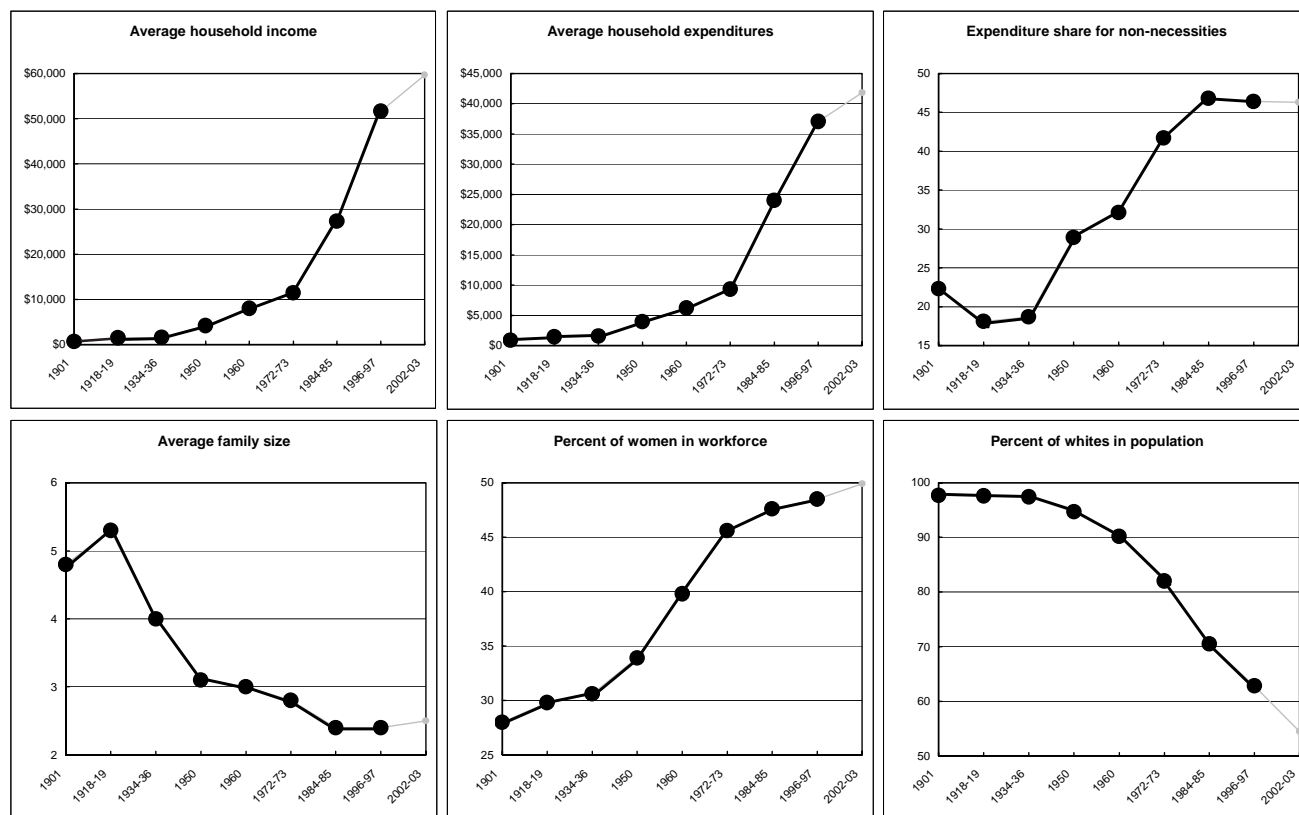
For housing, the average Boston family devoted 61.5 percent (\$8,377) of expenditures to shelter, 18.5 percent (\$2,514) to utilities and fuel, 7.3 percent (\$999) to household operations and supplies, and 12.7 percent (\$1,727) to household furnishings and equipment.

Of total spending for food, food at home accounted for 54.1 percent (\$2,325), an increase from the previous decade. Boston families allocated 25.5 percent (\$594) of grocery purchases for meat, poultry, fish, and eggs; 18.7 percent (\$435) for fruits and vegetables; 17.1 percent (\$397) for cereals and baked goods; and 12.1 percent (\$281) for dairy products. Food away from home accounted for 45.9 percent (\$1,972) of total food spending, a decrease from 1984-85, while 1.2 percent (\$427) of total expenditures went for alcoholic beverages.

Because of falling apparel prices, expenditure shares on clothing in both New York City and Boston had declined, although overall spending on clothing had increased from 1984 levels. Of clothing spending, 40.5 percent (\$793) went for women's and girls' clothes, 21.2 percent (\$414) went for men's and boys' clothing, 5.8 percent (\$114) for infants' clothes, 10.6 percent (\$207) for footwear, and 21.9 percent (\$428) went for other apparel products and services.

The average Boston household owned 1.8 vehicles, more than the average for New York City families, but less than the average for all U.S. households. Families allocated 18.1 percent (\$6,698) of their total spending for transportation, with 7.2 percent (\$2,656) going to the purchase of vehicles; 2.8 percent (\$1,056) to gasoline and motor oil; and 6.3 percent (\$2,334) to other vehicle expenses,

Chart 31. Economic and demographic indicators, Boston, 1996–97



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

including financing and maintenance costs.

Additionally, Boston households allotted 4.7 percent (\$1,753) of total spending for healthcare (with 57.2 percent or \$1,002 of this spending allotted for health insurance), 5.4 percent (\$1,995) for entertainment, 1.2 percent (\$461) for personal care products, and 2.3 percent (\$862) for reading and education. Boston households gave \$581 in charitable contributions.

### Perspective

By the mid-1990s, the U.S. economy was in an expansionary cycle, fueled by the dot-com stock market bubble. During the previous decade, household incomes had increased by 66 percent nationwide, but by only 56 percent in New York City and by 89 percent in Boston. Family incomes in Boston were 12.5 percent higher than in New

York City, a shift from previous decades, but New Yorkers spent 4 percent more than did Boston families.

On average, U.S. families spent 96 percent of their after-tax incomes, and New York City families spent 90 percent, while Boston families spent only 76 percent.

Compared with incomes, prices throughout the country had exhibited a more moderate increase. For example, during the previous decade, the cost of 5 pounds of flour had increased 35 percent and the cost of a dozen eggs had risen 11 percent, while the cost of butter had decreased 3 percent.

Families in the country as a whole and in Boston found that the share they spent on necessities equaled what they had spent in the previous decade; New York City families, however, were able to allocate slightly less (3 percent). Distinct shifts took place in the composition of spending for necessities.

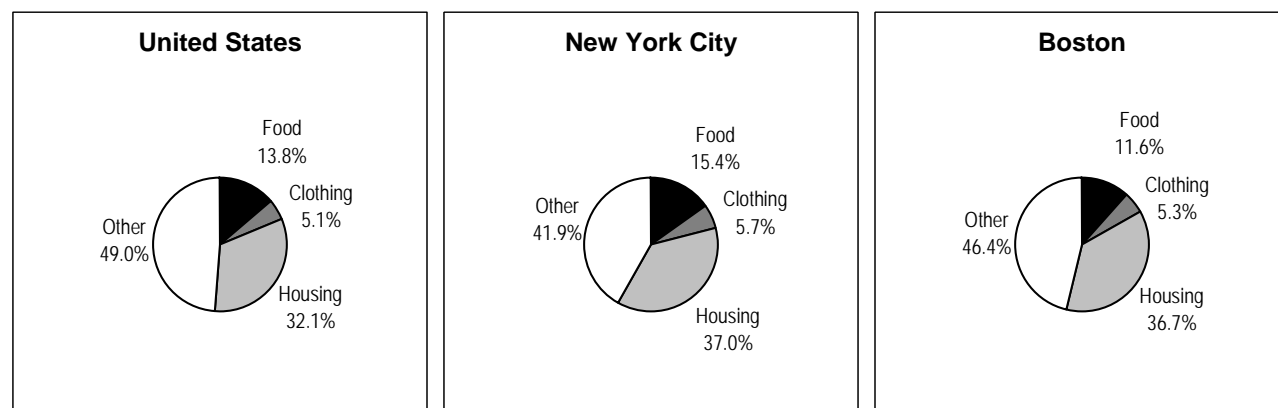
New York City families allocated a greater share of their spending for food (15 percent) than did Boston families (12 percent). (See chart 32 and table 26.) New Yorkers also spent more for food at home, while Bostonians had higher expenditure shares for restaurant meals.

Of grocery store purchases, New York City households allocated greater shares for meat, poultry, fish, and eggs than did Boston families, but smaller shares for dairy products and for cereals and baked goods.

Although households in New York City and in Boston allocated equivalent shares of their expenditures for housing, New Yorkers allotted a greater share of their housing budget for shelter. More New York City families rented than did their Boston counterparts.

Expenditure shares for apparel were similar between New York City and Boston. New Yorkers, however, allot-

Chart 32. Expenditure shares, United States, New York City, and Boston, 1996-97



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

Table 26. Expenditures and expenditure shares, United States, New York City, and Boston, 1996-97

Item	United States		New York City		Boston	
	Expenditures	Shares	Expenditures	Shares	Expenditures	Shares
Food .....	\$ 4,750	13.8	\$ 5,927	15.4	\$ 4,297	11.6
Alcoholic beverages .....	309	.9	443	1.2	427	1.2
Housing .....	11,011	32.1	14,234	37.0	13,616	36.7
Apparel and services .....	1,741	5.1	2,211	5.7	1,956	5.3
Transportation .....	6,420	18.7	5,202	13.5	6,698	18.1
Healthcare .....	1,806	5.3	1,736	4.5	1,753	4.7
Entertainment .....	1,824	5.3	1,791	4.7	1,995	5.4
Personal care products and services .....	520	1.5	600	1.6	461	1.2
Reading and education .....	708	2.1	1,066	2.8	862	2.3
Tobacco .....	259	.8	224	.6	259	.7
Miscellaneous .....	851	2.5	822	2.1	719	1.9
Cash contributions .....	971	2.8	923	2.4	581	1.6
Personal insurance and pensions .....	3,142	9.2	3,291	8.6	3,444	9.3
Average income per family .....	38,983		45,877		51,616	
Average expenditures, all items .....	34,312		38,470		37,069	

NOTE: Itemized expenditures are not all-inclusive and may differ from total expenditures. Expenditure shares do not add to 100 due to rounding.

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

ted a smaller share of their clothing spending for women's clothing and more for men's clothing than did Bostonians.

Again, increases in standards of living permitted families throughout the country and in New York City and Bos-

ton to spend more than in previous decades for entertainment, recreation, education, reading, and personal care.

Besides the economic changes noted above, demographic changes were underway. The country was aging, with the median age in the United

States having increased to 32.9, in New York City to 33.7, and in Boston to 30.3 years. Women represented 45 percent of the U.S. workforce, and average family size continued to decline, as did the percentage of whites in the population. ■