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Outlook for Family Living in 1964

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Outlook for Family Living in 1964

Most consumers found 1963 a good year. There was an abundant supply of food, except citrus fruit that was damaged by freeze. All other necessities for family living have been available in a goodly quantity and at prices most consumers could afford.

On an average, consumer incomes after taxes were nearly 5% above 1962. Cost of living items have continued their upward trend; however, these prices have not risen as much as incomes.

More people are working full time than in 1962. The highest unemployment rate is for young people under 20 years of age.

During 1963, congressional activities for benefit of consumers were carried on. These included—investigation of drugs and drug prices, —hearings on pesticides and truth in packaging and truth in lending, —appointment of an assistant secretary of Marketing and Consumer Services.

During 1964 net farm income is likely to be lower. However, other incomes are expected to increase at about the same rate as in 1963.

Consumer surveys made during the summer and fall reported plans to purchase more durable goods in 1964 than were planned a year earlier. Another good auto year seems to be under way.

The anticipated rise in economic activity should bring a further increase in total employment.

In 1963, red meat consumption per person totaled about 170 pounds, up 4% from 1962. Most of this increase is in beef—95 pounds per person. The outlook for 1964 is for total meat consumption to remain near 1963 levels.

Retail food prices for 1963 are running about 1½% ahead of 1962. Retail food prices in 1964 will likely continue upward.

New packaging developments. One company has developed squeeze food tubes for the baby feeding trade. An aluminum squeeze tube has been fitted with a hollow handled plastic spoon which can be attached to the neck of the tube. Presto! You have what appears to be a convenient and highly imaginative package for feeding infants and bedridden patients.

Easy to open cans for beverages and improvement of aluminum containers appear to be giving the metal can a new lease on life. However, improved glass containers as well as plastic and paper packaging materials are being developed rapidly, as are edible coatings for food products.

New food products and processing. Built in chef as well as maid service using exotic recipes are being prepared in the factory. Today 51 kinds of processed potato products are sold. This does not include different brands but only different products! A frozen avocado salad has been developed as an outlet for avocados unsuited for fresh markets. Instant sweet potato flakes are now a reality.

Housing, Household Furnishings and Equipment

Housing. Maintaining the home takes a larger share of total spending than any other category. In 1960, 30% of the total living expenditures of urban families was for housing, including furnishings, equipment, and household operation.
Although by no means as common as the second car, the second home is considered to be on the increase. Vacation homes are estimated to be 6% of our total housing. For rural communities that are situated so that they have or can develop recreational facilities, vacation home developments could well provide the business needed to bolster income.

Labor costs have been moving upward in the 1960's. Average hourly earnings of workers in general building contracting were 4% higher in May 1963 than a year earlier.

Consumer prices for housing have risen moderately in the 1960's. Rents increased 1%, prices for gas and electricity showed no changes, solid and petroleum fuels increased 2%. Prices for house furnishings remained about the same. Homeowners' property insurance rates increased 3%, and interest rates on first mortgages declined 1% in the year ending in June 1963. There has been a slight decline in interest rates in 1963 on housing loans and considerable liberalization of terms.

A number of new methods and materials may benefit the consumer. Among methods and products designed to reduce hand labor and on-site construction costs are all-steel foundations, factory applied finishes to siding (one carries a 15-year guarantee), prefabricated sections that can be locked into place, molded plastic shower installations, and plastic piping for wastes and water lines.

Other new products available are: vinyl coated steel doors with foam plastic cores that resist warping, keep a permanent finish, and offer better insulation; pushbutton water system that controls temperature, pressure, and water flow and is reputed to eliminate leaks and dripping. Many anti-corrosive, anti-stain and water resistant materials are available for items ranging from utility connections, water heaters, and flues to kitchen cabinet surfaces.

The building industry is looking forward to a really big boom beginning somewhere between 1965 and 1970 when the World War II baby crop is having babies and looking for houses.

**Furnishings and equipment.** Buying furniture and appliances corresponds closely to housing activity—sales of household appliances, TV, and radio were 7% greater in June 1963 than June 1962.

Installment plans users now find that down payments are either not required or have been reduced. Payments for large appliances and furniture at some retail stores may now be stretched over 36 months instead of the usual 24.

New developments in appliances include an electric range with an easy-to-care-for feature—an oven with removable side and back panels coated with a non-stick material. Another cleans the oven by operating at a temperature of approximately 900 degrees during the cleaning period. It reduces oven soil to ash that is easily removed.

Electronic advances developed for guided missiles are being applied to automatic washers. High cost and other development problems limit use at present.

New items in small appliances are an iron with its own headlight for showing the user where wrinkles are and a cordless electric mixer with a rechargeable battery pack.

Beginning on May 1, 1964, all TV receivers manufactured must be of the all-channel type to permit receiving U. H. F. (ultra-high-frequency) telecasts. Price increases are estimated to be $20 to $30 per set.

Color television is supposed to be ready for the great breakthrough. Sets were reduced in price this past year.

**TEXTILES AND CLOTHING**

Overall wholesale prices of apparel and footwear have changed little in the past year. Little change is expected in retail prices in the immediate future.

In the household textile field, wholesale prices of wool and part-wool blankets increased almost 4%, while cotton house furnishings fell almost 2%.

Improvements in cotton garments are being made. All-cotton stretch fabrics made into garments provide increased comfort. Look for this material in nurse’s uniforms, blouses, sport and dress shirts, pants and slacks, corduroy garments, and socks. A washwear treated interliner is being developed. Used in collars and cuffs of men’s wash-wear shirts, it may result in longer service life.

Stretch wool fabrics are being used to provide additional comfort and better shape retention in men’s suits, slacks, and jackets. Wool sweaters and blankets that can be machine washed are appearing on the market, as are permanently pleated wool skirts and permanently creased slacks and trousers.

Spandex fibers that have been used in foundation garments and swimsuits are being used in stockings for women who suffer from leg fatigue.

Nylon fibers with a softer feel are going into women’s dresses. A type of nylon that can be molded cheaply into permanent shapes is decreasing prices of high-quality brassieres.

Nonwoven fabrics are being used for disposable bed sheets and pillow cases for hospitals. They are said to cost less than the price of laundering those made of cotton.
A new textile finish that is claimed to provide oil and water repellency and stain resistance is to be used first in men's and women's top-quality raincoats and outerwear, draperies, and slip covers.

Fabric shoes with plastic soles molded onto the finished uppers are appearing in national chain stores.

**TRANSPORTATION**

About four out of five households have a car. This undoubtedly accounts for the fact that on an average more than $1 out of every $10 goes for the purchase and operation of an automobile.

The second car has become the accepted standard in many households. This second car is not necessarily a small car or a used one. Some families prefer to have a new standard sized car. This adds to the original expenditure. Having more than one car to operate means spending more for licenses, taxes, and depreciation. With a second car a family probably drives more miles. This means spending more for gas, oil, repairs, and tires.

Automobile riding and sight-seeing and relaxation leads in outdoor recreation activities, according to a recent report from the Outdoor Recreation Resources Review Commission.

Between 1952 and 1962, new car prices increased about 10%. Since more and more cars are equipped with such features as automatic transmission and power steering, the average price paid has, of course, increased more than this.

Operating costs of automobiles increased between 1952 and 1962. Price increases ranged from 21% for gasoline to 42% for insurance. Tires were the only item in the automotive group that went down in price. Tire prices fell about 7%.

About 60% of the new passenger cars were bought on credit in each of the last 3 years. The average repayment period for new car installment contracts has increased. A large proportion of the contracts are for 36 months. On used car contracts the repayment period has been lengthening also. Many late-model used car contracts have been for 36 months.

Prices of 1964 models of automobiles are generally the same as for comparable 1963 models. This is in spite of price increases in labor and some basic materials that go into a car.

Indications point to an increase in the number of families with two or more cars. In 1964, there will be a new group of 16-year-olds qualifying as drivers. Some of these new drivers will work hard to convince their families that it is a good idea to have a second car.

**MEDICAL CARE**

In the years ahead, people will be buying more medical care and paying higher prices for it.

The explanation for increased spending for medical care is:

1. **Prices** for medical care rose 56% between 1950 and 1962. Prices of all types of medical care have not risen at the same rate. Hospital rates have shown one of the steepest rises and are currently going up sharply. The price of hospitalization insurance over this period has gone up even more.

2. **Changing needs.** The need for medical care increases with age. Older people need more of the expensive kinds, like hospital care. In the latter part of the 1960's it is probable that there will be another baby boom of considerable size.

3. **Increased ability to pay for medical care.** As income increases, the pressure to provide food, housing, and clothing becomes less severe and more money is available for other items of family living.

4. **Changing practices and standards.** There have been tremendous developments in medical science. The new drugs, the more elaborate diagnostic procedures, the team approach to the treatment of disease, and the new surgical procedures, all cost more. The general public wants a high level of care and is willing to pay for it even though there may be loud protests about the cost. Some new developments:

   The Kerr-Mills Act provides medical assistance for the aged through grants-in-aid to states as a part of the public assistance program.

   The administration proposes a somewhat similar program but ties it to Social Security both as to eligibility and financing.

Making health insurance more available to those over 65 years of age, guaranteed insurance for those over 65.

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