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[1976]

TOTAL FERTILITY RATE

(BIRTHS PER 1,000 WOMEN IN THEIR LIFETIME)

RATE

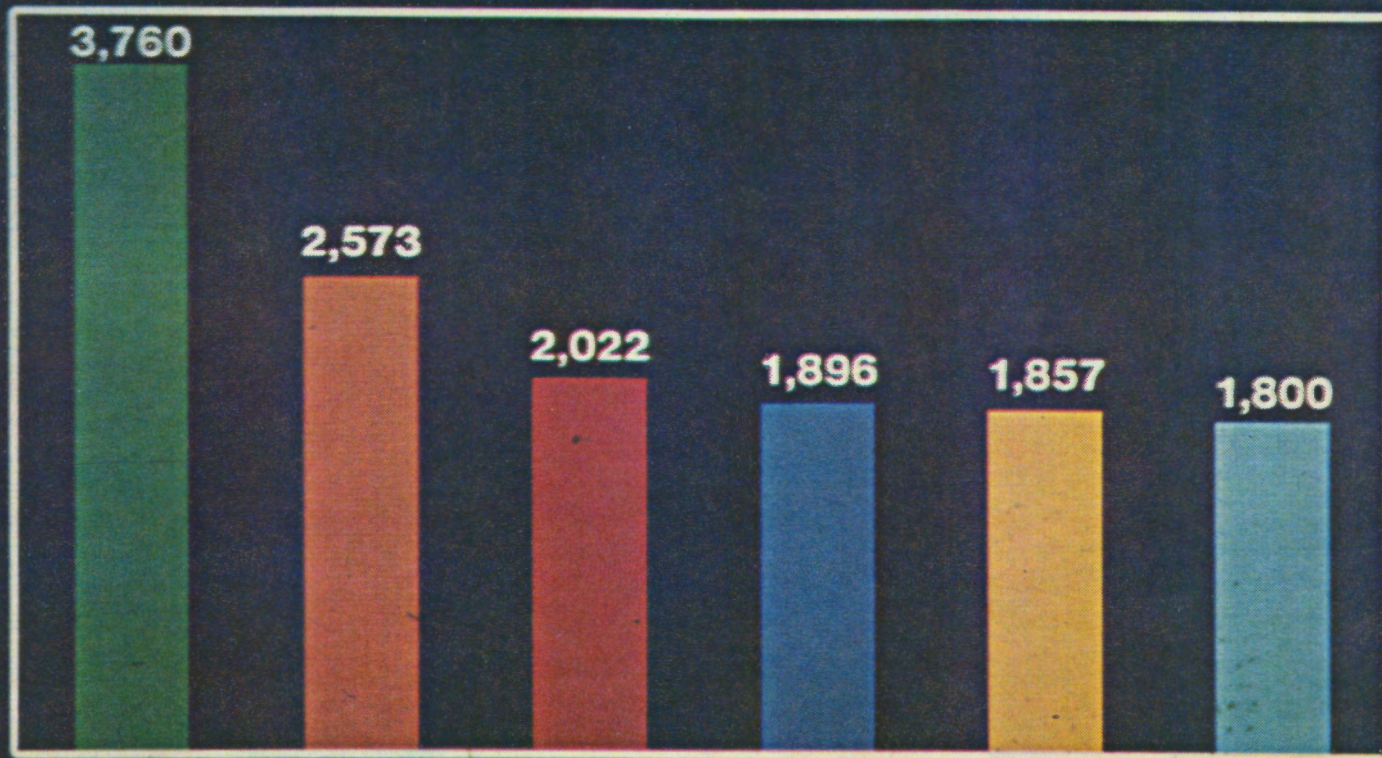
4,000

3,000

2,000

1,000

0



1957

1967

1972

1973

1974

1975

BIRTH EXPECTATIONS OF WIVES 18 TO 24 YEARS OF AGE (BIRTHS PER 1,000 WIVES IN THEIR LIFETIME)

NUMBER

3,000

2,500

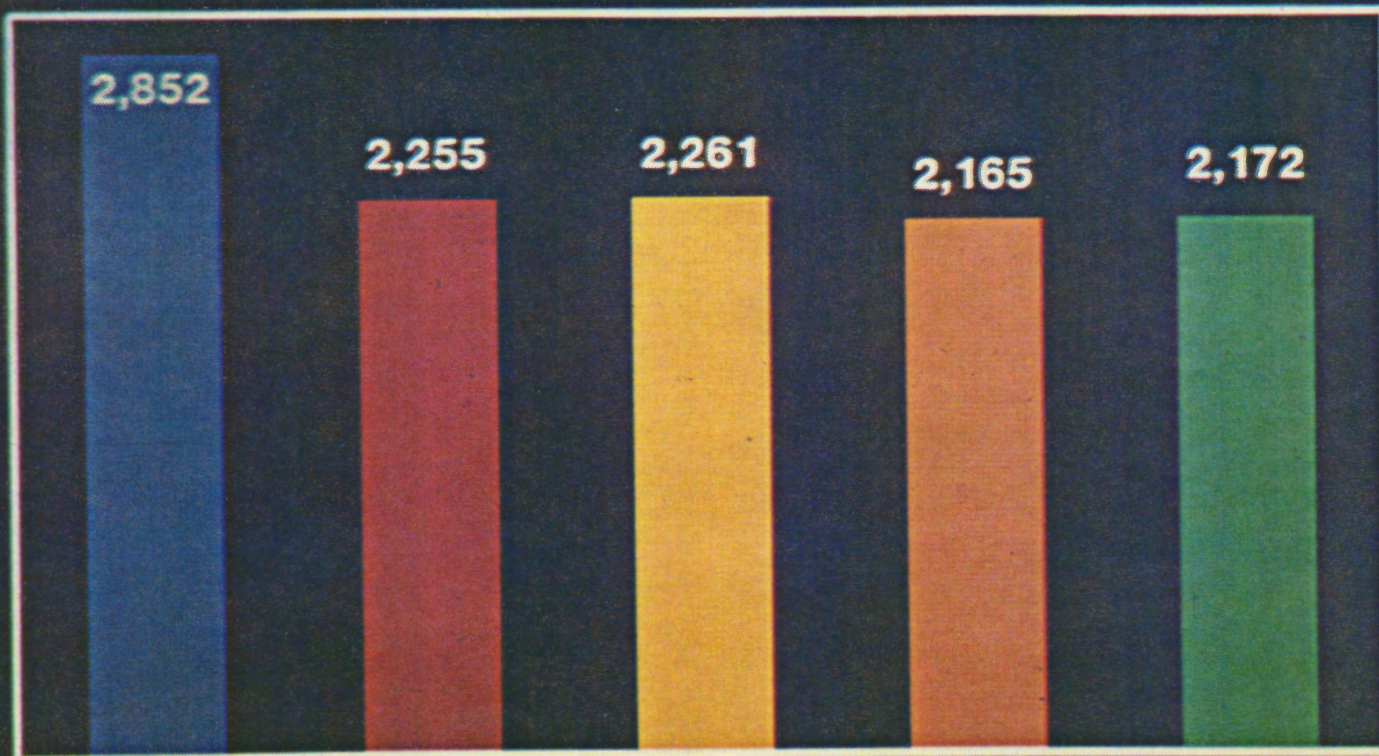
2,000

1,500

1,000

500

0



1967

1972

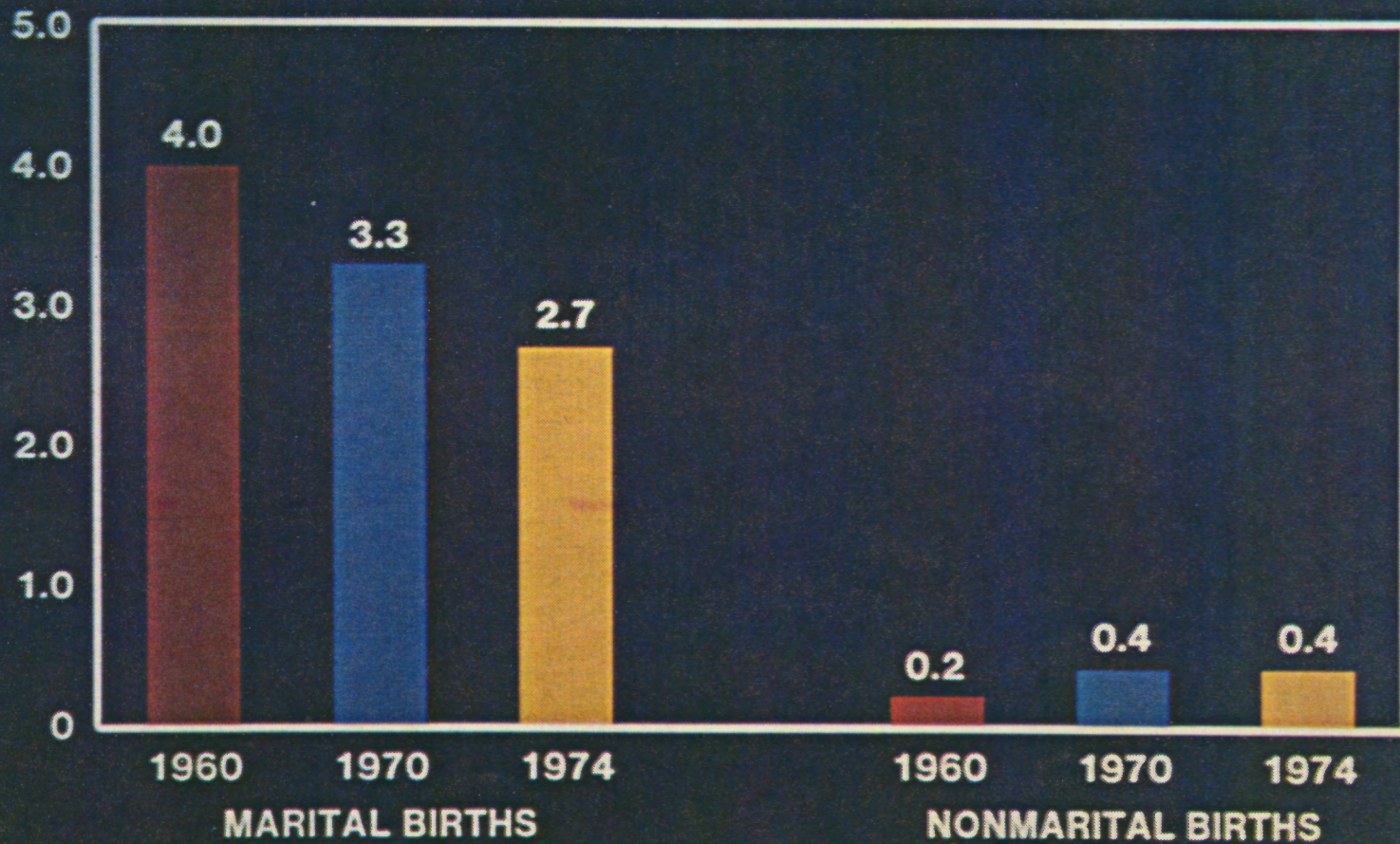
1973

1974

1975

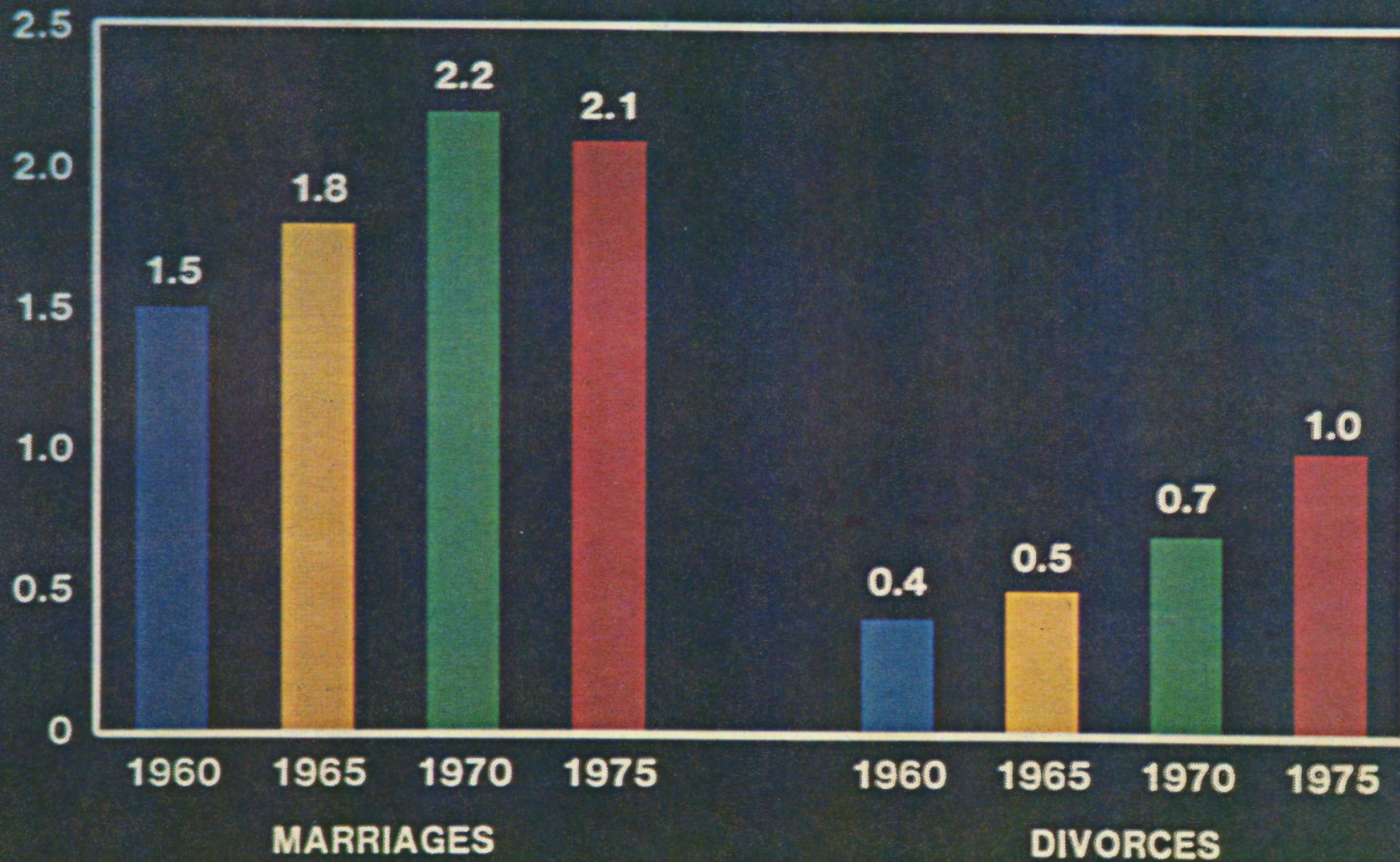
MARITAL AND NONMARITAL BIRTHS

MILLIONS



MARRIAGES AND DIVORCES

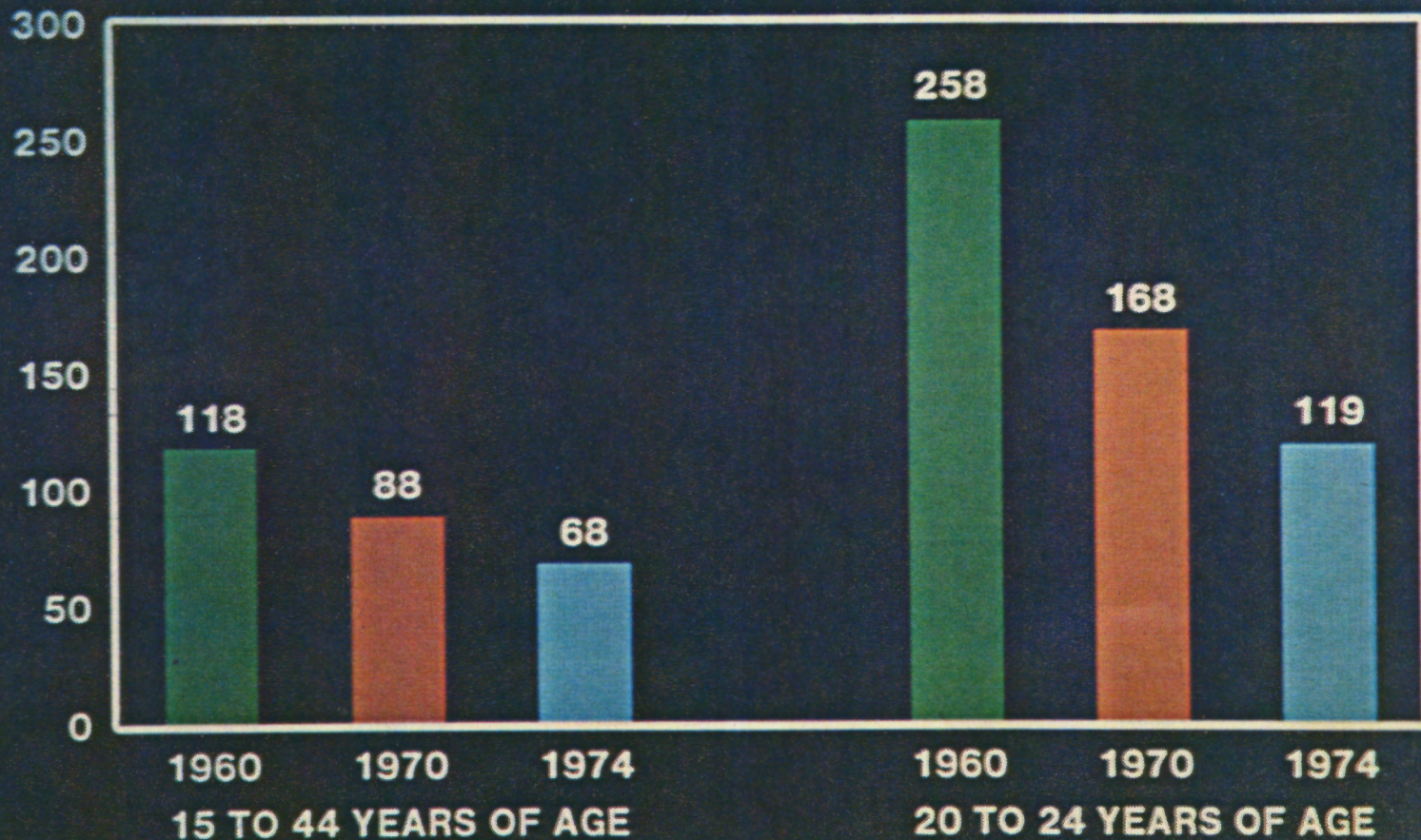
MILLIONS



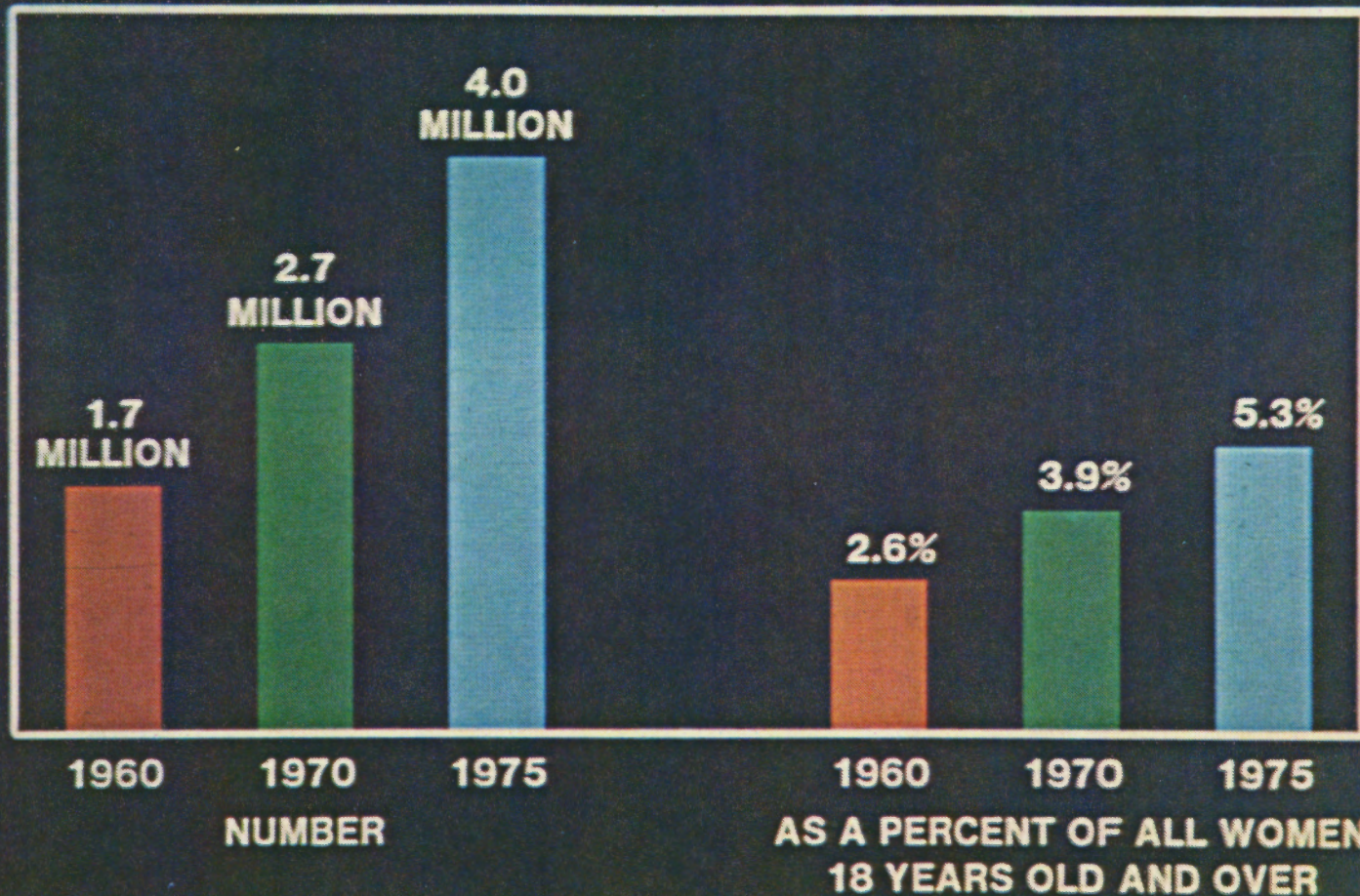
GENERAL FERTILITY RATE

(BIRTHS PER 1,000 WOMEN)

NUMBER



DIVORCED WOMEN 18 YEARS OLD AND OVER



PERCENT CHANGE IN ALL FAMILIES AND HUSBAND-WIFE FAMILIES, TOTAL AND BLACK POPULATION

PERCENT
CHANGE

40%

30%

20%

10%

0

TOTAL POPULATION

BLACK POPULATION

+14.4%

+13.8%

+16.0%

+10.0%

+30.2%

+6.0%

ALL
FAMILIES

H-W
FAMILIES

ALL
FAMILIES

H-W
FAMILIES

ALL
FAMILIES

H-W
FAMILIES

PERCENT
CHANGE:

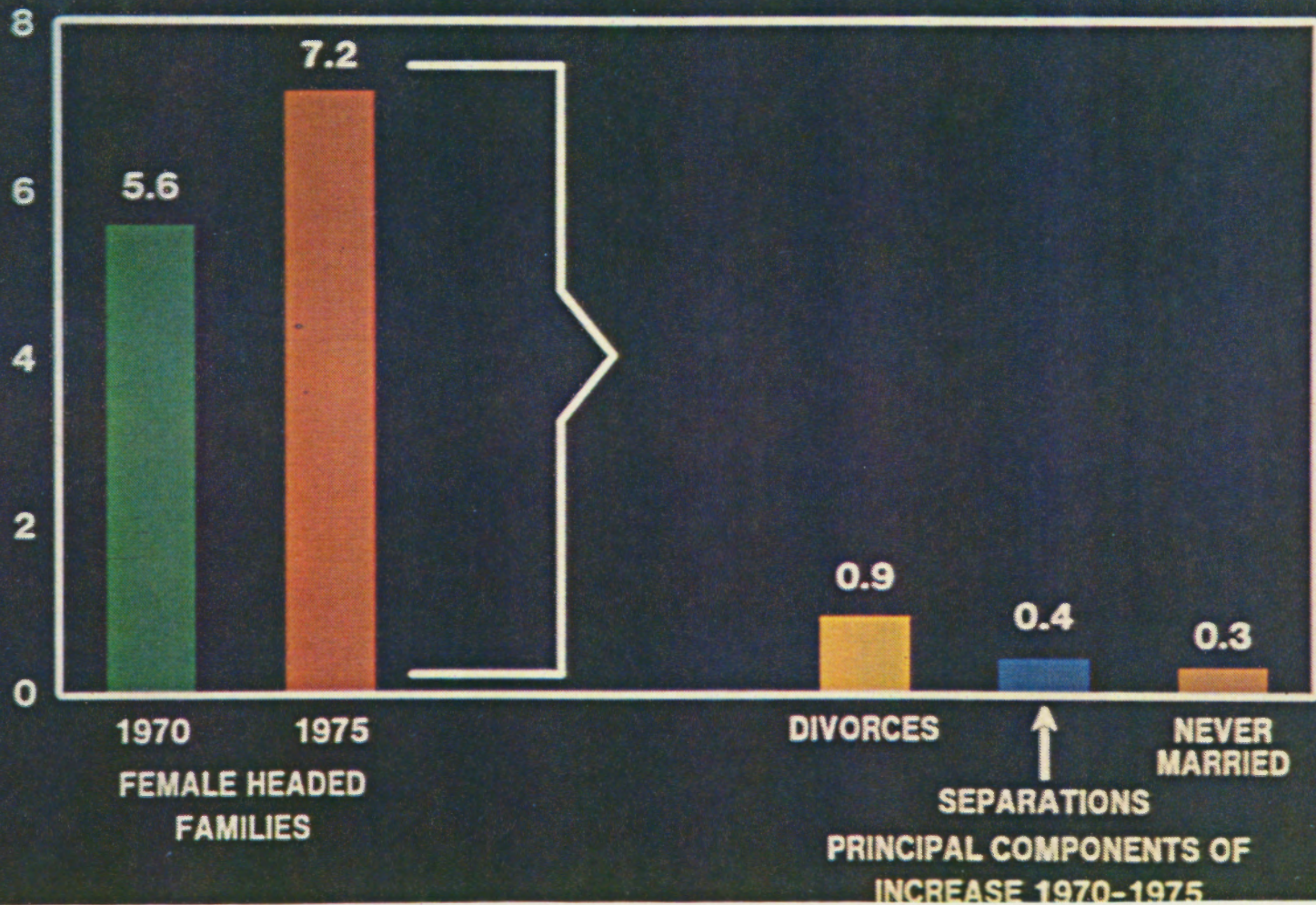
1960 TO 1970

1970 TO 1975

1970 TO 1975

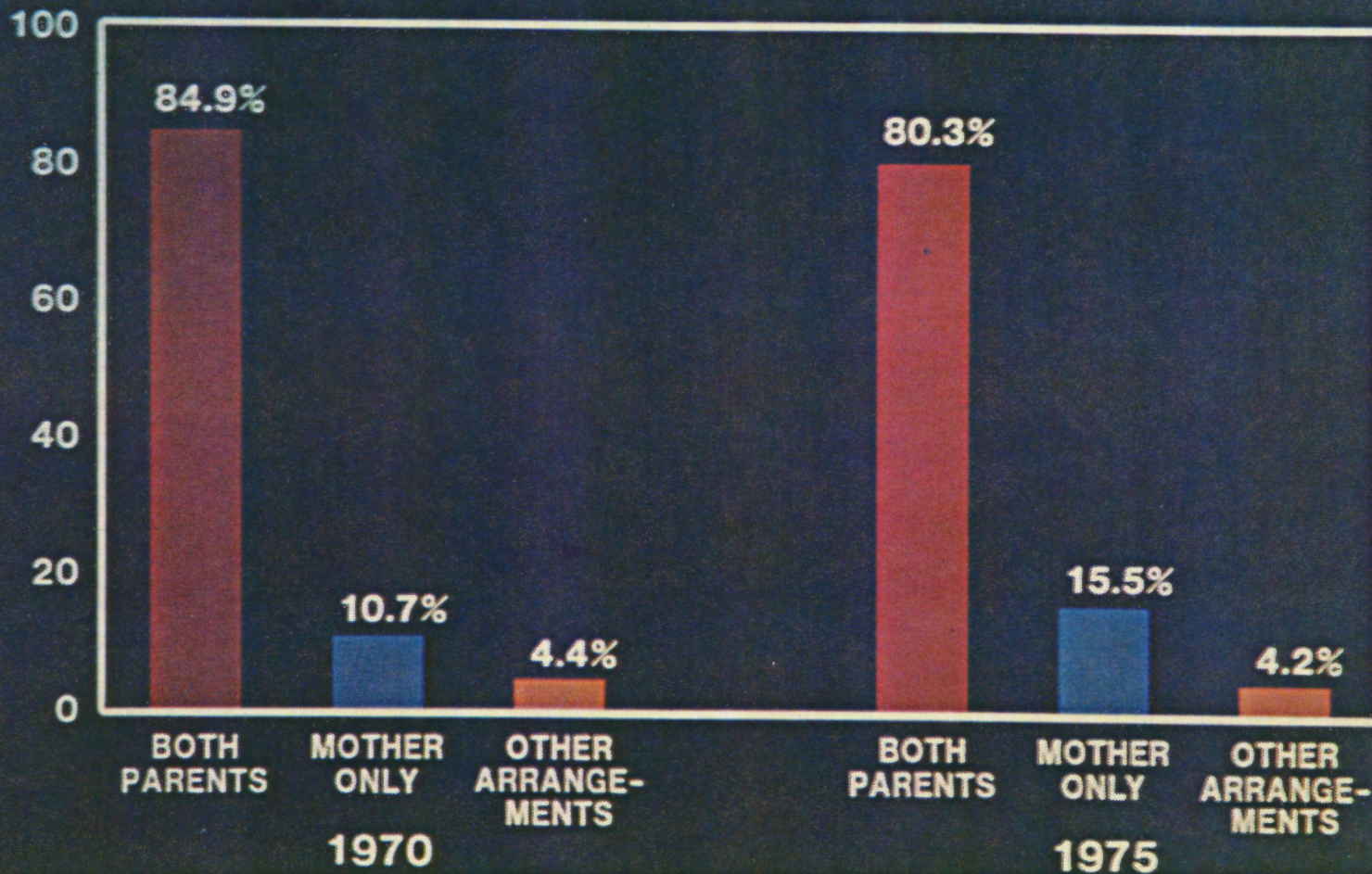
INCREASE IN FAMILIES HEADED BY FEMALES

MILLIONS



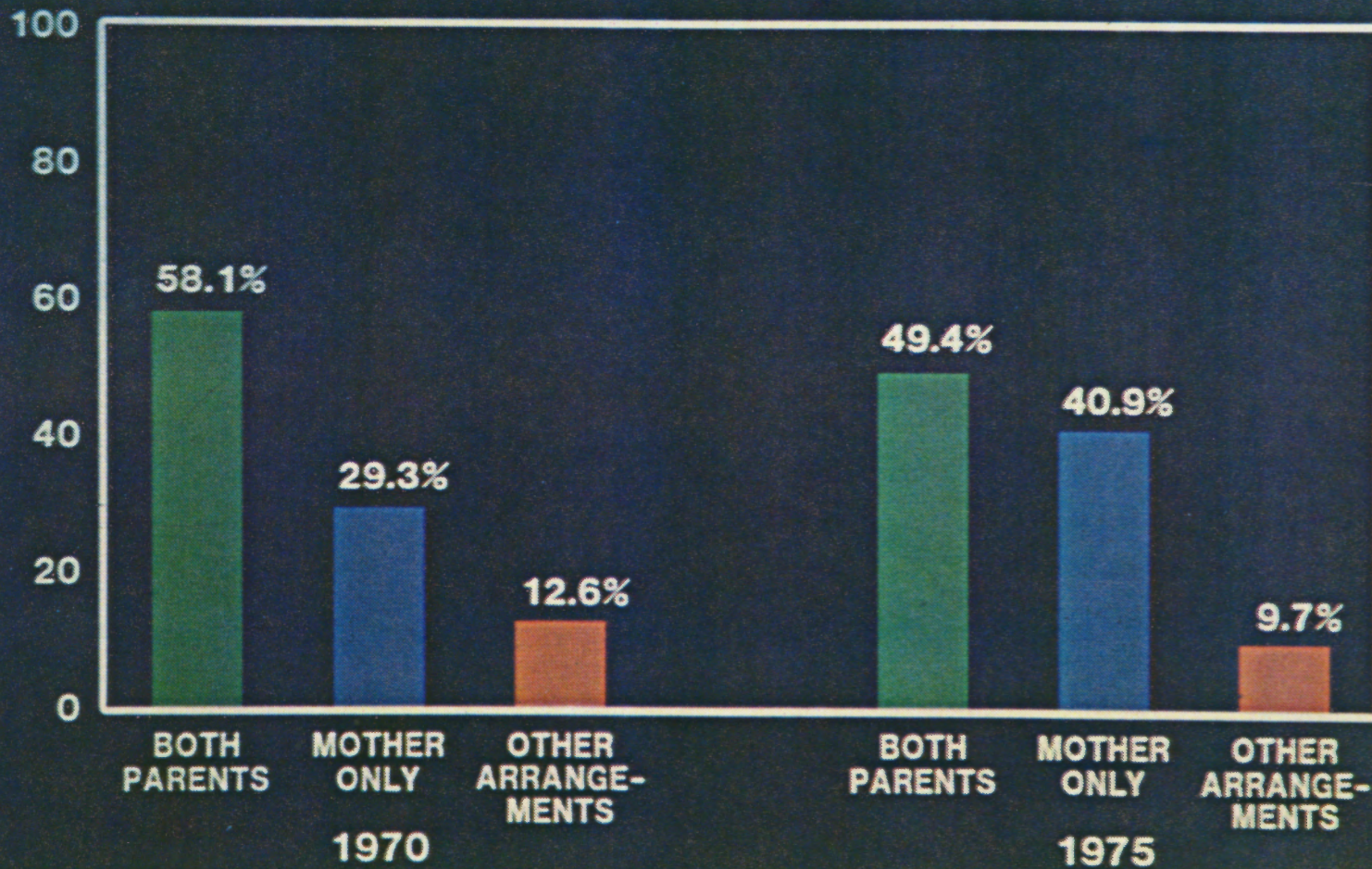
PERCENT OF ALL CHILDREN LIVING IN FAMILIES, BY TYPE OF ARRANGEMENT

PERCENT



PERCENT OF BLACK CHILDREN LIVING IN FAMILIES, BY TYPE OF ARRANGEMENT

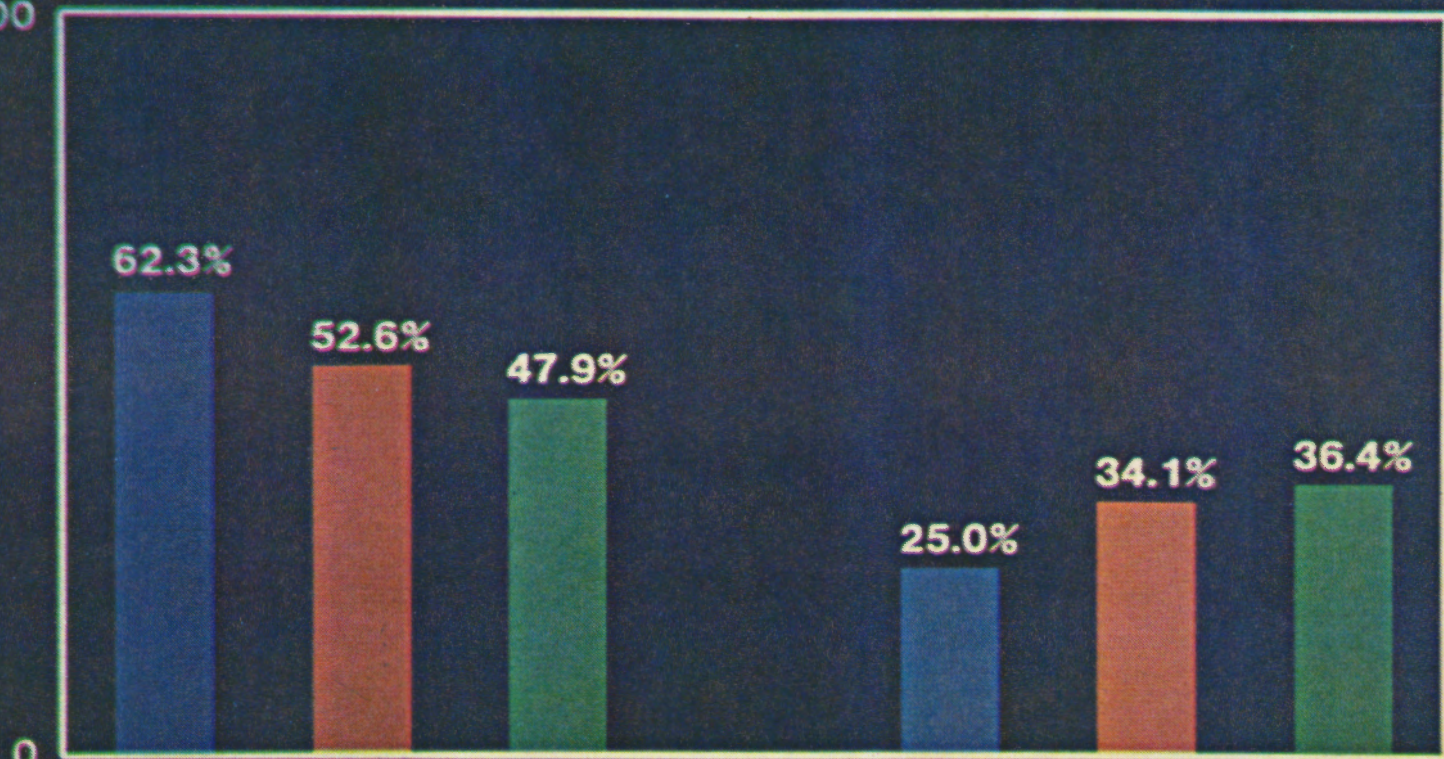
PERCENT



PERCENT HUSBAND-WIFE FAMILIES, IN OR NOT IN PAID LABOR FORCE, OF ALL FAMILIES

PERCENT

100



1960

1970

1975

NOT IN PAID
LABOR FORCE

1960

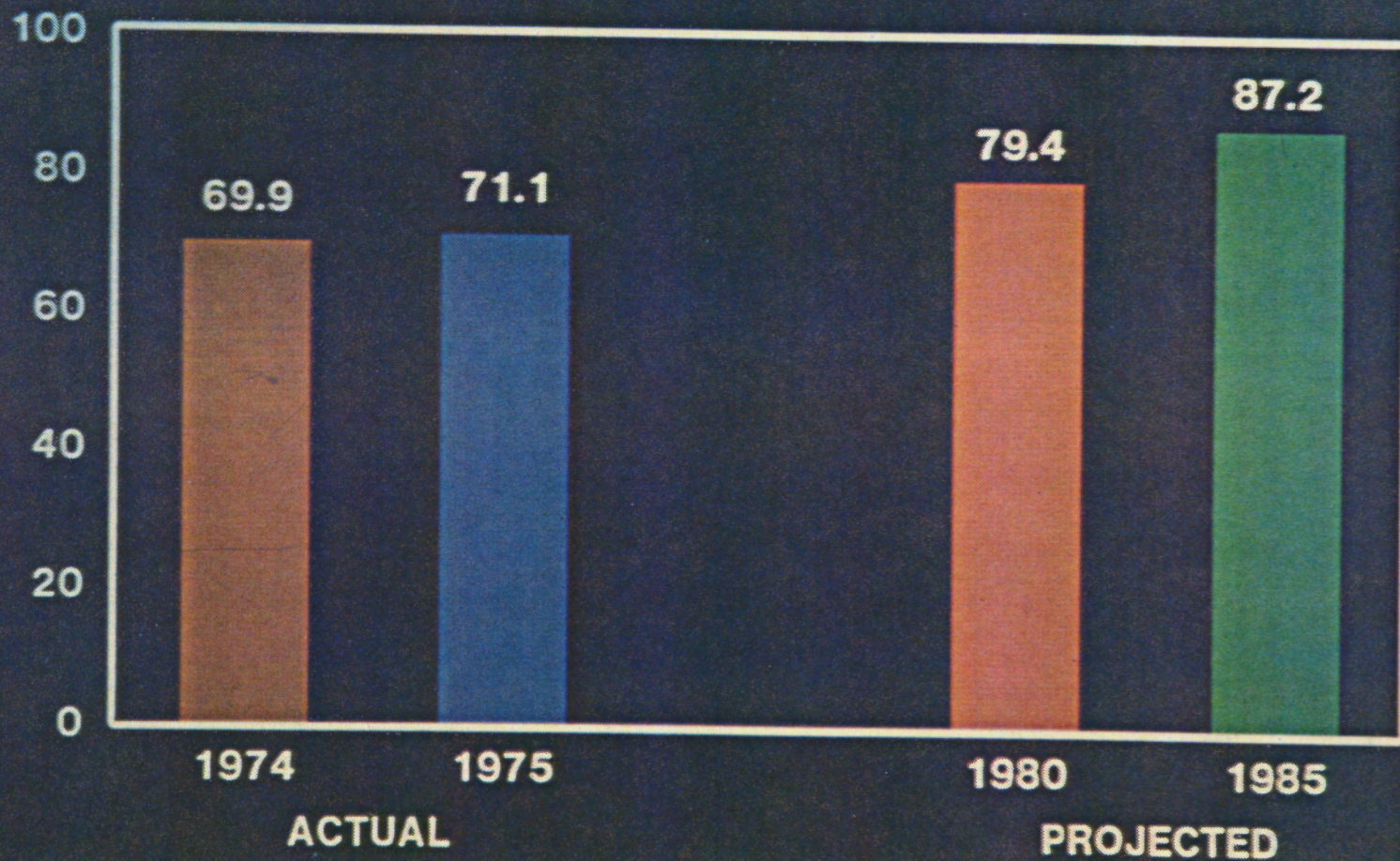
1970

1975

IN PAID
LABOR FORCE

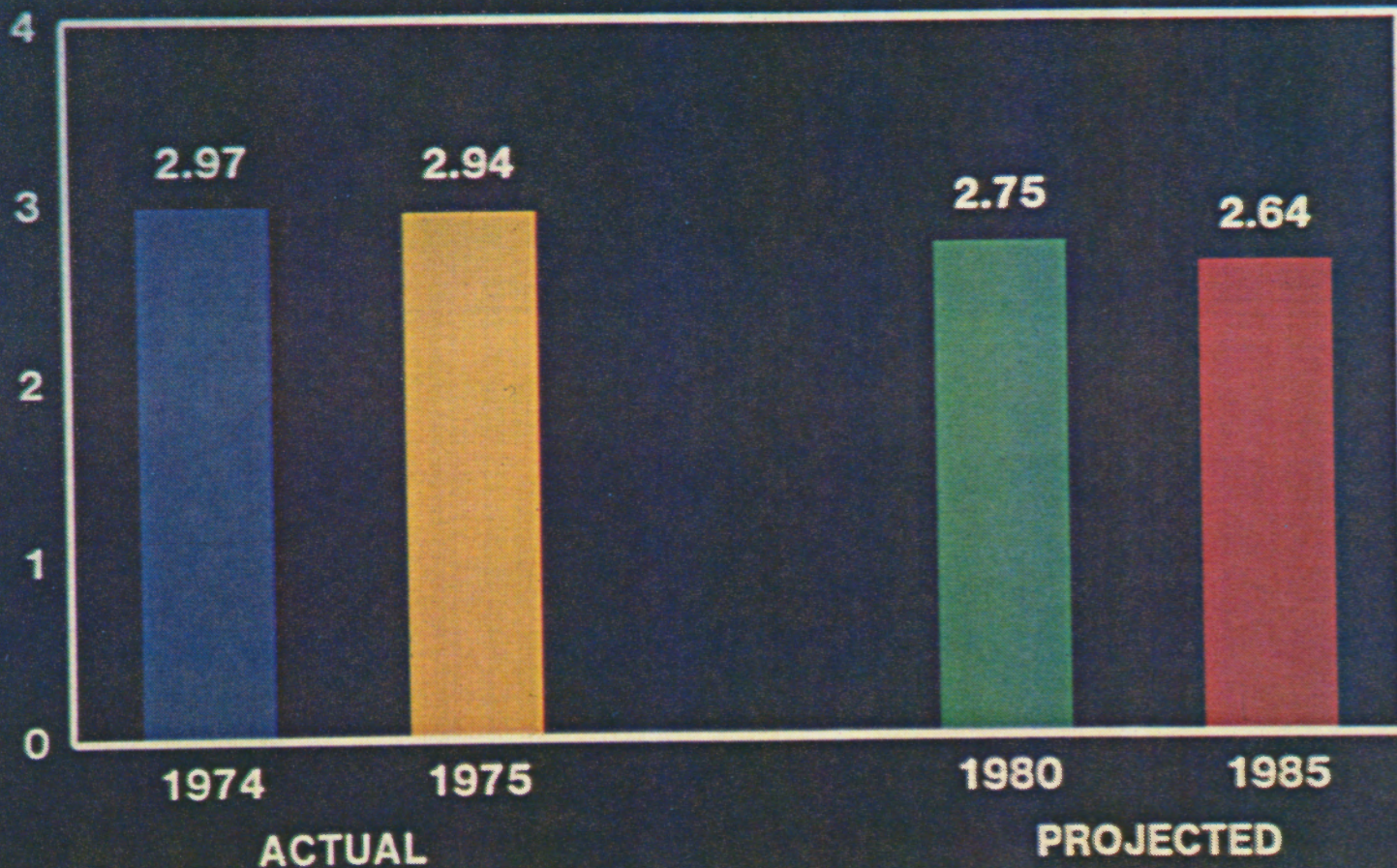
NUMBER OF HOUSEHOLDS

MILLIONS



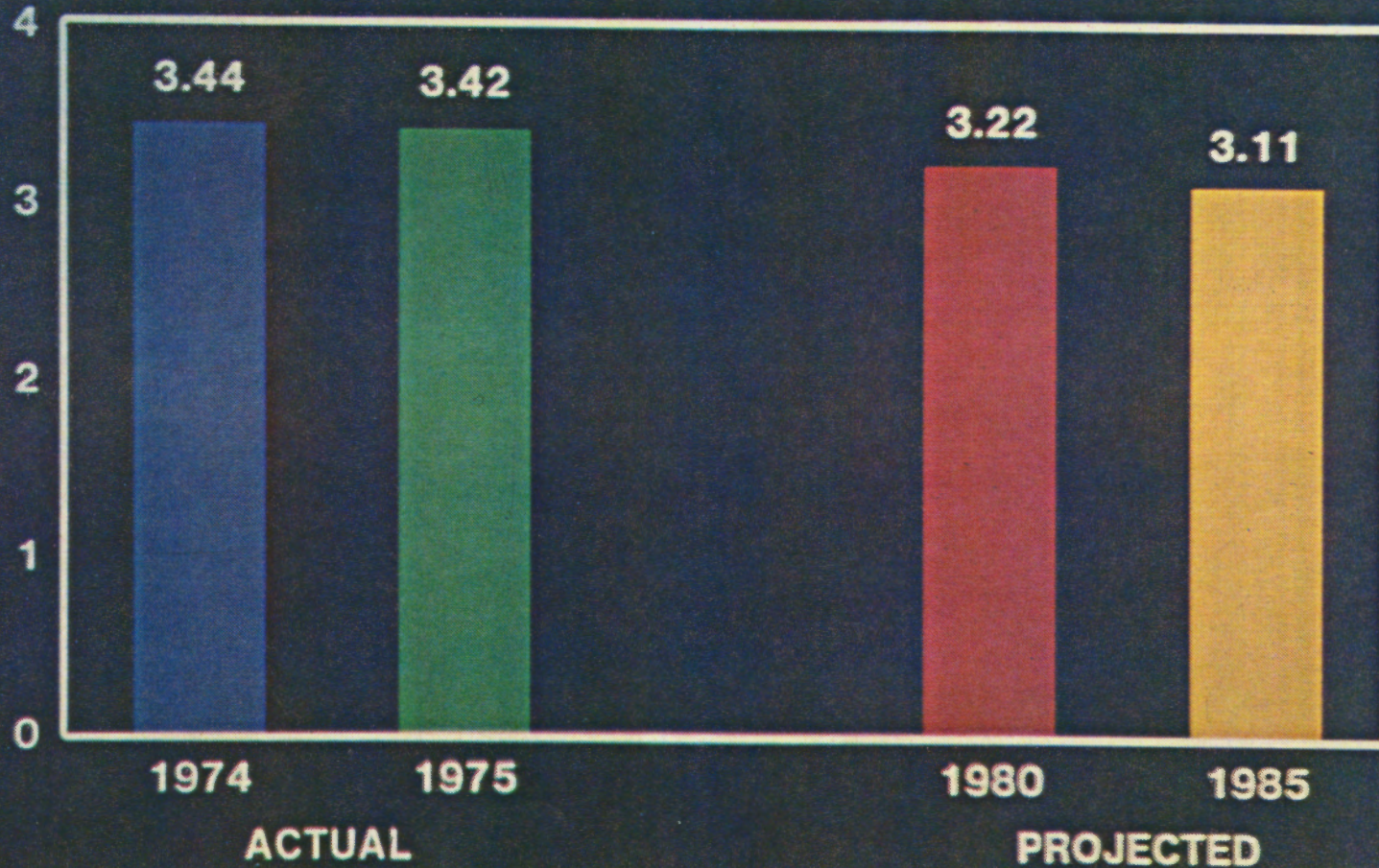
AVERAGE NUMBER OF PERSONS PER HOUSEHOLD

NUMBER



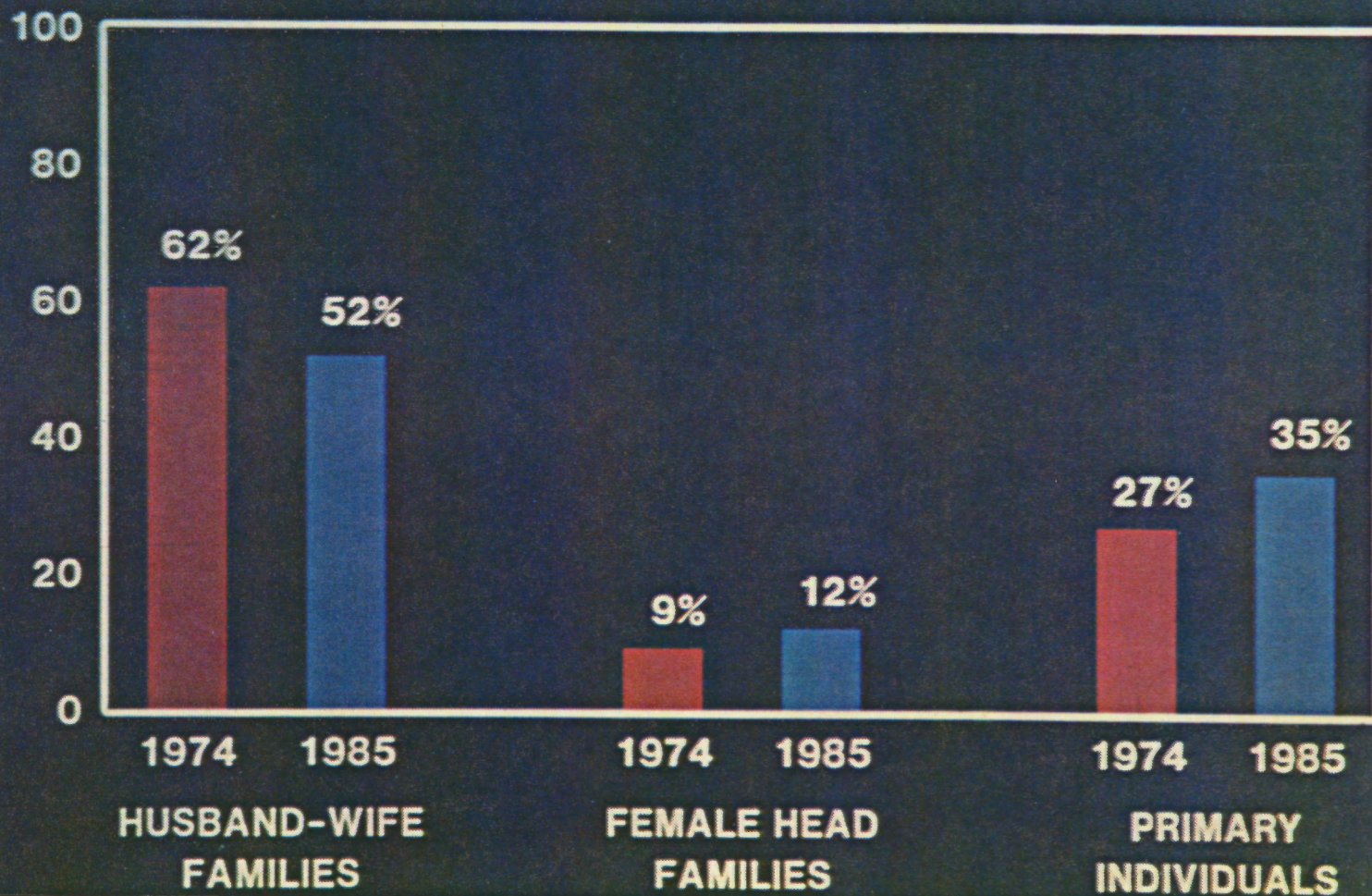
AVERAGE NUMBER OF PERSONS PER FAMILY

NUMBER



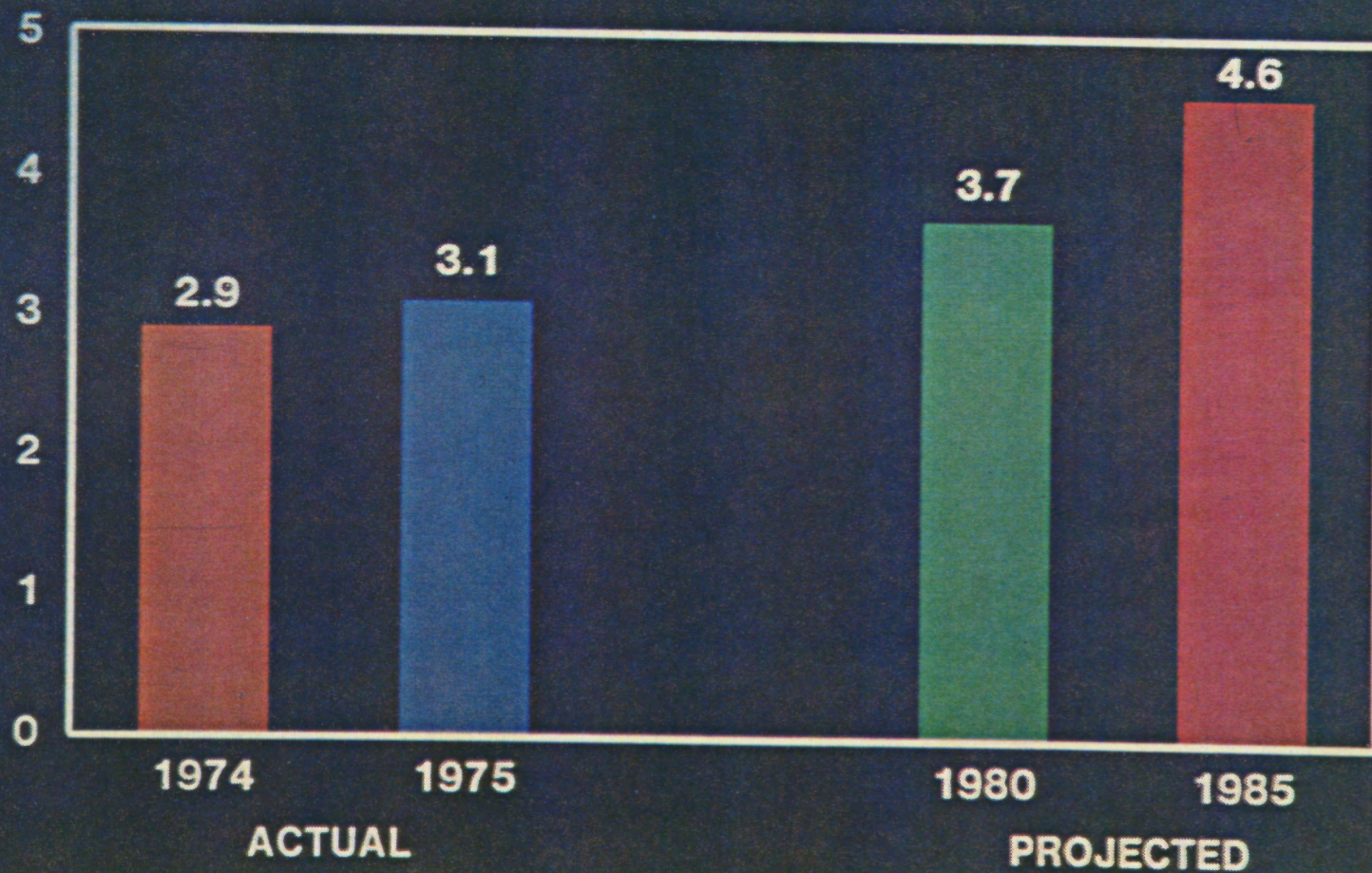
TYPE OF HOUSEHOLD WITH HEAD 25 TO 34 YEARS

PERCENT



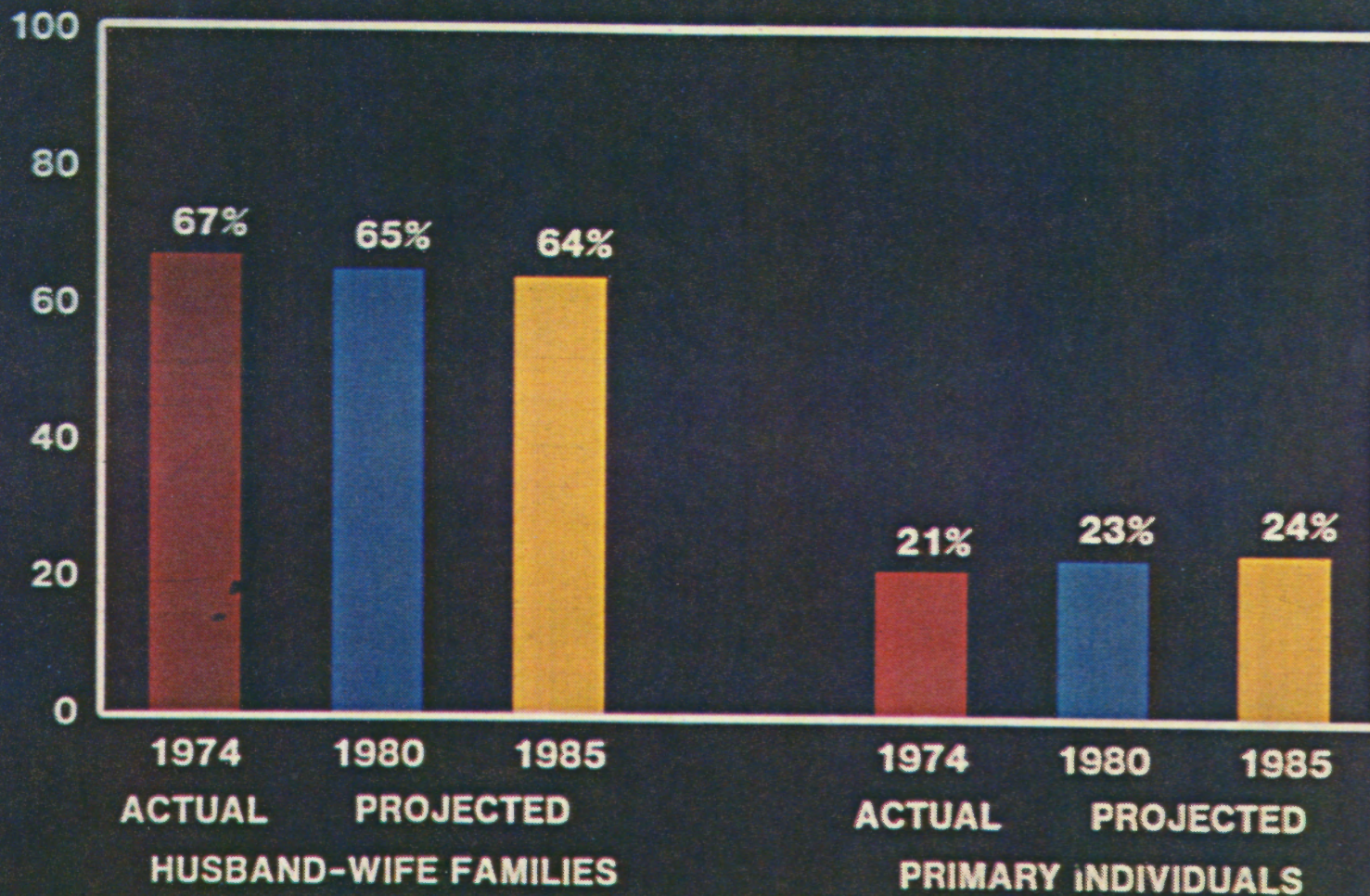
FEMALE HEADS OF FAMILIES 25 TO 44 YEARS OLD

MILLIONS



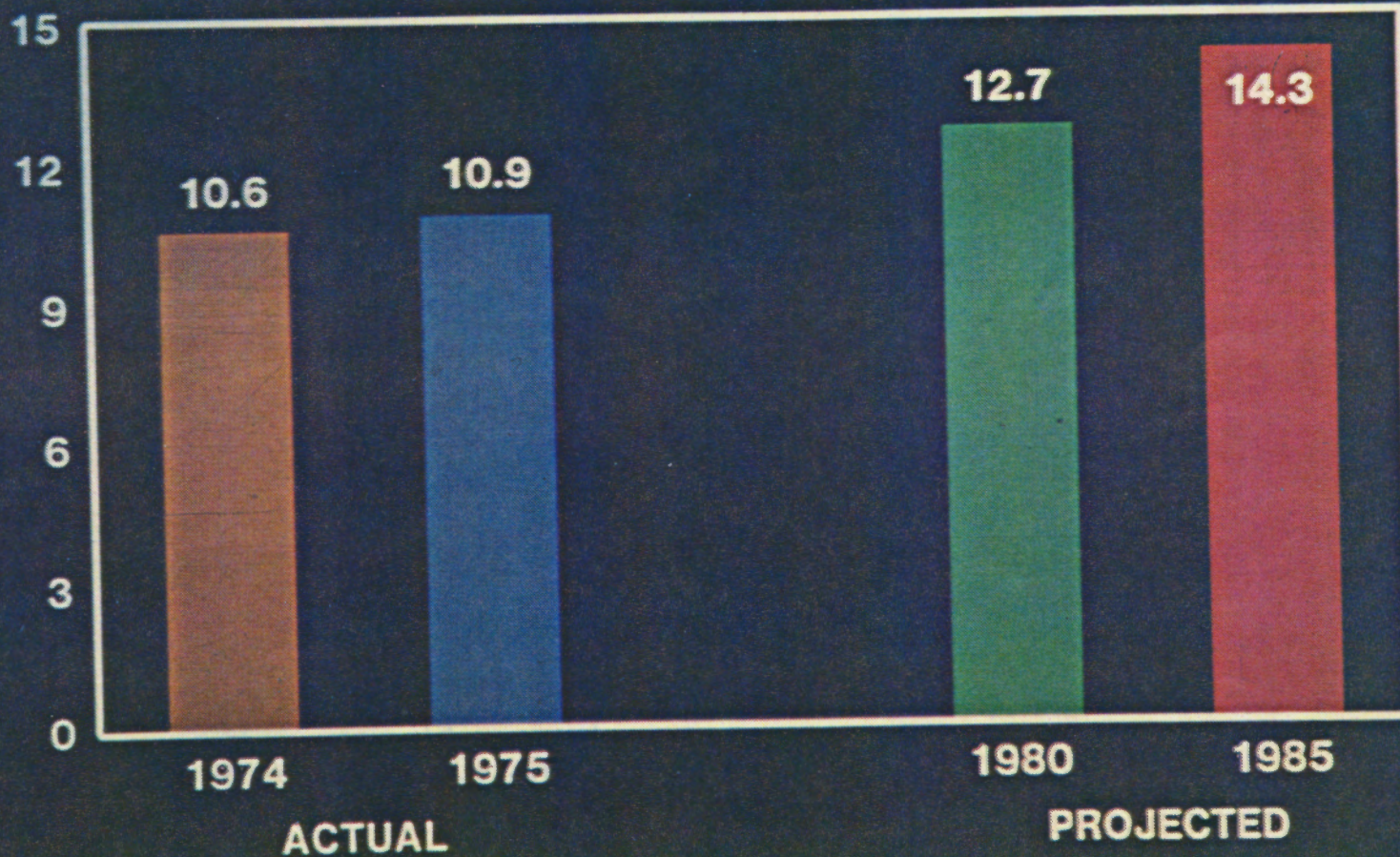
TYPE OF HOUSEHOLD

PERCENT



HUSBAND-WIFE FAMILIES WITH HEAD 25 TO 34 YEARS OLD

MILLIONS



UNITED STATES DEPARTMENT OF
COMMERCE
NEWS

WASHINGTON, D.C. 20230

CENSUS

DEMOGRAPHIC CHANGES: IMPLICATIONS FOR MARKETERS

Address by the Honorable Vincent P. Barabba
Director, Bureau of the Census
U. S. Department of Commerce

Before the Conference on The Consumer Market
The Conference Board
Chicago, Illinois
April 7, 1976



I can see from looking over your very comprehensive program that this conference on the consumer market will review the major challenges and opportunities that will be facing the business community in the next few years.

As I understand it, since the program is covering so many specific aspects of the consumer market, my job is to give you a demographic underpinning, from the Census Bureau's perspective, and let you think about what this means to your own areas of responsibility.

I'd like to talk about some of the significant trends that we have noted which can affect the climate of consumer spending and preferences, and leave it to the others to give you a more focused outlook for those specific areas that are of concern to you.

I have some slides which we have prepared to make the numbers somewhat more digestible. A vast outpouring of numbers is always a bit of a problem in dealing with a demographic presentation. But the numbers, and what they indicate, are important, and they will strongly influence the shape of things to come from the marketing standpoint.

As a general preface, we should remind ourselves that 10 years ago we were pretty optimistic about the seventies. We felt at that time that we would see sustained economic growth, with full employment and a controllable inflation. We expected better things to come.

Well, things haven't exactly turned out that way, as we know now, and it came as a rude shock to a lot of people. But the climate seems to be improving lately, and the remaining years of the seventies may well create an overall good performance for the decade and make prospects for the 1980's realistically bright.

Well, now that we've tipped our hat to generalities, let's get to the specifics. I'm going to start with what we know now, and in doing this I'm going to try to combine certain numerical components of the population -- including the birth rate -- with some of its social aspects. These aspects include marriage, divorce, and the changing composition of families and households. Then we will look at some Census Bureau projections for households to see what we might expect in both 1980 and 1985.

Let's look first at the birth rate. One of the major demographic developments in the last few years is that the birth rate has dropped dramatically, to the lowest point in history. The replacement fertility level is 2,110 births per 1,000 women. We have been running below this for the last four years, and we don't expect much change between now and 1980.

Eventually this rate would lead the Nation to zero population growth, but not for perhaps 50 to 75 years because of a number of other factors, including immigration.



Slide 1. This chart shows what we call the total fertility rate, which represents the number of births that 1,000 women would have in their lifetime if, at each year of age, they experienced the birth rates occurring in a specified calendar year. We can see that the fertility rate has declined in recent years -- from a peak of 3,760 births per 1,000 women back in 1957 to only 2,022 in 1972 -- and that it has been below 2,000 births per 1,000 women since then.

Slide 2. Birth expectations are another important indicator as we try to measure changes in the population. And they, too, have been decidedly lower in the 1970's. Lifetime birth expectations for young wives in the key age group of 18 to 24 have dropped considerably from the 1967 estimate of 2,852 births per 1,000 women. The two most recent readings from Census Bureau surveys for young wives show virtually no change in lifetime birth expectations -- 2,165 in 1974 and 2,172 in 1975.

So we don't see anything here that would project birth rates above the natural replacement of the population, especially when we look at the actual number of births young wives have had to date, as well as delays by young women in getting married.

Slide 3. One other phenomenon of recent years that enters the birth picture is that we have noted a rise in non-marital births at the same time that marital births have been declining. We can see that births within marriage plummeted from 1960 to 1974 -- from just over 4 million to just over 2.7 million. This is a major drop, with significant meaning for the future. But births out of marriage have gone way up, from 224 thousand in 1960 to an estimated 418 thousand in 1974. What this has resulted in is that non-marital births climbed from only 5.3 percent of all births in 1960 to 13.2 percent in 1974.



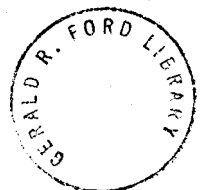
These figures help create a new perspective having more social ramifications than just sheer population numbers. Because rather than thinking primarily about zero population growth, perhaps we should be paying more attention to the slowdown in the growth of husband/wife families. In other words, we may be heading toward what we might call zero growth of husband/wife families that would precede zero population growth.

And when we consider the slowing growth of husband/wife families, we have to start looking at variables such as marriage, divorce and annulment, separations, and other related factors. So let's look at some of these.

Slide 4. Marriage levels during the past few years have been receding while the number of divorces has been rising. The figures are rather startling. If we look at the first half of the sixties, we see that in each of those years there were nearly four times as many marriages as divorces. In whole numbers, the marriages in 1965 totaled 1.8 million and divorces, 479 thousand.

But in the last 10 years, the ratio of marriages to divorces has been declining -- down to 3 to 1 in 1970 and down to nearly 2 to 1 according to 1975 estimates. In fact, estimates for last year show fewer actual marriages than five years earlier, and numerically more divorces, with the latter up 45 percent to a total of more than one million for the first time.

There is one caveat here. The simple fact that there have been fewer marriages since the peak in 1973 can mean we will see a drop in the number of divorces before 1980.



When we examine these declines in marriages in the United States in recent years, we find that the decline isn't confined to just the younger people. We find that every age group of women between 18 and 44 has experienced declines in the percent married since 1960.

As one might expect, however, the decline in the marriage rate is somewhat more pronounced for the younger women. For instance, among women 20 to 24 years of age, the percent married dropped from 69 percent in 1960 to 62 percent in 1970. And the marriage rate for these women has been falling off even more rapidly since 1970. The percent married of these 20 to 24 year olds has fallen another 6 percentage points in just the last five years -- down to 56 percent last year. If I were a marketing executive I would look at these changes carefully to see what they can mean in terms of future demands for products and services.

In fact, the marketing executive as well as the professional demographers would do well to keep up with what is happening to this particular age group of young women. Because they form what we might call a bellwether group, since they are at a formative stage in adult life.

For one thing, these young women are in the five-year period of life which is among the 7 years when the most first marriages take place. Also, and probably more important, it is their changing attitudes and patterns of life style that may provide major clues in trying to assess future demographic, social and economic developments. And furthermore, it is the activities of these young women of 20 to 24 that are reflected in both declining fertility and increasing labor force participation, and also the school enrollment rate.



Slide 5. Look at the dramatic decline in the birth rate for these young women. Births per 1,000 women 20 to 24 years of age numbered 258 in 1960. Then they fell sharply by 1970 to 168 births per 1,000 women. And just four years later -- in 1974 -- the rate of births for these young women had dropped again dramatically, to just 119 per 1,000 women. It's true that birth rates have dropped sharply for all women 15 to 44 years old, but those for these young women have been more pronounced.

When we look at the birth experiences of these young women from another angle, the picture is only reinforced. Back in 1960, only about one-quarter of the women of 20 to 24 who had ever been married were childless. But by 1970, more than one-third of them were childless. And last year, this had risen to 43 percent.

That is a tremendous change, and it becomes even more significant when we note that the percent of those childless women ever married who have completed their fertility life -- that is, women from 45 to 49 -- actually has dropped by more than one-half since 1960. That is, from 18 percent to only 7 percent.

There is one other angle from which we can view the impact of these marriage-related phenomena of young women of 20 to 24. And that is when we take a look at married mothers in this age group. Back in 1960, just over half of all women in this age group were married mothers. In 1970, only about 40 percent of them were married mothers. And by last year, the percentage had fallen sharply again -- down to one-third of all young women aged 20 to 24.

Our final look at this bellwether group of young women 20 to 24 has to do with their participation in the labor force. This gives us another dramatic picture, particularly as we relate to the year 1980. Projections by the U. S. Bureau of Labor Statistics indicate that by 1980, these young women will constitute the only group of women who will have a labor force participation rate above 60 percent. This projection was 63 percent--a rate that was achieved two years ago and exceeded last year when it reached 64 percent.

I think a related factor is school enrollment rates for these young women, which have jumped from 7 percent in 1960 to 15 percent in 1970 and 19 percent in 1975. And at their age level we have to think in terms of college and junior college enrollment, and the pursuit of advanced degrees. All of this should contribute to more of these women being in the labor force more or less permanently.

All-in-all, what these young women are deciding to do with their lives is having a direct bearing on the shape of the American family, as is the overall drop in marriage among all women, along with divorce and separation. These are the forces which are hindering the growth of husband/wife families, and as I mentioned a moment ago, if we reach zero growth in husband/wife families, we might be seeing the prelude to zero population growth. This might be good or bad, depending on how you look at it.

One deterrent to the net formation of husband/wife families, of course, is the divorce rate. It is true that most divorced people remarry, but one of every five do not, according to data from 1970 and 1975 collected in our monthly Current Population Survey. Among women, one out of four do not remarry.

Slide 6. Again taking the perspective shown over the past 15 years, we find that in 1960, a total of 1.7 million women 18 years old and over were divorced. This jumped to 2.7 million in 1970 and to 4 million in 1975. In percentage terms divorcees in 1960 made up 2.6 percent of women 18 years old and over, 3.9 percent in 1970, and 5.3 percent in 1975.

Another element in our society that limits the expansion of husband/wife families is represented by women who are married but separated from their husbands. Their numbers haven't grown as fast as the divorcees, nor are there as many, even though they numbered 2.3 million last year. What is clear is that an increasing proportion of women with disrupted marriages are resolving their problems through divorce.

Slide 7. Families as a group have been increasing more rapidly than husband/wife families with spouse present. From 1960 to 1970, the percent of growth for all families was 14.4 percent, which was only slightly higher than the 13.8 percent recorded for husband/wife families. But this disparity increased considerably from 1970 to 1975. Estimates for the past five years on a comparable decade basis show a 16 percent growth for all families compared with 10 percent for husband/wife families.

Among black families, we find that the 1970 to 1975 percent changes, on a decade basis, are 30.2 percent for all families and 6 percent for husband/wife families. And we see no indication of a decline in this gap.

All told, husband/wife families increased by only 2.2 million between 1970 and 1975, on a 1970 base of 44.8 million families.

Slide 8. In contrast, families headed by a female registered a strong gain of 1.6 million -- from 5.6 million in 1970 to 7.2 million in 1975. Sources contributing to this rapid buildup in families headed by a female were, in order of importance, divorces, separations, and never-marrieds. Again, the indications are that these trends will continue at least for a few more years before they become stabilized or are reversed.

Slide 9. An important social repercussion which results from the changing composition in the type of family is the decline in the proportion of children under 18 years old living with both parents. This proportion has declined from 84.9 percent in 1970 to 80.3 percent in 1975.

In 1970, there were actually more children -- 69.5 million -- but fewer living with the mother only -- than in 1975 when there were only 66.1 million children living in families. In 1970, there were 10.7 percent of the children living with the mother only -- which was actually 7.4 million -- compared with 15.5 percent of the children in 1975 -- which was numerically 10.2 million.

Widowhood has played a minor role in this development, accounting for only 2 percent of children living in families in 1970 and 2.4 percent in 1975. Mothers who were divorced, separated, or single had 7.5 percent of all children living with them in 1970 and 12.2 percent in 1975.

Slide 10. There were 9.5 million black children living in families in both 1970 and 1975. The percent living with both parents declined from 58.1 percent in 1970 to 49.4 percent in 1975. Of the 29.3 percent of black children living only with their mothers in 1970, 22.4 percent of the children had mothers who were divorced, separated, or single. In 1975, these estimates climbed to 40.9 percent of all black children living only with their mothers, and 34.1 percent had mothers who were divorced, separated, or single.



My final observation on husband/wife families relates to one of the most striking developments so far in the second half of the 20th century. And that is the decline in the number of husband/wife families with a wife not in the labor force.

Slide 11. Husband/wife families with the wife not in the labor force have until recent times been most numerous. As recently as 1960, 62 percent of all families consisted of husband/wife families with the wife not in the paid labor force. The next most numerous in 1960 were husband/wife families with the wife in the paid labor force, but they constituted only one-quarter of all families.

The rest of the families in 1960 consisted of families with a female head -- a total of 10 percent of all families -- and finally, families headed by males with no wife present -- accounted for the remaining 3 percent.

But by 1970 the dominant group of husband-wife families with wife not in the labor force had dropped to 53 percent, while the other families involving adult women had increased substantially. Then sometime between 1973 and 1974 the husband/wife families with the wife not in the labor force dipped below 50 percent, and in the latest reading last March, these families had become a minority -- down to 48 percent.

In contrast, last year's reading showed that husband/wife families with the wife in the paid labor force were up to 36 percent and families headed by females were also at an all-time high of 13 percent.

Census Seal.

These are major changes and their implications for the marketing community deserve close attention by the executives who are responsible for planning ahead.

We have been talking about families in America, but they are only one component of a larger demographic measure which we call households, so I would like to talk about households in my concluding remarks.

By definition, a household consists of all the persons who occupy a housing unit. It includes related family members as well as unrelated persons who live in the same housing unit. But it also includes a person living alone in a housing unit, or a group of unrelated persons who share a unit. It does not, however, include living arrangements for groups containing five or more persons who are not related to the person in charge, which we call group quarters.

The Census Bureau prepares household projections, and the most recent ones released last summer extend from 1975 to 1990. These projections are prepared in three different series so that they will present a high and low range, plus a middle range. I want to talk about the middle range, which incorporates our general population projections based on eventual completed births of 2.1 children per woman. The projections also take into consideration changes in marital status as well as household status as we observed them from 1960 to 1974.

For this presentation we will look at 1974 and 1975, as well as 1980 and 1985. From the standpoint of the total population, these projections are based on 223 million for the year 1980 and 234 million for 1985, based on the 2.1 birth rate for women.

Slide 12. The total number of households is projected to increase from 69.9 million as of March 1, 1974, to 79.4 million by July 1, 1980, and to 87.2 million by July 1, 1985. These projections represent increases of about 14 percent and 25 percent compared with projected increases for the total population for the same two periods of about 5 percent and 10 percent.

These larger percentage increases for household projections are similar to anticipated changes in the number of adults; they reflect projected declines in average household and family size which result from the expected continuation in low birth rates and the interaction of changing age structure and life styles.

Slide 13. The average number of persons per household is projected to decline from 2.97 in 1974 to 2.75 in 1980 and 2.64 in 1985.

Slide 14. Similarly, the number of persons per family is projected to decline from 3.44 in 1974 to 3.22 in 1980 and 3.11 in 1985. In each instance, the decline is about 7 percent by 1980 and about 10 percent by 1985.

If recent changing life styles as reflected in the extrapolation of past trends continue--such as postponement of marriage, increasing divorce rates, and young adults establishing residences apart from their parents--then in many respects household composition in 1980 and in 1985 will be significantly changed from that in 1974.

Slide 15. Households headed by a person 20 to 24 years of age comprised 7.5 percent of all households in 1974 and are expected not to be too different in 1980 and 1985. However, their composition by type of household is projected to undergo considerable change. In 1974, 62 percent of households headed by a person 20 to 24 years of age consisted of husband/wife families. This percentage is expected to decline to 56 percent in 1980. By 1985, projections indicate that this percentage will decline further to 52 percent. During the same periods, female heads of families, ages 20 to 24 years, should rise from 9 percent in 1974 to 11.0 percent in 1980, and 12 percent in 1985. Primary individuals -- that is, household heads who live alone or with unrelated individuals -- would go from 27 percent in 1974 to 31 percent in 1980, and to nearly 35 percent in 1985.

Slide 16. For female heads of families between the ages of 25 and 44, the projections indicate a major percentage increase of 59 percent, based on the estimated 2.9 million in 1974 and the projected 4.6 million in 1985. The intermediate projection for 1980 is 3.7 million.

Slide 17. Overall, households headed by primary individuals would increase from 21 percent in 1974 to 23 percent in 1980 and 24 percent in 1985. The corresponding declines would be entirely centered in husband/wife families, which would drop from 67 percent of all households in 1974 to 65 percent in 1980, to 64 percent in 1985.

From the standpoint of income, the most productive years for families, especially husband/wife families, are between ages 25 to 54. But expenditure patterns tend to differ. In the earlier years of the family, proportionately more of the family income is earmarked for establishing the family and nurturing its growth. In later years, savings and investments assume a somewhat larger role as income grows, assets accumulate, and children have been educated and have left the nest.

Slide 18. Husband/wife families with heads between 25 and 34 years of age are of particular importance because of their ability at this comparatively early stage of married life to implement attitudes about the style of life they will lead. This is not unrelated, of course, to the number of children they will have.

Between 1974 and 1985, husband/wife households in the 25-to-34-year age groups are projected to increase from 10.6 to 14.3 million. The projection for 1980 is 12.7 million. The 35 percent increase between 1974 and 1985 outpaces the projected total household increase of 25 percent for the same period.

The same projected 35 percent increase also applies to the 35-to-44-year-old husband/wife families. But the 45-to-54-year-old group of husband/wife families will likely decline from 9.7 million in 1974 to about 9.3 million in 1980 and in 1985. Persons who will be 45 to 54 years old in 1985 were born during the low birth rate decade of the 1930's.

Census Seal.

Now, if these household projections turn out to be accurate, and if economic conditions turn out to be favorable, the substantial growth in households will represent a broad base of support in a number of sectors of the economy. Among them would be the housing market, the construction industry and its suppliers, and the home furnishings industry.

Because the mix of households will be changing, and the average size of households apparently will decline between 1974 and 1985, we can foresee that various adjustments might have to be made in the housing stock to accommodate changing tastes and the demand for housing. We would see smaller units, more multiple housing units, locations that are closer in to the centers of population, and other changes as well.

I have tried to give you today a basic demographic picture of the Nation as of the recent past, the present, and to some extent, for the next few years ahead.

These elements -- the birth rate, marriage and divorce, and the composition of our families and households -- these will determine to a large extent what will happen in the marketplace in the rest of the century. I hope you find the information valuable and that you will call on the Census Bureau to provide you with whatever relevant information you need, now and in the future.

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UNITED STATES DEPARTMENT OF **COMMERCE** **NEWS**

WASHINGTON, D.C. 20230



CENSUS

SIGNALS FOR THE THIRD CENTURY


Address by the Honorable Vincent P. Barabba
Director, Bureau of the Census
U. S. Department of Commerce

Before the American Medical Association's Political
Action Committee Public Affairs Workshop
Washington, D. C.
April 11, 1976

Since politics in America is shaped by the people, or at least that is the tradition, the composition of America's people in the years just ahead will certainly have a bearing on the political climate.

The Census Bureau has a good indication of some of the things that will happen in the first years of the Nation's Third Century. We can look five or 10 years ahead and use relatively straight-line projections with reasonable accuracy to get a picture of various demographic and social conditions.

I use the word "projections" rather than the word "forecasts" because there is an important difference. Projections are the figures obtained by assuming that current trends will continue into the future, without speculating on changes in the underlying relationships. On the other hand, a forecast includes an attempt to predict new circumstances or new relationships, as well as the application of past relationships to past trends. It is my understanding that my colleagues on the panel will venture into the land of forecasting after I take a "safer trip" through projections.



At any rate, even with projections, it gets more difficult when we try to look ahead, say, 25 years to the turn of the century. Because that kind of a time frame allows many of the current social trends to run their course and possibly reverse themselves, or to form new patterns. But we will do the best we can for today's purposes, since we need an extended time framework to consider the socioeconomic and political consequences of the current demographic patterns which are unfolding.

The concerns of the demographers have been undergoing a change. Over the past 25 years or so, the emphasis in analyses and reports has been more on the birth rate and the future size of the total population. But in the next quarter century the demographers probably are going to be more concerned about the composition of the population, and its distribution.

There are a number of surprising changes which have stimulated this about-face, and one of the most important is that the population has grown far less rapidly than most people imagined just 10 years ago. Last year, for example, the number of births per 1,000 population was 14.8, which represents the lowest rate ever recorded in the Nation's history. And our surveys of birth expectations indicate that birth rates will continue to remain low.

The reasons are several, and all of them can have strong political repercussions if they continue. We can cite more widespread use of contraceptive devices and abortions, squeezes on the pocketbook through recession and inflation, the growing desire of women to have careers and their higher degree of education, concern over pollution, delays in marriage, more divorces, and other factors as well.

If these lower birth rates continue as expected we are headed toward zero population growth within a generation or so after the turn of the century. It will take that long simply because of the large proportion of the population that is now in and will be entering the reproductive years.

But zero population growth may possibly be preceded by another phenomenon which is already becoming evident, and that is what we might call zero growth of husband and wife families. This is a phenomenon that demographers have not paid much attention to but which could become a reality if present trends continue. There are a number of possible combinations of social and institutional forces that could produce a halt in the growth of husband/wife families relative to other social unit categories - some of which I mentioned a moment ago relative to the lower birth rates that we have been experiencing.



The developments affecting the size and number of families in the last five years are truly startling. Last year, the number of marriages declined by 4 percent -- to just over 2 million -- even though a large number of our population has been moving into the young adult ages. There were more than a million divorces, up 6 percent over 1974. Both of these trends have been evident over several years. Fifteen years ago, only one-third of the young women 21 years old had never married. Now nearly half of the young women 21 years old are still single.

These trends have contributed to a corresponding phenomenon, and that is a decline, in fact a dramatic decline, in the size of households and at the same time an increase in the number of households. And there are great political implications in these changes.

Between 1970 and 1975, the number of households in the United States increased from 63 to 71 million, and half of this increase was created by persons living alone, or with non-relatives. At the same time, the average size of households declined to fewer than three persons for the first time in our history. We can attribute this to both the lower fertility rate and the higher proportions of persons living alone.

What will happen to our households in the years ahead is going to be very important, and the Census Bureau has prepared some projections in this regard. We project households to increase to more than 87 million in the next 10 years -- a gain of 25 percent. Compare this with a projected increase in the total population of only 10 percent.

The size of household, on the other hand, is expected to continue to decrease. Back in 1940, the average number of persons per household was 3.67. Then in 1974, for the first time in our history, we dipped below the three-person-per-household mark -- down to 2.97. By 1983 we expect the figure to be 2.67 per household and in 1990, the projection is for just 2.5 persons per household. These projections, of course, reflect lower birth expectations as well as the current lower birth rate.

Just a few years ago, more than half of the young wives in the key ages of 22 to 24 said they expected to have 3 or more children. More recently, only one-fourth of them wanted 3 children. Yet fewer than half of them said a few years ago that they wanted 2 children, and more recently, this had risen to three-fourths of them.

A recent Manpower Report of the President calls the transition from the three-child family to the two-child family "by far the most important demographic development of the decade."

There is one other interesting area concerning the population per se, and that is its age makeup. With fewer children, our population will get older. Depending largely on the birth rate, our median age by the year 2000 should be anywhere from 31.4 to 37, and the latter figure looks valid at current fertility levels. Two years ago it was 28.6. But even more significant from the political standpoint is the median age of those who will be of voting age. By the year 2000, their median age would be somewhere between 42 and 43.



Relatively speaking, the proportion of persons 65 and over should increase only slightly -- from about 10.3 percent in 1974 to between 10.7 and 12.5 percent in the year 2000. But this group will grow rapidly after the year 2010 when the baby boom children of the 1940's hit that age group.

An older population is, of course, likely to affect the political climate. And in addition to the influence of the population over 65, there will be the vast population of those between 50 and 65 who will be thinking about what their concerns will be when they reach 65. We project them to number nearly 40 million and to make up between 15 and 16 percent of the total population by the year 2000.

All this should have a deep impact on representation in Congress, especially as retirees concentrate in new areas. Abetting the greater freedom of retirees will be higher retirement incomes, the availability and cost-savings of Medicare, and the trend of older persons ceasing to live with their children.

The impact of an older population on politics may well be stimulated even more in these communities, since retirees may find politics a major form of activity. Additionally, they may well call for programs having quick payoffs since their long-range perspective is necessarily limited.

The greatest increase in the next 25 years should come in the groups in the middle working years -- from 35 to 44. We should see an increase of at least 18 million during this time in that age group, which will be a major increase of 81 percent. Compare this with a projected growth for the entire population of 16 to 35 percent, depending on the birth rate and some other factors.

Yet another demographic factor that we should watch is immigration. In the next 10 years, the Bureau expects the impact of immigration to be more pronounced, if the lower birth rate continues. In fact, we expect immigrants to account for 20 to 30 percent of all the growth in the population between now and 1985, under the current ceiling of 400,000 legal immigrations a year. In whole numbers, we should see about 4 million immigrants in the 10-year period from 1975 to 1985. This would be the equivalent of 7 Congressional Districts, without even counting the children that the immigrants will have once they come to the United States. The 4 million also would be greater than the current population of more than half of our States.

We also should remember that these immigrants will have a high concentration of persons who are of voting age.

Let's turn for a moment to the black population, which is expected to grow only modestly between now and the year 2000. We project an increase from about 24 million in 1974 to between 31 and 36 million, depending on future fertility rates. This would be an increase from 11.4 percent of the total population in 1974 to between 12 and 13 percent by the turn of the century. Incidentally, more blacks are moving to the South these days, and fewer are leaving.

Another major influence on the political tenor and structure in the Third Century will certainly be where the people are going to be living, and this will involve both the regional distribution and patterns within and outside the metropolitan centers.



These patterns have been changing, especially in the past few years. Many of us considered that the day would come when migration would reduce the rural population to such a low level that the volume and rate of movement to metropolitan centers would decline. But no one predicted that this would happen as soon as it has. Today, more people are moving away from our large metropolitan areas than are moving to them. The figures tell us that in the last five years, the population living in the metropolitan areas increased by 4 percent, while the population in the non-metropolitan areas increased by 6 percent. This is a complete reversal of past history of the United States.

These changes in migration between metropolitan and non-metropolitan areas are both the cause and the effect of regional population shifts. Since 1970, the rate of migration to the West has declined considerably, but on the other hand, the rate of migration to the South has risen. For the next 15 years, we can expect an increasing rate of movement to the so-called "sunbelt" which extends roughly from Virginia through Texas and on to southern California.

What will happen after 1990 is more of a matter of speculation. But by that time, we are likely to have seen fundamental changes in the national economic and political power patterns of the Nation, primarily at the expense of the Northeastern region.

Meanwhile, the Southeast alone has had a net gain from migration in the past five years that is almost triple the gain recorded during the previous five years. And this has included many professionals, educators, managers and executives who have accompanied the move of larger national concerns, plus greater numbers of retired people. Again in whole numbers, the southeast has gained 8 million people in just the last 10 years. Contrast this with the State of New York, which has actually lost population since 1970, according to our estimates.

All-in-all, circumstances have changed so that more people can choose where they live on the basis of different considerations than in the past. These include rising income levels and decreasing family size, which permit greater emphasis on climate, recreation, compatible neighbors, political styles of elected officials and other considerations.

As an example, we now have in our country an estimated 3 million second homes. This creates a new set of problems for these people, and they may be making their voices heard in two communities instead of just one. They are paying taxes in two communities, probably at different rates. And they may represent an entirely different set of values in their second home communities than do the year-around residents. This is just one development that could alter the political climate.



Taking in the entire migratory picture, even though people may tend to bring their political allegiances with them, we can't discount the impacts of a new environment and ensuing changes in social and economic identification.

Migration, of course, is affecting our cities, along with a number of other factors. So let's take a look at the cities. A notable trend since 1970 is that the larger metropolitan areas have shown the least growth. In fact, 7 of the 8 metropolitan areas with more than 3 million people have shown little or no growth, the only exception being here in the Washington area. The metropolitan areas of the Northeast and North Central regions, taken together, have barely gained at all in the 1970's -- less than half a percent. Not surprising, however, metropolitan areas in the West and the South have grown by better than 7 percent.

Within the cities, the central cities have lost population since 1970 through declines in the white population, which more than offset gains by the black population. The whole numbers show 3 million fewer whites in the central cities since 1970 and an increase of more than 1 million by blacks and other races. But we also should note that the black population living in the suburbs has grown by 5 percent each year in the 1970's, and this is considerably greater than in the 1960's.

Finally, I'd like to talk briefly about the shape of political coalitions which might develop in the years to come. One coalition might be on the basis of age. I mentioned earlier that there is a possibility of increased activity on the part of retired persons who concentrate in particular locations. But the children of the baby boom will face changes in circumstances that could also lead to political action on their part.

These young people who were born in the late 1940's and the 1950's are larger in numbers than the age groups born in the decades immediately before and after them. Because of their greater numbers, the baby boom children will face increased competition for jobs and thus many will fail to achieve the same relative degree of prosperity that characterized their parents at the same life cycle stage.

And they will be better educated. Even today, 21 percent of those who are between 25 and 29 have graduated from college, and the percent has consistently risen. Of their parents' age groups only 12 percent who are now from 45 to 54 are college graduates, and only 9 percent of those from 45 to 64 years old. So the result may be increasing dissatisfaction with employment, especially among the white collar workers. Many will have this in common.

But forming a political coalition out of this baby boom group may turn out to be difficult, because there is a paradox. They may have employment problems in common, but they also will have a greater variety of social ingredients, such as family types, life styles and living arrangements.

Throughout the 1950's and 1960's, the problems of one family -- which more often than not consisted of husband, wife, and at least two children -- could typically be translated into the problems of all families.. But in the years to come, there will be fewer families characterized by this type. There will be a greater proportion of childless couples, and more couples with only one child. There also will be more persons living alone at any given time, as young people delay marriage or are divorced.

Perhaps most important of all, more of our families will consist of only one parent, and here are the facts. Back in 1955 about 10 percent of families were headed by women. Last year, 14 percent of all families had a female head, and the percent is likely to rise in the future. The rise in these families has been especially great among blacks, a proportion which grew from 21 percent in 1955 to 35 percent last year. And it is even greater in the central cities of the metropolitan areas.

This increasing variety of family types may make agreement on political action more difficult, since they cut across all other groups -- ethnic, racial, economic and social class. For example, a retired black couple living alone in the inner city may have more in common -- politically -- with a similar white couple also living in the inner city, than they would with a young black family with three children living in the suburbs.

So these are some of the ingredients that will be shaping the political climate in the third century, and I look forward with interest to what my colleagues have to say about these projections.





JMC [ca. June 1976]

Honorable James M. Cannon
Executive Director of the Domestic Council
Executive Office of the President
Washington, D.C. 20500

Dear Mr. Cannon:

The Twentieth Decennial Census of the United States will be conducted as of April 1, 1980. In addition to the population counts required for congressional and other legislative reapportionment/redistricting purposes, data relating to a wide range of demographic, social, and economic subjects will be produced for the 50 states, District of Columbia, Puerto Rico, Guam, Virgin Islands, and other areas of U.S. sovereignty or jurisdiction. Reflecting both the complexity of the job and the importance of the product, planning and development efforts have been under way since 1973.

The timetable for the 1980 census requires that the detailed subject content of the basic questionnaires be fixed by the spring of 1977. A dress rehearsal test census will then be conducted in April 1978 and the final 1980 census questionnaires will go to print in January 1979. This is a realistic and necessary schedule; the same pattern of key dates was used for the 1970 census.

Recognizing the important role of the Domestic Council in formulating domestic policy, I would like to propose that the Council schedule a meeting in the near future both for the purpose of becoming informed as to the current plans for the 1980 census and to provide the Bureau of the Census with the Council's comments or suggestions. By doing so, the Council can help ensure that the census meets, to the extent possible, the data needs of the 1980's.

For your information, I have enclosed a statement which presents some additional details on the Census Bureau activities to date in regard to the planning for the 1980 census. In that statement, mention is made of the Federal Agency Council on the 1980 Census and of the set of subject-matter recommendations recently produced by the Agency Council's nine committees. A copy of this material is enclosed; additional copies can be made available for distribution to the Domestic Council. Attached to the statement is a list of Agency Council representatives for the convenience of Domestic Council members who may wish to contact the members of their agencies involved in this program.

2

I have also enclosed an extract from the 1970 census procedural history which may be of interest to you. Please see the marked paragraphs on pages 1-1, 1-2, 1-16, and 1-17.

I look forward to hearing from you as to when such a meeting can be arranged.

Sincerely,

206

Secretary of Commerce

Enclosures

MEETING WITH VINCE BARABA
Quern, McConahey, Moore
RE: 1980 Census

Tuesday, April 13, 1976
3:30 p.m.

Mr. Cannon's Office



UNITED STATES DEPARTMENT OF COMMERCE
Bureau of the Census
Washington, D.C. 20233

OFFICE OF THE DIRECTOR

CE
Census

JUN 21 1976

Honorable James M. Cannon
Assistant to the President
for Domestic Affairs
Executive Office of the President
Washington, D.C. 20500

Dear Mr. Cannon:

The Twentieth Decennial Census of the United States will be conducted as of April 1, 1980. In addition to the population counts required for congressional and other legislative reapportionment/redistricting purposes, data relating to a wide range of demographic, social, and economic subjects will be produced for the 50 States, District of Columbia, Puerto Rico, Guam, Virgin Islands, and other areas of U.S. sovereignty or jurisdiction. Reflecting both the complexity of the job and the importance of the product, planning and development efforts have been under way since 1973.

The enclosed summary statement "Planning for the 1980 Census of Population and Housing" provides further information on the 1980 census. We are also enclosing copies of the final reports on subject-matter recommendations from the Federal Agency Council on the 1980 Census. These materials supersede the preliminary documents which were transmitted to you in Secretary Morton's letter of January 6.

Recognizing the important role of the Domestic Council in formulating domestic policy, the Bureau of the Census is very interested in obtaining the comments and suggestions of the Council's members. In offering such advice, the Council can help ensure that the census meets, to the extent possible, the data needs of the 1980's, and thus provides a more effective basis for the formulation of domestic policy.

If you have any comments, or if we can be of any assistance, please let us know.

Sincerely,

(Signed) Vincent P. Barabba

VINCENT P. BARABBA
Director
Bureau of the Census



Enclosures



THE WHITE HOUSE

WASHINGTON

August 13, 1976

file

*George
Comments
as requested
and Jim*

MEMORANDUM FOR: JIM CANNON
FROM: GEORGE W. HUMPHREYS
SUBJECT: Vince Barabba's Letter of Resignation

Vince has asked for your help and guidance on his exchange of letters with the President.

Attached is his draft of a resignation letter which he hopes you will edit and improve, along with draft reply for the President's signature.

Please let me know if I can be of any help.



DRAFT

Dear Mr. President:

I respectfully request your acceptance of my resignation as Director of the Bureau of the Census, effective _____ 1976.

Having served as Director since 1974, I have been privileged to observe first hand the very great contributions you have made to the stability of this country and the integrity of our Government since you assumed the Presidency. The high admiration and regard I hold for you, along with the deep respect I have gained for my associates and colleagues at the Bureau, has made this request the most difficult personal decision I have ever had to make. I want to express to you my deep appreciation for allowing me to continue at my post for the past _____ years under your leadership.

My decision to leave Government is based entirely on personal economic considerations, ^{F.R.} ^{MUS} as I plan ahead for my family's future. (I must say respectfully, but candidly, that as I forecast my potential economic gains in Government in comparison with even a pessimistic view of private sector opportunities, I cannot afford to ignore the dramatic contrast in personal income.) ⁷ ^{keanu} continued. and repetition



I have also given careful thought to the timing of this decision. I am impelled to act, Mr. President, because of an immediate and most favorable opportunity. Moreover, the Bureau of the Census has right now a top career team of exceptional experience and ability and a good sense of direction consistent with the Bureau's responsibilities to meet Government statistical information needs as efficiently as possible.

I will always value the *stimulation* ~~exhilaration~~ and satisfaction I have received from public service. I should like to note four developments which have been especially rewarding.

P First, I have had unusual freedom to encourage new initiatives within the Census Bureau, particularly in the area of disseminating statistical information in more effective formats for decisionmakers. *P* Second, under your leadership, we are no longer confronted with regular criticisms about the objectivity and credibility of Government statistics.

P Third, through your committment to the right of privacy and support of the Privacy Act of 1974, good progress has been made toward the restoration of public confidence in Government. You have recognized that the guarantee of the confidentiality of information received by the Census Bureau from the public is a most essential element of the Bureau's ability to carry out its statutory mission. *P* Finally, I



am gratified that we have been able to develop the weekly briefing notes for you and the Vice President and to move toward implementation of the publication STATUS.

Please accept my appreciation for your outstanding service to the country and ^{for giving me the opportunity to serve with you.} my best wishes for your good fortune in the years ahead.

Sincerely,

Vincent P. Barabba

DRAFT REPLY, PRESIDENT TO BARABBA

Dear Mr. Barabba:

I accept, with deepest regret, your resignation as Director of the Bureau of the Census. I recognize fully your need to accept the new challenges that are afforded you.

I want to commend you for your outstanding record of accomplishments. In particular, the weekly charts and briefing notes, which should culminate shortly in the regular publication of STATUS, demonstrate your successful and imaginative efforts to make more sense out of statistics. I appreciate your words of support for my efforts to ensure that the right of privacy and the integrity of both personal and statistical information are preserved and strengthened. I know you have enhanced the Bureau's excellent reputation in this regard.

With my best personal regards to you, Sheryl and your two beautiful children.

Sincerely,

Gerald R. Ford



Census

THE WHITE HOUSE

WASHINGTON

September 22, 1976

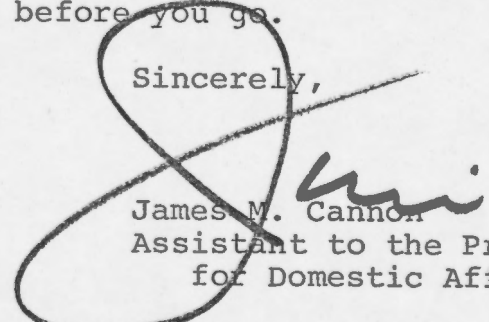
Dear Vince:

Thank you for your letter of September 13, 1976, which transmitted the report on Financial Environment Indicators for City Governments. The report represents an impressive compilation and analysis of data which will be a useful resource for the President.

I appreciate your assistance in this project and commend you for the fine work done by Shirley Kallek and her staff.

Enjoyed your party Monday night. Let's get together before you go.

Sincerely,


James M. Cannon
Assistant to the President
for Domestic Affairs

The Honorable Vincent Barabba
Director
Bureau of the Census
Department of Commerce
Washington, D. C. 20233





To: Art Quern
UNITED STATES DEPARTMENT OF COMMERCE
Bureau of the Census
Washington, D.C. 20233

OFFICE OF THE DIRECTOR

SEP 13 1976

Honorable James M. Cannon
Assistant to the President
for Domestic Affairs
Executive Office of the President
Washington, D.C. 20500

AK
M. Thacker

Dear Mr. Cannon:

I am submitting herewith the report on Financial Environment
Indicators for City Governments.

Sincerely,

VINCENT P. BARABBA
Director
Bureau of the Census

Enclosure



Census
INFORMATION

THE WHITE HOUSE
WASHINGTON

September 29, 1976

MEMORANDUM FOR: ART QUERN
FROM: JANET BROWN JB
SUBJECT: Recently Released Poverty Statistics

The statistics released last week by the Census Bureau show that in 1975, there were 25.9 million Americans -- 12.3% of the population -- below the poverty level, which was \$5,500 for a nonfarm family of four.

Newspapers headlined the fact that there were 2.5 million more people below the poverty level in 1975 than in 1974. The Census Bureau report which released these figures contains the following statistics for previous years, and a brief analysis of the reasons for the increase.

Poverty figures for previous years are as follows:

	<u>No. People</u>	<u>% Population</u>
1971	25.6 million	12.5%
1973	23 million	11.1%
1974	23.4 million	11.2%
1975	25.9 million	12.3%



According to the report, the 10.7% increase in the number of poor persons that occurred between 1974 and 1975 reflected the high unemployment rate that prevailed through 1975 and the fact that many more persons exhausted their unemployment benefits in 1975 than in previous years. Approximately 42 percent of the 528,000 increase* in the number of poor families between 1974 and 1975 was associated with those in which the head was "unable to find work during the entire year" or was a part year worker "unemployed 15 weeks or more" during the year. (*There were 4.9 million families below the poverty level in 1974; 5.5 million in 1975.)

Data collection is based on the number of weeks worked and the amount of wages earned during the previous year.

NUMBER AND PERCENT OF POPULATION LIVING
BELOW POVERTY LEVEL, 1959 - 75

	<u>POVERTY LEVEL</u>	<u>NO. PEOPLE</u>	<u>% POPULATION</u>
1959	\$2,973	38.9 million	22.4
60	3,022	39.8	22.2
61	3,054	39.6	21.9
62	3,089	38.6	21.0
63	3,128	36.4	19.5
64	3,169	36.1	19.0
65	3,223	33.2	17.3
66	3,317	28.5	14.7
67	3,410	27.8	14.2
68	3,553	25.4	12.8
69	3,743	24.1	12.1
70	3,968	25.4	12.6
71	4,137	25.6	12.5
72	4,275	24.5	11.9
73	4,540	23.0	11.1
74	5,038	23.4	11.2
75	5,500	25.9	12.3



Source:
Current Population Reports, Consumer Income (Series P-60)

THE WHITE HOUSE

WASHINGTON

September 30, 1976

Roude

Dear Mr. Roudebush:

Thank you for your letter of September 28, 1976, which enclosed copies of your correspondence with Secretary Richardson regarding the 1980 Census and general data requirements. Your personal involvement will facilitate the establishment of a statistical base that satisfies a broad range of needs.

I appreciate your keeping the Domestic Council advised of your current recommendations.

Sincerely,

James M. Cannon

James M. Cannon
Assistant to the President
for Domestic Affairs

The Honorable Richard L. Roudebush
Administrator
Veterans Administration
Veterans Administration Building
Washington, D.C. 20420



THE WHITE HOUSE
WASHINGTON

DATE:

9/29

TO:

Janet B.

FROM:

ALLEN MOORE

SUBJECT:

ACTION:

FYI:

and appropriate
action.



VETERANS ADMINISTRATION
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS
WASHINGTON, D.C. 20420

September 28, 1976

1976 SEP 28 PM 6 09



The Honorable
James M. Cannon
Assistant to the President
for Domestic Affairs
The White House
Washington, D. C. 20500

Dear Mr. Cannon:

The Secretary of Commerce has solicited comments from members of the Domestic Council on data needs for the 1980 decade. Mr. Richardson and I also exchanged letters discussing the status of veteran questions on the 1980 census. To keep you informed of the current status of both these matters, I am enclosing a copy of my latest reply to Mr. Richardson.

Sincerely,

R. Roudebush
RICHARD L. ROUDEBUSH
Administrator

Enclosure



092902

SEP 17 1976

The Honorable
Elliot L. Richardson
Secretary of Commerce
Washington, D. C. 20230

Dear Mr. Secretary:

Your letters of August 25 and August 31 concerning data needs for the 1980 decade and prospects for inclusion of questions on veteran status in the 1980 census have been carefully reviewed by me and my staff.

With the changing age structure of the U.S. population, data needs during the 1980 decade will no doubt tend to shift away from education toward labor force, retirement and medical issues. Continued emphasis on women's rights will dictate a greater need for information on the extent of success in providing women with equal access to jobs and various social benefits. Energy related problems also may be expected to demand greater attention in the next decade.

Given the many important topics competing for inclusion in the 1980 census, I can appreciate the difficulty you are having in choosing among them. In making these selections, a compelling criterion to be considered is whether or not information derived from a particular census item is needed at the local area level or only for large geographic areas. I would agree that if data are not needed for small areas (e.g., county or town), then a separate sample survey or other vehicle generally would constitute a more appropriate use of resources for gathering the information.

In the 1980's, as the influx of new veterans is greatly reduced and as most of the World War II veterans reach retirement age, we expect less VA activity relative to veteran readjustment problems (education, employment assistance, etc.) and a general increase in all programs directed to the elderly (transfer payments, health care delivery programs, etc.). A knowledge of the dispersion of older veterans throughout the country, as well as their demographic characteristics, will be required to properly provide for their needs.



The Honorable
Elliot L. Richardson

Medical care oriented data, such as those requested for inclusion in the 1980 census by the National Center for Health Statistics, would also be most helpful.

For effective program administration the VA requires veteran population data at the level of small areas (generally counties or zip code areas); therefore, inclusion of items on veteran status in the 1980 census is vital. Our need for such information was extensively discussed in the exchange of letters between my staff and the Census Bureau.

We expect that the decision on inclusion of items on veteran status will be affirmative and we are encouraged by your reassurance that the Census Bureau will consider the need for refinement of the questions on veteran status as further pretesting plans are developed over the next few months.

Sincerely,

RICHARD L. ROUDEBUSH
Administrator

SIGNED AND DISPATCHED

SEP 17 1976

ADMINISTRATOR'S OFFICE

