

**Average
Monthly Data
From the
Survey of
Income and
Program
Participation**

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**Household
Economic Studies**

P-70-2

**Economic
Characteristics
of Households in
the United States:
Fourth Quarter
1983**



U.S. Department of Commerce
BUREAU OF THE CENSUS

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SYMBOLS USED IN TABLES

- Represents zero or rounds to zero.
- X Not applicable.
- B Base less than 200,000

Economic Characteristics of Households in the United States: Fourth Quarter 1983

INTRODUCTION

This is the second in a series of quarterly reports based on data from the Survey of Income and Program Participation (SIPP). The first report was issued in September 1984 and presented data on average monthly income, labor force activity, and program participation for the third quarter of 1983. This report presents similar data for October to December of 1983.

The SIPP quarterly report series has been established to make data from the survey available as quickly as possible and to provide information that will serve to supplement those currently available from other statistical series produced by the Bureau of Labor Statistics and the Bureau of Economic Analysis that measure changing economic conditions. The data presented in the quarterly reports differ in one important aspect from those available in these other series. They permit examination of the relationship between household income, participation in government programs, and the labor force activity of household members. More detailed studies of these relationships will be possible when the SIPP longitudinal data base is complete. This data base, which will contain monthly data for the same sample households over a 12-month period, is under development. This quarterly series of reports showing monthly averages will be the main source of estimates of change from SIPP until the longitudinal data are ready.

Several cautions should be noted concerning the estimates shown in the first few reports of this publication series. First, the data in the SIPP quarterly report series will be designated as preliminary until all phases of the data collection and computer processing systems have been tested over at least a 1-year period. Some of the data shown in the first report for the third quarter of 1983 have already undergone revisions. Figures for the third quarter shown in this report reflect those revisions.

Second, it is difficult to interpret some of the changes because the SIPP is the first survey to provide data on monthly changes in income, program participation, and household composition. More observations will be required before factors such as seasonality can be studied and placed in perspective. None of the data in this report have been seasonally adjusted. In addition, other aspects of data collection and processing need to be examined. These include response error, assignment of survey weights, and the accuracy of the imputations for missing survey responses.

Most of the estimates in this report are in the form of monthly averages for the specified quarter and are restricted to the nonfarm population. Appendix B contains a description of the procedures used to compute the monthly averages. The data were collected in interviews conducted during the period from November 1983 to April 1984. Appendix A contains a description of the survey design and procedures.

HIGHLIGHTS

The estimates from SIPP, while not seasonally adjusted, reflect an improving economy during the fourth quarter of 1984. The monthly average number of households increased to about 83.7 million, up 650,000 from the previous quarter. Mean household income was also higher, about \$2,220 per month during the fourth quarter, 2.1 percent above the \$2,180 posted in the third quarter.¹ (See table A.) This increase, coupled with the increase in the number of households, resulted in a 2.9-percent increase in the aggregate income received by nonfarm households.

The SIPP data on labor force activity (table B) show that the monthly average number of persons with a job the entire month increased from 96.3 to 98.1 million between the third and fourth quarters, and the monthly average of persons who spent time looking for work or on layoff declined from 13.7 to 12.0 million. During the fourth quarter, persons who had no job but looked for work had a mean monthly household income of \$1,530, compared with \$2,970 for persons with a job the entire month.

An increase in the average proportion of households participating in means-tested programs was associated with seasonal factors. Table C shows that the percentage of households receiving means-tested benefits increased from 15.4 percent to 17.9 percent. Because school was in operation during all of the fourth quarter as compared with 1 month of the third quarter, the monthly average of households participating in the free or reduced-price school meal program increased from 2.0 million to 6.0 million. With the onset of cold weather there was an increase in the number of households receiving energy assistance, from a monthly average of 1.3 million in the third quarter to 2.6 million in the fourth quarter. There were no significant changes in the pro-

¹This change was significant at the 93-percent confidence level.

Table A. Number of Nonfarm Households and Mean Household Cash Income: Monthly Averages, Third and Fourth Quarters 1983

(Numbers in thousands. Mean incomes in current dollars)

Characteristic	Third quarter 1983		Fourth quarter 1983	
	Number	Mean income	Number	Mean income
All households.....	83,081	\$2,177	83,733	*\$2,222
White.....	71,858	2,273	72,417	*2,322
Black.....	9,246	1,413	9,402	1,426
Spanish origin ¹	4,182	1,609	4,106	1,677
No members with labor force activity.....	18,304	1,014	18,630	**1,107
One or more members with a job, no members looking or on layoff.....	53,311	2,689	54,920	2,704
One or more members looking or on layoff.....	11,467	1,657	10,183	1,666
Under 25 years.....	5,716	1,366	5,703	1,382
25 to 34 years.....	19,458	2,023	19,685	2,110
35 to 44 years.....	16,228	2,714	16,382	2,685
45 to 54 years.....	12,160	2,969	12,153	2,951
55 to 64 years.....	12,447	2,412	12,563	2,472
65 years and over.....	17,073	1,380	17,246	*1,494
Family households.....	60,430	2,491	60,909	2,528
Married couple families.....	48,644	2,724	48,893	2,770
Female family households, no husband present, with children under 18 years.....	5,851	1,052	5,940	*1,103
Other family households.....	5,935	1,997	6,076	1,972
Nonfamily households.....	22,651	1,341	22,824	*1,405
Persons living alone.....	19,709	1,194	19,771	1,254
Other.....	2,942	2,320	3,053	2,382

¹Persons of Spanish origin may be of any race.

*Significantly different from the third quarter estimate between the 90- and 95-percent confidence levels.

**Significantly different from the third quarter estimate at the 95-percent confidence level.

portion of households participating in other means-tested programs.

Fourth-quarter data on the rate at which nonfarm households in given programs participated in means-tested programs are presented in table D. Households in which one or more persons received Social Security or Railroad Retirement benefits were somewhat more likely than households in general to receive energy assistance, to be covered by Medicaid, and to live in public or subsidized housing. Households receiving one type of means-tested assistance had generally high participation rates in other programs. For example, the proportion receiving food stamps was 81 percent among AFDC households, and about 45 percent among SSI households and households receiving free or reduced-price school meals.

HEALTH INSURANCE COVERAGE

Table E presents data from the SIPP on health insurance coverage. On average, approximately 85 percent of the population was covered by either government or private health insurance during the fourth quarter of 1983. The proportion covered by private health insurance was 75 percent, and 61 percent of the total population was covered by a health plan that was related to the current or prior employment of a family member. The proportion of persons covered by private plans including employer-provided plans varied by several characteristics. Persons who were Black or of Spanish origin were much less likely than Whites to be covered by a private plan (the rate was 78 percent among Whites, 54 percent among Blacks, and 52 percent among Spanish-origin

Table B. Labor Force Activity and Mean Household Income of Nonfarm Persons 16 Years Old and Over: Monthly Averages, Third and Fourth Quarters 1983 (Numbers in thousands)

Labor force activity status	Third quarter 1983		Fourth quarter 1983	
	Number	Mean income of household	Number	Mean income of household
Persons 16 years and over.....	170,405	\$2,518	171,081	\$2,565
With some labor force activity.....	112,375	2,817	111,357	2,823
With job entire month.....	96,278	2,981	98,146	2,969
Spent time on layoff.....	467	2,166	504	2,213
With job part of month.....	5,228	2,405	3,769	2,263
Spent time looking for work or on layoff.....	2,347	1,983	2,024	2,030
No job during month: spent time looking for work or on layoff.....	10,869	1,559	9,443	1,531
No labor force activity.....	58,029	1,940	59,724	2,083
Persons 20 to 64 years.....	130,618	2,659	131,252	2,694
With some labor force activity.....	100,477	2,808	100,821	2,817
With job entire month.....	88,013	2,969	90,303	2,956
Spent time on layoff.....	420	2,159	467	2,212
With job part of month.....	3,834	2,206	2,978	2,156
Spent time looking for work or on layoff.....	1,911	1,814	1,719	1,971
No job during month: spent time looking for work or on layoff.....	8,629	1,432	7,540	1,403
No labor force activity.....	30,141	2,163	30,432	2,289

Table C. Program Participation Status of Nonfarm Households: Monthly Averages, Third and Fourth Quarters 1983 (Numbers in thousands)

Characteristic	Third quarter 1983			Fourth quarter 1983		
	Number	Percent distribution	Mean income	Number	Percent distribution	Mean income
All households.....	83,081	100.0	\$2,177	83,733	100.0	\$2,222
Receiving:						
Social Security or Railroad Retirement.....	22,673	27.3	1,509	23,154	27.7	1,588
Medicare.....	20,195	24.3	1,488	20,402	24.4	1,611
Unemployment compensation.....	2,854	3.4	1,801	2,664	3.2	1,874
Means-tested cash benefits ¹	7,081	8.5	908	7,035	8.4	980
SSI.....	2,797	3.4	957	2,789	3.3	973
AFDC or other cash welfare.....	3,767	4.5	816	3,722	4.4	842
Means-tested noncash benefits.....	12,815	15.4	936	15,026	17.9	1,015
Food stamps.....	6,304	7.6	585	6,380	7.6	611
WIC.....	1,083	1.3	989	1,179	1.4	1,015
Free or reduced-price school meals.....	1,973	2.4	1,155	5,985	7.1	1,137
Public or subsidized housing.....	3,518	4.2	694	3,576	4.3	730
Energy assistance.....	1,313	1.6	784	2,594	3.1	671
Medicaid.....	7,516	9.0	940	7,425	8.9	959

¹Includes VA pensions not shown separately.

Table D. Receipt of Means-Tested Noncash Benefits by Nonfarm Households, by Participation Status in Selected Programs: Monthly Averages, Fourth Quarter 1983 (Numbers in thousands)

Characteristic	Total	Percent receiving					
		Food stamps	WIC	Free or reduced-price school meals	Public or subsidized housing	Energy assistance	Medicaid
All households.....	83,733	7.6	1.4	7.1	4.3	3.1	8.9
Received nonmeans-tested benefits:							
Social Security or Railroad Retirement.....	23,154	7.3	0.4	3.7	6.3	4.9	11.8
Medicare.....	20,402	7.5	0.2	2.2	6.9	5.2	12.9
Unemployment compensation..	2,664	11.4	2.8	12.7	3.7	5.3	10.5
Received means-tested benefits:							
Food stamps.....	6,380	(X)	9.6	40.5	21.6	22.6	68.5
WIC.....	1,179	52.1	(X)	35.8	14.2	15.7	50.2
Free or reduced-price school meals.....	5,985	43.2	7.1	(X)	14.9	12.0	38.7
Public or subsidized housing.....	3,576	38.5	4.7	24.9	(X)	9.6	41.0
Energy assistance.....	2,594	55.5	7.1	27.7	13.3	(X)	48.7
Medicaid.....	7,425	58.8	8.0	31.2	19.7	17.0	(X)
SSI.....	2,789	44.9	2.0	13.0	21.7	15.6	99.5
AFDC or other cash assistance.....	3,722	80.7	14.1	50.3	21.2	20.4	95.1

X Not applicable.

persons).² Other groups with relatively low rates of private health insurance coverage were persons under 25 years of age, persons 65 years old or over, and persons living in the South and West. Females were less likely than males to be covered by health insurance provided through an employer of a family member; the rate was 62 percent among males

and 59 percent among females. The proportion of persons not covered by health insurance was 14 percent among Whites, 22 percent among Blacks, and 29 percent among persons of Spanish origin. Males were less likely to be covered than females (16 percent noncoverage rate versus 14 percent) and persons under 35 years of age were less likely to be covered than persons above that age. The proportion with no health insurance was higher in the South and West than in other regions of the country. The lowest rate of noncoverage, about 10 percent, was in the Northeast.

²The difference between 54 percent for Blacks and 52 percent for persons of Spanish origin was not statistically significant.

Table E. Persons, by Health Insurance Coverage Status: Monthly Averages, Fourth Quarter 1983

Characteristic	Total (thous.)	Percent			
		Covered by private or govern- ment health insurance	Covered by private health insurance		Not covered by health insurance
			Total	Related to current or prior employment of self or other family member	
All persons.....	231,209	84.8	74.7	60.7	15.2
SEX					
Males.....	112,015	83.9	75.0	62.4	16.1
Females.....	119,194	85.7	74.4	59.1	14.3
RACE AND SPANISH ORIGIN ¹					
White.....	196,823	86.0	78.1	63.4	14.0
Black.....	27,679	78.2	54.0	44.1	21.8
Spanish origin.....	13,896	70.9	52.1	44.7	29.1
AGE					
Under 16 years.....	55,200	81.4	69.1	60.3	18.6
16 to 24 years.....	36,140	76.6	69.3	53.9	23.4
25 to 34 years.....	39,908	81.5	75.4	67.3	18.5
35 to 44 years.....	29,630	87.4	82.1	74.4	12.6
45 to 54 years.....	22,170	88.8	82.9	72.1	11.2
55 to 64 years.....	22,095	88.5	82.6	66.5	11.5
65 years and over.....	26,066	99.3	70.6	30.8	0.7
REGION					
Northeast.....	49,677	89.7	79.7	66.6	10.3
Midwest ²	58,628	87.9	78.2	63.1	12.1
South.....	79,106	81.3	71.6	56.9	18.7
West.....	43,798	81.7	69.7	57.7	18.3

¹Persons of Spanish origin may be of any race.

²Formerly the North Central Region.

Note: Government health insurance includes Medicare, Medicaid, and military plans.