for a family with an income of \$10,000 are \$32.56, \$51.73 and a net subsidy paid in the amount of \$19.17. This represents 59% more than the benefits received from television viewing. When the subsidy is broken down into

Table III

Net Subsidies to Hypothetical Families with Disposable Incomes
of \$3,000 and \$10,000 Respectively—1963

|                                 | (1) Benefits received, \$.                           | (2) Payments made, \$. | (3)<br>Net<br>Subsidy, \$. | (4) Subsidy- benefit ratio, %. | (5)<br>Income<br>elasticity |
|---------------------------------|--|------------------------|----------------------------|--------------------------------|-----------------------------|
|                                 | A Family with Disposable Personal Income of \$3,000  |                        |                            |                                |                             |
| Food                            | 8-91   | 5.68                   | 3-13                       | 35                             | 0.70                        |
| Automobile                      | 2.06   | 0.99                   | 1.07                       | 52                             | 0.70                        |
| Tobacco                         | 2.74   | 1.87                   | 0.87                       |                                | 1.36                        |
| House furnishings and           |  | - 0,                   | 1 0.01                     | 32                             | 0.65                        |
| equipment .                     | 1.36   | 0.73                   | 0.63                       | 40                             |                             |
| Alcoholic beverages             | i.71   | 0.95                   |                            | 46                             | 1.04                        |
| Clothing and related            |  | 0.93                   | 0.76                       | 44                             | 0.77                        |
| materials.                      | 0.68   | 0.36                   | 0.00                       |                                |                             |
| Household operations            | 4.10   | 2.33                   | 0.32                       | 47                             | 0.86                        |
| Medical care                    | 4.10   |                        | 1.77                       | 43                             | 0.68                        |
| Personal care.                  | 5.48   | 2.68                   | 1.42                       | 35                             | 0.61                        |
| Recreation and to               |  | 3.64                   | 1.84                       | 34                             | 0.43                        |
| Recreation and transport Others | 0.68   | 0.35                   | 0.33                       | 49                             | 1.03                        |
|                                 | 2.39   | 1.52                   | 0.87                       | 36                             | 0.55                        |
| Total .                         | 34-21  | 21-20                  | 13:01                      | 38                             |                             |
|                                 | A Family with Disposable Personal Income of \$10,000 |                        |                            |                                |                             |
| food .                          | 8-48   | 13.46                  | 400                        |                                |                             |
| Automobile                      | 1.95   | 3.63                   | -4.98                      | -59                            | 0.64                        |
| Tobacco                         | 2.61   |                        | -1.68                      | -86                            | 0.80                        |
| louse furnishings and           | 20,  | <b>3</b> ·92           | 1·31                       | -50                            | 0.49                        |
| equipment .                     | 1.31   | 2.27                   | 000                        |                                |                             |
| Alcoholic beverages             | 1.64   |                        | -0.96                      | <b>-73</b>                     | 0.83                        |
| lothing and related             | 0.64   | 2.66                   | -1.02                      | -62                            | 0.92                        |
| materials .                     |  | 1.07                   | -0.43                      | -67                            | 0.95                        |
| Iousehold operations .          | 3.90   | 6.55                   | -2.65                      | -68                            | 1.04                        |
| Medical care                    | 3.90   | 6.19                   | -2.29                      | -59                            | 0.73                        |
| ersonal care                    | 5.23   | 7.31                   | -2.08                      | -40                            | 0.73                        |
| Recreation and transport        | 0.64   | 1.19                   | -0.55                      | -86                            |                             |
| Others                          | 2.26   | 3.48                   | -1.22                      | -54                            | 1·01<br>0·80                |
| otal                            | 32.56  | 51.73                  | -19-17                     | 59                             |                             |

Note: The values in each column were computed as follows:

Source: See Table I.

product groups considerable divergency emerges. Thus, a family with an income of \$3,000 received a net subsidy as high as \$3.13 from programmes sponsored by food advertisers and as low as \$0.32 from clothing. The abso-

<sup>(1)</sup>  $C\{\alpha_i g(Y)\};$  (2)  $\alpha_i f_i(Y);$  (3) column 1 minus column 2; (4) column 3 divided by column 1; (5)  $\eta = \frac{dE}{dY} \frac{Y}{E}$ .