ANNUAL FAMILY INCOME OF CUSTOMERS COMPARED WITH ESTIMATES OF 1966 INCOME OF DISTRICT OF COLUMBIA HOUSEHOLDS

Annual income	Annual family income of customers[1]		Estimated percent distribution of 1966 income of all households in the District of Columbia[2]
	Number reporting	Percent of total	
Less than $3,000	129	26.5	16.6
$3,000 to $4,999	193	39.7	15.6
$5,000 to $7,999	129	26.5	27.8
$8,000 to $9,999	26	5.4	12.2
$10,000 and over	9	1.9	27.8
Total	486	100.0	100.0

[1] Income for customers, reported in the spring of 1966, was projected to annual by multiplying monthly family income by 12. Income was reported before taxes or deductions.
[2] Estimates published by Sales Management magazine, June 10, 1967, "Survey of Buying Power," p. D–47. These estimates are of spendable or disposable income. They are not strictly comparable with before-tax income reported by customers.

Note: Median annual income: Customers, $4,176; estimate for District of Columbia, $6,920.

Source: Bureau of Economics, Federal Trade Commission.

The median monthly family income of the sample of customers—with about one-half below and about one-half above this level—was $348 in 1966. This is very low when it is recognized that the average size of family for this sample was 4.3 persons. More than one-third (38.4 percent) of the total customers received income of less than $300 per month; about one-quarter (24 percent) received from $300 to $399 per month; and one-quarter (27 percent) received from $400 to $599 per month. Only about one-tenth of the customers received a monthly income of $600 and over during the year 1966. The Bureau of Labor Statistics recently estimated that the maintenance of a moderate standard of living for four in Washington, D.C. requires a monthly income of $730.[1]

A comparison of annual family income categories of the sample of customers with estimates of the distribution of 1966 annual income of all households in the District of Columbia is given at the bottom of table IV–5. The estimates for 1966 are actually based on disposable income, which should be less than the gross income reported by the sample of customers. The median annual income of sample customers was $4,176, as compared with the median estimate of $6,920 for all families in the District of Columbia. Almost two-thirds of the customer sample (66 percent) had an annual income of less than $5,000, while for the District of Columbia as a whole only about one-third (32 percent) of the households had incomes below $5,000. The moderate income bracket of $5,000 to $7,999 accounted for about one-fourth of the income of customers in the sample and estimated income of all families in the District of Columbia. There is a very sharp contrast for the income bracket over $8,000; the sample of customers included only 7 percent in this relatively affluent group, while it was estimated that 40.0 percent of all families in the District of Columbia had incomes of over $8,000 in 1966. These comparisons clearly indicate that the customers in the sample were individuals with below average income.

Sources of Income.—The principal source of income of customers was wages from occupations. The data in table IV–6 show a breakdown of wages and other sources of income for married couples, individual men, and individual women in the sample of customers.

Out of a total of 306 married couples, in 119 cases (or 38.9 percent) both husband and wife were employed. Practically all of the individual men customers were employed. For the individual women in the sample, however, out of a total of 140, there were 37 (or 26 percent) who were not employed.

[1] This estimate is for a family of four living in a rented residence during 1966 in the Washington, D.C. metropolitan area. Phillis Groom, "A New City Worker's Family Budget," *Monthly Labor Review*, Bureau of Labor Statistics, November 1967, p. 3.