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BLACKS PAY MORE FOR LESS



*U.S. Department of Housing
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BLACKS PAY MORE FOR LESS

Blacks living in low-income areas of major cities pay on the average more for shelter than whites living in the same areas; a higher proportion of blacks than of whites must devote an inordinate amount of income to housing expense; and yet a much higher proportion of blacks than whites live in overcrowded housing.

Such are the results of an analysis of data on housing expense and overcrowding contained in Employment Profiles of Selected Low-Income Areas,¹ published by the U. S. Bureau of the Census in recent months.

In each of the 51 cities in which the survey was made, the Census delineated the areas with substantial numbers of persons with low income. The city populations covered by the surveys number in toto nearly 9 million, about half black, 12 percent Spanish, 36 percent white non-Spanish, and 2.6 percent "others", meaning Orientals and American Indians.

For comparing housing expenses, it is important to know that in the low-income areas the variations in median incomes between white, black, and Spanish are not very great. Among families with male heads, black median income is 95 percent of the white median; the Spanish median is 84 percent of the white median. The income difference is greater among the smaller number of households headed by a woman.

When the figures for the 51 cities are averaged out for families with male heads, the median monthly housing expense for blacks is \$95 compared to \$79 for

¹U. S. Bureau of the Census, Employment Profiles of Selected Low-Income Areas. Series PHC(3), 1972. All tables in this report are derived from this series.

whites, and \$85 for Spanish speaking. Housing expense absorbs more than 25 percent of income in about a fifth of the black and Spanish speaking families, and in only 14 percent of the white families. In spite of the higher housing expense, blacks live in overcrowded housing twice as frequently as whites and Spanish speaking three times as frequently as non-Spanish whites.

The data provided here document what has long been known to the observer concerned with the effects of discrimination in the housing market and the results of a dual market system, the fact that blacks and families of Spanish origin pay more for less.

There are wide variations when data for individual cities are analyzed. In the Chicago low-income areas, to give one example, the monthly housing expense for black families with male heads is \$123, compared to \$88 for white, and \$97 for Spanish speaking families. In 35 percent of the black families, as against 13 percent of white and 19 percent of Spanish families, housing expense absorbs more than 25 percent of family income. Yet, 22 percent of the black and 30 percent of the Spanish live in crowded housing as compared to 10 percent of the white families.

In Louisville, Kentucky, in contrast, the differences between black and white are insignificant.

Spanish speaking households face circumstances similar to those encountered by blacks in the housing market. In Chicago the dollar housing expense of Spanish families is lower than that of blacks, but the degree of crowding is higher among Spanish than among black families. In Miami, in contrast, the housing expense of Spanish families is higher than that of both non-Spanish whites and blacks. No less than 40 percent of the Spanish families in the

low-income areas spend more than 25 percent of income for housing, and still the degree of crowding is three times as high as among non-Spanish whites, though less than among blacks. In Fort Worth the Spanish families, too, have the highest ratio of families with excessive housing expense and by far the highest degree of overcrowding.

Female-headed households--white, black, and Spanish--have a harder time in the housing market than households with male heads. The reason is that their incomes are not much more than one-half of the male headed households. The averages for the 51 cities (Table 1) show that the monthly dollar housing expense of female headed households is only slightly lower than the average for male headed households. Since nearly the same housing cost is paid out of a much smaller income, the percentage devoting more than 25 percent of income for shelter expenses rises to a third for white and black families and to 55 percent among the Spanish families with female heads. Crowding is about three times as frequent among black and Spanish speaking households as among the non-Spanish whites.

There are differences in the characteristics of white, black, and Spanish speaking families that have a bearing on the crowding factor. The black and Spanish speaking families are somewhat larger than the white families. Thus, a slightly higher degree of crowding would be expected among the minority group families. But the difference in family size is not great enough to explain why crowding is twice as frequent among blacks and three times as frequent among Spanish speaking as among whites.

The white persons living in the low-income areas differ in age composition from the black and Spanish speaking. More than a fifth of the white, compared

to a tenth of the black and less than a twelfth of the Spanish speaking persons are in the older age brackets, 65 and over. And the whites, on the average have lived in the particular city longer than their black or Spanish counterparts. These factors may explain some, but certainly not all of the differences in dollar housing expenditures.

The Employment Profiles provide a mass of data on the labor force characteristics of the people living in low-income areas: what kind of jobs they have; how much they make; how many are employed and for how long; how many are unemployed or underemployed and the reasons for being unemployed or underemployed; how long families lived in the city and where they came from originally; where they work, in the city, in the low-income area or outside the city; how they get to work and how much it costs them to get to their jobs; what channels they use to find a job. Most of these data are provided separately for male and female, white and black.

The black proportion of the total population living in the designated low-income areas ranges from 6.1 percent in Minneapolis to 90.1 percent in the District of Columbia. The Spanish proportion in the 19 cities for which such data are provided ranges from 1 percent in Detroit to 73 percent in San Antonio.

Four cities have higher proportions of Spanish speaking persons than of blacks in the low-income area populations. They are San Antonio, Phoenix, Denver, and Miami.

TABLE 1.

Housing Expense, Median Income, and Crowding of Families
Living in Low-Income Areas of 51 Cities by
Race and Ethnic Origin, 1970

<u>Families with male head</u>	Non-Spanish <u>White</u>	<u>Black</u>	<u>Spanish</u>
Number of families	797,000	1,011,000	295,000
Median income	\$8,203	\$7,778	\$6,929
Median housing expense	\$79	\$95	\$85
Percent paying more than 25% of income for housing	14.2	19.6	19.0
Percent in crowded housing (more than 1 person per room)	9.5	19.0	29.5
 <u>Families with female head</u>			
Number of families	180,000	584,000	109,000
Median income	\$4,803	\$3,924	\$3,743
Median housing expense	\$76	\$91	\$87
Percent paying more than 25% of income for housing	33.3	32.7	55.0
Percent in crowded housing (more than 1 person per room)	7.8	21.4	24.8

TABLE 2.

Housing Expense, Median Income, and Crowding of
Families with Male Heads Living in Low-Income
Areas of 51 Cities, by Race and Ethnic Origin, 1970
(cities ranked by size of total population)

<u>New York</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$86	\$103	\$87
Percent paying more than 25% of income for housing	19.8	22.3	21.5
Percent crowded ^{1/}	13.0	20.8	27.1
Median income	\$8,025	\$7,809	\$6,637
<u>Chicago</u>			
Median housing expense	\$88	\$123	\$97
Percent paying more than 25% of income for housing	13.3	34.8	18.8
Percent crowded	10.2	22.3	30.3
Median income	\$8,595	\$7,575	\$7,752
<u>Los Angeles</u>			
Median housing expense	\$90	\$105	\$89
Percent paying more than 25% of income for housing	17.6	23.8	17.5
Percent crowded	8.8	18.9	35.4
Median income	\$8,547	\$7,644	\$7,489
<u>Philadelphia</u>			
Median housing expense	\$58	\$78	N/A
Percent paying more than 25% of income for housing	9.1	12.8	N/A
Percent crowded	7.6	10.8	N/A
Median income	\$8,606	\$8,482	N/A

^{1/} More than one person per room

<u>Detroit</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$73	\$93	N/A
Percent paying more than 25% of income for housing	14.3	16.8	N/A
Percent crowded	8.0	13.0	N/A
Median income	\$7,916	\$8,866	N/A
<u>Houston</u>			
Median housing expense	\$82	\$86	\$79
Percent paying more than 25% of income for housing	11.6	16.5	11.3
Percent crowded	9.8	23.1	34.9
Median income	\$8,998	\$7,370	\$7,556
<u>Baltimore</u>			
Median housing expense	\$81	\$105	N/A
Percent paying more than 25% of income for housing	14.8	17.4	N/A
Percent crowded	6.4	13.9	N/A
Median income	\$8,396	\$8,505	N/A
<u>Dallas</u>			
Median housing expense	\$100	\$91	\$75
Percent paying more than 25% of income for housing	21.0	20.7	16.8
Percent crowded	11.8	25.3	41.2
Median income	\$7,560	\$6,947	\$6,321
<u>Washington, D. C.</u>			
Median housing expense	\$129	\$117	N/A
Percent paying more than 25% of income for housing	27.6	20.6	N/A
Percent crowded	2.4	19.4	N/A
Median income	\$9,897	\$8,740	N/A

<u>Cleveland</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$78	\$95	N/A
Percent paying more than 25% of income for housing	12.9	16.9	N/A
Percent crowded	10.7	9.4	N/A
Median income	\$8,204	\$8,695	N/A
<u>Indianapolis</u>			
Median housing expense	\$79	\$85	N/A
Percent paying more than 25% of income for housing	13.6	17.6	N/A
Percent crowded	13.0	17.5	N/A
Median income	\$7,848	\$7,861	N/A
<u>Milwaukee</u>			
Median housing expense	\$83	\$97	N/A
Percent paying more than 25% of income for housing	10.9	16.7	N/A
Percent crowded	9.3	16.4	N/A
Median income	\$9,163	\$8,999	N/A
<u>San Francisco</u>			
Median housing expense	\$117	\$130	\$113
Percent paying more than 25% of income for housing	25.8	32.2	28.6
Percent crowded	4.7	15.7	24.2
Median income	\$8,668	\$8,064	\$7,780
<u>San Diego</u>			
Median housing expense	\$86	\$91	\$78
Percent paying more than 25% of income for housing	18.4	18.0	15.5
Percent crowded	12.3	18.2	34.7
Median income	\$5,971	\$7,839	\$6,948

	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
<u>San Antonio</u>			
Median housing expense	\$39	\$69	\$40
Percent paying more than 25% of income for housing	9.2	7.6	7.5
Percent crowded	6.8	12.4	35.8
Median income	\$6,675	\$7,159	\$5,939
<u>Boston</u>			
Median housing expense	\$104	\$127	N/A
Percent paying more than 25% of income for housing	16.1	23.6	N/A
Percent crowded	10.5	13.4	N/A
Median income	\$9,180	\$8,989	N/A
<u>Memphis</u>			
Median housing expense	\$74	\$69	N/A
Percent paying more than 25% of income for housing	15.1	11.1	N/A
Percent crowded	2.8	28.1	N/A
Median income	\$6,896	\$6,551	N/A
<u>St. Louis</u>			
Median housing expense	\$65	\$79	N/A
Percent paying more than 25% of income for housing	13.7	20.0	N/A
Percent crowded	19.7	24.8	N/A
Median income	\$7,197	\$6,968	N/A
<u>New Orleans</u>			
Median housing expense	\$81	\$75	N/A
Percent paying more than 25% of income for housing	15.4	20.5	N/A
Percent crowded	9.1	29.1	N/A
Median income	\$8,001	\$6,178	N/A

<u>Phoenix</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$83	\$86	\$72
Percent paying more than 25% of income for housing	14.4	18.2	10.2
Percent crowded	13.8	17.4	36.3
Median income	\$8,041	\$7,667	\$7,288
<u>Columbus</u>			
Median housing expense	\$75	\$79	N/A
Percent paying more than 25% of income for housing	14.5	17.1	N/A
Percent crowded	11.4	11.7	N/A
Median income	\$6,930	\$7,701	N/A
<u>Pittsburgh</u>			
Median housing expense	\$52	\$78	N/A
Percent paying more than 25% of income for housing	9.1	15.5	N/A
Percent crowded	9.8	12.3	N/A
Median income	\$7,930	\$7,392	N/A
<u>Denver</u>			
Median housing expense	\$84	\$89	\$81
Percent paying more than 25% of income for housing	15.6	16.6	17.6
Percent crowded	7.4	12.6	21.0
Median income	\$7,828	\$7,674	\$6,842
<u>Kansas City, Missouri</u>			
Median housing expense	\$72	\$82	N/A
Percent paying more than 25% of income for housing	12.1	12.8	N/A
Percent crowded	10.5	13.9	N/A
Median income	\$7,509	\$7,758	N/A

<u>Atlanta</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$76	\$76	N/A
Percent paying more than 25% of income for housing	20.5	15.0	N/A
Percent crowded	13.3	23.3	N/A
Median income	\$5,940	\$6,899	N/A
<u>Buffalo</u>			
Median housing expense	\$63	\$78	N/A
Percent paying more than 25% of income for housing	12.1	15.1	N/A
Percent crowded	6.0	8.1	N/A
Median income	\$7,990	\$7,961	N/A
<u>Cincinnati</u>			
Median housing expense	\$71	\$86	N/A
Percent paying more than 25% of income for housing	15.9	18.4	N/A
Percent crowded	22.7	20.3	N/A
Median income	\$6,857	\$7,253	N/A
<u>Minneapolis</u>			
Median housing expense	\$107	\$132	N/A
Percent paying more than 25% of income for housing	17.2	21.1	N/A
Percent crowded	7.2	6.5	N/A
Median income	\$8,948	\$9,474	N/A
<u>Fort Worth</u>			
Median housing expense	\$63	\$75	\$68
Percent paying more than 25% of income for housing	8.0	14.0	18.1
Percent crowded	11.5	25.8	35.7
Median income	\$7,087	\$7,145	\$6,866

<u>Toledo</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$67	\$75	N/A
Percent paying more than 25% of income for housing	8.9	12.1	N/A
Percent crowded	5.1	8.1	N/A
Median income	\$8,010	\$8,273	N/A
<u>Portland</u>			
Median housing expense	\$84	\$83	N/A
Percent paying more than 25% of income for housing	18.9	14.6	N/A
Percent crowded	4.3	11.9	N/A
Median income	\$7,452	\$7,318	N/A
<u>Newark</u>			
Median housing expense	\$88	\$122	\$104
Percent paying more than 25% of income for housing	19.0	24.1	30.6
Percent crowded	11.8	21.7	27.5
Median income	\$7,945	\$8,431	\$7,087
<u>Oklahoma City</u>			
Median housing expense	\$63	\$76	N/A
Percent paying more than 25% of income for housing	12.6	17.6	N/A
Percent crowded	11.1	17.0	N/A
Median income	\$6,778	\$6,504	N/A
<u>Oakland</u>			
Median housing expense	\$90	\$115	\$88
Percent paying more than 25% of income for housing	15.6	24.6	16.4
Percent crowded	5.2	17.9	17.6
Median income	\$7,391	\$8,205	\$7,258

<u>Louisville</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$68	\$71	N/A
Percent paying more than 25% of income for housing	13.8	14.1	N/A
Percent crowded	16.3	19.7	N/A
Median income	\$6,646	\$6,721	N/A
<u>Omaha</u>			
Median housing expense	\$72	\$80	N/A
Percent paying more than 25% of income for housing	10.3	13.1	N/A
Percent crowded	9.9	14.9	N/A
Median income	\$7,635	\$7,242	N/A
<u>Miami</u>			
Median housing expense	\$92	\$103	\$118
Percent paying more than 25% of income for housing	25.5	25.4	40.1
Percent crowded	6.3	29.7	20.3
Median income	\$6,147	\$6,942	\$6,827
<u>Tulsa</u>			
Median housing expense	\$74	\$68	N/A
Percent paying more than 25% of income for housing	12.7	14.6	N/A
Percent crowded	9.6	12.7	N/A
Median income	\$7,142	\$6,726	N/A
<u>St. Paul</u>			
Median housing expense	\$94	\$99	N/A
Percent paying more than 25% of income for housing	10.2	8.3	N/A
Percent crowded	7.9	10.8	N/A
Median income	\$9,711	\$9,006	N/A

<u>Norfolk</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$97	\$73	N/A
Percent paying more than 25% of income for housing	10.8	12.7	N/A
Percent crowded	3.7	21.3	N/A
Median income	\$9,849	\$6,694	N/A
 <u>Birmingham</u>			
Median housing expense	\$65	\$57	N/A
Percent paying more than 25% of income for housing	8.7	10.0	N/A
Percent crowded	6.1	22.3	N/A
Median income	\$7,925	\$6,245	N/A
 <u>Rochester, New York</u>			
Median housing expense	\$85	\$112	\$106
Percent paying more than 25% of income for housing	12.3	17.8	19.6
Percent crowded	7.5	20.4	19.0
Median income	\$8,325	\$9,311	\$8,176
 <u>Tampa</u>			
Median housing expense	\$62	\$74	\$53
Percent paying more than 25% of income for housing	11.5	16.5	10.2
Percent crowded	6.7	20.1	7.4
Median income	\$6,988	\$6,292	\$6,349
 <u>Wichita</u>			
Median housing expense	\$79	\$90	N/A
Percent paying more than 25% of income for housing	12.7	17.4	N/A
Percent crowded	7.1	23.7	N/A
Median income	\$7,791	\$7,424	N/A

<u>Akron</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$80	\$81	N/A
Percent paying more than 25% of income for housing	8.6	11.5	N/A
Percent crowded	4.8	8.2	N/A
Median income	\$9,027	\$8,706	N/A
<u>Jersey City</u>			
Median housing expense	\$92	\$106	\$94
Percent paying more than 25% of income for housing	12.4	17.7	18.7
Percent crowded	10.8	20.4	27.1
Median income	\$9,886	\$8,818	\$7,853
<u>Dayton</u>			
Median housing expense	\$88	\$85	N/A
Percent paying more than 25% of income for housing	18.1	11.2	N/A
Percent crowded	12.4	18.6	N/A
Median income	\$7,119	\$8,755	N/A
<u>Charlotte</u>			
Median housing expense	\$72	\$79	N/A
Percent paying more than 25% of income for housing	7.1	12.3	N/A
Percent crowded	8.9	24.8	N/A
Median income	\$8,084	\$7,287	N/A
<u>Providence</u>			
Median housing expense	\$64	\$87	N/A
Percent paying more than 25% of income for housing	9.4	12.6	N/A
Percent crowded	7.6	18.4	N/A
Median income	\$7,853	\$8,254	N/A

<u>Bridgeport</u>	<u>Non-Spanish White</u>	<u>Black</u>	<u>Spanish</u>
Median housing expense	\$100	\$125	\$121
Percent paying more than 25% of income for housing	13.5	19.8	32.0
Percent crowded	9.1	24.8	31.9
Median income	\$9,134	\$9,129	\$7,832
<u>Youngstown</u>			
Median housing expense	\$39	\$72	N/A
Percent paying more than 25% of income for housing	6.0	11.7	N/A
Percent crowded	11.4	12.0	N/A
Median income	\$8,334	\$7,947	N/A

Table 3.

Percent Black and Spanish Population in
Low-Income Areas of 51 Cities, 1970

	<u>Black</u>	<u>Spanish^{1/}</u>
New York	44.9	23.9
Chicago	64.5	9.3
Los Angeles	38.5	30.4
Philadelphia	55.0	N/A
Detroit	73.3	1.0
Houston	46.0	16.8
Baltimore	63.9	N/A
Dallas	57.4	11.1
Washington, D. C.	90.1	N/A
Cleveland	64.1	N/A
Indianapolis	43.0	N/A
Milwaukee	38.7	N/A
San Francisco	21.1	11.9
San Diego	40.3	21.7
San Antonio	12.9	73.0
Boston	22.3	N/A
Memphis	82.1	N/A
St. Louis	68.0	N/A
New Orleans	60.1	N/A
Phoenix	15.7	25.3
Columbus	49.7	N/A
Pittsburgh	37.4	N/A
Denver	16.8	27.1
Kansas City, Missouri	51.1	N/A
Atlanta	82.9	N/A
Buffalo	46.8	N/A
Cincinnati	57.9	N/A
Minneapolis	6.1	N/A
Ft. Worth	52.7	11.1
Toledo	39.8	N/A
Portland	16.1	N/A
Newark	66.3	10.7
Oklahoma City	36.7	N/A
Oakland	58.3	6.3
Louisville	48.5	N/A

^{1/} Data on Spanish are available only for cities in which they constitute 5 percent or more of the total population.

	<u>Black</u>	<u>Spanish</u>
Omaha	32.1	N/A
Miami	33.9	44.0
Tulsa	42.7	N/A
St. Paul	7.1	N/A
Norfolk	77.7	N/A
Birmingham	66.6	N/A
Rochester, New York	46.0	5.4
Tampa	42.9	15.3
Wichita	32.2	N/A
Akron	27.8	N/A
Jersey City	35.5	14.1
Dayton	69.4	N/A
Charlotte	75.7	N/A
Providence	12.6	N/A
Bridgeport	26.0	15.3
Youngstown	50.9	N/A
51 cities	49.5	11.8

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August 1972