**Fiscal Facts: Wisconsin Outpaces Nation in Trend Toward Smaller Households**

As the average American household has become smaller over the last five decades, Wisconsin saw an even sharper decline. And the average household is set to continue getting smaller in the near future.

American households have changed dramatically over the last 50 years; one metric that reflects one facet of this change is “average household size.” It is the average number of people living in an occupied housing unit – or household – for each household within a given area.

The average U.S. household size in 1970 was 3.11 people. It declined each decade since, with a particularly sharp drop during the 1970s, reaching a low of 2.55 in 2020 -- an 18.1% drop over the five decades. In Wisconsin, average household size in 1970 was 3.22. It declined to 2.36 by 2020, a 26.7% drop.

Wisconsin ranked 45th in average household size among the 50 states. This 2020 ranking stands in stark contrast to Wisconsin’s rank of 15th among the states in 1970.

The shift has been caused by multiple trends. They include that Americans are living longer now than 50 years ago, having fewer children, and are more likely now, for various reasons, to live in a one-person household.

U.S. life expectancy increased significantly since 1970, meaning more households are comprised of one or two people who are 70 or older. In general, states with younger populations have larger average households and older states have smaller households.

From 1970 to 2020, the share of households nationally that were single-person households increased from 17.6% to 27.6%, a rise of 57.2%. Wisconsin went from 16.9% single-person households in 1970 to 30.3% in 2020, a 78.7% increase.

This points toward one of the most significant implications of these trends: how they affect our housing needs, and how these needs square with existing housing inventory. Most of our housing stock was built during an era of larger households. Now there is more demand for small housing units for one or two people. Though not as significant as some other factors, this “housing mismatch” may be contributing to a shortage of affordable housing.

Another potential implication of declining household size relates to loneliness and social connection. A recent Surgeon General’s report cites it among factors that help "to explain increases in reported loneliness and social isolation.” The report also cites policies to foster greater social connection such as ensuring a community’s built environment, public spaces, and amenities promote social interaction, and supporting programs and community groups that strengthen social ties.

The average size of Wisconsin households is projected to continue to decline at a modest pace. In light of this, policymakers may need to consider how our policies can best ensure housing is accessible and affordable, and that Wisconsinites maintain strong social connections.

*This information is a service of the Wisconsin Policy Forum, the state’s leading resource for nonpartisan state and local government research and civic education. Learn more at* [*wispolicyforum.org*](https://wispolicyforum.org/research/state-tax-burden-up-but-overall-burden-still-falling/)*.*