

slightly in number. The relative decrease in the proportion of orphans in the population is substantial, however, for all types of orphans, even for paternal-only orphans. On October 1, 1949, 6.1 percent of the child population was orphaned; on July 1, 1953, 5.4 percent. Such a substantial decline indicates that the risk of orphanhood is decreasing markedly. In the absence of war, it is likely that there will be a diminishing number of orphans even though the child population is increasing concurrently. The implications for survivor benefits in the old-age and survivors insurance program are significant.

The estimates of paternal orphans (including full orphans) may also be compared with the number of orphans receiving old-age and survivors insurance benefits on June 30, 1953, based on a projection of the distribution by age and race as of December 31, 1952—the latest date for which this information is available. The great majority of the children receiving survivor benefits are paternal orphans; data are not available on the number of maternal-only orphans currently on the rolls, but of the 1952 awards only 5 percent arose from deaths of female workers. Those receiving benefits comprise 46 percent of all paternal and full orphans (table 4); they make up slightly more than half of all white orphans and a fourth of the nonwhite orphans, a difference that reflects the relatively greater concentration of white workers in the population covered by the program.

Relatively more paternal orphans under age 5 than in any other age group were receiving old-age and survivors insurance benefits; 63 percent of all children, 71 percent of the white children, and 38 percent of the

nonwhite children were in receipt of benefits. On the other hand, only 34 percent of the paternal orphans aged 15-17 were beneficiaries. This decreasing trend with age results from the fact that many of the older orphans' fathers died before acquiring insured status under the program (either because of death before 1940 when benefits first became payable or before the extension of coverage to many employment categories in 1951). Thus, under present coverage, the proportion for all ages combined can be expected to rise to about 65 percent. This figure is well below the 80 percent representing the proportion of the labor force that is covered by old-age and survivors insurance; the difference arises in part from the failure of entitled beneficiaries to file for benefits because of the maximum benefit provisions, marital and employment status, and the like and in part because the presently noncovered group, on the whole, probably have relatively more children as well as higher mortality. Thus, even if coverage were now universal, and had been for several decades, not all paternal orphans would be on the benefit rolls.

No detailed comparison of the orphans receiving aid to dependent children is possible, since data on the attained age and type of orphan are not available. These children number about 0.3 million, or three-tenths the number receiving survivor benefits under old-age and survivors insurance. Most of them are paternal orphans; they represent about 15 percent of the total number of paternal orphans in the population and 0.5 percent of the child population.

It is evident from this brief analysis that the orphans under age 18 in the United States are decreasing

**Table 4.—Orphans receiving old-age and survivors insurance benefits<sup>1</sup> as a percent of all paternal and full orphans, June 30, 1953**

Age <sup>2</sup>	Total	White	Nonwhite
Total.....	46	52	25
0-4.....	63	71	38
5-9.....	60	68	33
10-14.....	46	52	25
15-17.....	34	39	17

<sup>1</sup> Distribution of number (920,052) as of June 30, 1953, by age and race, estimated on basis of distribution as of December 1952.

<sup>2</sup> Age on last birthday.

in number, in spite of a rapidly increasing child population. The decrease is attributable primarily to the rapidly falling death rates of the parents of children among all groups of the population. Even though age-specific mortality rates of parents should stabilize at the child-bearing ages, this trend in reduction of parents' mortality will continue for at least 18 years—that is, until the newborn infants of today attain 18 years of age.

## Old-Age Insurance Benefits, 1953

### Benefits Awarded

During 1953 old-age benefits were awarded to 771,700 persons, an increase of 45 percent from the number awarded in 1952 and 10 percent more than the previous high established in 1951. The large number of awards in 1953 reflects the growth in the insured population resulting from the extension of coverage provided by the 1950 amendments. Many of the awards were made to self-employed persons, who, after January 1, 1953, could for the first time become entitled to full-rate benefits based solely on self-employment income.

Slightly more than two-thirds (69 percent) of the old-age benefits awarded in 1953 were computed under the new-start formula—that is, they were based on earnings after 1950, and the new benefit formula was used to determine the amount (table 1). The benefits for the remaining 31 percent of the persons were determined by applying the 1939 formula to earnings after 1936

**Table 3.—Trend in estimated number of orphans under age 18**

Type of orphan	Number (in thousands)		Percent of child population		Percentage decrease July 1, 1953, from Oct. 1, 1949	
	Oct. 1, 1949 <sup>1</sup>	July 1, 1953	Oct. 1, 1949	July 1, 1953	Number	Percent
Total.....	2,929	2,869	6.10	5.37	2.0	12
Paternal-only.....	1,892	1,926	3.94	3.61	-1.8	8
Maternal-only.....	956	877	1.99	1.64	8.3	18
Full.....	81	66	.17	.12	18.5	29

<sup>1</sup> Earlier estimates by Division of the Actuary on basis of generation death rates, adjusted to be comparable with data for July 1, 1953.

and increasing the result through use of the conversion table. Awards to women represented slightly more than one-fourth (26 percent) of the benefits computed under the new-start formula and slightly more than one-third (35 percent) of the bene-

fits determined by use of the conversion table.

Insured persons who are disabled, retired, or unable to obtain employment or who are currently working in noncovered employment when they reach age 65 usually file appli-

cations for benefits immediately. Such persons are unlikely to have enough quarters of coverage after 1950 to qualify for a benefit computation under the new-start formula. Old-age benefits awarded in 1953 to persons attaining age 65 or 66 during 1953 comprised almost 73 percent of the benefits determined by use of the conversion table as against 36 percent of the benefits figured by the new-start formula.

About 12 percent of all awards were made to persons aged 75 or over in 1953. For the group for whom the conversion table was used, only 4 percent of the beneficiaries were aged 75 or over; when the new-start formula was used, about 15 percent were in this age range. Many older persons qualified for benefits because of the extension of coverage in the 1950 amendments; most of these persons obtained the 6 quarters of coverage needed for insured status after 1950 and thus qualified for benefits computed under the new-start formula.

For all persons awarded old-age benefits, regardless of the computation method, the average ages at time of award were 68.6 for men and 68.2 for women; the averages had been the same in 1952. For persons whose benefits were computed by means of the conversion table, the average ages were 67.0 for men and 66.4 for women. For those whose benefits were determined under the new-start formula, however, the average ages were 69.3 for men and 69.2 for women. The older average ages for this group resulted partly from the relatively large number of awards to persons aged 75 or over who had become insured as a result of the coverage extension provided by the 1950 amendments.

The older average ages also showed the smaller proportion of awards in this group to persons at age 65 than in the group whose benefits were computed by means of the conversion table. A large number of the awards doubtless went to persons who had been out of employment for some period immediately preceding their sixty-fifth birthday. Such individuals probably could not have acquired the 6 quarters of coverage after 1950 that are necessary to have

Table 1.—Number, percentage distribution, and average monthly amount of old-age benefits awarded in 1953, by computation method and by age and sex of beneficiary

[Based partly on 10-percent sample]

Age <sup>1</sup>	Total			Male			Female		
	Number	Percent	Average monthly amount	Number	Percent	Average monthly amount	Number	Percent	Average monthly amount
Total.....	771,671	100.0	\$56.76	548,722	100.0	\$61.69	222,949	100.0	\$44.62
65.....	237,618	30.8	53.74	159,905	29.1	59.80	77,713	34.9	41.27
66.....	127,189	16.5	57.45	89,872	16.4	62.54	37,317	16.7	45.20
67.....	73,898	9.6	60.38	53,537	9.8	65.04	20,361	9.1	48.13
68.....	56,895	7.4	61.24	41,953	7.6	65.85	14,942	6.7	48.29
69.....	46,582	6.0	69.35	33,672	6.1	63.93	12,910	5.8	47.38
70.....	39,137	5.1	58.89	28,285	5.2	63.47	10,852	4.9	46.95
71.....	32,858	4.3	57.52	23,848	4.3	61.71	9,010	4.0	46.44
72.....	26,117	3.4	56.44	19,004	3.5	60.63	7,113	3.2	45.24
73.....	23,121	3.0	55.52	16,695	3.0	59.88	6,426	2.9	44.71
74.....	18,683	2.4	54.74	13,551	2.5	58.92	5,132	2.3	43.70
75.....	29,291	3.8	62.41	23,250	4.2	65.85	6,041	2.7	49.18
76.....	17,220	2.2	56.91	13,188	2.4	60.03	4,032	1.8	46.67
77.....	10,944	1.4	52.86	7,931	1.4	56.03	3,013	1.4	44.51
78.....	8,081	1.0	51.42	5,865	1.1	54.51	2,216	1.0	43.22
79.....	6,201	.8	51.61	4,580	.8	54.20	1,621	.7	44.31
80-84.....	14,774	1.9	51.08	11,200	2.0	53.13	3,574	1.6	44.67
85-89.....	2,646	.3	51.04	2,057	.4	52.07	589	.3	47.46
90 and over.....	416	.1	56.09	329	.1	56.23	87	( <sup>2</sup> )	55.56
New-start formula	534,565	100.0	\$64.27	393,920	100.0	\$68.97	140,645	100.0	\$51.08
65.....	110,135	20.6	67.66	80,692	20.5	73.04	29,443	20.9	52.99
66.....	82,616	15.5	67.03	60,944	15.5	71.78	21,672	15.4	53.66
67.....	58,576	11.0	66.25	42,921	10.9	71.11	15,655	11.1	52.94
68.....	47,052	8.8	66.16	35,080	8.9	71.01	11,972	8.5	51.97
69.....	38,620	7.2	64.05	28,132	7.1	68.85	10,488	7.5	51.17
70.....	33,168	6.2	63.05	23,906	6.1	68.17	9,262	6.6	49.82
71.....	27,851	5.2	61.42	20,334	5.2	65.95	7,517	5.3	49.18
72.....	21,747	4.1	60.79	16,852	4.0	65.49	5,895	4.2	48.16
73.....	19,679	3.7	59.02	14,145	3.6	63.87	5,534	3.9	46.63
74.....	15,784	3.0	58.56	11,360	2.9	63.57	4,424	3.1	45.68
75.....	26,320	4.9	65.14	20,996	5.3	68.66	5,324	3.8	51.25
76.....	15,266	2.9	59.73	11,600	2.9	63.47	3,666	2.6	47.90
77.....	9,390	1.8	56.13	6,755	1.7	60.09	2,635	1.9	45.99
78.....	7,021	1.3	54.57	5,138	1.3	57.88	1,883	1.3	45.56
79.....	5,453	1.0	54.54	4,023	1.0	57.51	1,430	1.0	46.17
80-84.....	13,133	2.5	53.74	9,915	2.5	56.26	3,218	2.3	45.99
85-89.....	2,355	.4	53.31	1,808	.5	54.59	547	.4	49.07
90 and over.....	399	.1	57.42	319	.1	57.21	80	.1	58.24
Conversion table	237,106	100.0	\$39.82	154,802	100.0	\$43.15	82,304	100.0	\$33.58
65.....	127,483	53.8	41.71	79,213	51.2	46.30	48,270	58.6	34.18
66.....	44,573	18.8	39.70	28,928	18.7	43.06	15,645	19.0	33.48
67.....	15,322	6.5	37.93	10,616	6.9	40.60	4,706	5.7	32.14
68.....	9,843	4.2	37.67	6,873	4.4	39.51	2,970	3.6	33.42
69.....	7,962	3.4	36.53	5,540	3.6	38.96	2,422	2.9	30.98
70.....	5,969	2.5	35.79	4,379	2.8	37.82	1,590	1.9	30.20
71.....	5,007	2.1	35.84	3,514	2.3	37.18	1,493	1.8	32.69
72.....	4,370	1.8	34.77	3,152	2.0	36.19	1,218	1.5	31.11
73.....	3,442	1.5	35.49	2,550	1.6	36.46	892	1.1	32.74
74.....	2,899	1.2	33.95	2,191	1.4	34.82	708	.9	31.28
75.....	2,971	1.3	38.23	2,254	1.5	39.63	717	.9	33.80
76.....	1,954	.8	34.81	1,588	1.0	34.90	366	.4	34.42
77.....	1,554	.7	33.10	1,176	.8	32.74	378	.5	34.21
78.....	1,060	.4	30.50	727	.5	30.72	333	.4	30.00
79.....	748	.3	30.28	557	.4	30.24	191	.2	30.41
80-84.....	1,641	.7	29.80	1,285	.8	28.99	356	.4	32.72
85-89.....	291	.1	32.70	249	( <sup>2</sup> )	33.76	42	.1	26.48
90 and over.....	17	( <sup>2</sup> )	25.00	10	( <sup>2</sup> )	25.00	7	( <sup>2</sup> )	26.00

<sup>1</sup> Age on birthday in 1953.

<sup>2</sup> Less than 0.05 percent.

**Table 2.—Number and percentage distribution of old-age benefits awarded in 1953, by computation method, amount of benefit, and sex of beneficiary**

[Based partly on 10-percent sample]

Amount of monthly benefit	Total		Male		Female	
	Number	Percent	Number	Percent	Number	Percent
Total.....	771,671	100	548,722	100	222,949	100
\$25.00.....	111,473	14	53,895	10	57,578	26
25.10-34.90.....	73,589	10	37,097	7	36,472	16
35.00-44.90.....	59,957	8	30,097	7	23,860	11
45.00-54.90.....	67,737	9	45,003	8	22,734	10
55.00-64.90.....	146,679	19	98,268	18	48,411	22
65.00-74.90.....	112,218	15	91,184	17	21,034	9
75.00-84.90.....	94,295	12	86,269	16	8,026	4
85.00.....	105,743	14	100,909	18	4,834	2
New-start formula.....	534,665	100	398,920	100	140,645	100
\$25.00.....	19,166	4	6,126	2	13,040	9
25.10-34.90.....	47,845	9	22,127	6	25,718	18
35.00-44.90.....	30,328	6	16,160	4	14,168	10
45.00-54.90.....	31,437	6	18,548	5	12,889	9
55.00-64.90.....	113,449	21	71,196	18	42,253	30
65.00-74.90.....	93,792	18	74,055	19	19,737	14
75.00-84.90.....	92,806	17	84,799	21	8,006	6
85.00.....	105,743	20	100,909	26	4,834	3
Conversion table.....	237,106	100	154,802	100	82,304	100
\$25.00.....	92,307	39	47,769	31	44,538	54
25.10-34.90.....	25,724	11	14,970	10	10,754	13
35.00-44.90.....	29,629	12	19,937	13	9,692	12
45.00-54.90.....	36,300	15	26,455	17	9,845	12
55.00-64.90.....	33,230	14	27,072	17	6,158	7
65.00-74.90.....	18,426	8	17,129	11	1,297	2
75.00-77.10.....	1,490	1	1,470	1	20	(1)

<sup>1</sup> Less than 0.5 percent.

**Table 3.—Number and average monthly amount of old-age benefits in current-payment status at the end of each half year, by benefit-computation method, June 1952-December 1953**

[Numbers in thousands]

Half year ending—	Total		New-start formula			Conversion table	
	Number	Average monthly amount	Number	Average monthly amount	As percent of all old-age beneficiaries	Number	Average monthly amount
June 1952.....	2,372	\$41.98	2	\$42.59	(1)	2,371	\$41.98
December 1952.....	2,644	49.25	235	66.16	9	2,409	47.60
June 1953.....	2,977	50.42	537	65.17	18	2,440	47.17
December 1953.....	3,222	51.10	759	65.00	24	2,463	46.81

<sup>1</sup> Less than 0.5 percent.

their benefits determined under the new-start formula and thus they are included in the other group. As a result the average age for persons whose benefits were computed under the new-start formula was raised.

The average old-age benefit awarded in 1953 was \$56.76, a decrease of \$1.35 from the average amount awarded in the preceding year under the 1952 amendments. For men, the overall decline was \$1.82 (from \$63.51 to \$61.69); the decline was

larger — \$2.60 — for benefits figured by use of the new-start formula. For women, the overall decline was 15 cents (from \$44.77 to \$44.62), while for benefits determined under the new-start formula an increase of 49 cents was recorded. The lower average benefits reflected mainly lower average monthly wages resulting from increased periods of noncovered employment or of unemployment in the beneficiaries' wage histories, a factor of increasing significance with

the passage of time. To a lesser extent the lower average benefits reflected lower earnings resulting from elimination of overtime work or from reduction in the regular working time. As in the past, the average benefit amount was lower for women than for men; the differences amounted to \$17.89 for benefits determined under the new-start formula and \$9.57 for those computed on the basis of the conversion table.

The maximum monthly amount of \$85.00 was payable in 20 percent of the awards in which benefits were computed under the new-start formula, while the minimum amount of \$25.00 was payable in only 4 percent of the cases (table 2). In contrast, a monthly benefit of \$77.10—the maximum amount when the conversion table was used—was payable in less than 1 percent of such awards, and \$25.00 in 39 percent. There was a significant shift toward lower monthly amounts in the old-age benefit awards made to men in 1953, when compared with corresponding awards made in 1952 under the 1952 amendments. For benefits to men, figured by use of the new-start formula, 66 percent were for amounts of \$65.00-85.00 in 1953 as against 73 percent in 1952, while for those determined under the conversion table, 12 percent were for amounts of \$65.00-77.10 in 1953 and 15 percent in 1952. Old-age benefits awarded to women showed no pronounced change from 1952 to 1953 in the distribution by size.

### Benefits in Current-Payment Status

The rapid growth in the number of persons receiving old-age benefits computed by means of the new-start formula is indicated in table 3; by the end of 1953, they comprised almost one-fourth (24 percent) of all old-age beneficiaries. The average amount payable to all old-age beneficiaries has increased continuously—from \$48.79 in September 1952 (when the benefits were increased) to \$51.10 in December 1953—as the proportion of benefits determined by the new-start formula has increased.