

jury, or property damage resulting from civil defense during an emergency, and the section relating to the waiver of the Administrative Procedures Act. Senator Kefauver, in charge of the bill on the floor, first opposed the McCarran amendment but later agreed to take it to conference for further study.

The sixth amendment was offered by Senator Kefauver for Senator Cordon. It amended the provision of paragraph (f) of section 303 of S. 4268 to read "and to incur such obligations on behalf of the United States as may be required to meet the civil defense requirements of an attack or imminent attack."

Both amendments that were withdrawn had been offered by Senator Taft. The first related to a termination date for the program, while the second related to the section in the bill authorizing the Reconstruction Finance Corporation to make loans for self-liquidating projects. The terminal-date amendment was withdrawn so that the conference could work out a compromise solution. The other amendment was withdrawn in view of the explanation that existing

law already provided that the Reconstruction Finance Corporation could make loans only to self-liquidating projects.

Upon completion of amendments to S. 4268, the Senate took up H. R. 9798, as passed by the House, and struck out all of the House bill and substituted the language of the Senate bill, as amended. The bill then passed the Senate on December 22, 1950, and went to conference.

Action of the Conference Committee

The Conference Report was adopted in the House on January 1, 1951, and in the Senate on January 2. There were no record votes in either chamber.

A number of important decisions were made by the Conference Committee in reconciling differences between the bills passed by the House and Senate. The Conference Report lists 16 instances in which the Senate bill differed in substance from the House bill.¹⁶

¹⁶ House Conference Report No. 3235 to accompany H. R. 9798, Jan. 1, 1951, pp. 15-19.

Approval by the President

The President approved the bill on January 12, 1951. When he signed the bill, the President issued the following statement:

The Federal Civil Defense Act of 1950, which I have signed today, is designed to protect life and property in the United States in case of enemy assault . . .

The act will permit the Federal Government to provide matching grants of funds to the states for constructing air raid shelters. The act also allows certain measures to be taken by the Federal Government directly, such as the procurement and stockpiling of necessary medical and other materials and supplies and the provision of suitable warning systems . . .

The Federal Government can and will provide the necessary coordination and guidance for the civil defense program . . . It is the expressed policy and intent of Congress, however, that the responsibility for civil defense should be vested primarily in the states and their political subdivisions. I, therefore, call upon all citizens to lend their support to civil defense in their own communities . . .

Notes and Brief Reports

Workers and Dependents in the Population, 1940-50

The make-up of a country's population is an important frame of reference for its social insurance programs. When, as in the United States,

insurance contributions are based on current earnings, and benefits on past earnings or on dependence upon an earner, it is useful to know the relative number of workers and dependents (as defined for social insurance purposes) in the population as well

as the relative number who fall into neither group. Such data furnish a basis for estimates of the number of persons with potential social insurance protection under universal coverage, and in conjunction with other data they provide basic information for analysis of the relation of social insurance programs to the Nation's economy.

Workers and primary dependents in the civilian population, 1940 and 1947-50¹

Population groups	Number (in millions)					Percentage distribution					Percentage increase, 1950 from 1940
	1940	1947	1948	1949	1950	1940	1947	1948	1949	1950	
Total civilian population ²	131.7	142.1	145.1	147.4	150.2	100	100	100	100	100	14
Workers and primary dependents	108.4	120.8	123.2	125.6	126.7	82	85	85	85	84	17
Workers ³	51.3	57.6	59.3	59.4	60.8	39	41	41	40	40	19
Primary dependents	57.1	63.2	63.9	66.2	65.9	43	45	44	45	44	15
Wives ⁴	22.9	25.4	25.1	25.8	25.3	17	18	17	17	17	11
Children under 18 years ⁵	34.2	37.8	38.8	40.4	40.6	26	27	27	27	27	19
Others	23.2	21.3	21.9	21.9	23.5	18	15	15	15	16	1
Primary dependents per 100 workers	111	110	108	112	108						

¹ Figures may not add to total because of rounding. Percentages are computed on basis of unrounded figures.

² Data for 1940 include 0.3 million members of the Armed Forces stationed in the United States. Data for other years include the following number of persons in the Armed Forces living off post or with families on post: 1947, 0.3 million; 1948, 0.5 million; 1949, 0.4 million; 1950, 0.5 million.

³ Persons in the civilian labor force, excluding unpaid family workers.

⁴ Nonworkers, married to and living with workers.

⁵ Nonworkers, living with a worker parent.

Source: Estimated from published and unpublished data of the Bureau of the Census. Source data are for the month of March for 1940 and 1950 and for the month of April for other years.

The accompanying table presents estimates of the number of workers and primary dependents in the civilian population for the years 1940, 1947, 1948, 1949, and 1950, based on decennial census data for 1940 and on the monthly sample surveys of the Bureau of the Census for the other years.¹ Workers are defined as persons in the labor force in the survey week, other than unpaid family workers; primary dependents are the nonworker wives and the nonworker children under age 18 of persons classified as workers.

The table suggests that, during a period of full employment, about 85 percent of the population would have potential social insurance protection against risks common to all persons, under a program or programs covering all workers in the country and their dependents and with relatively low earnings requirements for insured status. (In time, a substantial proportion of the remaining 15 percent would consist of beneficiaries whose protection had matured.) The proportion of the total population with such potential protection has been fairly stable over the past 4 years. A like stability is shown by the relative size of the two groups comprising the 85 percent. Workers constituted 40–41 percent of the population in 1947–50, and primary dependents 44–45 percent. For every 100 workers there were from 108 to 112 primary dependents.

Between 1940 and 1950 both the number of workers and the number of primary dependents increased somewhat more rapidly than the population as a whole, while the number of persons who were neither workers nor primary dependents remained at approximately the same absolute level. As a result the proportion of workers and primary dependents in the population rose from 82 to 84 percent, but the worker-dependent ratio showed little change.

The more rapid increase in the number of primary dependents was due entirely to the growth in the

number of dependent children, since the gain in the size of the group made up of dependent wives was at a rate below that for the total population.

These changes reflect, among other things, the shift from large-scale unemployment in 1940 to full employment in 1950, the increased proportion of married women in the labor force, and the very substantial rise in the birthrate.

Trust Fund Operations, 1950

Sums equivalent to 100 percent of current collections under the Federal Insurance Contributions Act are transferred under permanent appropriation to the Federal old-age and survivors insurance trust fund as such collections are received by the Treasury. In the calendar year 1950, appropriations of such contributions amounted to \$2,667 million. The trust fund also received \$257 million in interest on investments and \$3.7 million in appropriations from the general fund as reimbursement for costs incurred in benefit payments to survivors of certain World War II veterans under the Social Security Act Amendments of 1946. Expenditures for old-age and survivors insurance benefits totaled \$961 million, and administrative expenses amounted to \$61 million. For 1950 the fund's assets showed a net increase of \$1,905 million and totaled \$13,721 million at the end of the year.

The unemployment trust fund is composed of the State accounts and the railroad unemployment insurance account. In 1950, deposits in the State accounts amounted to \$1,191 million and interest credited was \$147 million. Withdrawals totaled \$1,366 million, and the net balance in the State accounts declined \$28 million. The railroad unemployment insurance account in the unemployment trust fund also declined during the calendar year 1950. Deposits in the railroad account were \$13.8 million and interest was \$17.7 million. Benefit payments, on the other hand, amounted to almost \$90 million. The net balance in the railroad unemployment insurance account declined \$57 million.

The assets of the unemployment trust fund, as a whole, showed a net decline of \$85 million during 1950. In the previous year the assets of the fund had dropped \$772 million, mostly as a result of the high level of compensable unemployment. Unemployment declined, however, throughout most of 1950. On December 31, 1950, the assets of the fund amounted to \$7,663 million.

Investments

Under the provisions of the Social Security Act as amended the Federal old-age and survivors insurance trust fund is held by a Board of Trustees, which is composed of the Secretary of the Treasury, who is the Managing Trustee; the Secretary of Labor; and the Federal Security Administrator. The Secretary of the Treasury invests that portion of the trust fund which, in his judgment, is not needed to meet current expenditures for benefit payments and administrative expenses. The Act restricts the permissible investments of the trust fund to interest-bearing obligations of the United States Government or to obligations guaranteed as to principal and interest by the United States. Regular obligations of these types may be acquired on original issue at par or by purchase of outstanding obligations at their market price. In addition, the Act authorizes the issuance of special obligations exclusively to the trust fund if the Managing Trustee determines that the purchase of other eligible securities is not in the public interest. Regular obligations acquired by the trust fund may be sold at market price. Special obligations are to be redeemed at par plus accrued interest. The special obligations issued to the trust fund have generally been special Treasury notes or special certificates of indebtedness.

Investments are made by the Secretary of the Treasury for the unemployment trust fund as a unit, although the fund is composed of 51 separate State accounts and the railroad unemployment insurance account. Interest earned on the fund's investments is distributed quarterly among all accounts on the basis of the average daily balance of each account. Permissible types of investments are the same for this fund as

¹ For a discussion of worker-dependent relationships in 1948 and of 1940–48 changes, see Jacob Fisher, "Earnings and Their Dependents in the Population in April 1948," *Social Security Bulletin*, September 1949.