

the aged women who received widow's benefits, more than half (some 400,000) received less than \$50, and more than three-fourths less than \$60. Though old-age assistance provided supplementary income for some of those with small benefits, only about 500,000 aged insurance beneficiaries also received an old-age assistance payment. An estimated 200,000 old-age and survivors insurance beneficiaries also received compensation or pension payments under the programs for veterans and their survivors. For non-service-connected disability and death pensions there is an income limitation, but the largest old-age benefit payable under old-age and survivors insurance is less than the allowable income limit. There is no income limitation for service-connected disability compensation and survivor benefits, but relatively few of the veterans entitled to service-connected disability compensation are aged 65 and over.

As noted above, roughly one-sixth of the old-age and survivors insurance beneficiaries had private pension income in mid-1956, but available evidence suggests that persons entitled to benefits under a private retirement plan characteristically receive old-age and survivors insurance benefits that fall in the upper portion of the benefit range. The private plans seldom provide separately for dependents or survivors.

According to the most recent data from the Bureau of the Census on the annual income of persons,⁵ half of all men aged 65 and over who had some money income in 1955 received less than \$1,337 from all sources. The effect of full and partial retirement on size of income is highlighted by the fact that the median income in 1955 of aged men with year-round, full-time employment—comprising barely one-fourth of the aged men with income—was two and one-quarter times as large as the median for all men, or more than \$3,000. For women aged 65 and over, who rarely work full time the year around, the median money income, apart from support provided by their husbands, was only \$700 in 1955. For the pre-

ceding year (the latest for which there are Bureau of the Census data on the incomes of families and unrelated individuals) 55 percent of the families with money income entirely from sources other than earnings reported income of less than \$1,500 and 38 percent reported less than \$1,000.⁶ Of all persons living alone (or with nonrelatives) who had no earnings but had some nonearned income in 1954, half received income of less than \$800. Though these data are for all families and for persons living alone, or with nonrelatives, who had some money income but no earnings in 1954, they are suggestive of the money income position of the retired aged.

⁶ *Current Population Reports*, Series P-60, No. 20 (December 1955).

Family Benefits in Current-Payment Status, June 30, 1956

During the year ended June 30, 1956, the number of families receiv-

ing monthly benefits under old-age and survivors insurance increased more than 620,000. At the close of the fiscal year, monthly benefits were being paid to at least one person in each of 6.2 million families (table 1). Retired-worker families, which made up 77 percent of the total, numbered 4.7 million—about 517,000 more than a year earlier. The number of survivor families increased 103,000 to 1.4 million.

Average family benefits at the end of June 1956 showed moderate increases from the corresponding averages a year earlier, because of (1) the rising proportion of benefits computed on the basis of earnings after 1950 and (2) the increasing number computed under the provisions of the 1954 amendments that permit, in the computation of the average monthly wage, the dropping of up to 5 years of lowest covered earnings and, in addition, any period of total disability.

Payments to retired workers without dependents also receiving benefits averaged \$65.60 for men and \$50.70 for women. The average for

Table 1.—Estimated number of families and beneficiaries in receipt of benefits, and average monthly benefit in current-payment status, by family group, end of June 1956 and 1955

[In thousands, except for average benefits; data corrected to Nov. 8, 1956]

| Family classification of beneficiaries | June 30, 1956 | | | June 30, 1955 | | |
|---|--------------------|-------------------------|-----------------------------------|--------------------|-------------------------|-----------------------------------|
| | Number of families | Number of beneficiaries | Average monthly amount per family | Number of families | Number of beneficiaries | Average monthly amount per family |
| Total..... | 6,160.2 | 8,374.5 | ----- | 5,539.7 | 7,563.5 | ----- |
| Retired-worker families..... | 4,731.9 | 6,114.4 | ----- | 4,214.8 | 5,462.3 | ----- |
| Worker only..... | 3,460.3 | 3,460.3 | \$60.00 | 3,067.7 | 3,067.7 | \$58.10 |
| Male..... | 2,148.4 | 2,148.4 | 65.60 | 1,962.3 | 1,962.3 | 63.50 |
| Female..... | 1,311.8 | 1,311.8 | 50.70 | 1,105.4 | 1,105.4 | 48.40 |
| Worker and wife aged 65 or over..... | 1,182.6 | 2,365.2 | 104.80 | 1,066.4 | 2,132.8 | 102.20 |
| Worker and wife under age 65 ¹ | .3 | .6 | 113.30 | .4 | .8 | 102.50 |
| Worker and aged dependent husband..... | 10.7 | 21.4 | 88.20 | 9.2 | 18.5 | 87.00 |
| Worker and 1 or more children..... | 16.6 | 42.7 | 101.00 | 15.8 | 41.1 | 98.10 |
| Worker, wife aged 65 or over, and 1 or more children..... | 1.3 | 4.0 | 132.30 | 1.2 | 3.6 | 123.30 |
| Worker, wife under age 65, and 1 or more children..... | 60.1 | 220.1 | 121.10 | 54.0 | 197.7 | 117.00 |
| Survivor families..... | 1,428.3 | 2,260.1 | ----- | 1,324.9 | 2,101.2 | ----- |
| Aged widow..... | 746.3 | 746.3 | 49.00 | 688.3 | 688.3 | 46.60 |
| Aged dependent widower..... | 1.1 | 1.1 | 48.20 | 1.2 | 1.2 | 40.00 |
| Widowed mother only..... | .8 | .8 | 51.20 | 1.4 | 1.4 | 48.60 |
| Widowed mother and 1 child..... | 128.4 | 256.8 | 108.50 | 120.8 | 241.6 | 105.10 |
| Widowed mother and 2 children..... | 85.7 | 257.2 | 137.80 | 83.6 | 250.7 | 132.60 |
| Widowed mother and 3 or more children..... | 82.4 | 389.8 | 136.40 | 75.6 | 356.1 | 129.90 |
| Divorced wife and 1 or more children..... | .3 | .7 | 135.70 | .2 | .6 | 130.00 |
| 1 child only..... | 217.0 | 217.0 | 48.50 | 200.3 | 200.3 | 47.80 |
| 2 children..... | 90.0 | 179.9 | 83.80 | 80.9 | 161.9 | 81.60 |
| 3 children..... | 31.8 | 95.3 | 105.20 | 29.1 | 87.2 | 101.00 |
| 4 or more children..... | 20.2 | 89.3 | 112.20 | 19.6 | 86.3 | 105.60 |
| 1 aged dependent parent..... | 22.8 | 22.8 | 50.50 | 22.2 | 22.2 | 48.10 |
| 2 aged dependent parents..... | 1.5 | 2.9 | 95.30 | 1.7 | 3.3 | 92.90 |

¹ Benefits of children were being withheld.

⁵ *Current Population Reports*, Series P-60, No. 23 (November 1956).

Table 2.—Estimated number of families and beneficiaries in receipt of benefits and average monthly benefit in current-payment status on June 30, 1956, for selected family groups, by starting date used in benefit computation

[In thousands, except for average benefit; data corrected to Nov. 8, 1956]

| Family classification of beneficiaries | Total | | | Based on earnings after 1936 | | | Based on earnings after 1950 | | | |
|--|--------------------|-------------------------|-----------------------------------|------------------------------|-------------------------|-----------------------------------|------------------------------|-------------------------|-----------------------------------|---|
| | Number of families | Number of beneficiaries | Average monthly amount per family | Number of families | Number of beneficiaries | Average monthly amount per family | Number of families | Number of beneficiaries | Average monthly amount per family | Number of families as percent of all families |
| Retired-worker families: | | | | | | | | | | |
| Worker only..... | 3,460.3 | 3,460.3 | \$60.00 | 1,899.9 | 1,899.9 | \$49.60 | 1,560.4 | 1,560.4 | \$72.60 | 45 |
| Male..... | 2,148.4 | 2,148.4 | 65.60 | 1,174.2 | 1,174.2 | 53.50 | 974.2 | 974.2 | 80.20 | 45 |
| Female..... | 1,311.8 | 1,311.8 | 50.70 | 725.7 | 725.7 | 43.30 | 586.2 | 586.2 | 59.80 | 45 |
| Worker and wife aged 65 or over..... | 1,182.6 | 2,365.2 | 104.80 | 598.5 | 1,197.0 | 87.40 | 584.1 | 1,168.2 | 122.80 | 49 |
| Worker, wife under age 65, and 1 or more children..... | 60.1 | 220.1 | 121.10 | 26.1 | 97.2 | 82.50 | 34.0 | 122.9 | 150.40 | 57 |
| Survivor families: | | | | | | | | | | |
| Aged widow..... | 746.3 | 746.3 | 49.00 | 634.9 | 634.9 | 46.60 | 111.4 | 111.4 | 62.70 | 15 |
| Widowed mother and 1 child..... | 128.4 | 256.8 | 108.50 | 74.4 | 148.9 | 90.30 | 54.0 | 107.9 | 133.60 | 42 |
| Widowed mother and 2 children..... | 85.7 | 257.2 | 137.80 | 50.4 | 151.1 | 103.60 | 35.4 | 106.1 | 176.20 | 41 |

families consisting of a retired worker and his aged wife was \$104.80.

Among survivor families, excluding the few (about 1,100) aged-widower families, the average benefits ranged from \$48.50 for one-child families to \$137.80 for families consisting of a widowed mother and two children. The average benefit for aged-widow families was \$49.00, and for families consisting of a widowed mother and one child it was \$108.50.

Families with benefits computed on the basis of earnings after 1950 had considerably higher average benefits than those whose benefits were based on earnings after 1936 (table 2). For retired workers with no dependents, the average benefit when the 1950 "start" was used was \$72.60, but the corresponding average benefit computed on the basis of earnings after 1936 was \$49.60. For families composed of a retired worker and his aged wife, both of whom were receiving benefits, the average when benefits were computed on the basis of earnings after 1950 was \$122.80, compared with \$87.40 for the 1936 start. Families with benefits computed under the 1950 start who were also eligible to drop out years of low earnings had still higher average benefits. The average for retired workers without dependents was \$76.00; for families composed of a retired worker and his aged wife the average was \$127.00. At the end of June 1956, about 45 percent of all retired-worker families had benefits based on earnings after 1950; this proportion is expected to increase, since the 1950 start is used

for about 75 percent of the current old-age awards.

Among survivor families the average benefit computed on the basis of earnings after 1950 was \$62.70 for aged-widow families and \$176.20 for families consisting of a widowed mother and two children; when the families were also eligible for the dropout, the average was \$67.00 for aged-widow families and \$181.00 for families consisting of a widowed mother and two children. About 42 percent of the families consisting of a widowed mother and children had benefits computed under the 1950 start. For aged-widow families, however, only 15 percent of the benefits were computed on that basis. This low percentage resulted partly from the large proportion of these beneficiaries who were widowed before April 1952 and for whom a benefit computation using a 1950 start was therefore impossible. Furthermore, benefits now payable to a great many women who were widowed after March 1952 were based on earnings after 1936 because their deceased husbands, as a result of their advanced age, generally had had little or no earnings after 1950.

Workmen's Compensation Payments and Costs, 1955*

A total of \$920 million in payments for wage loss and medical benefits

* Prepared in the Division of Program Research by Dorothy McCamman, with the assistance of Thomas Karter.

was spent under workmen's compensation programs in 1955. The rise of 4.8 percent from the total of \$878 million in 1954 represents a slight acceleration in the rate of increase but does not approach the percentage gains in the years before 1954.

Work injuries too increased in 1955, according to estimates of the Bureau of Labor Statistics. The 1955 total of disabling injuries, though 4 percent higher than in 1954 when a safety record had been set, was nevertheless well below that of any other year since 1949. Indications are that most of the rise in work accidents in 1955 was caused by the increase in exposure to industrial hazards resulting from expanded employment and longer hours of work.

Expanded employment is apparent also in the estimates of the coverage of workmen's compensation programs. The number of covered workers in an average week of 1955 is estimated at 39-40 million, roughly 1 million more than in the preceding year. Payrolls covered by workmen's compensation programs rose 8.5 percent to \$158.4 billion.

Despite higher payrolls in 1955 than in 1954, employers spent only about the same dollar amount to insure or self-insure their risks under workmen's compensation programs. The estimate of \$1.5 billion for 1955—still 1.0 percent of covered payroll—consists of (1) \$1,077 million in premiums paid to private carriers; (2) \$315 million in premiums paid to State funds (for the program for Federal employees, which is financed