

Notes and Brief Reports

State Accounts in the Unemployment Trust Fund

The operations of the unemployment trust fund in 1948 reflected the year's favorable employment conditions. Deposits by the States exceeded withdrawals by \$130 million, and the interest earned on the fund's holdings of Government securities further increased the excess of income over outgo to \$285 million.

The States deposited \$989 million in their accounts and withdrew \$860 million for payment of unemployment benefits (table 1); in 1947 they had deposited \$1,097 million and withdrawn \$785 million. The decline of \$108 million in deposits reflected the lower contribution rates under experience-rating provisions, while the \$75 million increase in withdrawals resulted primarily from a rise in average benefit amounts. The balance of all State accounts in the fund on December 31, 1948—a record high of \$7,561 million—was 11 percent higher than the balance 2 years earlier but only 3.9 percent higher than that at the end of 1947.

All but six States—California, Connecticut, Massachusetts, New Jersey, New York, and Rhode Island—had larger balances in the fund at the end of 1948 than they had a year earlier. Rhode Island and New Jersey withdrew \$14 million and \$50 million respectively from the fund to finance their State temporary disability programs; but for these withdrawals their balances would have declined only slightly.

Increases in the other State accounts ranged from 0.4 percent for the District of Columbia and 2.9 percent for New Hampshire to 20.3 percent for Michigan. Of the 51 State accounts, 40 showed increases equal to or greater than the national average of 3.9 percent, while 21 had increases of more than 10 percent.

Differences in the ratios of benefits and of contributions to taxable pay rolls reflect the provisions of State laws, the industrial characteristics of

the State, and the level of employment during the year. The rate of accumulation of State reserves depends on the relation of these ra-

tios to each other. The estimated average employer contribution rate for the Nation in 1948 was 1.2 percent of taxable pay rolls, as compared with 1.4 percent in 1947; benefits were disbursed at a rate of 1.0 percent of taxable wages (table 2). The employer contribution rate was greater

Table 1.—State accounts and railroad account in the Federal unemployment trust fund, 1946-48¹

[Amounts in thousands]

Accounts	Operations, 1948			Balance, December 31			Percent- age change, 1948 from 1947	Percent- age change, 1948 from 1946
	Deposits	Interest	With- drawals	1948	1947	1946		
Total.....	\$1,065,388	\$174,537	\$917,713	\$8,507,580	\$8,185,369	\$7,635,104	+3.9	+11.4
State accounts, total....	989,422	154,924	859,712	7,561,324	7,276,690	6,825,480	+3.9	+10.8
Alabama.....	11,457	1,259	7,800	62,475	57,559	56,077	+8.5	+11.4
Alaska.....	1,566	229	1,375	11,297	10,877	9,238	+3.9	+22.3
Arizona.....	3,832	553	1,485	27,827	24,927	21,786	+11.6	+27.7
Arkansas.....	6,095	757	3,300	38,127	34,575	32,006	+10.3	+19.1
California.....	116,151	14,934	153,500	702,058	724,473	713,671	-3.1	-1.6
Colorado.....	6,924	1,042	1,205	53,176	46,415	40,366	+14.6	+31.7
Connecticut.....	3,769	4,023	14,350	188,709	195,267	181,262	-3.4	+4.1
Delaware.....	1,311	304	800	15,038	14,223	13,783	+5.7	+9.1
District of Columbia.....	2,260	939	3,005	45,185	44,991	44,572	+4	+1.4
Florida.....	7,877	1,515	6,720	73,447	70,775	64,409	+3.8	+14.0
Georgia.....	10,385	2,062	5,150	101,842	94,545	86,697	+7.7	+17.5
Hawaii.....	2,594	482	1,600	23,632	22,156	20,074	+6.7	+17.7
Idaho.....	3,984	469	1,330	24,259	21,136	17,990	+14.8	+34.8
Illinois.....	60,855	10,531	50,150	515,046	493,810	482,464	+4.3	+6.8
Indiana.....	13,018	3,973	10,200	193,749	186,958	177,754	+3.6	+9.0
Iowa.....	9,800	1,685	2,550	85,474	76,540	67,676	+11.7	+26.3
Kansas.....	7,350	1,228	2,840	61,831	56,092	51,744	+10.2	+19.5
Kentucky.....	14,590	2,287	4,875	114,850	102,848	92,690	+11.7	+23.9
Louisiana.....	16,443	1,949	6,275	99,939	87,282	79,716	+13.9	+24.7
Maine.....	6,499	877	5,040	42,763	41,027	38,215	+4.2	+11.9
Maryland.....	14,675	2,606	9,500	128,554	120,773	114,756	+6.4	+12.0
Massachusetts.....	41,700	3,703	50,000	175,804	180,402	196,900	-2.5	-10.7
Michigan.....	77,980	5,576	34,250	291,763	242,457	208,847	+20.3	+39.7
Minnesota.....	12,985	2,442	5,530	122,744	112,847	99,683	+8.8	+23.1
Mississippi.....	7,365	878	2,610	44,318	38,684	32,118	+14.6	+38.0
Missouri.....	25,270	3,638	13,320	181,778	166,190	158,227	+9.4	+14.9
Montana.....	3,860	566	1,235	28,880	25,689	22,423	+12.4	+28.8
Nebraska.....	2,880	681	980	33,734	31,152	27,617	+8.3	+22.1
Nevada.....	1,654	272	1,130	13,460	12,663	11,686	+6.3	+15.2
New Hampshire.....	3,816	570	3,613	27,533	26,760	25,440	+2.9	+8.2
New Jersey.....	71,478	9,955	98,190	459,328	476,086	435,381	-3.5	+5.5
New Mexico.....	3,520	362	700	18,943	15,761	12,764	+20.2	+48.4
New York.....	150,759	21,796	185,600	1,050,722	1,063,768	974,890	-1.2	+7.8
North Carolina.....	20,645	3,027	6,750	152,470	135,548	121,577	+12.5	+25.4
North Dakota.....	1,555	158	325	8,308	6,920	5,894	+20.1	+41.0
Ohio.....	37,955	11,335	20,050	557,188	527,948	489,251	+5.5	+13.9
Oklahoma.....	7,390	915	3,300	46,638	41,634	39,845	+12.0	+17.0
Oregon.....	14,189	1,687	7,250	84,923	76,297	69,329	+11.3	+22.5
Pennsylvania.....	61,248	12,957	45,100	636,523	607,418	586,105	+4.8	+8.6
Rhode Island.....	8,065	1,159	28,719	46,571	66,065	77,037	-29.5	-39.5
South Carolina.....	7,709	1,076	3,700	53,686	48,601	43,441	+10.5	+23.6
South Dakota.....	1,113	181	310	9,114	8,131	7,123	+12.1	+28.0
Tennessee.....	14,771	2,136	10,600	105,034	98,727	92,543	+6.4	+13.5
Texas.....	25,081	3,934	4,950	200,030	175,965	159,294	+13.7	+25.6
Utah.....	3,210	687	2,720	33,504	32,327	28,555	+3.6	+17.3
Vermont.....	2,211	335	1,150	16,581	15,385	13,988	+7.8	+18.5
Virginia.....	8,230	1,717	5,150	84,030	79,232	70,692	+6.1	+18.9
Washington.....	23,780	3,032	18,380	149,561	141,128	136,824	+6.0	+9.3
West Virginia.....	13,823	1,740	5,075	88,866	78,378	70,990	+13.4	+25.2
Wisconsin.....	12,219	4,472	4,800	218,696	206,805	190,744	+5.7	+14.7
Wyoming.....	1,526	232	375	11,856	10,473	9,324	+13.2	+27.2
Railroad unemployment insurance account.....	75,966	10,613	58,001	946,256	908,679	809,623	+4.1	+16.9

¹ Includes deposits not cleared by the Treasurer of the United States, withdrawals in outstanding checks, and accrued interest receivable. Figures therefore differ from those in table 5, page 20, which do not include these items.

Source: Treasury Department, Bureau of Accounts.

than the benefit rate in all but six States. In five States it was four or more times the benefit rate; in eight, it was roughly triple the benefit rate; and in 15, about double.

The average employer contribution rate in 1948 varied from 0.3 percent in Connecticut to 2.1 percent in Mississippi. The ratio of benefits to taxable wages ranged from 0.2 percent in Texas to 2.5 percent in Rhode

Island. Only 12 States paid benefits equal to 1.0 percent or more of taxable pay rolls; 18 States paid benefits at a rate of 0.5 percent or less. The drop from 1947 to 1948 in the national benefit rate (from 1.1 to 1.0 percent) reflected declines in the ratios of 20 States. In 11 States the ratio was the same as in 1947, and in 20, it was higher.

Interest

Each State account was also increased by its share of the interest earned on investments held by the unemployment trust fund. The in-

terest earned in 1948, distributed quarterly among the State accounts on the basis of the average daily balance in each account, amounted to 2.13 percent of the balance in all State accounts on December 31, 1947. Thirty-one States earned less than \$2 million, and seven earned more than \$5 million. The interest earned by the District of Columbia account was enough to more than offset the excess of withdrawals over deposits.

At the end of 1948 the total amount of funds available for benefit payments was \$7,603 million. This amount represented balances in the

Table 2.—Ratio of employer contributions under State unemployment insurance, benefits, and funds available to taxable wages, 1948¹

State	Ratio (percent) to taxable wages of—		
	Employer contributions	Benefits	Funds available at end of year
Total.....	1.2	1.0	9.5
Alabama.....	1.2	.9	6.9
Alaska.....	1.7	1.4	11.3
Arizona.....	1.4	.6	10.6
Arkansas.....	1.6	.8	8.9
California.....	1.7	2.3	11.0
Colorado.....	1.4	.3	11.5
Connecticut.....	.3	.9	11.6
Delaware.....	.6	.4	7.1
District of Columbia.....	.4	.6	9.2
Florida.....	.9	.8	9.0
Georgia.....	1.0	.5	10.0
Hawaii.....	1.1	.7	10.2
Idaho.....	2.0	.7	11.9
Illinois.....	1.0	.8	8.3
Indiana.....	.5	.4	8.3
Iowa.....	1.2	.3	10.9
Kansas.....	1.4	.5	11.4
Kentucky.....	1.6	.6	13.9
Louisiana.....	1.8	.7	10.8
Maine.....	1.6	1.4	10.7
Maryland.....	1.2	.8	10.2
Massachusetts.....	1.3	1.5	5.3
Michigan.....	1.9	.8	6.7
Minnesota.....	1.0	.4	10.0
Mississippi.....	2.1	.8	14.1
Missouri.....	1.4	.8	10.2
Montana.....	1.7	.6	13.5
Nebraska.....	.6	.3	9.6
Nevada.....	1.7	1.2	14.0
New Hampshire.....	1.4	1.2	9.7
New Jersey.....	1.9	1.4	14.0
New Mexico.....	1.8	.5	9.9
New York.....	1.3	1.6	9.4
North Carolina.....	1.7	.5	11.9
North Dakota.....	1.6	.4	9.2
Ohio.....	.7	.4	10.1
Oklahoma.....	1.2	.7	7.7
Oregon.....	1.7	.9	10.4
Pennsylvania.....	.9	.6	8.5
Rhode Island.....	1.5	2.5	8.4
South Carolina.....	1.3	.6	8.9
South Dakota.....	.9	.3	8.2
Tennessee.....	1.4	1.1	10.1
Texas.....	.9	.2	7.8
Utah.....	1.1	1.0	12.0
Vermont.....	1.5	.9	11.6
Virginia.....	.7	.5	8.1
Washington.....	1.8	1.4	11.2
West Virginia.....	1.3	.5	8.8
Wisconsin.....	.5	.3	12.0
Wyoming.....	1.2	.3	9.3

¹ Preliminary. Data exclude effect of voluntary contributions from employers. Taxable wages represent wages not in excess of \$3,000 paid by an employer to an employee during 1948.

Table 3.—State unemployment insurance contributions and benefits, January-March 1948 and 1949

(Amounts in thousands; data reported by State agencies)

State	Contributions			Benefits		
	January-March 1948	January-March 1949	Percentage change from 1948	January-March 1948	January-March 1949	Percentage increase from 1948
Total.....	\$193,962	\$181,304	-6.5	\$193,819	\$369,197	90.5
Alabama.....	2,518	2,723	+8.2	1,873	3,303	76.4
Alaska.....	325	182	-43.9	471	929	97.3
Arizona.....	960	760	-20.8	374	896	139.6
Arkansas.....	1,351	1,587	+17.5	1,323	2,104	59.0
California.....	27,705	23,322	-15.8	33,049	69,195	109.4
Colorado.....	1,492	1,466	-1.7	357	743	108.3
Connecticut.....	812	2,426	+198.9	2,805	7,579	170.2
Delaware.....	264	292	+10.6	315	405	28.6
District of Columbia.....	480	543	+13.0	890	997	11.9
Florida.....	1,784	1,980	+11.0	1,182	1,637	38.5
Georgia.....	2,278	2,489	+9.2	1,184	2,730	130.5
Hawaii.....	506	517	+2.2	190	700	252.0
Idaho.....	887	917	+3.4	695	1,370	97.2
Illinois.....	10,858	12,903	+18.8	11,088	18,378	65.7
Indiana.....	2,953	3,510	+18.9	2,881	5,850	103.1
Iowa.....	2,502	2,319	-7.3	955	1,525	59.7
Kansas.....	1,538	1,821	+18.4	1,136	1,486	30.8
Kentucky.....	2,499	2,405	-3.8	1,050	1,743	66.1
Louisiana.....	3,617	4,237	+17.1	1,581	2,956	87.0
Maine.....	1,478	1,419	-4.0	1,215	1,507	24.1
Maryland.....	3,167	3,386	+6.9	2,589	5,426	109.6
Massachusetts.....	8,091	9,209	+13.8	11,728	21,700	85.0
Michigan.....	14,196	15,650	+10.2	10,392	16,650	60.2
Minnesota.....	2,697	3,219	+19.4	1,888	3,389	79.5
Mississippi.....	1,901	1,003	-47.2	653	1,513	131.7
Missouri.....	5,159	5,539	+7.4	3,673	5,414	47.4
Montana.....	838	920	+9.9	587	955	62.5
Nebraska.....	1,163	606	-47.9	409	690	68.7
Nevada.....	345	337	-2.5	389	602	54.7
New Hampshire.....	796	902	+13.4	697	1,982	184.6
New Jersey.....	18,771	1,653	-91.2	13,321	20,458	53.6
New Mexico.....	772	808	+4.7	217	446	105.4
New York.....	12,717	12,273	-3.5	38,097	77,599	103.7
North Carolina.....	4,525	4,917	+8.7	1,358	3,612	166.0
North Dakota.....	331	394	+18.9	190	388	104.0
Ohio.....	7,769	8,049	+3.6	5,588	10,941	95.8
Oklahoma.....	1,474	1,830	+24.7	1,386	1,883	35.8
Oregon.....	3,014	2,758	-8.5	2,837	6,631	133.7
Pennsylvania.....	12,339	12,906	+4.6	13,213	22,303	68.8
Rhode Island.....	1,784	1,700	-4.7	2,336	6,027	158.0
South Carolina.....	1,731	1,869	+8.0	799	2,094	162.1
South Dakota.....	344	412	+19.7	156	263	68.4
Tennessee.....	3,386	3,031	-10.5	2,798	5,934	112.1
Texas.....	5,409	6,160	+13.7	1,463	2,249	53.7
Utah.....	620	735	+18.6	973	2,102	116.0
Vermont.....	510	494	-3.0	342	707	106.8
Virginia.....	2,856	1,733	-39.3	1,077	2,647	145.9
Washington.....	3,455	5,091	+47.3	6,619	11,689	76.6
West Virginia.....	2,717	2,799	+3.0	1,746	2,659	52.3
Wisconsin.....	3,978	2,692	-32.3	1,515	3,935	159.8
Wyoming.....	298	412	+38.2	157	277	76.5

trust fund amounting to \$7,561 million and the sum of the amounts in the individual State clearing accounts and State benefit payment accounts.

Contributions and Benefits, January-March 1949

Table 3, which compares contributions and benefits under the State unemployment insurance programs for the first quarter of 1948 with those

for the first 3 months of 1949, indicates the rise in unemployment in the latter period. Contributions dropped in 18 States, reducing the national total by 6.5 percent, while benefit payments went up 90.5 percent. The declines in contributions, which reflect in part decreases in average weekly hours of work in manufacturing and a drop in average hourly and weekly earnings, ranged from 1.7 percent in Colorado to 91.2 percent in

New Jersey. However, a part of the New Jersey decrease is attributable to recent changes in the contribution rate. Twenty State accounts showed an increase of 10 percent or more.

Benefit payments during the first quarter of 1949 increased over the comparable period in 1948 in all States. Seven States showed increases of less than 50 percent, while 22 had increases of more than 100 percent.

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BUREAU OF EMPLOYMENT SECURITY AND DIVISION OF RESEARCH AND STATISTICS. *Temporary Disability Insurance—Problems in Formulating a Program Administered by a State Employment Security Agency.* Washington: Social Security Administration, 1949. 67 pp. Processed.

A revision of an earlier report, *Temporary Disability Insurance Coordinated With Unemployment Insurance.* Discusses a State program of temporary disability insurance without provision for medical care, to be administered by a State employment security agency in coordination with the State unemployment insurance program. Includes a bibliography. Limited free distribution; apply to the Social Security Administration, Washington 25, D. C.

BUREAU OF PUBLIC ASSISTANCE. *Public Assistance Goals, 1949: Recommendations for Improving State Public Assistance Legislation Including Recommendations Based on Federal Legislation Enacted in 1948.* Washington: The Bureau, Dec. 1948. 18 pp. Processed. Limited free distribution; apply to the

Bureau of Public Assistance, Social Security Administration, Washington 25, D. C.

CHILDREN'S BUREAU. *A State Program for Staff Development in Child Welfare.* Washington: The Bureau, Jan. 1949. 37 pp. Processed.

Suggestions for the development of staff within a child welfare program. Limited free distribution; apply to the Children's Bureau, Social Security Administration, Washington 25, D. C.

Compilation of the Social Security Laws, Including the Social Security Act, as Amended, and Related Enactments Through July 1, 1948. Washington: U. S. Govt. Print. Off., 1948. 114 pp. 25 cents.

General

AMERICAN ASSOCIATION OF SOCIAL WORKERS. *Social Work Fellowships and Scholarships Offered During the Year 1949-1950.* New York: The Association, Oct. 1948. 19 pp. Free.

BEVERIDGE, LORD. *Voluntary Action—A Report of Methods of Social Action.* New York: Macmillan Company, 1949. 420 pp. \$4.50.

Considers voluntary services, their development and operation. Describes some of the voluntary philanthropic societies and organizations that were developed in Great Britain during the nineteenth century and gives a brief account of some of the outstanding pioneers in the field. Recommends that the State assist and encourage all kinds of voluntary action for social advance.

BONDY, ROBERT E. "The Common Welfare—Social Welfare Legisla-

tion in 1949." *The Survey*, New York, Vol. 85, Mar. 1949, pp. 169-173 f. 50 cents.

Book of the States, 1948-49. Chicago: The Council of State Governments, 1948. Vol. 7. 780 pp. \$7.50.

Information on State activities; covers interstate and Federal-State relations, as well as State legislation, administration, taxation and finance, and major services. Includes a directory of the States and Territories and a selected bibliography on the problems of State government.

BORGES, DURVAL ROSA. *Seguro Social no Brasil.* Rio de Janeiro: Livraria José Olympio Editora, 1948. 230 pp.

A review and analysis of Brazilian social security with recommendations for reforms. Includes statistical information on the existing programs, medical data for Brazil, and summaries of the social insurance systems in Great Britain, the Soviet Union, and the United States.

BROOKINGS INSTITUTION. *Functions and Activities of the National Government in the Field of Welfare: A Report With Recommendations Prepared for the Commission on Organization of the Executive Branch of the Government.* (Task Force Report—Appendix P). Washington: U. S. Govt. Print. Off., 1949. 590 pp. \$1.25.

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT. *Social Security—Education—Indian Affairs; A Report to the Congress, March 1949.* Washington: U. S. Govt. Print. Off., 1949. 81 pp. 25 cents.

Recommends the establishment of a Department of Social Security and Education and describes the various services which would be administered by it.

Economic Almanac for 1949; A Handbook of Useful Facts About Business, Labor and Government in the

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