

there were no such individual, to whomever the Commission deemed to be legally entitled thereto. Under the amendments, if a beneficiary is not designated, a definite order of payees is established—widow or widower, children, parents, and, in the absence of any of these, the executor or administrator of the employee's estate; in the absence of any of these specified survivors and if no executor or administrator has been named, payment is made to the next of kin as determined by the Civil Service Commission. This amendment will result in considerable administrative savings, as well as convenience for employees, by doing away with the necessity for a written designation of beneficiary in a vast majority of the cases in which the spouse would be the beneficiary desired.

Public Law 601 increases the benefit for employees who had retired before April 1948. Under the 1948 amendments, such individuals—instead of having their benefits recomputed under the new formula—were permitted to choose between (a) an increase of 25 percent or \$25 a month, whichever was smaller, in the annuity computed under the earlier law; and (b) the same annuity, but with a survivor annuity for the spouse amounting to 50 percent of the employee's annuity computed under the previous law or \$50 a month, whichever was smaller.

The 1950 amendment provides that, effective September 1950, such retired individuals shall receive, regardless of their 1948 choice, both survivor protection and the increase in their own benefits. Thus for annuitants who had elected the survivor option, the annuity payable to them is increased, while for those who had elected the option of a larger annuity, survivor protection is now in existence. For individuals in the latter category who died after April 30, 1948, survivor benefits are payable to the surviving spouse, beginning September 1950.

Economic Status of Aged Persons and of Dependent Children

To meet requests from congressional committees and the general

public for information on the economic status of the aged and other special population groups, the Social Security Administration periodically prepares estimates of the number of aged persons, widows, and orphans with income from known sources. Such data have been found useful for program planning and for other purposes.

Tables 1 and 2 present estimates of the number of aged persons, widows, and paternal orphans in the population in June 1950, as well as the number with income from employment, social insurance and related programs, and public assistance. Similar estimates for December 1940, December 1945, and December 1949 appeared in the BULLETIN for June 1950.

Little is known concerning the number of persons in each of these three groups with no money income or concerning the number with income from sources not listed, such as industrial pensions, insurance or annuity contracts, dividends, interest, or rents. How many are living in whole or part on the sale of assets or withdrawals

from savings accounts is also unknown. Still another area in which information is generally lacking is the extent to which persons received income from two or more of the sources listed in the tables or from one or more of such sources plus one or more of the unlisted sources.

The tables do not throw any light, either, on the income distribution of the aged and of dependent survivors. Program operations yield data on size of payments, but many social insurance beneficiaries and public assistance recipients have other sources of income in addition. Surveys suggest that in general the larger the aged person's or survivor's income, the larger is the number of sources from which it is derived. The retired worker with earnings high enough to qualify him for a relatively large retirement benefit is also likely to have accumulated assets furnishing him with additional income. The same generalization may be made about the survivors of workers with high earnings.

Table 1.—Estimated number of persons aged 65 years and over, receiving income from specified source, June 1950

[In millions]

Source of income	Number of persons		
	Total	Men	Women
Total population aged 65 and over ¹	11.6	5.5	6.1
Employment.....	3.7	2.3	1.4
Earners.....	2.9	2.3	.5
Wives of earners.....	.9		.9
Social insurance and related programs:			
Old-age and survivors insurance.....	2.1	1.2	.9
Railroad retirement.....	.3	.2	.1
Federal civil-service retirement.....	.1	.1	(²)
Veterans' program.....	.3	.1	.1
Other ³4	.1	.3
Old-age assistance.....	2.8	1.3	1.5

¹ Includes some persons with no income or with income from sources other than those specified. Some persons received income from more than one of the sources listed.

² Less than 50,000.

³ Beneficiaries of Federal retirement programs other than civil service and of State and local government retirement programs, and the wives of male beneficiaries of programs other than old-age and survivors insurance.

Sources: Total population and earners from Bureau of the Census. Number of persons in receipt of payments under social insurance and related programs and from old-age assistance, reported by administrative agencies, partly estimated. Number of wives of earners and number of wives of male beneficiaries of programs other than old-age and survivors insurance estimated from Census data on marital status.

Table 2.—Estimated number of children under age 18 with father dead, and of widows under age 65, receiving income from specified source, June 1950

[In millions]

Source of income	Survivor children under age 18 ¹	Widows under age 65 ²	
		Total	With 1 or more children under age 18
Total in population ³	2.0	3.4	0.6
Employment.....	.1	1.8	.3
Social insurance and related programs:			
Old-age and survivors insurance.....	.6	.2	.2
Veterans' program.....	.3	.4	.1
Other ⁴	(⁵)	(⁵)	(⁵)
Aid to dependent children.....	.4	.1	.1

¹ Includes children not living with widowed mother.

² Excludes widows who have remarried.

³ Includes some persons with no income or with income from sources other than those specified. Some persons received income from more than one of the sources listed.

⁴ Railroad and Federal civil-service retirement.

⁵ Less than 50,000.

Sources: Number of widows in population and employed persons among widows and survivor children under age 18, estimated from Census Bureau data. Number of survivor children under age 18 based on October 1949 estimate prepared by Division of the Actuary, Social Security Administration. Number of persons in receipt of payments under social insurance and related programs and from aid to dependent children, reported by administrative agencies, partly estimated.