

Estimated number of employers¹ and workers and amount of earnings in employment covered under old-age and survivors insurance, for specified periods, 1940-55²

[Corrected to Mar. 21, 1956. Estimates include self-employment on an annual but not quarterly basis after 1950, and exclude agricultural labor in quarterly data after 1954. Beginning 1952 estimates are preliminary.]

Year and quarter	Em- ployers reporting wages (in thou- sands)	Workers with taxable earnings ³ during period (in thou- sands)	Taxable earnings ⁴		All workers in covered employ- ment during period ⁵ (in thou- sands)	Total earnings in covered employment ⁶	
			Total (in millions)	Average per worker		Total (in millions)	Average per worker
1940	2,500	35,393	\$32,974	\$932	35,393	\$35,668	\$1,008
1941	2,646	40,976	41,848	1,021	40,976	45,463	1,110
1942	2,655	40,363	52,939	1,142	46,363	58,219	1,256
1943	2,394	47,656	62,423	1,310	47,656	69,653	1,462
1944	2,469	46,296	64,426	1,392	46,296	73,349	1,584
1945	2,614	46,392	62,945	1,357	46,392	71,580	1,543
1946	3,017	48,645	69,088	1,414	48,845	79,260	1,623
1947	3,246	48,908	78,372	1,602	48,908	92,449	1,890
1948	3,296	49,018	84,122	1,716	49,018	102,255	2,086
1949	3,316	46,796	81,808	1,748	46,796	99,989	2,137
1950	3,345	48,283	87,438	1,812	48,283	109,804	2,274
1951	4,440	58,100	121,000	2,080	58,100	148,000	2,550
1952	4,450	59,600	128,700	2,160	59,600	161,000	2,700
1953	4,350	61,000	136,100	2,230	61,000	173,000	2,840
1954	4,350	60,000	134,000	2,230	60,000	172,000	2,870
1946							
January-March	2,287	36,038	16,840	467	36,038	17,397	483
April-June	2,416	38,655	17,845	469	38,163	19,079	500
July-September	2,478	39,670	17,709	446	40,228	20,222	503
October-December	2,513	37,945	16,694	440	39,930	22,562	565
1947							
January-March	2,509	38,765	20,805	537	38,765	21,497	555
April-June	2,587	39,801	20,655	519	40,175	22,245	554
July-September	2,617	40,255	19,556	486	41,155	23,036	560
October-December	2,609	37,448	17,357	463	40,748	25,672	630
1948							
January-March	2,588	39,560	23,080	583	39,560	23,923	605
April-June	2,690	40,245	22,708	564	40,524	24,668	609
July-September	2,699	40,585	21,150	521	41,675	25,700	617
October-December	2,661	36,790	17,184	467	41,540	27,964	673
1949							
January-March	2,639	38,162	23,376	613	38,162	24,254	636
April-June	2,693	38,591	22,571	583	38,864	24,570	632
July-September	2,697	38,333	20,160	528	39,601	24,971	631
October-December	2,692	34,529	15,701	455	39,477	26,194	664
1950							
January-March	2,671	37,393	23,400	628	37,393	24,316	650
April-June	2,786	39,264	24,052	613	39,557	26,210	663
July-September	2,768	40,486	22,382	553	41,923	28,165	672
October-December	2,741	35,609	17,574	494	41,792	31,113	744
1951							
January-March	3,552	43,908	30,336	691	43,908	31,000	710
April-June	3,658	45,483	30,693	675	45,718	33,000	720
July-September	3,635	45,693	27,815	609	46,778	33,000	710
October-December	3,638	41,846	22,702	543	46,107	35,000	760
1952							
January-March	3,595	45,000	33,150	737	45,000	34,000	760
April-June	3,690	46,800	32,627	697	47,000	35,000	740
July-September	3,663	46,700	29,166	625	48,100	36,000	750
October-December	3,640	42,600	24,067	565	47,900	39,000	810
1953							
January-March	3,590	47,000	36,382	774	47,000	37,000	790
April-June	3,662	48,300	35,963	745	48,500	39,000	800
July-September	3,654	47,800	30,864	646	49,200	39,000	790
October-December	3,652	41,400	22,824	551	48,000	41,000	850
1954							
January-March	3,620	46,000	35,813	779	46,000	37,000	800
April-June	3,700	46,800	35,100	750	47,100	38,000	810
July-September	3,700	46,300	30,000	648	48,000	38,000	790
October-December	3,730	40,300	22,500	558	47,000	41,000	870
1955							
January-March	3,770	46,200	37,600	814	46,200	39,000	840
April-June	3,840	48,000	38,000	790	48,500	41,000	850

¹ A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole. Annual figures correspond to the number of different employers filing returns for the year. Quarterly figures correspond to the number of returns for the quarter.

² Excludes joint coverage under the railroad retirement and old-age and survivors insurance programs.

³ Represents reported workers with taxable earn-

ings. Through 1950, the annual limit on taxable earnings was \$3,000; beginning 1951, the limit was \$3,600; and beginning 1955 the limit was \$4,200.

⁴ Excludes earnings in excess of taxable limit.

⁵ Includes workers with earnings in excess of annual taxable limit.

⁶ Includes earnings in excess of annual taxable limit.

⁷ Rounded to nearest \$10.

out that protection. The coverage extension is reflected in the estimates of the number of employers and workers under old-age and survivors insurance and the amount of wages in the first and second quarters of 1955, shown in the accompanying table. The rapid recovery during the first 6 months of the year from the moderate and brief business decline of 1954 also contributed significantly to the increases in covered employment. As in the past, the quarterly estimates exclude data relating to self-employment, which are included in the annual figures beginning with 1951. The quarterly estimates also exclude agricultural employees beginning in 1955, because the coverage test for these workers was then placed on an annual basis.

Taxable wages were estimated to average \$814 in the first quarter of 1955 and \$790 in the second quarter, while estimated average wages in covered employment were \$840 and \$850, respectively. Primarily because of increases since June 1954 in average hourly earnings and in the average number of hours worked per week, the average taxable wages and average wages in covered employment in each of the 2 quarters were about 5 percent higher than those in the corresponding quarters of 1954.

The number of workers in covered employment increased from 46.2 million in January-March 1955 to 48.5 million in April-June 1955. Their total earnings increased from \$39 billion in the first quarter of 1955 to \$41 billion in the second quarter.

The estimated number of employers reporting payment of taxable wages was 3,770,000 in the first quarter of 1955 and 3,840,000 in the second quarter. In both quarters the totals were about 4 percent higher than those in the corresponding quarters of the preceding year.

Federal Grants to State and Local Governments, 1954-55

Federal grants to State and local governments continued their general upward trend during the fiscal year 1954-55, although at a lower rate of annual increase than in the 2 pre-

ceding years. Declines in grants for health services, for employment security administration, and for public assistance were more than offset by substantial increases in grants for welfare services other than public assistance, for education, and for all other purposes. In consequence, total grants increased 5 percent from the 1953-54 level; they amounted to \$3,092 million, compared with \$2,954 million the preceding fiscal year (table 1).

Existing Federal aids to States and localities vary considerably in purpose and financial characteristics. The term "grants," as used here, is confined to grants for cooperative

Federal-State or Federal-local programs administered at the State and/or local level and for those programs in which the bulk of the funds is channeled through agencies of State and local governments. Emergency grants and the value of grants-in-kind have been included when they conform to this definition. Federal aid granted directly to individuals and private institutions and reimbursements to State and local governments for expenses incurred by them as agents of the Federal Government in administering programs primarily national in character have been excluded. Shared revenues have also been excluded.

Table 1.—Federal grants to State and local governments, by purpose, fiscal years 1934-35 through 1954-55

[In thousands]

Fiscal year	Total		Public assistance ¹	Employment security administration ²	Health services ³	Other welfare services ⁴	Education ⁵	All other ⁶
	Amount	Percentage change						
1934-35	\$2,196,577			\$1,257		\$1,516	\$12,722	\$323,592
1935-36	799,138	-54.7	\$28,424	3,068	\$4,389	2,117	13,322	467,305
1936-37	7808,668	-18.7	143,934	11,484	12,758	3,089	15,651	620,030
1937-38	7800,466	-1.1	216,074	45,939	15,329	3,655	24,625	494,359
1938-39	1,029,557	+28.6	246,898	62,858	14,754	3,893	25,411	675,743
1939-40	965,239	-6.2	271,135	61,539	21,873	4,558	25,137	581,001
1940-41	858,591	-11.0	330,408	65,632	25,870	5,078	25,620	405,984
1941-42	827,478	-3.6	374,568	74,034	29,057	5,541	25,811	318,467
1942-43	850,995	-2.9	395,623	36,480	30,396	5,824	26,158	356,514
1943-44	896,926	+5.4	404,042	35,229	60,223	8,616	25,644	362,272
1944-45	864,905	-3.6	410,364	33,730	78,555	9,670	25,131	307,454
1945-46	840,098	-2.9	439,132	54,547	71,169	13,361	25,341	236,549
1946-47	1,187,478	+41.3	613,831	99,252	63,134	98,757	31,145	281,359
1947-48	1,452,644	+22.3	718,359	133,610	55,309	91,958	35,813	417,594
1948-49	1,814,751	+24.9	927,897	140,314	66,646	98,843	36,951	544,100
1949-50	2,195,473	+21.0	1,123,418	207,617	119,158	113,163	38,501	593,617
1950-51	2,242,921	+2.2	1,185,764	173,838	168,938	102,553	49,123	662,706
1951-52	2,322,238	+3.5	1,177,688	182,894	182,865	114,802	112,003	651,986
1952-53	2,753,083	+18.6	1,320,933	197,779	168,822	114,020	215,205	727,323
1953-54	2,953,964	+7.3	1,437,516	200,136	138,422	115,248	203,691	859,331
1954-55	3,092,312	+4.7	1,426,599	188,898	117,581	141,421	239,444	978,369

¹ Old-age assistance, aid to dependent children, aid to the blind, and, beginning 1950-51, aid to the permanently and totally disabled under the Social Security Act as amended.

² Unemployment insurance administration under the Social Security Act beginning 1935-36; employment service administration, 1934-35 through December 1941 and, after wartime emergency nationalization of State employment services, from Nov. 16, 1946, to date.

³ Maternal and child health services and services for crippled children under the Social Security Act and general public health services from 1935-36 to date; from inception of the program through 1948-49, emergency maternity and infant care; from inception of the program to date: venereal disease, tuberculosis, cancer, and heart disease control, mental health activities, hospital survey and construction, and water pollution control.

⁴ Child welfare services under the Social Security Act from 1935-36 to date; vocational rehabilitation and State and Territorial homes for disabled soldiers and sailors from 1934-35 to date; community war service day care for 1942-43; school lunch program from 1946-47 to date; and school milk program beginning 1954-55.

⁵ Colleges for agriculture and mechanic arts, vocational education, education of the blind, and State marine schools from 1934-35 to date; emergency Office of Education grants from 1935-36 to 1940-41; maintenance and operation of schools in certain areas from 1946-47 to date; school survey and construction in certain areas from 1950-51 to date; and, for 1954-55, State and local preparation for the White House

Conference on Education.

⁶ Agricultural experiment stations and extension work from 1934-35 to date; cooperative projects in marketing from 1947-48 to date; forestry cooperation from 1934-35 to date and wildlife restoration from 1938-39 to date; supply and distribution of farm labor from 1942-43 to 1943-49; removal of surplus agricultural commodities under sec. 32 of the Act of August 24, 1935, from 1935-36 to date; commodities furnished by the Commodity Credit Corporation from 1949-50 to date; Federal annual contributions to public housing authorities from 1939-40 to date; regular and emergency highway construction from 1934-35 to date; Federal airport program from 1947-48 to date; Public Works Administration grants and liquidation thereof from 1934-35 through 1949-50; wartime public works from 1941-42 through 1949-49; community facilities and disaster and emergency relief from 1941-42 to date; civil defense from 1951-52 to date; slum clearance and urban redevelopment, from 1952-53 to date; and drought relief from 1953-54 to date.

⁷ Includes Federal Emergency Relief Administration grants of \$1,857,490,000 for 1934-35, \$476,513,000 for 1935-36, \$1,722,000 for 1936-37, and \$484,000 for 1937-38.

Source: Annual Reports of the Secretary of the Treasury, the Combined Statements of Receipts, Expenditures, and Balances of the United States Government, and other Treasury reports. Grants for part of the school lunch program for 1946-47 and for the removal of surplus agricultural commodities for 1935-36 through 1946-47, as reported by the Department of Agriculture.

Grants for public assistance payments and administration amounted to \$1,427 million in the fiscal year 1954-55, \$11 million or 0.8 percent less than the \$1,438 million granted in 1953-54. The proportion of the total granted for each of the four categorical assistance programs and the percentage change from the previous year are shown below.

Program	Amount (in millions)		Percentage change
	1954-55	1953-54	
Old-age assistance	\$920	\$960	-4.2
Aid to the permanently and totally disabled	82	75	+9.8
Aid to dependent children	388	365	+6.2
Aid to the blind	36	37	-1.9

The provision in the 1952 amendments to the Social Security Act for increased financial participation in the four assistance programs had been originally scheduled to expire September 30, 1954, but it was extended by the 1954 amendments for 2 more years and was in effect during 1954-55.

Grants for aid to the permanently and totally disabled—the youngest of the four assistance programs—showed the most marked increase. The rate of increase, however, continues to fall off as most States (42) now have programs in operation.¹ These grants increased 33 percent in 1952-53, 27 percent in 1953-54, and 10 percent in 1954-55.

In line with the relatively slight decrease in the amount of public assistance grants, their total represents a somewhat smaller proportion of all Federal grants than in the preceding fiscal year—46.1 percent in 1954-55 and 48.7 percent in 1953-54. Public assistance grants represented 78.6 percent of the grants administered by the Department of Health, Education, and Welfare in 1954-55, compared with 79.4 percent the year before. In both years they represented 98 percent of the Social Security Administration grants; the re-

¹ After the close of the fiscal year, Maine's plan for aid to the permanently and totally disabled was approved for Federal participation, and \$8,000 was granted, retroactive to April 1955. Data for Maine are not included in the totals appearing here.

mainder went for the three grant programs administered by the Children's Bureau.

Federal grants for the administration of the State unemployment insurance and employment service programs amounted to \$189 million, 5.6 percent less than the \$200 million granted in 1953-54. While these grants, like all grants, are made from the general funds of the Treasury, they have been regarded as coming from the portion of the Federal unemployment tax against which employers are not permitted to offset their payments under State unemployment insurance laws. Administrative costs of the employment security programs in the States have never equaled the amount of the Federal collections (0.3 percent of taxable payrolls). Under the Employment Security Financing Act of 1954 (Public Law No. 567, Eighty-third Congress, second session) the excess—up to \$200 million—of collections over administration costs is appropriated to the Federal unemployment account within the unemployment trust fund. From the fund thus established, States with depleted reserves may borrow to help pay benefits. One loan of \$3 million to Alaska has so far been made. Amounts over the \$200 million are to be allocated to the accounts in the unemployment trust fund of the various States in the same proportion that their covered payrolls bear to the aggregate payroll of all States.

Grants for health services to the States and localities continued to decline from their all-time high of 1951-52. Among programs administered by the U.S. Public Health Service, grants for tuberculosis control were 5 percent greater than those in 1953-54; grants were about the same in both years for mental health activities and for cancer and heart disease control and were lower—in some cases substantially lower—for venereal disease control, general health assistance, hospital construction, and construction of community facilities for water treatment in defense-impacted areas, a program presently in liquidation.

Grants for welfare services other than public assistance totaled \$141 million in 1954-55, an increase of \$26 million or 23 percent from the pre-

Table 2.—Per capita Federal grants to States and localities, by State and purpose, fiscal year 1954-55

States ranked by 1952-54 average per capita personal income	Average per capita personal income, 1952-54	Population July 1, 1954 (in thousands)	Per capita grants						
			Total	Public assistance ¹	Employment security administration ²	Health services ³	Other welfare services ⁴	Educational ⁵	All other ⁶
Total ⁷	164,166	138.84	\$8.69	\$1.16	\$0.72	\$0.86	\$1.46	\$5.96	
Continental United States	161,183	18.91	8.79	1.16	.70	.85	1.44	5.97	
High-income group.....	88,297	15.60	7.19	1.40	.49	.64	1.29	4.60	
Delaware.....	2,302	371	21.79	3.79	1.09	1.78	.91	13.22	
Nevada.....	2,383	210	48.82	5.65	2.73	2.19	.78	28.99	
Connecticut.....	2,369	2,185	12.31	5.20	1.36	.38	.77	1.62	
District of Columbia.....	2,267	849	16.61	4.95	.97	.72	.80	.13	
New Jersey.....	2,188	5,303	9.88	2.62	1.98	.42	.53	.66	
California.....	2,165	12,500	23.24	12.87	1.54	.43	.62	3.41	
Illinois.....	2,135	9,193	13.27	6.55	.93	.39	.67	.55	
New York.....	2,130	15,826	14.80	6.80	1.72	.30	.55	.50	
Michigan.....	2,027	7,028	14.50	6.38	1.33	.47	.72	1.04	
Ohio.....	1,986	8,720	13.30	6.19	.87	.62	.61	1.06	
Washington.....	1,938	2,531	26.01	12.60	1.46	.74	.95	4.86	
Maryland.....	1,936	2,601	13.31	4.08	1.16	.73	.61	3.54	
Massachusetts.....	1,912	4,924	18.52	11.01	1.62	.65	.63	.41	
Indiana.....	1,846	4,235	10.97	4.65	.77	.48	.70	.71	
Pennsylvania.....	1,838	10,884	13.88	4.72	1.44	.59	.68	.35	
Rhode Island.....	1,824	837	19.58	8.00	1.93	.44	.74	2.30	
Middle-income group.....	36,453	21.56	10.28	.93	.76	.90	1.50	7.18	
Wyoming.....	1,817	298	37.25	7.58	1.74	1.48	1.24	2.27	
Oregon.....	1,788	1,640	13.44	7.56	1.37	.44	.78	.90	
Montana.....	1,753	619	33.65	9.69	1.47	.80	1.00	2.06	
Colorado.....	1,748	1,499	32.14	17.93	.99	.84	.75	3.07	
Wisconsin.....	1,731	3,628	13.41	6.14	.74	.72	.95	.40	
Missouri.....	1,717	4,076	26.92	17.97	.76	.62	.88	.95	
Kansas.....	1,687	2,023	23.93	9.29	.66	.76	.76	3.11	
Minnesota.....	1,609	3,132	17.86	8.17	.88	.54	1.01	.57	
Arizona.....	1,606	928	27.55	10.15	1.81	.50	.97	3.39	
Nebraska.....	1,604	1,366	18.74	6.57	.61	.81	.79	1.30	
Iowa.....	1,600	2,665	17.71	7.98	.54	.71	.96	.45	
New Hampshire.....	1,565	550	19.59	6.22	2.03	1.38	.78	1.26	
Florida.....	1,554	3,300	19.88	10.56	.88	.86	.94	1.57	
Texas.....	1,549	8,479	20.98	10.54	.88	.82	.88	1.79	
Maine.....	1,493	890	21.65	9.05	1.07	1.10	.84	2.09	
Utah.....	1,491	762	28.97	9.01	1.76	1.15	1.23	3.70	
Idaho.....	1,486	598	33.77	8.57	1.63	1.00	1.26	2.44	
Low-income group.....	36,434	24.28	11.19	.82	1.13	1.30	1.75	8.09	
Virginia.....	1,466	3,560	17.02	3.19	.47	.82	.90	5.07	
Oklahoma.....	1,422	2,174	39.91	23.04	1.01	1.05	1.26	3.58	
Vermont.....	1,390	377	22.56	9.20	1.62	.60	1.33	.89	
New Mexico.....	1,371	778	38.87	12.85	1.29	1.08	1.10	6.80	
South Dakota.....	1,288	672	25.46	9.35	.65	.92	1.14	2.01	
Louisiana.....	1,282	2,882	32.66	22.37	.84	1.07	1.51	.73	
West Virginia.....	1,264	1,990	22.27	10.62	.79	.95	1.24	.33	
Georgia.....	1,238	3,606	25.44	12.66	.72	1.38	1.44	2.27	
Kentucky.....	1,215	2,978	20.93	9.78	.75	1.09	1.05	.81	
Tennessee.....	1,190	3,362	21.74	10.53	.80	1.05	1.28	.96	
North Dakota.....	1,187	635	22.92	7.32	.95	.59	1.15	.89	
North Carolina.....	1,172	4,225	16.75	7.39	.80	.93	1.41	.60	
South Carolina.....	1,098	2,270	19.66	8.48	.88	1.48	1.28	1.28	
Alabama.....	1,096	3,001	26.35	9.77	.90	1.24	1.36	1.47	
Arkansas.....	969	1,798	28.69	12.21	1.04	1.60	1.58	1.40	
Mississippi.....	865	2,126	26.07	11.41	.88	1.52	1.62	.84	
Territories and possessions.....	2,983	14.24	3.19	.58	1.86	1.43	2.33	4.85	
Alaska.....	208	33.91	7.46	2.74	2.19	.53	15.99	5.00	
Hawaii.....	1,722	522	25.01	6.90	1.01	1.61	1.07	6.55	
Puerto Rico.....	2,229	9.72	1.87	.27	1.83	1.58	.30	3.85	
Virgin Islands.....	24	28.74	7.90	.96	7.18	2.82	1.55	8.33	

¹ Old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled.

² Unemployment insurance and employment service administration.

³ Maternal and child health services; services for crippled children; general public health services; venereal disease, tuberculosis, heart disease, and cancer control; mental health activities; hospital survey and construction; and water pollution control.

⁴ Child welfare services, vocational rehabilitation, State and Territorial homes for disabled soldiers and sailors, and school lunch and school milk programs.

⁵ Colleges for agriculture and mechanic arts, vocational education, education of the blind, State marine schools, school survey and construction in certain areas, maintenance and operation of schools in certain areas, and State and local preparation for White House Conference on Education.

⁶ Agricultural experiment stations and extension work, cooperative projects in marketing and commodities donated by the Commodity Credit Cor-

poration, forestry cooperation, removal of surplus agricultural commodities, wildlife restoration, annual contributions to public housing agencies, Federal airport program, regular and emergency highway construction, community facilities, disaster and emergency relief, slum clearance and urban redevelopment, civil defense, and drought relief.

⁷ Includes small amount undistributed, as well as civil defense contributions to the island of Guam and the Canal Zone.

Source: Grants data are from the *Annual Report of the Secretary of the Treasury on the State of the Finances for the Fiscal Year Ended June 30, 1955*, and are on the basis of checks issued in the fiscal year. Per capita grants are based on estimates by the Bureau of the Census for the total population, excluding Armed Forces overseas, as of July 1, 1954, which appear in *Current Population Reports, Population Estimates*, Series P-25, No. 124. Personal income data used are from the *Survey of Current Income*, September 1955.

ceding year. This group of grants is a heterogeneous one, including as it does child welfare services, vocational rehabilitation, soldiers' and sailors' homes, the school lunch program,

and the newly instituted program of school milk distribution. Most of the increase is attributable to this new program, for which \$22 million was granted in 1954-55. Vocational re-

habilitation grants increased slightly; those for the other welfare programs remained at about the same level as in the preceding fiscal year. Grants for health services and for welfare services other than public assistance together represented 8.4 percent of all Federal grants in 1954-55, about the same proportion as in 1953-54.

Education grants totaled \$239 million in 1954-55, 18 percent higher than in 1953-54. From 1934-35 through 1950-51 grants for education ranged from less than 1 percent to slightly more than 3 percent of all Federal grants and averaged 2.4 percent of the total. In 1951-52 they increased sharply, both in dollar amount and as a percent of the total. In that year they formed 4.8 percent of total grants; in 1952-53, 7.8 percent; in 1953-54, 6.9 percent; and in 1954-55, 7.7 percent. The rise in 1954-55 is attributable to substantial increases in grants for vocational education, school construction and maintenance, and the operation of the American Printing House for the Blind, as well as a one-time grant of \$608,048 to help the States prepare and hold conferences preliminary to the White House Conference on Education. Grants for colleges of agriculture and mechanic arts remained the same, and grants for State marine schools decreased by about one-third. Grants for all other purposes amounted to \$978 million in the fiscal year 1954-55, an increase of 14 percent or \$119 million from 1953-54. The components of this miscellaneous group, with the amounts granted in the 2 fiscal years, are shown below.

Table 3.—Federal grants to States and localities in relation to personal income and State general revenues, by State, fiscal year 1954-55

	Total grants to States			Grants under programs administered by Social Security Administration				
	Amount (in thousands)	As percent of personal income	As percent of total State general revenues	Amount (in thousands)	As percent of personal income	As percent of total State general revenues	As percent of total grants	Per capita
Total Continental United States	\$3,092,312			\$1,455,856			47	\$8.87
High-income group	3,048,341	1.1	19	1,444,755	0.5	9	47	8.96
Delaware	1,377,779	.8	16	644,619	.4	7	47	7.30
Nevada	8,084	.9	12	1,605	.2	2	20	4.33
Connecticut	10,252	2.0	27	1,356	.3	4	13	6.46
District of Columbia	26,901	.5	12	11,748	.2	5	44	5.38
New Jersey	14,106	.7	(?)	4,521	.2	(?)	32	5.33
California	52,374	.4	15	14,283	.1	4	27	2.69
Illinois	290,463	1.1	16	162,032	.6	9	56	12.96
New York	121,950	.6	17	61,094	.3	9	60	6.65
Michigan	234,205	.7	16	108,542	.3	7	46	6.86
Ohio	101,926	.7	12	45,702	.3	5	45	6.50
Washington	116,002	.7	15	54,903	.3	7	47	6.30
Maryland	65,838	1.3	17	32,524	.7	8	49	12.85
Massachusetts	34,631	.7	14	11,310	.2	4	33	4.35
Indiana	91,215	1.0	19	54,861	.6	12	60	11.14
Pennsylvania	46,461	.6	13	20,148	.3	6	43	4.76
Rhode Island	146,983	.7	18	53,079	.3	6	36	4.83
Middle-income group	16,388	1.1	21	6,912	.5	9	42	8.26
Wyoming	785,777	1.3	21	381,669	.6	10	49	10.47
Oregon	11,101	2.1	18	2,425	.5	4	22	8.14
Montana	30,248	1.0	16	12,670	.4	7	42	7.73
Colorado	20,831	1.9	27	6,240	.6	8	30	10.08
Wisconsin	48,178	1.9	24	27,243	1.1	13	57	18.17
Missouri	48,654	.8	14	22,902	.4	6	47	6.31
Kansas	109,713	1.5	32	73,912	1.0	22	67	18.13
Minnesota	48,416	1.4	23	19,141	.6	9	40	9.46
Arizona	55,953	1.1	16	26,185	.5	7	47	8.36
Nebraska	25,566	1.7	21	9,572	.7	8	37	10.31
Iowa	25,603	1.1	23	9,217	.4	8	36	6.75
New Hampshire	47,195	1.1	17	21,757	.5	8	46	8.16
Florida	10,772	1.2	24	3,605	.4	8	33	6.56
Texas	65,611	1.2	17	35,430	.7	9	54	10.74
Maine	177,919	1.3	23	90,600	.7	12	51	10.69
Utah	19,271	1.5	22	8,307	.6	9	43	9.33
Idaho	20,553	1.8	24	7,135	.6	8	35	9.36
Low-income group	20,192	2.4	29	5,326	.6	8	26	8.91
Virginia	884,785	2.0	24	418,467	.9	11	47	11.49
Oklahoma	60,575	1.1	21	12,192	.2	4	20	3.42
Vermont	86,755	2.7	28	50,607	1.6	16	58	23.28
New Mexico	22,505	1.6	22	3,654	.7	10	43	9.69
South Dakota	30,242	2.8	21	10,278	1.0	7	34	13.21
Louisiana	17,101	1.9	23	6,519	.7	9	38	9.70
West Virginia	94,134	2.5	17	65,212	1.7	12	69	22.63
Georgia	44,317	1.8	26	21,725	.9	13	49	10.92
Kentucky	91,724	2.1	27	46,625	1.0	14	51	12.93
Tennessee	62,322	1.7	27	30,011	.8	13	48	10.08
North Dakota	73,078	1.8	26	36,235	.9	13	50	10.78
North Carolina	14,557	1.9	16	4,899	.6	5	34	7.70
South Carolina	70,781	1.4	17	32,540	.6	8	46	7.70
Alabama	44,619	1.8	20	19,969	.8	9	45	8.80
Arkansas	79,072	2.4	31	30,322	.9	12	38	10.10
Mississippi	51,580	2.9	31	22,599	1.3	14	44	12.57
Territories and possessions	55,422	3.0	29	25,091	1.4	13	45	11.80
Alaska	42,476			11,101			26	3.72
Hawaii	7,053			1,815			26	8.73
Puerto Rico	13,056			3,922			20	7.61
Virgin Islands	21,677			5,009			23	2.25
	690			356			52	14.83

Purpose	Amount (in millions)	
	1954-55	1953-54
Total	\$978.4	\$859.3
Agricultural experiment stations	18.6	13.3
Agricultural extension work	38.4	31.5
Commodity Credit Corporation	110.5	0.1
Cooperative marketing projects	2.2	1.3
Drought relief	4.9	4.0
Forestry cooperation	9.8	9.7
Surplus agricultural commodity distribution	56.4	154.7
Airport construction	8.4	17.5
Highway construction	596.7	538.5
Wildlife restoration	16.4	15.1
Low-rent public housing	60.9	38.2
Slum clearance	33.5	11.6
Civil defense	10.5	13.7
Defense community facilities and services	2.4	8.6
Disaster relief	8.9	1.5

¹ Includes small amount undistributed, as well as civil defense contributions to the island of Guam and the Canal Zone.

² General revenue data for the District of Columbia for 1954-55 not yet available.

Source: Grants data are from the *Annual Report of the Secretary of the Treasury on the State of the Finances for the Fiscal Year Ended June 30, 1955*, and are on the basis of checks issued in the fiscal year. Personal

income data are for calendar year 1954 and are from the *Survey of Current Business*, September 1955. State general revenue data are for the fiscal year 1955 and are from the *Summary of State Government Finances in 1955* (Bureau of the Census). Per capita grants are based on estimates by the Bureau of the Census for the total population, excluding the Armed Forces overseas, as of July 1, 1954.

In both years, grants for highway construction were by far the largest in the group. In 1954-55 they represented 61 percent of the group total, compared with 63 percent in the earlier year. The largest increase was in grants representing the value of commodities donated by the Commodity Credit Corporation in 1954-55. This increase is attributable to a variety of causes but mainly to a change in the statutes governing the program. Beginning July 1954, the Federal Government, which up to that point had paid only for the commodities, took over also the cost of packaging and reprocessing and a substantial portion of the costs of delivery to distribution points within States. The change encouraged State welfare agencies and administrators of the school lunch programs to avail themselves of notably larger amounts of the commodities at little or no additional cost to them.

Per capita grants are shown in table 2 by State and by major purpose. The States have been ranked by average 1952-54 per capita personal income and divided into high-, middle-, and low-income groups. Within each income group the States vary widely in per capita grants received. Total grants received in 1954-55 by the high-income group, for example, averaged \$15.60 per capita, but the range was almost \$39—from \$9.88 in New Jersey to \$48.82 in Nevada. Among the low-income group of States, average per capita total grants were \$24.28, with a range of only \$23—from \$16.75 in North Carolina to \$39.91 in Oklahoma. The range widened for both groups of States from that of the preceding year, when the high-income group had a range of \$37 and the low-income group a range of \$18 in per capita total grants. For the middle-income group, average per capita total grants changed only slightly—from \$21.70 in 1953-54 to \$21.56 for 1954-55. Here, too, the range widened; it was \$23.84 in 1954-55 (from \$13.41 in Wisconsin to \$37.25 in Wyoming), compared with \$18.16 in 1953-54 (from \$16.71 in Iowa to \$34.87 in Wyoming).

Both the total grants and those for public assistance, health, welfare, and education tend to vary inversely with per capita income whether calculated

on the income payments or the new personal income basis. In general, the grants average somewhat higher per capita in the low-income States than in the middle-income group, and higher in the middle-income States than in those of the high-income range. In many of the programs the grant-in-aid formula for distribution of Federal funds is designed to achieve at least a minimum degree of equalization in the program among all States. As in previous years, there was an observable tendency for per capita grants for employment security administration to vary in direct relationship to State per capita income. The "all other" category, including as it does grants for activities at least partly concentrated in urban and suburban areas as well as exclusively rural programs, cannot be analyzed on the basis of income and population relationships.

Grants for many purposes are higher per capita in the sparsely populated "public land" States as a result of the operation of minimum allotment provisions and certain allocation formulas. In Nevada, for example, which ranked second highest in terms of per capita income and where grants amounted to \$48.82 per capita, in comparison with \$18.91 for the continental United States, 46.6 percent of total grants to the State went for highway construction. Wyoming, in the middle-income group, received \$37.25 per capita in grants, and 45.8 percent of the grants went for highways. New Mexico, among the low-income States, received \$38.87 per capita in grants. Almost 31 percent of this total was for highways and 36 percent for public assistance. A similar situation exists in other Western States.

Total grants per capita are also significantly high in States that spend relatively large sums from State and local funds for their public assistance programs, because of the Federal matching requirement in the Social Security Act. Oklahoma, for example, with total per capita grants of \$39.91, received 57.7 percent of its total grants for public assistance. More than 68 percent of total grants to Louisiana were for public assistance; total grants per capita were \$32.66.

Total grants were slightly less per capita for the Territories and possessions in 1954-55 (\$14.24) than in the preceding fiscal year (\$14.65). They continue to be less than per capita total grants for the continental United States mainly because of the significantly low per capita grants to Puerto Rico—the most populous of the Territories and possessions. These low per capita grants are occasioned, in turn, by the fact that the maximums on individual assistance payments in which the Federal Government will share and the Federal share of the payments are lower for Puerto Rico and the Virgin Islands than for the States; in addition there is an overall dollar maximum on the Federal payment to these possessions.

Total grants to State and local governments as a percent of personal income received and of total State general revenues tend to be higher, on the average, in States with low per capita income (table 3). These percentages are also high in the sparsely populated public land States and the States that make relatively heavy expenditures for public assistance. Federal grants represented 1.1 percent of personal income for the continental United States and 19 percent of State general revenues. Grants to State and local governments are presented here as percentages of total State general revenues, but they would be more meaningfully related to combined State and local general revenues. No complete and consistent series for recent years on total local government revenues, by State, is now available, however.

Grants administered by the Social Security Administration amounted to \$1,456 million in 1954-55, \$11 million or $\frac{3}{4}$ of 1 percent less than the \$1,467 million granted in 1953-54. They represented 47.1 percent of all Federal grants, compared with exactly half in the preceding year. These grants equaled, on the average, 0.5 percent of personal income in the continental United States and 9 percent of State general revenues. Here, too, percentages tended to be larger in the States with low per capita income. The percentage that Social

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Table 9.—Old-age and survivors insurance: Number and amount of monthly benefits in current-payment status as of December 31, 1955, by type of benefit and by State

Beneficiary's State of residence	Total		Old-age ¹		Wife's or husband's		Child's		Widow's or widower's ¹		Mother's		Parent's ¹	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Total.....	7,960,616	\$411,612,764	4,473,971	\$276,941,845	1,191,963	\$39,415,543	1,276,240	\$46,443,640	701,360	\$34,152,239	291,916	\$13,402,969	25,166	\$1,256,528
Alabama.....	115,761	4,773,369	51,609	2,772,976	14,978	403,912	33,405	955,646	7,660	328,754	7,347	277,266	762	34,815
Alaska.....	4,017	186,735	2,116	126,622	216	5,870	1,413	43,166	78	3,673	188	7,071	6	343
Arizona.....	37,491	1,832,702	19,019	1,156,971	4,766	153,136	9,511	329,959	2,170	104,278	1,875	81,449	150	7,209
Arkansas.....	71,634	2,944,891	37,828	1,916,728	10,968	276,854	15,308	444,403	3,947	182,476	3,182	125,717	401	18,713
California.....	642,314	34,150,160	389,864	24,001,450	90,696	3,014,245	91,006	3,675,924	51,833	2,541,525	17,631	850,407	1,284	66,609
Colorado.....	66,675	3,335,347	38,149	2,274,163	10,218	322,830	11,157	403,521	4,870	233,041	2,155	95,758	126	6,034
Connecticut.....	134,780	7,895,214	80,160	5,505,792	21,399	780,691	14,202	614,132	15,090	782,984	3,564	183,773	356	18,842
Delaware.....	18,310	974,562	10,500	6,555,345	2,646	92,165	2,717	105,162	1,765	88,487	614	29,872	68	3,531
Dist. of Col.....	29,965	1,524,106	17,710	1,065,528	3,186	106,606	5,142	171,879	2,717	130,503	1,130	65,733	80	3,531
Florida.....	216,699	11,204,123	128,275	7,979,173	35,926	1,187,319	31,348	1,060,812	13,830	660,276	6,830	293,190	490	23,353
Georgia.....	119,922	4,951,879	54,133	2,871,319	13,513	372,866	35,857	1,043,626	8,145	351,781	7,550	279,747	724	32,540
Hawaii.....	17,978	832,869	9,355	549,389	1,954	56,474	4,831	148,855	840	37,446	955	38,568	43	2,137
Idaho.....	26,787	1,271,087	15,167	859,468	4,131	121,910	5,073	181,584	1,461	65,061	803	40,027	62	3,037
Illinois.....	477,085	26,371,631	276,930	18,031,704	71,973	2,512,922	64,636	2,646,166	47,557	2,382,361	14,548	722,856	1,441	75,622
Indiana.....	228,316	11,799,459	129,251	7,918,019	36,930	1,217,961	34,271	1,319,622	30,229	972,727	7,961	342,844	554	28,256
Iowa.....	124,919	6,125,171	74,656	4,292,507	21,491	660,299	15,777	575,245	9,313	427,298	3,436	157,705	246	12,117
Kansas.....	90,103	4,354,697	52,527	2,986,619	15,256	462,959	12,894	475,853	6,607	290,380	2,620	120,362	199	9,524
Kentucky.....	128,388	5,686,295	62,735	3,530,345	18,530	527,658	31,421	944,249	8,574	389,155	6,463	262,901	665	31,987
Louisiana.....	92,527	4,016,302	43,808	2,372,834	11,269	316,089	24,480	769,387	6,975	309,945	5,526	226,717	469	21,780
Maine.....	65,253	3,203,172	39,179	2,259,817	9,720	296,608	8,894	298,997	5,309	247,194	2,046	90,108	165	7,928
Maryland.....	110,940	5,694,410	60,837	3,691,183	14,713	493,647	19,337	731,717	11,120	542,774	4,562	216,950	371	18,139
Massachusetts.....	328,912	18,427,555	198,616	12,944,411	50,034	1,778,337	34,926	1,425,165	34,647	1,746,850	9,913	492,416	776	40,276
Michigan.....	341,111	19,040,624	185,742	12,478,098	54,019	1,941,045	55,358	2,273,959	33,138	1,694,340	11,963	610,501	790	42,681
Minnesota.....	143,788	7,376,887	85,315	5,129,932	25,055	749,437	19,647	735,774	10,951	531,497	4,507	214,151	313	16,046
Mississippi.....	60,292	2,325,013	28,496	1,404,019	7,700	189,293	16,672	445,298	3,207	181,694	3,680	129,982	637	24,727
Missouri.....	207,405	10,497,873	122,143	7,290,056	32,156	1,029,185	28,463	1,009,426	17,864	882,282	6,117	277,730	662	33,104
Montana.....	28,129	1,393,932	16,123	7,945,688	3,766	118,483	5,126	183,416	2,104	100,850	929	41,360	81	4,135
Nbraska.....	57,920	2,798,770	34,822	1,973,041	9,997	302,288	7,407	267,097	4,010	181,375	1,568	99,345	116	5,624
Nevada.....	8,174	426,888	4,920	296,640	781	24,852	1,725	69,575	481	23,637	244	11,054	23	1,130
New Hampshire.....	39,918	2,063,463	24,552	1,475,656	5,852	190,831	4,887	181,037	3,406	159,821	1,151	52,664	70	3,454
New Jersey.....	305,102	17,458,888	176,461	11,842,561	47,810	1,742,640	35,468	1,536,126	34,530	1,771,689	9,897	515,135	936	50,737
New Mexico.....	21,651	890,360	9,263	505,804	2,450	67,389	7,393	215,076	989	43,698	1,443	53,054	113	5,369
New York.....	890,731	49,458,171	538,179	34,683,222	132,617	4,664,623	98,398	4,032,997	90,730	4,534,453	28,165	1,403,557	2,642	139,319
North Carolina.....	133,358	5,562,355	58,878	3,203,392	15,893	439,477	39,851	1,164,094	9,082	390,551	8,971	334,138	673	30,103
North Dakota.....	16,130	710,242	9,173	485,227	2,452	67,165	2,994	127,759	834	36,918	631	26,038	46	2,135
Ohio.....	463,404	25,300,987	257,717	16,833,019	7,909	2,659,222	66,636	2,672,889	47,787	2,410,153	15,225	763,998	1,130	58,906
Oklahoma.....	88,629	4,049,119	47,461	2,628,400	13,619	389,429	17,924	603,957	5,709	236,144	3,636	157,624	280	13,556
Oregon.....	100,214	5,264,997	61,990	3,789,827	15,393	494,981	13,157	518,802	7,167	339,612	2,326	112,150	181	9,525
Pennsylvania.....	638,875	35,066,303	355,227	23,259,841	101,671	3,590,945	86,095	3,444,495	69,199	3,430,639	24,474	1,227,392	2,209	113,591
Puerto Rico.....	29,499	881,514	14,574	603,232	4,260	74,379	9,099	150,196	298	11,637	1,124	35,803	144	6,267
Rhode Island.....	55,139	3,032,819	33,342	2,138,657	8,405	289,470	5,759	228,418	5,888	290,917	1,631	79,450	114	5,907
South Carolina.....	68,665	2,750,478	27,630	1,498,752	7,029	193,441	23,876	663,656	4,426	190,250	5,283	185,532	421	18,847
South Dakota.....	23,128	1,071,452	13,480	739,614	3,741	109,931	3,714	125,107	1,392	62,091	762	32,861	39	1,848
Tennessee.....	119,221	5,077,270	57,957	3,097,397	15,896	434,524	29,823	895,146	8,152	354,348	6,693	263,555	700	32,300
Texas.....	274,900	12,388,718	136,397	7,555,752	37,816	1,086,423	66,727	2,257,420	18,848	846,676	14,014	589,779	1,098	52,668
Utah.....	30,100	1,495,665	14,804	909,927	4,685	151,279	6,972	262,346	2,255	107,080	1,311	61,332	73	3,701
Vermont.....	22,834	1,129,893	13,494	785,749	3,574	112,187	2,948	102,642	2,032	93,990	723	32,223	63	3,102
Virgin Islands.....	386	12,558	222	9,497	44	914	103	1,577	7	290	10	310	0	0
Virginia.....	134,717	6,109,860	66,151	3,761,139	17,760	524,576	32,703	1,026,973	10,319	472,391	7,109	293,366	675	31,415
Washington.....	146,269	7,789,442	89,006	5,534,082	22,405	736,427	19,099	774,826	11,621	563,462	3,497	168,762	241	11,853
West Virginia.....	106,982	5,074,839	49,781	3,033,882	16,118	494,955	26,600	878,886	7,757	359,296	6,188	282,090	538	25,730
Wisconsin.....	194,068	10,322,126	112,898	7,064,968	32,688	1,102,636	24,904	984,151	17,315	855,228	5,815	291,896	448	23,247
Wyoming.....	11,289	569,916	6,530	389,673	1,550	48,825	2,184	83,631	644	29,711	365	17,171	16	875
Foreign.....	49,812	2,575,106	28,818	1,833,229	7,239	227,753	6,582	196,428	4,462	212,070	2,355	87,769	356	17,857

¹ Benefits of persons receiving both an old-age benefit and a widow's, widower's, or parent's secondary benefit are included only in the number of old-age benefits and the amount of the reduced secondary benefit is combined with the amount of the old-age benefit.

FEDERAL GRANTS

(Continued from page 22)

Security Administration grants were of total grants varied only slightly among the three income groups of

States, although State-by-State variation was considerably wider—ranging from 13 percent for Nevada in the high-income group to 69 percent for Louisiana in the low-income group. For the Territories and pos-

sessions, Social Security Administration grants constituted only 26 percent of all grants and amounted to \$3.72 per capita. The corresponding figures for the continental United States were 47 percent and \$8.96.