

though State-by-State variation is considerable. For the Territories and possessions, however, they constituted only 27.3 percent of total grants and equaled only \$2.61 per capita, as compared with 54.5 percent and \$7.98 per capita for the continental United States.

Economic Status of Aged Persons and Dependent Survivors, December 1951

Estimates are given below of the number of aged persons and of dependent survivors in the population at the end of 1951 who were receiving income from employment, social insurance and related programs, and public assistance.

The basic trend in the leading income sources for these groups continues to be the rapid growth in the relative importance of social insurance, particularly old-age and survivors insurance. Between December 1950 and December 1951 the number of aged persons drawing old-age and survivors insurance benefits increased 27 percent; the number of beneficiaries among widowed mothers with children under age 18 went up 20

percent; and the number of paternal orphan beneficiaries rose 19 percent. Public assistance recipients among these three groups decreased 3, 10, and 9 percent, respectively, during the same period; the number of earners also declined, but the declines were less, relatively, than those for the recipients of assistance.

Many of the old-age and survivors insurance beneficiaries eligible under the 1950 amendments qualify for small benefits, and in the absence of other income they require supplementary public assistance. In February 1952, 12 percent of the aged insurance beneficiaries and 15 percent of the old-age assistance recipients were receiving payments under both programs, as were 9 percent of all child beneficiaries under the insurance program and 5 percent of all children receiving aid to dependent children.

Size of the Aged Labor Reserve

The pressure of the defense mobilization program on manpower resources has aroused speculation on the size of the labor-force reserve among aged persons. Experience dur-

ing World War II leaves little doubt that additional workers can be recruited from among those now in retirement. In 1944 the proportion of all men aged 65 and over who were in the labor force rose to an average monthly rate of 52 percent, or 7 points higher than the average for 1940, while the participation rate for women aged 65 and over went up from 7 to 10 percent. The changes in the size of the aged labor force had a measurable effect on social security operations. Approximately 100,000 old-age assistance cases were closed between January 1942 and July 1945 because the recipient obtained employment. More than 2 in every 3 aged workers eligible for retirement benefits under old-age and survivors insurance preferred to remain at work during the war years.

By the beginning of 1952 the labor-force participation rate for persons 65 years of age and over had receded to the 1940 level. If employment among the aged should rise again to peak wartime rates—52 percent for men and 10 percent for women—the number of additional aged workers might be expected to total perhaps 600,000 (about 500,000 men and 100,000 women). This estimate is somewhat less than others, but it is not unreasonable in the light of the available information on the prevalence of disability among aged persons not in the labor force, the long absence of many older persons from gainful employment, and their opinions when interviewed concerning the desirability of returning to work and the kind of jobs that would attract them back to the labor force.

Sometimes overlooked in discussions of the size of the aged labor-force reserve is the selected character of the aged still at work. They are the survivors of a much larger group of workers, most of whom have fallen to the assaults of age on health, work habits and skills, and emotional balance. References to the experience, reliability, and low injury and absenteeism rates of 65- and 70-year-old employees tell little about the productive potentialities of the millions of aged persons no longer at work. While some of the latter group have been the victims of arbitrary retire-

Estimated number of aged persons and dependent survivors receiving income from specified sources, December 1951¹

[In millions]

Source of income	Persons aged 65 years and over			Widows under age 65		Paternal orphans under age 18 ³
	Total	Men	Women	Total ²	With 1 or more children under age 18	
Total in population ⁴	13.0	6.1	6.9	3.7	0.8	2.1
Employment.....	4.0	2.5	1.5	2.0	.4	.1
Earners.....	3.0	2.5	.5	2.0	.4	.1
Wives of earners.....	1.0		1.0			
Social insurance and related programs:						
Old-age and survivors insurance.....	3.3	1.8	1.5	.2	.2	.8
Railroad retirement.....	.3	.2	.1	(⁵)	(⁵)	(⁵)
Federal employee retirement programs.....	.2	.1	(⁵)	(⁵)	(⁵)	(⁵)
Veterans' compensation and pension program.....	.3	.2	.1	.4	.1	.3
Other ⁶3	.1	.2	(⁵)	(⁵)	(⁵)
Public assistance.....	7.7	1.3	1.4	1.1	1.1	1.3

¹ Continental United States only.

² Excludes widows who have remarried.

³ Includes children not living with widowed mother.

⁴ Includes persons with no income and with income from sources other than those specified. Some persons received income from more than one of the sources listed.

⁵ Fewer than 50,000.

⁶ Beneficiaries of State and local government employee retirement programs, and wives of male

beneficiaries of programs other than old-age and survivors insurance and railroad retirement.

⁷ Old-age assistance.

⁸ Aid to dependent children.

Sources: Number of persons of specified age, sex, marital status, family status, and parental status and number of earners, estimated from Bureau of the Census data. Number of persons in receipt of payments under social insurance and related programs and from public assistance reported by administrative agencies, partly estimated.

ment practices, the great majority, particularly during a period of full employment, have had to leave the labor force for compelling personal reasons.

The data developed from the February 1949 survey of disability made by the Bureau of the Census indicate that illness or disability sufficient to keep a person from doing his regular work or performing other routine duties was three and a half times as frequent among persons aged 55-64 as among persons aged 25-34. One in every 10 persons aged 55-64 was incapacitated on the day of the enumeration.¹ Similar information, unfortunately, was not obtained for persons aged 65 years and over, but data from other surveys give evidence of a progressive increase in incapacity in the older ages.

Disabilities lasting 12 months or longer were reported for 29 out of every 1,000 persons covered by the National Health Survey (1935-36) in the age class 55-64, a rate that rose to 101 per 1,000 for the age group 85 and over.² Seventy-two percent of the nonworking male old-age beneficiaries interviewed in the course of the 1951 survey made by the Bureau of Old-Age and Survivors Insurance said they were unable to work. This proportion was 63 percent among men aged 65-69, 72 percent among those aged 70-74, 79 percent in the age group 75-79 years, 86 percent among men aged 80-84, and 88 percent in the age group 85 and over.³

Some disability, it is true, is short-term and need not result in permanent separation from the labor force. About a third of the men and women of all ages who were classified as disabled in the Bureau of the Census survey of February 1949 were members of the labor force—that is, they had jobs to which they expected to return, or they expected to look for jobs when their incapacitating condition had cleared up. This proportion, however, dropped to one-fifth among persons incapacitated 7 months or longer, and it is here that the aged

bulk particularly large. When such long-duration cases increase from 50 percent of the disabled persons aged 45-54 to 62 percent among persons aged 55-64, the presumption is strong that the ratio is two-thirds or three-fourths or more in the higher age classes. For most persons past age 65, disability is long-term disability, and their return to employment is doubtful.

The recruitment of aged workers will be affected by other factors as well. Adjustment to the routine of a regular job is difficult for anyone who held his last job 5 or 10 years ago or more. Almost half the 2 million men aged 65 and over who were not in the labor force in March 1951 but who were not classified as unable to work had had no work experience since the beginning of World War II. Another third of a million had worked during but not after the war. Of the 4.9 million aged women not in the labor force in that month and not classified as unable to work, 4.4 million had had no work experience in 10 years or more and 0.2 million had held no job subsequent to the war.⁴

Many retired workers express an interest in returning to work, but under conditions that industry may not always be able to meet. Of the men receiving old-age benefits who were interviewed in the national survey of old-age and survivors insurance beneficiaries and who indicated a desire for employment, more than half wanted lighter work than their last regular job; half said they would want to work only part time or occasionally.

It is a fact of some significance, though one a little neglected in discussions of the size of the aged labor-force reserve, that almost half the men past age 65 and not in the labor force have passed their seventy-fifth birthday. There is a tendency to think of the aged as a homogeneous group. Actually the age span among old persons is considerable, and there is a great diversity in capacity for work, for social participation, and for enjoyment. Chronologically the 65-

year-old man is as far away from the man of 85 as he is from the man of 45. Three-fifths of the aged labor force are in the relatively active years 65-69. Most of the labor-force members past age 70 are self-employed, as farmers or businessmen, and are able to adjust the pace of their work to their more limited capacities; many of them work part time only.

From Bureau of the Census data⁵ for March 1952, it may be estimated that 3.6 million men past age 65 were not in the labor force that month; 1.1 million were aged 65-69 years, 1 million were 70-74, and 1.5 million were aged 75 or over. To judge from relationships observed in the February 1949 disability survey, perhaps 1.7 million were disabled, leaving about 1.9 million neither disabled nor in the labor force. Of the 1.9 million, perhaps 0.6 million were aged 75 or over; by reason of age alone, very few of them could be expected to return to the labor force. The other 1.3 million consisted of 0.7 million persons aged 65-69 and 0.6 million in the age class 70-74. If it is assumed that one-half of the first age group and one-third of the second could be induced to return to gainful work, the estimated labor-force reserve would amount to 0.6 million. To this number might be added 0.1 million men aged 75 and over and 0.1 million women aged 65 and over, which would bring the reserve to 0.8 million. When further information becomes available, this estimate may prove to be too high. The totals of 0.5 million men and 0.1 million women obtained by the application to the aged population of the peak wartime labor-force participation rates, referred to earlier, represent a more modest and more reasonable approximation of the size of the aged labor-force reserve.

The contribution that this reserve would make to production, if the entire number—whether 0.6 or 0.8 million—were recruited, would be less than could be obtained by a slight increase in the length of the workweek. In March 1952, civilian employment amounted to 59.7 mil-

¹See the *Bulletin*, November 1950, page 10.

²*Public Health Reports*, March 15, 1940, page 459.

³Preliminary data.

⁴Bureau of the Census, *Current Population Reports: Labor Force, Work Experience of the Labor Reserve: March 1951*, Series P-50, No. 38.

⁵Bureau of the Census, *Current Population Reports: Labor Force, The Monthly Report on the Labor Force: March 1952*, Series P-57, No. 117, and unpublished data.

lion. The addition of 0.6 or 0.8 million would represent an increase of about 1 percent in total employment. If, instead, the workweek were increased by 1 percent, less than half an hour would be added to the average number of hours (41.1) worked in March. The result probably overstates the increase needed in the workweek to yield the equivalent in production of another 0.6 or 0.8 million aged workers in employment. It is an overstatement because it assumes the average aged worker is as productive as the average younger worker. This assumption is not valid because, among other reasons, the

average aged worker puts in less time on the job than younger workers; relatively twice as many are part-time workers and relatively fewer work the full year round.⁶

To make these observations is not to minimize the contribution that aged workers are making to the national economy, or to justify employment practices that deny jobs to persons on the basis of chronological age only. Employment in the older years has values both for the Nation and the individual worker. The door to job opportunities should be kept open

⁶Bureau of the Census, *Current Population Reports: Labor Force*, Series P-50, No. 35.

for old as well as young. It is only realistic to recognize, however, that not all older persons can take advantage of work opportunities. Furthermore, many people believe that society should respect the right of older persons to choose retirement in preference to work. In the absence of an acute national emergency, and until other measures to augment production are exhausted, social pressure on older workers to stay on the job or to return to employment can be as objectionable as enforced retirement; older workers want and should have free choice between working and not working.

Recent Publications*

Social Security Administration

Annual Report of the Social Security Administration, 1951. (Also included in the *Annual Report of the Federal Security Agency*.) Washington: U. S. Govt. Print. Off., 1952. 79 pp. 25 cents.

A report on operations in the fiscal year 1950-51. Discusses the effect of the 1950 amendments and recommends additional changes to strengthen the social security program.

CHILDREN'S BUREAU. *One in Three Hundred: Children Served by the Crippled Children's Program in 1948.* (Children's Bureau Statistical Series, No. 10.) Washington: The Bureau, 1951. 19 pp. Processed. Limited free distribution; apply to the Children's Bureau, Social Security Administration, Washington 25, D. C.

General

CIVIC, MIRIAM. "More Social Security for Canada." *Conference Board Business Record*, New York, Vol. 9, Apr. 1952, pp. 140-145.

Describes the new Canadian program.

"Conspectus of Social Security in 1951." *Bulletin of the International Social Security Association*, Geneva,

*Prepared in the Library, Federal Security Agency. Orders for the publications listed should be directed to publishers or booksellers; Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

Dec. 1951, pp. 392-420. \$2.50 a year.

Summarizes the year's developments in 36 countries.

DAVIDSON, GEORGE F. "Canada's New Social Security." *The Survey*, New York, Vol. 88, Apr. 1952, pp. 168-171. 50 cents.

INTERNATIONAL LABOR OFFICE. *Labour Policies in the West Indies.* (Studies and Reports, New Series, No. 29.) Geneva: The Office, 1952. 377 pp. \$2.25.

Includes chapters on social security and related provisions.

MCCONNELL, JOHN W., and RISLEY, ROBERT. *Economic Security: A Study of Community Needs and Resources.* (Bulletin No. 18.) Ithaca: Cornell University, New York State School of Industrial and Labor Relations, July 1951. 79 pp. 25 cents.

The findings of a study made in Elmira, N. Y.

"Reform of the Bolivian Social Insurance System." *Industry and Labour*, Geneva, Vol. 7, Mar. 1, 1952, pp. 191-195. 25 cents.

Outlines the changes made by the decrees of Oct. 1, 1951.

Retirement and Old Age

CLOSE, KATHRYN. "Retirement—Boon or Menace?" *The Survey*, New York, Vol. 88, Apr. 1952, pp. 160-164. 50 cents.

Asks if "idleness for the aging—with its economic waste and personal tragedy—[must] necessarily accompany the postwar spread of public and private pension plans."

CURTIS, HENRY S. "Why Retire at

Sixty-Five?" *Harper's Magazine*, New York, Vol. 204, Apr. 1952, pp. 92-94. 50 cents.

Argues against compulsory retirement at age 65.

EBASCO SERVICES INCORPORATED. *Encouraging Effective Preparation for Retirement.* New York: Ebasco Services Incorporated, Jan. 1952, 35 pp. Processed.

Describes the retirement preparation programs of several large companies.

GALPERN, MARIE; TURNER, HELEN; and GOLDFARB, ALVIN. "The Psychiatric Evaluation of Applicants for a Home for the Aged." *Social Casework*, New York, Vol. 33, Apr. 1952, pp. 152-160. 50 cents.

KRASNER, I. BIGFORD. "Factors Associated with Status in a Recreational Program for the Aged." *Jewish Social Service Quarterly*, New York, Vol. 28, Mar. 1952, pp. 290-301. \$2.

Based on the St. Louis program.

KUHLE, ALBERT A. "Old-Age and Survivors Insurance—Its Purpose and Effects." *Public Welfare in Indiana*, Indianapolis, Vol. 62, Feb. 1952, pp. 7-14.

LEMKAU, PAUL V. "The Mental Hygiene of Aging." *Public Health Reports*, Washington, Vol. 67, Mar. 1952, pp. 237-241. 45 cents.

MASSE, BENJAMIN L. "Retirement Programs: A Story of Progress." *America*, New York, Vol. 86, Mar. 22, 1952, pp. 667-670. 15 cents.

Discusses public and private plans.

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