

large number of new accounts established in 1955 for farm operators and for farm workers.

The number of accounts established increased for all age groups, but the increase was especially sharp for those aged 20 and over. Although the number of applications from persons under age 20 was 38 percent larger in 1955 than in 1954, this age

group formed only 57 percent of all applicants in 1955, compared with 65 percent in 1954 (tables 4 and 5). On the other hand, the number of accounts established for persons aged 20 and over (almost 1.9 million) was almost twice as large in 1955 as in 1954. This increase resulted from the unusually large number of applications received from persons aged 40

and over (table 5). Accounts established for persons aged 40-59 formed 16 percent of the total in 1955 and 12 percent in 1954.

The largest relative increase in the number of accounts established was for the group aged 60 and over. The 495,000 applicants in this age group represented a more than threefold increase from the number in 1954, and they formed 11 percent of all applicants—a larger proportion than in any other year. Men contributed substantially to this increase; they accounted for 68 percent of all applicants aged 60 and over and 53 percent in 1954.

The 1954 liberalization of the coverage requirements for domestic service workers did not result in an unusually sharp rise in the number of Negro applicants in 1955, nor did it have any material effect on the composition of the group. While the number of applications received from Negroes (516,000) was 61 percent larger in 1955 than in 1954, this increase was only 3 percentage points greater than the national average. Accounts established for Negro women made up about the same percentage of Negro applicants in 1955 as in 1954—56 percent and 55 percent, respectively.

## Money Income Sources for Young Survivors\*

The steady decline in mortality in the early and middle adult years has brought about a substantial reduction

\* Prepared by Lenore A. Epstein, Division of Program Research, Office of the Commissioner.

**Table 3.—Applicants for account numbers, by sex, race, and age group, 1955**

Age group	Total			Male			Female		
	Total	White <sup>1</sup>	Negro	Total	White <sup>1</sup>	Negro	Total	White <sup>1</sup>	Negro
Total	4,322,761	3,806,599	516,162	2,303,885	2,078,515	225,370	2,018,876	1,728,084	290,792
Under 15	297,448	258,438	39,010	192,002	165,947	26,055	105,446	92,491	12,955
15-19	2,173,274	1,928,725	244,549	1,129,474	997,650	131,824	1,043,800	931,075	112,725
20-39	665,372	539,413	125,959	319,686	284,940	34,746	345,686	254,473	91,213
40-59	690,882	615,278	75,604	327,817	310,083	17,734	363,065	305,105	57,970
60-64	179,492	167,287	12,205	109,900	105,461	4,439	69,592	61,826	7,766
65-69	152,272	142,039	10,233	103,575	98,644	4,931	48,097	43,395	5,302
70 and over	162,902	154,580	8,322	120,792	115,255	5,537	42,110	39,325	2,785
Unknown	1,119	839	280	639	535	104	480	304	176

<sup>1</sup> Represents all races other than Negro.

**Table 4.—Applicants for account numbers, by sex and age, 1955 and 1954**

Age group	Total			Male			Female		
	1955	1954	Percentage increase	1955	1954	Percentage increase	1955	1954	Percentage increase
Total	4,321,642	2,742,426	58	2,303,246	1,298,510	77	2,018,396	1,443,916	40
Under 20	2,470,722	1,787,400	38	1,321,476	917,132	44	1,149,246	870,268	32
20-24	275,348	214,375	28	136,724	100,291	36	138,624	114,084	22
25-29	139,307	96,980	44	72,819	45,717	59	66,488	51,263	30
30-34	117,606	79,889	47	55,695	30,606	82	61,911	49,283	26
35-39	133,111	83,331	60	54,448	24,270	124	78,663	59,041	33
40-44	166,575	96,011	73	69,382	26,665	160	97,193	69,346	40
45-49	182,044	89,081	104	80,691	24,995	223	101,353	64,086	58
50-54	171,479	74,745	129	84,457	23,341	262	87,022	51,404	69
55-59	170,784	64,220	166	93,287	23,208	302	77,497	41,012	89
60 and over	494,666	156,414	216	334,267	82,285	306	160,399	74,129	116
60-64	179,492	61,859	190	109,900	27,076	306	69,592	34,783	100
65-69	152,272	47,777	219	103,575	25,736	302	48,697	22,041	121
70 and over	162,902	46,778	248	120,792	29,473	310	42,110	17,305	143

<sup>1</sup> Excludes 1,119 applicants in 1955 (639 men and 480 women) and 646 applicants in 1954 (367 men and 279 women) whose ages were not reported.

**Table 5.—Percentage distribution of applicants for account numbers, by sex and age, 1951-55**

Age group	Total					Male					Female				
	1955	1954	1953	1952	1951	1955	1954	1953	1952	1951	1955	1954	1953	1952	1951
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 20	57.2	65.2	64.2	52.7	51.5	57.3	70.6	70.1	52.8	56.8	56.9	60.3	58.8	52.6	46.4
20-24	31.4	29.1	30.6	37.1	40.6	28.2	23.0	24.2	34.0	35.0	35.1	34.6	36.6	40.6	46.1
25-29	9.6	11.4	11.4	10.4	12.5	9.1	11.2	10.9	9.2	12.2	10.2	11.5	11.9	11.7	12.8
30-39	5.8	6.0	6.5	7.0	9.2	4.8	4.2	4.4	5.1	7.5	7.0	7.5	8.4	9.0	10.9
40-49	8.1	6.7	7.2	9.7	10.2	6.5	4.0	4.5	8.2	7.8	9.8	9.2	9.7	11.3	12.6
50-59	8.0	5.1	5.5	10.1	8.6	7.8	3.6	4.4	11.4	7.5	8.1	6.4	6.6	8.6	9.8
60 and over	11.4	5.7	5.2	10.2	7.8	14.5	6.3	5.8	13.3	8.2	7.9	5.1	4.6	6.8	7.5
60-64	4.2	2.3	2.2	4.4	3.6	4.8	2.1	2.2	5.5	3.5	3.4	2.4	2.2	3.2	3.6
65-69	3.5	1.7	1.5	3.0	2.5	4.5	2.0	1.7	3.9	2.6	2.4	1.5	1.3	2.0	2.3
70 and over	3.8	1.7	1.4	2.8	1.8	5.2	2.3	1.9	3.9	2.1	2.1	1.2	1.0	1.6	1.5

in the orphanhood rate and in the relative number of women widowed early in life. It is estimated that, despite the war toll, paternal orphans now constitute only slightly more than 3 percent of all children under age 18, compared with 6 percent in 1940. Of the 7½ million widows in the United States, all but 21 percent are aged 55 or older and fewer than 10 percent have in their care a child under age 18.

### Paternal Orphans

In December 1955, according to the most recent estimates for the continental United States, there were fewer than 60,000 full orphans and some 1.8 million children whose natural father had died but whose mother was living. Some of these children had been adopted or had acquired a stepfather through the mother's remarriage. Analysis of income sources is most meaningful, however, in relation to the total number of children orphaned, because their mother's remarriage or their adoption by a stepparent, grandparent, aunt, or uncle after the parent's death does not affect the entitlement of children under age 18 to survivor benefits under old-age and survivors insurance or the railroad retirement program. Similarly, children orphaned by the death of a serviceman or a veteran are entitled to

compensation if the death was service-connected or, with certain restrictions as to income, to a pension if the death was not service-connected.

At the end of 1955, 1.1 million children in the continental United States were receiving old-age and survivors insurance benefits on the basis of the deceased father's wage record.<sup>1</sup> They represented almost three-fifths of the estimated total number of paternal orphans, compared with less than half in December 1953. Some 5 percent were receiving benefits under the railroad retirement or a public employees' retirement program, and about 15 percent were receiving payments under the veterans' compensation or pension program.

It seems logical to assume that old-age and survivors insurance benefits are paid to substantially all child survivors of veterans of World War II or the Korean conflict, under the special 1946 amendment to the Social Security Act or under the 1950 and subsequent amendments providing wage credits for military service. If this assumption is valid, and if the pro-

portion is the same for child survivors of World War I veterans as it is for the general population, then in December 1955 about one-ninth of all paternal orphans would have been receiving both old-age and survivors insurance and veterans' benefits, and about two-thirds, in all, would have been receiving income from one or more of the social insurance and related programs.

Payments under the program for aid to dependent children in December 1955 went to an estimated 180,000 children in the continental United States who were in need because of the father's death. According to the preliminary results of the most recent biennial study of the characteristics of families receiving aid to dependent children, the proportion of all children receiving such aid who were in need because of the father's death<sup>2</sup> continued its steady decline—from 23 percent in mid-1948 to 15½ percent in late 1953 and to about 12 percent in early 1956. In December 1955, such children made up barely 10 percent of all paternal orphans, and about two-fifths of them were old-age and sur-

<sup>2</sup> Although the classification of reasons for dependency under this program relates to the status of the "most recent" rather than the natural father, there is substantial evidence that when children need assistance because of the father's death, it is usually the natural father's death.

<sup>1</sup> In addition, an estimated 45,000 children, or about 5 percent of all maternal orphans in the continental United States, were receiving benefits on the basis of the deceased mother's wage record.

**Table 1.—Estimated number of children under age 18 with father dead and of widows under age 65 receiving money income from employment and public income-maintenance programs, December 1955**

[Continental United States]

Source of money income <sup>1</sup>	Number (in thousands)				Percentage distribution			
	Children under age 18 with natural father dead	Widows under age 65 <sup>2</sup>			Children under age 18 with natural father dead	Widows under age 65 <sup>2</sup>		
		Total	With 1 or more children under age 18	Other		Total	With 1 or more children under age 18	Other
Total in population.....	1,870	3,520	690	2,830	100.0	100.0	100.0	100.0
Employment <sup>3</sup> .....	(4)	1,870	340	1,530	(4)	53.1	49.3	54.1
Social insurance and related programs <sup>4</sup> .....	1,230	730	340	390	65.8	20.7	49.3	13.8
Old-age and survivors insurance.....	1,090	290	290	0	58.3	8.2	42.0	0
Veterans' compensation and pension programs.....	270	390	90	300	14.4	11.1	13.0	10.6
Railroad and government employees' retirement programs.....	90	130	30	100	4.8	3.7	4.3	3.5
Aid to dependent children.....	180	60	60	0	9.6	1.7	8.7	0

<sup>1</sup> Persons with no money income and income solely from sources other than those specified are included in the total but are not shown separately because of lack of data. Some persons received income from more than one of the specified sources; some with income from sources specified also received income from sources not specified.

<sup>2</sup> Excludes widows who have remarried.

<sup>3</sup> Includes only persons working for pay or profit and not those supported by the earnings of a relative.

<sup>4</sup> Data not available.

<sup>5</sup> Estimated number of persons with income from one or more of the programs.

Source: Estimated in the Division of Program Research on the basis of published and unpublished data from the Bureau of the Census, the National Office of Vital Statistics, the Division of the Actuary of the Social Security Administration, and agencies administering income-maintenance programs.

vivors insurance beneficiaries who received assistance to supplement benefits that were considered inadequate to meet their needs.

Although most paternal orphans live with their mother, a considerable number of the mothers have remarried. On the basis of the latest available data from the Bureau of the Census,<sup>3</sup> it is estimated that in December 1955 the number of children under age 18 living with a widowed mother who had not remarried was about 1.3 million, compared with the estimate of 1.8 million children with father dead, mother living. The 500,000 paternal orphans without income from a public income-maintenance program included some supported by the mother's earnings or by private insurance or investment income, a few who were self-supporting, and a considerable number supported by a stepfather or adoptive father.

### Widows

Employment is the most important single source of income for widows under age 65, even for those with children. About half the 690,000 widows with children, and somewhat more than half the others, had some income from employment in December 1955. More than 1 in 6 of the 340,000 widows with earnings were entitled to old-age and survivors insurance benefits, but their benefits were withheld because of employment. Some would probably have qualified for a pension on account of the non-service-connected death of a veteran if their income had been smaller.

For widows with children, as for paternal orphans, old-age and survivors insurance is the most frequent source of nonearned income, with more than two-fifths of them receiving benefits (and more than half of them entitled to benefits). The compensation and pension programs for survivors of veterans ranked next in importance, but the number of widowed mothers receiving such payments was less than one-third as large as the number receiving old-age and survivors insurance benefits. For

widows without children, however, this program was of major importance, providing income for roughly 300,000, or more than 10 percent.

Although current information is lacking on the extent to which insurance beneficiaries supplement their benefits by part-time work, it appears that at the end of 1955 substantially all widows with children had some income from employment and/or one or more of the public income-maintenance programs. Of the childless widows, except those receiving general assistance, one-third were without income from such sources. Even if childless widows aged 62-64 had been eligible for old-age and survivors insurance benefits, as they will be under the 1956 amendments to the Social Security Act, well over one-fourth of all childless widows under age 65 would have been without income from employment or from social insurance or related programs at the end of 1955.

## Deaths Represented in Social Insurance Survivor Benefit Awards\*

Although the payment of retirement benefits may be considered the major role of old-age and survivors insurance, the program's function in providing survivor benefit protection is also significant. These benefits are payable to widows, dependent widowers, children, and dependent parents. In addition, a lump sum is paid on the death of any insured individual, whether death occurs before or after retirement.

When an insured individual dies—whether or not retired and receiving old-age benefits—his widow, if she is aged 65<sup>1</sup> or over or when she reaches age 65, receives monthly survivor benefits. His widow may also receive survivor benefits regardless of her age if she has an eligible child under age

\* Prepared by Robert J. Myers, Chief Actuary, Social Security Administration.

<sup>1</sup> Age 65 has been the minimum eligibility age since these benefits were first available in 1940, but effective November 1956, under the 1956 amendments to the Social Security Act (Public Law 880, 84th Congress), the minimum age is 62.

**Table 1.—Deaths of workers represented in survivor benefit awards under social insurance programs and deaths in total population aged 20 and over, by year of death**

[In thousands]

Year	Deaths in total population aged 20 and over	Deaths represented in survivor awards under social insurance programs <sup>1</sup>		
		Total	Old-age and survivors insurance	Railroad retirement
Total, 1940-54-----	19,564	5,037	4,581	<sup>2</sup> 456
1940-----	1,239	<sup>2</sup> 155	125	( <sup>3</sup> )
1941-----	1,223	<sup>2</sup> 172	142	( <sup>3</sup> )
1942-----	1,235	<sup>2</sup> 197	167	( <sup>3</sup> )
1943-----	1,315	<sup>2</sup> 230	200	( <sup>3</sup> )
1944-----	1,344	<sup>2</sup> 303	273	( <sup>3</sup> )
1945-----	1,342	<sup>2</sup> 309	279	( <sup>3</sup> )
1946-----	1,237	<sup>2</sup> 285	255	( <sup>3</sup> )
1947-----	1,283	304	273	31
1948-----	1,287	319	287	32
1949-----	1,289	329	297	32
1950-----	1,315	369	337	32
1951-----	1,357	452	421	31
1952-----	1,361	493	464	29
1953-----	1,385	545	515	30
1954-----	1,352	575	546	29

<sup>1</sup> Includes a small number under age 20 (about 2,600 in 1954).

<sup>2</sup> Includes an estimated 30,000 deaths annually under railroad retirement in 1940-46.

<sup>3</sup> Monthly survivor benefits were not in effect before 1947.

18<sup>2</sup> in her care. Benefits are likewise payable to such children.

One indication of the significant effect of the survivor benefits can be obtained by considering the equivalent amount of life insurance in force under old-age and survivors insurance as a result of such provisions. As of the middle of 1956 the estimated net amount of such insurance, after allowing for offsetting factors—such as any substantial employment of the beneficiary that prevents benefit payment—is about \$350 billion.<sup>3</sup>

Still another way of measuring the importance of the survivor benefits under old-age and survivors insurance is to consider the proportion of the total population that has such protection. It may be said that,

<sup>2</sup> Beginning January 1957 as a result of the 1956 amendments, monthly survivor benefits are also available for children who are permanently and totally disabled even though aged 18 or over.

<sup>3</sup> See the *Bulletin*, February 1956, pages 13-15.

<sup>3</sup> *Current Population Reports, Population Characteristics*, Series P-20, Numbers 62 and 67.