Economic and Social Status of Beneficiaries of Old-Age and Survivors Insurance

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INSURANCE BENEFITS that provide a minimum degree of social security and that remove from as many individuals as possible, in the years to come, the necessity for dependency relief and substitute instead protection afforded as a matter of right were stated as objectives of old-age and survivors insurance by the Social Security Board and the Advisory Council on Social Security during congressional hearings in 1939 on amendments to the Social Security Act.[1] When the original act was passed in 1935, and when it was amended in 1939, little was known about the economic and social status of prospective beneficiaries of the old-age and survivors insurance system. Under the 1939 amendments, the monthly benefits could not be large; the primary insurance benefits awarded in 1949 could range only from a minimum of $10 to $41.60. The extent to which such benefits would provide basic protection against want was not known, because information was lacking as to whether beneficiary groups would be living alone or in larger family groups, what assets or additional sources of income beneficiary groups with low or high family insurance benefits might have, and to what extent beneficiaries would draw on their assets to meet living expenses.

The information gained through the administration of the program shed little light, if any, on such problems, and information about income, assets, and living arrangements could be obtained only from the beneficiaries themselves. Accordingly, a series of surveys of insurance beneficiaries was made by the Bureau of Old-Age and Survivors Insurance in seven cities[2] during the period May 1941–July 1942. The results of the surveys, covering 732 beneficiary families in Philadelphia and Baltimore combined,[3] 761 in St. Louis, and 1,078 in Los Angeles, are summarized in this article.

Findings of the Study

Total resources, including benefit payments and other income and assets, varied considerably among the aged male beneficiaries included in the surveys, depending upon whether or not they were married, and, if married, whether their wives received supplementary benefits or there were children eligible for benefits. The resources of women entitled to insurance benefit on their own wage records were different from those of male beneficiaries in many respects. The survivor beneficiaries in this study—widows with children entitled to benefits—had a pattern which was distinct from that of the aged beneficiaries.

The median total income of the two groups of married male beneficiaries in Philadelphia and Baltimore combined and in St. Louis ranged from $636 to $697; in Los Angeles, the medians were $921 and $965. The nonmarried men in the three surveys reported a median income from $404 to $484; and the female primary beneficiaries in Philadelphia and Baltimore and in St. Louis reported $390, and in Los Angeles, $553. Half of the widows with entitled children had less than $737 in Philadelphia and Baltimore, less than $777 in St. Louis, and less than $1,109 in Los Angeles.

The great majority of beneficiaries had income in addition to their insurance benefit. For many, the additional sources were reasonably permanent, such as retirement pay, private annuity, veteran's pension, and income from investments; for a significant proportion, however, the additional sources were of a temporary nature, such as earnings in employment, or unemployment compensa-

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[1] U. S. House Committee on Ways and Means, *Social Security, Hearings Relative to the Social Security Act Amendments of 1939* (76th Cong., 1st sess.), pp. 5, 18–27.

[2] Philadelphia, Baltimore, St. Louis, Birmingham, Memphis, Atlanta, Los Angeles.

[3] Data from the Philadelphia and Baltimore surveys have been combined to give a sample capable of more significant analyses than either survey would have permitted; the two cities are alike in many respects and the beneficiaries in each survey showed similar characteristics.

tion. A small number of beneficiaries in Philadelphia and Baltimore and in St. Louis were aided either by relatives or by public or private relief agencies. In Los Angeles, old-age assistance payments furnished an important source of income for a relatively large proportion. Only a small proportion in each survey appeared to have sources of income which could be expected to provide life-long security. For example, slightly less than one-fifth of the male beneficiary groups had incomes of $600 or more which were derived solely from the old-age and survivors insurance benefit plus retirement pay, private annuity, veteran's pension, or yield on investments or savings; for female primary beneficiaries and for widows with entitled children, the proportion was considerably less.

The majority of the beneficiaries reported assets, such as savings, homes, investments in real estate, or securities. The median net value of assets of the married male beneficiaries ranged from $1,603 to $2,870 in the three studies; that of nonmarried men from $50 to $200; that of female primary beneficiaries from zero to $449; and the median of widows with entitled children was $320 in Philadelphia and Baltimore, $335 in St. Louis, and $1,000 in Los Angeles. Approximately one-half to two-thirds of the married male beneficiaries owned their homes; among the other groups the proportion was smaller. For many, the equity in their home and two or three hundred dollars in cash completed their list of assets. Life insurance policies, which could be borrowed against, provided possible sources of cash for many beneficiaries; the majority, however, carried policies with face values of not more than $2,000.

The living arrangements of aged beneficiaries and of widows depended to a greater degree on family relationships than on the income of the beneficiaries, although the average income of those living alone was slightly higher than of those living with relatives. Forty-five percent of all male beneficiary groups in Philadelphia and Baltimore, 56 percent in St. Louis, and 70 percent in Los Angeles, lived alone. Female primary beneficiaries lived with relatives more frequently than did male beneficiary groups. As would be expected, most of the relatives living in the households of beneficiaries were children of the aged couple, and, when the children were married, their spouses and children were also included in the households. Widows and their entitled children found it desirable, or possible, to live in larger family groups more frequently than the aged beneficiaries. Unmarried adult children and parents of the widow were the relatives most frequently reported.

Because the primary benefit is based on the average monthly wage during the period when the beneficiary was building up rights to benefits, it is not surprising to find that beneficiaries with high benefits reported more income, greater assets, and more life insurance than those with lower benefits.

The income, assets, and living arrangements of the beneficiaries studied are representative of the resources, during a year beginning 1–18 months after entitlement in the cities surveyed. The resources will not, however, represent the economic and social status of the same beneficiaries a few years hence, because of the loss of temporary sources of income and the depletion of their assets, and because of changes in the membership in their families.

Nature of Surveys

The field work was done in May–June 1941 in Philadelphia, June–July 1941 in Baltimore, November–December 1941 in St. Louis, and April–July 1942 in Los Angeles. Most of the data covered a period of 12 calendar months, ending, in the Philadelphia study, at the date of the interview, and, in the three other cities, with the end of the month preceding the interview. Some questions were asked concerning the living arrangements and household composition of the beneficiary group during the 12 months before the wage earner's entitlement to benefits.

The studies were designed to ascertain the economic status of primary beneficiaries—both men and women—and of widows with entitled children, and the persons included were selected to represent proportionately these types of beneficiary groups. The universe from which each sample was drawn comprised all beneficiaries to whom monthly benefits were awarded during a specified period of time and who were living in the particular city at the beginning of the year covered by the survey. For Philadelphia and Baltimore, the universe comprised beneficiaries to whom monthly benefits were awarded in the first half of 1940; for St. Louis it covered the calendar year 1940; and for Los Angeles, 1940 and January 1941. In all the studies, additional entitlements on the same wage records which occurred prior to the beginning of the survey year were taken into consideration in classifying the beneficiaries according to marital and benefit status. The universe included 1,597 beneficiary groups in Philadelphia, 671 in Baltimore, 1,641 in St. Louis, and 2,686 in Los Angeles.

Beneficiaries were classified according to family types in both the universe and sample, depending on their family composition. The persons in the family taken into consideration in determining the type of claim are referred to as the beneficiary group. This group includes husband and wife, and unmarried children under age 18 who were either beneficiaries or potential beneficiaries.

Male primary beneficiaries—the largest group who became entitled to monthly benefits in each city—were divided into six types, of which four were included in the surveys:

1. Nonmarried men; no other beneficiary or potential beneficiary on the wage record;
2. Married men whose wives were entitled; no other beneficiary or potential beneficiary on the wage record;
3. Married men whose wives were not entitled; no other beneficiary or potential beneficiary on the wage record;
4. Married men whose wives were not entitled but who had one or more children under age 18 who were, or could have been, entitled.

The types excluded were: man with no wife but with entitled child, and man with entitled wife and entitled child. These two types totaled 10 male beneficiaries in Philadelphia and Baltimore, 1 in St. Louis, and 6 in Los Angeles.

In groups 1 and 3, only the primary insurance benefit is paid. In groups 2 and 4, there is an additional benefit in each family equal to half the primary benefit for each additional entitlement, up to a maximum of twice the primary benefit.

Entitlements of female primary beneficiaries are based solely on their own wage records, whether they are married or not. Their husbands are not entitled to benefits based on the wife's wage record; children under age 18 may be entitled, but there were no claims in any of the cities on which children were entitled on the basis of their mothers' wage records.

Although there are six types of survivor claims, only three types were included in the surveys, and only the following two are discussed in this article:

1. Entitled widows with entitled children;
2. Nonentitled widows with entitled children.

These two types accounted for 84 percent of all survivor claims in the universe in Philadelphia and Baltimore, 78 percent in St. Louis, and 75 percent in Los Angeles. Widows aged 65 or over were included in the surveys but omitted from this analysis because of the small number involved—18 in Philadelphia and Baltimore, 43 in St. Louis, and 69 in Los Angeles. The other types excluded from the survey were: entitled child survivor of male wage earner when there is no widow; entitled child survivor of female wage earner; entitled aged parents of male wage earner. The excluded types totaled 33 groups in Philadelphia and Baltimore, 42 in St. Louis, and 87 in Los Angeles.

A widow is entitled to a survivor benefit amounting to three-fourths of the primary benefit based on the average monthly wage of the insured worker at the time of his death. At least nine-tenths of the widows with an entitled child were entitled to benefits, but a few had never claimed them because they had jobs in covered employment, or because four or more children in the family absorbed the maximum benefit allowable with respect to one wage record, or because—for some other reason—they did not meet the requirements for entitlement.

The sample was stratified according to the primary benefit amount and type of claim. The benefit amount indicates the relative economic status of beneficiaries during their working years, because the benefit is based on a worker's average monthly wage prior to his entitlement or death. All beneficiaries selected for an interview had received at least one benefit payment prior to the survey year, and at least one individual in the family had been entitled on the wage record during the entire year. The surveys did not include widows disqualified for benefits because of remarriage; the few widows who had remarried were omitted from the sample in order to keep family composition uniform in the analysis.

The St. Louis sample was controlled by month of entitlement, to eliminate the backlog of entitlements in January 1940. Because a larger proportion of January 1940 entitlements than of entitlements in subsequent months in 1940 were made to wage earners 65 years of age, this control resulted in a smaller proportion of primary beneficiaries aged 65 at entitlement in the St. Louis survey than in the others, a factor to be considered in making age comparisons among the surveys. It also affects somewhat the number of months elapsing between covered employment and entitlement, the average monthly wage, and average primary and family insurance benefit.

The proportion of beneficiaries in the universe that was included in the sample in each survey was as follows:

Type of beneficiary	Philadelphia and Baltimore	St. Louis	Los Angeles
Male primary beneficiary	31.5	47.7	41.3
Female primary beneficiary	33.8	47.6	41.7
Widow, child entitled	41.1	51.7	44.1

The beneficiaries were visited in their homes by trained personnel of the Bureau of Old-Age and Survivors Insurance. One of the beneficiaries always participated in the interview, and other members of the family who were obviously in receipt of income from some source were frequently questioned. To determine the extent to which relatives provided security for beneficiaries with whom they lived, all persons in the household were included in the study, providing a single housekeeping establishment was maintained jointly.[4]

Information was obtained concerning the living arrangements of the beneficiary group and the relationship to the primary beneficiary or deceased wage earner of all persons in the beneficiary's family; the cash and noncash income of the beneficiary and the income of each member of his family, with reference to its source; the beneficiary-owned assets and debts, and the amount of assets used or of debts incurred for living expenses during the year; and the reason for the beneficiary's retirement, the present state of his health, and the nature of his employment if he had returned to work during the year studied.

Insurance benefit payments and certain identifying data were obtained from each beneficiary's claim record in the Bureau of Old-Age and Survivors Insurance. Whenever possible, facts obtained from the families were verified from official sources. For example, the amount of wages in covered employment reported for each employed member of the family was checked with the wage records in the Bureau of Old-Age and Survivors Insurance, and the amount of income derived from unemployment compensation or public aid was obtained from the respective agencies.

Table 1.—*Age at entitlement: Percentage distribution of primary beneficiaries by age at entitlement, four cities*

Age at entitlement	Male primary beneficiary			Female primary beneficiary		
	Philadelphia and Baltimore	St. Louis	Los Angeles	Philadelphia and Baltimore	St. Louis	Los Angeles
Total number	*508*	*550*	*768*	*95*	*91*	*186*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
65	55.5	30.9	43.7	56.0	37.4	47.3
66	13.0	18.0	19.5	16.8	19.7	22.6
67	6.9	8.9	9.9	6.3	9.9	12.4
68	3.5	7.1	5.1	2.1	9.9	5.4
69	3.1	5.1	3.6	2.1	6.6	4.8
70	2.8	6.9	5.0	4.2	4.4	1.6
71 and over	14.6	23.1	13.2	12.6	12.1	5.9
Average age at entitlement	*67.1*	*68.3*	*67.1*	*66.7*	*67.2*	*66.4*

Entitlement of Primary Beneficiaries

Primary beneficiaries include persons aged 65 or over who have voluntarily withdrawn from the labor market, those who have lost their jobs and are seeking employment, and those too ill to work. Thus, the benefits are, for some individuals, a pension or retirement pay; for others, who work whenever they can find jobs which they can fill, the benefits are more comparable to unemployment or sickness benefits.

Age at entitlement.—The distribution of primary beneficiaries by age at entitlement was influenced by the provisions of the 1939 amendments which affected the operation of the act in 1940. For persons who became entitled in the first half of that year, 6 quarters of covered employment were required for eligibility; for entitlement in the second half, 6 or 7 quarters. Beneficiaries aged 65 or 66[5] at entitlement in 1940 could have obtained

[4] Relatives were included if rent and operating expenses were shared and when meals were prepared if common cooking facilities were used. The financial arrangements varied from that of relatives who paid board and room on a commercial basis to that of a complete pooling of resources. Thus, if a son and daughter-in-law occupied one bedroom in the home of an aged couple receiving insurance benefits, they were included in the study even though they ate their meals at a restaurant or prepared them in the common kitchen and ate separately from their parents. If, on the other hand, a son and daughter-in-law occupied rooms which were considered a housekeeping unit in themselves and could be designated as an apartment or flat, the couple was not included in the beneficiary's family.

[5] Persons who were 66 and 68 years of age at entitlement and whose 67th and 69th birthdays fell in 1940, after the date of entitlement, earned quarters of coverage in the same period as persons 67 and 69 years of age at entitlement.

their quarters of coverage during the entire period from January 1, 1937, to the date of their entitlement. Those aged 67 or 68 [5] could have earned quarters of coverage between January 1, 1937, and the time they attained age 65, and also (under the amended act) after January 1, 1939; and those who were 69 years or older at entitlement could have acquired quarters of coverage only under the amended act, i. e., after January 1, 1939. Thus, the period of time in which the required quarters of coverage could be obtained decreased as age at entitlement increased, and this fact undoubtedly affected adversely the number of older workers who could qualify for benefits in 1940.

Most of the primary beneficiaries, both male and female, were 65 and 66 years of age at entitlement (table 1). The average age for the men was 67.1 years in Philadelphia and Baltimore, and also in Los Angeles, and 68.3 years in St. Louis. The differences were due, to some extent, to the degree to which the January 1940 backlog of entitlements was included in the samples. Married men with nonentitled wives had a somewhat lower average age at entitlement than married men with entitled wives. Nonmarried men were between these two groups in average age.[6]

Employment at entitlement.—A substantial number of the male primary beneficiaries (47 percent in Philadelphia and Baltimore, 64 percent in St. Louis, and 51 percent in Los Angeles) worked in covered employment at the time they became entitled to monthly benefits. About 2 percent were employed in noncovered employment or were self-employed. The rest were unemployed, but only a small proportion (6–13 percent) were unemployed more than a year preceding their entitlement.

Because of the provisions in the law, the extent of possible unemployment between the last covered employment and entitlement depended upon the beneficiary's age at entitlement. Those

[6] In the discussion of the data obtained from the beneficiaries, married men with entitled children have been omitted because of the small number of beneficiary groups included in the samples. This type has been included in the summary of male primary beneficiary groups.

Table 2.—*Reasons for termination of covered employment: Percentage distribution of primary beneficiaries by reason for termination of covered employment prior to entitlement, by age at entitlement, four cities*

Age at entitlement	Male primary beneficiary								Female primary beneficiary							
	Total number	Total percent	Reason for termination of covered employment prior to entitlement						Total number	Total percent	Reason for termination of covered employment prior to entitlement					
			Quit job			Lost job					Quit job			Lost job		
			Total	Health	Other personal reasons	Total	Retired by company [1]	Other company reasons			Total	Health	Other personal reasons	Total	Retired by company [1]	Other company reasons
	Philadelphia and Baltimore															
Total	508	100.0	39.8	35.5	4.3	60.2	16.7	43.5	95	100.0	40.0	35.8	4.2	60.0	12.6	47.4
65	282	100.0	38.3	34.0	4.3	61.7	17.4	44.3	54	100.0	42.6	38.9	3.7	57.4	5.6	51.8
66	69	100.0	34.8	31.9	2.9	65.2	2.9	62.3	15	(2)	(2)	(2)	(2)	(2)	--------	(2)
67-68	53	100.0	37.7	32.0	5.7	62.3	11.3	51.0	8	(2)	(2)	(2)	--------	(2)	--------	(2)
69 and over	104	100.0	48.1	43.3	4.8	51.9	26.9	25.0	18	(2)	(2)	(2)	--------	(2)	(2)	(2)
	St. Louis															
Total	550	100.0	46.4	35.9	10.5	53.6	9.1	44.5	91	100.0	65.9	45.0	20.9	34.1	5.5	28.6
65	170	100.0	41.2	28.8	12.4	58.8	5.9	52.9	34	(2)	(2)	(2)	(2)	(2)	--------	(2)
66	90	100.0	44.4	31.3	13.1	55.6	3.0	52.6	18	(2)	(2)	(2)	(2)	(2)	(2)	(2)
67-68	88	100.0	52.3	42.0	10.3	47.7	5.7	42.0	18	(2)	(2)	(2)	(2)	(2)	--------	(2)
69 and over	103	100.0	49.2	41.4	7.8	50.8	16.6	34.2	21	(2)	(2)	(2)	(2)	(2)	(2)	(2)
	Los Angeles															
Total	768	100.0	44.1	31.0	13.1	55.9	8.4	47.5	186	100.0	51.6	37.6	14.0	48.4	2.7	45.7
65	331	100.0	39.6	26.3	13.3	60.4	11.8	48.6	88	100.0	46.6	35.2	11.4	53.4	4.5	48.9
66	148	100.0	30.2	20.1	10.1	69.8	6.1	54.7	42	(2)	(2)	(2)	(2)	(2)	--------	(2)
67-68	114	100.0	57.0	37.7	19.3	43.0	3.5	39.5	33	(2)	(2)	(2)	(2)	(2)	--------	(2)
69 and over	105	100.0	48.5	37.6	10.9	51.5	7.3	44.2	23	(2)	(2)	(2)	(2)	(2)	(2)	(2)

[1] Retired with retirement pay. Some beneficiaries who quit their jobs because of their health also received retirement pay.

[2] Not computed because base is too small.

65 and 66 years of age at entitlement could have had approximately 2 years of unemployment between their termination of covered employment and entitlement in 1940 and still have obtained the required number of quarters of coverage, but those aged 69 or over needed almost continuous employment after January 1, 1939, to qualify for benefits. The average number of months elapsing between termination of last covered employment and entitlement, for male and female primary beneficiaries of different ages at entitlement, was as follows:

Age at entitlement	Philadelphia and Baltimore	St. Louis	Los Angeles
Male primary beneficiary, total	4.2	2.4	3.3
65	5.8	5.2	4.8
66	5.8	3.1	4.3
67–68	1.3	1.0	1.6
69 and over	.1	.3	.6
Female primary beneficiary, total	4.6	3.8	4.6
65	7.0	6.3	7.0
66	3.6	6.3	4.0
67–68	----------	1.3	1.7
69 and over	.1	----------	.4

Reasons for termination of covered employment.—The reasons beneficiaries gave for leaving covered employment were varied, but in general they fell into two main groups, depending on whether the termination was initiated by the beneficiary or by his employer (table 2). Termination initiated by the beneficiary was divided into two categories—health and other personal reasons. Retirement initiated by the employer was also subdivided into two categories—laid off with retirement pay and laid off for other company reasons. The explanations for retirement given by the beneficiaries were purely subjective; no attempts were made to check them with employers. In some cases, undoubtedly, the beneficiaries may have misunderstood, or refused to acknowledge, the real causes for their retirement.

Health as a reason for quitting work varied from old age and chronic illnesses—such as heart disease, arthritis, and failing vision—to acute illnesses, such as pneumonia and cancer. If age was the only factor involved, the reason was classified under health or other company reasons, depending on whether the worker resigned because he considered himself too old to work, or whether he was laid off by the employer because he had reached the retirement age of the company or

Table 3.—*Employment status: Percentage distribution of beneficiary groups by employment status of beneficiary during survey year, four cities*

Type of beneficiary group	Number of beneficiary groups	Percent of primary beneficiaries and widows						
		Total	Employed			Unemployed		
			Total	Full-time	Part-time	Total	Sought employment	Did not seek employment
		Philadelphia and Baltimore						
Male primary beneficiary	508	100.0	25.4	3.3	22.1	74.6	14.0	60.6
Female primary beneficiary	95	100.0	20.0	2.1	17.9	80.0	11.6	68.4
Widow, child entitled	120	100.0	27.9	9.3	18.6	72.1	5.4	66.7
		St. Louis						
Male primary beneficiary	550	100.0	37.6	4.4	33.2	62.4	12.7	49.7
Female primary beneficiary	91	100.0	30.8	1.1	29.7	69.2	11.0	58.2
Widow, child entitled	120	100.0	47.5	11.7	35.8	52.5	5.0	47.5
		Los Angeles						
Male primary beneficiary	758	100.0	38.1	7.5	30.6	61.9	9.9	52.0
Female primary beneficiary	186	100.0	33.3	5.4	27.9	66.7	5.9	60.8
Widow, child entitled	134	100.0	56.0	16.4	39.6	44.0	2.2	41.8

because the employer considered him too old for the job. Such reasons as "needed a rest," "felt tired," or "considered the work too hard" were also included under health.

Of those who gave other personal reasons, a few left their jobs in order to draw insurance benefits. Others reported that they left to care for a sick member of the family; because of disagreement with their bosses, friction with other workers, or a strike; to accept noncovered employment; or to file for benefits when work was slack. Relatively few men or women gave reasons such as these.

When the termination was initiated by the employer, the reasons most frequently given by both men and women were: "laid off because of age," "retired by employer," "employer thought me too old," "reached retirement age of company," and so forth. In many cases, the health of the worker may have been responsible for the employer's decision to release him, although the beneficiary may have considered himself able to work. In some cases, workers were laid off because of slack work or technological changes; in others, the firm went out of business or was reorganized or merged with another firm, and the aged workers were not kept on by the new employers.

More than half the men were laid off by their employers, although many in this group would have preferred to continue working. The relative number of women who were laid off from their work varied considerably between the three surveys. Only a small percentage of the men (8–17 percent) and an even smaller percentage of the women (3–13 percent) were retired on company pension. The proportion of beneficiaries reporting involuntary termination of employment with retirement pay is less than the proportion receiving retirement pay, as those who quit because of poor health and who received retirement pay were classified as quitting because of their health.

Reemployment after entitlement.—Employment of primary beneficiaries after entitlement depended on whether they were able to work and wished to do so, and whether they could find employment. The proportion who considered themselves able to work at the time of the interview was as follows:

Beneficiary's opinion as to his ability to work [1]	Philadelphia and Baltimore	St. Louis	Los Angeles
Male primary beneficiary, total	100.0	100.0	100.0
Able to work, unqualified	34.6	36.7	40.2
Able to work, qualified	10.4	22.9	19.0
Unable to work	55.0	40.4	40.8
Female primary beneficiary, total	100.0	100.0	100.0
Able to work, unqualified	26.3	19.8	30.6
Able to work, qualified	6.3	26.4	13.4
Unable to work	67.4	53.8	56.0

[1] If a beneficiary specified "light work," "part-time work," etc., because of his physical condition, he has been classified as "able to work, qualified."

From one-fourth to two-fifths of the male primary beneficiaries were employed during the survey year (table 3), but most of them worked only part-time, i. e., they had full-time jobs for part of the year or part-time jobs for part or all of the year. Employment was classified as full-time if the beneficiary worked at least 35 hours a week, 11 months of the year. In each survey, more of the male primary beneficiaries were working in covered employment (16–24 percent) than in noncovered employment (10–20 percent). Many of the women primary beneficiaries were working in their homes, keeping boarders and roomers. Only 13 of the 372 women in all three surveys reported full-time employment during the year.

Obviously, employment is closely associated with health and age; 44–60 percent of the male primary beneficiaries in the three surveys who signified their ability to work were employed during the survey year, in contrast to 13–15 percent of those who stated their health was too poor for them to work. From 26 to 51 percent of the men aged 65 at entitlement, but only 10–29 percent of those 69 years and over, had jobs during the survey year.

Health and age also determined the extent of employment; the proportion of men reporting full-time work was greatest for those 65 years of age (5–9 percent) and for those indicating their ability to hold a job (6–15 percent), and least for men 69 years and over and for those who felt they were unable to hold a job (1–2 percent for each group). Relatively fewer men with entitled wives (21–32 percent) than men with nonentitled wives (27–46 percent) reported either full or part-time employment during the year. The men with entitled wives were, on the average, several years older than the men with nonentitled wives; only 30–39 percent of the former group reported unqualifiedly their ability to hold a job, in contrast to 35–47 percent of the men with nonentitled wives. Moreover, the necessity of working was greater for men with nonentitled wives than for men with entitled wives, as fewer of the former group had adequate incomes which were derived entirely from permanent sources.

Four-fifths or more of both men and women who had no employment during the survey year made no effort to get work. Here again the health and age of the beneficiary were undoubtedly factors. Of the men who were able to hold a job and were unemployed, 35–43 percent tried to get work, but only 2–5 percent of those who reported themselves unable to work and unemployed looked for jobs. Between 18 and 26 percent of the men aged 65 who were unemployed the entire year, but only 9–14 percent of those 69 years or over, reported attempts to find work.

Six months elapsed between the surveys in Philadelphia and Baltimore and the St. Louis survey, and a year between the Philadelphia and Baltimore and the Los Angeles surveys. During this time, Pearl Harbor was attacked and war industries were greatly expanded. The increase in employment opportunities is reflected in the higher proportion of both primary beneficiaries and widows with entitled children who reported employment in St. Louis as compared with Philadelphia and Baltimore, and in Los Angeles as compared with St. Louis. The greatest increase in employment occurred among the widows, of whom 28 percent reported employment in Philadelphia and Baltimore, 48 percent in St. Louis, and 56 percent in Los Angeles.

Table 4.—*Living arrangement: Percentage distribution of specified types of beneficiary groups[1] by type of living arrangement at end of the survey year, four cities*

Type of living arrangement	Male primary beneficiary: Total	Male primary beneficiary: Nonmarried	Male primary beneficiary: Married, wife entitled	Male primary beneficiary: Married, wife not entitled	Female primary beneficiary	Widow, child entitled
	Philadelphia and Baltimore					
Total number	*[1]508*	*153*	*163*	*170*	*95*	*129*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
Living alone, total	45.1	41.8	48.4	45.2	34.7	35.6
Keeping house, total	35.5	9.7	48.4	45.2	22.0	34.0
Home owned	22.7	5.8	34.9	26.3	9.5	11.5
Home rented	12.8	3.9	13.5	18.9	12.5	22.5
Rooming and boarding	9.6	32.1	-----	-----	11.6	1.6
All others	-----	-----	-----	-----	1.1	-----
Living with others, total	54.9	58.2	51.6	54.8	65.3	64.4
Relatives living with beneficiary group, total	42.3	32.1	41.8	50.3	38.0	44.3
Home owned by beneficiary group	30.3	24.3	30.7	35.2	25.2	28.8
Home rented by beneficiary group	12.0	7.8	11.1	15.1	12.8	15.5
Rooming and boarding	-----	-----	-----	-----	-----	-----
Beneficiary group living with relatives	12.6	26.1	9.8	4.5	27.3	20.1
	St. Louis					
Total number	*[1]550*	*150*	*180*	*197*	*91*	*120*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
Living alone, total	55.5	54.6	57.2	57.9	39.5	43.3
Keeping house, total	45.5	20.6	56.6	56.4	30.7	42.5
Home owned	21.8	3.2	30.0	30.5	3.3	15.0
Home rented	23.7	17.4	26.6	25.9	27.4	27.5
Rooming and boarding	9.8	33.3	.6	1.5	5.5	.8
All other	.2	.7	-----	-----	3.3	-----
Living with others, total	44.5	45.4	42.8	42.1	60.5	56.7
Relatives living with beneficiary group, total	32.0	20.1	31.7	37.0	31.9	41.7
Home owned by beneficiary group	20.9	14.1	22.2	20.8	6.6	19.2
Home rented by beneficiary group	11.1	6.0	9.5	10.2	25.3	22.5
Rooming and boarding	-----	-----	-----	-----	-----	-----
Beneficiary group living with relatives	12.5	25.3	11.1	5.1	28.6	15.0
	Los Angeles					
Total number	*[1]758*	*203*	*210*	*323*	*186*	*134*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
Living alone, total	69.9	69.5	75.9	66.9	71.0	54.5
Keeping house, total	61.2	38.9	75.0	66.3	60.8	51.6
Home owned	33.4	9.3	47.8	38.4	20.4	28.5
Home rented	27.8	29.6	27.2	27.9	40.4	23.1
Rooming and boarding	8.4	29.6	.9	.6	7.5	2.2
All others	.3	1.0	-----	-----	2.7	.7
Living with others, total	30.1	30.5	24.1	33.1	29.0	45.5
Relatives living with beneficiary group, total	22.4	15.7	19.4	27.5	16.1	35.0
Home owned by beneficiary group	14.9	11.4	14.7	16.7	3.8	18.5
Home rented by beneficiary group	7.4	3.9	4.7	10.8	12.3	16.5
Rooming and boarding	.1	.4	-----	-----	-----	-----
Beneficiary group living with relatives	7.7	14.8	4.7	5.6	12.9	10.5

[1] The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions. These groups, numbering 13 in Philadelphia and Baltimore, 23 in St. Louis, and 10 in Los Angeles, are included in the totals.

Living Arrangements and Family Composition

The living arrangements of beneficiary groups living alone as a group and living with others are given in table 4. A beneficiary, or beneficiary group, living alone was considered to be keeping house if cooking facilities were available and used. Thus, a nonmarried man living in a furnished room who did his own cooking was classified as keeping house in a rented home. Relatives in the family were considered to be living with the beneficiary or beneficiary group whenever title to the house was in the name of a beneficiary or,

Table 5.—*Relationship of other household members: Percentage distribution of specified types of beneficiary groups[1] by relationship[2] of other household members, four cities*

Relationship[2] of other household members	Male primary beneficiary: Total	Male primary beneficiary: Nonmarried	Male primary beneficiary: Married, wife entitled	Male primary beneficiary: Married, wife not entitled	Female primary beneficiary	Widow, child entitled
	Philadelphia and Baltimore					
Total	100.0	100.0	100.0	100.0	100.0	100.0
No other members of household	45.1	41.8	48.4	45.2	34.7	35.6
Married children, grandchildren, and/or great grandchildren	13.4	18.3	10.0	7.8	17.9	4.7
Nonmarried children age 18 and over	22.2	14.4	22.7	26.8	11.6	26.3
Parents and grandparents	.4	-----	.6	.6	-----	13.2
Brothers and sisters	5.7	11.1	3.7	3.4	24.2	6.2
All others	13.2	14.4	8.6	16.2	11.6	14.0
	St. Louis					
Total	100.0	100.0	100.0	100.0	100.0	100.0
No other members of household	55.5	54.6	57.2	57.9	30.5	43.3
Married children, grandchildren, and/or great grandchildren	13.8	20.7	12.8	9.6	14.3	.8
Nonmarried children age 18 and over	21.0	11.3	24.4	23.4	14.3	20.7
Parents and grandparents	.2	-----	-----	.5	-----	12.5
Brothers and sisters	2.9	6.7	-----	3.0	22.0	6.7
All others	6.0	6.7	5.6	5.6	9.9	10.0
	Los Angeles					
Total	100.0	100.0	100.0	100.0	100.0	100.0
No other members of household	69.9	69.5	75.9	66.9	71.0	54.5
Married children, grandchildren, and/or great grandchildren	6.5	10.3	4.6	5.6	4.8	2.2
Nonmarried children age 18 and over	14.5	7.9	13.5	18.5	7.5	18.7
Parents and grandparents	.8	-----	-----	1.9	-----	10.4
Brothers and sisters	3.2	4.4	2.8	2.5	11.3	1.5
All others	5.1	7.9	3.2	4.6	5.4	12.7

[1] The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions.

[2] Relationship to primary beneficiary or, in survivor claims, to deceased wage earner. Groups are mutually exclusive.

when the house was rented, if the housekeeping funds were handled by the mother or father and that person made the major decisions concerning household expenditures. If the house was owned by one of the relatives, or the funds for the common household expenditures were handled by a son or daughter, the beneficiary group was classified as living with relatives.

Of those living alone, the modal group of married couples in each survey lived in a home which they owned; the modal group of nonmarried men roomed and boarded, although in Los Angeles an equally large proportion were living in rented rooms in which they prepared their meals. In each survey, the largest group of female primary beneficiaries living alone lived in rented dwellings. The largest group of widows with entitled children in Philadelphia and Baltimore and in St. Louis lived in rented dwellings; in Los Angeles, in homes which they owned.

The modal group of married men living in larger family groups was living in homes which they owned. This arrangement was also found for widows with entitled children in Philadelphia and Baltimore and in Los Angeles. In St. Louis, the modal group lived in homes which they rented. The majority of both nonmarried men and female primary beneficiaries who lived in larger family groups lived in the homes of relatives.

The extent to which homes owned by beneficiary groups were mortgaged was as follows:

Type of beneficiary group	Percent with owned home								
	Philadelphia and Baltimore			St. Louis			Los Angeles		
	Total	Without mortgage	With mortgage	Total	Without mortgage	With mortgage	Total	Without mortgage	With mortgage
Male primary beneficiary, total [1]	53.0	26.8	20.2	42.7	28.5	14.2	48.3	31.4	16.9
Nonmarried	30.1	19.6	10.5	17.3	14.0	3.3	20.7	14.3	6.4
Married, wife entitled	65.6	32.5	33.1	52.2	38.3	13.9	62.5	40.7	21.8
Married, wife not entitled	61.5	27.9	33.6	51.3	30.0	21.3	55.1	36.2	18.9
Female primary beneficiary	34.7	11.6	23.1	9.9	6.6	3.3	24.2	15.6	8.6
Widow, child entitled	40.3	15.5	24.8	34.2	10.8	23.4	47.0	27.6	19.4

[1] The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions.

The families consisting of beneficiaries and other persons have been classified into six categories (table 5), according to the relationship of other family members to the primary beneficiary or deceased wage earner and with regard to responsibility for the maintenance of the household. The groups are mutually exclusive. If a family included more than one group—for example, a married son and his family and unmarried daughter—it was classified in "all others." The category "nonmarried children age 18 and over" includes those who were widowed, divorced, or separated.

The nonmarried men who lived with relatives lived more frequently with married than with nonmarried children or with other relatives. The married beneficiaries, however, usually had adult nonmarried rather than married sons and daughters living with them. Female primary beneficiaries lived more often with their brothers and sisters than with other relatives. Widows with entitled children had adult, nonmarried sons and daughters in their homes more frequently than other relatives, although a significant number of the widows were living with their parents.

Income of Beneficiaries

The amount and source of income received during the survey year by beneficiaries of old-age and survivors insurance varied among beneficiary groups as well as within each group. Except for the nonmarried men, the income shown in tables 6 and 7 refers to the income of the entire beneficiary group, including that of wives, husbands, or nonmarried children under age 18, whether or not the latter were entitled to insurance benefits.

About two-thirds of the nonmarried men in each of the cities had incomes of less than $600. About 25 percent had less than $300 in Philadelphia and Baltimore and in St. Louis; in Los Angeles, however, largely because of California's more liberal old-age assistance payments, only 9 percent reported incomes below $300. In each survey, the range of income of married men with nonentitled wives was greater than that of men with entitled wives. Relatively more of the former than of the latter group had incomes of less than $300, or of $900 or more. Each beneficiary group had a larger proportion in the upper income brackets in Los Angeles than in the other two surveys.

The income of the beneficiary groups who lived by themselves was slightly higher than that of the beneficiary groups who lived with relatives, although there were beneficiary groups at all income levels living alone and living with others. With minor exceptions, a larger proportion of both aged and survivor beneficiary groups in the three surveys fell in the income class of less than $600 when they lived with relatives than when they lived by themselves. This was particularly true when their incomes were less than $300. On the other hand, a larger proportion of beneficiaries had incomes of $600–1,199 when they lived by themselves. After their income had reached $1,200, living arrangements appeared to be little affected, although a slightly larger proportion of most beneficiary groups living by themselves fell in this income class.

The difference in income between those living by themselves and those living with relatives was least marked in the case of nonmarried men. With the exception of incomes of less than $300, income

Table 6.—*Sources of income: Percentage distribution of specified types of beneficiary groups*[1] *by annual income during survey year and by source*[2] *of income, four cities*

Philadelphia and Baltimore

Type of beneficiary group and annual income during survey year	Total	Insurance benefit only	Additional income from[2]— Permanent source only	Permanent and temporary and/or supplementary sources	Temporary and/or supplementary sources only
Male primary beneficiary, total	100.0	13.2	29.3	24.2	33.3
Less than $300	14.4	7.9	3.0	.2	3.3
300–599	36.8	5.3	7.7	6.9	15.9
600–899	22.3	......	7.7	7.9	6.7
900–1,199	13.0	......	4.9	4.5	3.6
1,200–1,499	6.3	......	2.7	1.4	2.2
1,500 and over	8.2	......	3.3	3.3	1.6
Nonmarried, total	100.0	17.0	26.8	20.9	35.3
Less than $300	25.6	13.1	5.9	.7	5.9
300–599	39.8	3.9	8.5	6.5	20.9
600–899	10.3	......	6.5	5.9	3.9
900–1,199	9.7	......	3.2	5.2	1.3
1,200–1,499	2.0	......	.7	......	1.3
1,500 and over	6.6	......	2.0	2.6	2.0
Married, wife entitled, total	100.0	12.9	34.3	25.2	27.6
Less than $300	1.8	1.2	.6	......	......
300–599	41.7	11.7	9.1	7.4	13.5
600–899	29.4	......	9.8	10.4	9.2
900–1,199	11.7	......	6.8	3.7	1.2
1,200–1,499	8.6	......	4.9	.6	3.1
1,500 and over	6.8	......	3.1	3.1	.6
Married, wife not entitled, total	100.0	11.2	27.8	26.9	34.1
Less than $300	17.3	10.1	2.7	......	4.5
300–599	28.5	1.1	6.1	7.3	14.0
600–899	21.2	......	7.3	7.8	6.1
900–1,199	14.5	......	4.5	3.9	6.1
1,200–1,499	7.3	......	2.2	3.4	1.7
1,500 and over	11.2	......	5.0	4.5	1.7
Female primary beneficiary, Total	100.0	15.8	25.2	26.4	32.6
Less than $300	37.9	15.8	12.6	3.2	6.3
300–599	41.0	......	9.4	11.6	20.0
600–899	11.6	......	3.2	6.3	2.1
900–1,199	5.3	......	......	3.2	2.1
1,200–1,499		......	......	......	......
1,500 and over	4.2	......	......	2.1	2.1
Widow, child entitled, total	100.0	14.7	24.8	24.2	36.3
Less than $300	.8	.8	......	......	......
300–599	39.6	10.1	12.4	4.7	12.4
600–899	28.6	3.8	6.2	7.1	11.5
900–1,199	19.3	......	5.4	5.4	8.5
1,200–1,499	4.6	......	......	2.3	2.3
1,500 and over	7.1	......	.8	4.7	1.6

St. Louis

Type of beneficiary group and annual income during survey year	Total	Insurance benefit only	Additional income from[2]— Permanent source only	Permanent and temporary and/or supplementary sources	Temporary and/or supplementary sources only
Male primary beneficiary, total	100.0	13.7	30.4	21.9	34.0
Less than $300	9.8	5.8	.5	.2	3.3
300–599	38.8	7.5	10.4	4.7	16.2
600–899	20.5	.4	8.7	4.7	6.7
900–1,199	10.4	......	3.7	2.0	3.8
1,200–1,499	7.5	......	2.5	2.5	2.5
1,500 and over	13.0	......	4.6	6.0	1.5
Nonmarried, total	100.0	18.0	31.3	12.1	38.6
Less than $300	24.7	12.7	.7	.7	10.6
300–599	44.0	5.3	17.3	2.0	19.4
600–899	13.3	......	6.0	2.7	4.6
900–1,199	6.7	......	2.0	2.7	2.0
1,200–1,499	4.0	......	2.0	1.3	.7
1,500 and over	7.3	......	3.3	2.7	1.3
Married, wife entitled, total	100.0	17.2	38.9	21.1	22.8
Less than $300	.6	.6	......	......	......
300–599	42.2	15.5	12.8	3.9	10.0
600–899	27.2	1.1	14.4	5.0	6.7
900–1,199	11.1	......	3.9	3.3	3.9
1,200–1,499	6.7	......	2.8	2.8	1.1
1,500 and over	12.2	......	5.0	6.1	1.1
Married, wife not entitled, total	100.0	8.1	23.9	28.4	39.6
Less than $300	8.1	6.1	1.0	......	1.0
300–599	31.5	2.0	4.1	7.1	21.3
600–899	18.3	......	6.1	5.1	7.1
900–1,199	11.2	......	4.6	2.5	4.1
1,200–1,499	9.6	......	3.0	2.5	4.1
1,500 and over	18.3	......	5.1	11.2	2.0
Female primary beneficiary, Total	100.0	10.8	27.5	23.1	29.6
Less than $300	35.2	10.8	7.7	2.2	5.5
300–599	51.6	......	16.5	15.4	19.7
600–899	7.7	......	3.3	3.3	1.1
900–1,199	2.2	......	......	......	2.2
1,200–1,499	1.1	......	......	1.1	......
1,500 and over	2.2	......	......	1.1	1.1
Widow, child entitled, total	100.0	11.7	19.1	18.3	50.9
Less than $300	2.4	.8	.8	......	.8
300–599	20.2	8.4	6.7	.8	13.3
600–899	27.5	2.5	5.0	5.8	14.2
900–1,199	15.8	......	.8	3.3	11.7
1,200–1,499	13.4	......	3.3	1.7	8.4
1,500 and over	11.7	......	2.5	6.7	2.5

Los Angeles

Type of beneficiary group and annual income during survey year	Total	Insurance benefit only	Additional income from[2]— Permanent source only	Permanent and temporary and/or supplementary sources	Temporary and/or supplementary sources only
Male primary beneficiary, total	100.0	3.8	24.4	31.4	40.4
Less than $300	4.0	2.0	.5	.4	1.1
300–599	20.9	1.7	5.9	6.6	15.7
600–899	22.3	.1	6.4	5.5	10.3
900–1,199	17.7	......	3.6	5.9	8.2
1,200–1,499	9.5	......	2.8	4.5	2.2
1,500 and over	16.6	......	5.2	8.5	2.9
Nonmarried, total	100.0	4.4	22.2	21.2	52.2
Less than $300	9.3	2.9	1.5	1.5	3.4
300–599	58.1	1.5	11.9	10.3	34.4
600–899	16.7	......	3.9	3.4	9.4
900–1,199	8.4	......	2.4	3.0	3.0
1,200–1,499	3.5	......	2.0	1.5	......
1,500 and over	4.0	......	.5	1.5	2.0
Married, wife entitled, total	100.0	2.8	20.1	33.8	34.3
Less than $300	.5	.5	......	......	......
300–599	15.7	1.8	3.2	6.0	4.7
600–899	26.9	.5	9.7	7.4	9.8
900–1,199	20.1	......	6.5	6.9	15.7
1,200–1,499	11.1	......	2.3	5.6	3.2
1,500 and over	16.7	......	7.4	7.9	1.4
Married, wife not entitled, total	100.0	4.6	23.8	35.9	30.3
Less than $300	3.1	2.5	.3	......	.3
300–599	22.0	1.5	4.3	5.0	11.2
600–899	23.3	......	6.2	5.6	11.5
900–1,199	15.8	......	2.5	6.8	6.5
1,200–1,499	11.8	......	3.7	5.6	2.5
1,500 and over	21.0	......	6.8	12.9	4.3
Female primary beneficiary, Total	100.0	5.4	25.2	20.6	30.8
Less than $300	11.8	4.9	6.4	.5	......
300–599	41.4	.5	9.1	10.3	21.
600–899	19.4	......	5.4	4.0	9.1
900–1,199	16.1	......	2.7	8.0	5.4
1,200–1,499	4.3	......	......	3.2	1.1
1,500 and over	7.0	......	1.6	2.7	2.7
Widow, child entitled, total	100.0	8.2	12.6	38.2	41.0
Less than $300	1.6	1.6	......	......	......
300–599	14.2	3.0	3.0	1.6	6.7
600–899	20.8	3.7	2.2	6.7	8.2
900–1,199	19.5	......	3.0	6.0	10.5
1,200–1,499	13.4	......	2.2	9.0	2.2
1,500 and over	30.6	......	2.2	15.0	13.4

[1] The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions.

[2] Sources of additional income are classified as follows: Permanent—retirement pay, private annuity payments, veterans' pensions, income from assets; temporary—earnings in employment, unemployment compensation, private insurance benefit (such as sickness, accident, death, unemployment), and miscellaneous; supplementary—relief payments, earnings under WPA, NYA, and CCC programs, and gifts from relative or friend outside household.

appeared to influence only slightly the living arrangements of nonmarried men, as about the same proportion living alone as living with relatives fell in each income class. When their income was less than $300 the nonmarried men, as well as other types of beneficiaries, lived with relatives much more frequently than when their income was higher.

The sources of income are significant since, in conjunction with expendable assets as well as with living arrangements, they indicate the future economic status of the beneficiary groups. The sources of income have been grouped according to their relative permanency in table 6.

"Reasonably permanent" sources are those which will probably continue throughout the beneficiary's lifetime. They include the old-age and survivors insurance benefit, private retirement pay, veteran's pension, private annuity, and income from assets. The insurance benefit is received monthly unless suspended because of wages of $15 or more per month from covered employment. Some corporations grant retirement pay, or "industrial pensions," to their retired employees; the amount usually depends on prior earnings and length of service. Many companies have reduced their former retirement payments by the amount of the old-age and survivors insurance benefit and some by half that amount; a few have made no adjustments. Some beneficiaries received income as veterans or the survivors of veterans, and some received income from trust funds or annuities which they had purchased. Income from assets included net income from real estate, interest on savings bank deposits, bonds, mortgages and other loans, dividends on stock, and other yields on capital goods.

"Probably temporary" sources of income include earnings from covered and noncovered employment, unemployment compensation, certain types of private insurance benefits, and miscellaneous income. Employment, either covered or noncovered, provides a temporary source of income to a limited number of primary beneficiaries. Because of ill health, many beneficiaries are permanently out of the labor market; others, who are successful in getting jobs, will probably work only a few years before ill health, or a depression, forces their permanent retirement. Unemployment compensation is paid on the basis of earnings in covered employment, either before or after entitlement,

Table 7.—*Median income of beneficiary groups, four cities*

Type of beneficiary group	Median income of beneficiary group		
	Philadelphia and Baltimore	St. Louis	Los Angeles
Male primary beneficiary, total	$599	$610	$814
Nonmarried	446	404	484
Married, wife entitled	660	636	965
Married, wife not entitled	660	697	921
Married, child entitled	1,027	966	1,062
Female primary beneficiary	300	390	553
Widow, child entitled	737	777	1,109

and, in the four cities surveyed, it could be received at the same time as old-age and survivors insurance. Payments of disability insurance and death benefits, payable for a limited number of years, and the balance of lump-sum death payments after burial expenses were deducted, private accident insurance, and workmen's compensation are included under private insurance.[7]

A few beneficiaries had "supplementary" income, to help out their own inadequate resources. Supplementary income was of two kinds: gifts from relatives or friends outside the family, and relief from public and private agencies. Gifts included payments which were sporadic, consisting of a few dollars to meet specific needs; or they were regular contributions or assumptions of certain bills, such as taxes or interest payments on the home which the beneficiary owned. Public relief included work relief—WPA, NYA, and CCC—and the value of food and cotton stamps, as well as cash grants.

The distribution of beneficiary groups according to family insurance benefit is remarkably similar in the three surveys (table 8). The insurance benefit awarded nonmarried men, men with nonentitled wives, and women entitled on their own wage record, could range in 1940 from $10 to $41.60. The modal group of nonmarried men and men with nonentitled wives in each survey was awarded monthly benefits of $20–29. The modal group of female primary beneficiaries in Los Angeles also fell in this class; in Philadelphia and Baltimore and in St. Louis benefits were somewhat lower in amount and the modal group fell in the class $10–19. The family benefit awarded men whose wives were entitled could range from $10 to $62.40.

[7] Most of the lump-sum death payments received by widows on policies matured by the death of husbands were received before the beginning of the survey year. In the few instances in which they were paid during the survey year, they are not included as income.

The modal group in each survey received monthly benefits of $30–39. Benefits awarded widows with entitled children could range from $10 to $83.20. Because their family insurance benefits depended upon the number of entitled children as well as the average wage of the deceased wage earner, the distribution of widows with entitled children was fairly even in the income classes of $30–39, $40–49, and $50–83 in Philadelphia and Baltimore and in St. Louis; only a small proportion received monthly benefits of less than $30. In Los Angeles a considerably larger proportion received monthly benefits of $50–83 than lower amounts. The amount of insurance benefit received in the survey year was not necessarily 12 times the monthly benefit because of benefit suspensions resulting from wages of $15 or more per month earned in covered employment, or because of suspensions for some other statutory reason.[8]

Table 8.—*Monthly family insurance benefit awarded: Percentage distribution of specified types of beneficiary groups,[1] and average annual insurance benefit received, four cities*

Type of beneficiary group and monthly family insurance benefit awarded	Percentage distribution		
	Philadelphia and Baltimore	St. Louis	Los Angeles
Male primary beneficiary [1] total	100.0	100.0	100.0
$10.00–19.99	19.5	19.5	22.4
20.00–29.99	43.1	39.2	42.1
30.00–39.99	20.6	28.4	23.0
40.00–62.40	10.8	12.9	12.5
Nonmarried, total	100.0	100.0	100.0
$10.00–19.99	31.4	33.3	35.5
20.00–29.99	61.4	54.7	54.6
30.00–39.99	6.5	10.0	8.4
40.00–41.60	.7	2.0	1.5
Married, wife entitled, total	100.0	100.0	100.0
$10.00–19.99	6.1	4.4	7.4
20.00–29.99	9.8	8.9	11.1
30.00–39.99	57.7	56.1	48.6
40.00–62.40	26.4	30.6	32.9
Married, wife not entitled, total	100.0	100.0	100.0
$10.00–19.99	21.8	23.9	24.8
20.00–29.99	60.3	57.8	56.6
30.00–39.99	15.1	12.7	13.0
40.00–41.60	2.8	5.6	5.6
Female primary beneficiary, total	100.0	100.0	100.0
$10.00–19.99	53.6	58.2	42.5
20.00–29.99	45.3	40.7	54.8
30.00–39.99	1.1	1.1	2.7
40.00–41.60	----	----	----
Widow, child entitled, total	100.0	100.0	100.0
$10.00–29.99	14.0	18.3	15.7
30.00–39.99	30.2	30.8	20.1
40.00–49.99	31.8	21.7	20.1
50.00–83.20	24.0	29.2	38.1
	Average (mean) amount of benefit received in survey year [2]		
Male primary beneficiary, total [1]	$314	$314	$200
Nonmarried	249	248	238
Married, wife entitled	406	424	424
Married, wife not entitled	278	258	251
Female primary beneficiary	216	199	223
Widow, child entitled	476	485	485

[1] The groups of married male primary beneficiaries, with child entitled, were too small to be presented in detail. The average annual insurance benefit received by these groups was $416 in Philadelphia and Baltimore, $303 in St. Louis, and $355 in Los Angeles.

[2] The amount of insurance benefit received in the survey year is not necessarily 12 times the monthly benefit awarded because of benefit suspensions resulting from wages in covered employment of $15 or more a month, or suspensions for other reasons.

For most beneficiaries, the insurance benefits were supplemented by other sources of income, but, for 13 percent of the male primary beneficiaries in Philadelphia and Baltimore, 14 percent in St. Louis, and 4 percent in Los Angeles, the monthly benefits provided the only source of cash income. The beneficiaries who were living alone and had no income except their monthly benefits were, without exception, finding it difficult to manage. One interviewer writes:

> Mr. and Mrs. G would like assistance in getting clothes, as their monthly benefit check of $31.65 is used entirely for rent ($12 a month) and food, leaving nothing for clothes, medical care, or miscellaneous items. They bought what they could and when the money was gone they "went without."

About three-fourths of the male and female primary beneficiary groups with no income except the monthly benefits lived with relatives, and the insurance benefit enabled them to contribute toward their own support. Said one interviewer:

> The only income of the beneficiary, an unmarried man, was his insurance benefit. He had lived with his son, daughter-in-law, and two grandchildren for a long time, and, after retirement, he turned over his entire income to his son. His son's annual income was $1,820; the beneficiary felt that his monthly benefit of $17.52 helped, and doubted that without it his son would have been willing to support him.

Less than a third of all the male primary beneficiary groups surveyed had entire income from monthly benefits and other permanent sources only, and less than one-fifth had incomes of $600 or over which were derived from permanent sources only. The two chief sources of permanent income, in addition to insurance benefit, were

[8] If the primary benefit is suspended, the supplementary wife's and child's benefits are also suspended. If the beneficiary fails to report his earnings in excess of the legal amount from covered employment, he loses his benefit for twice the number of months in which he received wages.

private retirement pay and income from assets. A much larger proportion of male primary beneficiaries received income from assets (40–51 percent) than private retirement pay (11–25 percent), although the average amount reported by those receiving retirement pay ($616–790) was much higher than by those having income from assets ($164–422).

Some male beneficiary groups reported both permanent and temporary sources of income in addition to their monthly benefits. These frequently consisted of interest on savings and earnings from employment, though other combinations were also reported. Between 33 and 40 percent of all the male beneficiary groups derived their income from monthly benefits and temporary or supplementary sources, with no income at all from other permanent sources. Earnings provided the most important temporary source of income in each survey. In Philadelphia and Baltimore and in St. Louis, unemployment compensation provided a more important source of income than any other temporary or supplementary source except employment; in Los Angeles, on the other hand, more beneficiaries received old-age assistance payments than unemployment compensation.

The proportion of beneficiary groups reporting public and private relief, including work relief, was as follows:

Type of beneficiary group	Philadelphia and Baltimore	St. Louis	Los Angeles
Male primary beneficiary, total [1]	7.7	8.9	24.8
Nonmarried	9.8	10.7	39.4
Married, wife entitled	4.9	4.4	24.1
Married, wife not entitled	8.4	10.2	17.0
Female primary beneficiary	10.5	13.2	34.4
Widow, child entitled	10.9	9.2	7.5

[1] The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions.

Old-age assistance payments in California supplement other income to a total of $40 a month for persons 65 years or over who meet the State property and residence requirements. Not only was a considerably larger proportion of insurance beneficiaries receiving old-age assistance payments in Los Angeles than in Philadelphia and Baltimore or in St. Louis, but the average amount received by male primary beneficiaries in Los Angeles who were granted aid was $306, as compared with $172 in Philadelphia and Baltimore and $179 in St. Louis.[9] Female primary beneficiaries granted aid in Los Angeles received $325, on the average, while those granted aid in Philadelphia and Baltimore averaged $203, and in St. Louis, $137. Public assistance payments in California are outstandingly liberal only with respect to old-age assistance. The proportion of widows with entitled children receiving relief in Los Angeles was slightly less than the proportion in the other two surveys, although the average amount received by widows who were granted aid in Los Angeles was $475, as compared with $131 in Philadelphia and Baltimore and $253 in St. Louis.[10]

In the following examples, income, in addition to the insurance benefit, was received from temporary sources only:

> Mr. and Mrs. Y's chief source of income was $602 from roomers, but rent took $360 of this amount. The monthly benefit amounted to $288. Unemployment compensation payments of $171 paid for the winter's coal. Mrs. Y remarked that she had had to pawn her wedding ring and other jewelry for coal, prior to receipt of unemployment compensation. They had previously cashed in two insurance policies.

> Mr. and Mrs. L lived alone in their home, which was mortgaged for $1,800. They seemed to be comfortably off so long as Mr. L worked, which was spasmodically. At the end of the survey year, Mr. L was employed, at about $147 a month, in noncovered employment. Their income for the survey year included $570 from employment, $332 from the monthly benefit. Their assets consisted of $200 in cash and $1,500 equity in their home.

> Mr. and Mrs. T were in desperate financial straits. Mr. T earned good wages but saved nothing. He borrowed $400 from a finance company during the survey year, on which he had to make monthly payments of $39.20 including $5 interest. Their income during the survey year was $72 from unemployment compensation, $150 from a son outside the household, and $737 from monthly benefit. There were no assets. The son was captured at Corregidor.

In slightly more than one-fourth of the homes of male primary beneficiaries, assets were used to supplement income. Illness, often coupled with inadequate income, was frequently the cause of the withdrawal of savings, as in the following illustration:

[9] The average amount of relief includes private relief received by 1 male primary beneficiary group in Philadelphia and Baltimore, 5 in St. Louis, and 3 in Los Angeles.

[10] Includes private relief received by 1 beneficiary group composed of widow and entitled children in Philadelphia and Baltimore, 1 in St. Louis, and 2 in Los Angeles.

Mr. and Mrs. W withdrew $500 from their savings during the survey year, leaving a balance of $400. They owned their home, valued at $1,857. Their income during the year was $480, all but $13 of which was derived from insurance benefit. The $13 represented interest paid on their savings account. Two hundred dollars of their savings was used for doctor and dentist bills as Mr. W required constant medical care because of tuberculosis. The balance of the savings was used to pay the taxes and to meet current expenses.

Some beneficiaries dipped into their assets in order to maintain their customary mode of living. For example:

Mr. C had to quit working because of heart trouble. When interviewed, he stated he felt good but could do nothing strenuous. Mr. and Mrs. C and an adult dependent daughter lived in their own home, valued at $5,500 and mortgaged for $780. Mr. C's income for the survey year was $3,471, derived from retirement pay, income from assets, and monthly benefits. He used $400 of his savings to pay taxes and other bills. His net assets totaled $7,686.

Mr. and Mrs. A depleted their assets substantially during the survey year. Their income, derived from noncovered employment, assets, and insurance benefit, totaled $420. Mr. A had sold some property several years earlier for which he received $37.50 a month. This money, in addition to cash savings of $720, was spent to meet living expenses. When their cash assets are depleted to the point where they are eligible for old-age assistance, they plan to apply. The big fear of Mr. and Mrs. A was that taxes and upkeep on their home could not be paid out of their small monthly income.

The income of the entire family, in the final analysis, determines the level of living and the economic security of the beneficiaries. Although the internal financial arrangements may benefit one person or group of persons at the expense of others, in an emergency the resources of the entire group may be utilized. The family income is given in table 9, together with the average size of family.

The extent, however, to which relatives in the homes of the beneficiaries contributed to the support of the beneficiaries is not indicated by the total family income. Frequently, the adult sons and daughters paid into the home a certain amount to cover their share of the cost of food and housing. Sometimes this amount more than adequately covered their share of the expenses; sometimes it was clear that aged beneficiaries were partially supporting their children. In a few homes, the beneficiaries were entirely supporting adult dependents.

Reliance on sons and daughters for support is uncertain during normal times; in a war period, it is doubly uncertain. The main hazard during peacetime is the marriage of the son or daughter on whom the parents depend. For example:

Mr. and Mrs. S reported income during the survey year as follows: $277 from wages, $240 from unemployment compensation, and $123 from insurance benefit. Their daughter, who lived with them, earned $1,373. She expected to marry soon and move from the household. Mr. and Mrs. S had no assets and owed $257. They did not know how they would manage as they could not qualify for old-age assistance because of the State residence requirements.

All the surveys were made before the passage of the Servicemen's Dependents Allowance Act of 1942. Various adjustments were anticipated at the time of the interview by beneficiaries whose sons expected to be drafted in the near future. The extent to which the regular dependents allowances (which are limited by maximums of $37 to one parent and $47 to two parents) would replace the contributions of the sons and make adjustments by the aged beneficiaries or widows unnecessary would depend, of course, on the amount of the son's former contribution. At the time of the interview, some beneficiaries expected to apply for old-age assistance, and others anticipated cashing insurance policies, selling homes, or finding jobs. For example:

Mr. and Mrs. B owned their home, valued at $3,000. This was their only asset. Their income during the survey year was $126 from earnings from employment, and $180 from insurance benefit. Their son, who lived with them, paid $60 a month toward household expenses. He had been drafted and expected to leave soon. Mr. and Mrs. B then planned to apply for old-age assistance. The passage of the Servicemen's Dependents Allowance Act may have made their application for old-age assistance unnecessary.

Net Worth

"Net worth" is a balance between the value of assets and the value of liabilities. Assets included cash, savings or checking accounts, the market value of stocks or bonds, the market value of owner-occupied real estate, net equity in all other real estate, and the capitalized value of independent business. They did not include the value of annuity policies or the balance due on death benefits which were to be paid in installments for a certain number of years. The market value of stocks and bonds was checked against listings on stock exchanges; the market value of real estate represents the opinion of the family interviewed, occasionally revised to conform with market values of similar homes in the same community. The market value of an independent business, such as a cleaning establishment, shoe-repair shop, machine shop, and the like, was either reported by the beneficiary or derived by capitalizing the income at 6 percent. Liabilities included unpaid bills, mortgages on owner-occupied real estate, borrowings on life insurance policies, and other borrowings, whether or not secured by collateral.

All the beneficiary groups, with the exception of nonmarried men, reported more assets in Los Angeles than in Philadelphia and Baltimore or in St. Louis (table 10). The nonmarried men, on the other hand, appear to have had less assets in Los Angeles than in the other two studies. In each survey the men whose wives were entitled reported assets more frequently and of higher amounts than the men whose wives were not entitled. The assets of the beneficiary groups may be somewhat understated because of the reluctance of some beneficiaries to report assets.

Life insurance.—The amount of insurance carried on the lives of members of the beneficiary groups was obtained from the beneficiaries. The policies included term, industrial, and ordinary,

Table 9.—*Family income and size of family: Percentage distribution of specified types of beneficiary groups [1] by family income, median income of each group, and average size of family [2] by family income, four cities*

Family income group	Percentage distribution by family income						Average size of family [2]					
	Male primary beneficiary				Female primary beneficiary	Widow, child entitled	Male primary beneficiary				Female primary beneficiary	Widow, child entitled
	Total	Nonmarried	Married, wife entitled	Married, wife not entitled			Total	Nonmarried	Married, wife entitled	Married, wife not entitled		
	Philadelphia and Baltimore											
Total	100.0	100.0	100.0	100.0	100.0	100.0	3.1	2.7	3.1	3.3	2.8	4.2
Less than $600	21.7	32.0	17.2	18.5	31.5	12.4	1.7	1.2	2.1	2.1	1.8	2.8
600-1,199	25.6	19.0	32.4	25.1	21.1	32.5	2.2	1.6	2.2	2.4	2.4	3.5
1,200-1,799	14.0	9.8	16.0	15.6	14.7	16.3	3.1	2.8	3.0	3.2	2.7	4.9
1,800-2,399	13.6	11.8	16.6	12.3	6.3	17.8	3.8	3.4	4.1	3.7	(3)	4.0
2,400-2,999	9.4	9.8	7.4	11.2	9.5	10.9	4.0	4.9	4.4	4.4	(3)	5.4
3,000-3,999	10.4	11.1	6.7	12.3	9.5	6.2	4.7	4.6	4.8	4.4	(3)	(3)
4,000 and over	5.3	6.5	3.7	5.0	7.4	3.9	5.5	5.1	(3)	(3)	(3)	(3)
Median income	*$1,302*	*$1,090*	*$1,218*	*$1,428*	*$1,164*	*$1,356*	---	---	---	---	---	---
	St. Louis											
Total	100.0	100.0	100.0	100.0	100.0	100.0	2.8	2.1	3.0	2.9	2.4	3.9
Less than $600	25.9	40.6	21.1	21.4	39.5	12.5	1.6	1.1	2.0	2.1	1.4	3.1
600-1,199	24.7	16.7	30.5	25.9	23.1	28.3	2.2	1.6	2.2	2.3	2.2	3.5
1,200-1,799	14.5	14.7	13.3	15.2	11.0	29.2	2.8	2.8	3.1	2.4	2.8	3.7
1,800-2,399	10.9	12.0	11.7	8.6	9.9	14.2	3.6	2.9	3.0	3.9	(3)	4.6
2,400-2,999	7.6	5.3	6.7	9.6	7.7	7.5	3.8	(3)	3.8	3.8	(3)	(3)
3,000-3,999	10.5	7.3	10.0	13.2	6.6	5.8	4.1	3.0	4.1	3.7	(3)	(3)
4,000 and over	5.9	3.4	6.7	6.1	2.2	2.5	5.0	(3)	5.6	4.5	(3)	(3)
Median income	*$1,180*	*$890*	*$1,145*	*$1,250*	*$804*	*$1,287*	---	---	---	---	---	---
	Los Angeles											
Total	100.0	100.0	100.0	100.0	100.0	100.0	2.3	1.9	2.4	2.6	1.7	3.8
Less than $600	21.4	47.3	16.2	13.3	35.5	4.5	1.5	1.0	2.1	2.0	1.2	(3)
600-1,199	33.7	23.7	40.7	32.3	39.7	28.3	2.0	1.4	2.1	2.2	1.6	3.1
1,200-1,799	16.8	10.3	18.0	19.6	10.8	17.2	2.4	2.0	2.4	2.4	1.9	4.0
1,800-2,399	10.9	5.9	11.6	13.9	5.9	21.6	3.0	3.2	2.9	3.0	2.5	3.5
2,400-2,999	7.3	6.4	7.9	7.4	4.3	11.2	3.2	2.9	3.5	3.1	(3)	4.4
3,000-3,999	6.2	3.9	4.2	8.0	2.2	12.0	3.7	(3)	(3)	3.8	(3)	5.5
4,000 and over	3.7	2.5	1.4	5.5	1.6	5.2	3.9	(3)	(3)	3.4	(3)	(3)
Median income	*$1,088*	*$928*	*$966*	*$1,339*	*$848*	*$1,795*	---	---	---	---	---	---

[1] The groups of married male primary beneficiaries, with child entitled, were too small to be presented in detail. The median income for these groups was $2,001 in Philadelphia and Baltimore, $2,125 in St. Louis, and $1, in Los Angeles; the average size of family 5.2, 5.2, and 4.1, respectively.
[2] Average number of persons in family 52 weeks.
[3] Not computed on base of less than 10.

in all of which benefits are payable on the death of the insured, and annuity policies which had not yet matured. Insurance carried by unions or fraternal orders and by previous employers, if still in force, was also included. As stated above, borrowings against the policies were included under liabilities and are reflected in the net worth of the beneficiary group; the borrowings are not deducted from the face value of the policies.

The proportion of nonmarried men and of women entitled on their own wage records who carried life insurance was strikingly less in Los Angeles than in the other cities (table 11). It was also less in the case of married men and of widows with entitled children, although the differences between Los Angeles and the other cities was not so marked.

As might be expected, more of the married than of the nonmarried men carried life insurance, but more women primary beneficiaries than nonmarried men reported policies. In each beneficiary

Table 10.—*Net worth: Percentage distribution of specified types of beneficiary groups[1] by net worth, and median net worth, four cities*

Net worth	Male primary beneficiary				Female primary beneficiary	Widow, child entitled
	Total	Nonmarried	Married, wife entitled	Married, wife not entitled		
	Philadelphia and Baltimore					
Total number[2]	*493*	*149*	*157*	*174*	*91*	*129*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
Liabilities exceed assets	7.9	4.0	7.6	10.9	2.2	14.7
No assets or liabilities[3]	26.0	39.6	18.5	20.1	37.4	24.1
Assets exceed liabilities by:						
Less than $1,000	14.0	18.8	13.4	11.5	28.6	24.0
1,000-4,999	39.9	28.8	45.8	44.9	31.8	29.5
5,000-9,999	6.9	5.4	8.3	6.3	......	5.4
10,000 and over	5.3	3.4	6.4	6.3	......	2.3
Median net worth	*$1,237*	*$800*	*$2,000*	*$1,603*	*$289*	*$320*
	St. Louis					
Total number	*550*	*150*	*180*	*197*	*91*	*120*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
Liabilities exceed assets	10.2	8.0	8.3	13.7	15.4	20.8
No assets or liabilities[3]	23.8	37.9	20.0	17.8	36.3	18.3
Assets exceed liabilities by:						
Less than $1,000	13.3	18.7	12.2	9.6	23.1	18.3
1,000-4,999	31.6	18.7	32.8	39.1	24.1	31.7
5,000-9,999	12.4	10.7	16.1	10.2	1.1	6.7
10,000 and over	8.7	6.0	10.6	9.6	......	4.2
Median net worth	*$1,275*	*$75*	*$2,050*	*$2,000*	*0*	*$335*
	Los Angeles					
Total number	*758*	*203*	*216*	*323*	*186*	*134*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
Liabilities exceed assets	10.3	13.8	6.5	10.5	10.2	18.7
No assets or liabilities[3]	18.3	34.5	12.0	12.7	21.5	11.0
Assets exceed liabilities by:						
Less than $1,000	14.8	18.7	12.1	14.2	30.1	18.7
1,000-4,999	31.0	21.6	37.0	32.2	25.8	31.3
5,000-9,999	15.4	8.4	22.2	15.8	7.0	10.4
10,000 and over	10.2	3.0	10.2	14.6	5.4	6.0
Median net worth	*$1,717*	*$50*	*$2,869*	*$2,600*	*$449*	*$1,000*

[1] The groups of married male primary beneficiaries, with child entitled, were too small to be presented in detail. Median net worth was zero in Philadelphia and Baltimore, $1,680 in St. Louis, and $1,710 in Los Angeles.
[2] Excludes beneficiary groups that did not report net worth.
[3] Includes beneficiary groups whose assets and liabilities balance, and those who had no assets or liabilities.

Table 11.—*Life insurance: Percentage distribution of specified types of beneficiary groups[1] by face value of life insurance policies held, and median face value of policies held by each group, four cities*

Face value of policies	Male primary beneficiary				Female primary beneficiary	Widow, child entitled
	Total	Nonmarried	Married, wife entitled	Married, wife not entitled		
	Philadelphia and Baltimore					
Total number[2]	*498*	*150*	*169*	*176*	*94*	*127*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
No policy	25.7	37.3	21.4	19.9	26.6	14.2
Policies:						
Less than $1,000	42.6	44.0	44.0	39.8	64.9	40.9
1,000-1,999	21.3	12.7	24.5	26.1	6.4	37.0
2,000-2,999	4.8	2.7	4.4	6.8	......	6.3
3,000 and over	5.6	3.3	5.7	7.4	2.1	1.6
Median face value[3]	*$500*	*$200*	*$635*	*$705*	*$238*	*$829*
	St. Louis					
Total number	*550*	*150*	*180*	*197*	*91*	*120*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
No policy	17.8	30.0	11.1	15.2	24.2	8.3
Policies:						
Less than $1,000	30.4	39.3	20.4	23.9	65.9	28.4
1,000-1,999	30.2	20.0	32.3	37.0	7.7	32.5
2,000-2,999	9.8	2.7	13.9	10.7	......	20.0
3,000 and over	11.8	8.0	13.3	13.2	2.2	10.8
Median face value	*$1,000*	*$400*	*$1,065*	*$1,000*	*$300*	*$1,150*
	Los Angeles					
Total number	*758*	*203*	*216*	*323*	*186*	*134*
Total percent	100.0	100.0	100.0	100.0	100.0	100.0
No policy	40.6	65.9	31.5	31.0	57.0	23.1
Policies:						
Less than $1,000	20.1	16.3	20.4	22.3	30.6	30.5
1,000-1,999	18.1	9.4	23.6	19.5	8.6	29.1
2,000-2,999	10.4	5.4	13.4	11.1	2.2	9.7
3,000 and over	10.8	3.0	11.1	16.1	1.6	7.5
Median face value	*$500*	*0*	*$770*	*$720*	*0*	*$804*

[1] The groups of married male primary beneficiaries, with child entitled, were too small for computation of percentage distributions. The median face value for these groups was $830 in Philadelphia and Baltimore, $1,000 in St. Louis, and $700 in Los Angeles.
[2] Excludes beneficiary groups who did not report face value of policies held.
[3] Based on total number of beneficiary groups for whom life insurance information was obtained.

group, more than half of those carrying life insurance had policies totaling less than $2,000.

Relationship between family insurance benefit and resources of beneficiaries.—The relationship between income, assets, and family insurance benefit for male and female primary beneficiary groups is given in tables 12 and 13. Comparisons between the studies should be made with caution, since the distribution of male beneficiaries according to family insurance benefit depended on the relative number of married men with entitled wives in each study. In general, beneficiary groups with low benefits also reported less additional income. Of the male primary beneficiary groups with family monthly insurance benefits of $10–19.99, 49–77 percent had incomes of less than $600; of those with monthly benefits of $40–62.40, on the other hand, only 4–24 percent reported incomes of as little as $600.

Since the family insurance benefit is based on the average monthly wage of the primary beneficiary, which, for most beneficiary groups, is indicative of their previous economic status, it is not surprising to find a marked relationship between net worth and family insurance benefit, and between assets used to meet living expenses and family insurance benefit. From 50 to 56 percent of male primary beneficiary groups in the lowest ben-

Table 12.—***Income and net worth: Percentage distribution of male and female primary beneficiaries by total income of the beneficiary group and distribution by net worth, by amount of family insurance benefit; and median income and median net worth by amount of family insurance benefit, four cities***

Type, income, and net worth of beneficiary group	Family insurance benefit														
	Philadelphia and Baltimore					St. Louis					Los Angeles				
	Total	$10.00–19.99	$20.00–29.99	$30.00–39.99	$40.00 and over	Total	$10.00–19.99	$20.00–29.99	$30.00–39.99	$40.00 and over	Total	$10.00–19.99	$20.00–29.99	$30.00–39.99	$40.00 and over
Income															
Male primary beneficiary:															
Total number	*508*	*99*	*219*	*135*	*55*	*550*	*107*	*216*	*156*	*71*	*758*	*170*	*319*	*174*	*95*
Median income	*$599*	*$366*	*$557*	*$706*	*$1,161*	*$610*	*$494*	*$543*	*$691*	*$1,296*	*$814*	*$604*	*$673*	*$963*	*$15,89*
Total percent	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
Less than $300	14.4	39.4	15.1	.7	------	9.8	24.3	13.0	------	------	4.0	8.8	4.7	------	------
300–599	35.8	37.4	40.6	37.8	9.1	38.8	41.1	43.0	37.8	23.9	29.9	40.6	40.1	14.9	4.2
600–899	22.3	13.1	23.7	25.9	23.6	20.5	16.8	20.4	24.4	18.3	22.3	25.3	19.4	26.4	18.9
900 and over	27.5	10.1	20.6	35.6	67.3	30.9	17.8	23.6	37.8	57.8	43.8	25.3	35.8	58.7	76.9
Female primary beneficiary:															
Total number	*95*	*51*	*43*	*1*	------	*91*	*53*	*37*	*1*	------	*186*	*79*	*108*	*5*	------
Median income	*$390*	*$328*	*$439*	(1)	------	*$390*	*$348*	*$450*	(1)	------	*$553*	*$514*	*$591*	(1)	------
Total percent	100.0	100.0	100.0	(2)	------	100.0	100.0	100.0	(2)	------	100.0	100.0	100.0	(2)	------
Less than $300	37.9	45.1	30.2	------	------	35.2	45.3	21.6	------	------	11.8	13.9	10.8	------	------
300–599	41.0	41.2	41.9	------	------	51.6	47.2	59.5	------	------	41.4	44.3	40.2	(2)	------
600–899	11.6	5.9	18.6	------	------	7.7	------	16.2	(2)	------	19.4	20.3	18.6	(2)	------
900 and over	9.5	7.8	9.3	(2)	------	5.5	7.5	2.7	------	------	27.4	21.5	30.4	(2)	------
Net worth															
Male primary beneficiary:															
Total number [3]	*493*	*98*	*211*	*130*	*54*	*550*	*107*	*216*	*156*	*71*	*758*	*170*	*319*	*174*	*95*
Median net worth	*$1,237*	*0*	*$1,200*	*$1,558*	*$2,746*	*$1,275*	*0*	*$300*	*$1,995*	*$4,600*	*$1,717*	*0*	*$1,760*	*$3,614*	*$5,759*
Total percent	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
Liabilities exceed assets	7.9	11.2	6.6	8.5	5.6	10.2	15.9	11.6	7.7	2.8	10.3	18.2	8.8	5.7	9.4
No assets or liabilities [4]	20.0	44.9	25.2	21.5	5.6	23.8	34.6	27.3	19.2	7.1	18.3	34.1	19.1	8.7	5.3
Assets exceed liabilities by:															
Less than $1,000	14.0	10.2	17.0	12.3	13.0	13.3	16.0	14.4	12.2	9.9	14.8	14.2	17.3	16.1	5.3
1,000–4,999	30.9	29.6	42.6	39.2	49.8	31.6	21.5	31.9	37.1	33.8	31.0	20.0	32.8	39.7	28.4
5,000–9,999	6.9	4.1	4.3	10.8	13.0	12.4	9.3	9.7	13.5	22.5	15.4	9.4	13.2	21.8	22.1
10,000 and over	5.3	------	4.3	7.7	13.0	8.7	3.7	5.1	10.3	23.9	10.2	4.1	8.8	8.0	29.5
Female primary beneficiary:															
Total number [3]	*91*	*50*	*40*	*1*	------	*91*	*53*	*37*	*1*	------	*186*	*79*	*108*	*5*	------
Median net worth	*$280*	*$200*	*$425*	(1)	------	*0*	*0*	*0*	(1)	------	*$449*	*$103*	*$665*	(1)	------
Total percent	100.0	100.0	100.0	(2)	------	100.0	100.0	100.0	(2)	------	100.0	100.0	100.0	(2)	------
Liabilities exceed assets	2.2	2.0	2.5	------	------	15.4	17.0	13.5	------	------	10.2	10.1	10.8	------	------
No assets or liabilities [4]	37.4	44.0	30.0	------	------	36.3	35.8	37.8	------	------	21.5	29.1	16.7	------	------
Assets exceed liabilities by:															
Less than $1,000	28.0	26.0	30.0	(2)	------	23.1	20.4	18.9	------	------	30.1	31.6	30.3	------	------
1,000–4,999	31.8	28.0	37.5	------	------	24.1	20.8	29.8	------	------	25.8	19.0	31.4	(2)	------
5,000–9,999	------	------	------	------	------	1.1	------	------	(2)	------	7.0	5.1	5.9	(2)	------
10,000 and over	------	------	------	------	------	------	------	------	------	------	5.4	5.1	4.9	(2)	------

[1] Not computed on base of less than 10.
[2] Not computed as base is too small.
[3] Excludes beneficiary groups that did not report net worth.
[4] Includes beneficiary groups whose assets and liabilities balance, and those who had no assets or liabilities.

Table 13.—*Assets used to meet living expenses: Percent of beneficiary groups using assets to meet living expenses and average annual amount of assets used, by amount of family insurance benefit, four cities*

Type of beneficiary group and family insurance benefit	Percent of beneficiary groups using assets			Average annual amount of assets used per beneficiary group		
	Philadelphia and Baltimore	St. Louis	Los Angeles	Philadelphia and Baltimore	St. Louis	Los Angeles
Male primary beneficiary, total	28.7	29.6	26.4	$90	$82	$93
$10.00-19.99	15.2	24.3	14.1	42	55	38
20.00-29.99	28.3	26.4	27.9	80	66	81
30.00-39.99	33.3	34.0	31.0	114	100	100
40.00 and over	43.6	39.0	34.7	156	136	197
Female primary beneficiary, total	24.2	28.6	33.3	44	54	90
$10.00-19.99	11.8	20.4	24.1	21	52	57
20.00-29.99	39.5	29.7	38.2	72	55	100
30.00-39.99	(1)	(1)	(1)	(1)	(1)	(1)
40.00 and over	-------	-------	-------	-------	-------	-------
Widow, child entitled	39.5	30.2	32.1	146	158	184

[1] Not computed as base is too small.
[2] Not computed on base of less than 10.

efit bracket had no assets, but only 10–15 percent of those in the highest benefit bracket were without assets. On the other hand, only 4–14 percent of those with monthly benefits of $10–19.99 had assets with a net value of $5,000 or over, in contrast to 26–52 percent in the highest benefit bracket. Those who supplemented their income with their savings formed 14–24 percent in the lowest benefit group and 38–44 percent in the highest benefit group.

The picture of resources presented here is a static one. It shows the income of the beneficiary groups for the 12 months studied, their consumption of assets during the survey year, their net assets at the end of that time, and their living arrangements and family composition. But life is not static for aged people, and a study made of the same beneficiaries 1, 3, or 5 years later would present a different picture. For a few, the picture would be brighter, for some it would have remained practically unchanged, but for most it would have grown less bright with time because of the loss of temporary sources of income and the increase in the cost of medical care.

The future of widows with entitled children differs from that of the aged beneficiaries. The members of the widows' households are considerably younger than are those of primary beneficiaries' households, and employment offers a more permanent solution to their economic problems. But many widows are unqualified for employment outside the home and must look forward to complete support by their children during the period of time elapsing between the cessation of benefits, when the youngest child reaches age 18, and the date when the widow attains age 65 and becomes eligible for widow's benefits.