

SUMMARY OF THE OPERATIONS OF THE FEDERAL OLD-AGE AND SURVIVORS  
INSURANCE TRUST FUND, FISCAL YEAR 1963

A statement of the income and disbursements of the Federal old-age and survivors insurance trust fund in the fiscal year which began on July 1, 1962, and ended on June 30, 1963, and of the assets of the fund at the beginning and end of the fiscal year, is presented in table 1.

The total assets of the old-age and survivors insurance trust fund amounted to \$19,626 million on June 30, 1962. These assets decreased to \$18,939 million by the end of the fiscal year 1963, a decline of \$687 million.

Net receipts of the trust fund during the fiscal year 1963 amounted to \$13,843 million. Of this total, \$12,466 million represented tax collections appropriated to the fund and \$990 million represented amounts received by the Secretary of the Treasury in accordance with State agreements for coverage of State and local government employees and deposited in the trust fund. As an offset, \$128 million was transferred from the trust fund into the Treasury as repayment for the estimated amount of contributions subject to refund to employees who worked for more than one employer during the course of a year and paid contributions on wages in excess of the statutory maximum. Net contributions amounted to \$13,328 million, representing an increase of 16 percent over the amount for the preceding fiscal year. This increase resulted chiefly from the

Table 1.--Statement of operations of the old-age and survivors insurance trust fund during the fiscal year 1963

Total assets of the trust fund, June 30, 1962.....		\$19,626,133,328.90
Receipts, fiscal year 1963:		
Tax contributions:		
Appropriations.....	\$12,466,041,002.51	
Deposits arising from State agreements.....	<u>989,571,146.99</u>	
Gross tax contributions.....	13,455,612,149.50	
Less payment into the Treasury for taxes subject to refund.....	<u>127,850,000.00</u>	
Net tax contributions.....	\$13,327,762,149.50	
Interest:		
On investments.....	512,407,651.76	
On administrative expenses reimbursed by disability insurance trust fund.....	<u>2,414,250.00</u>	
Total interest.....	<u>514,821,901.76</u>	
Total receipts.....	<u>13,842,584,051.26</u>	
Disbursements, fiscal year 1963:		
Benefit payments.....	13,844,583,650.70	
Transfers to railroad retirement account.....	422,523,000.00	
Administrative expenses:		
Department of Health, Education, and Welfare....	278,442,732.68	
Treasury Department.....	45,439,121.72	
Preparation and construction of building for Social Security Administration.....	<u>1,656,527.20</u>	
Gross administrative expenses.....	325,538,381.60	
Less receipts from sale of surplus materials, supplies, etc.....	75,829.53	
Less reimbursement for administrative expenses by disability insurance trust fund.....	61,945,816.00	
Less reimbursement for construction by disability insurance trust fund.....	<u>989,304.00</u>	
Net administrative expenses.....	<u>262,527,432.07</u>	
Total disbursements.....	14,529,634,082.77	
Net addition to the trust fund.....	<u>-687,050,031.51</u>	
Total assets of the trust fund, June 30, 1963.....		18,939,083,297.39

increases in the combined employer-employee contribution rate for old-age and survivors benefits from 5 1/2 percent to 5 3/4 percent, effective January 1, 1962, and from 5 3/4 percent to 6 3/4 percent, effective January 1, 1963. Although the first of these two increases in the contribution rate became effective in 1962, fiscal year 1963 was the first full year during which it was operative. The remaining \$515 million of receipts consisted of net interest on the investments of the fund.

Disbursements from the trust fund during the fiscal year 1963 totaled \$14,530 million. Of this total, \$13,845 million was for benefit payments, an increase of 9 percent over the corresponding amount paid in the fiscal year 1962. This increase was due principally to the expected growth in the number of beneficiaries as the program gradually matures, and also in part to the liberalized eligibility conditions and higher benefit amounts resulting from the provisions of the 1961 amendments, which affected benefit payments in only 10 months of fiscal year 1962.

Public Law 234, approved October 30, 1951, amended the Railroad Retirement Act to provide a new basis of coordinating the railroad retirement program with old-age and survivors insurance. A description of the legislative provisions governing the financial interchanges arising from the allocation of costs between the two systems is contained in appendix II. In accordance with these provisions, the Railroad Retirement Board and the Secretary of Health, Education, and Welfare determined that a transfer of \$409,400,000 to the

railroad retirement account from the old-age and survivors insurance trust fund would place the old-age and survivors insurance trust fund in the same position as of June 30, 1962, as it would have been if railroad employment had always been covered under the Social Security Act. This amount, together with interest thereon for fiscal year 1963 amounting to \$13,123,000, was transferred to the railroad retirement account in June 1963.

The remaining \$263 million of disbursements from the old-age and survivors insurance trust fund was for administrative expenses. Net administrative expenses charged to both the old-age and survivors insurance trust fund and the disability insurance trust fund totaled \$329 million and represented 2.3 percent of contribution income and 2.2 percent of benefit payments during fiscal year 1963. Similar figures for each of the last 5 years for the system as a whole, as well as for each trust fund separately, are shown in table 2.

The distribution of benefit payments in fiscal years 1962 and 1963, by type of benefit, is shown in table 3. Approximately 86 percent of the total benefit payments from the old-age and survivors insurance trust fund in the fiscal year 1963 was accounted for by monthly benefits to persons aged 62 or over--retired workers and their wives (including a relatively small number of wives under age 62) or dependent husbands, and aged widows, dependent widowers, and dependent parents of deceased workers. Approximately 12 percent of the benefit payments represented monthly benefits on behalf of children of deceased or retired workers and monthly benefits to

Table 2.--Relationship of net administrative expenses of the old-age, survivors, and disability insurance program to contribution income and benefit payments, by trust fund, fiscal years 1959-63

Fiscal year	Total		Old-age and survivors insurance trust fund		Disability insurance trust fund	
	Total administrative expenses as a percentage of--		Administrative expenses as a percentage of--		Administrative expenses as a percentage of--	
	Total contribution income	Total benefit payments	Contribution income	Benefit payments	Contribution income	Benefit payments
1959.....	2.7	2.4	2.7	2.3	2.4	6.3
1960.....	2.2	2.2	2.1	2.0	3.2	6.0
1961.....	2.2	2.3	2.1	2.1	3.6	5.2
1962.....	2.5	2.3	2.2	2.0	6.3	6.3
1963.....	2.3	2.2	2.0	1.9	6.2	5.7

Note.--Expenses incurred by the Department of Health, Education, and Welfare under the disability insurance program are initially charged to the old-age and survivors insurance trust fund; reimbursements are then made from the disability insurance trust fund in the following fiscal year.

Table 3.--Estimated distribution of benefit payments from the old-age and survivors insurance trust fund, by type of benefit, fiscal years 1962 and 1963

[Amounts in millions]

Type of benefit	1962		1963	
	Amount	Percent of total	Amount	Percent of total
Total.....	\$12,657.8	100	\$13,844.6	100
Monthly benefits.....	12,483.7	99	13,649.3	99
Old-age (retired workers).....	8,339.9	66	9,139.2	66
Wife's or husband's (aged wives or dependent husbands of old-age beneficiaries or their young wives if caring for child beneficiary).....	1,171.1	9	1,241.6	9
Widow's or dependent widower's (aged widows or aged dependent widowers of workers).....	1,370.1	11	1,544.5	11
Parent's (aged dependent parents of deceased workers).....	32.7	(1/)	33.8	(1/)
Child's (children, under age 18 or disabled, of old-age beneficiaries).....	119.3	1	143.1	1
Child's (children, under age 18 or disabled, of deceased workers).....	1,124.5	9	1,202.4	9
Mother's (widows or dependent divorced wives of deceased workers caring for child beneficiaries).....	326.3	3	344.6	2
Lump-sum death payments.....	174.1	1	195.3	1

1/ Less than 0.5 percent.

mothers--practically all of them under age 62--who had children of deceased workers in their care. The balance of the benefits paid consisted of lump-sum death payments.

On June 30, 1963, about 18.6 million persons in some 13.8 million families were receiving monthly benefits under the old-age, survivors, and disability insurance program (table 4). Generally, average monthly family benefits on that date showed moderate increases over the corresponding averages a year earlier. The higher averages reflected in part the greater proportion of benefits computed on the basis of earnings after 1950.

The assets of the old-age and survivors insurance trust fund at the end of fiscal year 1963 totaled \$18,939 million, consisting of \$17,613 million in the form of obligations of the U.S. Government, and \$1,326 million in undisbursed balances. Table 5 shows a comparison of the total assets of the fund and their distribution at the end of fiscal years 1962 and 1963.

The net decrease in the par value of the investments owned by the fund during the fiscal year 1963 amounted to \$822 million. New securities at a total par value of \$15,709 million were acquired during the fiscal year through the investment of receipts, the reinvestment of funds made available from the maturity of securities, and the exchange of securities. The par value of securities redeemed or exchanged during the fiscal year was \$16,531 million, including

Table 4.--Estimated number of families and beneficiaries receiving benefits under the old-age, survivors, and disability insurance program, and average family amount, by family group, end of fiscal years 1962 and 1963

[Numbers in thousands]

Family classification of beneficiaries receiving benefits	June 30, 1962			June 30, 1963		
	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families	Number of beneficiaries	Average monthly amount per family
Total.....	12,754.8	17,280.4	---	13,756.5	18,608.3	---
Retired-worker families.....	9,347.6	12,188.6	---	10,037.4	13,014.8	---
Worker only.....	6,814.4	6,814.4	\$ 72.30	7,398.1	7,398.1	\$ 73.00
Male.....	3,523.0	3,523.0	81.50	3,792.1	3,792.1	82.30
Female.....	3,291.4	3,291.4	62.40	3,606.0	3,606.0	63.30
Worker and aged wife.....	2,268.0	4,536.0	127.40	2,351.7	4,703.4	128.70
Worker and young wife 1/.....	1.0	2.0	112.00	1.1	2.2	113.60
Worker and aged dependent husband...	13.5	27.0	108.20	13.1	26.2	109.20
Worker and 1 or more children.....	69.4	157.5	119.10	76.2	173.2	118.80
Worker, aged wife, and 1 or more children.....	26.3	81.0	157.30	27.5	84.4	158.70
Worker, young wife, and 1 or more children.....	155.0	570.4	149.20	169.5	626.9	149.40
Worker, husband, and 1 or more children.....	.1	.4	115.00	.1	.3	115.50
Survivor families.....	2,727.9	3,940.0	---	2,928.7	4,211.1	---
Aged widow.....	1,756.1	1,756.1	65.40	1,913.7	1,913.7	66.40
Aged widow and 1 or more children...	19.2	39.4	123.70	23.3	47.9	125.40
Aged widow and 1 or 2 aged dependent parents.....	.3	.6	159.70	.4	.7	171.40
Aged dependent widower.....	2.4	2.4	62.20	2.5	2.5	62.70
Widower and 1 or more children.....	.1	.1	99.20	.1	.2	114.00
Widowed mother 1/.....	1.6	1.6	61.30	2.1	2.1	61.10
Widowed mother and 1 child.....	184.4	368.8	136.20	192.1	384.2	138.30
Widowed mother and 2 children.....	122.8	368.4	190.30	129.5	388.5	191.60
Widowed mother and 3 or more children.....	125.0	605.0	185.30	132.2	641.2	188.10
Widowed mother, 1 or more children, and 1 or 2 aged dependent parents.....	.3	1.2	214.90	.3	1.0	211.80
Divorced wife and 1 or more children.....	.5	1.2	175.00	.4	1.2	186.00
1 child only.....	307.9	307.9	61.40	317.4	317.4	62.50
2 children.....	106.3	212.6	125.60	109.3	218.6	127.30
3 children.....	41.8	125.4	163.50	43.8	131.4	170.00
4 or more children.....	24.6	112.4	168.10	26.7	123.4	169.50
1 or more children and 1 or 2 aged dependent parents.....	.5	1.2	147.40	.6	1.4	151.40
1 aged dependent parent.....	32.6	32.6	68.60	32.9	32.9	69.50
2 aged dependent parents.....	1.5	3.0	110.30	1.4	2.8	108.70
Disabled-worker families.....	679.3	1,151.8	---	790.4	1,382.3	---
Worker only.....	500.6	500.6	87.80	574.2	574.2	88.20
Male.....	357.6	357.6	91.80	402.5	402.5	92.30
Female.....	143.0	143.0	78.00	171.7	171.7	78.40
Worker and aged wife.....	24.8	49.6	136.70	26.0	52.0	137.60
Worker and young wife 1/.....	(2/)	.1	149.80	(2/)	(2/)	145.50
Worker and aged dependent husband...	.3	.6	120.00	.4	.8	121.20
Worker and 1 or more children.....	46.0	122.7	155.90	56.1	153.2	158.00
Worker, aged wife, and 1 or more children.....	.3	.9	178.80	.4	1.4	171.00
Worker, young wife, and 1 or more children.....	107.2	477.3	191.00	133.3	600.7	192.80

1/ Benefits of children were being withheld.  
2/ Less than 50.



Table 5.--Assets of the old-age and survivors insurance trust fund, by type, at end of fiscal years 1962 and 1963

	June 30, 1962		June 30, 1963	
	Par value	Book value <sup>1/</sup>	Par value	Book value <sup>1/</sup>
<b>Investments in public-debt obligations:</b>				
<b>Public issues:</b>				
<b>Treasury notes:</b>				
4 5/8-percent, series A, 1965.....	\$38,500,000	\$38,500,000.00	\$38,500,000	\$38,500,000.00
4 7/8-percent, series C, 1963.....	15,000,000	15,000,000.00	15,000,000	15,000,000.00
5-percent, series B, 1964.....	25,000,000	25,000,000.00	25,000,000	25,000,000.00
<b>Treasury bonds:</b>				
2 1/2-percent, 1964-69.....	55,180,000	50,734,921.92	55,180,000	51,351,528.36
2 1/2-percent, 1967-72.....	250	250.00	250	250.00
2 3/4-percent, investment series B, 1975-80.....	1,064,902,000	1,065,526,482.36	1,064,902,000	1,065,407,533.32
3-percent, 1966.....	25,000,000	25,000,000.00	-----	-----
3-percent, 1995.....	85,170,000	85,129,504.89	85,170,000	85,130,747.73
3 1/4-percent, 1978-83.....	60,200,000	58,962,042.32	60,200,000	59,021,227.52
3 1/4-percent, 1985.....	25,700,000	23,714,936.27	25,700,000	23,801,873.39
3 3/8-percent, 1966.....	4,500,000	4,421,610.04	-----	-----
3 1/2-percent, 1980.....	449,450,000	457,447,033.47	449,450,000	457,010,831.67
3 1/2-percent, 1990.....	556,250,000	544,568,842.52	556,250,000	544,971,829.04
3 1/2-percent, 1998.....	552,037,000	540,343,519.75	552,037,000	540,882,427.39
3 5/8-percent, 1967.....	34,205,000	34,212,840.84	34,205,000	34,211,370.72
3 3/4-percent, 1966.....	27,729,000	27,751,224.75	27,729,000	27,745,426.95
3 3/4-percent, 1968.....	7,000,000	7,000,000.00	7,000,000	7,000,000.00
3 7/8-percent, 1968.....	17,450,000	17,450,000.00	17,450,000	17,450,000.00
3 7/8-percent, 1974.....	32,500,000	32,396,953.84	32,500,000	32,405,308.96
4-percent, 1969.....	57,500,000	57,465,756.09	57,500,000	57,470,479.41
4-percent, 1971.....	100,000,000	101,652,844.57	100,000,000	101,470,880.05
4-percent, 1980.....	123,600,000	123,419,562.00	153,100,000	153,019,346.44
4 1/4-percent, 1975-85.....	25,000,000	25,000,000.00	25,000,000	25,000,000.00
4 1/4-percent, 1987-92.....	-----	-----	10,000,000	10,096,333.34
<b>Total public issues.....</b>	<b>3,381,873,250</b>	<b>3,360,698,325.63</b>	<b>3,411,873,250</b>	<b>3,391,947,394.29</b>
<b>Accrued interest purchased.....</b>	<b>-----</b>	<b>329,850.53</b>	<b>-----</b>	<b>91,270.64</b>
<b>Total investments in public issues..</b>	<b>3,381,873,250</b>	<b>3,361,028,176.16</b>	<b>3,411,873,250</b>	<b>3,392,038,664.93</b>
<b>Obligations sold only to this fund (special issues):</b>				
<b>Certificates of indebtedness:</b>				
3 3/4-percent, 1963.....	1,080,011,000	1,080,011,000.00	-----	-----
<b>Notes:</b>				
2 5/8-percent, 1964.....	168,000,000	168,000,000.00	-----	-----
3 3/4-percent, 1964.....	88,796,000	88,796,000.00	-----	-----
<b>Bonds:</b>				
2 1/2-percent, 1964.....	776,698,000	776,698,000.00	-----	-----
2 1/2-percent, 1965.....	912,011,000	912,011,000.00	434,575,000	434,575,000.00
2 1/2-percent, 1966.....	912,011,000	912,011,000.00	912,011,000	912,011,000.00
2 1/2-percent, 1967.....	912,011,000	912,011,000.00	912,011,000	912,011,000.00
2 1/2-percent, 1968.....	412,011,000	412,011,000.00	412,011,000	412,011,000.00
2 5/8-percent, 1965.....	168,000,000	168,000,000.00	168,000,000	168,000,000.00
2 5/8-percent, 1966.....	168,000,000	168,000,000.00	168,000,000	168,000,000.00
2 5/8-percent, 1967.....	168,000,000	168,000,000.00	168,000,000	168,000,000.00
2 5/8-percent, 1968.....	668,000,000	668,000,000.00	668,000,000	668,000,000.00
2 5/8-percent, 1969.....	1,080,011,000	1,080,011,000.00	1,080,011,000	1,080,011,000.00
2 5/8-percent, 1970.....	1,080,011,000	1,080,011,000.00	1,080,011,000	1,080,011,000.00
2 5/8-percent, 1971.....	1,080,011,000	1,080,011,000.00	1,080,011,000	1,080,011,000.00
2 5/8-percent, 1972.....	1,080,011,000	1,080,011,000.00	1,080,011,000	1,080,011,000.00
2 5/8-percent, 1973.....	1,080,011,000	1,080,011,000.00	1,080,011,000	1,080,011,000.00
2 5/8-percent, 1974.....	1,080,011,000	1,080,011,000.00	1,080,011,000	1,080,011,000.00
2 5/8-percent, 1975.....	919,934,000	919,934,000.00	919,934,000	919,934,000.00
3 3/4-percent, 1975.....	160,077,000	160,077,000.00	160,077,000	160,077,000.00
3 3/4-percent, 1976.....	1,080,011,000	1,080,011,000.00	1,080,011,000	1,080,011,000.00
3 7/8-percent, 1977.....	-----	-----	1,080,011,000	1,080,011,000.00
3 7/8-percent, 1978.....	-----	-----	658,444,000	658,444,000.00
<b>Total obligations sold only to this fund (special issues).....</b>	<b>15,073,637,000</b>	<b>15,073,637,000.00</b>	<b>14,221,151,000</b>	<b>14,221,151,000.00</b>
<b>Total investments in public-debt obligations.....</b>	<b>18,455,510,250</b>	<b>18,434,665,176.16</b>	<b>17,633,024,250</b>	<b>17,613,189,664.93</b>
<b>Undisbursed balances.....</b>	<b>-----</b>	<b>1,191,468,152.74</b>	<b>-----</b>	<b>1,325,893,632.46</b>
<b>Total assets.....</b>	<b>-----</b>	<b>19,626,133,328.90</b>	<b>-----</b>	<b>18,939,083,297.39</b>

<sup>1/</sup> Par value, plus unamortized premium, less discount outstanding.

\$30 million of public issues. A summary of transactions for the fiscal year, by type of security, is presented in table 6.

The 1956 amendments provided that the public-debt obligations issued for purchase by the old-age and survivors insurance trust fund and the disability insurance trust fund shall have maturities fixed with due regard for the needs of the funds. Under this provision, the special issues held by the old-age and survivors insurance trust fund on June 30, 1963, were distributed in equal amounts of \$1,080 million among maturities ranging from 3 to 14 years and in smaller amounts maturing at the end of the 2d and 15th years (table 5).

Table 6.--Statement of transactions in public-debt securities for the old-age and survivors insurance trust fund during the fiscal year 1963

[All amounts represent par values]

	Acquisitions	Dispositions
Public issues:		
Treasury bonds:		
3-percent, 1966.....	\$0	\$25,000,000
3 3/8-percent, 1966.....	0	4,500,000
4-percent, 1969.....	20,000,000	0
4-percent, 1980.....	29,500,000	0
4 1/4-percent, 1987-92.....	10,000,000	0
Total public issues.....	59,500,000	29,500,000
Obligations sold only to this fund (special issues):		
Certificates of indebtedness:		
3 3/4-percent, 1963.....	4,115,828,000	5,195,839,000
3 7/8-percent, 1963.....	7,888,966,000	7,888,966,000
4-percent, 1963.....	1,905,822,000	1,905,822,000
Notes:		
2 5/8-percent, 1964.....	0	168,000,000
3 3/4-percent, 1964.....	0	88,796,000
Bonds:		
2 1/2-percent, 1964.....	0	776,698,000
2 1/2-percent, 1965.....	0	477,436,000
3 7/8-percent, 1977.....	1,080,011,000	0
3 7/8-percent, 1978.....	658,444,000	0
Total obligations sold only to this fund (special issues).....	15,649,071,000	16,501,557,000
Total transactions.....	15,708,571,000	16,531,057,000

SUMMARY OF THE OPERATIONS OF THE FEDERAL DISABILITY INSURANCE  
TRUST FUND, FISCAL YEAR 1963

A statement of the income and disbursements of the Federal disability insurance trust fund for fiscal year 1963 and of the assets of the fund at the beginning and end of the fiscal year is presented in table 7.

The total assets of the disability insurance trust fund amounted to \$2,507 million on June 30, 1962. These assets decreased by \$113 million during the fiscal year, to \$2,394 million at the end of the year.

Net receipts of the fund amounted to \$1,144 million. Of this total, \$1,006 million represented tax collections appropriated to the fund, and \$82 million represented amounts received by the Secretary of the Treasury in accordance with State coverage agreements and deposited in the fund. As an offset, \$12 million was transferred from the trust fund into the Treasury as repayment for the estimated amount of contributions subject to refund to employees who worked for more than one employer during the course of a year and paid contributions on wages in excess of the statutory maximum. An additional \$67 million of receipts consisted of net interest on the investment of the fund.

Disbursements from the fund during the fiscal year 1963 totaled \$1,257 million. Of this total, \$1,171 million was for benefit payments, an increase of 16 percent over the corresponding

Table 7.--Statement of operations of the disability insurance trust fund during the fiscal year 1963

Total assets of the trust fund, June 30, 1962.....		\$2,506,669,549.61
Receipts, fiscal year 1963:		
Tax contributions:		
Appropriations.....	\$1,006,337,625.26	
Deposits arising from State agreements.....	<u>81,858,483.77</u>	
Gross tax contributions.....	1,088,196,109.03	
Less payment into the Treasury for taxes subject to refund.....	<u>11,575,000.00</u>	
Net tax contributions.....		\$1,076,621,109.03
Interest:		
On investments.....	69,635,323.75	
Less interest on amounts transferred to old-age and survivors insurance trust fund for reimbursed administrative expenses.....	<u>2,414,250.00</u>	
Net interest.....		<u>67,221,073.75</u>
Total receipts.....		<u>1,143,842,182.78</u>
Disbursements, fiscal year 1963:		
Benefit payments.....	1,170,678,397.64	
Transfers to railroad retirement account.....	19,609,000.00	
Administrative expenses:		
Reimbursement to the old-age and survivors insurance trust fund:		
For administrative expenses of the Department of Health, Education, and Welfare.....	61,945,816.00	
For construction of building for Social Security Administration.....	989,304.00	
Treasury Department.....	<u>3,577,372.97</u>	
Total administrative expenses.....		<u>66,512,492.97</u>
Total disbursements.....		<u>1,256,799,890.61</u>
Net addition to the trust fund.....		<u>-112,957,707.83</u>
Total assets of the trust fund, June 30, 1963.....		2,393,711,841.78

amount paid in the fiscal year 1962. This increase was due chiefly to the expected increase in the number of disability insurance beneficiaries as the program matures.

Public Law 880, approved August 1, 1956, provided for financial interchanges between the railroad retirement account and the disability insurance trust fund similar to those described in the preceding section relating to the old-age and survivors insurance trust fund. The determination made as of June 30, 1962, required that a transfer of \$19,000,000 be made from the disability insurance trust fund to the railroad retirement account. This amount, together with interest thereon for fiscal year 1963 amounting to \$609,000, was transferred to the railroad retirement account in June 1963. The remaining \$67 million of disbursements was for administrative expenses.

At the end of fiscal year 1963, some 1,382,000 persons in 790,000 families were receiving monthly benefits from the disability insurance trust fund (table 4). The distribution of benefit payments in fiscal years 1962 and 1963, by type of benefit, is shown in table 8.

The assets of this fund at the end of fiscal year 1963 totaled \$2,394 million, consisting of \$2,277 million in the form of obligations of the U.S. Government, and \$116 million in undisbursed balances. Table 9 shows a comparison of the total assets of the fund and their distribution at the end of the fiscal years 1962 and 1963.

Table 8.--Estimated distribution of benefit payments from the disability insurance trust fund, by type of benefit, fiscal years 1962 and 1963

[Amounts in millions]

Type of benefit	1962		1963	
	Amount	Percent of total	Amount	Percent of total
Total.....	\$1,011.4	100	\$1,170.7	100
Disability (disabled worker).....	816.3	81	936.7	80
Wife's or husband's (aged wives or dependent husbands of disability beneficiaries or their young wives if caring for child beneficiary).....	62.6	6	71.0	6
Child's (children, under age 18 or disabled, of disability beneficiaries).....	132.4	13	162.9	14

Table 9.--Assets of the disability insurance trust fund, by type,  
at end of fiscal years 1962 and 1963

	June 30, 1962		June 30, 1963	
	Par value	Book value <sup>1/</sup>	Par value	Book value <sup>1/</sup>
<b>Investments in public-debt obligations:</b>				
<b>Public issues:</b>				
<b>Treasury notes:</b>				
4 7/8-percent, series C, 1963.....	\$5,000,000	\$5,000,000.00	\$5,000,000	\$5,000,000.00
5-percent, series B, 1964.....	5,000,000	5,000,000.00	5,000,000	5,000,000.00
<b>Treasury bonds:</b>				
3-percent, 1966.....	10,000,000	10,000,000.00	-----	-----
3 1/2-percent, 1990.....	7,500,000	7,076,704.86	7,500,000	7,092,050.94
3 1/2-percent, 1998.....	5,000,000	4,621,873.80	5,000,000	4,632,285.80
3 5/8-percent, 1967.....	10,000,000	10,000,000.00	10,000,000	10,000,000.00
3 3/4-percent, 1968.....	5,000,000	5,000,000.00	5,000,000	5,000,000.00
3 7/8-percent, 1968.....	3,750,000	3,750,000.00	3,750,000	3,750,000.00
3 7/8-percent, 1974.....	5,000,000	5,000,000.00	5,000,000	5,000,000.00
4-percent, 1969.....	21,000,000	20,985,058.70	26,000,000	25,987,119.58
4-percent, 1980.....	20,250,000	20,183,365.41	30,250,000	30,236,169.77
4 1/4-percent, 1975-85.....	5,000,000	5,000,000.00	5,000,000	5,000,000.00
4 1/4-percent, 1987-92.....	-----	-----	5,000,000	5,048,166.66
<b>Total public issues.....</b>	<b>102,500,000</b>	<b>101,617,007.77</b>	<b>112,500,000</b>	<b>111,745,792.75</b>
<b>Accrued interest purchased.....</b>	<b>-----</b>	<b>28,232.02</b>	<b>-----</b>	<b>30,939.20</b>
<b>Total investments in public issues...</b>	<b>102,500,000</b>	<b>101,645,239.79</b>	<b>112,500,000</b>	<b>111,776,731.95</b>
<b>Obligations sold only to this fund (special issues):</b>				
<b>Certificates of indebtedness:</b>				
3 3/4-percent, 1963.....	1,361,000	1,361,000.00	-----	-----
3 7/8-percent, 1964.....	-----	-----	5,706,000	5,706,000.00
<b>Notes:</b>				
2 1/2-percent, 1963.....	30,000,000	30,000,000.00	-----	-----
2 5/8-percent, 1963.....	95,394,000	95,394,000.00	-----	-----
2 5/8-percent, 1964.....	95,394,000	95,394,000.00	-----	-----
2 5/8-percent, 1965.....	32,394,000	32,394,000.00	32,394,000	32,394,000.00
3 3/4-percent, 1963.....	19,389,000	19,389,000.00	-----	-----
3 3/4-percent, 1964.....	20,738,000	20,738,000.00	8,913,000	8,913,000.00
3 3/4-percent, 1965.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1966.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1967.....	1,349,000	1,349,000.00	1,349,000	1,349,000.00
<b>Bonds:</b>				
2 1/2-percent, 1963.....	7,500,000	7,500,000.00	-----	-----
2 1/2-percent, 1964.....	37,500,000	37,500,000.00	-----	-----
2 1/2-percent, 1965.....	37,500,000	37,500,000.00	37,500,000	37,500,000.00
2 1/2-percent, 1966.....	37,500,000	37,500,000.00	37,500,000	37,500,000.00
2 1/2-percent, 1967.....	37,500,000	37,500,000.00	37,500,000	37,500,000.00
2 1/2-percent, 1968.....	30,000,000	30,000,000.00	30,000,000	30,000,000.00
2 5/8-percent, 1965.....	63,000,000	63,000,000.00	63,000,000	63,000,000.00
2 5/8-percent, 1966.....	95,394,000	95,394,000.00	95,394,000	95,394,000.00
2 5/8-percent, 1967.....	95,394,000	95,394,000.00	95,394,000	95,394,000.00
2 5/8-percent, 1968.....	102,894,000	102,894,000.00	102,894,000	102,894,000.00
2 5/8-percent, 1969.....	132,894,000	132,894,000.00	132,894,000	132,894,000.00
2 5/8-percent, 1970.....	132,894,000	132,894,000.00	132,894,000	132,894,000.00
2 5/8-percent, 1971.....	132,894,000	132,894,000.00	132,894,000	132,894,000.00
2 5/8-percent, 1972.....	132,894,000	132,894,000.00	132,894,000	132,894,000.00
2 5/8-percent, 1973.....	132,894,000	132,894,000.00	132,894,000	132,894,000.00
2 5/8-percent, 1974.....	132,894,000	132,894,000.00	132,894,000	132,894,000.00
2 5/8-percent, 1975.....	132,894,000	132,894,000.00	132,894,000	132,894,000.00
3 3/4-percent, 1967.....	19,389,000	19,389,000.00	19,389,000	19,389,000.00
3 3/4-percent, 1968.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1969.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1970.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1971.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1972.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1973.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1974.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1975.....	20,738,000	20,738,000.00	20,738,000	20,738,000.00
3 3/4-percent, 1976.....	153,632,000	153,632,000.00	153,632,000	153,632,000.00
3 3/4-percent, 1977.....	153,632,000	153,632,000.00	153,632,000	153,632,000.00
3 7/8-percent, 1978.....	-----	-----	153,632,000	153,632,000.00
<b>Total obligations sold only to this fund (special issues).....</b>	<b>2,304,492,000</b>	<b>2,304,492,000.00</b>	<b>2,165,467,000</b>	<b>2,165,467,000.00</b>
<b>Total investments in public-debt obligations.....</b>	<b>2,406,992,000</b>	<b>2,406,137,239.79</b>	<b>2,277,967,000</b>	<b>2,277,243,731.95</b>
<b>Undisbursed balances.....</b>	<b>-----</b>	<b>100,532,309.82</b>	<b>-----</b>	<b>116,468,109.83</b>
<b>Total assets.....</b>	<b>-----</b>	<b>2,506,669,549.61</b>	<b>-----</b>	<b>2,393,711,841.78</b>

<sup>1/</sup> Par value, plus unamortized premium, less discount outstanding.



The net decrease in the par value of the investments owned by the fund during the fiscal year amounted to \$129 million. New securities at a total par value of \$1,301 million were acquired during the fiscal year through the investment of receipts of the fund, the reinvestment of funds made available from the maturity of securities, and exchange of securities. The par value of securities redeemed or exchanged during the year was \$1,431 million, including \$10 million of public issues. A summary of transactions for the fiscal year, by type of security, is presented in table 10.

As indicated in the preceding section of this report, the special issues held by the trust funds have maturities fixed with due regard for the needs of the funds. On June 30, 1963, these holdings of the disability insurance trust fund were distributed in equal amounts of \$154 million among maturities ranging from 2 to 15 years and in a smaller amount maturing at the end of the 1st year (table 9).

Table 10.--Statement of transactions in public-debt securities for the disability insurance trust fund during the fiscal year 1963

[All amounts represent par values]

	Acquisitions	Dispositions
Public issues:		
Treasury bonds:		
3-percent, 1966.....	\$0	\$10,000,000
4-percent, 1969.....	5,000,000	0
4-percent, 1980.....	10,000,000	0
4 1/4-percent, 1987-92.....	5,000,000	0
Total public issues.....	20,000,000	10,000,000
Obligations sold only to this fund (special issues):		
Certificates of indebtedness:		
3 3/4-percent, 1963.....	318,365,000	319,726,000
3 7/8-percent, 1963.....	663,903,000	663,903,000
3 7/8-percent, 1964.....	5,706,000	0
4-percent, 1963.....	139,875,000	139,875,000
Notes:		
2 1/2-percent, 1963.....	0	30,000,000
2 5/8-percent, 1963.....	0	95,394,000
2 5/8-percent, 1964.....	0	95,394,000
3 3/4-percent, 1963.....	0	19,389,000
3 3/4-percent, 1964.....	0	11,825,000
Bonds:		
2 1/2-percent, 1963.....	0	7,500,000
2 1/2-percent, 1964.....	0	37,500,000
3 7/8-percent, 1978.....	153,632,000	0
Total obligations sold only to this fund (special issues).....	1,281,481,000	1,420,506,000
Total transactions.....	1,301,481,000	1,430,506,000