

Economic Status of Aged Persons and Dependent Survivors, December 1953

The importance of old-age and survivors insurance as a source of income for aged persons continued to grow throughout 1953. At the end of the year, about 57 percent of all persons aged 65 and over who were not primarily dependent on earnings were receiving old-age and survivors insurance benefits or insurance benefits or pensions under related programs. The proportion of all aged persons with income from employment in December (27 percent) was

Table 1.—Estimated number of persons aged 65 and over receiving income from specified sources, December 1953¹

[In millions]

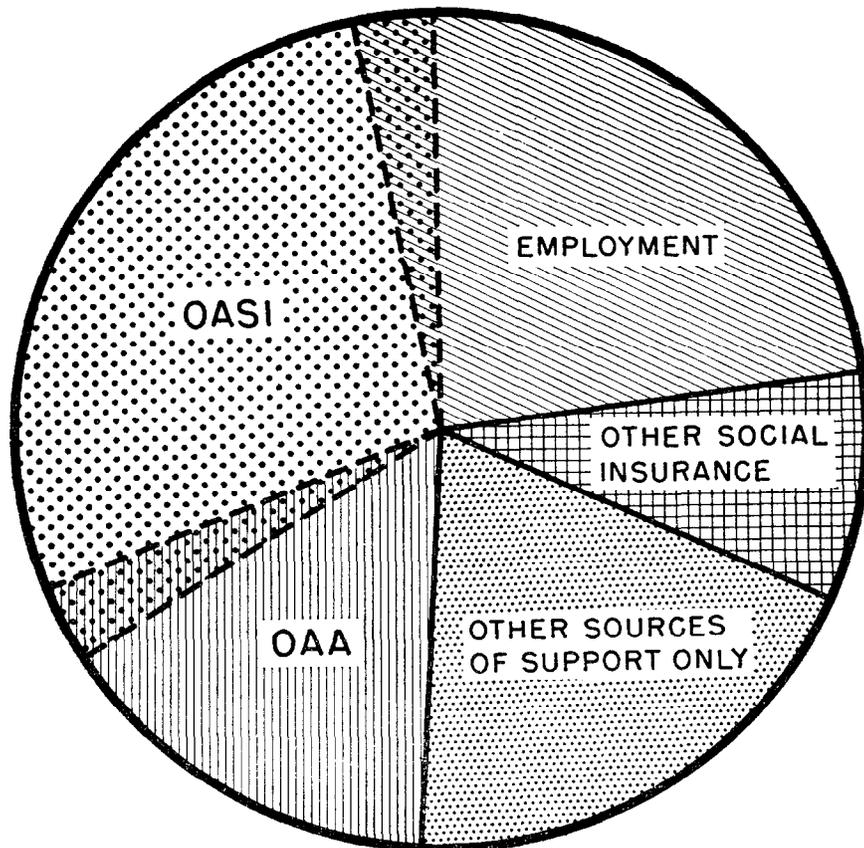
Source of income	Total	Men	Women
Total population aged 65 and over	13.7	6.4	7.3
Employment	3.7	2.3	1.5
Earners	2.8	2.3	.6
Wives of earners	.9		.9
Social insurance and related programs:			
Old-age and survivors insurance	4.6	2.4	2.2
Railroad retirement	.4	.2	.2
Government employee retirement programs	.4	.2	.2
Veterans' compensation and pension program	.4	.2	.1
Wives of beneficiaries not in direct receipt of benefits	.2		.2
Old-age assistance	2.5	1.0	1.5
Receiving income from more than one of specified sources	1.1	.7	.4
Employment and old-age and survivors insurance	.4	.3	.1
Old-age assistance and old-age and survivors insurance	.4	.2	.2
Other	.3	.2	.1
Persons with no money income or income solely from other sources	2.5	.6	1.9

¹ Continental United States.

Source: Number of persons of specified age, sex, marital, and earner status estimated from published and unpublished data of the Bureau of the Census. Number of persons receiving payments under social insurance and related programs and from old-age assistance, reported by administrative agencies (partly estimated).

lower than at any other time in recent years. This decline probably reflected not only a continuing trend but also the current employment situation. Aged persons receiving old-age and survivors insurance benefits numbered 4.6 million—34 percent of all aged persons in the population.

Chart 1.—Sources of income of aged persons in the United States, December 1953



Approximately 6 million persons aged 65 and over were drawing old-age and survivors insurance benefits or benefits under a related program. About the same number of persons as in June 1953 were receiving benefits under the railroad retirement program, under Federal, State, and local employee retirement programs, and under the veterans' compensation and pension programs. Perhaps 800,000 persons aged 65 and over (including the aged wives of pensioners) were receiving income from private pension plans at the end of 1953. Most, but not all, of the persons receiving private pensions were also drawing benefits under one of the public programs.

Some 2.5 million aged persons were receiving old-age assistance. Of this number, about 400,000 were also getting old-age and survivors insurance. Some old-age and survivors insurance beneficiaries may receive supplementary assistance because

their benefits are low (the minimum for an aged worker is \$25 a month, for a wife it is \$12.50, and for a widow it is \$18.75 a month). Other beneficiaries may have special needs, such as the need for medical care or medicines, that cannot be met from their old-age and survivors insurance benefit and whatever other resources—if any—they may have.

About 400,000 aged beneficiaries of old-age and survivors insurance also had some income from employment. Some of these persons were aged 75 and over and thus no longer subject to the retirement test; others were substantially retired but had some employment and earnings during the period. Some of the persons receiving benefits under the railroad retirement, Government employee retirement, and veterans' programs had, in addition, earnings from employment; the number is too small to show on the accompanying chart. Neither was it possible to show there

Table 2.—Estimated number of widows under age 65 and of children under age 18 with father dead, receiving income from specified sources, December 1953¹

[In millions]

Source of income	Widows under age 65 ²		Paternal orphans under age 18 ³
	Total	With 1 or more children under age 18	
Total in population ⁴ . . .	3.6	0.8	2.0
Employment	2.0	.4	(⁵)
Social insurance and related programs:			
Old-age and survivors insurance3	.3	1.0
Veterans' compensation program5	.1	.3
Other ⁶	(⁷)	(⁷)	.1
Aid to dependent children1	.1	.2

¹ Continental United States.

² Excludes widows who have remarried.

³ Includes children not living with widowed mother.

⁴ Includes persons with no income and income solely from sources other than those listed. Some persons received income from more than one source.

⁵ Data from a survey made by the Bureau of the Census for the Social Security Administration in October 1949 suggest that perhaps 6 in 10 paternal orphans under age 18 are likely at any one time to be in households with an employed head related to them, and that about 1 in 20, including some of the 6-in-10 group, are themselves employed on either a full- or part-time basis.

⁶ Railroad retirement and Federal employee retirement programs.

⁷ Fewer than 50,000.

Source: Number of widows in the population and number with employment and with children under age 18 estimated from Bureau of the Census data. Number of paternal orphans under age 18 based on October 1949 estimate prepared by the Division of the Actuary, Social Security Administration. Number of persons receiving payments under social insurance and related programs and from aid to dependent children, reported by administrative agencies (partly estimated).

the small number receiving both old-age and survivors insurance or old-age assistance and benefits under one of these other programs—in most instances under the veterans' program.

There were approximately 2.5 million persons aged 65 or over in December 1953 with no income from employment or from any of the listed public programs. About three-fourths of them were women. A very few may have received private pensions, although private pension plans generally do not provide pensions to widows, who made up a large part of this group. Others had income from private savings or investments or may have lived on assets. Many no doubt lived with or were partly or wholly dependent on relatives.

Because the life insurance protection of old-age and survivors insurance is effective after only 6 quarters of covered employment, the program already reaches a large proportion of children and their mothers. Half of all paternal orphans in the United States and more than one-third of all widows under age 65 who have a child under age 18 in their care are now receiving survivor benefits under the old-age and survivors insurance program. Some additional widows would be eligible for benefits if they stopped working. About one-seventh of the paternal orphans in the United States are receiving benefit payments under the veterans' program. Only one-tenth were receiving aid to dependent children in December 1953. As old-age and survivors insurance has taken over an increasing share in the support of orphaned children, the program of aid to dependent children has been devoted more largely to meeting the needs of children in need because of the disability of a parent or the absence of the father from the home.

Recent Publications*

Social Security Administration

BUREAU OF PUBLIC ASSISTANCE. DIVISION OF PROGRAM STATISTICS AND ANALYSIS. *Assistance Payments Under State - Federal Programs, December 1952*. Washington: The Bureau, Mar. 1954. 27 pp. Processed. Limited free distribution, apply to the Bureau of Public Assistance, Social Security Administration, Washington 25, D. C.

General

COHEN, WILBUR J. "Health, Welfare, and Pension Plans under Wage Stabilization." *Industrial and Labor Relations Review*, Ithaca, N. Y., Vol. 7, Jan. 1954, pp. 235-245. \$1.50.

"European Social Security Agreements." *Industry and Labour*, Geneva, Vol. 11, Mar. 1, 1954, pp. 212-213. 25 cents.

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

HILL, JAMES C. "Stabilization of Fringe Benefits." *Industrial and Labor Relations Review*, Ithaca, N. Y., Vol. 7, Jan. 1954, pp. 221-234. \$1.50.

INDUSTRIAL RELATIONS COUNSELORS. *Basic Factors Influencing Industrial Relations Trends*. (Industrial Relations Memo, No. 130.) New York: The Counselors, 1953. 17 pp. \$1.

JOHNSON, THOMAS F., and CALHOUN, LEONARD J. "The Guaranteed Annual Wage in Collective Bargaining—Some Problems." *American Economic Security*, Washington, Vol. 11, Jan.-Feb. 1954, pp. 18-27. 25 cents.

"New Social Insurance Act in Israel." *Industry and Labour*, Geneva, Vol. 11, Mar. 15, 1954, pp. 259-262. 25 cents.

SHAFER, HELEN B. "Worker Welfare Funds." *Editorial Research Reports*, Washington, Vol. 1, Mar. 10, 1954, entire issue.

Discusses the postwar growth of employee welfare funds and the problems resulting from huge fund accumulations.

"Social Insurance Amendments in Greece." *Industry and Labour*, Geneva, Vol. 11, Mar. 1, 1954, pp. 214-216. 25 cents.

UNITED NATIONS. *Special Study on Economic Conditions and Development in Non-Self-Governing Territories*. New York: United Nations, 1952. 415 pp. \$3.

U. S. CONGRESS. HOUSE. COMMITTEE ON WAYS AND MEANS. SUBCOMMITTEE ON SOCIAL SECURITY. *Analysis of the Social Security System. Hearings, Eighty-third Congress, First Session, Appendix II, Miscellaneous Documents*. Washington: U. S. Govt. Print. Off., 1954.

Twenty papers, including Memorandum on Rights of Individuals Under the Old-Age Assistance Programs, by the subcommittee staff; a Memorandum on Public Assistance, by the Bureau of the Budget; reprints of papers by A. Delafield Smith, Jarle Leirfallom, Eveline Burns, and Albert Linton on various aspects of social security; a survey of citizenship and residence provisions and of the financing aspects of foreign social insurance plans, and a comparison of the programs of the United States, Greece, Italy, Ireland, and Israel, by the Legislative Reference Service of the Library of Congress; and a tabulation showing the nation-

(Continued on page 21)