

## Changes in the Resources of Beneficiary Groups in St. Louis

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IN THE LATE SPRING OF 1944, representatives of the Bureau of Old-Age and Survivors Insurance called for a second time at the homes of a group of old-age and survivors insurance beneficiaries in St. Louis. This resurvey came 2½ years after the first survey<sup>1</sup> and approximately 4 years after the persons visited had become entitled to benefits. It was made to determine what changes had occurred in the resources of the aged and the widowed with the passage of time and how these groups had been affected by the heavy wartime demand for labor.

The information from the survey shows that, on the whole, the dollar incomes of beneficiaries were larger in 1944 than they had been in 1941. The various beneficiary types differed widely, however, in the extent to which their incomes had risen. The men with nonentitled wives and the widows with entitled children had the greatest proportionate gains in dollar income. The percentage increase in the median income of nonmarried men, female primary beneficiaries, and aged widows was smaller, but not as small as that for couples with the wife entitled. Despite the increases, the incomes of most of the beneficiary groups were still relatively low. Of the aged beneficiaries with no earnings in either survey year, the majority had about the same dollar incomes in each year.

The improvement in income occurred chiefly because of increased employment opportunities during the war; many had more earnings in the resurvey year. Independent income from such relatively permanent sources as rents, stocks, bonds, and other assets showed some increase on the average, but this change was only

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<sup>1</sup> Summarized as part of the study of beneficiaries in 7 cities in the *Bulletins* of July 1943 and January, April, September, and November 1945. See also the *Bulletin* for January 1946, "Costs of Medical Care of Old-Age and Survivors Insurance Beneficiaries in St. Louis and 12 Ohio Cities."

a minor factor in the gain in average total income. Public assistance payments were considerably higher in most instances, but, except for women primary beneficiaries, there was no substantial increase in the proportion receiving assistance. Gifts and allowances from servicemen and women also accounted for some of the total gain. Average income from all other sources, including old-age and survivors insurance, had declined somewhat.

The rise in the cost of living, however, had an important effect on the real income of the beneficiaries. When this change is taken into account, from a third to two-thirds of the beneficiary groups of the several types were in less favorable economic circumstances in the resurvey year than they had been in 1941. Real incomes were larger, nevertheless, for half or more of two groups—the men with nonentitled wives and the widows with entitled children. Roughly a fourth of the beneficiaries of other types had higher real incomes.

Almost three-fourths of the aged widows resurveyed in St. Louis and almost half the beneficiaries of each of the other types shared households with relatives. Many of these beneficiaries probably benefited materially from the increases in the incomes of the relatives. It was found, however, that while a few beneficiary groups had combined households with relatives in the period between the first and second surveys, a larger number had dissolved such joint living arrangements.

The two beneficiary types with the largest average increase in income (men with nonentitled wives and widows with children) apparently had been able, on the average, to reduce their debts or to save a little during the intervening period. For beneficiaries of other types, on the average, the net worth was no higher, and it was possibly lower, than at the time of the first interview if unrealized profits are discounted.

The major changes in the resources

of these beneficiaries probably were peculiar to a period of industrial expansion characterized by full employment. In a period of stable or declining employment, the changes in the circumstances of the beneficiaries no doubt would have been considerably different. At the time of the second interviews, held about a year before the surrender of Germany, some aged persons who had been working were already being separated from employment, while others were complaining that the work they did was too hard for them; some said they continued to work because they needed the money, and others only because their employers needed their services. Nearly two-thirds of the aged primary beneficiaries, however, did not work or, if they worked, earned no more than \$150 during the year.

Table 1.—Reasons for eliminating 301 beneficiary groups from the analysis of change in resources<sup>1</sup>

Reason for elimination	Number of groups
Total number of beneficiary groups included in the 1941 survey.....	804
Included in the analysis of change.....	503
Eliminated from the analysis of change.....	301
Benefits in force.....	208
Not revisited.....	61
Address unknown.....	3
Not at home on successive visits.....	5
Moved from city or living on rural routes.....	41
Temporarily away from St. Louis.....	6
Too ill to be interviewed.....	6
Information refused or inadequate.....	23
Schedules incomplete.....	5
Refused interview.....	7
Unaccountable change in assets.....	11
Change in type of beneficiary group <sup>2</sup> .....	124
Current widow remarried.....	11
Beneficiary child not in mother's care.....	1
Entitled child of primary beneficiary with nonentitled wife became 18.....	16
Nonentitled wife became entitled.....	50
Male primary beneficiary married.....	4
Male primary beneficiary died, leaving entitled widow.....	26
Male primary beneficiary died, leaving widow and child.....	1
Entitled wife died, leaving male primary beneficiary.....	11
Nonentitled wife died, leaving male primary beneficiary.....	4
Benefits terminated.....	93
Beneficiary died, no entitled survivor.....	72
Last or only beneficiary child attained age 18.....	21

<sup>1</sup> Data are for a survey year ended October–November 1941 and a second survey year ended April–June 1944.

<sup>2</sup> A change in the number or identity of persons in beneficiary groups consisting of a widow and entitled children was not a cause for elimination.

Under conditions of moderate or large-scale unemployment, it is likely that, on the average, the income of aged beneficiaries from earnings would decline over a 2½-year period. In such circumstances, also, it is likely that a much larger number would have applied for public assistance. In a period of industrial stability or contraction, some assets would have had a lower market value and brought a smaller income return than under wartime conditions. Possibly, however, the proportion of beneficiaries living with relatives would not have been widely different. Some "doubling up" occurred in the wartime period of housing shortage as well as in the less prosperous year of 1941. Similarly, other factors affecting the proportion of beneficiaries living with relatives, such as the departure of sons and daughters for military service or war employment, and the return home of daughters in the absence of husbands, tended to offset each other.

The first St. Louis survey, made in November and December 1941, included 804 beneficiaries of the major benefit types who were awarded benefits in 1940.<sup>2</sup> The original sample covered about half the beneficiary groups in St. Louis who were awarded benefits in 1940. In the resurvey, which commenced in May 1944, the group comprised as many of the 804 beneficiary groups as were currently entitled to benefits and could be interviewed in St. Louis. In all, 301 of the beneficiary groups covered in the first survey were not revisited or for various other reasons have been omitted from the present analysis (table 1). Of the original 804 beneficiary groups, 8 percent were not interviewed a second time because they were away from the city, either permanently or temporarily, or because the primary beneficiary or widow was too ill to be interviewed, although payments were still being made on the account. Another 3 percent of the beneficiaries either refused information or gave information inadequate for analysis. In the case of 12 percent of the bene-

fiary groups, benefits had been terminated either because the beneficiary interviewed in 1941 had died leaving no entitled survivor or because a

last or only beneficiary child had attained age 18. In 15 percent of the cases the composition of the beneficiary group had changed so as to

Table 2.—Income: Percentage distribution of identical beneficiary groups, by amount of income, first and second survey years,<sup>1</sup> St. Louis

Type and income of beneficiary group	First survey year	Second survey year
<b>Male primary beneficiaries:<sup>2</sup></b>		
Total number.....	315	315
Total percent.....	100.0	100.0
Less than \$300.....	10.8	7.0
300-599.....	39.0	29.8
600-899.....	21.9	21.3
900-1,199.....	10.5	9.5
1,200-1,499.....	6.7	10.5
1,500-2,399.....	7.9	15.6
2,400 or more.....	3.2	6.3
Median.....	\$602	\$764
Mean.....	819	1,065
<b>Nonmarried:</b>		
Total number.....	99	99
Total percent.....	100.0	100.0
Less than \$300.....	25.3	14.1
300-599.....	42.4	41.4
600-899.....	18.2	19.2
900-1,199.....	8.1	8.1
1,200-1,499.....	1.0	8.1
1,500-2,399.....	4.0	8.1
2,400 or more.....	1.0	
Median.....	\$418	\$545
Mean.....	571	718
<b>Married, wife entitled:</b>		
Total number.....	127	127
Total percent.....	100.0	100.0
Less than \$300.....	.8	.8
300-599.....	40.9	33.1
600-899.....	29.1	29.1
900-1,199.....	11.0	7.9
1,200-1,499.....	6.3	7.1
1,500-2,399.....	8.7	17.3
2,400 or more.....	3.1	4.7
Median.....	\$664	\$760
Mean.....	878	1,023
<b>Married, wife not entitled:</b>		
Total number.....	86	86
Total percent.....	100.0	100.0
Less than \$300.....	9.3	8.1
300-599.....	33.7	12.8
600-899.....	16.3	12.8
900-1,199.....	11.6	12.8
1,200-1,499.....	11.6	17.4
1,500-2,399.....	11.6	20.9
2,400 or more.....	5.8	15.1
Median.....	\$750	\$1,802
Mean.....	1,001	1,487
<b>Female primary beneficiaries:</b>		
Total number.....	79	79
Total percent.....	100.0	100.0
Less than \$300.....	32.9	27.8
300-599.....	53.2	39.2
600-899.....	7.6	21.5
900-1,199.....	2.5	6.3
1,200-1,499.....	1.3	2.5
1,500-2,399.....		1.3
2,400 or more.....	2.5	1.3
Median.....	\$398	\$492
Mean.....	459	554

See footnotes at end of table.

<sup>2</sup> See the *Bulletin*, July 1943, for a discussion of the selection of the sample.

alter its classification according to family benefit status.<sup>3</sup>

These exclusions left for study the schedules of 503 beneficiary groups identical as to beneficiary type throughout both surveys.

The resources in the survey years of the beneficiaries studied were undoubtedly representative of all beneficiaries in St. Louis who were awarded benefits in 1940. In some instances the data are shown as percentage distributions even though they represent very few cases. For these types, however, even a complete enumeration in the first survey would not have provided a large number of cases for analysis. The beneficiary groups were made up of the same members as at the time of the earlier survey, except that in widow-child beneficiary groups a few children had

<sup>3</sup> Such shifts in classification resulted from the death of a male primary beneficiary or his wife, a wife's entitlement to benefits, attainment of age 18 by an only entitled child, or the marriage of a single man. For example, a married man—with wife entitled or nonentitled—would have been reclassified as a "non-married man" if his wife had died in the interim between surveys.

reached age 18 and were no longer classed as members of the group.

The beneficiaries were, of course, 2½ years older than when first visited. At the end of the resurvey year,<sup>4</sup> the median age of men with entitled wives was 73; of nonmarried men, 71; and of men whose wives were not eligible to receive benefits, 70. For women who were beneficiaries on their own wage records the median age was 70 years; for aged widows, 71; and for the younger widows with entitled children, 42. The needs of these persons for consumption goods and services could be assumed to have remained relatively stable except for a general increase in the need of children for most consumption items and a probable increase in the need of the aged for medical care. Of the primary beneficiaries, 37 percent of the men and 53 percent of the women had reported themselves unable to work at the end of the first survey year; these proportions had increased to 51 and 66 percent, respectively, at the end of the resurvey year.

<sup>4</sup> The period of the resurvey year was May–July 1943 to April–June 1944, the exact 12-month period depending on the date of the interview.

Table 2.—Income: Percentage distribution of identical beneficiary groups, by amount of income, first and second survey years,<sup>1</sup> St. Louis—Continued

Type and income of beneficiary group	First survey year	Second survey year
<b>Aged widows:</b>		
Total number.....	34	34
Total percent.....	100.0	100.0
Less than \$300.....	58.8	41.2
300-599.....	20.6	35.3
600-899.....	11.8	11.8
900-1,199.....		2.9
1,200-1,499.....		5.9
1,500-2,399.....	8.8	2.9
2,400 or more.....		
Median.....	\$275	\$315
Mean.....	467	494
<b>Widows with entitled children:</b>		
Total number.....	75	75
Total percent.....	100.0	100.0
Less than \$300.....	1.3	1.3
300-599.....	28.0	9.3
600-899.....	24.0	21.3
900-1,199.....	17.3	10.7
1,200-1,499.....	17.3	12.0
1,500-2,399.....	10.7	29.3
2,400 or more.....	1.3	16.0
Median.....	\$395	\$1,372
Mean.....	980	1,510

<sup>1</sup> First survey year ended in October–November 1941, second survey year ended in April–June 1944.

<sup>2</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

In the analysis of change in the economic status of families over a period of time, errors and omissions in the survey data (admittedly present in most survey data) assume more importance than in the analysis of economic status at a point of time. Casual errors in reports of income or assets as of any one time are not likely to affect the average greatly. On the other hand, in computing the amount of change in income or assets between one survey year and another, an error occurring in one survey but not in the other may seriously misrepresent the extent of the change that actually occurred between the two years.

Experience in the St. Louis surveys indicates that reporting tends to be more nearly accurate at the time of a revisit than in a first survey. Interviewers have had an opportunity to study the earlier schedule and consequently are in position to draw out information that otherwise might be overlooked. In some instances, from information obtained in 1944, it was possible to make adjustments to correct for earlier reporting errors. Since the errors found were largely in the direction of underreporting in 1941, the amount of undiscovered error may be assumed to have the effect of understating the decrease or overstating the increase in resources. The data presented, nevertheless, are believed to be sufficiently reliable to show the general direction and approximate extent of change in the economic status of the several beneficiary types.

### Income

Although a large proportion of the beneficiary groups received less than \$600 in total income during both survey years, fewer were in this low income class in the second year (table 2). The average income for each type of beneficiary group was higher in the second survey year, but the extent of the rise varied greatly among the several types. While the rise in median income for beneficiaries of four types amounted to not more than \$127, it was \$507 for younger widows and \$572 for men with nonentitled wives.

Seventy-five percent of the younger widows and 67 percent of the couples with only the husband en-

titled had higher dollar incomes<sup>5</sup> in the second than in the first survey year; for 17 and 16 percent, respectively, incomes were at least \$1,200 higher (table 3). Among the beneficiaries of other types, 48 percent of the nonmarried men, 49 percent of the women who were beneficiaries on their own wage records, 39 percent of the entitled couples, and 29 percent of the aged widows had higher incomes. Relatively few of these four beneficiary types, however—only 3 percent of the nonmarried men and 5 percent of the entitled couples—had increases of as much as \$1,200.

Except for the younger widows and the couples in which the wife was not entitled, a substantial proportion of the beneficiary groups of each type (from 36 percent of the nonmarried men to 50 percent of the aged widows) had practically the same dollar incomes. The range in the proportions having lower incomes in the second survey is not large—from 13 percent (female primary beneficiaries) to 22 percent (entitled couples). A number of these groups, however, had incomes lower by \$600 or more.

<sup>5</sup> To allow for possible reporting errors and avoid including among beneficiaries with a change in income those whose income had changed insignificantly, income amounting to within \$50 of the amount received during the first survey is described in the text as "practically the same." Incomes that increased by \$50 or more are described as "higher," and those that decreased by \$50 or more are described as "lower."

In general, the beneficiary groups that had increases in dollar income tended to be those with relatively low or relatively high incomes in the first survey year, rather than those in the middle income classes. Beneficiary groups with low incomes in 1941 included some who were unemployed in 1941 though able to work, but had some earnings in 1944, and some who subsequently received substantial aid from public assistance. Among those with relatively high incomes in 1941 were a good many who had jobs in 1941 but had increased earnings in 1943-44.

### Earnings and Occupation

Earnings were chiefly responsible for the higher average dollar incomes in the resurvey year. The widow-child beneficiary groups more than tripled their average income from this source; entitled couples more than doubled theirs; and nonmarried men nearly doubled theirs. Female primary beneficiary groups received on the average nearly two-thirds more in earnings than in 1941, but there was almost no change for the aged widows.

More beneficiary group members were working, more had full-time employment throughout the survey year or worked more weeks in the year, and the rates of pay were higher. The chief earner in beneficiary groups that comprised more than one potential earner was usually the husband or, in the case of widows with dependent children, the widow herself. Non-

titled wives and children under 18, however, also made significant contributions to beneficiary group incomes, particularly in the resurvey year. The earnings of the individual members of the beneficiary groups are discussed in the following paragraphs.

*Male primary beneficiaries.*—The entitled men of the three types differed rather markedly in their earnings records (tables 4, 5, 6, and 7). As compared with nonmarried men and men with entitled wives, a larger proportion of men with nonentitled wives worked at some time during each survey year, and on the average they earned more money. From 50 percent in the first survey year, the proportion of men of this type who had earnings increased to 56 percent in the second survey year. The proportion who were full-time workers rose sharply, from 7 to 31 percent, while relatively fewer worked part time. Of these men with nonentitled wives—who on the average were somewhat younger than the other types of men beneficiaries—44 percent had higher earnings in the second than in the first survey year; 30 percent had at least \$600 more from this source. For 17 percent, on the other hand, income from employment declined or ceased, while 1 percent earned about the same amount.<sup>6</sup> Thirty-seven percent had no earnings in either survey year. In each year a substantial proportion of the wives who were not eligible for benefits supplemented their husbands' earnings. A somewhat larger proportion of these wives were working in the second survey year—28 percent as compared with 22 percent in the first. Their median earnings were \$630 in 1943-44 as compared with \$383 in the year before Pearl Harbor. The earnings of nonentitled wives averaged about a fifth of the total beneficiary-group earnings in each period.

Among men with entitled wives, the proportion of men beneficiaries employed all or part of the survey year increased from 33 percent in 1941 to 37 percent in 1943-44. As compared with only 4 percent in the

<sup>6</sup> Beneficiaries who had no earnings in one survey year but who earned more than \$50 in the other year are included among those with changes in earnings.

Table 3.—Change in income: Percentage distribution of identical beneficiary groups by amount of change in income, second as compared with first survey year, St. Louis

Amount of change in income	Male primary beneficiaries				Female primary beneficiaries	Aged widows	Widows with entitled children
	Total <sup>1</sup>	Non-married	Married, wife entitled	Married, wife not entitled			
Total number.....	315	99	127	86	79	34	75
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Increase.....	49.8	47.5	38.6	67.4	49.4	29.4	74.7
\$1,200 or more.....	7.6	3.0	4.7	16.3	.....	.....	17.3
600-1,199.....	12.7	10.1	11.1	18.6	6.3	2.9	21.3
300-599.....	9.5	5.1	7.1	16.3	6.3	5.9	16.0
200-299.....	5.4	7.1	3.9	5.8	10.1	5.9	6.7
100-199.....	8.6	15.2	7.1	3.5	13.9	11.8	10.7
50-99.....	6.0	7.1	4.7	7.0	12.7	2.9	2.7
Less than \$50 change.....	31.4	36.4	39.4	14.0	38.0	50.0	6.7
Decrease.....	19.0	16.2	22.0	18.6	12.7	20.6	18.7
\$50-99.....	4.8	6.1	6.3	1.2	6.3	8.8	2.7
100-199.....	4.8	4.0	6.3	3.5	3.8	5.9	1.3
200-299.....	2.9	2.0	3.9	2.3	.....	.....	5.3
300-599.....	2.5	3.0	.....	4.7	2.5	2.9	6.7
600-1,199.....	2.5	.....	2.4	5.9	.....	2.9	2.7
1,200 or more.....	1.6	1.0	2.4	1.2	.....	.....	.....

<sup>1</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

earlier period, as much as 16 percent worked full time during the latter period; the number of part-time workers among these men declined. Only a fourth of the men with entitled wives—in contrast to 44 percent of the men with nonentitled wives—had higher earnings than in the earlier year. Seventeen percent earned at least \$600 more; 10 percent earned the same amount. For 9 percent, income from this source had decreased more than \$50, while 55 percent had no earnings in either survey year. Entitled wives—who, it should be remembered, were at least age 65 in the earlier survey—contributed little to the family earnings in the first survey year and even less during the second. Their earnings comprised, on the average, 4 percent of the total beneficiary-group earnings in 1941 and less than 1 percent in 1943-44.

Nearly half (48 percent) of the nonmarried men worked at some time during the second survey year, as compared with 37 percent in the first survey year. As in the case of the men with entitled wives, only 4 percent in 1941 but as many as 17 percent in 1943-44 worked full time; fewer worked only part time. A third of the nonmarried men earned more in the second survey year than in the first, and 15 percent earned at least \$600 more. Nine percent earned about the same amount, and the earnings of another 9 percent dropped more than \$50; 49 percent had no earnings in either survey year.

The occupations of the primary beneficiaries were in general what might be expected of a group of aged persons, all of whom had been in covered employment only a few years before they went on the beneficiary rolls. Table 8 shows the percentage distribution of the employed primary beneficiaries according to occupation in the first and second survey years.

Comparing the two survey periods, a smaller proportion of the employed beneficiaries worked during the second year in the occupational groups that call for greater responsibility or skill, while a larger proportion were in occupations demanding less skill or, as in the case of protective service workers, less physical energy. There was a tendency, however, for the men

to continue in the same type of work (table 9). Of the 124 men who had been employed at some time during the year before Pearl Harbor, 70 worked in the same occupational group in the resurvey year. The upgrading of employees during the war brought some shifting of male beneficiaries who in the first period had been laborers or service workers (not domestic or protective) into positions requiring more skill or greater responsibility. During the resurvey year, one of the two men who had had work relief in 1941 earned \$1,050 and

the other \$1,625 in noncovered employment.

The 41 men who worked in 1943-44 but not in 1941 had taken jobs in the following occupational groups:

	Number
Proprietors, managers, and officials, except farm.....	1
Clerical, sales, and kindred workers...	8
Craftsmen, foremen, and kindred workers .....	6
Operatives and kindred workers.....	6
Domestic service workers.....	1
Protective service workers.....	5
Service workers, except domestic and protective .....	5
Laborers, except farm.....	9

Table 4.—Percent of beneficiary groups with income from specified sources and average amount of such income, second survey year, St. Louis

Source of income	Male primary beneficiaries				Female primary beneficiaries	Aged widows	Widows with entitled children
	Total <sup>1</sup>	Non-married	Married, wife entitled	Married, wife not entitled			
Percent of beneficiary groups							
Old-age and survivors insurance benefits..	86.3	87.9	92.9	74.4	97.5	100.0	100.0
Retirement pay.....	16.8	16.2	18.1	16.3	21.5		
Veterans' pensions.....	1.6			4.7			
Union pensions.....	2.5	1.0	3.9	2.3			
Income from assets.....	40.3	36.4	41.7	43.0	36.7	58.8	34.7
Interest on savings deposits.....	23.2	26.3	22.0	22.1	25.3	35.3	22.7
Rent.....	19.7	14.1	22.0	23.3	15.2	20.6	13.3
Dividends and bond interest.....	11.1	8.1	13.4	10.5	15.2	20.6	8.0
Other investment income.....	1.3	1.0	8	2.3		2.9	8.0
Other independent, permanent income.....	1.6	2.0	1.6	1.2	2.5		1.3
Earnings.....	50.8	48.5	37.8	70.9	40.5	11.8	81.3
Gifts.....	16.2	20.2	15.7	11.6	20.3	14.7	12.0
Allowances and contributions from members of the armed forces.....	2.5		3.1	4.7		2.9	10.7
Public assistance and private relief.....	9.2	13.1	7.1	8.1	20.3	5.9	1.3
Mean amount for beneficiary groups with specified income							
Old-age and survivors insurance benefits..	\$328	\$256	\$411	\$270	\$192	\$231	\$420
Retirement pay.....	568	452	506	801	233		
Veterans' pensions.....	*590			*558			
Union pensions.....	*344	*480	*312	*358			
Income from assets.....	235	158	223	330	61	225	286
Interest on savings deposits.....	17	19	21	9	6	16	26
Rent.....	294	221	274	371	73	*241	272
Dividends and bond interest.....	286	*245	203	*506	65	*358	*425
Other investment income.....	*82	*150	*100	*38		*130	*283
Other independent, permanent income.....	*490	150	*475	*1,200	468		*564
Earnings.....	977	636	943	1,254	516	*544	1,024
Gifts.....	169	78	249	156	79	*198	*167
Allowances and contributions from members of the armed forces.....	*544		*477	*610		*148	*452
Public assistance and private relief.....	239	202	*262	*279	264	*256	*260
Median amount for beneficiary groups with specified income							
Old-age and survivors insurance benefits..	\$330	\$267	\$438	\$274	\$203	\$210	\$398
Retirement pay.....	480	308	360	618	228		
Veterans' pensions.....	*720			*568			
Union pensions.....	*312	*480	*144	*358			
Income from assets.....	83	83	83	139	54	82	38
Interest on savings deposits.....	7	6	8	4	4	12	3
Rent.....	194	196	177	290	74	*269	196
Dividends and bond interest.....	60	*140	69	*30	48	*31	*338
Other investment income.....	*83	*150	*100	*38		*130	*71
Other independent, permanent income.....	*450	*150	*475	*1,200	468		*564
Earnings.....	794	324	766	1,107	398	*562	984
Gifts.....	62	42	154	44	54	*78	*60
Allowances and contributions from members of the armed forces.....	*535		*528	*585		*148	*444
Public assistance and private relief.....	231	192	*270	*266	246	*256	*260

<sup>1</sup> A average based on less than 10 cases.

<sup>1</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

*Female primary beneficiaries.*—Of the 79 women among the primary beneficiaries, 38 percent had some employment in 1943-44, as against 32 percent in the year before Pearl Harbor. Fourteen of the 25 women who had some employment in the first survey year had the same type of work

in the resurvey year, including 2 who had boarders or roomers; the number employed as operatives or kindred workers had increased. About a fourth of the women were earning more money than in the earlier period, but their increases tended to be smaller than those of the employed

men beneficiaries. Nine percent of the women had about the same earnings as in the first survey year, and 8 percent had decreases in income from this source. Fifty-eight percent had no earnings in either year.

Six of the women receiving primary benefits were married. Four of the husbands worked in the first year, three in the second. The earnings of one husband had risen from \$1,658 to \$1,857 and of another from \$1,292 to \$2,080. The third husband, who was reported as tubercular, earned \$787 in the first year but only \$100 in the second. Another husband earned \$104 in 1941 but nothing in the resurvey year. Two others were invalids.

*Aged widows.*—The only aged widows who had earnings of any sort were a few who kept roomers. One who had a little income from this source in 1941 did not have a roomer during the resurvey year, but three others continued to rent rooms, which brought in most of their income. Another widow took in a roomer for a short time during the resurvey year.

*Widows with entitled children.*—Among the 75 widows with entitled children who were included in both surveys, only 30 (40 percent) had any employment during the earlier period but 50 (67 percent) were employed at least part of the time during the resurvey year. Four of the 30 who worked in 1941 no longer had employment. They had quit because of various combinations of reasons, including ill health, relatively high survivor benefits, and the presence of older children to help support them and their dependent children. Twenty-four of the 45 who had no earnings during the first period had found at least occasional employment by the time of the second survey. Fifty-six percent of the widows with entitled children had higher earnings in the second period than in the first. Thirty-six percent had increases amounting to \$600 or more. Seven percent had about the same earnings, and 9 percent earned less; 28 percent had no income in either year from this source.

Except for one widow with an income of \$5,500, the incomes of the widows with no earnings in the resurvey year were all low when the num-

Table 5.—Average beneficiary-group income from specified sources, second survey year, and average net change from income in first survey year, St. Louis

Source of income	Male primary beneficiaries				Female primary beneficiaries	Aged widows	Widows with entitled children
	Total <sup>1</sup>	Non-married	Married, wife entitled	Married, wife not entitled			
Average (mean) income from specified source							
Total.....	\$1,065	\$718	\$1,023	\$1,487	\$554	\$494	\$1,510
Old-age and survivors insurance benefits.....	283	225	382	201	187	231	420
Retirement pay.....	96	73	92	130	50		
Veterans' pensions.....	9			26			
Union pensions.....	9	5	12	8			
Income from assets.....	95	58	93	142	23	133	99
Interest on savings deposits.....	4	5	5	2	1	6	6
Rent.....	58	31	61	86	11	50	36
Dividends and bond interest.....	32	20	27	53	10	74	34
Other investment income.....	1	2	1	1		4	23
Other independent, permanent income <sup>2</sup> .....	8	3	7	14	12		8
Earnings.....	496	308	357	890	209	64	833
Gifts.....	27	16	39	18	16	29	20
Allowances and contributions from members of the armed forces.....	14		15	28		4	48
Public assistance and private relief.....	22	27	19	23	53	15	3
All other income.....	6	4	7	7	3	18	78
Average net change for all beneficiary groups							
Total.....	\$245	\$147	\$144	\$486	\$115	\$27	\$530
Old-age and survivors insurance benefits.....	-41	-19	-47	-54	-8	-5	-101
Retirement pay.....	-6	0	-7	-11	2		
Veterans' pensions.....	3			10			
Union pensions.....	-1	-1	1	-4			
Income from assets.....	12	1	7	34	7	6	30
Interest on savings deposits.....	-1	1	-3	-1	-1	-1	-2
Rent.....	6	-1	8	11	4	8	10
Dividends and bond interest.....	6	-1	2	22	3	-6	8
Other investment income.....	1	1	0	1		4	14
Other independent, permanent income <sup>2</sup> .....	1	0	-1	7	0		0
Earnings.....	260	147	184	484	80	2	576
Gifts.....	4	10	-4	5	5	12	15
Allowances and contributions from members of the armed forces.....	14		15	28		4	48
Public assistance and private relief.....	10	13	8	11	40	10	-8
All other income.....	-12	-3	-11	-25	-10	-2	-30
Average net change for beneficiary groups with specified income							
Total.....	\$245	\$147	\$144	\$486	\$115	\$27	\$530
Old-age and survivors insurance benefits.....	-41	-19	-48	-56	-8	-5	-101
Retirement pay.....	-33	0	-41	-51	9		
Veterans' pensions.....	*174			*218			
Union pensions.....	-40	*-60	*14	*-180			
Income from assets.....	27	1	14	72	14	9	62
Interest on savings deposits.....	-4	4	-12	-2	-3	-1	-4
Rent.....	30	-5	38	45	27	*41	65
Dividends and bond interest.....	50	-9	13	*209	15	*-28	*83
Other investment income.....	*31	*66	*-10	*38		*130	*173
Other independent, permanent income <sup>2</sup> .....	*92	0	*-70	*600	0		0
Earnings.....	451	285	384	622	176	*13	675
Gifts.....	22	43	-21	32	21	40	116
Allowances and contributions from members of the armed forces.....	*544		*477	*610		*148	*452
Public assistance and private relief.....	106	93	102	*137	199	*170	*-145
All other income.....	-75	-34	-72	-97	-74	*-84	-208

\* Average based on less than 10 cases.

<sup>1</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

<sup>2</sup> Represents payments from private annuities, insurance, trusts, and workmen's compensation that were expected to continue for the lifetime of the recipient.

<sup>3</sup> Less than \$0.50.

ber of children to be supported is taken into consideration. Consequently it may be assumed that there was sufficient financial incentive for 24 of the 25 to have secured employment were it not for responsibilities which they considered more important than the added income; in many cases, also, they received payment in kind for the services they rendered in the home.

Most of these 25 widowed mothers were apparently homemakers for relatively large families. In 6 of these families there were 4 persons, in 5 families 5 persons, in 3 families 6 persons, and in 1 family 9 persons. In about half the 25 families in which the widow reported no earnings, older children who were living at home were employed, or the widow and her children were living with members of her own family. Only 1 of these 25 widows, but 11 of the 50 who did work in 1943-44 were working at the time of the death of their husbands. Nine of the 25 widows with no earnings reported some health difficulty.

Supplementary earnings of children under 18 were important to the widow-child beneficiary groups. Twenty-eight percent of such groups in 1943-44, as against 21 percent in 1941, included children under 18 who worked, usually part time. Moreover, as a result both of greater employment opportunity and the fact that the children were 2½ years older, the median earnings of the working children were \$733 in the resurvey year, in contrast to \$453 in the first period. In spite of these increases, children's earnings comprised only 25 percent of total earnings of the widow-child beneficiary groups in 1943-44, whereas they had made up 37 percent of the total in 1941.

**Independent Income From Relatively Permanent Sources**

A little more than 40 percent of the couples and almost 60 percent of the aged widows in the second survey year had at least some income from savings deposits or from stocks, bonds, real estate, or loans; slightly more than a third of the nonmarried men, women primary beneficiaries, and widows with entitled children had such income (table 4).

Half the nonmarried men, entitled

**Table 6.—Change in earnings: Percentage distribution of identical primary beneficiaries and widows by amount of change in earnings,<sup>1</sup> second as compared with first survey year, St. Louis**

Amount of change in earnings	Male primary beneficiaries				Female primary beneficiaries	Aged widows	Widows with entitled children
	Total <sup>1</sup>	Non-married	Married, wife entitled	Married, wife not entitled			
Total number.....	315	99	127	86	79	34	75
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0
No earnings in either year.....	47.6	48.5	55.1	37.2	58.2	85.3	28.0
Earnings in one or both years.....	52.4	51.5	44.9	62.8	41.8	14.7	72.0
Increase.....	34.0	33.3	26.0	44.2	25.3	8.8	56.0
\$1,200 or more.....	8.9	4.0	8.6	15.1	1.3	-----	14.7
600-1,199.....	11.4	11.2	8.6	15.1	3.8	-----	21.3
300-599.....	4.1	4.0	2.4	5.8	6.3	-----	2.7
100-299.....	7.3	13.2	4.7	4.7	12.7	8.8	13.3
50-99.....	2.2	1.0	1.6	3.5	1.3	-----	4.0
Less than \$50.....	7.3	9.1	10.2	1.2	8.9	-----	6.7
Decrease.....	11.1	9.1	8.7	17.4	7.6	5.9	9.3
\$50-99.....	1.6	1.0	1.6	2.3	3.8	-----	-----
100-299.....	4.4	3.0	2.4	9.3	1.3	5.9	4.0
300-599.....	1.3	2.0	-----	2.3	2.5	-----	5.3
600-1,199.....	1.6	1.0	2.4	1.2	-----	-----	-----
1,200 or more.....	2.2	2.0	2.4	2.3	-----	-----	-----

<sup>1</sup> Includes work relief wages from the Works Progress Administration and the National Youth Administration.

<sup>2</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

couples, and aged widows who had income from assets received less than \$83 from this source. For men whose wives were under age 65 and who had income from assets, the median amount was \$139. Half the 29 women primary beneficiaries with such income received less than \$54, while of the mothers of entitled children who received income from assets, half did not receive as much as \$38.

Most of those who reported money income from assets received substantially the same dollar amount in the second as in the first survey year (table 10). For the beneficiaries of each type, however, income from assets averaged slightly more in the sec-

ond than in the earlier survey period (table 5).

Not more than 35 percent of the beneficiaries of any type (table 4) reported interest on money in a savings institution, such as a bank, savings and loan or building and loan association, credit union, or the Postal Savings System. In the main, the same persons had income from deposits in both survey years, though some new accounts were reported while others were closed out. Except for the nonmarried men, the average income of each beneficiary type from savings deposits decreased. The decrease was caused partly by the lower rates of interest during the second

**Table 7.—Change in employment status: Percentage distribution of identical primary beneficiaries and widows with entitled children, by employment status during first and second survey years, St. Louis**

Type of beneficiary group	Number	Total percent	Employed <sup>1</sup>			Unemployed both years
			Both years	First year and not second	Second year and not first	
Male primary beneficiaries <sup>2</sup> .....	315	100.0	33.3	6.0	13.0	47.6
Nonmarried.....	99	100.0	34.3	3.0	14.1	48.5
Married, wife entitled.....	127	100.0	25.2	7.9	11.8	55.1
Married, wife not entitled.....	86	100.0	43.0	7.0	12.8	37.2
Female primary beneficiaries.....	79	100.0	27.8	3.8	10.1	58.2
Widows with entitled children.....	75	100.0	34.7	5.3	32.0	28.0

<sup>1</sup> Employed at some time during the survey year.

<sup>2</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

Table 8.—Occupational group of employed primary beneficiaries: Percentage distribution by occupational group, first and second survey years, St. Louis

Occupational group <sup>1</sup>	Male primary beneficiaries		Female primary beneficiaries	
	First survey year	Second survey year	First survey year	Second survey year
Total number.....	124	146	25	30
Total percent.....	100.0	100.0	100.0	100.0
Professional and semiprofessional.....	3.2	2.7	—	—
Proprietors, managers, and officials, except farm.....	5.6	3.4	4.0	3.3
Clerical, sales, and kindred workers.....	16.9	15.1	16.0	13.3
Craftsmen, foremen, and kindred workers.....	29.0	23.3	4.0	—
Operatives and kindred workers.....	8.9	13.0	32.0	43.3
Domestic service workers.....	—	2.1	20.0	20.0
Protective service workers.....	4.8	10.3	—	—
Service workers except domestic and protective.....	15.3	11.6	<sup>2</sup> 20.0	<sup>3</sup> 20.0
Laborers except mine and farm.....	15.3	18.5	4.0	—
Miscellaneous <sup>4</sup> .....	—	.8	—	—

<sup>1</sup> Occupations are classified according to the Palmer convertibility list of occupations. See Gladys R. Palmer, "The Convertibility List of Occupations and the Problems of Developing It," *Journal of the American Statistical Association*, December 1939, pp. 693-708.

<sup>2</sup> Includes 10 percent with roomers and boarders.  
<sup>3</sup> Includes 13 percent with roomers and boarders.  
<sup>4</sup> One beneficiary served on a jury.

survey period. Also, the beneficiaries as a whole had reduced their deposits. There is some reason to believe, more-

over, that at the time of the second interview the beneficiaries gave a franker and fuller report of their cash

Table 9.—Change in employment status and occupational group of identical primary beneficiaries, second as compared with first survey year, St. Louis

Employment status and occupational group in first survey year	Total	Employment status and occupational group in second survey year			
		Employed <sup>1</sup>			Unemployed
		Total	Same occupation	Different occupation	
Male primary beneficiaries					
Total.....	315	146	70	35	169
Unemployed.....	191	41	—	—	150
Employed <sup>1</sup> .....	124	105	70	35	19
Professional and semiprofessional.....	4	4	4	—	—
Proprietors, managers, and officials, except farm.....	7	7	4	3	—
Clerical, sales, and kindred workers.....	21	17	11	6	4
Craftsmen, foremen, and kindred workers.....	36	29	22	7	7
Operatives and kindred workers.....	11	9	9	—	2
Domestic service workers.....	—	—	—	—	—
Protective service workers.....	6	5	3	2	1
Service workers except domestic and protective.....	19	16	8	8	3
Laborers except mine and farm.....	19	17	9	8	2
Miscellaneous.....	1	1	—	1	—
Female primary beneficiaries					
Total.....	79	30	14	8	49
Unemployed.....	54	8	—	—	46
Employed <sup>1</sup> .....	25	22	14	8	3
Professional and semiprofessional.....	—	—	—	—	—
Proprietors, managers, and officials, except farm.....	1	1	1	—	—
Clerical, sales, and kindred workers.....	4	4	3	1	—
Craftsmen, foremen, and kindred workers.....	1	1	—	—	—
Operatives and kindred workers.....	8	7	6	1	1
Domestic service workers.....	5	4	2	2	1
Protective service workers.....	—	—	—	—	—
Service workers except domestic and protective.....	5	4	2	2	1
Laborers except mine and farm.....	1	1	—	1	—
Miscellaneous.....	—	—	—	—	—

<sup>1</sup> Employed at some time during the survey year.

savings and income derived from savings; and since they tended to understate the amount in the earlier year, the actual shrinkage in income from this particular source may have been greater than that shown in table 5.

Rents added more, on the average, to the primary beneficiary groups' spendable funds during the resurvey year than income from all other assets. Compared with all other kinds of income, rents ranked fourth highest in average amount for all beneficiary types except female primary beneficiaries and widows with children. From 13 to 23 percent of the various types of beneficiary groups either rented out at least one dwelling unit in the structure in which they lived or else owned other real estate which they rented to tenants (table 4). For four types, the average (mean) net return to the real property holders ranged from \$221 to \$274; and the median amounts of net rent were about \$200. Outside this range were the real estate owners among the men with nonentitled wives; they derived an average of \$371 from this source, and half of them got more than \$290. At the other extreme, the women who had qualified for benefits on their own wage records had little income from rental property; those with such property had, on the average, an annual net return of only \$74.

The majority of the landlords in most beneficiary types had higher incomes from rental property in the second survey year. The increases were sufficient in amount to more than offset the decreases, so that all types of beneficiaries except nonmarried men owed at least a portion of their higher average dollar incomes during the resurvey year to a net gain in returns from real estate.

Of the 503 beneficiary groups, 60 (12 percent) owned some stocks and bonds from which interest or dividends were received. Only 8 percent of the nonmarried men and the widows with children, but as much as 21 percent of the aged widows, received bond interest or stock dividends. The corresponding proportions for beneficiaries of other types fall between these limits. The income data do not include the increase in the redemp-



tion value of war savings bonds on which interest is not paid periodically.

Among the small group of beneficiaries who held income-paying stocks and bonds, only a few had substantial returns. The majority of stock or bondholders received less than \$100 in the resurvey year. One-fifth received more than \$500, but they represented less than 3 percent of all beneficiary groups.

The average amount of income from stocks and bonds declined for the nonmarried men and aged widows but increased for beneficiaries of all other types. The increases were mostly attributable to small investments of funds saved since the earlier survey or transferred from other types of assets. Some beneficiaries received larger returns from certain securities than in 1941, and others had shifted their investments to securities with a higher current return. The decreases were attributable chiefly to sale of securities to obtain funds either for living or for reinvestment, particularly in war savings bonds.

Other income that normally could be counted on also showed some change with the passage of time. As a whole, however, the dollar income from these sources proved to be highly stable (tables 4 and 5).

Retirement pay and pensions had provided substantial and continuous income for some of the beneficiaries. Almost all who received retirement pay at the time of the earlier survey continued to receive the same amounts. For the most part, the former employers were large industrial and public utility concerns whose retirement programs had been in effect over a considerable period of time. During the second survey year, 70 primary beneficiaries received retirement pay; they constituted 17 percent of the men and 22 percent of the women in that group.<sup>7</sup> On the average, the payments amounted to \$568 for the men and \$233 for the women who received such income. The median annual income from this source in the resurvey year was \$480 for the retired men and \$228 for the retired

<sup>7</sup> In the surveys in the other 6 cities, a higher percentage of men than women primary beneficiaries were receiving retirement pay.

Table 10.—*Change in income from assets: Percentage distribution of identical beneficiary groups by amount of change in income from assets, second as compared with first survey year, St. Louis*

Amount of change in income from assets	Male primary beneficiaries				Female primary beneficiaries	Aged widows	Widows with entitled children
	Total <sup>1</sup>	Non-married	Married, wife entitled	Married, wife not entitled			
Total number.....	315	99	127	86	79	34	75
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0
No income from assets in either year.....	55.9	61.6	52.8	53.5	54.4	35.3	50.7
Income from assets in one or both years..	44.1	38.4	47.2	46.5	45.6	64.7	49.3
Increase of \$50 or more.....	8.6	5.1	7.1	15.1	10.1	14.7	9.3
Less than \$50 change.....	30.2	28.3	33.1	27.9	32.9	41.2	34.7
Decrease of \$50 or more.....	5.4	5.1	7.1	3.5	2.5	8.8	5.3

<sup>1</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

women; 8 men received \$1,200 or more. Eleven of the 53 men and 5 of the 17 women who received retirement pay had been employed in a large factory; each received \$260 in retirement pay during each survey year.

Four beneficiaries who received retirement pay during the earlier survey year were no longer receiving it; in one case, ownership of the company had changed hands, and in three cases the companies had discontinued payments. On the other hand, one primary beneficiary who quit working in 1940 after 48 years as a saleswoman in a local department store was placed on the store's pension roll in 1943 to receive retirement pay at the rate of \$25 a month. Some adjustments had been made in amounts paid to persons who were recipients in both survey years. One beneficiary's retirement pay had been reduced from \$1,017 to \$960. A second man had been retired at full pay (\$1,508) for a limited time, but in the second survey year his annual income from this source was \$513. Three beneficiaries were receiving more from retirement pay because the payments had not started in the beginning months of the first survey year, and the monthly payment of one of the three also had been increased.

Union pensions were a significant source of income for several of the men. Eight had received such pensions throughout both survey periods, and four of them received the same amounts, namely, \$624, \$480, and, in two cases, \$144. Three union pensioners were receiving from \$3 to \$8

a month more than at the time of the earlier survey; the amounts they received in the second survey year were \$567, \$120, and \$72. One of the eight had sustained a downward adjustment from \$1,040 to \$595, but the earlier payments may have been in part accident insurance. Two men who had small union pensions in 1941 (totaling \$48 and \$120) were no longer receiving them, although they had not returned to work.

Only 5 of the 315 aged men received veterans' pensions during the resurvey period. Three of them were married Spanish-American War veterans whose pensions during the resurvey period totaled \$720 to \$750, while 2 were World War I veterans receiving \$360 and \$400. The pensions of 4 of the 5 had been raised somewhat since the first survey. The Spanish-American War veterans, whose monthly pension rate had been \$60, would in the future receive \$75, or \$900 a year, as a result of Public Law 242, approved March 1, 1944.

Annuities reported were few in number but dependable. Two aged men received annuity incomes of \$120 and \$500, respectively. One woman beneficiary, a former bookkeeper, received \$240, and another, who lived economically and earned more than \$600 during the survey year from part-time employment as a hat trimmer, reported annuity income of \$696 during each survey period. A widowed Negro, aged 55 and the mother of a dependent child, received \$564 in each survey period from an annuity purchased by her deceased husband, which was conditioned upon her remaining single.

Two aged couples had incomes amounting to \$450 and \$1,200 from trust funds; these amounts were \$140 less and \$600 more, respectively, than in the earlier period. One widower had been assured by his wife's will of the right to live in a small home that she had owned jointly with a sister.

### Supplemental Income

All but 2 of the 34 aged beneficiary groups who received public or private assistance<sup>a</sup> in 1941 were still receiving aid in 1943-44 (tables 4, 5, and 11). By the latter period, moreover, 15 other aged beneficiary groups had become recipients, making a total of 47 who received public or private assistance in the resurvey year. Of these 47 beneficiary groups, 45 received old-age assistance. The beneficiaries receiving aid in the second period comprised 6-8 percent of the aged widows and married couples, 13 percent of the nonmarried men, and 20 percent of the female primary beneficiaries. The amounts paid to the aged recipients of the 5 types, on the average, ranged from \$202 to \$279.

One nonmarried man no longer received assistance; he had regular employment in the resurvey year. Two others, who had little in addition to their old-age and survivors insurance benefits, had resorted to public assistance since the earlier survey. An entitled couple who had received public assistance to the extent of \$300 in 1941, depended in 1943-44 entirely on their insurance benefits (\$199) and funds from two employed daughters with whom they lived; the daughters earned substantially more in the resurvey year than in 1941. Four other entitled couples, with little income other than their insurance benefits, had become recipients of public aid since 1941. One couple in which the wife was not entitled also had applied for and was receiving old-age assistance. Eight women primary beneficiaries became public assistance recipients in the period between the two surveys; five of the eight had sought assistance soon after entitlement but had not received it by October or November 1941. One out of every five of the female primary bene-

Table 11.—Public assistance and private relief: Percentage distribution of identical beneficiary groups by receipt of assistance, first and second survey years, St. Louis

Type of beneficiary group	Number	Total percent	Received assistance				Did not receive assistance either year
			One or both years	Both years	First year and not second	Second year and not first	
Male primary beneficiaries <sup>1</sup> .....	315	100.0	9.8	7.0	0.6	2.2	90.2
Nonmarried.....	99	100.0	14.1	11.1	1.0	2.0	85.9
Married, wife entitled.....	127	100.0	7.9	3.9	.8	3.1	92.1
Married, wife not entitled.....	86	100.0	8.1	7.0	-----	1.2	91.9
Female primary beneficiaries.....	79	100.0	20.3	10.1	-----	10.1	79.7
Aged widows.....	34	100.0	5.9	5.9	-----	-----	94.1
Widows with entitled children.....	75	100.0	5.3	-----	4.0	1.3	94.7

<sup>1</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife and entitled children.

ficiaries visited in St. Louis in 1944 was almost entirely dependent on old-age and survivors insurance benefits and old-age assistance. The two aged widows who were recipients of old-age assistance in 1941 continued to receive partial support from this source.

The three widow-child beneficiary groups who received aid to dependent children at the time of the earlier survey were independent of organized assistance by the beginning of the resurvey period. One had an income of \$875 (\$567 from survivors insurance and \$265 from laundry done in her home); the second, besides receiving \$403 in family insurance benefits, earned \$194 as a domestic worker and had a young daughter who was working. The third widow earned \$240 in domestic work, had \$527 from survivors insurance,

and received contributions from the two older children in the family, who were regularly employed. Only one of the 75 younger widows had applied for aid for her children since the first survey; she had been granted \$5 a week. She earned \$1,412 during the second survey year, and the children had \$362 in survivors insurance benefits. The son, however, had undergone an operation, which was followed by pneumonia, and at the end of the resurvey period the widow owed nearly \$1,000, chiefly for sickness expense.

Most of the beneficiary groups who received public or private assistance in both survey years received substantially more in dollar amounts during the second period. The increases were accounted for principally by the

Table 12.—Change in real income:<sup>1</sup> Percentage distribution of identical beneficiary groups by amount of change in real income, second as compared with first survey year, St. Louis

Amount of change in real income	Male primary beneficiaries				Female primary beneficiaries	Aged widows	Widows with entitled children
	Total <sup>2</sup>	Non-married	Married, wife entitled	Married, wife not entitled			
Total number.....	315	99	127	86	79	34	75
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Increases.....	34.9	28.3	28.3	51.2	29.1	23.5	58.7
\$1,200 or more.....	4.4	1.0	3.9	8.1	-----	-----	8.0
600-1,199.....	8.6	8.1	3.1	17.4	3.8	-----	18.7
300-599.....	7.9	5.1	9.4	9.3	-----	2.9	16.0
200-299.....	3.5	2.0	2.4	7.0	10.1	2.9	2.7
100-199.....	5.1	6.1	3.9	4.7	7.6	5.9	5.3
50-99.....	5.4	6.1	5.5	4.7	7.6	11.8	8.0
Less than \$50.....	13.3	24.2	5.5	11.6	36.7	32.4	9.3
Decreases.....	51.7	47.5	66.1	37.2	34.2	44.1	32.0
\$50-99.....	16.8	22.2	22.0	3.5	17.7	20.6	4.0
100-199.....	16.8	14.1	21.3	14.0	12.7	14.7	8.0
200-299.....	5.4	4.0	9.4	1.2	1.3	2.0	2.7
300-599.....	7.3	5.1	7.1	10.5	2.5	2.9	14.7
600-1,199.....	3.2	1.0	3.9	4.7	-----	2.9	2.7
1,200 or more.....	2.2	1.0	2.4	3.5	-----	-----	-----

<sup>a</sup> Assistance was in cash, sometimes supplemented in 1941 with stamps for cotton and other surplus commodities.

<sup>1</sup> The dollar amount of income in the survey year ended April-June 1944 was adjusted on the basis of the Bureau of Labor Statistics consumers' price index.

<sup>2</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

fact that some beneficiaries who received assistance only part of the first survey year received it throughout the entire resurvey year, and by higher monthly payments in the second period than in the first.

Relatives outside the household made generous contributions toward the support of some beneficiaries. Some of these contributions were made periodically, while others were gifts for special purposes, such as payment for medical care, insurance premiums, and in one case, a trip. During the second survey year, from 12 to 20 percent of the beneficiaries in the several types reported gifts from relatives, ranging from \$1 to \$1,300. Most of the beneficiaries who had help from relatives outside the household received less than \$100 from this source. On the whole, gifts were an

unimportant source of beneficiary income.

Much higher dollar income from this source was reported for the second than for the first survey year. Part of the increase shown by the data appears to be accounted for by more detailed reporting in the second survey, but undoubtedly there was some increase in the amount of such income.

Allowances and contributions from sons and daughters in the armed services furnished a few beneficiary groups, particularly widows with entitled children, with a temporary source of supplementary income. The majority of beneficiary groups, however, with whom persons who were in the armed services in 1944 had lived in 1941 did not receive any dependents' benefits. For full-year recipi-

ents, income from this source during the resurvey year totaled at least \$444 for widows with children and \$535 for aged couples. In the earlier survey year, these parents had in most cases received payments for board and room from the young people before they joined the armed forces. When, however, these payments are weighed roughly against the estimated cost of their board and room while living at home, the balance, which represents the probable net contribution to the beneficiary group, was usually less than the allowance or contribution received by the beneficiaries from servicemen in the resurvey year. Consequently, as between the two years, the recipients could be considered to have had increased income<sup>o</sup> from their sons or daughters in the armed services. The number affected was: three couples, wives entitled; four couples, wives not entitled; and seven widows with entitled children. In addition, one aged widow, one younger widow, and one entitled couple received allowances during part of the resurvey year. The checks were then discontinued because the sons married and their payments were transferred to their wives. The comparative prosperity of beneficiary groups receiving \$40 and \$50 a month in dependents' allowances would not continue very long unless these servicemen and women, when they returned home, made larger net contributions to the household than they had in 1941.

*Change in Real Income*

From the foregoing analysis of the changes in the income of beneficiary groups, it is clear that a significant proportion of the beneficiaries of each type had higher dollar incomes in the second than in the first survey year. The substantial increases were almost entirely the result of earnings. All the men beneficiaries and all the younger widows whose total incomes had increased by at least \$1,200 had earned

<sup>o</sup> The increase shown in table 5 overstates the situation, since the total of allowances and contributions from members of the armed forces in 1943-44 is shown as an increase for the reason that their net contributions to the beneficiaries while in the household in 1941 were not included with beneficiary-group income.

Table 13.—Change in income of aged identical beneficiary groups with no earnings during either survey year: Percentage distribution by amount of change in dollar income<sup>o</sup> and real income,<sup>1</sup> second as compared with first survey year, St. Louis

Amount of change in income	Male primary beneficiaries				Female primary beneficiaries	Aged widows
	Total <sup>2</sup>	Non-married	Married, wife entitled	Married, wife not entitled		
	Dollar income					
Total number.....	133	48	66	19	43	29
Total percent.....	100.0	100.0	100.0	*100.0	100.0	*100.0
Increases.....	24.8	25.0	15.2	*57.9	25.6	*24.1
\$600-799.....	2.3		1.5	*10.5		*3.4
300-599.....	.8		1.5			*6.9
200-299.....	4.5	6.2	3.0	*5.3	7.0	*3.4
100-199.....	7.5	10.4	4.5	*10.5	7.0	*6.9
50-99.....	9.8	8.3	4.5	*31.6	11.6	*3.4
Less than \$50.....	59.4	60.4	65.2	*36.8	60.5	*58.6
Decreases.....	15.8	14.6	19.7	*5.3	14.0	*17.2
\$50-99.....	8.3	10.4	9.1		9.3	*6.9
100-199.....	6.0	4.2	9.1		4.7	*6.9
200-299.....	.8		1.5			
300-599.....	.8			*5.3		
600-799.....						*3.4
	Real income					
Total number.....	133	48	66	19	43	29
Total percent.....	100.0	100.0	100.0	*100.0	100.0	*100.0
Increases.....	8.3	8.3	7.6	*10.5	11.6	*20.7
\$600-799.....	1.5			*10.5		*3.4
300-599.....	1.5		3.0		2.3	*3.4
200-299.....	.8	2.1			4.7	*6.9
100-199.....	.8				4.7	*6.9
50-99.....	4.5	6.2	4.5		4.7	*6.9
Less than \$50.....	17.3	29.2	4.5	*31.6	48.8	*34.5
Decreases.....	74.4	62.5	87.9	*57.9	39.5	*44.8
\$50-99.....	32.3	31.2	37.9	*15.8	23.3	*24.1
100-199.....	28.6	25.0	31.8	*26.3	14.0	*13.8
200-299.....	6.8		12.1	*5.3	2.3	
300-599.....	6.8	6.2	6.1	*10.5		
600-799.....						*3.4

<sup>o</sup> Percentage distribution based on fewer than 30 cases.

<sup>1</sup> The dollar amount of income in the survey year ended April-June 1944 was adjusted on the basis of the BLS consumers' price index.

<sup>2</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

Table 14.—Median income of relatives<sup>1</sup> in the households of beneficiary groups and average number of relatives in household, first and second survey years, St. Louis

Type of beneficiary group	Median income of relatives in household		Average number of relatives in household	
	First year	Second year	First year	Second year
Male primary beneficiaries <sup>2</sup> .....	\$1,429	\$1,966	2.21	2.14
Nonmarried.....	1,344	2,203	2.43	2.44
Married, wife entitled.....	1,560	2,118	2.32	2.33
Married, wife not entitled.....	1,407	1,617	1.79	1.52
Female primary beneficiaries.....	916	1,585	1.93	1.75
Aged widows.....	1,013	1,859	1.98	2.22
Widows with entitled children.....	769	1,719	1.69	1.71

<sup>1</sup> Relatives of the beneficiary group in a single household are considered as a unit.

<sup>2</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

at least that much more in 1944 than in 1941. The larger decreases in income were chiefly the result of loss or partial loss of earnings. For example, 23 of the 30 primary beneficiaries and younger widows whose incomes were at least \$300 smaller in 1944 earned at least \$300 less than in 1941. Although income received from most of the other sources was, on the average, higher during the second survey year, the average increases were comparatively small.

This rise in dollar income of beneficiaries, however, does not signify a proportionate rise in their possible level of living, because the cost of goods, rents, and services also rose substantially. Table 12 shows the proportion of beneficiary groups whose incomes were lower than in the first survey year, after the resurvey-year income of each beneficiary group had been deflated by the percentage rise in the cost of living<sup>10</sup> between the mid-

<sup>10</sup> The consumers' price index of the Bureau of Labor Statistics was used.

points of the two survey years. It shows also the proportion of beneficiaries who presumably were able to improve their level of living because the income they had was enough greater in the second year to more than compensate for the rise in the cost of living.

While 48 percent and 49 percent, respectively, of the nonmarried men and the women who were beneficiaries on their own wage records had higher dollar incomes in 1944 than in the first period, only 28 and 29 percent had sufficiently large increases to more than offset the price increases. Thirty-nine percent of the entitled couples had higher dollar incomes, but because of the rise in the cost of living only 28 percent could have improved their level of living from their income. Among the couples with only the husband entitled, however, two-thirds had higher dollar incomes and half presumably could have improved their level of living.

Relatively fewer (29 percent) of

the aged widows than of beneficiaries of any other type had an increase in dollar income; one-fourth (24 percent) had enough higher incomes to permit them to improve their level of living, but only to a relatively small extent. At the other extreme, three-fourths of the widows with entitled children had higher dollar incomes during the resurvey year. After adjustment for price changes, almost 60 percent apparently could have paid for consumption goods in greater quantity or of better quality than at the earlier date. The requirements of the children in these families, however, were probably greater because they were older. A few children had reached 18 years of age and were no longer members of the beneficiary group, but the decrease in the cost of the group's total requirements because of loss in numbers probably did not, on the average, offset the increase in cost because of the advancing age of the remaining children.

Despite the increases in dollar incomes, two-thirds of the entitled couples and nearly half the aged widows and nonmarried men had incomes during the resurvey year which would actually buy less than they would have during the first survey year. About a third of the men with wife entitled, female primary beneficiaries, and widows with children were at a disadvantage in the second survey year, when their purchasing power in the two periods is compared.

Because earned income was so important to so many beneficiaries, particularly during the resurvey year, and because large earnings are not characteristic of aged beneficiaries, it is of interest to note the change in income of those who had no earnings in either survey year. In each type except couples with only the husband entitled, 60 percent of these selected beneficiary groups had roughly the same dollar income in both survey years (table 13). When the rise in the cost of living is considered, almost 90 percent of the entitled couples with no earnings probably had less purchasing power from current income than they had just before Pearl Harbor. For the other three types of retired beneficiaries, the proportions ranged downward to 40 percent for retired women.

Table 15.—Net worth: Percentage distribution of identical beneficiary groups by net worth, second survey year, St. Louis

Net worth	Male primary beneficiaries				Female primary beneficiaries	Aged widows	Widows with entitled children
	Total <sup>1</sup>	Non-married	Married, wife entitled	Married, wife not entitled			
Total number.....	315	99	127	86	79	34	75
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Liabilities exceed assets.....	3.5	1.0	5.5	3.5	1.3	.....	12.0
No assets or liabilities <sup>2</sup> .....	29.5	45.5	23.6	20.9	43.0	23.5	18.7
Positive net worth.....	67.0	53.5	70.9	75.6	55.7	76.5	69.3
Less than \$1,000.....	16.5	19.2	15.0	15.1	30.4	14.7	23.3
1,000-4,999.....	29.5	18.2	31.5	38.4	22.8	38.2	21.3
5,000-9,999.....	15.2	10.1	17.3	18.6	1.3	14.7	10.7
10,000 or more.....	5.7	6.1	7.1	3.5	1.3	8.8	8.0
Median.....	\$1,000	\$80	\$1,700	\$2,038	\$45	\$2,398	\$532

<sup>1</sup> Includes 3 beneficiary groups consisting of male beneficiary, nonentitled wife, and entitled children.

<sup>2</sup> Includes beneficiary groups whose assets and liabilities balance.

**Relatives in the Household and Their Incomes**

The living arrangements of the beneficiary groups considerably affected their possible level of living, because living with others usually reduced their expenses for shelter and household operation and frequently, in effect, afforded them financial help from the relatives in the household. During the resurvey year, 45 percent of the male primary beneficiary groups and 44 percent of the women who were beneficiaries on their own wage records shared joint households with relatives. Among widows, 48 percent of those with dependent children and 71 percent of the aged shared a home with older children or other relatives.

A few (23) beneficiary groups who had been living by themselves at the time of the interview in 1941 were living with others during the second survey year. Sometimes this change was brought about by the return of an adult child to the home and sometimes by the beneficiary group's moving to the home of relatives. On the other hand, a much larger number (47) of the beneficiary groups had discontinued sharing a home with relatives outside the beneficiary group and were living alone at the time of the second interview. Changes of this sort were caused by the entrance of sons and daughters into the armed forces or by dissolutions of the joint households for economic or emotional reasons. Thus, on the whole, dissolutions of joint households were twice as numerous as the new joint living arrangements entered into. As the result of these changes in family composition, for 5 types of beneficiaries the proportion "living with others" declined during the interim; net decreases numbered 3 for both the non-married men and the aged widows, 4 for the couples with only the husband entitled, 6 for the women primary beneficiaries, and 11 for the widows with entitled children. The number of beneficiaries of the sixth type (entitled couples) who shared homes with relatives increased by 4.

When beneficiaries and relatives did share households, in some instances part of the incomes of the relatives went to improve the level of living of the beneficiaries but in other in-

stances the relatives in the household had little or no income and were a financial burden to the beneficiaries. Data from the earlier St. Louis survey show that, for all types except nonmarried men and aged widows, the number of households in which the

relatives had more adequate incomes than the beneficiary group was at least twice the number of households with the reverse situation. For non-married men and aged widows, the proportion in which the beneficiaries had the more adequate incomes was

**Table 16.—Percent of identical beneficiary groups with specified assets and liabilities, average value at the end of the second survey year, and average net change, second as compared with first survey year, St. Louis**

Type of assets and liabilities	Male primary beneficiaries				Female primary beneficiaries	Aged widows	Widows with entitled children
	Total <sup>1</sup>	Non-married	Married, wife entitled	Married, wife not entitled			
Number.....	315	99	127	86	79	34	75
Percent of beneficiary group							
Positive net worth.....	67.0	53.5	70.9	75.6	55.7	76.5	69.3
Assets.....	67.9	53.5	72.4	76.7	55.7	76.5	72.0
Cash on hand and on deposit.....	46.3	41.4	50.4	47.7	41.8	55.9	42.7
Owner-occupied real estate.....	42.2	21.2	50.4	53.5	10.1	41.2	32.0
Equity in other real estate.....	11.4	9.1	14.2	10.5	8.9	14.7	9.3
Stocks and bonds.....	42.2	33.3	46.5	45.3	27.8	38.2	53.3
Government bonds.....	36.2	28.3	38.6	40.7	22.8	26.5	50.7
Stocks and other bonds.....	10.8	8.1	13.4	10.5	12.7	20.6	8.0
Other assets.....	3.5	3.0	2.4	5.8	-----	5.9	8.0
Liabilities.....	20.0	6.1	22.8	32.6	6.3	23.5	34.7
Unpaid bills.....	5.4	1.0	7.1	8.1	1.3	8.8	21.3
Mortgage on home.....	12.7	3.0	13.4	23.3	3.8	14.7	13.3
Other liabilities.....	4.8	3.0	6.3	4.7	3.8	2.9	5.3
Median value for beneficiary groups with specified items							
Net worth.....	\$2,966	\$1,998	\$3,125	\$3,258	\$562	\$4,039	\$953
Assets.....	3,644	2,073	3,875	4,400	994	4,300	1,558
Cash on hand and on deposit.....	400	400	425	300	225	450	218
Owner-occupied real estate.....	3,500	3,750	3,500	4,000	*1,500	4,500	4,250
Equity in other real estate.....	2,512	*3,500	2,338	*3,000	*2,000	*1,750	*3,200
Stocks and bonds:							
Government bonds.....	225	225	225	150	326	*131	140
Stocks and other bonds.....	1,264	*3,658	1,268	*375	1,074	*600	*6,204
Other assets.....	300	*300	*1,225	*200	-----	*2,024	*2,875
Liabilities.....	930	*488	750	1,350	*350	*850	145
Unpaid bills.....	70	*56	*92	*50	*40	*15	50
Mortgage on home.....	1,638	*2,500	1,200	1,875	*1,100	*1,400	1,600
Other liabilities.....	200	*350	*206	*93	*200	*600	*152
Mean value for all beneficiary groups							
Net worth.....	\$3,100	\$2,167	\$3,495	\$3,633	\$828	\$4,692	\$3,150
Assets.....	3,367	2,244	3,730	4,174	866	4,918	3,394
Cash on hand and on deposit.....	409	452	465	293	174	595	385
Owner-occupied real estate.....	1,641	804	1,904	2,233	231	1,991	1,364
Equity in other real estate.....	421	317	519	412	193	277	334
Stocks and bonds.....	845	630	816	1,139	268	1,935	858
Other assets.....	50	41	26	96	-----	119	453
Liabilities.....	266	77	235	540	39	226	244
Unpaid bills.....	9	1	19	5	1	2	24
Mortgage on home.....	245	57	203	531	32	206	212
Other liabilities.....	13	20	13	5	6	18	8
Average net change							
Net worth.....	\$265	\$12	\$313	\$487	-\$45	\$6	\$514
Assets.....	248	27	279	463	-56	-95	284
Cash on hand and on deposit.....	-116	-86	-165	-80	-73	-62	-139
Owner-occupied real estate.....	149	48	137	287	35	-438	90
Equity in other real estate.....	-13	-3	65	-139	9	34	53
Stocks and bonds.....	238	93	270	364	43	334	264
Other assets.....	-10	-25	-27	31	-----	36	16
Liabilities.....	-17	14	-33	-24	-12	-101	-229
Unpaid bills.....	-15	-1	-12	-34	-5	-14	-5
Mortgage on home.....	11	4	-15	61	-6	-104	-220
Other liabilities.....	-13	11	-7	-51	-1	18	-4

\*Average based on less than 10 cases.

<sup>1</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

Table 17.—Average equity in real estate as percent of average net worth, end of second survey year, St. Louis

Type of beneficiary group	Owner-occupied and rental real estate	Owner-occupied real estate
Male primary beneficiaries <sup>1</sup> .....	58.6	45.0
Nonmarried men.....	49.1	34.5
Married, wife entitled.....	63.5	48.7
Married, wife not entitled.....	58.2	46.8
Female primary beneficiaries.....	47.3	24.0
Aged widows.....	43.9	38.0
Widows with entitled children.....	47.2	36.6

<sup>1</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

nearly as large as the proportion in which the relatives had the more adequate incomes.

In the resurvey year the relatives were, on the average, better able financially to help the beneficiaries with whom they lived than in 1941. The average dollar income of relatives in the family was markedly higher (table 14), while the average number of relatives per joint household was the same or smaller except in the case of relatives living with aged widows. Consequently the increased dollar income of the relatives was not offset by an increase in the number of persons whose needs had to be met out of the added income.

Despite the rise in the cost of living, the average income of the relatives living with beneficiary groups of all types but one probably was sufficient to provide a better living than in the first survey period. For the couples with the wife not entitled, the proportion whose relatives in the household had low incomes (less than \$600) was larger in 1944 than in 1941 but, as a slight offset, the average number of relatives per beneficiary couple declined from 1.79 to 1.52.

It may be concluded that, as a result of the increases in the income of relatives with whom beneficiary groups lived, some of the beneficiary groups probably enjoyed a higher level of living in the second than in the first survey year, even though their own incomes may not have increased. A possible exception are the couples in which only the husband was entitled, but their economic situation generally had improved in other ways.

## Net Worth

At the time of the second interview, from 69 to 76 percent of the married couples and widows of both types had money or owned property or securities exceeding in value the amount of their outstanding obligations (table 15). A little more than half of the nonmarried men and of the women who were beneficiaries on their own wage records were similarly situated.

A majority of those who reported assets valued them at less than \$5,000. On the average, the beneficiary's home was his most valuable asset (tables 16 and 17). Many beneficiaries, also, had some cash on hand or on deposit, held stocks and bonds, or owned tenant-occupied real estate. A few in each type had other assets—usually a loan to a relative, a mortgage on a piece of property they had sold, a small business, or some money left with an insurance company at interest. The debts reported by the beneficiaries, other than a mortgage on a home, were typically store accounts, medical bills, and loans from institutions and friends.

The number of beneficiary groups whose assets exceeded their liabilities was larger at the end of the second survey year than at the end of the first. The beneficiary groups of three types (the two types of married couples and widows with entitled children) reported a net worth higher, on

the average, by several hundred dollars. Only the women primary beneficiaries were, on the average, worse off in this respect (table 16).

In these generalizations on differences in net worth of the beneficiaries at the end of the two survey periods, effect is given to changes in both the market value of stocks and bonds and the beneficiary's opinion of the market value of his real estate. If real estate is valued at approximate 1941 prices as indicated by the 1941 schedules, and if the value of stocks and bonds is discounted by the amount of estimated unrealized profit since 1941, the average amount of change in net worth is less favorable for the beneficiaries than is indicated in table 16. Men with nonentitled wives, however, had apparently been able, on the average, to accumulate some new savings or to pay off some debts. The proportion who were better off was substantially larger than the proportion who were worse off, and the average real improvement in their financial position amounted to more than \$300. The younger widows also had bettered their real financial position, on the average, by nearly \$200; however, the proportion who were worse off was about the same as the proportion who were better off.

On the other hand, most of the improvement in the financial position of the entitled couples shown in table 16 is wiped out if the estimated net un-

Table 18.—Home ownership: Percentage distribution of identical beneficiary groups by home ownership and living arrangements at end of first and second survey years, St. Louis

Type of beneficiary group	Number	First survey year					Second survey year				
		Total	Not owning homes	Owning homes			Total	Not owning homes	Owning homes		
				Total	Living alone	Sharing their homes with others			Total	Living alone	Sharing their homes with others
Male primary beneficiaries <sup>1</sup> .....	315	100.0	60.6	39.4	21.0	18.4	100.0	57.8	42.2	23.5	18.7
Nonmarried.....	99	100.0	80.8	19.2	3.0	16.2	100.0	78.7	21.3	6.1	15.2
Married, wife entitled.....	127	100.0	50.4	49.6	30.7	18.9	100.0	49.6	50.4	30.7	19.7
Married, wife not entitled.....	86	100.0	53.5	46.5	26.7	19.8	100.0	46.5	53.5	32.6	20.9
Female primary beneficiaries.....	79	100.0	89.9	10.1	3.8	6.3	100.0	89.9	10.1	3.8	6.3
Aged widows.....	34	100.0	47.1	52.9	14.7	38.2	100.0	58.8	41.2	11.8	29.4
Widows with entitled children.....	75	100.0	68.0	32.0	12.0	20.0	100.0	68.0	32.0	13.3	18.7

<sup>1</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

Table 19.—*Deficits: Percentage distribution of identical beneficiary groups by use of assets and debts incurred for living expenses, first and second survey years, St. Louis*

Type of beneficiary group	Number	Total	Used assets				Incurred debts			
			Both years	First year and not second	Second year and not first	Neither year	Both years	First year and not second	Second year and not first	Neither year
Male primary beneficiaries <sup>1</sup> .....	315	100.0	10.5	17.8	6.3	65.4	0.3	10.2	2.5	87.0
Nonmarried.....	99	100.0	8.1	15.2	6.1	70.7	.....	5.1	.....	94.9
Married, wife entitled.....	127	100.0	14.2	18.9	6.3	60.6	.8	11.8	4.7	82.7
Married, wife not entitled.....	86	100.0	8.1	19.8	7.0	65.1	.....	11.6	2.3	86.0
Female primary beneficiaries.....	79	100.0	10.1	19.0	2.5	68.4	.....	10.1	2.5	87.3
Aged widows.....	34	100.0	20.6	41.2	5.9	32.4	.....	11.8	.....	88.2
Widows with entitled children.....	75	100.0	12.0	25.3	5.3	57.3	2.7	13.3	6.7	77.3

<sup>1</sup> Includes 3 beneficiary groups consisting of male primary beneficiary, nonentitled wife, and entitled children.

realized capital gains are deducted. The proportion of beneficiaries of this type who were really better off (about a third) was only slightly larger than the proportion worse off. After a similar adjustment in the change in net worth of aged widows and nonmarried men, these types, on the average, appeared to be in a less favorable position in 1944; also, in each instance, a larger proportion was probably worse off than better off. For women primary beneficiaries, estimated unrealized capital gains and losses about counterbalanced each other, so that their average reduction in net worth was about as shown on table 16; but a fifth had saved a little or paid off some obligations, but a fourth were apparently worse off.

Three-fourths of those who had improved their financial position (disregarding market changes) had been employed at least for a short time in one of the two survey years. Of those who were worse off, nearly as many had some earnings as had none, although in many cases the earnings were negligible. Among the beneficiary groups who had not used any of their assets or gone into debt in the interim, the proportions with and without earnings were about equal.

The preceding comparisons of net worth are made as of the end of the two survey years. When the financing of deficits in income by use of assets or creation of debts is considered, it will be noted that recourse to these methods of bolstering up the level of living had declined from the first to the second survey year (table 19). While the proportion of beneficiaries

who had used assets in the first survey year ranged from 15 percent of the nonmarried men to 41 percent of the aged widows, no more than 7 percent of any type used up any of their capital during the resurvey year. Reductions in the proportions who used assets to supplement current income were greater among the three types of women beneficiaries than among the three types of men beneficiaries. The amounts used in the resurvey year varied greatly, ranging as high as \$2,000.

Five percent of the nonmarried men and from 10 to 13 percent of the beneficiaries of other types had gone into debt during the first survey year to defray current living expenses; in the resurvey year, none of the aged widows and nonmarried men and only 2 percent of the female primary beneficiaries and the men with entitled wives had financed deficits by these means. Corresponding proportions for entitled couples and the younger widows were 5 and 7 percent.

### Conclusions

The period that began about a year before Pearl Harbor and ended in the early summer of 1944 was one of rising prices and rapid change toward a large labor force with full employment. The beneficiaries themselves had aged somewhat in these 2½ years, but the period was too short for many new disabilities to have occurred or for the assets of most to have been depleted by emergencies. Because the resurvey included only those who were well enough to be interviewed and still living in St. Louis, some of the seriously

disabled and some who had economic reasons for changing their living arrangements were excluded from the group of identical beneficiaries whose records were analyzed.

The average income of the identical beneficiaries had risen; for over half the men with nonentitled wives and younger widows and for a fourth of the beneficiaries of other types, it had risen proportionately more than the cost of living. Increased earnings and, to a much smaller extent, larger receipts from assets, public assistance, and relatives' contributions accounted for the change. The value of the beneficiaries' assets also was reported as higher, on the average, than in 1941; this change came primarily from the rise in the market value of stocks and real estate formerly held, rather than from new savings.

If the period under consideration had been one of industrial stability or contraction, or if a longer time had elapsed between the two surveys, the changes in the income and assets of the beneficiaries would not have been the same as in this period; the proportion of beneficiaries who would have maintained or bettered their financial condition, at least from non-relief sources, doubtless would have been smaller than shown by the two St. Louis surveys. The over-all effects of the wartime economy had greater weight in the change in the economic status of the beneficiaries as a group than failing health with attendant disablement for work and use of assets.

The years from 1941 to 1944 had definite advantages for studying the attitude of aged beneficiaries toward employment as contrasted with complete retirement. The extent to which aged beneficiaries in relatively good health are employed usually depends not only on their own desire to work but also on employment opportunities. In the war period, most aged persons, if able-bodied, could find work if they wished. The rising cost of living during the period studied made it necessary for beneficiaries to add to their income in the second survey year if they wished to maintain their 1941 level of living. Moreover, the 1941 incomes of some were too low to provide the basic necessities of life even at pre-

war prices. The surveys show that retired or partially retired workers who were physically able went to work in the war period or had more regular employment than in 1941. This situation supports the presumption that,

as a rule, persons over 65 years of age prefer work to other alternatives open to them, namely, living below their customary standard on their retirement incomes or, if in need, asking aid from relatives or public assistance.

## Factors Influencing Trends in Employment of the Aged

By S. J. Mushkin and Alan Berman\*

THE FUTURE COSTS of the old-age and survivors insurance program under the Social Security Act will depend in considerable measure on the extent to which aged persons choose to remain in gainful covered employment rather than to retire and receive an annuity under the insurance system. In turn, the aged worker's decision to retire or to keep on working is influenced by a number of factors. There is evidence that many of the aged now on the benefit rolls are those unable, because of their physical condition, to remain in covered employment. Many other aged workers, however, are able to work and, unless they have other resources, the small average benefit payable under the insurance program, coupled with rising living costs, compels them to continue in employment as long as jobs are available.<sup>1</sup>

As of June 1947, about 800,000 aged workers were receiving retirement benefits under the old-age and survivors insurance program; in addition, approximately a million workers were eligible to receive such benefits but elected instead to remain in covered employment. Despite the large number of aged persons with insured status who preferred active employment to retirement, it is significant that approximately 20 percent of all men 65 years or older were receiving retirement benefits under the old-age

and survivors insurance program or under the related programs of the railroad, civil-service, or State and local retirement systems. An additional 20 percent of the aged men in the population were receiving old-age assistance as of June 1947. Similarly, about 35 percent of the aged women were in receipt of benefits under social insurance and related retirement programs or were receiving old-age assistance.

Long-range planning of the Federal program of old-age and survivors insurance requires estimates of the flow of contributions and benefits and of the growth in reserves for many decades ahead. The distribution of ages at which persons will retire and receive benefits is one of a series of many assumptions that form a component part of these long-range projections.

An understanding of the trends in employment status of the aged over the past decades can be gained only by reference to the many changes that have occurred in demographic factors, in the basic employment structure of the economy, in social policy, and in individual and community attitudes.

The decennial censuses for the period 1870-1940, coupled with the estimates for more recent years by the Bureau of the Census in the *Monthly Report on the Labor Force*, provide a basis for observing the historical trend in the work status of the aged. Since the decennial censuses except that for 1940 were taken at approximately the same level of business activity, they generally furnish a uniform frame of reference for gauging secular employment and industrial

trends.<sup>2</sup> However, between the census of 1870 and the last one in 1940, there were changes in scope, in methods of enumeration and processing of returns, and in methods of presenting resultant occupational statistics. The occupational data used in this study are largely those available from a study made by Alba M. Edwards for the Bureau of the Census,<sup>3</sup> in which occupations listed in the censuses from 1870 to 1930 were arranged as nearly as practicable according to similar data in the 1930 census, with estimates when necessary for underenumeration and for interpolated age groups. The age breaks used here for particular occupations for those years came from unrevised census material, but these data were in turn revised in accordance with Mr. Edwards' estimates for aggregate overenumeration or underenumeration for each of the years.

The data for 1940 are those presented in the 1940 census report on the labor force. These data differ only slightly from the adjusted 1940 figures prepared later by Mr. Edwards.

For female gainful workers and the female labor force, the figures used here exclude unpaid family workers. They were eliminated from the employment data both because they were not "employed" in the same sense as other gainful workers and because their inclusion would have made the data less comparable from census year to census year. A correction for male unpaid family workers was not made, since in the aggregate such workers do not represent a significant proportion of all male workers.<sup>4</sup>

The data as adjusted are summarized in table 1, which shows the num-

<sup>2</sup> Clarence Long, *Size of the Labor Force: Under Changing Incomes and Employment*, rough draft presented to the Conference on Research in Income and Wealth, November 1946.

<sup>3</sup> *Sixteenth Census of the United States, 1940: Population, Comparative Occupation Statistics for the United States, 1870 to 1940.*

<sup>4</sup> Censuses before 1910 had no occupational listing for unpaid family workers. For 1910-30, female unpaid family workers constituted almost the entire group of female farm laborers. Therefore, for the censuses before 1910, female farm laborers are considered in this study as unpaid family workers and subtracted from total employment data for women workers.

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<sup>1</sup> See Edna C. Wentworth, "Why Beneficiaries Retire," *Social Security Bulletin*, January 1945, pp. 18-20, and "Why Beneficiaries Returned to Work," April 1945, pp. 12-18.