

Notes and Brief Reports

Family Benefits Under Old-Age and Survivors Insurance, 1949

At the end of 1949, monthly benefits under the old-age and survivors insurance program were being paid to at least one member of 1.9 million families. Two-thirds of these families were retired worker families. Survivor families have decreased as a proportion of all beneficiary families from 39 percent at the end of 1944 to 33 percent at the end of 1949. Families in which only an aged widow was receiving benefits—the only type of survivor family that increased in relative number during this 5-year period—increased from 10.9 percent to 13.7 percent of all beneficiary families.

Payments to retired workers with no dependents receiving benefits averaged \$26.50 for men and \$20.60 for women. The average for a retired worker and his wife was \$41.40. For survivor families the average benefits ranged from \$13.50 for a family in which only one child was receiving benefits to \$54.00 for a family consisting of a widowed mother and three or more children receiving benefits.

Table 1 presents a comparison of average family benefits at the end of 1949, 1948, and 1944 (the first year for which such information is available). For each family classification the average benefit increased. The increase from 1948 to 1949 was at least \$1 for families with a retired worker and one or more dependents receiving benefits. For families with four or more children or a widowed mother and three or more children receiving benefits—the survivor families receiving the maximum amount of monthly benefits payable—the average benefit was \$1 higher than at the end of 1948. In all other types of survivor families the increase was less than a dollar.

The increase in average family benefits is due chiefly to the increase each year in the average amount of benefits awarded, particularly since 1946, when amendments to the Social Security Act changed the method of computing primary benefit amounts. Other factors also tended to raise the average benefit amount. Benefit

awards were based on higher wages, and an increased number of annual increments could be used in computing benefit amounts. Awards to survivors of World War II veterans under section 210 of the Social Security Act as amended in 1946 and awards under the 1946 amendments to the Railroad Retirement Act also contributed to the increase. In addition, certain beneficiaries already on the rolls had their benefits increased through re-computation as authorized by the 1946 amendments.

A distribution of the number of families by the amount of the family benefit received shows concentration at amounts corresponding to primary benefit amounts at \$20-30 and at the minimum benefit amounts (table 2). In families in which only the retired worker was receiving benefits, 13 percent of the women and almost 6 percent of the men were receiving the minimum of \$10. The minimum family benefit of \$15 was being paid to 5 percent of the families consisting of a retired worker and wife and to less than 4 percent of the families with a retired worker and one child receiving benefits.

The maximum benefit of \$85 was being paid to about 1,000 families. Before 1943, it was impossible for a family to receive this amount because a family benefit is limited to twice the primary benefit, and the maximum primary benefit possible in 1942 was \$42.40. Now the \$85 maximum can be paid to families consisting of a retired worker and two or more dependents, or of four or more children, or of a widowed mother and three or more children.

The distribution of all retired workers receiving benefits, by amount of primary benefit, is as follows:

Primary benefit	Total	Men	Women
Total number...	1,285,893	1,100,224	185,669
Total percent...	100.0	100.0	100.0
\$10.00.....	6.5	5.4	13.2
10.01-14.99.....	7.4	6.2	14.6
15.00-19.99.....	8.3	7.2	14.8
20.00-24.99.....	24.6	23.4	31.9
25.00-29.99.....	21.6	22.3	17.1
30.00-34.99.....	15.0	16.6	5.4
35.00-39.99.....	9.6	10.8	1.9
40.00-44.99.....	6.6	7.5	1.1
45.00-45.20.....	.4	.5	(1)

¹ Less than 0.05 percent.

The proportion of primary beneficiaries receiving the \$10 minimum has declined from 8.4 percent at the end of 1944 to 6.5 percent at the end of

Table 1.—Number of families and beneficiaries in receipt of benefits at end of 1949, and average monthly benefit in current-payment status at end of 1949, 1948, and 1944, by family group

[Based on 20-percent sample; average benefits shown to the nearest 10 cents; data corrected to May 23, 1950]

Family classification of beneficiaries	Number of families (in thousands)	Number of beneficiaries (in thousands)	Average monthly amount per family		
			1949	1948	1944
Total.....	1,909.7	2,742.8	-----	-----	-----
Retired worker families.....	1,285.9	1,708.5	-----	-----	-----
Worker only.....	872.2	872.2	\$25.30	\$24.60	\$23.00
Male.....	686.6	686.6	26.50	25.80	24.10
Female.....	185.7	185.7	20.60	20.10	19.30
Worker and wife.....	390.3	780.5	41.40	40.40	37.90
Worker and 1 child.....	15.0	29.0	40.70	39.10	35.70
Worker and 2 or more children.....	8.1	24.9	50.50	48.60	44.60
Worker, wife, and 1 or more children ¹3	.9	56.60	53.10	48.50
Survivor families.....	623.9	1,034.3	-----	-----	-----
Aged widow.....	261.2	261.2	20.80	20.60	20.20
Widowed mother only ²	3.6	3.6	21.20	20.80	19.90
Widowed mother and 1 child.....	78.3	156.7	36.50	36.00	34.40
Widowed mother and 2 children.....	44.2	132.5	50.40	49.80	47.30
Widowed mother and 3 or more children.....	26.2	106.9	54.00	53.00	50.10
1 child only.....	105.8	105.8	13.50	13.40	12.90
2 children.....	48.6	97.3	26.60	26.20	24.90
3 children.....	19.0	57.0	37.50	37.10	35.10
4 or more children.....	24.5	99.8	49.60	48.60	45.80
1 aged parent.....	11.5	11.5	13.80	13.70	13.20
2 aged parents.....	1.0	2.0	26.70	26.70	24.70

¹ Figures subject to large probable sampling error because too few cases in sample.

² Benefits of child or children were being withheld at end of 1949.

Table 2.—Percentage distribution of beneficiary families by monthly amount of family benefit in current-payment status at end of 1949, for each specified family group in receipt of benefits

[Based on 20-percent sample; average benefits shown to the nearest 10 cents; data corrected to May 23, 1950]

Monthly family benefit amount	Retired worker only		Retired worker and wife	Retired worker and 1 child	Aged widow	Widowed mother and children			Children only			
	Male	Female				1 child	2 children	3 or more children	1 child	2 children	3 children	4 or more children
Total number ¹	686,600	185,700	390,300	15,000	261,200	78,300	44,200	26,200	105,800	48,600	19,000	21,500
Total percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than \$10.00					² 0.9				³ 3.7			
10.00-14.99	⁴ 12.1	⁵ 27.7			15.6	4.0			65.1	10.3	³ 0.7	³ 0.1
15.00-19.99	7.6	14.8	⁶ 8.8	⁷ 6.7	30.1	3.4	4.1	³ 0.1	26.4	7.6	10.1	³ 2.2
20.00-24.99	24.3	31.9	4.1	4.4	27.2	4.5	2.8	7.6	³ 4.8	23.9	5.1	11.5
25.00-29.99	22.7	17.1	4.5	4.9	15.2	14.6	2.6	3.1		23.9	5.9	4.8
30.00-34.99	16.1	5.4	13.4	14.8	⁹ 11.1	18.2	3.2	4.0		20.9	17.7	4.8
35.00-39.99	10.2	1.9	15.9	18.9		16.4	9.3	3.8		9.3	18.5	5.2
40.00-44.99	6.5	1.1	14.0	15.1		16.4	12.7	7.3		4.1	15.0	8.3
45.00-49.99	¹⁰ 5	(¹⁰) (¹¹)	12.1	12.9		10.8	13.3	12.4		¹⁰ 1	13.6	14.0
50.00-54.99			9.9	9.4		8.7	11.9	12.5			8.2	13.0
55.00-59.99			7.3	6.5		¹² 3.1	13.7	10.5			3.2	10.7
60.00-64.99			5.9	3.9			9.9	10.5			1.6	8.8
65.00-69.99			¹³ 3.9	¹³ 2.6			7.0	10.6			¹³ 4	8.1
70.00-74.99							5.7	7.0				5.1
75.00-79.99							¹⁴ 3.9	4.8				3.1
80.00-84.99								3.2				1.3
85.00								2.5				1.1
Average monthly amount per family	\$26.50	\$20.60	\$41.40	\$40.70	\$20.80	\$36.50	\$50.40	\$54.00	\$13.50	\$26.60	\$37.50	\$49.60

¹ Families with retired worker, wife, and child; with retired worker and 2 or more children; with widowed mother only; or with 1 or 2 aged parents not shown because too few cases in sample.

² Widow's benefit reduced to less than \$10 by primary benefit to which widow was concurrently entitled.

³ Family benefit is less than minimum amount because 1 or more additional family members were entitled to benefits that were being withheld at end of 1949.

⁴ 5.6 percent at \$10 minimum.
⁵ 13.2 percent at \$10 minimum.

⁶ 5.2 percent at \$15 minimum.

⁷ 3.6 percent at \$15 minimum.

⁸ \$22.60 maximum possible in 1949.

⁹ \$33.90 maximum possible in 1949.

¹⁰ \$45.20 maximum possible in 1949.

¹¹ Less than 0.05 percent.

¹² \$56.50 maximum possible in 1949.

¹³ \$67.80 maximum possible in 1949.

¹⁴ \$79.10 maximum possible in 1949.

1949. More than 42 percent of the men and 74 percent of the women were receiving benefits of less than \$25, as compared with 54 and 84 percent, respectively, 5 years earlier. Only 3 percent of the women and 19 percent of the men were receiving benefits of \$35 or more at the end of 1949.

Applicants for Account Numbers, 1949

The 2,340,000 employee accounts established in 1949 brought the cumulative number of accounts established by the end of that year to 94,635,000 (table 1). The 1949 total was the smallest for any year since the program began; it represented a drop from 1948 of 14 percent, the steepest year-to-year decline since 1945, when the number of accounts established fell by 27 percent.

The conditions resulting in the decreases during the two years, 1945 and 1949, were quite different. In 1945, as a result of the heavy volume of account-number applications received

during the initial war years, 1941-43, the labor-force reserve without account numbers was small, and therefore the number of new workers applying for account numbers was also small. The marked decline in 1949, on the other hand, is attributable mainly to the relative scarcity of job opportunities for new entrants into the labor market.

The number of accounts established in 1949 declined at about the same rate for both men and women.

Account numbers issued to men dropped 15 percent to 1,113,000, as the downtrend that began in 1942 was resumed; this decline was interrupted only in 1948 when a peak level of business activity resulted in an unusually large seasonal expansion of job opportunities during April-September. The 1,226,000 account numbers issued to women in 1949 represented a 13-percent drop from 1948 and were only about a fourth of the wartime peak of 4.5 million established in 1943.

Table 1.—Number of applicants for account numbers and the cumulative number as of the end of each period, by sex and by year, 1940-49

[In thousands]

Period	Total		Male		Female	
	Total during period	Cumulative total as of end of period	Total during period	Cumulative total as of end of period	Total during period	Cumulative total as of end of period
1940	5,227	54,225	3,080	37,342	2,147	16,883
1941	6,678	60,903	3,792	41,044	2,976	19,859
1942	7,638	68,541	3,548	44,592	4,090	23,949
1943	7,426	75,967	2,904	47,496	4,522	28,471
1944	4,527	80,504	1,828	49,324	2,700	31,180
1945	3,321	83,825	1,504	50,828	1,817	32,997
1946	3,022	86,847	1,422	52,260	1,599	34,587
1947	2,728	89,575	1,299	53,559	1,429	36,016
1948	2,720	92,295	1,305	54,864	1,415	37,431
1949	2,340	94,635	1,113	55,977	1,226	38,657