

The fact that they tend, however, to be concentrated at the older ages (54 percent of all widows under age 65 were aged 55-64 in 1957) makes it relatively more difficult for them to obtain employment if they are out of a job.

Characteristically, employment of women is relatively high in December because of Christmas work in retail stores. Although late in 1957 unemployment among men was climbing rapidly, it was not much higher among women than it had been a year earlier. Data are not available on the number of widows under age 65 receiving unemployment insurance benefits in that month, but probably it was roughly the same as in December 1956, when it was estimated at 35,000-45,000.

Trustees Report on Old-Age and Survivors Insurance and Disability Insurance Trust Funds

The Board of Trustees of the old-age and survivors insurance and the disability insurance trust funds recently submitted to Congress its eighteenth annual report. The report shows trust fund operations for the fiscal year 1956-57 and, as required by statute, estimates of projected operations of the trust funds during the next 5 years, as well as an analysis of the funds' long-range actuarial status. The Board is composed of the Secretary of the Treasury, who is the funds' Managing Trustee; the Secretary of Labor; and the Secretary of Health, Education, and Welfare. The Commissioner of Social Security is the Secretary of the Board. Excerpts from the report follow.

Fiscal Year Highlights

The contribution provisions of the Federal disability insurance program, adopted by Congress in 1956, became effective on January 1, 1957. Under this program, contribution receipts are appropriated to the Federal disability insurance trust fund, which is entirely separate from the Federal

old-age and survivors insurance trust fund. Disability insurance benefits, which became payable beginning with July 1957, and the administrative expenses of the disability insurance program, are paid from this fund.

The 1956 amendments to the Social Security Act also extended the contributory coverage of the old-age and survivors insurance program to about 4,000,000 additional persons, including members of the Armed Forces, additional farm owners and operators, certain self-employed professional persons, certain groups of Federal civilian employees, and addi-

tional State and local government employees.

During fiscal year 1957, other Social Security Act amendments went into effect liberalizing the conditions under which persons may become eligible for benefits under the old-age and survivors insurance program; providing monthly benefits to the dependent, disabled, unmarried child aged 18 and over of a retired or deceased insured worker if the disability began before age 18; and also providing monthly benefits at age 62 instead of age 65 to eligible women workers, wives of retired work-

Table 1.—Operations of the Federal old-age and survivors insurance trust fund, fiscal years 1937-62¹

[In millions]

Fiscal year	Transactions during period					Fund at end of period ⁵
	Income		Disbursements		Transfers to railroad retirement account	
	Tax contributions ²	Interest on investments ³	Benefit payments	Administrative expenses ⁴		
Past experience:						
1937-57.....	\$48,618	\$4,478	\$28,967	\$1,100	-----	\$23,029
1941.....	688	56	64	27	-----	653
1942.....	896	71	110	27	-----	830
1943.....	1,130	87	149	27	-----	1,041
1944.....	1,292	103	185	33	-----	1,178
1945.....	1,310	124	240	27	-----	1,167
1946.....	1,238	148	321	37	-----	1,028
1947.....	1,460	163	426	41	-----	1,157
1948.....	1,617	191	512	47	-----	1,248
1949.....	1,694	230	607	53	-----	1,263
1950.....	2,110	257	727	57	-----	1,583
1951.....	3,124	287	1,498	70	-----	1,843
1952.....	3,598	334	1,982	85	-----	1,864
1953.....	4,097	387	2,627	89	-----	1,766
1954.....	4,589	451	3,276	89	-----	1,676
1955.....	5,087	448	4,333	103	-----	1,098
1956.....	6,442	495	5,361	124	-----	1,452
1957.....	6,540	561	6,515	150	-----	436
Estimated future experience:						
1958.....	7,140	544	7,835	167	\$110	-428
1959.....	7,353	536	8,620	178	220	-1,129
1960:						
Assumption I:						
a.....	8,355	519	9,100	168	240	-634
b.....	8,195	516	9,194	169	240	-892
c.....	8,035	513	9,301	170	240	-1,163
Assumption II.....	7,502	507	9,452	175	240	-1,858
1961:						
Assumption I:						
a.....	9,759	521	9,520	164	235	361
b.....	9,579	509	9,714	166	235	-97
c.....	9,399	497	9,910	168	235	-417
Assumption II.....	8,444	467	10,171	172	235	-1,667
1962:						
Assumption I:						
a.....	10,019	530	9,872	168	220	-289
b.....	9,819	506	10,172	170	220	-237
c.....	9,619	483	10,459	171	220	-748
Assumption II.....	8,355	417	10,705	172	220	-2,325

¹ In interpreting the estimates, reference should be made to the accompanying text which describes the underlying assumptions. Estimates were prepared February 1958.

² Include adjustments for (1) refunds of contributions beginning in 1953, and (2) transfers during fiscal years 1947-52 from general funds equivalent to additional payments arising from the extension of survivors' insurance protection to certain veterans of World War II (Social Security Act Amendments of 1946).

³ Includes (1) profits on marketable investments, and (2) for fiscal years 1954-58, interest transferred

from the railroad retirement account.

⁴ Include administrative expenses, less receipts for sale of surplus material, services, etc. For fiscal years 1954-60, include cost of construction of an office building for the Bureau of Old-Age and Survivors Insurance. Beginning fiscal year 1957, expenses incurred by the Department of Health, Education, and Welfare under the disability insurance program are initially charged to the old-age and survivors insurance trust fund. Reimbursements are then made in the following fiscal year.

⁵ Totals do not necessarily equal the sum of rounded components.

ers, and widows and mothers of deceased workers.

In June 1957, the total number of old-age and survivors insurance beneficiaries was 10,342,000 or 24 percent more than in June 1956. There were 7,710,000 retirement beneficiaries (old-age beneficiaries and their entitled wives, dependent husbands, and young children), an increase of 26 percent, and 2,632,000 survivor beneficiaries, an increase of 16 percent, over 1 year earlier. The estimated number of persons with taxable earnings under old-age, survivors, and disability insurance in calendar year 1957 was about 74 million.

Disbursements of the old-age and survivors insurance trust fund in fiscal year 1957 were \$6,665 million, not including \$58 million representing overpayments of employee contributions subject to refund. Receipts net of these refunds were \$7,100 million. The net addition of \$436 million raised the total assets of the trust fund to \$23,029 million on June 30, 1957.

The disbursements of the fund in fiscal year 1957 included \$6,515 million for benefits and \$150 million for administrative expenses. The receipts included \$6,540 million in net contributions and \$561 million in interest on investments.

Both disbursements and receipts

showed an increase over fiscal year 1956. Disbursements rose \$1,179 million or 22 percent, and receipts rose \$163 million or 2.4 percent.

The disability insurance trust fund was established on August 1, 1956, with contributions under the disability insurance program payable beginning January 1, 1957. By the end of fiscal year 1957, disbursements of this fund totaled \$1.3 million, all for administrative expenses actually charged against the fund since benefits did not become payable until immediately after the end of the fiscal year. Receipts were \$339 million, of which \$337 million was from contributions and \$1.4 million was from interest.

In compliance with the provisions of section 116(a) of the Social Security Amendments of 1956, the Secretary of Health, Education, and Welfare on October 24, 1957, announced the appointment of the first Advisory Council on Social Security Financing. Previously, there were advisory councils of somewhat different scope. The present Council is established for the purpose of reviewing the status of the Federal old-age and survivors insurance trust fund and of the Federal disability insurance trust fund in relation to the long-term commitments of the old-age, survivors, and disability insurance program.

The Council consists of the Commissioner of Social Security, as chairman, and 12 other persons representing employers, employees, self-employed persons, and the public. The Council is required to make a report of its findings and recommendations, including recommendations for changes in the contribution rates, to the Secretary of the Board of Trustees of the Federal old-age and survivors insurance trust fund and the Federal disability insurance trust fund. The report must be submitted not later than January 1, 1959, after which date the Council will cease to exist. The Council's findings and recommendations will be included in the next annual report of the Board of Trustees.

Expected Operations and Status of Trust Funds, Fiscal Years 1958-62

In the following statement of the expected operations and status of the trust funds during the next 5 fiscal years, it is assumed that the present statutory provisions relating to the old-age, survivors, and disability insurance program remain unchanged throughout the period under consideration. The income and disbursements of the program, however, not only depend on the legislative provisions, but they are also affected by general economic conditions. Because it is difficult to foresee economic developments, the assumptions on which the estimates here presented are based are subject to many uncertainties. This statement of the expected operations of the trust funds should therefore be read with full recognition of the difficulties of estimating future trust fund income and disbursements under changing economic conditions.

Single sets of estimates are here presented to show the expected operations of the old-age and survivors insurance trust fund in fiscal years 1958 and 1959, but for fiscal years 1960-62 four sets of estimates are given based on two different assumptions as to economic developments in those years—three sets for assumption I and one set for assumption II. In assumption I the period 1959-62 is characterized by a continued rise in employment and earnings following a recovery, begin-

Table 2.—Operations of the Federal disability insurance trust fund, fiscal years 1957-62¹

[In millions]

Fiscal year	Transactions during period					Net increase in fund	Fund at end of period
	Income		Disbursements		Transfers between fund and railroad retirement account ³		
	Tax contributions ²	Interest on investments	Benefit payments	Administrative expenses			
Past experience, 1957.....	\$337	\$1		\$1		\$337	\$337
Estimated future experience:							
1958.....	896	16	\$175	12		725	1,062
1959.....	915	34	247	19	-\$10	603	1,755
1960:							
Assumption I.....	939	53	270	21	-2	699	2,454
Assumption II.....	858	52	270	21	-2	617	2,372
1961:							
Assumption I.....	958	72	293	19	-4	714	3,168
Assumption II.....	845	68	293	20	-4	596	2,968
1962:							
Assumption I.....	986	91	317	19	-6	735	3,903
Assumption II.....	839	81	317	20	-6	577	3,546

¹ Reference should be made to the accompanying text which describes the underlying assumptions and limitations.

² Adjusted for refunds.

³ A positive figure indicates a transfer from the railroad retirement account to the fund. A negative figure indicates a transfer to the railroad retirement account.

ning in calendar year 1958, from the recession which began in the second half of calendar year 1957. During the 3 years 1960-62, unemployment is assumed to be at a comparatively low level. The differences among the three sets of estimates shown under assumption I result from varying within reasonable limits the estimates of (1) hourly earnings; (2) hours worked in covered employment; (3) the numbers of aged workers gaining insured status; and (4) the proportions of aged workers receiving retirement benefits. The remaining set of estimates for fiscal years 1960-62, based on assumption II, shows the effects that would result in the unlikely event that there were a severe decline in industrial activities beginning in the latter half of calendar year 1959 with a slow recovery not beginning until the first half of calendar year 1961.

The expected operations and status

of the old-age and survivors insurance trust fund during the next 5 fiscal years are presented in summary in *table 1*, together with the figures on actual experience in earlier fiscal years. The increase in estimated income from contributions in fiscal year 1959 as compared with fiscal year 1958 reflects the uptrend in the levels of employment and earnings. Estimates of contribution income in fiscal years 1960-62 based on assumption I show the effect of an assumed rise in employment and earnings during these years as well as the scheduled increase in contribution rates on January 1, 1960. Benefit disbursements increase substantially primarily because of the 1954 and 1956 amendments, and partly because of the long-range upward trend in the number of beneficiaries under the program. Under assumption II, estimated contributions in fiscal years 1960-62 are

lower than under assumption I because of the effects of the assumed economic recession on the levels of covered employment and taxable earnings in the periods affecting tax collections during those years. Estimated benefit disbursements, on the other hand, are higher under assumption II than assumption I because a larger number of older workers leave employment or are unable to find jobs.

Under assumption I and assumption II, aggregate outgo of the old-age and survivors insurance trust fund is expected to exceed aggregate income over the period of the 5 fiscal years 1958-62. During this period, there is an estimated net decrease in the trust fund of \$1.5 billion to \$3.9 billion under assumption I, and \$7.4 billion under assumption II. During the 5 fiscal years 1958-62 the old-age and survivors insurance trust fund will not exceed 2.2 times

Table 3.—Estimated progress of the old-age and survivors insurance trust fund, high-employment and 1956 level-earnings assumptions, 3-percent interest basis

[In millions]

Calendar year	Contributions	Benefit payments	Administrative expenses	Financial interchange ¹	Interest on fund	Fund at end of year ²
Actual data						
1951.....	\$3,367	\$1,885	\$81	-----	\$417	\$15,540
1952.....	3,819	2,194	88	-----	365	17,442
1953.....	3,945	3,006	88	-----	414	18,707
1954.....	5,163	3,670	92	-----	468	20,376
1955.....	5,713	4,968	119	-----	461	21,663
1956.....	6,172	5,715	132	-----	531	22,519
1957.....	6,826	7,347	162	-----	557	22,393
Low-cost estimate						
1970.....	\$14,755	\$13,391	\$186	-\$110	\$830	\$29,037
1980.....	20,220	18,076	228	+28	1,693	59,085
1990.....	23,801	22,394	273	+127	2,778	96,020
2000.....	28,534	24,175	310	+191	4,575	159,186
2025.....	38,650	36,862	441	+191	15,477	532,158
2050.....	43,741	52,878	562	+191	29,146	995,910
High-cost estimate						
1970.....	\$14,674	\$14,065	\$216	-\$148	\$587	\$20,282
1980.....	19,382	19,723	263	-20	847	28,776
1990.....	21,577	25,731	315	+79	279	7,386
2000.....	24,198	29,291	354	+145	(³)	(³)
Intermediate-cost estimate						
1970.....	\$14,714	\$13,729	\$201	-\$129	\$708	\$24,660
1980.....	19,801	18,899	246	+4	1,270	43,930
1990.....	22,689	24,062	294	+103	1,528	51,703
2000.....	26,366	26,736	332	+168	1,605	54,835
2025.....	33,002	40,193	453	+168	1,727	55,560
2050.....	35,710	51,574	536	+168	(⁴)	(⁴)

¹ A positive figure indicates payment to the trust fund from the railroad retirement account, and a negative figure indicates the reverse.

² Not including amounts in the railroad retirement account to the credit of the old-age and survivors insurance trust fund. In millions of dollars, these

amounted to \$377 for 1953, \$284 for 1954, \$163 for 1955, \$60 for 1956, and nothing for 1957 and thereafter.

³ Fund exhausted in 1992.

⁴ Fund exhausted in 2032.

the highest expected annual outgo during the 5-year period under either assumption I or assumption II.

Under both assumptions benefit payments as a percentage of taxable earnings will continue to rise. Benefit payments were 3.49 percent of taxable earnings for calendar year 1956. It is estimated that by 1962 benefit expenditures from the old-age and survivors insurance trust fund under assumption I will range from 4.93 percent to 5.51 percent, and under assumption II, will be 6.52 percent, of taxable earnings.

The expected operations and status of the disability insurance trust fund during the next 5 fiscal years are presented in summary in *table 2*, together with the figures on the actual experience in fiscal year 1957. The sharp rise in estimated income from contributions in fiscal year 1958 as compared with fiscal year 1957 reflects primarily the fact that the program was in effect during only part of fiscal year 1957, but will be in effect during the entire fiscal year 1958. As in the case of the

old-age and survivors insurance trust fund, estimates for fiscal years 1960-62 are presented on the basis of the two previously described assumptions as to economic developments. Only one set of estimates, however, is shown under assumption I since varying the underlying cost factors within reasonable limits would result in only small differences in the levels of the estimated contribution income and benefit outgo of the disability insurance trust fund. Contribution income of the disability insurance trust fund will be influenced significantly by economic developments and so will have a considerable range of possible variation. On the other hand, the amount of benefit payments over the short range will not differ significantly under the two sets of assumptions.

While the lack of employment opportunities will operate to increase to some extent the number of allowed claims, there will tend to be counterbalancing effects, such as the progressively increasing number of persons who would fail to meet the

insured-status requirements, especially the requirement that the individual have 6 quarters of coverage in the 13 calendar quarters ending with the quarter of his disability. On balance, disbursements for disability benefits over the next few years would differ so little under assumption I or assumption II that a single set of estimates is presented.

Income of the disability insurance trust fund is expected to exceed disbursements in each of the 5 fiscal years 1958-62 under both assumption I and assumption II. During this 5-year period, it is estimated that the disability insurance trust fund will reach a level 10.3 to 11.4 times the highest expected annual outgo during 1958-62.

Actuarial Status of the Trust Funds

On June 30, 1957, there were about 14,900,000 persons aged 65 and over in the entire United States (including Territories), a number equivalent to 8.6 percent of the total population.

(Continued on page 36)

Table 4.—Estimated progress of the disability insurance trust fund, high-employment and 1956 level-earnings assumptions, 3-percent interest basis

[In millions]

Calendar year	Contributions	Benefit payments	Administrative expenses	Financial interchange ¹	Interest on fund	Fund at end of year
Actual data						
1957.....	\$702	\$57	\$17	-----	\$7	\$635
Low-cost estimate						
1970.....	\$1,080	\$445	\$23	-\$13	\$313	\$11,044
1980.....	1,264	550	27	-3	640	22,306
1990.....	1,488	640	30	+2	1,113	38,617
2000.....	1,783	765	36	+7	1,811	62,691
2025.....	2,416	1,303	53	+0	4,885	168,265
2050.....	2,734	1,698	63	+9	11,341	389,859
High-cost estimate						
1970.....	\$1,074	\$941	\$30	-\$16	\$179	\$6,205
1980.....	1,211	1,149	35	-7	259	8,905
1990.....	1,349	1,266	38	-2	352	12,123
2000.....	1,512	1,528	44	+3	486	16,665
2025.....	1,710	2,046	52	+5	642	21,858
2050.....	1,730	2,230	55	+5	782	26,585
Intermediate-cost estimate						
1970.....	\$1,077	\$692	\$27	-\$15	\$246	\$8,624
1980.....	1,237	850	30	-5	450	15,606
1990.....	1,419	953	34	0	732	25,370
2000.....	1,647	1,146	40	+5	1,148	39,678
2025.....	2,063	1,674	53	+7	2,764	95,062
2050.....	2,232	1,964	59	+7	6,062	208,222

¹ A positive figure indicates payment to the trust fund from the railroad retirement account, and a negative figure indicates the reverse.

Table 9.—Average payments including vendor payments for medical care, average amount of money payments, and average amount of vendor payments for assistance cases, by program and State, May 1958¹

State	Old-age assistance			Aid to dependent children (per recipient)			Aid to the blind			Aid to the permanently and totally disabled		
	All assistance ²	Money payments to recipients ³	Vendor payments for medical care ⁴	All assistance ²	Money payments to recipients ³	Vendor payments for medical care ⁴	All assistance ²	Money payments to recipients ³	Vendor payments for medical care ⁴	All assistance ²	Money payments to recipients ³	Vendor payments for medical care ⁴
Total, 53 States ⁴	\$61.41	\$55.92	\$5.66	\$27.29	\$25.79	\$1.52	\$66.55	\$62.52	\$4.12	\$60.43	\$52.76	\$7.95
Alabama.....	38.82	38.81	.01	8.42	8.41	.01	53.96	49.61	4.37	33.34	33.30	.04
Arkansas.....	49.50	44.48	5.05	15.97	14.80	1.18	75.68	67.73	7.95	60.73	58.20	2.53
California.....	84.05	78.15	6.00	45.52	41.85	3.79	104.85	98.98	6.00	117.83	85.83	32.00
Colorado.....	92.27	80.89	11.38	32.04	30.43	1.61	75.68	67.73	7.95	60.73	58.20	2.53
Connecticut.....	⁵ 106.11	⁵ 87.11	19.00	45.06	40.47	4.59	99.51	82.51	17.00	117.83	85.83	32.00
Delaware.....							71.41	65.59	6.30			
Dist. of Col.....	56.51	56.23	.28	28.40	28.36	.04	63.18	56.52	6.65	66.55	66.31	.24
Hawaii.....	51.40	45.85	5.56	29.44	26.70	2.74	63.18	56.52	6.65	64.24	58.68	5.56
Illinois.....	66.52	45.35	23.29	37.39	34.13	3.27	77.25	58.76	19.53	81.04	57.27	25.04
Indiana.....	58.15	42.47	15.87	28.09	25.18	2.94	68.15	57.51	10.83	(⁶)	(⁶)	(⁶)
Kansas.....	73.14	63.55	9.90	33.54	30.38	3.32	76.78	69.49	7.62	77.52	65.33	12.64
Louisiana.....	63.28	61.62	1.67	20.92	20.81	.11	73.83	72.14	1.72	50.40	47.48	2.95
Maine.....	57.80	49.82	8.00	26.66	25.79	.86	61.40	54.40	7.00	63.15	53.15	10.00
Maryland.....	55.42	52.33	3.09	26.57	24.81	1.76	59.68	37.12	2.55	63.67	59.36	4.32
Massachusetts.....	96.78	78.25	19.12	46.16	43.19	3.06	114.30	106.35	8.27	117.37	86.35	32.97
Michigan.....	66.93	61.04	5.93	36.82	36.69	.13				83.48	77.55	5.97
Minnesota.....	82.37	69.93	12.44	42.00	35.70	6.33				60.10	55.92	4.71
Montana.....							97.47	76.06	21.41			
Nebraska.....	63.71	53.32	10.57	27.57	26.67	.91	71.39	69.55	1.84			
Nevada.....	68.31	62.32	5.99				80.19	63.50	17.02	68.86	54.64	14.41
New Hampshire.....	68.21	52.70	15.52	38.36	34.51	3.88	73.71	62.12	11.60	85.20	55.01	30.35
New Jersey.....	81.72	70.20	11.52	42.78	41.68	1.11	79.69	76.63	3.06	90.90	81.98	8.92
New Mexico.....	53.57	47.15	6.43	26.17	23.59	2.58	56.65	51.40	5.25	56.65	50.07	6.57
New York.....	93.38	76.88	18.10	39.08	35.90	3.32	95.68	84.27	12.56	92.65	74.19	20.21
North Carolina.....	37.03	35.75	1.28	18.31	17.91	.40	46.26	45.19	1.08	42.50	40.18	2.32
North Dakota.....	81.71	67.96	13.82	36.51	32.71	3.87	76.25	57.95	18.83	96.40	75.71	20.84
Ohio.....	64.97	58.75	6.21	24.58	24.44	.13	63.05	57.09	6.03	59.45	52.25	7.24
Oklahoma.....	68.81	62.93	5.88	29.10	25.53	3.57	84.58	78.71	5.88	75.91	70.24	5.66
Oregon.....	80.88	59.17	21.74	39.69	36.85	2.86	88.06	73.00	15.06	89.31	69.03	20.37
Pennsylvania.....	51.37	46.19	5.18	30.08	28.47	1.61	62.76	59.62	3.14	69.25	52.70	6.55
Rhode Island.....	70.08	61.13	9.00	34.49	30.73	3.76	72.02	66.02	6.00	76.77	64.83	12.00
Tennessee.....	39.79	37.79	2.00	18.71	18.18	.53	43.53	42.09	1.44	42.15	40.90	1.25
Utah.....	63.51	57.51	6.00	34.79	32.28	2.52	68.49	62.46	6.03	67.29	61.41	5.88
Virgin Islands.....	18.61	18.14	.50	9.33	9.17	.16	(⁷)	(⁷)	(⁷)	20.29	19.80	.50
Washington.....	85.57	76.31	9.42	44.01	39.14	4.89	97.20	89.59	7.72	98.03	85.40	13.00
West Virginia.....	34.10	32.65	1.45	23.55	22.77	.77	38.24	37.10	1.14	38.95	35.66	3.29
Wisconsin.....	76.85	61.65	15.60	43.26	37.71	5.59	81.34	68.11	13.42	117.66	85.21	32.93
Wyoming.....	70.30	61.31	8.99	36.52	34.12	2.40	80.29	64.94	15.35	71.22	61.44	9.77

¹ Averages for general assistance not computed because of difference among States in policy or practice regarding use of general assistance funds to pay medical bills for recipients of the special types of public assistance. Figures in italics represent payments made without Federal participation. For State programs not shown, no vendor payments were made during the month or such payments were not reported.
² Averages based on cases receiving money payments, vendor payments for medical care, or both.
³ May also include small amounts for assistance in kind and vendor payments

for other than medical care. Averages based on number of cases receiving payments. See tables 11-14 for average payments for State programs under which no vendor payments for medical care were made.
⁴ For aid to the permanently and totally disabled represents data for the 48 States with programs in operation.
⁵ Includes retroactive payments covering increase in rate for convalescent care.
⁶ No program for aid to the permanently and totally disabled.
⁷ A average payment not computed on base of less than 50 recipients.

TRUSTEES REPORT
 (Continued from page 28)

This figure as to the size of the aged population does not allow for any underenumeration in the census, which might amount to as much as 400,000 for this age group. It is estimated that by the year 2000 the number of persons aged 65 and over will be about double the present number and will represent from 9 to 13 percent of the population. The effect on the finances of the old-age and survivors insurance system of

this expected change in the number of aged persons will be even greater than may at first appear, because at the end of the century a much larger proportion of aged persons is expected to be eligible to receive benefits under the program than at present. The level-premium cost of the two programs—that is, the level percentage of payroll which would be sufficient to finance the cost of the benefits in perpetuity—at a 3-percent interest assumption, range from 6.97 to 8.99 percent of payroll for the

old-age and survivor benefits and from 0.24 to 0.49 percent of payroll for the monthly disability benefits, depending upon the combination of assumptions selected. Tables 3 and 4 show the estimated contributions, benefit payments, administrative expenses, interest earnings, and assets of the two trust funds through the year 2050, under alternative combinations of assumptions with respect to benefit costs. The excess of the level-premium contribution rate equivalent to the graded schedule in the law over the

Table 10.—Amount of vendor payments for medical care for recipients of public assistance, by program and State, May 1958 ¹

State	Old-age assistance	Aid to dependent children	Aid to the blind	Aid to the permanently and totally disabled	General assistance
Total.....	\$13,946,833	\$4,144,088	\$446,003	\$2,460,206	² \$7,711,000
Alabama.....	<i>1,055</i>	<i>1,032</i>		<i>559</i>	18
Alaska.....				(³)	4 22,324
Arkansas.....	282,310	39,209	8,858	45,563	
California.....	1,598,808	855,513	83,076		112,274
Colorado.....	594,138	41,691	2,608	13,855	(³)
Connecticut.....	288,477	94,215	5,188	65,664	(³)
Delaware.....			1,707		
District of Columbia.....	858	500		579	122
Hawaii.....	8,544	29,760	532	6,174	
Illinois.....	1,912,102	397,767	63,151	420,933	4 572,636
Indiana.....	486,758	110,288	19,890	(³)	4 296,631
Iowa.....				(³)	4 258,052
Kansas.....	305,981	66,849	4,778	54,044	46,168
Louisiana.....	207,801	10,958	4,256	43,981	5,526
Maine.....	97,904	15,759	3,311	13,730	4 69,691
Maryland.....	29,996	53,944	1,163	21,824	
Massachusetts.....	1,625,844	140,693	16,642	313,270	163,354
Michigan.....	397,446	11,030		20,664	176,734
Minnesota.....	604,114	191,288	24,124	8,863	406,182
Montana.....			716		4 189,995
Nebraska.....	174,015	10,077	16,574	20,605	4 57,939
Nevada.....	15,474		900	(³)	(³)
New Hampshire.....	82,368	15,118	2,783	10,076	(³)
New Jersey.....	<i>220,976</i>	32,616	<i>2,759</i>	<i>45,547</i>	167,572
New Mexico.....	66,060	66,857	2,030	13,146	12,854
New York.....	1,610,354	824,709	52,555	788,816	176,675
North Carolina.....	65,033	39,308	5,322	37,542	4 244,593
North Dakota.....	104,874	24,618	2,090	21,524	4 20,169
Ohio.....	563,131	<i>10,937</i>	22,264	67,578	4 1,347,615
Oklahoma.....	549,144	205,410	11,094	46,572	(³)
Oregon.....	390,311	53,529	4,473	86,927	101,981
Pennsylvania.....	253,935	244,812	54,908	99,474	181,126
Rhode Island.....	64,845	60,465	798	27,816	4 52,452
South Carolina.....					4 16,711
South Dakota.....					4 138,749
Tennessee.....	114,246	39,049	4,180	6,886	
Utah.....	52,152	28,684	1,326	11,220	1,815
Virgin Islands.....	311	137	6	51	123
Virginia.....					4 15,257
Washington.....	520,334	195,813	5,870	75,856	174,870
West Virginia.....	31,158	56,936	1,246	24,950	4 11,121
Wisconsin.....	593,073	168,468	13,878	40,893	252,851
Wyoming.....	32,925	6,049	967	5,024	16,603

¹ For the special types of public assistance figures in italics represent payments made without Federal participation. For State programs not shown, no vendor payments were made during the month or such payments were not reported.
² Includes an estimated amount for States making vendor payments for medical care from general assistance funds and from special medical funds and reporting

these data semiannually but not on a monthly basis.
³ No program for aid to the permanently and totally disabled.
⁴ Includes payments made in behalf of recipients of the special types of public assistance.
⁵ Data not available.

level-premium cost of benefits and administrative expenses (after appropriate adjustment for the effect of interest earnings on the existing trust fund) is used to indicate the actuarial balance of the system. A negative figure indicates the extent of lack of actuarial balance; a positive figure indicates more than sufficient financing (according to the estimate). The following table shows these figures for the old-age and survivors insurance program and the disability insurance program (computed as of the beginning of 1958).

In view of the very long-range nature of these projections, and the many variable factors involved, the deficiency for the old-age and survivors insurance system under the

intermediate-cost estimate is relatively small and so the system may be

Item	[Percent]		
	Low cost	High cost	Intermediate cost
Old-age and survivors insurance:			
Contributions.....	7.38	7.28	7.33
Benefit cost ¹	6.97	8.99	7.90
Net difference.....	.41	-1.71	-.57
Disability insurance:			
Contributions.....	0.50	0.50	0.50
Benefit costs ¹26	.49	.35
Net difference.....	.24	.01	.15

¹ Including adjustments (a) to reflect lower contribution rate for self-employed as compared with employer-employee rate, (b) for existing trust fund, and (c) for administrative expenses.

said to be in approximate actuarial balance. Under the intermediate-cost estimate the old-age and survivors insurance trust fund would have a balance of more than \$55 billion in the year 2025 and thus there is ample time in the future to make adjustments which might be needed in the light of further experience and of future estimates. The disability insurance program shows a small "surplus" according to the intermediate-cost estimate. However, considering the variability of cost estimates for disability benefits, this program also may be considered in approximate actuarial balance, and this small actuarial excess is certainly no more than a moderate safety factor.