

ical care costs and in the cost of ophthalmic services (mostly provision of eyeglasses), also widely stressed, accounted for 3 and 6 percent respectively of the total increase in costs. When these percentages are added, they total more than 100 because of the decline in some items, notably payments to liquidate hospital liabilities, which were transferred to the Health Service upon its inauguration.

In both years, according to the Minister of Health, administrative expenditures amounted to 2½–3 percent of the total outlays.

Per capita costs were about £7½ in 1948–49 and about £9 in 1949–50, or, at the present exchange rate of \$2.80 to the pound, about \$21 and \$26. Estimated total expenditures for medical care in the United States, public and private, are currently about \$62–63 per capita. Since our per capita national income is roughly 2½ times that of Britain's, the comparison suggests that expenditures for medical care relative to expenditures for other consumption items may be at the same level in the two countries. As a matter of fact, medical care costs absorb approximately 4 percent of the national income in both Britain and the United States.

The £276 million spent on the National Health Service in 1948–49 and the £449 million in 1949–50 were not charged entirely to the Exchequer. Offsets against these gross totals, amounting to £68 million in the first year and £91 million in the second, reduced the net cost to £208 million and £359 million, respectively. The offsets represented contributions from the National Insurance Fund (£27 million in 1948–49 and £41 million in 1949–50); contributions by or on behalf of hospital employees, medical practitioners, and others towards retirement costs; recoveries by hospitals for certain services rendered patients; recoveries for medical supplies furnished, and so on.

The Government's estimate of anticipated gross costs in 1950–51, presented in column 3 of the table, indicates that only a moderate rise is expected in the coming year. Provision is made for increases in outlays for hospital and specialist care, for research, and for the acquisition of land, hospitals, and equipment. Gen-

eral practitioner service and ophthalmic services are budgeted at a slightly higher level than in 1949–50, but expenditures for dental care and for prescriptions are expected to decline.

Economic Status of the Aged and of Dependent Survivors

The accompanying tables summarize available information on the economic status of aged persons, widows, and paternal orphans in the population for the months of December 1940, December 1945, and December 1949. They are of interest in measuring the extent to which social security programs have been able to protect some of the major population groups experiencing an income loss. Similar tables for the years 1943–47 appeared in the *Social Security Yearbooks* for those years.

The data are of three kinds: the estimated number of persons in the population groups affected, the estimated number with income from employment, and the estimated number receiving payments under social insurance and related programs and under public assistance.

The number of persons aged 65 years and over comes from the Bureau of the Census. The number of widows under age 65 and the number

of such widows with one or more children under age 18 are derived from the Census Bureau's monthly population sample survey, while the number of paternal orphans has been estimated by the Division of the Actuary of the Social Security Administration.

The number of persons with income from employment represents the number with paid employment in the month in question, as estimated directly or indirectly from the monthly population sample survey.

The data on insurance beneficiaries and on recipients of assistance come from the agencies administering the specified programs and are partly estimated.

Information is generally lacking on the extent to which persons received income from two or more of the sources listed in the tables. A study by the Bureau of Public Assistance ("Public Assistance Supplement of the Income of Old-Age and Survivors Insurance Beneficiaries," *Social Security Bulletin*, October 1949) indicates that, in June 1948, 10 percent of the aged beneficiaries of old-age and survivors insurance were also receiving old-age assistance, and that 7 percent of the families containing child beneficiaries of old-age and survivors insurance were in receipt of aid to dependent children. The number of aged persons, widows, and

Table 1.—Estimated number of children under age 18 with father dead, and of widows under age 65, receiving income from specified source in December 1940, 1945, and 1949

[In millions]

Source of income	Survivor children under age 18 ¹			Widows under age 65 ²			Widows under age 65 with 1 or more children under age 18		
	December 1940	December 1945	December 1949	December 1940	December 1945	December 1949	December 1940	December 1945	December 1949
Total in population ³	2.4	2.1	2.0	3.1	3.5	3.4	0.9	1.0	0.6
Employment.....	.2	.2	.1	1.3	1.9	1.8	.4	.4	.3
Social insurance and related programs:									
Old-age and survivors insurance.....	.1	.4	.6	(⁴)	.1	.2	(⁴)	.1	.2
Veterans' program.....	.1	.2	.3	(⁴)	.3	.4	(⁴)	.1	.1
Other ⁵			(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
Aid to dependent children.....	.3	.3	.3	.1	.1	.1	.1	.1	.1

¹ Includes children not living with widowed mother.

² Excludes widows who have remarried.

³ Includes some persons with no income or with income from sources other than those specified. Some persons received income from more than one of the sources listed.

⁴ Less than 50,000.

⁵ Railroad and Federal civil-service retirement.

Sources: Number of widows in population and employed persons among widows and survivor children under age 18, estimated from Census Bureau data. Number of survivor children under age 18 estimated by Division of the Actuary, Social Security Administration; estimates for 1940 and 1945 are preliminary. Number of persons in receipt of payments under social insurance and related programs and from aid to dependent children, reported by administrative agencies, partly estimated.

Table 2.—Estimated number of persons, aged 65 and over, receiving income from specified source, in December 1940, 1945, and 1949

[In millions]

Source of income	December 1940	December 1945	December 1949		
			Total	Men	Women
Total population aged 65 and over ¹	9.1	10.2	11.5	5.4	6.0
Employment.....	2.8	3.7	3.8	2.4	1.4
Earners.....	2.1	2.8	2.9	2.4	.5
Wives of earners.....	.7	.9	.9		.9
Social insurance and related programs:					
Old-age and survivors insurance.....	.1	.8	1.9	1.1	.8
Railroad retirement.....	.1	.2	.3	.2	.1
Federal civil-service retirement.....	(²)	.1	.1	.1	(²)
Veterans' program.....	.2	.3	.3	.1	.1
Other ³2	.3	.4	.1	.3
Old-age assistance.....	2.1	2.1	2.7	1.3	1.4

¹ Includes some persons with no income or with income from sources other than those specified. Some persons received income from more than one of the sources listed.

² Less than 50,000.

³ Beneficiaries of Federal retirement programs other than civil service and of State and local government retirement programs, and the wives of male beneficiaries of programs other than old-age and survivors insurance.

Sources: Total population and earners from Bureau of the Census. Number of persons in receipt of payments under social insurance and related programs and from old-age assistance, reported by administrative agencies, partly estimated. Number of wives of earners and number of wives of male beneficiaries of programs other than old-age and survivors insurance estimated from Census data on marital status.

paternal orphans with no income, with income from sources not listed—for example, investments, rents, interest, private annuities, industrial pensions, and contributions from friends or relatives—or living on savings, is not known. Because of the duplication referred to, the aggregate number of such persons is larger than the residual to be obtained by subtracting from the total the number with income from employment, from social insurance and related programs, and from public assistance.

Employers, Workers, and Wages, Fourth Quarter 1949

Workers with taxable wages during the last quarter of 1949 numbered an estimated 36 million—2 percent less than in the fourth quarter of 1948 and 8 percent below the number in the third quarter of 1949. Average taxable wages, estimated at \$450, were about 4 and 13 percent lower

than in the fourth quarter of 1948 and the third quarter of 1949, respectively. The total amount of taxable wages during the fourth quarter, estimated at \$16.2 billion, declined about 6 percent and 20 percent from the totals for the fourth quarter of 1948 and the third quarter of 1949, respectively.

The declines from the third to the fourth quarter follow the seasonal pattern observed each year since 1941 in employment and since 1943 in taxable wages; they result from the operation of the \$3,000 limitation on taxable wages. The declines from the fourth quarter of 1948 to the fourth quarter of 1949, however, re-

Old-age and survivors insurance: Estimated number of employers¹ and workers and estimated amount of wages in covered industries, by specified period, 1940-49

[Corrected to May 1, 1950]

Year and quarter	Employers reporting wages ² (in thousands)	Workers with taxable wages during period ² (in thousands)	Taxable wages ²		All workers employed in covered industries during period ³ (in thousands)	Total pay rolls in covered industries ³	
			Total (in millions)	Average per worker		Total (in millions)	Average per worker
1940.....	2,500	35,393	\$32,974	\$932	35,393	\$35,668	\$1,008
1941.....	2,646	40,976	41,848	1,021	40,976	45,463	1,110
1942.....	2,655	46,363	52,939	1,142	46,363	58,219	1,256
1943.....	2,394	47,656	62,423	1,310	47,656	69,653	1,462
1944.....	2,469	46,296	64,426	1,392	46,296	73,349	1,584
1945.....	2,614	46,392	62,945	1,357	46,392	71,560	1,543
1946.....	3,017	48,845	69,088	1,414	48,845	79,260	1,623
1947.....	3,246	48,900	78,372	1,603	48,900	92,449	1,891
1948 ⁴	3,300	49,300	84,138	1,707	49,300	102,289	2,075
1949 ⁴	3,350	48,000	82,500	1,719	48,000	101,500	2,115
1943							
January-March.....	1,971	36,537	15,462	423	36,537	15,760	431
April-June.....	2,008	37,483	16,561	442	37,557	17,400	463
July-September.....	1,998	37,682	15,838	420	38,057	17,498	460
October-December.....	2,001	36,016	14,562	404	37,593	18,995	505
1944							
January-March.....	2,010	36,326	17,362	478	36,326	17,696	487
April-June.....	2,048	36,893	17,284	468	36,992	18,185	492
July-September.....	2,038	37,301	16,243	435	37,752	18,359	486
October-December.....	2,039	35,629	13,537	380	37,789	19,109	506
1945							
January-March.....	2,076	35,855	17,874	499	35,855	18,262	509
April-June.....	2,149	35,854	17,541	489	35,949	18,558	516
July-September.....	2,176	35,684	14,982	420	36,285	17,261	476
October-December.....	2,199	33,598	12,548	373	35,973	17,478	486
1946							
January-March.....	2,287	36,038	16,840	467	36,038	17,397	483
April-June.....	2,416	38,055	17,845	469	38,153	19,079	500
July-September.....	2,478	39,670	17,709	446	40,228	20,222	503
October-December.....	2,513	37,945	16,694	440	39,930	22,562	565
1947							
January-March.....	2,509	38,705	20,805	537	38,765	21,497	555
April-June.....	2,587	39,801	20,655	519	40,175	22,245	554
July-September.....	2,617	40,255	19,555	486	41,155	23,035	560
October-December.....	2,609	37,448	17,357	463	40,748	25,672	630
1948							
January-March ⁴	2,588	39,560	23,080	583	39,560	23,923	605
April-June ⁴	2,690	40,245	22,708	564	40,524	24,667	609-
July-September ⁴	2,681	40,585	21,150	521	41,675	25,699	617
October-December ⁴	2,650	36,800	17,200	467	40,900	28,000	685
1949							
January-March ⁴	2,620	38,600	23,400	606	38,600	24,300	630
April-June ⁴	2,680	39,300	22,600	575	39,600	24,600	621
July-September ⁴	2,690	39,200	20,300	518	40,500	25,100	620
October-December ⁴	2,700	36,000	16,200	450	40,000	27,500	688

¹ Number corresponds to number of employer returns. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

² Quarterly and annual data for 1937-39 were presented in the *Bulletin* for February 1947, p. 31; quarterly data for 1940 were presented in the *Bulletin* for August 1947, p. 30; quarterly data for 1941

and 1942 were presented in the *Bulletin* for February 1948, p. 31.

³ A description of these series and quarterly data for 1940 were presented in the *Bulletin* for August 1947, p. 30; quarterly data for 1941 and 1942 were presented in the *Bulletin* for February 1948, p. 31.

⁴ Preliminary.