limitations—were also collected to evaluate further the nature and severity of the disability.

The severity of the disability was classified by the extent of the work limitations:

Severely disabled—unable to work altogether or unable to work regularly.

Occupationally disabled—able to work regularly, but unable to do the same work as before the onset of disability or unable to work full time.

Secondary work limitations—able to work full time, regularly and at the same work, but with limitations in the kind or amount of work they can perform; women with limitations in keeping house but not in work are included as having secondary work limitations.

Notes and Brief Reports

Economic Effects of Internal Migration*

A recent study of the economic effects of internal migration indicates that a measurable difference exists between migrant and nonmigrant families in the level and pattern of consumption expenditures and in the savings functions of the two groups. The project used 1950 data from a Bureau of Labor Statistics-Wharton School study[1] of consumer expenditures and savings to formulate tentative hypotheses about the relation between migration and the consumption and savings functions of urban families. The study then tested the hypotheses using unpublished data from the 1960–61 Survey of Consumer Expenditures of the Bureau of Labor Statistics and modified them accordingly. Data from the 1960–61 survey were also used to formulate estimates of mobility and migration rates for urban families and one-person consumer units who were in existence at least 1 year before the interview.

One of the principal conclusions of the study is that migrant urban families appear to have a higher total consumption function during the year of their move than do nonmigrant urban families. Analysis of the data further indicates that the migrant families' higher average propensity to consume is related to their mobility. Part of the difference between the average consumption functions of migrant and nonmigrant urban families, the study concludes, is probably related to differences in other family characteristics such as size of family, income level, and age and education of the family head. But the difference is not explained by these characteristics alone since the average consumption function of migrant urban families is higher even when suitable adjustments are made for other relevant characteristics. Neither do out-of-pocket moving costs account for the difference.

The higher average consumption function of migrant urban families appears to result from a tendency for such families to use a larger percentage of current income for other categories of current consumption expenditures—specifically, shelter plus essential utilities, household furnishings and equipment, and transportation (attributable to higher outlays for automobile purchase and operation). Expenditures for food constituted a smaller percentage of total current consumption expenditures for migrant families than for nonmigrant families. The 1950 survey did indicate, though, that migrant families spent a greater percentage on food consumed away from home than did nonmigrants.

The average savings function of migrant urban families was found to be lower for the year in which they migrated than that of nonmigrant urban families—regardless of whether "savings" is defined as net change in assets and liabilities or net change in assets and liabilities plus outlays for personal insurance.

The term "assets" as used in the study included cash in bank and on hand, money owed to the family, investment in business, and those types of real and personal property that are customarily bought and sold. "Liabilities" were defined to

* Prepared by the Publications Staff, Office of Research and Statistics. Based on *Economic Effects of Internal Migration: An Exploratory Study*, by Betty G. Fishman, Regional Research Institute, West Virginia University. Research for the study was supported in part by Social Security Grant No. 284.

[1] U.S. Department of Labor, Bureau of Labor Statistics, and University of Pennsylvania, Wharton School of Finance and Commerce, *Study of Consummer Expenditures, Incomes and Savings*, 1956.

include such items as mortgages on the family dwelling or other real property and money owed on rent, taxes, and the purchase of goods and services, or to banks and insurance companies.

Like the average consumption functions of migrant and nonmigrant families, part of the difference between the savings functions of the two groups is probably related to differences in other relevant family characteristics such as income level and age of the family head. But these characteristics do not completely account for the difference since migrant urban families have a lower average savings function than nonmigrant urban families even when suitable adjustments are made for other relevant characteristics.

In addition to the use of the 1960–61 survey data in evaluating the economic effects of migration on families, the data were used to estimate rates of mobility and migration. The study concludes that although the dissolution and formation of new families are important reasons for mobility, most individuals who make distance moves make them as members of established families. The rate of migration (distance moves) for urban families and one-person consumer units who had been in existence for at least 1 year before the interview was set at close to 6 percent for the period 1951–66.

A number of inferences were made from the study's conclusions. It was suggested, for example, that increases in public expenditures or private domestic investment expenditures that cause or encourage migration are likely to have a larger multiplier effect, and thus result in a larger increase in national income and gross national product, than expenditures that do not foster migration. When the conclusions of the study are considered along with the relativetly high mobility rates of the postwar period, they may also help to explain why the ratio of aggregate personal consumption expenditures to aggregate disposable personal income has not shown any tendency to decline during the past two decades. The results also suggest that public programs intended to encourage relocation of unemployed or underemployed workers are not likely to be successful unless they provide financial assistance or support over and above out-of-pocket moving expenses.

Social Security Abroad

RECENT DEVELOPMENTS of significance in the field of social security are reported for several countries in the notes that follow.*

CENTRAL AMERICAN COMMON MARKET

Signing of the Multilateral Convention on Social Security by the Council of Labor and Social Welfare of the Organization of Central American States (Organizacion de Estados Centroamericanos)[1] on October 13, 1967, at San Jose, Costa Rica, marked a step forward in the progress of Central American regional economic intergration. The convention is the first of a series being developed by the Ministers of Labor and the Social Security Directors aimed at achieving uniform labor and social security legislation throughout the Central American Common Market.

The agreement is designed to facilitate greater mobility of the work force within the Central American Common Market. Hitherto, international migration has been confined largely to seasonal workers living in or near border areas. Plans call also for the eventual movement of skilled and technical workers.

The Convention provides for procedures to ensure equality of benefits and working conditions, adjudicate disputes, and develop coordination between the social security institutions of the member states. Prepared by ODECA with technical assistance from the International Labor Organization, it was originally approved by the Council of Labor and Social Welfare in 1965 but was redrafted in simplified form to make ratification easier.

Subject to conditions to be prescribed in subsequent regulations, the contracting countries undertake to provide coverage for the risks of

* Prepared by International Staff, Office of Research and Statistics.

[1] Members of ODECA are Costa Rica, Guatemala, Honduras, Nicaragua, and El Salvador. In addition, Panama is participating in the work of several of the subsidiary organizations of ODECA, including the Technical Regional Commission on Social Security.