lief purposes, based on contributions of a day's pay, was presented to the General Assembly in December by Aake Ording of Norway, and the Assembly adopted a resolution favoring the plan in principle and asking the Secretary-General to explore the possibilities of raising funds in this way. After receiving the Secretary-General's report on the explorations that had been made, the Economic and Social Council decided to support the principle of voluntary collection, based either on the day's pay plan or on alternative methods best suited to the conditions in particular countries. The Council adopted the following resolution:

"The Economic and Social Council, taking note of the General Assembly Resolution No. 57 of the same date,

"1. Approves in principle the proposal for a special world-wide appeal for nongovernmental voluntary contributions to meet emergency relief needs of children, adolescents, expectant and nursing mothers, without discrimination because of race, creed, nationality status, or political belief, by way of a "One Day's Pay" collection or some alternative form of collection better adapted to any particular country;

"2. Requests the Secretary-General to continue his exploration of the most appropriate procedures for carrying forward this work and to make such arrangements as may be necessary for this purpose, taking into account the circumstances, including the foreign exchange position, of each country;

"3. Further requests the Secretary-General to report to the next session of the Economic and Social Council on the progress of this project;

"4. Urges governments to aid and facilitate this voluntary effort on the understanding that agreement will be reached between the Secretary-General and each country (a) as to the disposal of the national collections, and (b) as to the purchase of supplies within the country for use elsewhere;

"5. Authorizes the Secretary-General, after due consultations, to fix a date most suitable for the collection."

Substantial funds for foreign relief have been raised by voluntary organizations in the United States during and immediately after the war. Policies with reference to foreign relief are coordinated by the Advisory Committee on Voluntary Foreign Aid of the United States Government. During the month of January 1947 the total value of relief sent abroad by American agencies and recorded with the Advisory Committee was $14.1 million. Any plans for a voluntary collection in the United States will be worked out in cooperation with the voluntary agencies as represented by the American Council of Voluntary Agencies for Foreign Service and the Advisory Committee on Voluntary Foreign Aid. It will be at least the latter part of 1947, however, before plans for the collection can be put into operation. In the meantime, existing voluntary agencies will continue handling the problem of immediate relief for children.

Relation to Other Assistance Measures

The proposed governmental and other contributions from the United States for the International Children's Emergency Fund should not be confused with the President's proposal, submitted to Congress on February 21, for an appropriation of not to exceed $350 million for direct assistance from the United States. The purpose of this appropriation, as of other assistance which may be given directly by the United States, is to provide assistance to countries in maintaining a ration sufficient to give the basic essentials of life. Such relief is a necessary foundation for special children's programs, because the extent to which child relief will be successful in assuring opportunity for health and growth will depend on whether such relief can be, in fact, supplementary, or whether it must be used merely to keep children alive. The International Children's Emergency Fund provides the means for world-wide cooperation in saving children who have suffered grievously from war and its consequences. It is a cause which should command universal and generous support.

Earners and Dependents in Urban Families in Relation to Family Income

By Jacob Fisher*

IN MOST SOCIAL INSURANCE systems contributions are based on individual earnings. Benefits, on the other hand, are, for many programs, varied by size and composition of family. Since lower-paid workers tend to have larger families there is a rough kind of social equity in this departure from the payment of benefits strictly proportional to contributions. How rough is not too well known, since data on contributions and benefits by family income class can be only partially approximated.

It is of course true that, even if all the facts were in, people would still disagree on what is socially equitable. There is considerable value nevertheless in assembling what materials there are as a basis for a discussion of the policy issues involved. Measurement of the impact of social insurance taxes and the incidence of benefits by family income classes depends, however, on the availability of data on the number of earners and dependents at varying income levels, and the effect of income differences on size and composition of family.

The present article addresses itself to the analysis of family composition and income relationships. The data are derived from the 1940 census and deal in the main with urban families with income from wages or salary only. Such families numbered 11.1 million or somewhat more than half of the urban families enumerated and a little more than a third of all families in the United States.

Type of family	Total	Urban	Rural
All families	35,087,440	20,749,200	14,338,240
Families with income from wages or salary only	15,928,300	11,132,500	4,795,800
Other families	19,159,140	9,616,700	9,542,440

*Bureau of Research and Statistics, Division of Coordination Studies. Martin Marimont and Sol Ackerman, formerly of the Division, aided in the development of the tables.

Families with income limited to wages or salary were selected because total income was obtained for such families only. (The census schedule included an item for income of $50 or more from other sources but only with respect to its receipt or nonreceipt.) To maximize homogeneity in the data, the analysis was confined to urban families.

The usefulness of the data presented in the article does not lie in the income distribution, which is descriptive of only one segment of the population in 1939 and is not representative of the incomes of families in that segment today, or in the specific averages developed for earners and dependents by income class. These may be expected to change with shifts in the income structure and family composition of the population. Estimates made in the Bureau of Research and Statistics, for instance, suggest that primary dependents, as defined below, may vary from 1.05 to 1.15 per worker, depending on the economic assumption used. The ratio will also be larger or smaller depending on the relative broadness with which the term dependent is defined. The principal value of the estimates lies rather in the magnitude of the differences in earner and dependent ratios among income classes and among families of varying size and composition, and in the direction of the change in the ratio with changes in income, size of family, number of earners, and number of dependents.

Definitions.—The *family* referred to in this article is the census "private family," defined as comprising "a family head and all other persons in the home who are related to the head by blood, marriage or adoption, and who live together and share common housekeeping arrangements." A person living alone is considered a one-person family. An *urban family* is a family living in an area defined by the Bureau of the Census as urban, generally a city or other incorporated place having 2,500 or more inhabitants. The *family head* is the person regarded by the other family members as the head. The head is usually the chief earner; in some cases, however, the head is the parent of the chief earner. *Children* are unmarried family members under age 18 related to the head, but not necessarily the children of the head. Among the 19.2 million children in urban families in 1940, 17.8 million, or 93 percent, were children of the head, 1 million were grandchildren, and 0.4 million were other relatives. *Wage or salary income* includes all money received in 1939 in compensation for work or services performed as employees, including commissions, tips, piece-rate payments, bonuses, and so on, as well as receipts commonly referred to as wages or salaries. The value of income received in kind, such as living quarters, meals, and clothing, is not included. An *earner* is a person 14 years old or over who reported that he received $1 or more of wage or salary income in 1939. A small number consisted of part-time or seasonal workers, persons not ordinarily in the labor force. Some labor-force members in March 1940, on the other hand, were not classified as earners since they had no earnings in 1939, either because of disability or unemployment or because they were self-employed in 1939 or because they entered the labor force as new members after December 1939. *Dependents* are wives not in the labor force of family heads who are earners, and unmarried children under 18, not in the labor force, living in a family whose head is a relative and an earner. Such persons are sometimes referred to in the article as primary dependents, since they exclude nonworking parents, disabled husbands, and older children, who could be included in a broader definition of the term dependent. *Other persons* are family members who are neither earners nor dependents, as defined, including nonearner family heads, children over age 18 at school, and other adult relatives of the head not in the labor force.

Number of Earners

Most families with wage or salary income have only one earner.[1] In 1939, two-thirds of the families living in urban areas and with income from wages or salary only had one earner, 25 percent had two earners, and 8 percent had three or more.

Number of earners	Families	
	Number	Percentage distribution
Total	11,132,500	100.0
1 earner	7,509,440	67.5
2 earners	2,747,740	24.7
3 or more earners	875,320	7.9

Families with more earners generally enjoy a larger income. In 1939 more than 9 out of 10 families with incomes below $200 had only one earner. Among families reporting income of $3,000–4,999, only 39 percent had one earner, 35 percent had two earners, and 26 percent had three or more. The influence of number of earners upon family income is illustrated in table 4.

Size of family.—The rise shown in table 4 in average numbers of earners as family income moves up is accompanied, it may be observed, by a concurrent increase in average family size. What is the relation of these three factors?

When families are classified by size, the following pattern emerges:

Persons in family	Average number of earners	Median family income
Total	1.48	$1,476
1	1.00	830
2	1.29	1,413
3	1.32	1,520
4	1.54	1,636
5 or more	2.06	1,612

Each step-up in family size is associated with a gain in both number of earners and amount of income, except that families of five or more have a smaller income than families of four. This suggests that the association of size and income may not hold for relatively large families. Data based on a sample differing slightly from the

[1] For an earlier analysis of family income and family composition, based on the 1935–36 National Health Survey, and using the bio-legal concept of the family as distinguished from the census family concept employed in this article, see the following articles in the *Social Security Bulletin:* "The Economic Status of Urban Families and Children," May 1939; "Income of Urban Families and Individuals in Single-Family Households," September 1939; "Gainful Workers and Income in Urban Single-Family Households," December 1939; "Income, Children, and Gainful Workers in Single-Family Households," February 1940; "Income, Children, and Gainful Workers in Urban Multi-Family Households," April 1940.

Table 1.—*Median income in 1939 of urban families with wage or salary income only, by size of family, age, sex, and marital status of head.*

Persons in family	Total	Male head (married, wife present) aged—					Other male head	Female head
		Total	Under 35	35–44	45–54	55 and over		
Total	$1,496	$1,601	$1,407	$1.702	$1,811	$1,654	$1,156	$972
1	854						904	803
2	1,431	1,510	1,507	1,676	1,557	1,303	1,347	938
3	1 549	1,583	1,373	1,770	1,848	1,678	1,646	1,132
4	1,675	1,694	1,385	1,786	1,975	2,003	1,831	1,260
5	1,681	1,693	1,321	1,687	1,942	2,142	1,891	1,379
6	1,653	1,654	1,251	1,556	1,884	2,202	1,904	1,501
7 or more	1,590	1,584	1,110	1,376	1,807	2,200	1,873	1,576

Source: *Sixteenth Census of the United States, 1940: Population, Families, Size of Family and Age of Head,* table 8.

one used to obtain the averages in table 1 support such a view. They yield a median income of $1,675 for families of four, $1,681 for families of five, $1,653 for families of six, and $1,590 for families of seven or more. The correlation, in other words, is good up to families of five; beyond that point there appears an increasing disparity between size of family and income.

Number of earners, on the other hand, is directly related to size of family and amount of family income:

Number of earners	Average number of persons per family	Median family income
Total	3.37	$1,476
1	3.08	1,308
2	3.45	1,510
3 or more	5.57	2,574

What accounts for the association of number of earners with both family size and family income, but the decline in income in larger families?

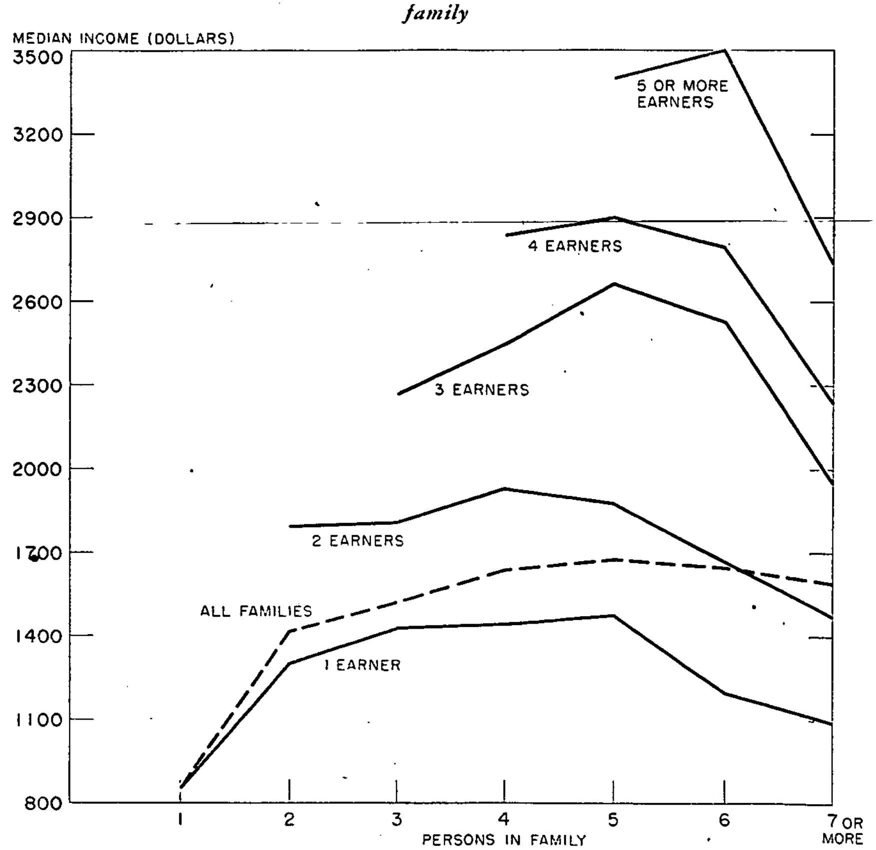
It may be useful to examine first the relationship of family size and income when the number of earners is held constant.

Among one-earner families the same pattern in the trends in size and income may be noted as in all families, that is, median income increases with size up to five persons, then declines. Since the earner in one-earner families was the head in 94 cases out of 100—a ratio which increased with income, reaching 99 percent in families with an income of $5,000 or more—some plausibility attaches to the suggestion that income drops in larger families with one earner because the age at which individual earnings are at their maximum does not coincide with the age of the head at which families are biggest. The highest median wage or salary earnings in 1939 were reported by men in the age class 35–44, whereas the men with the largest average families were in the age class 45–54, when earnings had begun to decline. When it is borne in mind that, in husband-wife families, the average age of the head rises in each successive family size beyond two-person families, the unfavorable effect of the decreasing earnings of older workers on family-size-income relationships in one-earner families may be readily appreciated.

Of somewhat more significance, perhaps, is the influence of occupation on earnings and family size. Among the major occupational classes in the census there appears to be a substantial negative correlation between the two. Family heads classified as laborers, as operatives and kindred workers, and as craftsmen, foremen, and kindred workers had more children in 1940 than heads who were clerical, sales and kindred workers, proprietors, managers and officials, and professional and semiprofessional workers. Median earnings in the first three groups, on the other hand, were considerably smaller than those in the other groups.

For urban families dependent on the earnings of one person only, in summary, the downward trend in income in larger families may be attributed in part to the increase in average age of the head in larger families and the decline in his earnings because of age, but more importantly to the tendency of workers in occupations yielding a lower income to have more children than

Chart 1.—*Median income of families with specified number of wage earners, by size of family*



workers in the higher-paid occupations.

The nonassociation of family size and income in larger families appears also in families with two earners, with three earners, and so on (chart 1).

The recurrence of this pattern suggests that the earnings of the head are the dominant element in the family-income picture. The presence of additional earners raises the level of family income, but not the general outline of the family-income-family-size contour. The determining factors appear to be three: the head is an earner in nearly all families; only one family in three has secondary earners; secondary earners have smaller earnings than primary earners.

Ninety-three out of a hundred family heads reported earnings in 1939.

Type of earner	Families with—	
	At least 1 earner	2 or more earners
Total	11, 132, 500	3, 623, 060
Head an earner	10, 377, 000	3, 312, 800
Only earner	7, 064, 200	
Other earners present	3, 312, 800	3, 312, 800
Head not an earner	755, 500	310, 260
One earner	445, 240	
Other earners present	310, 260	310, 260

The median income of earner heads in families with income from wages or salary only was $1,344; of wives, $650; of children under age 18, $154; and of other relatives of the head, $740. While larger families tend to have more earners, and families with more earners average more income, the income of families with the same number of earners begins to drop shortly after the family-size point at which a decline in the earnings of the primary worker sets in. The additional income supplied by secondary workers in larger families is not sufficient to overcome entirely the drop in the earnings of the primary worker. Hence the correlation in the aggregate of number of earners with both family size and family income, but the decline in income in larger families.

Family composition.—Data on family size and income by sex, marital status, and age of head illustrate the relative influence of the earner status of the head, the earnings of the head, and the presence of secondary earners on the relationship of family size and family income.

Table 2.—*Average number of persons per family in labor force, urban families, by size and sex and marital status of head, 1940*

Type of family	Average number of persons in labor force, by size of family					
	Total	1	2	3	4	5 or more
Total	1. 54	1. 00	1. 26	1. 41	1. 57	2. 12
Husband-wife families	1. 54		1. 26	1. 34	1. 53	2. 05
Head	. 96		. 99	. 97	. 96	. 92
Others	. 58		. 27	. 37	. 57	1. 13
Other families	1. 52	1. 00	1. 27	1. 79	1. 84	2. 58
Head	. 70	1. 00	. 66	. 57	. 44	. 43
Others	. 82		. 61	1. 22	1. 40	2. 15

Source: Estimated from sources listed in foot note to table 4.

Among urban families with a woman head (single, widowed, divorced, or separated) no decrease in income took place in 1939 in larger families. The peak in income for families headed by a single, widowed, divorced, or separated man was not reached until families of six. Among husband-wife families, by contrast, the largest median income was shown by families of four and five.

Differentiation by age of family head may also be noted. When the husband in husband-wife families was under age 35, the two-person family had the highest income; when he was in the ages 35–54, median income was at a peak in four-person families; when he was 55 or older the family with six or more persons had the highest income (table 1).

The association of family size and income, in other words, was more pronounced for families sometimes referred to as broken families, and, among so-called normal families (i. e. husband-wife families), for families with an older head. Now one of the ways in which the broken family differs from the normal family is in the presence of fewer children, both absolutely (average for all families) and relatively (families of the same size). Conversely the broken family has proportionately more adult relatives and more members in the labor force (table 2). Similarly, husband-wife families with heads past 45 years have relatively fewer children than families with younger heads and proportionately more adult relatives of the head and more members in the labor force. Since only a negligible number of children are in the labor force (3 out of 100 in urban families in 1940 as compared with almost 1 in 3 among adult relatives), increases in family size are accompanied by a more rapid growth in the number of earners and in income among broken families than among normal families, and among families with older heads than among families with younger heads.

In broken families, and in families with an older head, furthermore, the influence of the earnings of the head on total family income, the importance of which has been alluded to earlier, is diminished by the smaller proportion of heads in the labor force and the reduced earnings of such heads. In 1940 only 4 in 10 women heads of families were in the labor force, as compared with 3 in 4 male heads of broken families and 9 in 10 heads in husband-wife families. The ratio of heads in the labor force among husband-wife families fell from 99 percent in the ages under 45 years to 47 percent of heads 65 years and older.

Of the same significance are the lower average earnings of heads of broken families as compared with the heads of husband-wife families, and the decline in the average earnings of family heads beyond age 45. In 1939, heads of urban husband-wife families with income from wages or salary only reported median earnings of $1,406; male heads of broken families, $1,105; women heads, $766. The median for male heads 35 to 44 years was $1,507; for male heads 45 to 64 years, $1,456; for male heads 65 years and over, $1,213.

All three factors—less frequent membership of the head in the labor force, lower average earnings of the

Table 3.—*Percentage distribution of urban families with wage or salary income only, by size of income in 1939, and sex and marital status of head*

Family income	Total	Husband-wife families	Other families	
			Male head	Female head
Total	100.0	100.0	100.0	100.0
$1–499	10.1	7.1	17.8	24.4
500–999	18.6	16.8	25.5	26.4
1,000–1,499	21.4	21.9	20.0	19.3
1,500–1,999	19.0	20.5	13.6	12.7
2,000–2,499	12.8	14.0	8.9	7.2
2,500–2,999	6.8	7.4	4.8	3.8
3,000–4,999	9.1	9.9	7.4	5.2
5,000 or more	2.2	2.4	1.9	1.1

Source: *Sixteenth Census of the United States, 1940: Population, Families, Family Wage or Salary Income, 1939,* table 9.

head, and more frequent presence of other workers—tend to enhance the importance of secondary earners in broken families and by the same token to produce a more direct association in such families between family size and family income.

These factors also account, of course, for the higher average income of husband-wife families as compared with broken families and, among the latter, for the more favorable economic status of families with a male head. The effect on the relative distribution of family types among income classes is illustrated in table 3.

The relationships of family size, family composition, and family income set out in this article are roughly descriptive of the relationships at one point in time, the 1940 census week. Were the data available, it is possible that similar patterns could be developed for 1930. Most families in existence in both years would, however, be found in different size and income classes in 1930; some, in addition, would shift from one family type to another. The structure and economic status of families, in other words, change with time. This fact suggests that many of the phenomena noted here reflect different aspects of the family life cycle, and that an analysis based on the life cycle would yield additional insights into size-composition-income relationships.[2]

Number of Primary Dependents

By definition all families with wage or salary income have at least one earner. Not all of these families, however, have primary dependents. Three in every ten urban families with wage or salary income only in 1939 had no primary dependents, three had one, two had two primary dependents, and two had three or more. Primary dependents may thus be seen to be more widely dispersed than earners, nearly half of whom were in families with one earner only.

Number of primary dependents	Families	
	Number	Percentage distribution
Total	11,132,500	100.0
0	3,459,783	31.1
1	3,294,183	29.6
2	2,032,981	18.3
3 or more	2,345,553	21.1

If the term "dependents" were broadened to include nonworking parents living with the family head or supported by him in whole or part, disabled husbands of women earners, and nonworking children over age 18, these proportions would change somewhat, but not significantly. The present analysis is limited to wives and children because their status as dependents is usually taken for granted in insurance systems paying dependents' benefits; they account for almost all dependents, however defined; and more data are available for them than for other types of dependents. Among urban families with wage or salary income only in 1939, primary dependents comprised 89 percent of all nonearners.

Families with very low incomes tend to have relatively fewer primary de-

[2] See, for instance, W. S. Woytinsky, "Income Cycle in the Life of Families and Individuals," *Social Security Bulletin,* June 1943, pp. 8–17.

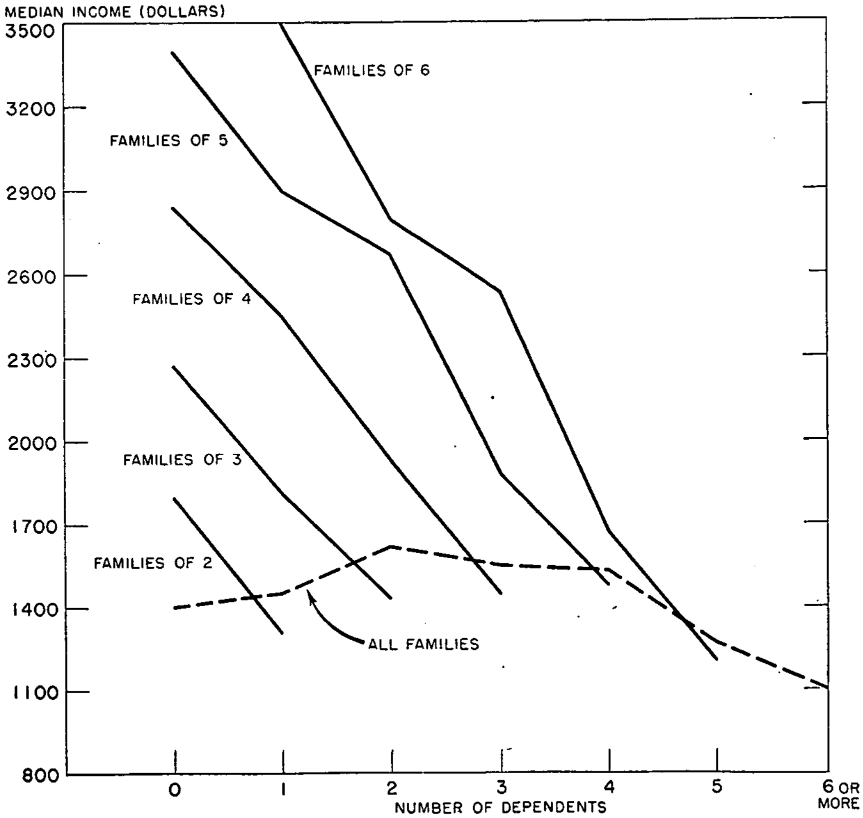
Table 4.—*Urban families with wage or salary income only, number of persons, number of earners, number of primary dependents, by size of family income, 1939* [1]

Family income class	Number of families	Number of persons				Average number of persons per family				Number of earners and dependents	
		Total	Earners	Primary dependents	Others	Total	Earners	Primary dependents	Others	Per family	Per earner
Total	11,132,500	37,481,997	16,491,582	18,657,443	2,332,972	3.37	1.48	1.68	0.21	3.16	2.13
$1–199	258,520	699,760	279,763	374,540	45,457	2.71	1.08	1.45	.18	2.53	2.34
200–399	538,740	1,556,855	627,028	822,981	106,846	2.89	1.16	1.53	.20	2.69	2.31
400–599	704,120	2,173,113	855,918	1,173,416	143,779	3.09	1.22	1.67	.20	2.88	2.37
600–799	869,260	2,739,916	1,076,143	1,485,800	177,973	3.15	1.24	1.71	.20	2.95	2.38
800–999	826,420	2,648,804	1,075,470	1,401,119	172,215	3.21	1.30	1.70	.21	3.00	2.30
1,000–1,199	926,120	3,024,588	1,219,822	1,614,008	190,758	3.27	1.32	1.74	.21	3.06	2.32
1,200–1,399	1,060,080	3,487,884	1,383,177	1,892,004	212,703	3.29	1.30	1.78	.20	3.09	2.37
1,400–1,599	1,009,380	3,399,920	1,364,835	1,826,907	208,178	3.37	1.35	1.81	.21	3.16	2.34
1,600–1,999	1,506,080	5,144,373	2,242,799	2,576,703	324,871	3.42	1.49	1.71	.22	3.20	2.15
2,000–2,499	1,423,420	4,965,036	2,278,466	2,377,533	309,037	3.49	1.60	1.67	.22	3.27	2.04
2,500–2,999	752,440	2,744,988	1,408,271	1,162,095	174,622	3.65	1.87	1.54	.23	3.42	1.83
3,000–4,999	1,015,040	3,936,463	2,182,960	1,522,880	230,623	3.88	2.15	1.50	.23	3.65	1.70
5,000 or more	242,880	960,297	496,930	427,457	35,910	3.95	2.05	1.76	.15	3.81	1.86

[1] Earners are persons 14 years old and over who reported receipt in 1939 of $1 or more in wages or salary. Primary dependents are wives not in the labor force of family heads who are earners and unmarried children under 18 not in the labor force, living in a family whose head is a relative and an earner. "Others" are related to head but are neither earners nor dependents.

Source: Estimated from following volumes of the *Sixteenth Census of the United States, 1940: Population, Families, Family Wage or Salary Income, 1939,* tables 4, 5, 6, 9, 11; *Population, Families, Types of Families,* tables 3, 4, 5; *Population and Housing, Families, General Characteristics,* table 4; *Population, The Labor Force, Wage or Salary Income in 1939,* tables 1, 2, 10; *Population, The Labor Force, Employment and Personal Characteristics,* table 19; *Population, Volume IV, Characteristics by Age,* Part 1, table 11; *Population, Families, Employment Status,* tables 6, 9, 10; *Population, Families, Size of Family and Age of Head,* table 8; *Population, Characteristics of Persons Not in the Labor Force,* table 17.

Chart 2.—*Median income of families of specified size, by number of dependents*



pendents than families in the middle income range, among whom is to be found the heaviest concentration of dependents. Increases in family income beyond that received by the middle group are generally accompanied by a decline in the average number of dependents. A secondary concentration of primary dependents occurs in families with incomes of $5,000 or more (table 4).

Family size.—Family size and number of primary dependents are closely related, that is, the larger the family, the larger the number of dependents. Median family income, as already noted, rises as families increase in size but drops among larger families.

Persons in family	Average number of primary dependents	Median family income
Total	1.68	$1,476
1	0	830
2	.52	1,413
3	1.35	1,520
4	2.23	1,636
5 or more	3.76	1,612

Consistent with this pattern, family size increases with the number of primary dependents, but family income, after rising to a peak in families with two dependents, falls in families with three or more dependents.

Number of primary dependents	Average number of persons	Median family income
Total	3.37	$1,476
0	1.99	1,404
1	2.68	1,450
2	3.53	1,645
3 or more	5.36	1,463

For families up to four persons, increases in family size would seem associated with increases in both average number of primary dependents and in family income. Is there any direct relation between the last two? To what extent is it influenced by the factor of family size, which increases with both income and number of dependents? What happens when family size is held constant?

Families of one, by definition, have no dependents. In families of two the average number of primary dependents is largest in the lowest income class, smallest in the class $3,000–4,999. The explanation of course is that two-person families in which both persons are wage earners tend to have more income than two-person families with one earner only. As a result, two-earner families, as a percent of all two-person families, increase with income, yielding in turn a steady rise with income in the average number of earners per family. Concurrently a decline takes place in the average number of nonearners, among whom primary dependents outnumber other persons by more than four to one.

Similar size relationships may be observed in families of three, four, and five or more persons, each considered separately.

Within each family-size class, in other words, primary dependents are most frequent in the lowest income brackets and become increasingly less frequent as one moves up the income scale. Or, put another way, median income in families of the same size tends to be largest in families with no dependents and to drop with each successive increase in the number of dependents (chart 2).

In the aggregate, however, that is, among the total number of families, the negative relationship of income and number of dependents is obscured by distortions introduced as a result of differences in the representation of families of varying sizes. Median income is lowest, it will be recalled, among one-person families, increases with family size up to families of five, and then declines. The median income of families with no dependents is relatively low because 30 percent are one-person families, while another 52 percent are two-person families. Families with one dependent have a somewhat larger median income because they contain no one-person families and include relatively more families of two or more persons. Families with two dependents in turn average more income than families with one; one and two-person families are absent, and there are more families of three or more persons. Beyond the second dependent, however, median income drops because of the increasing representation of families of six and seven or more persons.

In the light of these considerations it becomes clear why the average number of primary dependents shown in table 4 increases with income between the $1–199 and $1,400–1,599 classes, rather than the reverse. As one moves up the income scale, family size grows larger and average number of dependents increases. Somewhere around $1,400–1,599, however, a turning point is reached; families continue to grow larger as income increases, but such increases are accounted for entirely by earners, and the relative number of dependents declines. To a significant extent the whole pattern is affected by the presence of one-person families, for when such families are eliminated the average number of dependents generally drops with income gains, not only in the upper brackets but all along the income scale.

Family composition.—Since average income in families of the same size declines as the average number of primary dependents increases, and since dependents are drawn entirely from among wives and children under 18, the average number of wives and children should be larger in low-income than in high-income families (that is, of the same size).

Tabulations crossing income of husband and of wife indicate that the proportion of wives with no earnings and who can therefore be classified as dependents was lowest for husbands in the bottom income bracket and highest for husbands in the class $5,000 or more. This would seem to confirm the common observation that a married woman is more likely to be working when her husband's earnings are small than when they are large. It suggests also that the average number of dependent wives among husband-wife families does not decline with family income, but quite the contrary. Taken in conjunction with the relative sparsity of husband-wife families in the low incomes, the decrease in earners among wives as the husband's income rises makes for a marked correlation among the total number of families between the average number of dependent wives and average size of family income.

Children, who account for most dependents, do not, however, follow this pattern. They increase in frequency up to the income class $1,000–1,499 and then decline in relative number, exhibiting in this respect a trend similar to that noted earlier for dependents as a whole, and for approximately the same reasons. More than 40 percent of the families with an income of less than $500 in 1939 and nearly 30 percent of the families with an income of $500–999 were broken families, among whom families with no children were twice as frequent as among husband-wife families. When the analysis is confined to families with children, a different picture emerges. Children were most numerous in the lowest income class, which had the highest proportion of families with three or more children, and least numerous in the class $3,000–4,999, which had the smallest proportion. Since 9 in every 10 children were dependents, the negative correlation of average number of children and family income may also be presumed to exist for dependent children as well.

Family income	*Average number of children per family for families with children*
Total	1.96
$1–499	2.14
500–999	2.08
1,000–1,499	1.98
1,500–1,999	1.92
2,000–2,499	1.88
2,500–2,999	1.84
3,000–4,999	1.81
5,000 or more	1.83

The influence of the nonassociation of children and family income may be expected to be most pronounced among husband-wife families, which contained 91 percent of the children in urban families in 1940. Such families, including those with no children, averaged 1.30 children in the income classes $1–499 and $500–999, an average which declined to 0.93 in the income class $3,000–4,999. Among broken families with a female head there was the same general tendency for the average to decline with rising income. Broken families with male heads, on the other hand, showed an increase in the average, a circumstance related to the specific characteristics of such families.

Number of earners.—With 94 out of 100 family members either earners or primary dependents (table 4), families with more earners should have fewer dependents. This generalization is true of families of the same size, but not of all families in the aggregate. Families with two earners average fewer dependents than families with one, but among families with three or more earners there are relatively more dependents than among families with two because of the factor of family size.

Number of earners	Average number of primary dependents, by size of family					
	Total	1	2	3	4	5 or more
Total	1.68	------	0.52	1.35	2.23	3.76
1	1.86	------	.74	1.63	2.80	4.68
2	1.28	------	------	.74	1.63	3.55
3 or more	1.41	------	------	------	.33	2.08

The relative number of earners in families of the same size, conversely, decreases as the number of primary dependents rises. The influence of family size, again, disturbs the correlation for families in the total.

Number of primary dependents	Average number of earners, by size of family					
	Total	1	2	3	4	5 or more
Total	1.48	1.00	1.29	1.32	1.54	2.06
0	1.70	1.00	1.61	2.30	3.82	4.98
1	1.37	------	1.00	1.42	2.28	3.58
2	1.36	------	------	1.00	1.57	2.90
3 or more	1.47	------	------	------	1.00	1.74

The effect of these relationships on family income is consistent with the data cited earlier. Family size increases with income (table 4). Among one-earner families, the larger family size is necessarily accounted for entirely by primary dependents, that is, the average number of dependents increases with income all the way up the income scale, not, as in the case of all families, up to the $1,400–1,599 class only. Among families with two or more earners, however, the gain in family size as income rises is attributable entirely to more earners and the relative number of dependents declines as income rises.

Total Number of Earners and Primary Dependents

In an insurance system paying dependents' benefits, potential beneficiaries include both earners and their dependents. It may be of some interest, therefore, to examine the relation of these two groups in the aggregate to family income.

Earners, it has been noted, increase in relative number when family income rises, whereas the average number of dependents declines after the $1,400–1,599 class. When the number of earners and that of dependents are combined, the earner pattern is dominant, the potential number of beneficiaries per family going up with each rise in income (table 4). The curve for potential beneficiaries per earner, suggestive of the relation between average contribution and average benefit by income class, exhibits quite a different profile, remaining at approximately the same level in the income classes below $1,600, then falling rapidly as the average number of dependents shrinks.

The number of potential beneficiaries per family and per earner increases with family size, the first average more rapidly than the second because gains in family size are accounted for more by dependents than by earners.

Persons in family	Average number of earners and primary dependents	
	Per family	Per earner
Total	3.16	2.13
1	1.00	1.00
2	1.81	1.40
3	2.67	2.02
4	3.77	2.44
5 or more	5.81	2.83

The number of potential beneficiaries per family increases also with both number of earners and number of dependents, separately considered. This association reflects mainly the influence of family size. Among 2 and 3-person families only 1 in 10 family members is neither an earner nor a primary dependent, a ratio which drops to 6 percent in 4-person families and to 3 percent in families of 5 or more. While dependents are fewer as the number of earners increases, and vice versa, the sum of the two of necessity grows larger as either one or the other goes up.

Per individual earner, on the other hand, the average number of potential beneficiaries declines as the number of earners increases, for while the earner component in the number of potential beneficiaries remains in a one-to-one relationship to earners as the latter increase, the number of primary dependents tends to drop.

Earners in family	*Average number of earners and primary dependents per earner*
Total	2.13
1	2.86
2	1.64
3 or more	1.35

Summary and Conclusions

1. Larger urban families tend to have more earners, and families with more earners to have a higher income. The association of family size and family income is positive, however, only in small and middle-sized families. In larger families income declines.

2. The earnings of the urban family head largely determine the general level of family income. Divergent trends in family size and family income in larger families seem to be related to the nonassociation, occupationally, of the fertility and earnings patterns of the family head.

3. The association of family size and income in urban families is most pronounced for broken families and for families with an older head, that is, families with relatively fewer children and relatively more earners than husband-wife families and families with younger heads. In such families the influence of the earnings of the head on total family income is diminished by the smaller proportion of heads in the labor force and the reduced earnings of such heads, factors which tend to enhance the importance of secondary earners and the role of their earnings in the total income of the family.

4. Increases in urban family size are accompanied by an increase in the average number of primary dependents, that is, nonearner wives and children under age 18. Since income declines in the larger families, more primary dependents generally mean less income.

5. Within each family-size class, median income tends to be largest in families with no dependents and to drop with each successive increase in the number of primary dependents. In the aggregate, however, the negative relationship of income and number of dependents is distorted by the influence of family size. As a result, the average number of primary dependents in urban families with wage and salary income only increases with income up to the middle of the income range, rather than the reverse. Beyond the middle of the income range, however, primary dependents become relatively less frequent with each successive income class.

6. Under any definition of dependents, the larger number would be children. Among urban families with children the average number of children is negatively correlated with income. Since children are relatively more numerous in husband-wife families than in families of other types, the average number of dependents is higher in husband-wife families.

7. For families of the same size, increases in the number of earners are accompanied by a decrease in the number of primary dependents and vice versa. Among one-earner families the average number of dependents increases with family income; the reverse is true of families with two or more earners.

8. When earners and dependents are added together, the aggregate represents potential beneficiaries in a social insurance system paying dependents' benefits. The number of such beneficiaries per urban family increases directly with income. As an average per earner, however, it remains at approximately the same level up to the middle of the income range, then declines rapidly.

9. The relative number of potential beneficiaries as thus defined is larger in husband-wife families than in families of other types, and increases with increases in family size, number of earners, and number of dependents.

10. Under conditions obtaining in 1939–40, the average urban family with income from wages or salary only had about one and a half earners and about one and two-thirds primary dependents. Potential beneficiaries under a social insurance system paying benefits to both earners and primary dependents averaged a little over three per family, a little over two per earner. The average per family increased from about two and a half in the lowest income class to almost four

in the top income class. On a per earner basis, however, potential beneficiaries averaged about two and a third in the low and middle income classes and declined in the upper income ranges.

11. Dependents' benefits are sometimes justified on the ground that earners with dependents require a higher benefit income than the benefit formula by itself allows. Data cited in this article suggest that the earnings of workers with dependents are generally higher than the earnings of other workers. A benefit formula based on wages therefore yields a higher benefit for workers with dependents. The difference in the benefit amount is seldom large enough, however, to absorb the additional requirements of dependents. Dependents' benefits represent an effort to compensate for this disparity. Since the ratio of dependents to earners is relatively large in the low and middle family income classes, the payment of dependents' benefits is of maximum value to families with relatively little margin to meet emergencies.

One Year of Dependents' Allowances in Connecticut

By David Pinsky*

THE CONNECTICUT Employment Security Division completed a year of paying dependents' allowances on October 1, 1946. During that period the allowances, which are paid in addition to the regular unemployment benefit, totaled $1.3 million.

Since Connecticut was one of the first States to include provision for dependents' allowances in its unemployment insurance law, a special effort was made during the first year of operation to obtain certain data that would help in evaluating the effectiveness of the provision and would answer various questions concerning its administration. In general, the information was gathered to answer the following questions:

How many individuals claim how many dependents?

How much have dependents' allowances increased the average weekly benefit amount?

How long do persons with dependents receive benefits, as compared with those without dependents?

What is the proportion of beneficiaries with dependents in each of the benefit-rate groups or income-level groups?

In what proportion of cases are there changes in the number of dependents in the course of a benefit year?

The Law

The Connecticut dependency allowances law[1] provides for the payment of $2 a week for each of the first three dependents and limits dependents to a wife, children, and a husband, under the following qualifying conditions: (1) A wife is a dependent only if she is living in the same household as her husband or is mainly supported by him, does not earn more than $10 during a week, and is not receiving unemployment benefits. (2) A child or stepchild under 16 years of age is a dependent of a male claimant if he is living in the household with the claimant or is wholly or mainly supported by him; he is a dependent of a female claimant if he is wholly or mainly supported by her. (3) A child or stepchild 16 years of age or over is a dependent only if he is regularly attending school or is physically or mentally incapacitated from earning and if he is wholly or mainly supported by the claimant, is unmarried, and does not earn more than $10 a week. (4) A husband is a dependent only if he is physically or mentally incapacitated from working and is wholly or mainly supported by his wife. If both husband and wife are receiving unemployment benefits, neither can claim the other as a dependent and only one is entitled to receive dependency allowances.

Allowances are payable only on behalf of three dependents, and the total amount of the allowances is limited to $6. The maximum weekly amount of the dependency allowance is further limited to 50 percent of the weekly benefit amount payable for total unemployment. The amount paid for dependents' benefits is in addition to the regular weekly unemployment benefit and is not counted in computing the total amount payable to a claimant, on the basis of his wage record, in a benefit year.

Administrative Interpretations of the Law

In administering the law it became necessary to interpret several phrases, particularly "wholly or mainly supported by" and "physically or mentally incapacitated." In the case of children under 16 years of age, it was ruled that anyone earning $10 a week or more or who was collecting unemployment benefits was not "wholly or mainly supported by" his parents and, hence, not a "dependent." In the case of children 16 years of age or over, also, it was ruled that if they collected unemployment benefits they were not to be considered dependents.

Under the law, a woman may claim a child as a dependent if she is "wholly or mainly supporting" such child. In determining whether the mother is the whole or main support, it has been ruled that, if the husband is working, is collecting unemployment benefits, or is receiving other government benefits approximately equal to what he would receive for unemployment benefits, then the husband is the main support and the wife cannot claim the child as a dependent. As a result, about the only circumstances in which a woman can receive allowances for children are when she has no living husband, or when her husband is permanently disabled for earning or is separated from her and does not contribute to the support of the children.

Husbands, and children 16 years of age or over who are not attending school, are dependents only if they are "physically or mentally incapacitated" from working. This has been construed to mean that they are more or less permanently disabled. Thus

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[1] The term "dependency allowance," used in the Connecticut law, is a variant of the more general terms "dependents' benefits" or "dependents' allowances."