

TABLE 7.—Illustrative monthly old-age and disability retirement benefits under the 1948 amendments to the Railroad Retirement Act, (Public No. 744) <sup>1</sup>

Average monthly earnings	Years of railroad employment			
	10	20	30	40 <sup>3</sup>
\$50: Regular formula.....	\$12	\$24	\$36	\$48
Minimum <sup>2</sup> .....	36	50	50	50
100: Regular formula.....	21	42	63	84
Minimum <sup>2</sup> .....	36	60	-----	-----
200.....	36	72	108	144
300.....	48	96	144	192

<sup>1</sup> The amounts shown in the table are subject to reduction in the case of nondisabled male employees retiring at ages 60-64 after 30 or more years of service. They are also subject to reduction if the retiring employee had made a joint and survivor election.

<sup>2</sup> In the case of an individual having a "current connection with the railroad industry," and not less than 5 years of service, a minimum monthly retirement benefit is payable equal to the least of (a) \$60, (b) \$3.60 multiplied by the years of service, and (c) the average monthly earnings.

<sup>3</sup> An annuity based on more than 30 years of service is payable only when the entire period of service credited is performed after 1936.

½ of 1 percent; the rate then increases ½ of 1 percent for each \$50 million by which the reserve is less than that amount, reaching the maximum rate of 3 percent if the reserve falls below \$250 million. The law also provides that, out of the unemployment contributions collected, an amount equal to two-tenths of 1 percent of pay rolls is to be allocated to the unemployment administration fund.

The bill was the result of a compromise between representatives of railroad management and labor. Railroad labor had supported proposed legislation for increasing benefits while railroad management was supporting proposed legislation reducing contributions or repealing certain benefits.<sup>49</sup> During the closing days of the session, agreement was reached on a compromise bill, and passage was assured when the legislation was introduced by Representative Wolverton, Chairman of the House Committee on

<sup>49</sup> See *Amendment to Railroad Unemployment Insurance Act, Hearings on S. 670 Before a Subcommittee of the Committee on Labor and Public Welfare, United States Senate . . . June 23 and 24, 1947; Railroad Retirement, Hearing on H. R. 6766 Before the Committee on Interstate and Foreign Commerce, House of Representatives . . . June 2, 1948; Railroad Unemployment Insurance, Hearings on H. R. 5711 Before the Committee on Ways and Means, House of Representatives . . . June 2, 1948.*

Interstate Foreign Commerce, and by Senator Taft, Chairman of the Senate Committee on Labor and Public Welfare, and 12 other Senators from both parties.

"It was pointed out to the committee by the representatives of management and labor in the railroad industry," the report accompanying the bill <sup>50</sup> explained, "that the terms agreed upon must be considered as a unit. The bill contains some provisions which, standing alone, management would not recommend and others which, standing alone, the em-

ployees would not recommend. Nevertheless, by considering all the provisions as a unit, both management and employees are in agreement that the bill represents a fair solution to the immediate problems concerning this legislation and recommend that the bill be enacted."

Table 7 indicates illustrative retirement benefits payable under the amended law. The amendments also have the effect of increasing disability annuities but do not affect the amount of benefits to widows, children, or parents under the survivorship provisions added in 1946.

<sup>50</sup> H. Rept. 2154, 80th Cong., 2d sess., p. 2.

## Hearings in Public Assistance

By Bernard W. Scholz\*

*The Social Security Act has always required as one of the conditions for Federal participation in State public assistance programs that the State laws provide an opportunity for a fair hearing to any person whose claim for assistance is denied. When the act was passed, the right to a fair hearing was a new concept in public assistance administration; no standards against which procedures could be measured were available to the States in setting up their programs. The development of the hearing process since that time and its effect on public assistance policy and administration are outlined in the following article.*

IN KEEPING WITH our basic philosophy of government, the principle of due process must be observed in the administration of any law, whether it limits the rights of the individual citizen or whether it establishes and secures new rights for him. In this respect a program for disbursing public assistance funds is no different from any other public program, such as one for collecting revenues by taxation. It is essential that the people affected by the program be guaranteed equal protection under the law. An opportunity for the citizen to be heard on decisions affecting his welfare is one of the fundamental democratic safeguards designed to achieve this end.

The provisions of the Social Security Act for Federal participation in public assistance are based on the concept that the claimant who meets the requirements established in State law has a right to benefits and has a right

to a hearing when he is denied these benefits. It is assumed, of course, that the public assistance agency is so organized and administered that the individual has the right to apply and is assured that his application will be acted upon and that payment will be made promptly if he is found eligible. If this orderly process breaks down, or if the claimant feels that he has not been accorded proper treatment, the hearing process is there to safeguard his rights. It is no substitute for sound administration.

In accordance with our concept of the relationship between the citizen and his government in a democracy, the agency administering the public assistance programs must observe the principle of due process in all its dealings with claimants for assistance. In other words, agency action must follow a well-established and known procedure, based on administrative or judicial precedent and adhering to an accepted pattern. The hearing required by the Social Security Act

\*Bureau of Public Assistance, Standards and Program Development Division.

is but one facet of this process. It is a method by which issues arising between claimant and agency may be resolved in an administrative proceeding which, if need be, the courts may be asked to review.

Hearings in public assistance are not an appeals process in which the State agency merely reviews the record of the action taken by the local unit and then either confirms that action or sends the case back for further consideration. Instead, the State agency proceeds as if there had been no previous local action and the case had come to the agency for an original determination. All the facts available at the time of the hearing are reviewed, all evidence is examined, and all witnesses are heard, with the sole objective of settling the issue raised by the claimant in requesting the hearing. This issue may be a decision as to an eligibility factor such as age, residence, or degree of relationship of a dependent child. It may concern decisions affecting the amount of the assistance payment, such as the availability of a resource, the existence of certain special needs, or the value of certain items received in kind. Or it may relate to agency procedure—the promptness with which a new application is acted upon, for example, or the method of investigating the financial ability of responsible relatives, or the retroactive correction of an administrative error. It is the purpose of the hearing to settle that issue, and to produce a decision setting forth the agency's findings definitively and unequivocally. The fact that through this decision the local agency's action is upheld or modified is, of course, a factor in administrative relationships, but actually it is only incidental to the hearing process.

### *A New Concept*

In the past, public assistance was administered largely on a discretionary basis. Accordingly, little precedent had been built up in the areas of determination of eligibility for assistance and service on the basis of defined criteria or of determination of need and amount of assistance on the basis of fixed standards, and review of these determinations through a clearly defined and publicized process.

Hearings in public assistance were almost entirely a new concept, and no "guideposts" were available when the first State programs were set up in 1935 under the new Social Security Act. To meet the act's requirement for State plans,<sup>1</sup> State agencies drafted statements assuring the Social Security Board that they would make a fair hearing available to individuals whose claims had been denied. Beyond that, no experience, standards, or requirements existed.

Questions soon arose, however, as the State programs began to operate and as the first hearings were held. There was an obvious need to agree on certain definitions and to analyze certain procedures to determine whether they met the Federal act. What constituted "opportunity" for a fair hearing? What constituted a "fair" hearing? What was meant by "claim"? What characterized the situation in which it could be said that a "claim had been denied"?

Had a claimant had an "opportunity" for a fair hearing if he was unable to be present at the hearing? Or if months had passed between his request for a hearing and the day it was held? Or if the period during which he could file his request for a hearing was limited to a few days? Or if he had to go through a long process of local hearings, local and State proceedings that tended to delay the hearing or to discourage the claimant, and informal State review, before he was actually heard by the State?

As experience was gained, these broader questions proved to consist of many component parts. Had a claimant had a "fair" hearing if it was conducted by the official responsible for the questioned local decision? If he had not been permitted to examine the evidence submitted by the agency? If he had not had an opportunity to question persons possessing relevant information, including agency staff? If information obtained subsequent to the hearing was used in arriving at the decision? If he had requested and been denied the right to be represented by counsel?

Could it be said that a person's "claim" for assistance had been "de-

nied" if he had not been permitted to file an application? If the agency failed to act on his application, either to approve or to deny it? If the agency approved his application but failed to pay the amount of assistance to which the applicant believed himself entitled? If a request for an increase in payments was not heeded? If assistance was arbitrarily decreased or discontinued?

Had the agency met the provisions of the act if it failed to advise applicants and recipients of their right to a hearing? If it reserved the right to accept or dismiss a request for a hearing? If it failed to enforce its hearing decisions? If as the result of a hearing it adjusted future payments but failed to correct former mistakes? If after a hearing it merely remanded cases to the local agency for further action instead of assuming responsibility for the final hearing decision?

Gradually the scope and nature of the problems confronting public assistance agencies in administering the hearing provisions emerged. And gradually it became clear that basic concepts, which have long controlled administrative hearings in government generally, could be applied to the new type of administrative hearing contemplated in the Social Security Act. After 6 years of operation, the Social Security Board issued a set of recommended standards<sup>2</sup> to be used by State agencies as a guide in developing their procedures. After 6 more years of observing, comparing, analyzing, and weighing the various procedures developed by the States, the Social Security Administration issued a new policy statement on hearings.<sup>3</sup> This release established definite procedural requirements based on the experience gained.

### *Indispensable Procedures for a "Fair Hearing"*

Fundamentally, the administrative hearing is a very simple process. Reduced to basic terms, it requires only that an opportunity be provided for

<sup>1</sup> *Principles and Standards for Fair Hearing Procedure in Public Assistance Administration*, Bureau Circular No. 9, item 214, issued Jan. 8, 1941.

<sup>2</sup> *Handbook of Public Assistance Administration*, IV-6000, "Hearings," issued with State Letter No. 88, dated Oct. 10, 1947.

<sup>3</sup> Title I, section 4; title IV, section 404; title X, section 1004.

the claimant to tell his story to those who represent the highest authority in the State agency; to question those who took the action to which he objects; to have an objective review of the facts thus brought out; and to get a decision which is the agency's final word, which is applicable to all other similar cases, and which the applicant can take to court for review if he is still dissatisfied with the agency action resulting from it.

To this end the agency must, first of all, be ready to conduct hearings and make decisions, and must therefore designate the staff members who will administer this function. Also, the agency must clarify in its own mind and set down on paper the "rules of the game," so that claimant and staff, those who are heard and those who will hear and decide, may know in advance what will be expected of them and what procedure to follow.

The procedure itself may, in its details, vary from agency to agency, even within the same State. It is determined by the many local factors of administrative structure and organization, by the size of the agency, by the topography of the State, and even by climatic conditions. Yet, in spite of these divergencies, there are certain basic essentials without which the hearing process would fail to offer the protection of "due process."

Every claimant has a right to a hearing on any action or inaction by the agency that adversely affects his claim. He must know from the agency that he may have a hearing and how to go about getting it. If he is dissatisfied with the action taken or not taken, he must decide whether to negotiate further with the local agency and try to reach an understanding or whether to submit his problem to the State agency in a hearing. As soon as he has decided to ask for a hearing and taken the necessary steps, matters should proceed automatically: his request must be acknowledged, the hearing scheduled, and the participants notified of the date and place of hearing: Only the claimant's voluntary withdrawal can arrest the process. Whenever a request for a hearing is received, it becomes the agency's responsibility to see it through—to set up the necessary controls that assure prompt and

efficient handling of the preliminary steps; to check with the claimant as to the acceptability of the time and place suggested by the agency for the hearing; to schedule and hold the hearing at the earliest date possible; to see that a decision is rendered promptly; and to ascertain that the decision has been carried out without delay. As part of this process a hearing officer or panel must be assigned and information furnished the claimant on procedure at the hearing itself, so that he may prepare himself accordingly.

The hearing proper is an orderly but informal proceeding. Technical rules of evidence and procedure as used in court trials do not apply, as they would make it almost impossible for the claimant to present his case without legal counsel. Instead, the claimant may choose between presenting his case himself and selecting someone as his representative. He is entitled to an opportunity to make a free statement establishing the facts and circumstances as he sees them, and to advance his arguments without undue interference and with the aid of witnesses. It is essential that he have an opportunity to refute testimony and to examine all papers and records used at the hearing, for the "right of confrontation" is basic to any truly fair hearing.

Whenever possible, within the agency's structure and under State law, it is preferable that the hearing officer or panel not only conduct the hearing but also make the decision, in accordance with the principle that "he who hears, shall decide." When this procedure is not possible, the hearing officer must include in the record his evaluation of the testimony, comments on conflicting statements, and recommendations for the guidance of those to whom the authority for making the final hearing decision has been delegated. The hearing record itself need not be a verbatim transcript of the proceedings, as long as it accurately and adequately reflects what occurred at the hearing.

The decision is based exclusively on the hearing record, and copies are promptly released to claimant and local agency. The decision sets forth clearly the facts and legal or policy provisions on which it was based and

the reasoning by which it was reached. Above all, it sets forth clearly the results for the claimant. The State agency must make the decision, which must settle the issue that gave rise to the hearing; that is, no further action to resolve the issue must be possible within the agency.

There is nothing drastic, complicated, or technical in these requirements. They merely outline an orderly administrative process, requiring no special "trappings" and no extensive administrative machinery, and designed to serve the same basic purpose as the normal process of determination of eligibility carried out by the State through its local agencies.

### *How Have the Hearings Worked?*

What has been the actual experience in State practice during the past 12 years? This question is not easily answered, for experience is varied. Some States have had hundreds of hearings, others almost none. Some provide for hearings in a simple and direct way, others have set up highly specialized machinery. Some States seem anxious to prevent hearings whenever possible, while others seem to invite and welcome them. Some consider hearings a matter of concern to the top administrative staff only, while others distribute throughout the staff (with proper safeguards for the anonymity of the persons concerned) their briefs and decisions, and generally consider hearings a matter of interest and concern to the whole agency. Nevertheless, a few generalizations may be attempted, although they should be accepted with caution in view of the many variables involved.

States that accept in general the concept that needy people have a legal right to public assistance are also likely to accept the implementation of this right. As a result, these States show no hesitancy in making claimants aware of their right to a review by hearing. And since the agency itself, in its dealings with claimants, stresses the fact that the hearing process is always available as a test for proper application of law and policy, claimants are likely to look upon hearings as an additional administrative process established to safeguard their interests, rather than

as a contest in which agency and claimant are pitted against each other. The hearing thus achieves one of its main purposes—to strengthen the claimant's belief that the agency accepts his rights, and to strengthen the agency's responsiveness to the needs of the persons whom it was set up to serve.

States that still think of the State's function in granting assistance as largely discretionary, on the other hand, are likely to question the purpose and usefulness of the hearing process. As a result, claimants may not be adequately informed about their right to a hearing, or methods may have been developed that interfere with the availability of hearings and force claimants to work their way through a welter of adjustment and review proceedings before they are actually granted an opportunity for a fair hearing before the State agency. By that time, considerable tension may have developed between claimant and agency, and the hearing may turn into a proceeding not lacking in acrimony. The claimant may be made to feel that he is nothing more than a troublemaker. The agency may consider itself so heavily committed in its previous adjustment attempts that the hearing must now serve to justify its action. Naturally, such a hearing is likely to leave the relationship between claimant and agency badly damaged, regardless of the nature of the decision.

While the hearing process, like the entire assistance program, was originally designed to serve the individual claimant, it can also play an important role in relation to groups of claimants. In certain instances, for example, when a change in law or agency policy has affected a large sector of a State's recipient load, and recipients by the hundreds have requested an opportunity to test the resulting agency action in hearings, agencies have found it possible to reach a voluntary understanding with the recipients, under which one case typical of the whole group will actually serve as a test case, and the decision reached in the hearing on that case will then be accepted by the rest of the group. The agency still has the responsibility of translating this decision into policy and making it ap-

plicable to all claimants who have not as yet filed requests for a hearing, but for the entire group that has actually requested a hearing, the issue has been settled.

Naturally, the hearing process also provides, in certain instances, a sounding board for organized groups. But by the same token it offers the agency an opportunity to do an interpretive job with that same group, by demonstrating in the hearing process how its administrative machinery functions and by explaining the agency's policies and methods of operation. The hearing thus becomes a constructive tool in public relations.

### *Effect of Hearings on Agency Staff, Claimants, and Agency Policy*

The effect of hearings on agency staff is closely related to the effect on claimants. If the State agency has issued well-integrated statements of policy, clearly defined standards of assistance, and specific procedures, the staff can proceed with the assurance that it is operating uniformly, using objective measurements, and working toward equitable results. Under such conditions, the hearing is a test of established policies and procedures rather than a questioning of the individual worker's judgment in making the determination or of the local agency's action. The staff is therefore likely to inform claimants freely of their right to a hearing, to make hearings readily available when requested, and to conduct them fairly and objectively. Claimants, in turn, feel that their rights are strengthened by a process which the agency staff has been able to accept and carry through because it is in keeping with the staff's philosophy of democracy at work in governmental action.

If on the other hand, the hearing constitutes an attempt to find the claimant "wrong" and the agency "right," it usually proves a trying experience for the agency staff, just as it is for the claimant. When there is no basic acceptance of the right to assistance or when there are no objective standards resulting in equal treatment of claimants, local agency decisions must frequently be based on subjective judgment. The hearing then is no longer a test of policy and

procedure and a review of facts. Instead, it amounts to a questioning of the staff's judgment, and it may thereby become a threatening and often damaging experience to the local agency.

Hearings are a fundamental process of democratic administration. But public assistance administration without mandatory standards, objective procedures, and clearly defined policies becomes of necessity subjective and therefore autocratic. In such a setting, hearings are superimposed on agency operations, with the result that two irreconcilable elements meet, with serious effect for the participants.

The effect of hearings on agency policy is, of course, as varied as the recognition of a claimant's right to a hearing. States that accept the requirement of equal treatment under the law also accept hearing decisions as precedent and amend their policy when necessary, so that it will apply to all similar cases. It is for this reason, among others, that some States publish their hearing decisions (always providing proper safeguards for the anonymity of the individuals involved). These States want to give new interpretations of policy the widest possible circulation so that they may have the broadest and most immediate effect on all cases. In States that do not accept the concept of equal rights for all claimants, on the other hand, hearings may result in individual rulings that are not considered applicable to the entire case load but serve merely to eliminate special hardship in the individual case.

Hearings, whether good or bad, numerous or infrequent, have a profound effect on claimants and staff, on agency policy, and, from a public relations aspect, on public acceptance of the program. They also play an important role in Federal-State relations.

### *The Significance of Hearings in Public Assistance Administration*

Under the Social Security Act the Social Security Administration is charged with the responsibility for reviewing the actual operations of the public assistance programs to assure

conformity with the State plan and with the requirements of the Federal act. Since hearings concern themselves predominantly with "critical cases"—that is, cases which the drafters of policy did not intend to exclude, yet which are not expressly covered by stated policies—hearing decisions offer particularly significant clues to the manner in which State policies and procedures operate.

The very facts that hearings are or are not held, that claimants do or do not know about their right to a hearing, and that hearings when requested are made readily available or are as far as possible prevented, give a key to the agency's attitude toward the rights of individuals under its programs. An agency's ready acceptance of requests for hearings on a policy, rather than on a questioned decision made under this policy, constitutes acceptance of the right of claimants to participate in developing policies that vitally affect their rights and their welfare. Likewise, the follow-up action taken after a hearing indicates whether the agency puts hearings to effective use by eliminating the weaknesses in policy and procedure that the hearing process has disclosed. The agency may effect the necessary change either by direct action through policy revision or, when necessary, by submitting bills to the State legislature that would broaden or liberalize the program's legal base.

Beyond their significance for policy development, hearing decisions have a cumulative effect. While the individual hearing demonstrates the effect of a specific policy in a specific situation, an accumulation of hearings on related issues conveys a three-dimensional view. They give depth and focus to the picture by showing what a certain policy will do in relation to a cross section of a whole case load, or in relation to a whole set of similarly constituted case situations. Though an individual hearing decision may appear equitable and fair, the perspective gained from a large number of related decisions may highlight deficiencies not visible in the individual instance, and the decision reached in the single instance may suddenly appear superficial and not directed at the core of the problem.

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## Notes and Brief Reports

### Employment Covered by Social Insurance

Estimates of covered and noncovered employment for selected industries, presented in the December 1947 BULLETIN on a fiscal-year basis, are shown here for the calendar years 1946 and 1947 (table 1).

More than 60 million persons were in the civilian labor force in an average week in 1947, with the labor

force rising from 57.8 million in January to a peak of 62.7 million in July. Employed workers numbered 58 million, a 5-percent rise over the average in 1946. Unemployment, which hovered close to the 2½ million mark in the spring of 1947, fell to 1.6 million by the year's end and averaged 2.1 million.

Some 34 million workers, or nearly 60 percent of the employed labor force, were covered by the old-age and survivors insurance program in 1947; as total employment increased by 400,000 more than did the number covered under that program, however, the number of workers excluded from coverage rose from 23.6 million in an average week in 1946 to 24 million in 1947.

More than a third (8.2 million) of the noncovered workers were employed in agriculture; 6 million were working for themselves in nonagricultural occupations; and 5 million were employed by Federal, State, or local governments. Federal Government employment fell by half a million from the 1946 level and averaged 1.7 million in 1947; employment by State and local governments, on the other hand, was up 200,000 and totaled 3.3 million in an average week in 1947.

Workers covered by the State unemployment insurance systems numbered 31.2 million in 1947, an increase of 2.2 million. In an average pay period, some 32.3 million workers were covered by the State systems, which represented a gain of 7 percent over the number covered in 1946.

### Trends in Public Assistance Personnel

Since December 1942 the Bureau of Public Assistance has received semi-annual statistical reports from State public assistance agencies concerning the staff in the State and local offices. The reports, which are made on a voluntary basis, came at the beginning from 29 agencies in 25 States; by December 1947, 52 agencies in 45 States were participating in the project. From these reports and other infor-

TABLE 1.—Estimated employment covered by old-age and survivors insurance and by unemployment insurance, and employment in selected noncovered industries, calendar years 1946 and 1947

[In millions; data corrected to June 30, 1948]

Type of employment	Calendar year	
	1946	1947
1. Employment in an average week:		
Civilian labor force.....	57.5	60.1
Unemployed.....	2.3	2.1
Employed, total.....	55.2	58.0
Covered by old-age and survivors insurance.....	31.6	34.0
Covered by State unemployment insurance.....	29.0	31.2
Not covered by old-age and survivors insurance.....	23.6	24.0
Railroad.....	1.6	1.6
Government.....	5.3	5.0
Federal.....	2.2	1.7
State and local.....	3.1	3.3
Agriculture.....	8.2	8.2
Wage and salary workers.....	1.6	1.6
Self-employed.....	4.8	5.0
Unpaid family workers.....	1.8	1.6
Nonagricultural self-employed.....	5.6	6.0
Domestic service.....	1.6	1.7
Other.....	1.3	1.5
2. Employment in an average pay period:		
Covered by State unemployment insurance.....	30.2	32.3
Railroad.....	1.6	1.6
Federal Government.....	2.3	1.9
State and local government.....	3.3	3.6
3. Employment during a quarter (average for 4 quarters) covered by old-age and survivors insurance.....	38.6	40.0

Source: Data on employment in an average week (based on population count); civilian labor force, unemployed, and total employed, from *Monthly Report on the Labor Force*, Bureau of the Census; employment covered and not covered by old-age and survivors insurance, from the Bureau of the Census, adjusted by the Analysis Division, Bureau of Old-Age and Survivors Insurance; employment covered by unemployment insurance, estimated by the Bureau of Employment Security. Data on employment in an average pay period (based on establishment reporting): covered by unemployment insurance, from the Bureau of Employment Security; for railroads, from the Railroad Retirement Board; for Federal, State, and local governments, from the Bureau of Labor Statistics. Employment during a quarter covered by old-age and survivors insurance, from the Bureau of Old-Age and Survivors Insurance.

Primary benefit amount	Percent-age distribution of primary benefits
Total, number.....	874, 724
Total, percent.....	100. 0
\$10.00.....	7. 9
10.01-14.99.....	8. 8
15.00-19.99.....	9. 4
20.00-24.99.....	26. 4
25.00-29.99.....	20. 6
30.00-34.99.....	13. 4
35.00-39.99.....	7. 6
40.00-44.40.....	5. 9

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For benefit amounts of less than \$25, there were appreciably higher proportions of women than of men in each interval (chart 1). For benefits of \$25 or more, there were relatively more men in each interval. More than half the men but only a little more than a fifth of the women were receiving benefits of \$25 or more.

At the upper and lower intervals the difference between the distribution for men and that for women was greater at the end of 1947 than in previous years. The relative number of men with benefits of less than \$15 decreased from 15.9 percent at the end of 1944 to 14.4 percent at the end of 1947, while the percentage for women increased from 30.6 to 31.3. The percentage of men receiving benefits of \$35 or more increased from 10.5 to 15.2 during the same period. The corresponding increase for women was from 1.8 percent to 2.6 percent.

A systematic review of hearing decisions by a State agency may thus result in a new understanding of underlying problems that had not been recognized before and that now exert a continuing pressure for improvement on those responsible for drafting laws, rules, and procedures. By codifying their hearing decisions and keeping past decisions constantly in mind, so that they can be related to current hearing decisions, some State agencies make maximum use of this opportunity to review their policy and practice from the vantage point of cumulative experience. To consider each hearing only as it relates to the individual situation is to lose the ad-

vantage that can be gained for improvement of program administration.

The Social Security Administration is utilizing hearing decisions in various ways in its work with State agencies. In January 1947, it began publication of a periodical, *Hearing Decisions in Public Assistance*. From material submitted by State agencies for publication, the *Hearing Decisions* presents transcripts of hearings, hearing decisions, briefs, digests, and court decisions, with comments by the Bureau of Public Assistance. The publication is broadly aimed at staff development, by describing various aspects of the hearing process. It shows the different methods by which decisions may be reached; the forms developed for notifying claimants of the decisions; the methods used in making hearing decisions available to State-wide staffs; the way in which the decisions, without formalized codification, by their very nature set precedents. Some issues have carried discussions of the interpretation given by the courts to legal provisions on the right to a hearing, the agency's obligation to take corrective action through hearings, and the agency's

authority to enforce its hearing decisions.

Since October 1944 the Bureau has collected and analyzed statistical information on requests for hearings and hearing decisions, which States furnished voluntarily. Gradually the number of participating States has increased, as State agencies became interested in the published reports of the Bureau's findings and began to analyze their own problems and performance in comparison with those of other reporting agencies. The report for the first half of 1948 will be the first in which all State agencies will participate on a mandatory basis.

Just as the laws of a nation are not fully understood in their implications until they have been interpreted by the courts that apply them to a specific situation, so the policies of a public assistance agency, as laid down in State law and in its written implementation by rule and regulation, cannot fully be judged as to their effect and implication until they have been tested in hearings on critical situations. The hearing is not merely an adjunct to public assistance, added as a safeguard and protection. It is the touchstone of the whole program.

## Recent Publications in the Field of Social Security\*

### Social Security Administration

SHUDE, LOUIS O. *Present Values of OASI Benefits Awarded and in Current Payment Status, 1940-46*. Washington: Office of the Actuary, May 1948. 20 pp. Processed. (Actuarial Study No. 26.)

An actuarial appraisal of the "present value," or actuarial reserve liability, for the various types of benefits. Limited free distribution; apply to the Office of the Actuary, Social Security Administration, Washington 25, D. C.

\*The inclusion of prices of publications in this list is intended as a service to the reader, but orders must be directed to publishers or booksellers and not to the Social Security Administration or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

### General

BAKER, HELEN. *Management Procedures in the Determination of Industrial Relations Policies*. Princeton, N. J.: Industrial Relations Section, Princeton University, 1948. 81 pp. (Research Report Series No. 76.)

BURNS, ARTHUR F. *The Cumulation of Economic Knowledge*. New York: National Bureau of Economic Research, May 1948. 74 pp.

The Bureau's 28th Annual Report includes a discussion of recent changes in economic thought and the need for experimental research.

GREAT BRITAIN. TREASURY. *Economic Survey for 1948*. London: H. M. Stationery Office, 1948. 62 pp. (Cmd. 7344) 1 s.

Reviews the British economy at the beginning of 1948 and outlines plans