

Earners and Their Dependents in the Population in April 1948

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The following article is based on a recent Census Bureau survey of the size and composition of families in the United States. It relates the findings to the problem of estimating the number of persons who would have certain kinds of social insurance protection under specified conditions.

SOCIAL insurance programs to an increasing extent have been making provision for the payment of benefits to dependents or survivors. Estimates of beneficiaries and costs under such programs, present and proposed, necessarily involve assumptions concerning the relation of the number of dependents to the number of earners. Basic sources of information on this relationship are the family data of the Bureau of the Census. Considerable interest attaches therefore to the averages and ratios to be derived from the Census Bureau's April 1948 family-composition survey. The purpose of the present article is to present the results of this survey as they bear upon the worker-dependent ratio and to indicate the changes that took place between 1940 and 1948 in underlying family relationships. It should be made clear at the outset that the estimates of earners, dependents, and insured persons offered here have a general rather than a specific application. They provide a basis for an estimate of the numbers who would have certain kinds of social insurance protection under certain conditions; they do not constitute estimates directly applicable to any particular program now in effect or proposed.

For broad social insurance analytical purposes, the civilian population of 145 million in April 1948 may be divided into three groups: 59 million earners, defined as persons in the labor force that month (excluding unpaid family workers); 64 million primary dependents of earners, defined as the nonearner wives and chil-

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dren under age 18 of persons classified as earners; and 22 million other persons (table 1). The civilian population of 145 million included 474,000 members of the armed forces living off post or with families on post.

Eighty-five percent of the population, in other words, consisted of earners and their primary dependents, and 15 percent were neither earners nor the primary dependents of earners. With such qualifications as will be noted later, it may be presumed that under conditions prevailing in 1948 a program such as national health insurance, covering all earners and their primary dependents and with a liberal earnings requirement, would afford protection to some 85 percent of the people in the country. To extend protection to any part of the remaining 15 percent would necessitate the establishment of eligibility tests conditioned on elements other than earnings or dependency on an earner, as defined above. These proportions would, of course, be different under other assumptions concerning coverage and eligibility requirements.

Earners in the Population

Earners comprised over half the population 14 years and over in April 1948. Eight in every 10 males over 13 years of age were either working or looking for work. Among men aged 25-45, the ages when family responsibilities are heaviest, the rate of participation in the labor force was as high as 95 percent.

Among women, on the other hand, membership in the labor force was most frequent at about age 20. Women workers tend to drop out of the labor force at marriage or shortly thereafter, and the decline in the fe-

male labor-force participation rate after age 20 reflects in part the progressive increase up to about age 35 in the proportion of married women in the female population. The rate for single women remains relatively high at all ages. The extent to which women stay in the labor market is affected also by home responsibilities. In April 1948, married women with no children under age 18 were almost twice as frequently in the labor force as married women with one or more children under 18. Among widowed and divorced women, labor-force membership was more common, for reasons related to age differences, for women with children; for example, widowed and divorced women without children under 18 were older on the average and less able to find or hold jobs. The influence of sex, age, marital status, and home responsibilities on labor-force membership is illustrated in table 4.

To what extent may it be assumed that the number of earners in the population in a given month represents the number who would qualify

Table 1.—Number of earners, primary dependents, and others in the civilian population and percentage distribution, April 1948

Population groups	Number (in thousands)	Percentage distribution
Total.....	145,087	100
Earners ¹	58,863	41
Primary dependents.....	63,899	44
Wives ²	25,136	17
Children under 18 ³	38,763	27
Others.....	22,325	15

¹ Persons in the labor force, excluding unpaid family workers.

² Nonearners, married to and living with earners.

³ Nonearners living with an earner parent.

Source: Estimated from Bureau of the Census, *Current Population Reports: Population Characteristics* (Series P-20, Nos. 10, 16, 17, 21, 22, 23) and *Labor Force* (Series P-50, Nos. 5, 11; Series P-57, No. 70). Also *Population* (Series P-8, No. 20); family-composition and labor-force data in *Sixteenth Census of the United States: 1940*; and unpublished data from the Bureau of the Census relating to the years 1940, 1947, and 1948.

at the end of the year as insured workers in a social insurance current-risk program covering all occupations? Since some workers employed in the month in question may not earn the required minimum during the year, either because of unemployment or because their participation in the labor force is seasonal in character, this assumption could result in an overstatement of the number of insured workers. Understatement is implicit, on the other hand, in the exclusion from the earner count of persons not in the labor force in the month in question but with qualifying earnings in other months of the year or in some previous recent period.

The extent to which these offsetting factors affect the estimates depends in part on the kind of current-risk program to which the discussion is directed. The earnings requirement for a cash benefit program—unemployment insurance or temporary disability insurance—may be higher than for a service benefit program such as health insurance. In the cash benefit programs, the eligibility test is designed to qualify for benefits only persons who are ordinarily dependent on their earnings and suffer a substantial earnings loss. The service benefit, on the other hand, is not related to the wage-loss concept and when provided in a program with broad coverage can appropriately have a low earnings requirement. In some of the health insurance bills before Congress in the last few years, this requirement has been set as low as \$150 a year, or less than the minimum qualifying earn-

Table 2.—Number of earners and number of primary dependents in the civilian population, by number of primary dependents per earner, April 1948

[Number in thousands]

Primary dependents per earner	Earners ¹		Primary dependents ¹	
	Number	Per cent	Number	Per cent
Total.....	58,863	100	63,899	100
0.....	29,390	50		
1.....	12,538	21	12,538	20
2.....	7,524	13	15,048	24
3 or more.....	9,411	16	36,313	57

¹ See footnotes, table 1.
Source: See table 1.

Table 3.—Number of earners in civilian population, by number and type of primary dependents per earner, April 1948

[In thousands, except for averages]

Primary dependents per earner, by type	Earners ¹	Primary dependents ¹			Average number of primary dependents per earner
		Total	Wife	Children	
Total.....	58,863	63,899	25,136	38,763	1.09
No primary dependent.....	29,390				
1 primary dependent.....	12,538	12,538	10,290	2,248	1.00
Wife.....	10,290	10,290	10,290		
Child under 18.....	2,248	2,248		2,248	
2 primary dependents.....	7,524	15,048	6,260	8,788	2.00
Wife and child under 18.....	6,260	12,520	6,260	6,260	
2 children under 18.....	1,264	2,528		2,528	
3 or more primary dependents.....	9,411	36,313	8,586	27,727	3.86
Wife and 2 or more children under 18.....	8,586	33,124	8,586	24,538	
3 or more children under 18.....	825	3,189		3,189	

¹ See footnotes, table 1.

Source: See table 1.

ings in most State unemployment insurance laws at present. The discussion that follows is in terms of a current-risk program of the service type, with broad coverage and a low earnings requirement.

Two considerations are involved: the relation of employment during the month (actually during the survey week) to employment during the year, and the relative number of earners during the year with qualifying earnings.

A new series of releases by the Census Bureau¹ indicates that gross additions to the labor force averaged 3 million per month in the first half of 1949 and that the monthly average of gross separations was 2.3 million. Because of the tendency of seasonal and temporary workers to move into and out of the labor force several times during the year, an estimate of the number of additional workers during the year based on the sum of monthly accessions to the labor force would exaggerate the number of persons making such shifts. There is little doubt, however, that a sizable group is involved. The month with the highest level of employment in 1948, for example, was July, when 59 million persons were working for pay or profit, whereas it has been estimated that approximately 72 million persons had earnings during that

year—22 percent more than in the survey week in July and 26 percent more than in the survey week in April 1948.

In a current-risk program limited to specified industries, the spread between covered employment at any one time and covered employment during the year is of course much greater, because to the movement into and out of the labor force must be added the shifts between covered and noncovered employment. In 1948, for example, employment covered under old-age and survivors insurance was 40 percent higher for the year as a whole than for an average month in that year.

The second consideration concerns the number of earners during the year who can meet the minimum earnings requirement for insured status.

Data on the distribution of earners by amount of earnings are not available for recent years, but what evidence there is suggests that in a program with broad coverage and a low earnings requirement, several million more persons than the number of earners shown in table 1 would acquire insured status in the course of a year. Of the civilian population of 145 million in April 1948, probably at least 61–63 million should be classified as insured earners for such a program, rather than 59 million, raising the percent of the population so classified from 41 to 43 or 44 percent. This adjustment would not necessarily

¹ Bureau of the Census, *Gross Changes in the Labor Force* (Current Population Reports, Labor Force, Series P-59).

Table 4.—Percent of civilian population aged 14 years and over in labor force,¹ by age, sex, and marital status of women, April 1948

Sex, marital status of women, and number of children under age 18	Age					
	Total	14-17	18-24	25-44	45-64	65 and over
Total.....	56	26	61	63	61	26
Male.....	82	35	79	95	93	44
Female.....	31	17	46	34	30	9
Single.....	51	17	71	80	62	23
Married, husband present	22	17	25	25	19	6
No children under 18.....	28					
1 or more children under 18.....	17					
Other marital status.....	39	22	56	67	49	8
No children under 18.....	35					
1 or more children under 18.....	56					

¹ The number of persons in the labor force is larger than the number of persons classified as "earners" in the other tables in this series because the labor force includes unpaid family workers, who numbered 1,661,000 in April 1948.

Source: Bureau of the Census, *Current Population Reports: Population Characteristics* (Series P-20, Nos. 22, 23) and *Labor Force* (Series P-50, No. 11; Series P-57, No. 70); and unpublished data.

change the population ratio of 85 percent referred to earlier as the probable coverage of a social insurance current-risk program taking in all earners and their primary dependents. Those who move into and out of the labor force during the course of the year are ordinarily the primary dependents of other earners. Of the 5.8 million nonmembers of the labor force in both December 1947 and December 1948 who worked for pay or profit at some time during the year, for example, 1.2 million were children under 18 years of age and 2.7 million were women engaged in keeping house, most of whom may well have been wives of earners.² Half the gross additions to and separations from the labor force in the period February-June 1949 were women engaged in keeping house when not in the labor force; of the gross additions about one-third were persons aged 14 to 19 years. The probable understatement of the number of earners resulting from the exclusion of most seasonal and occasional workers is thus compensated to some extent by a probable overstatement of the number of primary dependents.³ The 85-percent ratio of

² Bureau of the Census, *Work Experience of the Population in 1947 and Work Experience of the Population in 1948* (Current Population Reports, Labor Force, Series P-50, No. 8 and No. 15).

³ Some understatement is also involved in the exclusion from the earner count of persons who have retired from the labor force but who retain insured status on the basis of earnings in the previous year. If a program included alternative eligi-

earners plus primary dependents is accordingly a more reliable guide to the coverage of a social insurance system taking in all earners and their primary dependents than the 41-percent ratio for earners or the 44-percent ratio for their primary dependents, taken separately.

Primary Dependents in the Population

The foregoing considerations would indicate that some of the 64 million primary dependents of earners in the population in April 1948, as shown in table 1, should be classified as earners if employment during the year were taken into account. On the other hand, the 64 million figure does not include certain relatives who were supported in whole or part by earners and who would be eligible for benefits under another definition of dependent. Disabled children 18 years of age or over, disabled husbands, and nonworking parents supported by their children because they cannot qualify for age or disability benefits for one reason or another are eligible for dependents' benefits in some foreign social insurance systems, and are proposed for inclusion as beneficiaries under pending health

bility requirements that permitted workers to qualify on the basis of earnings during the past several years—as is the case in some health insurance proposals—additional persons would have insured status. These two groups could account for a million or more of the 22 million persons classified as "others" in table 1.

insurance bills. These three classes of dependents in 1948 may have numbered 5 million or more persons, all of whom are classified in table 1 as "other persons."

The number of primary dependents, although it is limited to wives and to children under age 18, does not include all persons in these two classes. Three out of 4 wives in April 1948 were dependent on earner husbands, but 20 percent were earners themselves and 6 percent were nonearners married to retired or disabled men. The proportion of children under age 18 dependent on earner parents—86 percent—was higher than that for dependent wives; 4 percent were earners and 10 percent were neither earners nor living with an earner parent (table 5).

Not all earners had primary dependents. Twenty-nine million earners in April 1948, or half the total, had no primary dependents. A little more than 1 in 5 earners had one primary dependent; 1 in 8 had two, and 1 in 6 had three or more primary dependents. Because of this uneven distribution, more than half the primary dependents in the country were attached to earners with three or more such dependents (table 2).

The typical dependent of an earner with one primary dependent was a wife. Wives exceeded children as primary dependents among one-dependent earners almost 5 to 1. There were somewhat more children than wives, however, among earners with two primary dependents. Among earners

Table 5.—Number and percentage distribution of wives and children under 18 in the civilian population, by status as earner, primary dependent, or other person, April 1948

[Numbers in thousands]

Classification of wives and of children under age 18	Wives ¹		Children under 18	
	Number	Percent	Number	Percent
Total in population.....	34,289	100	44,974	100
Earners ²	6,965	20	1,775	4
Primary dependents ²	25,136	73	38,896	86
Other persons.....	2,188	6	4,303	10

¹ Married, husband present; 133,000 dependent wives under age 18 are included in both columns.

² See footnotes, table 1.

Source: See table 1.

with three or more primary dependents, children outnumbered wives almost 3 to 1 (table 3).

Primary dependents, in the aggregate, exceeded the number of earners by approximately 9 percent (table 3). The greater number of primary dependents reflects the influence of the rural family. Data on which to base estimates of urban-rural differences are not available for 1948, but 1940 census materials suggest that in cities and towns there are somewhat fewer primary dependents than earners, whereas primary dependents are half again as numerous as earners in the rural population.

"Other" Persons in the Population

The 22 million individuals in April 1948 counted neither as earners nor as the primary dependents of earners are, with the exception of recently retired workers and their dependents as well as the survivors of recently deceased workers, persons who would fall outside the protection of a current-risk program in which eligibility for benefit is based on current or recent earnings or on dependency on earners as wife or child.

Four major groups may be distinguished within this segment of the population: children under age 18; persons 18 years and over attending school; men out of the labor force because of age or disability; and women who have never been in the labor force or who have left it because of disability or other reasons and who are not married to men in the labor force (table 6).

Of the 4.3 million children under 18 years of age in this classification, 1.4 million were living with the mother in a family setting characterized by the death or absence of the father. Although they were more numerous than in 1940, only about half the widowed or divorced mothers with children under 18 years were in the labor force in April 1948. The remaining 2.9 million children consisted of 1.1 million living with a father not in the labor force because of age or disability, 1 million living with relatives, and a little more than 800,000 living with nonrelatives or in a nonfamily setting.

Persons aged 18 years and over at-

Table 6.—Number of persons in the civilian population neither earners nor primary dependents,¹ by age, sex, and marital status of women, April 1948

[In thousands]

Persons neither earners nor primary dependents, by age, sex, and marital status of women	Total	Under 18 years	18-64 years	65 years and over
Total.....	22,325	4,303	10,764	7,258
Under 18 years.....	4,303	4,303	-----	-----
In families, neither parent an earner.....	2,525	2,525	-----	-----
Others.....	1,778	1,778	-----	-----
18 years and over.....	18,022	-----	10,764	7,258
In school.....	2,260	-----	2,260	-----
Others.....	15,762	-----	8,504	7,258
Male.....	5,801	-----	2,912	2,889
Female.....	9,961	-----	5,592	4,369
Married, husband present.....	2,188	-----	1,274	914
Single.....	1,879	-----	1,473	406
Widowed.....	4,732	-----	1,797	2,935
Divorced, or married, husband absent.....	1,162	-----	1,048	114

¹ See footnotes, table 1.

Source: See table 1.

tending school in April 1948 and not in the labor force numbered 2.3 million. (Another half million or so in school but working 15 hours or more a week are classified by the Bureau of the Census as in the labor force and are included in table 1 as earners rather than as "other" persons.) Data for 1947 suggest that school attendance was slightly more frequent in urban than in rural areas and among men than among women; the school attended was at the college or professional level in 2 out of 3 cases.

Most of the 6 million men not in the labor force for reasons other than school attendance were handicapped in earning a living by age or physical or mental impairments; half of them were under age 65. In 1940 the proportion of the male population living in an institution or unable to work because of disability was 2 percent at ages 18 and 19, rising progressively thereafter to 14 percent at ages 60 to 64. After age 65 it becomes increasingly difficult to distinguish between nonmembership in the labor force by reason of disability and nonmembership by reason of age. The eligibility age for retirement benefit in old-age and survivors insurance is set by statute at 65 years, but some earners reach a terminal point in their working life at an earlier age and many reach that point several years later. Whether the transition from one status to another is due to age or to disability is often a wholly subjective judgment or is determined arbitrarily by the eligibility requirements of the retirement system.

Women who were neither earners nor married to earners comprised the largest of the four groups of "other" persons. They numbered 10 million in April 1948, almost half the total. One-fifth of the women were single, and three-fifths were widowed, separated, or divorced. The remaining fifth, a little more than 2 million, were married to men not in the labor force. Well over half the husbands in these couples were 65 years of age and over.

Whether single, married, widowed, or divorced, the 10 million women classified as "others" were engaged for the most part in keeping house for themselves or for husband, father, children, or other relatives. About 3 out of 4 were past age 50; 44 percent were 65 years of age or over. Some had worked at an earlier age, but perhaps half or more had never been in the labor force.

Age, disability, and death of the family earner are the barriers which would keep several million persons outside the protection of a current-risk social security system, such as health insurance, covering earners and their primary dependents, while for other millions the barriers would be household responsibilities or school attendance. The first group in April 1948 numbered 17 million; the second, about 5 million.

It is sometimes suggested that health insurance benefits should be made available to persons receiving old-age, survivors, and extended disability benefits, and to their dependents. In April 1948, beneficiaries of the old-age and survivors insurance,

Table 7.—Earners, primary dependents, and others in the population, April 1940 and April 1948

[Numbers in thousands]

Population groups, by age, sex, and marital status of women	April 1940		April 1948		Percent-age change
	Number	Percent	Number	Percent	
Total population ¹	131,669	100	145,087	100	+10.2
Earners ^{1,2}	51,323	39	58,863	41	+14.7
Male.....	38,906	30	42,642	29	+9.6
Female.....	12,417	9	16,221	11	+30.6
Married, husband present.....	3,537	3	6,965	5	+96.9
Other.....	8,880	7	9,256	6	+4.2
14-17.....	935	1	1,775	1	+89.8
18-64.....	48,305	37	54,318	37	+12.4
65 and over.....	2,083	2	2,770	2	+33.0
Primary dependents ³	57,304	44	63,899	44	+11.5
Wives.....	22,899	17	25,136	17	+9.8
Children.....	34,405	26	38,763	27	+12.7
Others.....	23,042	17	22,325	15	-3.1
Primary dependents per earner.....	1.12		1.09		

¹ Data for 1940 include the 267,000 members of the armed forces stationed in the United States; for 1948 the data include 474,000 members of the armed forces living off post or with families on post. Family-composition data limited to the civilian population are not available for either 1940 or 1948.

² See footnotes, table 1.

Source: April 1940 data estimated from labor-force and family-composition volumes in *Sixteenth Census of the U. S.: 1940*. April 1948 data from sources cited in table 1.

railroad retirement, and government retirement programs and their dependents numbered perhaps 2.5-3.0 million. In time, and particularly if the coverage of old-age and survivors insurance were broadened and disability protection added, a substantial proportion of the "other" group might qualify for health insurance benefits on this basis.

1940-48 Changes

The data discussed thus far reflect the situation at one point in time—April 1948. How stable are the relationships they disclose? What may be the influence of population changes and shifts in economic conditions on the relative number of persons who are earners or the dependents of earners, on the dependent-earner ratio, and on other measures of population composition significant for social insurance analytical purposes?

Between April 1940 and April 1948 the number of persons in the labor force, excluding unpaid family workers, increased 15 percent, and the number of wives and children under age 18 dependent on such workers, 12 percent. The number of persons neither earners nor the primary dependents of earners, as defined, declined 3 percent. Since the total population gain over these 8 years was 10 percent, or less than the rate of growth in the

labor force, the proportion of earners in the population went up from 39 percent in 1940 to 41 percent in 1948. The ratio of primary dependents was the same in both years—44 percent—but the ratio of "other" persons dropped from 17 to 15 percent. Earners and primary dependents as a percent of total population rose from 83 to 85 percent. Because the number of earners increased somewhat more rapidly than the number of primary dependents, the number of primary dependents per earner fell from 1.12 to 1.09 (table 7).

The growth in the proportion of earners in the population reflected in part a higher median age in 1948 and, what is more significant, the shift from large-scale unemployment in 1940 to full employment in 1948, as well as the more frequent presence in the labor force in 1948 of persons not ordinarily seeking employment. The number of male earners aged 18 to 64 rose 8 percent, only a little more than the rate of growth in the total number of men in this age group. On the other hand, the number of children 14 to 17 years who were earners increased 90 percent, the number of earners aged 65 years and over rose 33 percent, while married women earners almost doubled in number.

The lack of change in the ratio of primary dependents in the population

was the result of several influences. The war and postwar boom in marriages raised the number of married women 20 percent—or about twice the relative increase in total population. No increase took place, however, in the number of dependent wives relative to the total population, since the more rapid growth in the number of working wives restricted the percentage gain in dependent wives to the 10-percent increase experienced by the total population.

Similar offsetting factors operated to reduce the increase in the relative number of dependent children. The total number of children under age 18 went up 10 percent, or at the same rate as the total population. With relatively more widowed and divorced mothers at work in 1948 and more partially handicapped fathers in the labor force, one would have expected a substantial rise in the relative number of dependent children. A greater-than-average increase did occur, but the very large gain in the number of earners aged 14-17 kept it from going higher than 13 percent.

The decline in the number of "other" persons, absolute as well as relative, resulted from shifts into the earner and primary dependent groups. Expanded employment opportunities reduced by one-fifth the number of men aged 18 to 64 years who were neither earners nor students. The high marriage rate in the 1940's and the increased participation by women in the labor force resulted in a decrease of 26 percent in the number of single women 18 years and older who were neither earners nor students. A decline of 11 percent took place in the number of nonworking widowed and divorced women with children under 18. The more frequent labor-force membership of partially handicapped fathers and of widowed mothers meant that 20 percent fewer children under 18 were living in families with neither parent an earner.

The rise from 83 to 85 percent in the proportion of earners and primary dependents in the population understates the true magnitude of the change in this ratio between 1940 and 1948, since it does not take into ac-

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Table 2.—Contributions and taxes under selected social insurance and related programs, by specified period, 1947-49

[In thousands]

Period	Retirement, disability, and survivors insurance			Unemployment insurance		
	Federal insurance contributions ¹	Federal civil-service contributions ²	Taxes on carriers and their employes	State unemployment contributions ³	Federal unemployment taxes ⁴	Railroad unemployment insurance contributions
Fiscal year:						
1947-48	\$1,616,162	\$482,585	\$557,061	\$1,007,087	\$207,919	\$145,148
1948-49	1,690,296	553,007	563,833	988,966	222,850	9,816
1948						
July	63,057	244,676	2,378	112,097	1,586	5
August	379,573	23,931	17,161	152,242	12,924	6
September	7,968	26,779	121,632	10,978	242	12
October	58,804	25,904	4,649	95,185	1,683	3
November	357,617	29,454	14,050	176,088	12,336	2,407
December	7,062	27,709	125,842	8,707	1,531	3
1949						
January	38,039	28,489	1,201	80,053	14,492	2,564
February	279,829	27,707	5,578	97,531	152,784	19
March	25,937	30,571	132,752	3,813	9,032	2,495
April	75,191	25,808	2,370	104,645	3,098	6
May	391,411	28,587	6,910	135,977	11,423	11
June	5,806	34,119	129,310	11,651	1,718	2,285
July	57,549	25,765	2,696	108,822	4,589	1

¹ Represents contributions of employees and employers in employments covered by old-age and survivors insurance.

² Represents employee and Government contributions to the civil-service, Canal Zone, and Alaska Railroad retirement and disability funds; in recent years Government contributions are made in 1 month for the entire fiscal year.

³ Represents deposits in State clearing accounts of contributions plus penalties and interest collected from employers and, in 2 States, contributions from employees; excludes contributions collected for deposit in State sickness insurance funds. Data reported by State agencies; corrected to Aug. 19, 1949.

⁴ Represents taxes paid by employers under the Federal Unemployment Tax Act.

⁵ Represents July contributions of \$17.3 million from employees, and contributions for fiscal year 1948-49 of \$226.4 million from the Federal Government and \$2.0 million from the District of Columbia for certain District government employees.

Source: *Daily Statement of the U. S. Treasury* unless otherwise noted.

Table 3.—Federal appropriations and expenditures under Social Security Administration programs, by specified period, 1948-50

[In thousands]

Item	Fiscal year 1948-49		Fiscal year 1949-50	
	Appropriations ¹	Expenditures through July 1948 ²	Appropriations ¹	Expenditures through July 1949 ²
Total	\$1,604,640	\$195,963	\$1,991,956	\$212,978
Administrative expenses	45,434	4,900	53,956	5,087
Federal Security Agency, Social Security Administration	45,332	3,809	53,854	3,922
Department of Commerce, Bureau of the Census	102	8	102	8
Department of the Treasury ³	(4)	1,084	(4)	1,157
Grants to States	949,750	143,937	1,193,000	151,819
Unemployment insurance and employment service administration	130,000	64,524	135,000	35,266
Old-age assistance	797,000	57,957	1,058,000	87,088
Aid to the blind		1,845		2,694
Aid to dependent children		16,451		24,799
Maternal and child health services		11,750		653
Services for crippled children	7,500	1,250	7,500	483
Child welfare services	3,500	542	3,500	835
Emergency maternity and infant care	(4)	15		
Benefit payments, old-age and survivors insurance	667,036	46,962	7745,000	55,859
Reconversion unemployment benefits for seamen	2,420	164		213

¹ Excludes unexpended balance of appropriations for preceding fiscal year.

² Includes expenditures from unexpended balance of appropriations for preceding fiscal year.

³ Amounts expended by the Treasury in administering title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed from the old-age and survivors insurance trust fund to the general fund of the Treasury.

⁴ Not available because not separated from appropriations for other purposes.

⁵ Appropriation for 1947-48—\$3 million—available until June 30, 1949.

⁶ Actual payments from the old-age and survivors insurance trust fund.

⁷ Estimated expenditures as shown in 1949-50 budget.

Source: Federal appropriation acts and 1949-50 budget (appropriations); *Daily Statement of the U. S. Treasury* and reports from administrative agencies (expenditures).

EARNERS AND DEPENDENTS

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count the difference in the extent to which employment was actually available to the labor force. Unemployment in 1948 averaged only 2 million monthly; by prewar standards, earnings were high. In 1940, on the other hand, unemployment averaged 8 million and earnings were low. Estimates made in the Division of Research and Statistics in another connection suggest that perhaps 47 million persons in the population in April 1940 had earnings of \$150 or more in 1939 and that the primary dependents of such earners numbered 58 million. On this basis, the number of earners increased 26 percent between 1940 and 1948, primary dependents were 10 percent more numerous, while the "other" category

showed a decline of 15 percent. The proportion of earners of \$150 or more in the population increased possibly from some 36 to 41 percent, but the relative number of primary dependents remained at the same level, namely, 44 percent. The two groups combined represented 80 percent of the population in 1940 and 85 percent in 1948.⁴

⁴ For other estimates of the earner-dependent ratio and of the distribution of earners by number of dependents, based on the 1940 census, see Jacob Fisher, "Earners and Dependents in Urban Families in Relation to Family Income," *Social Security Bulletin*, April 1947; Marvin Bloom, "The Dependents of Workers: Selected Data on Numbers and Types," *Social Security Bulletin*, January 1949; and *Workers and Dependents in Urban Families* (Bureau of Research and Statistics Memorandum No. 64), June 1947.

Summary

Persons protected by a social insurance current-risk program limited to earners and their dependent wives and children under age 18, but covering all employments and having a low earnings requirement, would have comprised from 80 to 85 percent of the population in 1940-48, the ratio varying with economic conditions.

The variation in the ratio is accounted for primarily by differences in the proportion of earners. As employment and business opportunities increased during the decade, the relative number of persons qualifying as earners also increased but not the relative number of primary dependents, which remained fairly stable (44 percent in both 1940 and 1948). Some persons formerly dependent upon earners became earners in their own

Table 4.—Estimated pay rolls in employment covered by selected programs ¹ in relation to civilian wages and salaries, by specified period, 1938–49

[Corrected to Sept. 9, 1949]

Period	Wages and salaries ²		Pay rolls covered by—		
	Total	Civilian ³	Old-age and survivors insurance ⁴	State unemployment insurance ⁵	Railroad retirement and unemployment insurance ⁶
Amount (in millions)					
Calendar year:					
1938.....	\$42,812	\$42,442	\$29,026	\$26,200	\$2,028
1939.....	45,745	45,347	32,222	29,069	2,161
1940.....	49,587	48,996	35,668	32,450	2,273
1941.....	61,708	59,846	45,463	42,146	2,687
1942.....	81,681	75,396	58,219	54,796	3,382
1943.....	105,328	90,850	69,653	66,117	4,085
1944.....	117,076	96,370	73,349	69,139	4,507
1945.....	117,541	95,064	71,560	66,642	4,514
1946.....	111,741	103,979	79,260	73,402	4,866
1947.....	122,164	118,287	92,600	86,596	5,107
1948.....	135,255	131,345	103,000	95,741	5,485
January–March.....					
1948.....	31,634	30,691	24,200	22,495	1,348
April–June.....	32,697	31,742	24,800	23,047	1,318
July–September.....	34,192	33,212	25,900	23,983	1,391
October–December.....	36,732	35,700	28,100	26,217	1,428
January–March.....					
1949.....	33,669	32,639	24,500	(*)	1,300
Percent of civilian wages and salaries					
Calendar year:					
1938.....		100.0	68.4	61.7	4.8
1939.....		100.0	71.1	64.1	4.8
1940.....		100.0	72.8	66.2	4.6
1941.....		100.0	76.0	70.4	4.5
1942.....		100.0	77.2	72.7	4.5
1943.....		100.0	76.7	72.8	4.5
1944.....		100.0	76.1	71.7	4.7
1945.....		100.0	75.3	70.1	4.7
1946.....		100.0	76.2	70.6	4.7
1947.....		100.0	78.3	73.2	4.3
1948.....		100.0	78.4	72.9	4.2
January–March.....					
1948.....		100.0	78.9	73.3	4.4
April–June.....		100.0	78.1	72.6	4.2
July–September.....		100.0	78.0	72.2	4.2
October–December.....		100.0	78.7	73.4	4.0
January–March.....					
1949.....		100.0	75.1	(*)	4.3

¹ Includes data for Alaska and Hawaii. Pay rolls covered by State unemployment insurance programs in these 2 Territories have ranged from \$18 million to \$78 million a quarter.

² Total represents estimated wages and salaries paid in cash and in kind in continental United States and, in addition, pay of Federal civilian and military personnel in all other areas; civilian wages and salaries include employee contributions to social insurance and related programs.

³ Quarterly data adjusted to correct for distribution of bonus payments.

⁴ Taxable wages plus estimated nontaxable wages in excess of \$3,000 earned in employment covered by program.

⁵ Taxable wages plus nontaxable wages earned in employment covered by program; excludes earnings of railroad workers covered by State laws through June 1939. Data for 1948 and 1949 preliminary.

⁶ Taxable wages plus nontaxable wages in excess of \$300 a month. Data for 1948 and 1949 preliminary.

⁷ Not available.

Source: Data on wages and salaries from the Office of Business Economics, Department of Commerce; data on pay rolls for selected programs based on reports of administrative agencies.

right in 1948, on either a full-time or occasional basis, but this loss to the dependent group was made up by the addition of persons dependent on individuals shifting from the nonearner to the earner class as employment levels rose.

The more frequent employment of wives and children of earners in good times is reflected in a drop in the number of primary dependents per earner. Under conditions prevailing in 1940, this ratio was 1.12; in 1948 it was 1.09. Persons neither earners nor their

primary dependents consist in the main of individuals not in the labor force because of age or disability, their dependents, the survivors of deceased workers, adult students, and single women engaged for the most part in keeping house for relatives.