Sickness and disability among the group aged 14–64 have the greatest impact on the manpower resources of the Nation. It is estimated that on an average day as many as 3.7 million persons aged 14–64 are prevented from working or seeking work as a result of both short-term sickness and long-term disabilities. Of these, an estimated 2.2 million would have been incapacitated for more than 6 months.2

Thus, approximately three-fourths of the 2.9 million persons aged 14–64 with disabilities lasting more than 6 months would have been in the labor force but for their disability. The remaining one-fourth consists of persons who, if not disabled, would have been engaged in some activity other than gainful employment—keeping house or attending school, for example. Recent studies of the age group 14–64 suggest that practically all men between the ages of 20 and 64 with long-term disabilities would be active members of the labor force if they were not disabled, while possibly as many as 50 percent of the women with extended incapacities would be at work. It is estimated that 3 out of every 4 persons prevented from engaging in regular employment on an average day as a result of permanent or prolonged physical or mental disabilities are men.

The estimates in this note are derived for the most part from data developed by two special 1949–50 studies of the prevalence of long-term disability in the civilian noninstitutional population aged 14–64, made jointly by the Social Security Administration, the Office of Vocational Rehabilitation, and the Public Health Service, utilizing the sampling facilities of the Bureau of the Census.3 Estimates for the age groups under 14 and over 64 were made by projecting the prevalence rates among the group aged 14–64 on the basis of the rate of increase with age for those disabled more than 12 months that was observed in the 1955–56 National Health Survey.4

The estimates of the number of long-term disabled in the institutional population are based on the 1950 decennial census, adjusted for 1954 population on the assumption that changes in the institutional population have paralleled those in the total population. All persons in long-term hospitals and in homes and schools for the mentally and physically handicapped are considered to have been disabled for more than 6 months. For persons in correctional institutions and for persons under age 45 in homes for the aged and the dependent, it is assumed that the prevalence rates are the same as the rates in the 1949–50 surveys for the noninstitutional population, and that for persons aged 45 and over in homes for the aged and dependent the rates are considerably higher. Other methods of estimating the number of long-term disabled in the population produce results of the same order of magnitude.

The estimates that are given here of the prevalence of disability among workers and "would-be" workers are based on an analysis of the employment status of disabled persons as reported in the 1949–50 surveys of disability. A somewhat lower estimate of potential workers among the disabled is obtained by applying to the disabled the labor-force participation rates of the nondisabled. Since it is thought that the latter method may not fully reflect the potential work status of disabled women, especially housewives with long-term disabilities, the first method was used.

### Old-Age Benefits in Current-Payment Status, December 31, 1954

The old-age and survivors insurance program was paying old-age benefits on December 31, 1954, to almost 3.8 million persons—about three-fifths of a million more than in December 1953. The average monthly benefit amount is shown in the accompanying table, which also gives a percentage distribution of the number of beneficiaries according to the size of their benefit. The data are classified by the beneficiaries' State of residence at the end of 1954.

The average old-age benefit being paid in December 1954 was $59.14, about $8.00 higher than the average a year earlier. The increase was due chiefly to the higher benefit rates provided by the 1954 amendments. One out of 3 old-age beneficiaries were receiving monthly amounts of $70.00–$98.50 at the end of 1954. Slightly less than one-third of all old-age beneficiaries were receiving benefits in the $50.00–$69.90 range, and slightly more than one-third were receiving monthly benefits of less than $50.00. Minimum benefits of $30.00 were being paid to about 676,000 old-age beneficiaries, 80,000 more than at the end of 1953. As a

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Table 1.—Estimated number of persons in the United States with disabilities lasting more than 6 months on an average day in 1954 1

<table>
<thead>
<tr>
<th>Age group</th>
<th>Persons with disabilities lasting more than 6 months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td>Under 14</td>
<td>2,850</td>
</tr>
<tr>
<td>14–64</td>
<td>5,310</td>
</tr>
<tr>
<td>65 and over</td>
<td>2,160</td>
</tr>
</tbody>
</table>

1 Based on 1949–50 Surveys of Disability, 1953–56 National Health Survey, and 1950 decennial census.

3 These estimates are not necessarily incompatible with earlier estimates, which had indicated that disabling illness kept out of employment a greater proportion of persons with short-term disabilities (i.e., less than 6 months' duration) than persons with long-term disabilities. The current estimates give greater weight to the pronounced seasonal variation in disability rates, especially for temporary illnesses, which produces a range in the number of persons actually unable to work from 3.4 million on a summer day to 4.0 million on a winter day. With the aging of the population, also, the number of cases of long-term disability has increased more, both absolutely and relatively, than the number of short-term illnesses.

4 For a detailed explanation of the methodology, see G. St. J. Ferrott, Lucille M. Smith, Maryland Y. Pennell, and Marion E. Altendorfer, Care of the Long-Term Patient, Public Health Service Publication No. 344, January 1954, pages 9–11.
proportion of all old-age beneficiaries, however, the number of persons receiving minimum benefits declined about 0.6 percent to 17.9 percent.

Among the 48 States the average monthly old-age benefit at the end of 1954 ranged from $65.57 in Connecticut to $47.19 in Mississippi. Benefits of $70.00-$98.50 were being paid to 45 percent of the old-age beneficiaries in Connecticut and to 13 percent in Mississippi; benefits of $30.00-$49.90 went to only 25 percent of the old-age beneficiaries in Connecticut and to 60 percent in Mississippi. In Puerto Rico, where the average benefit was only $40.71, 4 percent of old-age beneficiaries were receiving benefits of less than $50.00.

The average old-age benefit was highest in the Northeastern States and in certain North Central States, somewhat lower in the Middle West and Far West, and for the most part lowest in the Southern States. Four of the five States with the highest average old-age benefits are in the Northeast, while four of the five States with the lowest average benefits are in the South. The lower average benefits in the Southern States reflected mainly the more frequent periods of noncovered employment in the wage histories of beneficiaries in this area; the result was a reduction in the average monthly wages from which their benefits were computed. The averages also reflected, to some extent, regional differences in wage rates, making national averages less meaningful.

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Social Security Administration


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