insurance credits alone and 3,880,000 were fully but not permanently insured. An additional 430,000 workers were insured on the basis of only
sured on the basis of their combined
1947.-.--...- ______ ___-- '2:
1946 or ember ____ ______
1949...-...-......-.-.-.
1948...-...-......-.-.-.
quarters of coverage). They prob-
195%. ________.. -- _._.__ 2,006
1951...-..-.-.-.-.-..-.- %
1950- ._ _. _ _ __ _ _ _. -.
continental United States and to almost
beneilts were being paid in mid-1955
dren (table 1). In the event of the
ably included most of the 775,000
than the equivalent of 6 quarters of
coverage (based on actual and deemed
uninsured under either program sep-
indented workers having railroad em-
vivors insurance credits and whose
last railroad service was before 1947.

Last Employment
While the cross-classification of
"last year of employment" under each program does not give the complete picture of employee-service patterns under both programs, it does indicate certain significant features of the most recent employment of railroad workers. Table 7 shows that about 50 percent of the living, non-
titled workers having railroad em-
ployed at some time during 1937-
52 did not work in such employment
after 1946. It cannot be assumed
that they had withdrawn from the labor force, since the majority had quarters of coverage under old-age
and survivors insurance as late as
1952. The shift to employment cov-
ered by old-age and survivors insur-
ance is clear when it is noted that
for 4.5 million railroad workers the
year of last employment under old-
age and survivors insurance was more
recent than the year of last railroad
employment.

Eighty percent of the 6,560,000
railroad workers who had old-age and
survivors insurance credits at some
time during 1937-52 were actively
employed under one or the other pro-
gram in 1952. Of these dual-coverage
workers, 1,395,000 had railroad em-
ployment in 1952; 4,450,000 workers
had old-age and survivors insurance
credits, and of these about 615,000
also had railroad employment in that
year. In contrast, only 40 percent
of the 1,525,000 workers with no old-
age and survivors insurance credits
were employed during 1952. Com-
plete withdrawal from employment thus appears to be a major factor in
tailure to earn old-age and survivors
insurance credits.

Notes and Brief Reports

Money Income Sources for Young Widows and Orphans, Mid-1955*

Old-age and survivors insurance benefits were being paid in mid-1955 to more than half of all paternal orph-
phans under age 18 in the continental United States and to almost
two-fifths of the widows with children (table 1). In the event of the
death of the family breadwinner, some 50 million of the Nation's 56
million children are assured of
monthly benefits under the old-age
and survivors insurance program un-
til they reach age 18. Old-age and
survivors insurance also helps to pro-
tect 90 percent of the married women
with children under age 18 against

1 Includes workers who have died or retired.

Table 7.—Workers with railroad service, 1937-52, by year of last railroad em-
ployment and year of last old-age and survivors insurance employment 1

<table>
<thead>
<tr>
<th>Year of last railroad service</th>
<th>Total</th>
<th>Workers with no employment under OASI</th>
<th>Year of last employment under OASI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>8,065</td>
<td></td>
</tr>
<tr>
<td>1946 or earlier</td>
<td>4,040</td>
<td>775</td>
<td>2,625</td>
</tr>
<tr>
<td>1947</td>
<td>485</td>
<td>25</td>
<td>470</td>
</tr>
<tr>
<td>1948</td>
<td>535</td>
<td>75</td>
<td>460</td>
</tr>
<tr>
<td>1949</td>
<td>345</td>
<td>20</td>
<td>325</td>
</tr>
<tr>
<td>1950</td>
<td>375</td>
<td>20</td>
<td>375</td>
</tr>
<tr>
<td>1951</td>
<td>375</td>
<td>20</td>
<td>375</td>
</tr>
<tr>
<td>1952</td>
<td>2,000</td>
<td>655</td>
<td>1,395</td>
</tr>
</tbody>
</table>

1 Excludes workers who have died or retired.

the loss of support because of the
husband's death. The amount of life
insurance now in force under the
program for these mothers and chil-
dren is estimated at some $270 bil-

Almost half the 700,000 widowed
mothers under age 65 in the contin-
ental United States were entitled to
old-age and survivors insurance
benefits in mid-1955, but the bene-
fits of about one-fifth of those en-
titled were withheld—characteris-
tically because of employment. About
one-fifth of the 340,000 who were en-
titled to benefits at the end of June
1955 had become entitled during the
preceding 12 months; about 15 per-
cent of those entitled to benefits at
the end of June 1954 had their bene-
fits terminated before June 1955.

1 T. N. E. Greville, Estimated Amount of
Life Insurance in Force as Survivor Benefits
Under OASI—1955 (Actuarial Study No. 43),
Division of the Actuary, Social Security Ad-
ministration, September 1955. See also
pages 13-15 of this issue.

During the calendar year 1954, atta-
tainment of age 18 by the last en-
titled child was responsible for the
termination of the mother's benefits
in more than half the cases and re-
marriage of the mother in about two-
fifths.) This high rate of turnover for
the widowed mothers entitled to
benefits and the large number of
beneficiary families in which only
children draw benefits3 mean that the
program helps more widows during a
year than would appear from the
number of beneficiaries at any one
date. It is clear not only that the old-

2 In June 1955 there were some 270,000
beneficiary groups composed of children
under age 18 with mother not entitled.
Included among the child survivors were
about 45,000 maternal orphans who received
benefits on the basis of the mother's wage
record.

* Prepared by Lenore A. Epstein, Division
of Research and Statistics, Office of the
Commissioner.

Bulletin, February 1956
Social insurance and related programs lighten the financial burden of support for many a widowed mother who does not herself receive a benefit but also that it facilitates personal adjustments, permitting her to remarry without making it necessary that her husband assume the full support of stepchildren.

In mid-1955, more than half of all widows under age 65—both widowed mothers and childless widows—had some earnings. For the latter, who numbered about 2.8 million, employment was by far the most frequent of the sources of money income under consideration, even though more than two-thirds of these childless widows were aged 55-64 and therefore at a disadvantage in the labor market. The estimated number of widowed mothers with earnings (including old-age and survivors insurance beneficiaries with part-time work) was about 40 percent larger than the number receiving old-age and survivors insurance benefits. Many are marginal workers, however, and in the event of reduced job opportunities the ratio might be reversed with only a moderate increase in the number entitled to benefits. Undoubtedly a large proportion of the paternal orphans are supported at least in part by the earnings of the mother or another relative in the home, and perhaps one-tenth of them receive some earnings from their own employment.

Except for employment, the pension and compensation programs for survivors of veterans rank next in importance to old-age and survivors insurance as a source of money income for survivors under age 65. In mid-1955, benefits under the veterans’ programs were being paid to approximately 15 percent of the paternal orphans and of the widowed mothers and to about 12 percent of the childless widows under age 65.

Because of the rapid expansion in the number of old-age and survivors insurance beneficiaries in recent years, there are now relatively few widowed mothers or orphans receiving aid to dependent children. In June 1955, only about 7 percent of the 1.9 million paternal orphans and of the 700,000 widowed mothers were primarily dependent on payments made under aid to dependent children. For about an additional 4 percent, an assistance payment was being made to supplement an old-age and survivors insurance benefit that did not meet the basic needs of the children—generally because the benefit was based on low or irregular earnings.

Precise data are still lacking on the relative numbers receiving both an old-age and survivors insurance benefit and a veterans’ pension or compensation payment and also on the proportion of beneficiaries under various programs who have some earned income. Nevertheless, it is possible to make a rough adjustment for the probable extent of such duplication. It appears that in mid-1955 roughly half the widowed mothers and two-thirds of the fatherless children were receiving monthly social insurance benefits. Most widows with children under age 18 had some income from employment, social insurance, or aid to dependent children. For childless widows, however, the situation was very different, with at most two-thirds having income from earnings or social insurance, or both. Unquestionably many were forced to apply for general assistance, but there are no data on the proportion who received aid through such State and local programs. Some, of course, had income from assets and private insurance, and a considerable number were supported by their adult children.

Effective September 1954, the eligible age for receipt of survivor benefits under the railroad retirement program by a widow, dependent widow, or parent was reduced from 65 to 60. By the end of 1954, about 17,100 widows aged 60-64 with no children in their care were receiving benefits, and by the end of June 1955 benefits were going to about 23,500.

During the same period, the total number of widows aged 65 and over receiving survivor benefits under the railroad retirement program increased less than 8,000 to 113,600. There is an inverse correlation between the age of the widow and the receipt of either old-age and survivors insurance benefits or of payments under aid to dependent children—a correlation that reflects the greater frequency with which the younger widows have children under age 18. In June 1955 the proportion of widows receiving income from either old-age and survivors insurance or aid to dependent children was 7 percent for those under age 45 as for those aged 45-64. These younger widows, however,
formed a relatively small proportion—only one-sixth—of the 3.5 million widows under age 65. Fewer than 1 in 25 were under age 35. More than half were aged 55-64.

Orphans also are much more heavily concentrated at the older than at the younger ages, as shown in Table 2. Moreover, the younger the child is, the more frequent the insurance benefits, as shown by the following figures on the proportion of paternal orphans with old-age and survivors insurance benefits in current-pay-ment status at the end of December 1954:

<table>
<thead>
<tr>
<th>Age</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 5</td>
<td>64</td>
</tr>
<tr>
<td>5-9</td>
<td>60</td>
</tr>
<tr>
<td>10-14</td>
<td>57</td>
</tr>
<tr>
<td>15-17</td>
<td>41</td>
</tr>
</tbody>
</table>

The higher beneficiary rates for younger children mean that benefits are most likely to go to those for whom income support is most urgent, when the mother should be in the home to care for a young child instead of being away at work. This difference, however—at least below the age when children may start work—is likely to disappear in the future because it reflects the fact that the older the orphan the more likely it is that his father had died at a time when the coverage of the old-age and survivors insurance program was more restricted.

### Table 2.—Estimated number of orphans under age 18, by type and by age, July 1, 1955

<table>
<thead>
<tr>
<th>Age</th>
<th>Orphans under 18</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Father only dead</td>
<td>Father only dead</td>
</tr>
<tr>
<td></td>
<td>Number</td>
<td>Percent of child population</td>
</tr>
<tr>
<td>0-4</td>
<td>180</td>
<td>4.8</td>
</tr>
<tr>
<td>5-9</td>
<td>600</td>
<td>3.5</td>
</tr>
<tr>
<td>10-14</td>
<td>1,020</td>
<td>7.6</td>
</tr>
<tr>
<td>15-17</td>
<td>900</td>
<td>13.1</td>
</tr>
</tbody>
</table>

1 Estimated in accordance with procedures developed by the Division of the Actuary. See the Bulletin, March 1955, pp. 17-10.
2 Less than 0.5,000.

### Table 1.—Percentage distribution of old-age benefits awarded in January-June 1955, by benefit-computation method and sex

<table>
<thead>
<tr>
<th>Benefit-computation method</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number</td>
<td>510,796</td>
<td>361,787</td>
<td>149,009</td>
</tr>
<tr>
<td>Total percent</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Benefit based on earnings after 1936</td>
<td>8</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Benefit based on earnings after 1934</td>
<td>8</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Beneficiary not eligible for the dropout</td>
<td>16</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td>Beneficiary eligible for the dropout</td>
<td>84</td>
<td>85</td>
<td>82</td>
</tr>
<tr>
<td>Beneficiary eligible for the dropout</td>
<td>15</td>
<td>13</td>
<td>21</td>
</tr>
<tr>
<td>Beneficiary eligible for benefit based on earnings after 1950</td>
<td>10</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>Beneficiary eligible for benefit based on earnings after 1954</td>
<td>6</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Beneficiary eligible for benefit based on earnings after 1954</td>
<td>69</td>
<td>72</td>
<td>61</td>
</tr>
<tr>
<td>1953 benefit formula plus 1954 conversion table</td>
<td>3</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>1954 benefit formula</td>
<td>65</td>
<td>70</td>
<td>58</td>
</tr>
</tbody>
</table>

### Table 2.—Number, percentage distribution, and average monthly amount of old-age benefits awarded in January-June 1955, by starting date used in benefit computation, age, and sex

<table>
<thead>
<tr>
<th>Age</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>65-69</td>
<td>334,551</td>
<td>226,730</td>
<td>107,821</td>
</tr>
<tr>
<td>70-74</td>
<td>100,401</td>
<td>68,610</td>
<td>31,791</td>
</tr>
<tr>
<td>75-79</td>
<td>41,180</td>
<td>26,520</td>
<td>14,660</td>
</tr>
<tr>
<td>80 and over</td>
<td>6,240</td>
<td>4,490</td>
<td>1,750</td>
</tr>
</tbody>
</table>

**Old-Age Insurance Benefit Awards, January-June 1955**

During the first half of 1955, old-age benefits were awarded to nearly 511,000 persons, a record number. The previous high, established in the first 6 months of 1951, was due primarily to the liberalized insured-status provisions of the 1950 amendments. The sharp increase in January-June 1955 was due mainly to the liberalization in the retirement test under the 1954 amendments. These later provisions, which became effective in January 1955, changed the earnings test for wage earners from a monthly to an annual basis, raised to $1,200 the amount that beneficiaries can earn in a year before any benefits are withheld, and lowered from 75 to 72 the age at which beneficiaries can receive benefits regardless of the amount of their earnings. Thus, many persons between age 72 and age 75 and others under age 72 with moderate earnings, who had delayed filing for benefits because they were working in covered employment, filed and began receiving monthly benefits.

**Method of benefit computation.**—

### Table 2.—Number, percentage distribution, and average monthly amount of old-age benefits awarded in January-June 1955, by starting date used in benefit computation, age, and sex

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<td>80 and over</td>
<td>6,240</td>
<td>4,490</td>
<td>1,750</td>
</tr>
</tbody>
</table>

1 Age on birthday in 1955.
2 Less than 0.5 percent.