trend; and $8.0 million is for the higher cost of State and local administration.

Children's Bureau operations are proposed at the same level for 1958-59 as in 1957-58; $41.5 million is budgeted for the maternal and child health and child welfare grant programs. In addition to funds for continuing activities, a request is made for $135,000 to enable the Bureau to plan and prepare for the 1960 White House Conference on Children and Youth.

The 1958-59 budget is the first in 3 years that proposes no funds for grants for research and demonstration projects in social security. Legislative authority for these grants was provided in 1956, but the implementing budgetary requests for 1956-57 and 1957-58 were not approved by Congress.

Total expenditures for the seven grant programs of the Social Security Administration are budgeted at $1,847.9 million or 99.8 percent of the social security budget for 1958-59. The remaining 0.2 percent, $4.4 million, consists of the salaries and operating expenses of the Bureau of Public Assistance, the Children's Bureau, and the Office of the Commissioner of Social Security.

Although it affected none of the social security grant programs for 1958-59, a policy was enunciated by President Eisenhower in the Budget Message that may affect future trends in public assistance and other grant programs. He stated:

A large portion of the expenditures for labor and welfare programs consists of grants-in-aid to States and local governments, and cannot be reduced without changes in basic authorizing legislation. At this time, I am proposing revisions in the legislation governing five of these grant programs which will lead to some small reductions in the Federal budget for the fiscal year 1959, and to some larger reductions in later years. Under these proposals, the proportion or amount of Federal participation would be reduced for schools in federally affected areas, for hospital construction, and for public assistance. I am also recommending action on legislation relating to revenues so the States can assume responsibility beginning in 1960, and Federal aid can cease, for vocational education and waste treatment plant construction. Continuing work by the Joint Federal-State Action Committee, as well as thoroughgoing reappraisals by Federal agencies on their own initiative should lead to further recommendations for reducing grant-in-aid programs in future years, with the States assuming more of the responsibility for these activities and themselves collecting more tax revenues to finance them.

In a statement on the budget for the Department of Health, Education, and Welfare, Secretary Folsom said:

We are acutely aware of the heavy demands for Federal funds for direct defense spending and other purposes, and of the need for economy at all levels of government. We also hold a deep conviction that it is penny wise and pound foolish to neglect vital Federal responsibilities for the health, education, and economic security of the American people.

Disability Benefit Awards Affected by the Offset Provision, July-October 1957

The Social Security Act provides monthly disability insurance benefits, first payable for July 1957, for an insured worker aged 50-64 who is unable "to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration." The amount of the disability insurance benefit is reduced (under the so-called "offset" provision) by the amount of any periodic Federal or State workmen's compensation benefit or any other periodic Federal disability benefit payable because of the claimant's physical or mental impairment. The original provision was modified by Public Law 85-109, however, so that a disability insurance benefit payable under the Social Security Act is not reduced because of compensation paid to a veteran by the Veterans Administration on account of his service-connected disability.

Monthly disability insurance benefits were awarded to 151,000 disabled workers aged 50-64 in the first 4 months—July through October 1957—that awards were made. Almost 20 percent of these benefits—about 29,800—were either reduced or completely offset by a periodic benefit paid under a Federal or State workmen's compensation program or under another Federal program because of disability.

Pension payments by the Veterans Administration accounted for 86 per-

Table 1.—Number and percentage distribution of disability insurance benefits awarded, with and without benefit partially or completely offset by another benefit based on disability, by type of other benefit, July-October 1957

<table>
<thead>
<tr>
<th>Type of other benefit based on disability</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>151,005</td>
<td>100.0</td>
</tr>
<tr>
<td>Without offset</td>
<td>121,255</td>
<td>80.3</td>
</tr>
<tr>
<td>With offset</td>
<td>29,750</td>
<td>19.7</td>
</tr>
<tr>
<td>Partial</td>
<td>20,009</td>
<td>13.3</td>
</tr>
<tr>
<td>Complete</td>
<td>9,741</td>
<td>6.4</td>
</tr>
<tr>
<td>With offset, total</td>
<td>29,750</td>
<td>100.0</td>
</tr>
<tr>
<td>Veterans' pension only</td>
<td>25,384</td>
<td>86.0</td>
</tr>
<tr>
<td>State workmen's compensation</td>
<td>99</td>
<td>.3</td>
</tr>
<tr>
<td>All other</td>
<td>17</td>
<td>.1</td>
</tr>
<tr>
<td>State workmen's compensation only</td>
<td>3,857</td>
<td>13.2</td>
</tr>
<tr>
<td>State workmen's compensation and all other (except veterans' pension)</td>
<td>24</td>
<td>.1</td>
</tr>
<tr>
<td>Uniformed services</td>
<td>18</td>
<td>.1</td>
</tr>
<tr>
<td>Railroad retirement</td>
<td>30</td>
<td>.1</td>
</tr>
<tr>
<td>Other Federal</td>
<td>39</td>
<td>.1</td>
</tr>
</tbody>
</table>

 Distribution by partial or complete offset, by type of other benefit, not yet available.

Less than 0.05 percent.

Payments under the Federal Employees' Compensation Act and the Longshoremen's and Harbor Workers' Compensation Act.

Army, Navy, Air Force, and Marine Corps.

Includes payments for disability under the programs of the Civil Service Commission, the Tennessee Valley Authority, etc.

Social Security Act, 1957—25,600—of the cases where the disability insurance benefit was reduced or completely offset. Pension payments are based upon a non-service-connected or injury causing total and permanent disability and are payable only if the total annual income of the veteran is less than $1,400 a year if he is single or less than $2,700 a year if he is married or has minor children.

The offset provision resulted in the reduction or withholding of disability insurance benefits because...
Worker in about 3,900 cases—13 percent—and because of Federal workers’ compensation benefits paid under individual State laws, Federal workers’ compensation benefits are paid under the Federal Employees’ Compensation Act or the Longshoremen’s and Harbor Workers’ Compensation Act. Although the conditions under which these benefits are payable vary, a compensable injury is generally defined as one “arising out of and in the course of employment” or, in the case of an occupational disease, an injury “arising out of employment and due to causes and conditions characteristic of and peculiar to the particular trade, occupation, process, or employment.” About 100 workers were receiving both workers’ compensation and veterans’ pension payments.

Benefit payments for disability from other Federal agencies accounted for other Federal agencies. Included were payments made under such programs as those of the uniformed services (Army, Navy, Air Force, and Marine Corps), the Civil Service Commission, the Railroad Retirement Board, and the Tennessee Valley Authority.

**Recent Publications**

**Social Security Administration**

**BUREAU OF PUBLIC ASSISTANCE.** Statewide Review of Eligibility Determination for Old-Age Assistance, Aid to Dependent Children, Aid to the Blind, Aid to the Permanently and Totally Disabled, by Margaret McInnis and Walter M. Perkins. (Public Assistance Report No. 32.)


**General**


Includes, for the first time, a special appendix with data on congressional districts.

**Retirement and Old Age**

**Bers, Melvin K.** Union Policy and the Older Worker. Berkeley: University of California, Institute of Industrial Relations, 1957. 87 pp. $1.

Consider hiring, layoff, and discharge policies, wage adjustment, pensions, and retirement programs.


**Weaver, Neill K.** “The Elderly Handicapped Worker in Industry.” (Continued on page 20)