The 1939 amendments to the Social Security Act put the payment of benefits under old-age and survivors insurance on a family basis. Originally, monthly benefits were to be paid only to retired workers. The amendments added monthly benefits for the aged wife and dependent children of a retired worker, for the aged widow and surviving children of insured workers who die, and for the widow, regardless of her age, who has such children in her care. If no widow or child survives, benefits may be paid to aged parents who were dependent on the worker for support.

Administering old-age and survivors insurance is a serious business. A finding that an award cannot be made under the law may mean anxiety and penury during the last years of life for an old man or woman who, with benefit income, would be able to get along in relative comfort. Or receipt of even modest amounts of survivor benefits may be the deciding factor in enabling the widow of an insured worker to stay home to give her children needed care, rather than seek a job, or may determine in other ways whether or not the children get a fair start in life. Potentially large sums are at stake; over the years while children are growing up, survivor benefits to a family may come to as much as $10,000, $15,000, or more. Moreover, since benefits are paid only to families in which earnings have been lost because of old age or death, they usually are badly needed.

In accordance with social insurance principles, eligibility requirements and all other conditions governing payment of old-age and survivors benefits are fixed specifically by law; otherwise it would not be possible to keep a proper relationship between expenditures and the intake in contributions to finance the system. Because old-age and survivors insurance is a national system, workers and employers throughout the country contribute at the same rate, and the amounts of benefits are determined according to the same schedule for all who qualify. Uniform also are most of the eligibility requirements, such as those which fix the number of quarters of coverage a worker must have in order to be currently or fully insured. In the establishment of family benefits, however, one set of requirements was adopted which results in wholly different treatment for claimants in similar circumstances who live in different parts of the country.

The benefit to a wife, widow, child, or parent of a retired or deceased worker may be paid only to one who qualifies as such under the intestacy law of the State in which the worker is or was domiciled. The State laws governing determination of these relationships naturally reflect wide differences in the philosophy and background of the original settlers of an area and the influences which subse-

### Table 3.—Covered workers as percent of employed labor force, public assistance recipient rates, and average payments to individuals

<table>
<thead>
<tr>
<th>State</th>
<th>Percent of employed labor force covered by Social insurance</th>
<th>Average benefit</th>
<th>Recipient rates, December 1944</th>
<th>Average payments, December 1944</th>
<th>Federal grants to States, 1943, for:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Old-age and survivors insurance</td>
<td>State unemploy-</td>
<td>Old-age and survivors insurance</td>
<td>State unemploy-</td>
<td>Old-age assistance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ment compensation</td>
<td></td>
<td>compensation</td>
<td>of dependent children</td>
</tr>
<tr>
<td>Total, United States</td>
<td>69.9</td>
<td>49.0</td>
<td>24.10</td>
<td>15.90</td>
<td>288</td>
</tr>
<tr>
<td>Total, 15 States</td>
<td>41.2</td>
<td>31.6</td>
<td>11.48</td>
<td>7.2</td>
<td></td>
</tr>
<tr>
<td>13 States as percent of U. S. total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Estimated number of persons covered by old-age and survivors insurance and State unemployment compensation programs in March 1944 as percent of employed labor force during census week of March 24-30, 1940.  
* Average monthly primary benefit awarded during January-December 1943, based on residence of claimant at time claim was filed.  
* Average weekly benefit for total unemployment during January-December 1943.  

* Persons receiving old-age assistance per 1,000 population aged 65 or over as of April 1944; children receiving aid to dependent children per 1,000 population under 15 years as of November 1943; and persons receiving aid to the blind per 100,000 civilian population as of November 1943.  
* See Table 2, footnote 1.

### Family Relationships and Old-Age and Survivors Insurance

*Director, Bureau of Old-Age and Survivors Insurance.*
quently have modified the statutes. In determining marital and other family relationships, some States adhere to principles of English common law and some do not; some laws have been influenced by traditions of early colonists from France or Spain. As a consequence a woman may have the legal qualifications of a wife or widow in one State but not in another. Under a national system, it seems peculiarly inappropriate to be obliged to fulfill all the responsibility requirements, even though individuals and the community against whom have every reason to feel that they have fulfilled all the responsibility requirements, even though individual equity and social considerations both make it desirable to pay them benefits.

Laws governing inheritance are complex, and most of the working population of the country has neither occasion nor opportunity to investigate inheritance rights. The great majority of the cases in which failure to establish the requisite relationship has blocked payment of benefits are those of people who, in their own eyes and those of others, have lived just as their neighbors do, meeting the community's conventions. Denial of a claim for benefits often has been the first intimation to a family and its relatives and friends that there is any irregularity in the legal foundation of the family. It has resulted in stigmatizing people, especially "illegitimate" children, in families which have every reason to feel that they have fulfilled all the responsibilities inherent in family relationships.

Cases have arisen in which a man and woman, having taken out a marriage license, thought that it was all that was required to constitute a valid marriage, or in which a couple unknowingly has been "married" by a person not authorized to perform the ceremony under the State law. In other instances, one partner or the other has had reason to believe that an earlier marriage was ended by death and has remarried in good faith; the subsequent appearance of the first spouse may make the second marriage invalid and the children born of it "illegitimate," although under some State laws such children are legitimate. Death of the first spouse then may or may not legitimate the children of the second union, according to the law of the State. Benefits may be payable to some but not all children of the same parents. Misunderstanding of the waiting period required in some States before a party to a divorce may remarry has caused a subsequent marriage entered into by one or both of the spouses to be invalid under the State law.

Because of ignorance of the law and lack of funds to pay lawyers and courts, low-income families, which particularly need the protection of social insurance, are less likely than others to make sure that they have satisfied all legal requirements for the relationships they actually maintain. Among well-to-do persons, awareness of the legal problems of inheritance and opportunity to get legal advice ordinarily will have caused the family to regularize these and other relationships under the law.

In private insurance, of course, a man chooses whether or not he will take out life insurance and in what amounts. He may take out policies covering various personal obligations. In social insurance, the situation is somewhat different, because the system is designed to serve social as well as individual ends. A worker in covered employment cannot choose whether or not to contribute or what amount he will contribute. He cannot name the beneficiary. Contributions must be set at amounts which large groups in the population can pay, and benefits must be designed, within the limits of the funds available, to serve the greatest needs of the group. Hence the limitation of our system to members of the immediate family of the worker, whose needs we presume, rather than inclusion of other relatives who may in fact depend on a worker's earnings. Moreover, the purpose of social insurance is to protect both individuals and the community against interruption or loss of earning capacity, persons who receive benefits must presumably have suffered such a loss. To be eligible for benefits, a wife or widow, for example, must have been living with the worker or he must have been supporting her or ordered by a court to do so.

When the Board is unable to pay benefits to the family of an insured worker on the score alone that their relationship fails to satisfy a State's legal definition of "wife," "widow," or "child," we fail to pay insurance benefits for which the worker has been obliged to contribute. We also fail to protect these persons, who presumably are suffering actual loss from the cessation of his earnings.

From the social standpoint as well as that of individual equity, the situation is illogical. All or nearly all States make it an enforceable legal obligation for a father to support an illegitimate child. It is a matter of public interest and responsibility that the child receive support. Yet, under the present provisions of the Social Security Act, if a marriage is invalid under a State law, benefits must be denied in many instances to surviving children who have been in fact supported by a father even though he has contributed to a system designed to protect fatherless children.

That old-age and survivors insurance is compulsory is in itself recognition of the social need for assuring a basic minimum income for dependents deprived of their normal means of support—old people, children, and widows with children in their care. Social as well as individual considerations underlie the fact that insurance benefits are larger in relation to contributions for low-paid workers than for those who presumably have had better opportunities to make additional provision for themselves and their families. Yet tying eligibility for dependents' and survivor benefits to the definitions of family relationships that govern property inheritance means in some cases penalizing families which have little or no "property" but their capacity to earn. By the same token, these are the families which have the greatest need of insurance when that capacity ends.

There is nothing of record in congressional debates and hearings to indicate the reasons for choosing State intestacy laws for determining family relationships under old-age and survivors insurance. In the absence of experience, the administrative complexities and inequities that could arise in administering a national system covering millions of families in all parts of the country undoubtedly were not fully appreci-
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State Unemployment Compensation Laws
of 1945

By Ruth Reticker*

The amendments to State unemploy-
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*Chief, Legislation Section, Division of
Administrative Standards, Bureau of
Employment Security. In assembling data
on legislative changes and preparing the
article and tables the author was assisted by
Irene E. Boothe, Rachel S. Gallagher,
Recasleen M. Smith, and Helen W. Tippy.

1 See especially the report of the Senate
Interim Committee on Unemployment In-
surance to the Fifty-Sixth California Leg-
islature, pp. 64-67.