

# Money Income Sources of Young Survivors, December 1959

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THE SOURCES of income for the major population groups with whom the public income-maintenance programs are concerned are a subject of continuing interest and are reported regularly in the *BULLETIN*. One of these groups consists of "young survivors"—orphans, their widowed mothers, and other widows under age 65. The following article provides estimates of the number having income from each of the major public programs or from employment.

## **ORPHANED CHILDREN**

At the end of 1959, there were 3 million children in the United States who had lost one or both of their parents. These orphans represented about 4½ percent of all children, the same proportion as in 1958, but considerably fewer than in earlier periods of our history. Twenty years ago, 1 out of every 10 children, or 3.8 million in all, was an orphan.

In the majority of instances, it was the father who was dead (table 1), and even in these days of increased employment of married women the father's death is likely to mean loss of the family's major source of support. It is, therefore, encouraging that more than three-fourths of the fatherless children were provided for in some measure by public income-maintenance programs. In many cases the mothers of these children were also receiving some support from a public program, and more could have done so had they chosen to restrict their earnings. The high remarriage rate for young widows makes it clear that a number of widowed mothers had remarried and acquired another means of support for themselves and their children.

## **Importance of OASDI**

Old-age, survivors, and disability insurance was by far the most important income-maintenance

program in terms of numbers served: 2 out of every 3 paternal orphans were supported in part by monthly benefits based on the deceased father's earnings.<sup>1</sup> Old-age, survivors, and disability insurance, in contrast to programs designed for particular segments of the population—such as veterans, civil-service employees, or railroad workers—is a general program that affords potential protection against the risk of income loss through death, total disability, or retirement for the families of 9 out of 10 workers. Indeed, it is estimated that by now about 86 percent of the children whose fathers die are awarded benefits on the basis of his employment.

## **Other Income Sources**

One in 8 of the paternal orphans was receiving income as the child of a deceased veteran, and 1 in 25 as the survivor of a railroad or government employee. Some of the children—about 12 percent in all—were receiving benefits under more than one program, usually both old-age, survivors, and disability insurance benefits and veterans' compensation or pension payments (table 2).

Public assistance, in the form of aid to dependent children, provided income for some 225,000 orphans—about 11 percent of the total. The majority of the assistance recipients were children not eligible for support under any social insurance or related program, but an estimated 95,000 (about 40 percent) were beneficiaries of such programs whose total income was considered inadequate under the standards set by their own State.

As many as a third of the 2.1 million paternal orphans in December 1959 had mothers who were working, and perhaps 6 percent were helping support themselves by their own earnings, although the majority of the children who were employed probably had mothers working also. An un-

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<sup>1</sup> An additional 65,000 orphans were receiving benefits based on the earnings credits of their deceased mother, and about 10,000 orphans living outside the United States were also receiving benefits.

TABLE 1.—Estimated number of orphans under age 18, by type and age, January 1, 1960<sup>1</sup>

[In thousands]

Age (years)	Total	Father dead			Mother only dead
		Total	Father only dead	Both parents dead	
Total....	2,955	2,115	2,055	60	840
0-4.....	215	160	160	( <sup>2</sup> )	55
5-9.....	615	440	335	5	175
10-14.....	1,155	820	795	25	335
15-17.....	970	695	665	30	275

<sup>1</sup> Estimates made by the Division of the Actuary based on Census population estimates for Jan. 1, 1960, for the 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. Estimates based on generation mortality rates for the total United States population, by sex and race, and on the age distribution of parents of children born in each year 1941-59; not entirely consistent with those published before 1959 because of changes in methods and assumption.

<sup>2</sup> Less than 2,500.

known but no doubt considerable number of orphans had acquired a new father and thus a new source of support through adoption or by the mother's remarriage. Others were dependent, at least in part, on older brothers and sisters, grandparents, or other relatives with whom they made their home, and a small number were in foster-family homes or public institutions.

### WIDOWS WITH CHILDREN IN THEIR CARE

At the end of 1959, there were about 31½ million widows under age 65 in the United States. One in every 5—740,000 in all—was responsible for the care of a child or children under age 18 (table 3). Mothers and children, deprived of their source of support by the death of the father, make up one of the main groups whom public income-maintenance programs are designed to protect. All told, 59 percent of the widowed mothers were receiving such income support—395,000 from social insurance and related programs and 75,000 from federally aided public assistance, with 30,000 receiving payments of both types.

For the mothers, as for the orphaned children, old-age, survivors, and disability insurance was the most common income-support program, with benefits going to every other one. An additional 85,000 mothers on the old-age, survivors, and disability insurance rolls were having benefits withheld in December because their earnings were above the work-test limit. An unknown number of others who could have received benefits never

filed a claim to become entitled: They were regularly employed and earning more than is permitted without suspension of benefits, the children's benefits alone totaled the maximum allowable per family, or there were other reasons.

Some of the mothers receiving old-age, survivors, and disability insurance benefits were receiving payments under another program as well—usually as the widow of a deceased veteran or in the form of 'public assistance supplements to insurance benefits not large enough for family needs under State assistance standards. One in 6 of the mothers receiving old-age, survivors, and disability insurance benefits received veterans' compensation or pension payments also, and about 1 in 13 was on the public assistance rolls. The programs for veterans' survivors and aid to dependent children, the two largest income-maintenance programs after old-age, survivors, and disability insurance, provided some income for 70,000 and 75,000 widowed mothers, respectively.

### Employment as Income Source

Despite the fact that public programs provided income for many widows with children, the mother's own employment was a very important source of support for young survivor families. About every other mother worked. It is not surprising that more than 40 percent of the working mothers were themselves receiving social insurance or similar payments, since public programs

TABLE 2.—Estimated number of children under age 18 with father dead receiving money income from specified public income-maintenance programs, December 1959<sup>1</sup>

Source of money income	Paternal orphans	
	Number (in thousands)	Percent
Total in population.....	2,115	100
Any public income-maintenance program <sup>2</sup> .....	1,605	76
Social insurance and related programs <sup>2</sup> .....	1,475	70
Old-age, survivors, and disability insurance.....	1,400	66
Veterans' compensation and pension programs.....	245	12
Railroad and government employees' retirement programs.....	80	4
Aid to dependent children <sup>2</sup> .....	225	11

<sup>1</sup> Data relate to the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands.

<sup>2</sup> Orphans with income from more than one program are counted only once. Includes about 15,000 paternal orphans for whom the assistance payment was based on factor other than father's death.

Source: Estimated in the Division of Program Research on the basis of published and unpublished data from the Division of the Actuary and from the Bureau of the Census, the Bureau of Labor Statistics, and agencies administering income-maintenance programs.

TABLE 3.—Estimated number of widows under age 65 with children under age 18 receiving money income from employment and specified public income-maintenance programs, December 1959<sup>1</sup>

Source of money income <sup>2</sup>	Number (in thousands)	Percent
1. Total in population.....	740	100
2. Employment.....	380	51
3. Social insurance and related programs <sup>3</sup> .....	395	53
Old-age, survivors, and disability insurance.....	370	50
Veterans' compensation and pension programs.....	70	9
Railroad and government employees' retirement programs.....	25	3
4. Aid to dependent children <sup>4</sup> .....	75	10
5. Support solely from other sources.....	100	14
6. Income from more than one of sources specified in lines 2-4.....	210	28
Employment and social insurance or related programs.....	165	22
Employment and aid to dependent children.....	15	2
Aid to dependent children and social insurance or related programs.....	30	4

<sup>1</sup> Data relate to the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands. Widows with income from sources specified may also have income from such other sources as interest, dividends, cash contributions, or earnings of other relatives. Excludes widows who have remarried.

<sup>2</sup> Because persons frequently have income from more than one of the sources specified, the sum of persons shown on lines numbered 2-5 exceeds the total number in the population (line 1). The estimates of persons with income from more than one source are developed from survey data. They are therefore subject to sampling errors, as well as the error inherent in projecting survey findings to additional population groups and different dates, errors that are relatively more significant for small estimates.

<sup>3</sup> Persons with income from more than one program are counted only once.

<sup>4</sup> Includes about 5,000 mothers of orphans for whom the assistance payment was based on factor other than father's death.

Source: Estimated in the Division of Program Research on the basis of published and unpublished data from the Bureau of the Census, the Bureau of Labor Statistics, and agencies administering income-maintenance programs.

by their nature are limited in the amount they can pay. A number of others were receiving benefits for their children even though they themselves did not qualify.

The decrease in the proportion of widowed mothers working—from 58 percent in December 1958 to 51 percent in December 1959—may be more apparent than real.<sup>2</sup> Before 1959, the labor-force-participation data on which the estimates are based were not available separately for widows. It was therefore necessary to estimate how many employed women under age 65 listed as neither single nor married with husband present were widowed rather than separated or divorced, and how many of the working widows had children. Reports now available for 1959 provide considerably more detail than heretofore.

These reports, giving characteristics of women in the labor force, confirm what had been con-

<sup>2</sup> Among widows and divorcees of all ages combined, the labor-force-participation rate in March 1959 was 38 percent, the same as in March of the 2 preceding years. See Bureau of Labor Statistics, Special Labor Force Reports, No. 2, preprinted from the *Monthly Labor Review*, March 1960.

jecture—that widowed mothers are less likely to work than are mothers in families broken for reasons other than death, despite the fact that fewer of the widows have children of preschool age. Unlike widowhood and orphanhood, loss of family income through separation, desertion, or divorce is not an insurable risk in terms of existing programs. Both widowed mothers and divorced or separated mothers are more likely to work than those in husband-wife households.

In March 1959, for example, the proportion of mothers under age 65 in the labor force, by marital status and age of children, was as follows:<sup>3</sup>

Children under age 18	Mothers under age 65		
	Married, husband present	Widowed	Divorced or married, husband absent
Any.....	28	53	59
Aged 6-17 only.....	40	59	71
Some under age 6.....	19	35	47

The differences are especially marked among the mothers of preschool children, for whom day care during the mother's absence is at the same time both more essential and more expensive to provide. Among mothers with children under age 6, the proportion working was one-third again as high for those divorced or otherwise separated from their husbands as for those widowed. Data are not available that show separately the divorced mothers, who may be more likely to receive some support from the father, and the other mothers with husband absent. The plight of families broken for reasons other than death, who are not generally covered by social insurance, is of particular concern since they often include very young children. Among all women with one or more children under age 18, half of those divorced or otherwise separated but only a fourth of those widowed had a child under age 6. Among the mothers with a husband present, 56 percent had a child of preschool age.

Because a considerable proportion of working mothers are employed only part of a year, it may well be that the number having no income from earnings or a public income-maintenance pro-

<sup>3</sup> Bureau of Labor Statistics, Special Labor Force Reports, No. 7, reprinted from the *Monthly Labor Review*, August 1960, and unpublished data.

gram during the year 1959 was smaller than the 1 in 7 shown in table 3 for the month of December.

### WIDOWS UNDER AGE 65 WITH NO CHILDREN

At the end of 1959, there were 2.8 million widows under age 65 with no children under age 18. Over half were relying on their own earnings, and better than a fourth were receiving benefits from social insurance and related programs. As nearly as can be estimated, about 1 in 5 was dependent entirely on other resources, such as assets, assistance from grown children or other relatives, or payments under other public programs for which no estimates have been included here. For example, a few probably were receiving unemployment insurance or workmen's compensation benefits. A small number were in public institutions, and some of the 450,000 recipients of aid to the blind and aid to the permanently and totally disabled were undoubtedly childless widows under age 65.

The liberalization of the old-age, survivors, and disability insurance program and the growing tendency for married women in recent years to work outside the home even before their children are grown have operated to reduce the economic disadvantage of widows under age 65 who no longer are responsible for youngsters, compared with those still engaged in raising a family. There are still substantial differences, however, between the two groups, both in the numbers receiving income support and the particular public program from which it emanates.

In contrast to the widows having young children, who were much more likely to receive benefits under old-age, survivors, and disability insurance than under other public programs, those without children were most likely to receive benefits as the wives of deceased veterans. Old-age, survivors, and disability insurance is, however, fast catching up.

The number of widows under age 65 without young children receiving Veterans Administration payments in December 1959 was 395,000 or 1 in 7. About half as many women aged 62-64 were receiving widow's benefits under the old-age, survivors, and disability insurance program.

To obtain the total number in this group with old-age, survivors, and disability insurance benefits there should be added to the 200,000 receiving widow's benefits an estimated 110,000 who receive benefits as retired (old-age) workers, about 15,000 receiving benefits as disabled workers, and 5,000 who receive benefits for the care of disabled orphans over age 18. The total number of these widows under age 65 receiving old-age, survivors, and disability insurance benefits then becomes an estimated 330,000, or 1 in 8.

The following figures indicate the estimated number and proportion of widows under age 65, without young children, who received support from various sources, including an estimate of the number receiving payments under State-local programs of general assistance.

Source of money income	Number (in thousands)	Percent
Total.....	2,765	100
Employment or public income-maintenance programs.....	2,275	82
Employment.....	1,540	56
Social insurance and related programs.....	785	28
Old-age, survivors, and disability insurance.....	330	12
Veterans' compensation and pension programs.....	395	14
Railroad and government employees' retirement programs.....	95	3
General assistance.....	80	3
Support solely from other sources.....	490	18

It is obvious that, for the widows having no children even more than for those with young children, their own employment rather than any income-maintenance program was the most common source of support. More than half of these widows were working at the end of 1959, and it was the relatively rare woman who could count both on her own earnings and benefits from a public program. As might have been anticipated, however, because widows more often than other women no longer living with a husband are past the age of most favorable employment opportunities, they are less likely to be in the labor force. As of March 1959, about 59 percent of all childless widows under age 65 were reported in the labor force, compared with 68 percent of other ever-married women with no husband present. For married women under age 65, with husband present but no children under age 18, only 42 percent were reported in the labor force.