

# Cooperative Research and Demonstration Grant Program of the Social Security Administration

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*The Social Security Amendments of 1956 included a provision authorizing a grants program for research and demonstration projects in the field of social welfare, and funds were first appropriated for the program in September 1960. The philosophy underlying social research grants and the progress made in the program's first 9 months of operation are considered in the following pages.*

THE COMMISSIONER of Social Security announced in March of this year the first four awards under the new and long-anticipated cooperative research and demonstration grant program of the Social Security Administration. At the end of May an additional 12 awards were made. This article constitutes a first report of progress and an indication of some of the possible future lines of development of a program of great potential significance.

The research grant program administered by the Social Security Administration can be viewed in the context of two different lines of development. It is, first of all, an extension of the long-established concern of the Federal Government with the increase of knowledge basic to the formulation of social policy.

This concern was manifested early in the history of the Republic through interest in public education and the founding of universities. It resulted also in more direct action. Since the first general Census of Population in 1790, the Federal Government has been compiling basic social and economic statistics. Even before the turn of this century, it began to play an important role in social research. The surveys of working life and conditions of labor made in the 1890's and the studies of family expenditures and of family

budgets and the cost of living carried out immediately before and after World War I had an important influence both on social legislation and on the development of the social sciences. The early studies of the Children's Bureau—founded in 1912 to carry out research into all aspects of child life—laid the basis for mother's pension laws, child labor legislation, and the first Federal maternal and child health program. The Social Security Act of 1935, in recognition of all that remained to be done to achieve the goal of economic security and social welfare, included a specific mandate to the Social Security Board to carry on continuing studies.

## LAG IN SOCIAL RESEARCH

It must be noted that, though the relation between social research and social policy has been long recognized, the actual amounts of Federal funds and staff time allocated to social research have been limited. Less than 2 percent of the \$2 billion spent for research by the Federal Government in the fiscal year 1959-60 was in the field of social science.<sup>1</sup> This approximately \$34 million included both research carried on by Federal agencies and projects carried on outside government but supported by Federal funds.

Social scientists and others concerned with social policy have been increasingly aware that there are large and serious gaps in our knowledge of the human and social factors underlying dependency and social disorganization and of the methods of action that might lead to a more effective use of our human resources and a fuller reflection of human values in the social and economic order. While research in the natural sciences has changed almost every aspect of life, the social research that could help bring about

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<sup>1</sup>National Science Foundation, *Federal Funds for Science IX*, 1960.

use of the new technologies in the service of man has lagged behind.

## GOVERNMENT AS SPONSOR OF RESEARCH

The second line of development, of which the cooperative research grant program of the Social Security Administration forms a part, is much more recent in origin. During World War II, the Federal Government assumed a new role in relation to research—support of research carried on outside government. The mobilization of scientific talent leading to the breakdown of the atom was only the most dramatic example of the expansion of the research activities of the Federal Government resulting from wartime necessities. Increasingly throughout the war years, a vast amount of research directly and indirectly related to military operations was stimulated and paid for by the Department of Defense, mainly through contracts with industrial research laboratories.

As a result of this wartime experience the Government became concerned with the general status of science and scientific activities in this country. Late in 1944, President Roosevelt asked Dr. Vannevar Bush, then Director of the Office of Scientific Research and Development, to undertake a study of the Government's role in research. "New frontiers of the mind are before us and if they are pioneered with the same vision, boldness and drive with which we have waged this war," the President said, "we can create... a fuller and more fruitful life."

The Bush report and a report made in 1947 by the President's Scientific Research Board recommended continuing and increasing Government support of research, and particularly of basic research, medical research, and research directed to nonmilitary ends. The 1947 report also recommended that every Federal agency with major research responsibilities should have authority to make grants for research and that a National Science Foundation be established to make grants in support of basic research and to coordinate the entire research grant program.

After considerable debate in and out of Congress, the National Science Foundation was established in 1950 with responsibility for developing and encouraging a national policy for the promo-

tion of basic research and education in the sciences. One of the major controversies preceding the adoption of the legislation setting up the Foundation related to the inclusion of the social sciences. In the end, a compromise was reached that made it possible for the National Science Foundation to expand into that field but did not include the social sciences among those for which support was mandatory. For a number of years the Foundation supported social science research that was ancillary to natural science research in which it was interested. In late 1960 the Foundation finally set up a Division of Social Sciences, equal in status to the Division of Biological and Medical Sciences and the Division of Mathematical, Physical and Engineering Sciences.

In the meantime, special research grant programs were established in one field after another, with the lead taken by medical research. Federal funds now account for more than half of all expenditures on medical research in this country. They provide two-thirds of all the research money spent by colleges and universities. Federal funds support more than half of all research and development activities carried on by industry, primarily through grants or contracts of the Department of Defense, the Atomic Energy Commission, and the National Aeronautics and Space Administration.

As a result of this expansion, 77 percent of the \$8 billion spent by the Federal Government for research and development in 1959-60 was used for the support of activities outside government. The largest part of the \$8 billion, almost \$6 billion, went for development activities primarily relating to military or space activities and carried out by industry. Slightly less than \$2 billion was spent for research, both basic and applied. A total of \$348 million was used for medical research, of which more than two-thirds went to agencies outside the Federal Government. As noted earlier, about \$34 million was spent on research in the field of social science.

There are no estimates as to what proportion of the \$2 billion spent for research, strictly defined, was for research carried on by Federal agencies and what portion went for the support of projects outside government. Certainly a much larger proportion of the funds used for research than of those used for development, and the greater part of the \$34 million for social science

research, was spent for studies carried out as well as financed by the Federal Government.

Until this year, Federal support for social science research carried on outside government has come primarily from the National Science Foundation (for "basic" research) and the National Institute of Mental Health and to a lesser extent from other parts of the Public Health Service, the Office of Education, the Office of Vocational Rehabilitation, the Department of Agriculture, and the Department of Defense.

The 1956 amendments to the Social Security Act provided authorization for a program of research and demonstration grants specifically in the social welfare field. It was not until September 1960, however, that funds were appropriated to implement the program. For the fiscal year 1960-61, \$350,000 was available for grants and contracts. Unfortunately, in the last-minute congressional action on the item, funds for administration of the program were omitted. It was only by borrowing staff time from other assignments and by cutting corners wherever possible that the program could get under way.

### **SCOPE OF THE GRANT PROGRAM**

The statutory authorization for the program gives the Social Security Administration authority to make grants, contracts, or cooperative arrangements with universities and other non-profit agencies, public and private, for the support of such research or demonstration projects as those relating to "the prevention and reduction of dependency . . . coordination of planning between private and public welfare agencies" or improvement in "the administration and effectiveness of programs carried on or assisted under the Social Security Act and programs related thereto."

That is clearly a very broad area. It would encompass almost all kinds of social science research. It would include research or demonstration projects relating to the characteristics and problems of low-income families, to income-maintenance programs, to social or community services, to community organization or community development techniques, or to a wide spectrum of social problems. Basic research into interpersonal relations or patterns of family life,

studies of administration, and even certain kinds of methodological studies could be relevant, as could many other specific fields of study.

This broad scope is of great potential significance. The multiplication of grant programs in closely related fields raises questions both for the granting agencies and the professional groups who are interested in doing research. There are substantial areas of overlap in the subject areas that could appropriately be supported by the several grant programs of the National Institute of Mental Health, the Office of Vocational Rehabilitation, or the Office of Education and by the Social Security Administration's grant program. A research or demonstration project relating to alcoholism among families receiving public assistance, for example, could contribute to knowledge regarding mental health and also to knowledge regarding the prevention or reduction of dependency. It might thus be supported either by the National Institute of Mental Health or the Social Security Administration. A study of school drop-outs among children in families receiving aid to dependent children similarly would fit in with the research interests of both the Office of Education and the Social Security Administration. There is probably no project that could be supported under the new child welfare service grants program that could not also be supported under the Social Security Administration research grants. If such research grants become available in the field of juvenile delinquency, the area of overlap will again be increased.

The overall policies that should govern the relationships of the social research grant programs of the Federal Government have yet to be worked out. In general, the practice has been for each grant program to accept and consider for support all applications that fall within its area even when they could also be supported by another program and when the sponsoring agency has actually applied under both programs. The rationale behind this procedure is that the different grant programs will have different emphases and approaches, and a particular project should not be barred from consideration from several points of view.

There are coordinating mechanisms to prevent duplication of support for a single project. The Science Information Exchange, a quasi-inde-

pendent public agency under the general supervision of the Smithsonian Institution, serves as a clearinghouse for information relating to essentially all projects supported by Federal grants or contracts. Many private foundations also list their grants with the Science Information Exchange.

Most grant units, when they receive applications for projects that do not fall within the boundaries of their program or are so marginal that support for them would be most unlikely, refer the applications elsewhere. It might be desirable to develop mechanisms that would enable several grant programs to pool their resources in the support of a project of interest to all of them. Some clearer guidelines for administrators and applicants would seem to be needed to avoid confusion and, more importantly, to conserve scarce research talents both in the development and review of applications. How such guidelines can be developed without unduly limiting the opportunities for consideration of a fresh idea or an unorthodox proposal is a problem that will require continuing attention.

Because of its potential broad scope, the Social Security Administration program, if it were adequately financed, could become the appropriate source of support for social research that does not exactly fit any of the categorical programs. It should not, of course, withdraw completely from fields that could be supported elsewhere. Research ideas cannot be held within such well-defined boundaries. It is important that the program is able to cover a wide range without forcing distortions in the design or emphasis of the projects seeking support.

The broad scope of the Social Security Administration program could also become a source of weakness if it leads to too great diffuseness of research effort. One of the problems in social science research is the many small and some large projects, independently and largely empirically developed, that result in findings that do not add up to any larger understanding. One can hope that a substantial part of the research grant funds will always be used for the support of independently conceived projects. There is room also for the encouragement of research planning and for the concentration of support on research and demonstration projects in selected areas. Just what steps should be taken to attain this end is

one of the most important policy questions for the future.

### **Demonstration Projects**

The Social Security Administration program provides for support of both research and demonstration projects. The definition of a demonstration project is not clearcut, and the interpretation of the term varies somewhat in different programs. Some persons have interpreted the term to mean a demonstration to a local community of the gains to be expected from practices that may have been long accepted by most persons working in the field but have not yet found local application. There may be a justification for Federal grants to support such local activities for an initial period while the community is being educated to use and pay for them. The Social Security Administration does not consider assisting in this type of project to be the function of its cooperative research and demonstration grant program.

A demonstration project under the Social Security Administration program might be thought of as the clinical phase of research. It is an attempt to test out in practice new formulations of knowledge or new and experimental methods and procedures. The test would be largely meaningless if the project did not include an adequate plan for concurrent evaluative research. This standard does not imply adherence to any rigid form of evaluation. It does involve emphasis on projects that are likely to make some significant contribution to knowledge and thus advance the whole field of social policy or practice.

It is of interest that the National Association of Social Workers in a statement sent to the Social Security Administration early in 1957 recommended that essentially this policy be adopted. They said:

The phase of the amendments referring to demonstrations should be interpreted to mean projects involving experimentation with new methods and procedures and testing of new formulations of knowledge. We see this as a research program, rather than one designed to advertise or publicize what is already known. Demonstration projects should, therefore, be evaluated in terms of their potential contributions to knowledge; their plan should include research objectives and controls.

As members of the profession directly concerned with

the implementation of social security and social welfare programs, we in the field of social work appreciate the strategic potential of a research and demonstration program which offers promise of facing some of the fundamental questions which have plagued these fields and of testing proposed solutions to them. We urge that the resources now to be made available be used in the context of a carefully evolved philosophy and strategy, based on both the best traditions of scientific research in this country and the spirit of social responsibility which has motivated our social security planning.

One of the problems involved in the support of demonstration projects—that of their probable large costs—was implied in a recommendation made to the Social Security Administration at about the same time by the subcommittee on social research of the Social Welfare Assembly:

We recommend that the interpretation of allowable "demonstration" projects include those which (a) explore a hitherto untried or inadequately tested type or field of services or (b) test new ways of organizing use of agency staff and resources, cooperatively between agencies or in new agency settings. We further recommend that the Administration permit the inclusion in such projects of the costs of administering and rendering such experimental service as well as the costs of recording, analyzing, and evaluating the demonstration and its results.

The costs of rendering experimental services are supportable under the Social Security Administration program. As long as the funds available under the program are very limited, however, the size of a project could obviously affect its chance of receiving immediate support.

### **Contract and Cooperative Research**

The statutory authorization for the Social Security Administration program provides for grants, contracts, or cooperative arrangements for research and demonstration projects. A grant is ordinarily made in support of a project proposed by the applicant. He is entirely responsible for the detailed working out of the project, for the analysis of the findings and the drawing of conclusions, and usually for their publication. A contract may give almost as much freedom to the investigator, but it usually involves a selection of the subject field by the supporting agency. That agency may seek out a particular group to carry out the research and may indicate with some precision the questions to which answers

are sought. A cooperative arrangement would involve staff of the Social Security Administration in a continuing participation in a project, through part-time or full-time assignment of personnel, frequent review, or agreed-upon division of the work.

All the fiscal 1960-61 funds were used for grants. It is anticipated that the other two arrangements will be used in subsequent years but that grants will probably remain the predominant form of support.

### **Conditions for Support**

In getting its grant program under way the Social Security Administration was largely guided by the experience of the older grant programs within the Department of Health, Education, and Welfare. The application forms used were closely modeled on those used by the National Institutes of Health and the Office of Vocational Rehabilitation. They call for a narrative description of the proposed project, including the problem to be dealt with and anticipated results, methods and procedures to be utilized, available facilities, previous work done on the project and results to date, biographical sketches and major publications of principal project personnel, and a summary of available knowledge and results obtained by others in the proposed research or demonstration area.

The applicant also submits a proposed project budget, showing the amount of Federal funds requested and the amount to be provided by the applicant. Under the law, Federal funds can be used to pay only part of a project's cost. The statute does not specify how large a part must be carried by the applicant, and the only rule laid down by the Social Security Administration has been that the applicant must pay some direct costs and not merely indirect or overhead costs. The initial announcement of the program also stated that "to assure that a maximum number of projects are supported by available Federal funds it is expected that each applicant will finance as large a part of the project cost as possible." In the projects for which awards were made from funds for the fiscal year 1960-61, there was a rather wide range in the proportion of the cost carried by the applicant, with the highest

ratio of funds supplied by the applicant being 50 percent.

Grants are made for a period of 1 year. Most projects require more than a year for completion, and there has been some discussion of grants that would cover the full duration of projects. Up to the present, however, Congress has been unwilling to authorize such full funding, which could mean the obligation of funds for periods of 4 or 5 years in the future. The practice that has been followed in the Social Security Administration program, as in other grant programs, is for the initial award, when appropriate, to include in effect a moral commitment of continuing support for a specified number of years, dependent upon future congressional appropriations and satisfactory project progress. The commitment ordinarily is not made for more than 5 years. Indeed, most projects should yield results that might call for some reshaping and redirection of efforts long before the end of 5 years and thus lead to a new project application.

One of the requirements placed on applicants has been the subject of considerable questioning. In submitting its request for funds the agency must indicate the name of the individual who will be the project director. This requirement, which is common to most research grant programs, presents a very real problem to an agency that would like to undertake research but does not have a research staff or a staff with any free time or the special competencies needed. Many agencies have asked why they cannot receive a grant on their assurance that, when they have the funds, they will hire someone competent to do the job.

The answer has several parts. First, the evaluation of a proposed project inevitably turns in large measure on who is going to do the research. As a matter of fact, an agency that cannot name its project director is not ordinarily in a position to develop a good research plan. Another reason why almost all granting agencies insist on knowing who will be responsible for the project before they grant funds is that good research directors are very, very scarce. A granting agency that tied up its funds in allocations to groups who merely hoped to find such a person might find much of its money unused—if, for example, a conscientious applicant failed to find a competent director and therefore did not claim

the funds—or used unproductively. Indeed, some of the agencies who have questioned the requirement have admitted that the reason they could not name a project director was that they could not fill existing vacancies. More often the immediate problem is one of lack of funds to employ a permanent research staff.

This problem is particularly acute for social welfare research. The solution may be a combination of devices and procedures, including small grants or contracts for research planning, the availability of advice and assistance from the staff responsible for administering the research grant program, a more extensive teaming up of universities or established research centers and welfare agencies, and possibly cooperative research arrangements drawing on regular research staff of the Social Security Administration and staff of nongovernmental agencies.

#### REVIEW BY EXPERTS

The statute establishing the research grant program of the Social Security Administration provides that projects may be supported only on the advice of “specialists who are competent to evaluate the proposed projects as to soundness of their design, the possibilities of securing productive results, the adequacy of resources to conduct the proposed research or demonstration, and their relationship to other similar research or demonstrations already completed or in process.”

Such expert advice has been obtained in two ways. Individual project applications were sent to selected experts in the particular field, who reviewed the project and sent in their comments by mail. Because of the great variety of types of research and subject areas represented even in the first year's applications, scholars and experts in many fields were called upon to review projects. One of the most heartening aspects of this first year's experience has been the readiness of men and women who are truly outstanding in their fields, and therefore more than busy already, to take the time to review one or more projects because they recognized the potential importance of the program.

Most projects are reviewed by several experts to assure evaluation from different points of view. The comments of the experts are, of course,

treated as confidential and are seen only by the staff administering the program and the overall Advisory Panel described below.

Many of the projects are reviewed also from another viewpoint. Those that have a direct relation to the programs administered by the operating Bureaus of the Social Security Administration are sent to the appropriate Bureaus for comments as to their significance from a program point of view.

### **Role of the Advisory Panel**

Final decision on the projects to receive support is made by the Commissioner of Social Security on the recommendation of the Advisory Panel set up for the purpose. Because of lack of funds, it was not possible to constitute the panel or consult with the group before the program got under way. In the future their advice will be sought on procedures and policies as well as on specific projects.

The Social Security Administration was fortunate in the individuals who consented to serve on the first Advisory Panel, which came together in May. All the panel members have agreed to serve for another year. They are:

Paul Webbink, vice president of the Social Science Research Council, chairman

Angus Campbell, director of the Survey Research Center, University of Michigan

George Hildebrand of the School of Industrial Relations, Cornell University

Wayne Holtzman, associate director of the Hogg Foundation for Mental Health, University of Texas

Otto Pollak, professor of sociology of the University of Pennsylvania

William B. Tollen, Commissioner of Public Assistance of the State of Pennsylvania

The Advisory Panel may be expanded in the future to include representatives of other disciplines. The membership will be rotating, with appointments normally running for 2 or 3 years.

### **RECORD FOR 1961**

In spite of the fact that it was not until December 1960 that it was possible to make a formal public announcement of the program and the

procedures to be followed in applying for support, 53 project applications were received by March 1—the deadline for this year—or a few days thereafter. This is striking testimony to the strength of the interest in the program.

The projects described were of many different kinds. The applications came from universities, research institutes, and public and private welfare agencies and from all parts of the country. They dealt with the problems of the aged, of children, of families, of economic dependency, of social disorganization, of motivation, of community development, of professional organization and training. The project directors included sociologists, psychologists, economists, anthropologists, political scientists, and social workers.

Because of the limited time persons in the field had to learn about the program's activation and to develop plans for projects, the Social Security Administration decided, in the fall of last year, to stimulate projects in a few areas of special interest where it was known that research facilities were or could be available. The plans for these projects were reviewed by experts and by the chairman of the Advisory Panel, which was then in process of selection.

### **Types of Projects Awarded Grants**

Grants were made in March to four projects selected for immediate support. Two of the four were in the general field of illegitimacy. One will give particular attention to the differing characteristics and circumstances of mothers with one and more than one child born out of wedlock; the other to questions related to motivation toward independence. A third project is concerned with the effect on families of the denial of public assistance or its termination before a substitute income is available. The fourth is a study of administrative practices, in particular the most effective use of professional workers and less highly trained aides in public welfare programs.

When the Advisory Panel met toward the end of May, it considered the remaining 49 project requests and recommended 12 for support. A complete list of the awards made from 1960-61 funds is shown at the end of this article, with the name of the project director and the amount of the award.

Of the 16 grants made, three were for what are clearly demonstration projects. A number of the projects are essentially exploratory or developmental in character. Others are well-defined research projects, which will run for 1, 2, or 3 years.

For 13 of the projects the grantee is a university; for the other three the grantee is a private social agency. It is interesting, however, that in four of the university-sponsored projects a public welfare agency is actively cooperating with the university research staff, either by making available their records and facilities or providing program knowledge and advice, or both. In several other projects, public and private welfare agencies will be involved as the project develops.

### PLANS FOR THE FUTURE

For the fiscal year 1961-62, Congress has appropriated \$700,000 for the support of research and funds for a small staff to administer the program. It is probable that in 1962, as in 1961, most of the support funds will be used for grants, but for projects covering an even wider area of subjects and fields of interest. With a full-time staff now available to work on the program, the Social Security Administration will be in a position to offer more advice and help to applicants than was possible the first year.

One of the most important steps forward that the Administration hopes to take is the use of some time and money for research development. Such activities would include evaluation of the state of knowledge and the research in progress in a particular field and analysis of the gaps and problems most in need of further study. They would probably involve bringing together persons in different parts of the country or from different disciplines who are working on related problems. Such research planning and the encouragement it would give to some concentration of research effort could speed up the formulation of new, forward-pushing hypotheses and insights.

A research grant program should always remain open to proposals that involve radically new ideas and approaches. On the other hand, numerous scattered bits of knowledge are not in themselves enough. Almost as important as the

money it channels may be the contribution that a research grant program can make to intelligent research planning and to that building of knowledge upon knowledge that underlies almost all scientific and philosophical advance.

On the basis of this first year's experience with the research grant program, it is evident that there is a surge of interest and of valuable ideas concerning researchable problems in the social welfare field waiting to be released. Certain kinds of research projects may be more effectively carried out by nongovernmental agencies than directly by government. Whether or not this is the case, there are other advantages that may flow from Federal support of research carried on outside government. By committing themselves to doing or helping support research in the social welfare field, teachers, scholars, research centers, and community groups throughout the country, who now have only a general knowledge of social welfare problems or programs, will become more knowledgeable. The boundaries of social science will be stretched to include more of the current questions of social policy. The results are likely both to point in new directions and to reinforce some of our present concepts and assumptions.

### PROJECTS RECEIVING AWARDS

The projects receiving awards made under the research and demonstration grant program of the Social Security Administration in the fiscal year 1960-61 are listed below.

Brandeis University, Waltham, Mass. *Impact on Families of the Denial of Public Assistance*. Project Director: David French. Amount of grant: \$24,589.

Bryn Mawr College, Bryn Mawr, Pa. *Attitudes Toward Dependency Among Mothers of Illegitimate Children Receiving Public Assistance*. Project Director: Jane Kronick. Amount of grant: \$14,949.

Chemung County Council of Community Services, Elmira, N. Y., and State Charities Aid Association, New York, N. Y. *Research Demonstration with Dependent Multi-Problem Families*. Project Director: Roland Warren. Amount of grant: \$34,599.

University of Chicago, Chicago, Ill. *Administrative Practices in the Organization and Use of Public Assistance Personnel*. Project Director: Edward E. Schwartz. Amount of grant: \$25,908.

Cornell University, Ithaca, N. Y. *Longitudinal Study of Retirement*. Project Director: Gordon F. Streib. Amount of grant: \$14,145.



Florida State University, School of Social Welfare, Tallahassee, Fla. *Analysis of Unsuitable Home Cases in Aid to Dependent Children Acted upon by Florida State Department of Public Welfare*. Project Director: Robert T. Lansdale. Amount of grant: \$7,245.

Friends Neighborhood Guild, Philadelphia, Pa. *Demonstration Program with Families About to be Evicted from Public Low-Rent Housing*. Project Director: Mrs. Mildred Webb Guinnessy. Amount of grant: \$22,133.

University of Georgia, Athens, Ga. *Exploratory Study of Family Problems in an Area of Rapid Social Change*. Project Directors: Raymond Payne and Stanley Fowler. Amount of grant: \$6,000.

Goodrich Social Settlement, Cleveland, Ohio. *Exploratory Project on Methods of Changing Values Among Boys in Aid to Dependent Children Families*. Project Director: John W. Cox. Amount of grant: \$20,000.

University of Michigan, Institute for Social Research, Ann Arbor, Mich. *Teenage Illegitimacy: Individual and Community Factors*. Project Directors: Ronald Lippitt and Henry J. Meyer. Amount of grant: \$16,980.

University of Michigan, School of Public Health, Ann

Arbor, Mich. *Pilot Study of Nursing Home Costs*. Project Director: Kenton E. Winter. Amount of grant: \$32,729.

University of North Carolina, Chapel Hill, N. C. *Background and Social Consequences of Unwed Motherhood*. Project Director: Charles E. Bowerman. Amount of grant: \$35,765.

Northern Michigan College, Marquette, Mich. *Exploratory Study of Welfare Programs and Needs in Upper Peninsula of Michigan*. Project Director: Jean Pearman. Amount of grant: \$5,000.

North Texas State College, Denton, Texas. *Decisions Leading to Institutionalization of the Aged*. Project Director: Hiram J. Friedsam. Amount of grant: \$20,060.

University of Notre Dame, Notre Dame, Indiana. *Credit Union Service to Low-Income Groups*. Project Director: John T. Croteau. Amount of grant: \$19,498.

Syracuse University, Youth Development Center, Syracuse, N. Y. *Fatherless Families and Housing: A Study in Dependency*. Project Directors: Irwin Deutscher and Seymour Bellin. Amount of grant: \$43,114.

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## Notes and Brief Reports

### Old-Age Benefits In Current-Payment Status, By State, December 31, 1960\*

On December 31, 1960, old-age insurance benefits under the old-age, survivors, and disability insurance program were being paid to 8.1 million retired workers—an increase of more than half a million from December 1959. About 32,000 of the new beneficiaries had become entitled to old-age benefits in the last 3 months of 1960 under the liberalized insured-status provision of the 1960 amendments. The retired-worker beneficiaries have been classified by their State of residence at the end of the year in the accompanying table, which shows the average monthly benefit being paid as well as a percentage distribution of the beneficiaries by size of benefit.<sup>1</sup>

The average old-age benefit amount went up each month during 1960 except November (when it remained unchanged), from \$72.78 in December

1959 to \$74.04 in December 1960. One reason for the \$1.26 increase was the greater proportion of benefits computed on the basis of earnings after 1950. Another factor was the rise in the proportion of beneficiaries whose benefits were computed under the provisions that permit up to 5 years of lowest earnings and periods of disability to be excluded in calculating the average monthly wage. The increase in the maximum annual earnings from \$4,200 to \$4,800 for years after 1958 also contributed slightly to the higher average.

At the end of 1960 almost 10 percent of all old-age beneficiaries were receiving monthly benefits of \$116.00–\$120.00; 23 percent, benefits in the \$90.00–\$115.90 range; and 33 percent, benefits of \$60.00–\$89.90. Among the groupings by size of monthly benefit shown in the accompanying table, the proportion of beneficiaries receiving \$116.00 or more had the greatest change during the year—an increase of 1.7 percentage points. The proportion of beneficiaries in the \$26.40–\$32.90 benefit group and in all groups receiving \$90.00 or more increased during the year, while the proportion in the groups receiving \$33.00–\$89.90 declined.

Among the 51 States, old-age beneficiaries living in Connecticut were, as in past years, receiving the highest monthly benefits—an average of \$82.47—and those in Mississippi were receiving

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\* Prepared by Hammett Buchanan, Division of Program Analysis, Bureau of Old-Age and Survivors Insurance.

<sup>1</sup> Data for beneficiaries in Puerto Rico, the Virgin Islands, and foreign countries are excluded from the State comparisons.