depression and early war period and then to rise dramatically after the war and, after the veterans' educational and other adjustment programs were largely financed, to decline again.

The table below gives some indication of the trends of welfare expenditures.

TABLE 5-1.—*Social welfare expenditures in the United States under civilian public programs, fiscal years 1934–35, 1945–46, 1956–57*

[In billion dollars]

	1934–35	1945–46	1956–57
Total, all governments	7.87	11.80	37.90
Insurance	.38	2.58	12.46
Federal, all	2.97	4.53	17.33
Federal insurance	.10	.86	8.95
State and local government, all	4.90	7.27	20.57
Insurance	.28	1.72	3.51

Source: Adapted from Social Security Bulletin, October 1955 and October 1958.

The following few facts should be noted from this table. Insurance occounted for less than one-half of 1 percent in 1934–35 and rose to 22 percent in 1945–46 and roughly one-third by 1956–57. It is clear that the Government was putting a much greater burden on insurance, and this trend is likely to continue.

Of all welfare expenditures, the Federal Government's share was slightly higher in 1956–57 than in 1934–35. But if allowance is made for insurance payments, then the Federal programs clearly tend to become less important. Whereas the Federal Government's contribution to the noninsurance elements was roughly 40 percent in 1934–35 and in 1945–46, by 1956–57 its share had been cut to 33 percent.

This tendency to rely more on insurance is based on the general theory that the public should pay its own insurance bill. Insofar as insurance takes care of welfare expenditures, so far the Federal Government would not have to depend upon general tax revenues. A major element in the insurance programs is, of course, the various old-age insurance programs. In 1956–57 these accounted for about three-fourths of the total outlays under social insurance.

Perhaps the most important programs from the viewpoint of our problem relate to the economic status of the old. In December 1958, there were 15.4 million people in the country aged 65 and over, or roughly 9 percent of the population, and their numbers, of course, were increasing, both absolutely and relatively. At this time 3.7 million of the 15.4 million were employed, and 10.8 million were receiving benefits under social insurance and related programs. This includes 1.24 million under veterans' compensation. In addition, 2.5 million were receiving public assistance, and 1.6 million received no money income or income solely from other sources. The reliance on the old-age insurance programs was large and increasing. The total number receiving benefits under old-age insurance programs exceeded 15 million. Of course, some received help from more than one source of income.

The median income of families with head aged 65 or over in 1956 was $2,550; with head employed, $2,066; with head not employed, $3,675. The average income was roughly about one-half of the average family