

4. Trend in number of recipients: Following a decline during World War II, the number of recipients of aid to families with dependent children rose in the post-war period to a peak of 2,246,000 in October 1950 when, under amendments to the Social Security Act, the program was broadened to include a needy relative with whom a dependent child is living, and program coverage was extended to Puerto Rico and the Virgin Islands. After October 1950 the recipient load decreased, reaching a low of 1,918,000 in November 1953. The trend in the number of recipients was generally upward, with seasonal variations, from the end of 1953 to the beginning of the 1957-58 recession, then rose sharply during that recession. Through 1959 and most of 1960 the number of recipients continued to increase but at a very low rate.

Beginning late in 1960 and extending through the first quarter of 1962, the caseload again increased at a rapid rate. Several interrelated factors influenced this rapid growth. Another recession accompanied by a high unemployment rate resulted in the usual increase in the AFDC caseload during such economic periods. The high rate of unemployment also spurred new Federal legislation, effective in May 1961, extending the AFDC program to include families with children of unemployed parents (AFDC-UP). Originally considered a stopgap measure with coverage authorized only through June 1962, this program was extended through June 1967 as part of the Public Welfare Amendments of 1962. While only 18 States were participating in the program in December 1964, the unemployed-parent segment has added significant numbers to the total caseload (450,000 persons during the peak month of April 1964).

During 1962 and 1963 the number of AFDC recipients increased only gradually—at about the same rate as the total child population—and the number of child recipients continued to represent about 4.2 percent of the Nation's children under 18 years of age. But in 1964 the number of recipients rose more rapidly, and by December the AFDC child recipients represented 4.5 percent of all children under 18.

The primary factors contributing to the general increase in the number of recipients since November 1953 are: (1) continued rapid growth in the child population; (2) a substantial increase in the total number of families in the population; (3) a comparable increase in the number of families headed by women and the persistence of an average income level for such families well below that for families headed by men; (4) the economic decline in 1954, in 1957-58, and again in 1960-61; (5) higher assistance standards, given impetus by the increase in living costs and facilitated by additional Federal funds available, under the 1956, 1958, and 1962 amendments to the public assistance titles of the Social Security Act.

The OASDI program has reduced very substantially the need for assistance among children whose fathers are dead. The insurance program has been less effective, however, in reducing the need for assistance among children whose parents are physically or mentally handicapped, because eligibility requirements for disability benefits are relatively stringent, and dependents' benefits have been payable only since September 1958.

Even more important for the trend in aid to families with dependent children, the OASDI program is not applicable to children in need because their parents are divorced or separated or because the father has deserted, is not married to the mother, or is absent for other reasons. Such children represent an increasingly large majority of those receiving help under the aid to families with dependent children program.

In the calendar year 1964, State agencies closed 475,000 cases, the equivalent of 49 percent of the cases open at the beginning of the year. Most families leave the rolls because of the employment of a person in the home, remarriage of the mother, or for other reasons which reflect changes in economic circumstances.

5. Average assistance payment, including vendor payments for medical care, December 1964:

Per family.....	\$140. 96
Per recipient.....	33. 85
Unemployed-parent cases:	
Per family.....	190. 97
Per recipient.....	32. 97
Cases other than unemployed-parent cases:	
Per family.....	137. 50
Per recipient.....	33. 94

6. Total assistance payments, including vendor payments for medical care, fiscal year 1964, \$1,538 million.

From Federal funds, 57.5 percent.

From State and local funds, 42.5 percent.