

Benefits Under Protection Plans Reach \$40 Billion Yearly As Big Income Factor

The rising flow of benefits paid to millions of American individuals and families under our far-reaching system of personal protection programs has reached a record level of \$40 billions a year—close to \$800 millions a week on the average—from private and public plans combined.

Over recent years these payments have been the fastest-growing section of the individual income stream. They are now equal to practically half the nation's entire yearly food bill, which totaled \$81 billions in the U. S. Department of Commerce consumer spending tabulation for 1961.

Big Role of Life Insurance
Over \$3 out of every \$10 of the benefit total—\$12½ billions in all last year—came from life insurance programs, providing an outstanding example of what the people can achieve by their own efforts in making voluntary provision to meet the basic contingencies of life and their economic impact on themselves and on their dependents.

The \$40 billion total of benefit payments was attained in 1961 with a record increase of \$4½ billions over the year before, according to data compiled from Government and private sources. It figures out to the equivalent of \$1 out of every \$3 of the public's disposable personal income. This proportion is double that of the comparable ratio at the beginning of the Fifties, underscoring the growth performance of benefit payments over the past decade.

This personal protection programs have become one of the major stabilizing forces in the economy in the magnitude attained by their payout to the public and in the tremendous breadth of their coverage of the population. This provides an insight into the strength of personal income and its resistance to recessionary influences in recent years. Beyond that, these programs have become one of the nation's major pools of funds for productive and social capital, and hence a growth-promoting



INDESTRUCTIBLE—It's old, but still runs. The battery never fails and the tires never go flat. This 1925 Chicago truck used daily by workers at a St. Louis, Mo., suburb has no battery. Tires are solid rubber. No body rust because the body is made of wood.

factor of the first order.

Retirement Plans in Lead

The public and private personal protection programs on which this analysis is based do not include unemployment insurance nor public assistance payments. Neither do they take into account the flow of personal income from accumulated savings and investments of individuals in such areas as savings accounts, U. S. Savings Bonds, savings and loan associations, real estate, and corporate securities.

The largest single block of benefit payments under the people's protection programs comes from public and private pension and retirement plans. The total here added up to just under \$14 billions in 1961, or more than a third of the year's overall benefit payments. The predominant part of the working population is now covered under public and private retirement programs, and the latest figures show that more than 8 million persons are now on the pension rolls.

Reflecting liberalization of benefits and extension of coverage by legislative action in recent years, the Social Security System is the source of nearly two-thirds of all retirement benefits. The OASDI total here topped \$9 billions last year. Nearly \$3 billions more were paid under a variety of other publicly-sponsored programs, such as State and local plans, Federal civil service, Railroad retirement, and veterans' pensions. Payments under private pension and retirement programs, insured and non-insured combined, came to nearly \$2 billions last year and are now five times what they were in 1950. Coverage under private plans has increased rapidly as well, with an enrollment that now comprises nearly half

of all workers in commerce and industry.

Personal and Family Protection

Benefit payments under all life insurance programs added up to \$12½ billions in 1961, just under a third of the entire income flow from personal protection programs during the year. The legal reserve life insurance companies were the source of the dominant part of this sum—\$11.6 billions or more than 90 cents of every dollar.

The life company benefit payments last year included \$2½ billions under accident, and health protection programs, an all-time high in this respect.

Life companies have long played a major role in the rapidly-growing accident and health field, which now provides protection to the greater part of the population including more than half of those 65 and over. Total accident and health benefits paid by all insurers in 1961 exceeded \$6½ billions, practically five times the comparable figure in 1950.

Of the \$40 billions in benefit payments under personal protection programs last year, more than \$22 billions came from plans under Government auspices. The biggest single element here is the OASDI program

which alone contributed nearly three-fifths of the benefits paid by publicly-sponsored plans.

Frankly Speaking

By FRANK ROBERTS

To capture the story of Christmas completely and in all its beauty and convey it to all peoples, a Santa Fe, New Mexico, art collector boasts a fabulous display of religious folk art from 20 nations.

The collection of 55-year-old Alexander Girard, an architect and designer, numbers more than 2,000 pieces and now is on exhibit in the Nelson Gallery of Art in Kansas City.

Much of the folk art has been collected during the past two years, although some of it has been in Girard's possession for as long as 30 years. Entitled "The Nativity," the exhibit consists mainly of simple pieces carved or molded by unpretentious workmen. There are 170 separate Nativity scenes, made of many things—pottery, wood, cloth, wax, paper, nuts, stone, straw and even bread.

In Girard's view, the image is the most direct means of communication. He says the sim-

ple decorations of joy and faith by craftsmen of many lands, while varying greatly, tell a similar story of Christmas—a story of what Girard describes as one depicting the "spiritual closeness of all mankind".

Distinctive settings were constructed by Girard for his display. For instance, the 170 scenes of the Nativity are in an adobe-like structure on the main floor of the gallery. In the center is a tiered sand garden containing hundreds of the figures. Recessed show windows of varying size containing numerous other Nativity scenes line the walls. The New Mexico man used lighting, color and superb stagings to emphasize the simple splendor of the delicate folk figures. Acoustics also had to be taken into consideration because special musical effects are employed to provide the mood for the Bethlehem-like area.

A number of odd problems were encountered in setting up the display. For instance, adequate lighting was needed for a group of wax figures, but the intense heat posed a dangerous threat. To overcome this problem, a 300-watt bulb was placed several feet below the scene in such a way that it properly reflected light and still did not

heat the exhibit. One unit made of bread and covered with icing required special chemical treatment to provide lasting qualities. Sponsoring the display in Kansas City is businessman Joyce Hall. Mr. Hall is chairman of the people-to-people program which stresses that world peace can be achieved through understanding among nations. The Girard collection is for the benefit of the people-to-people program.

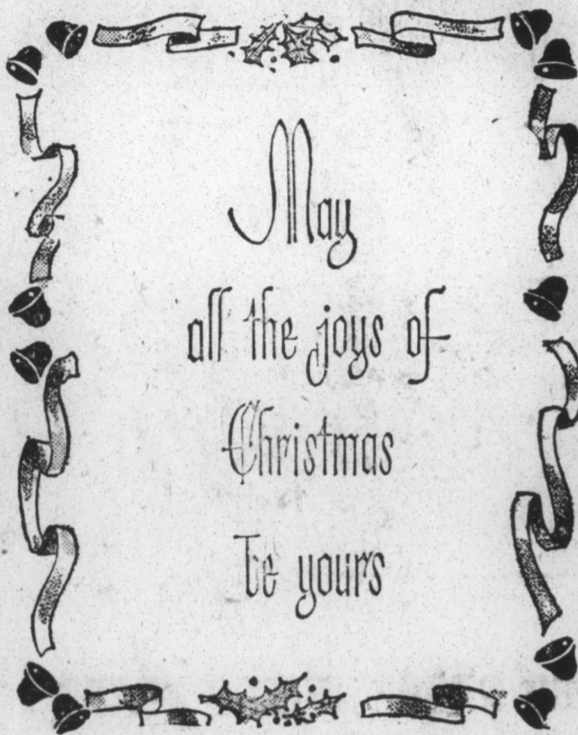
Girard's own interest in art dates back to his childhood. Through the years he has collected not only folk art but countless other items he regards as unique or artistic. Near his Santa Fe home, Girard has an 80-foot storehouse holding the many items he has collected.

The New Mexico man believes he inherited his tendency to collect art. He says his father also did considerable collecting and describes his grandfather as "virtually a pack rat".

Closing Thought: Warm and Happy Christmas Greetings To You and Yours.

Poets lose half the praise they should have got. Could it be known what they discreetly blot.

—Waller.



As the days of this glad season come and go, we remember with particular happiness the pleasure of serving fine friends such as you. Our best wishes to you and to those dear to you at this Yuletide.

EDENTON MOTOR CO. AND EMPLOYEES

Here's wishing you

A HAPPY HEARTY MERRY CHRISTMAS



BUNCH'S AUTO PARTS



\$4.00 4/5 Qt.

Calvert RESERVE



give musical cheer with **RECORDS**

Wrap up cheerful earfuls for Christmas giving! You'll find just the right records for everyone in our wide and varied holiday collection.

Newest Popular Hits.....

Classical Favorites.....

Jazz and Folk Albums.....

JOIN OUR RECORD CLUB
GET ONE FREE WITH EVERY TEN PURCHASED

GRIFFIN'S MUSICENTER

405 S. Broad St.

PHONE 2528

Edenton, N. C.

Greetings from our house...



Straight from our house to you comes this message with hearty good wishes for a Merry Christmas.

If we had the magic power of good old St. Nick to be everywhere at the same time, we could say it in person. But our thoughts at least can come to you with all the good things that go toward making each Holiday Season one of happy memories.



... To your house



Twiddy Insurance & Real Estate, Inc.

GEORGE S. TWIDDY

BUILDER-DEALER OF

WARREN J. TWIDDY

Lesco Homes, Inc.