It would give to those already covered some future protection against the lowering of the average monthly wage because of periods of unemployment, disability, or low earnings; the 3 years (past or future) in which they have little or no earnings would be disregarded.

We recognize, however, that over the long run it may be desirable to allow persons who have been under the program for some years to disregard more than 3 years. One important reason is that the groups brought under coverage after 1953 will, in general, be unable to utilize the 3-year provision to offset future periods of low earnings or absence from the system.

Dropping out the lowest 3 years will ordinarily leave several years over which the average monthly wage could be computed. Under present law, however, some persons retiring in the near future may have their benefits based on a period as short as 1/2 years. Some limitation on the dropping out of 3 years is therefore needed, and we propose that the average monthly wage be computed over a period at least as long as that required for attainment of insured status. It would be desirable, however, to make certain technical modifications of this general proposal.

The Bureau of Old-Age and Survivors Insurance advises us that, though it would be impractical to recompute individually the benefits for the 5 million persons now on the rolls, our proposal is practical for future computations.

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**Notes and Brief Reports**

**Family Benefits in Current-Payment Status, December 31, 1952**

The number of families receiving monthly benefits under old-age and survivors insurance increased by almost half a million in 1952. At the end of the year, monthly benefits were being paid to at least one member of 3.6 million families (table 27, page 41). Retired worker families made up 73 percent of the total; they numbered 2,644,000—about 365,000 more than a year earlier. The number of survivor families totaled 957,000, an increase of almost 116,000 for the year.

Average family benefits at the end of 1952 showed substantial increases from the corresponding averages a year earlier because of the higher benefit rates provided by the 1952 amendments and the large number of awards in the last half of the year of “new-start formula” benefits—based on earnings after 1950 and the new benefit formula. Payments to all retired workers with no dependents receiving benefits averaged $50.70 for men and $39.10 for women, increases of 17 percent and 18 percent, respectively. The average for a retired worker and his aged wife was $81.60—16 percent more than a year earlier.

Families with benefits computed under the new-start formula had considerably higher average benefits than those whose benefits were computed by use of the conversion table. For beneficiary families that consist only of the retired worker and that are receiving benefits determined under the new-start formula, the average benefits were $71.20 for men and $50.70 for women; for families composed of a retired worker and his aged wife, both of whom were receiving benefits, the average was $106.50. At the end of 1952, all retired-worker families receiving benefits computed under the new-start formula comprised about 9 percent of the total; the proportion will increase, however, since this formula is used for about two-thirds of the current old-age benefit awards.

For survivor families the average benefits ranged from $41.00 for a family in which only one child was receiving benefits to $106.00 for a family consisting of a widowed mother and two children. The average benefit for aged-widow families was $40.70 and for one-parent families, $41.50.

The average family payment at the end of 1952 to a widowed mother and two children was greater than the average paid to a widowed mother and three or more children because of the maximum provisions. Under these provisions the presence of more than two child beneficiaries results in a higher family benefit only when the benefit is based on primary insurance amounts within a limited range ($64.00-$84.40). The effect of the higher amounts payable to families of this size is more than offset by the heavier concentration of larger families in the group receiving benefits based on a low primary insurance amount.

A distribution of the number of families by amount of the family benefit (table 31, page 43; table 34, page 46) shows the greatest concentration for retired-worker-only families at $25 for both men and women; likewise, of the families composed of a retired worker and his wife, the largest number are receiving $37.50. The percentage distributions for families receiving benefits computed under the new-start formula were marked by the heavy concentration at the higher benefit amounts. For families in which only the retired worker was receiving benefits, 28 percent of the men were receiving the maximum of $85.00; for women, the greatest concentration was at $55-$60. Nearly 30 percent of the families consisting of a retired worker and wife aged 65 or over were being paid the maximum family benefit of $127.50.

The maximum amount of $108.75 was being paid to nearly 10,000 families, more than double the number receiving the former maximum of $150 at the end of 1951. Under the 1952 amendments, the $108.75 maximum can be paid to families consisting of a retired worker and two or more dependents, or of a widowed mother and two or more children, or of four or more children, if the primary insurance amount is $71.60 or higher.

The distribution of all retired workers receiving benefits by amount of old-age benefit and by benefit computation method is shown in table 25, page 40. The proportion of old-age beneficiaries receiving the $25 minimum was almost 20 percent, about the same as the proportion receiving the $20 minimum a year earlier. For men, the proportion receiving the minimum

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in 1952 was about 15 percent, and for women, 35 percent. Only 3 percent of the old-age benefits computed under the new-start formula were at the $25 minimum, while 22 percent were at the $85 maximum.

Recent Publications*

Social Security Administration


A study of State and local public assistance and public child welfare workers—their education, experience, workloads, salaries, and working conditions—as of mid-1950.

General


A guide to postwar social insurance in Germany as of January 1953; includes data for the miners’ system.


A guide and handbook.


Considers problems involved, types of coverage proposed, and costs, and discusses the action taken in California.


* Prepared in the Library of the Department of Health, Education, and Welfare. Orders for items listed should be directed to publishers and booksellers; Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

Describes how the “U. S. Employment Service and the Federal-State system of public employment offices have met each new situation and how administration, procedures, and operation were adapted to fit the changing demands of a changing economy.”

Retirement and Old Age


Includes papers describing the medical and social service programs.


Includes discriminations in coverage, by E. J. Eberling; Dangers in Federal Relief, by D. Russell Bontrager; and Unrealistic Financing, by Dorrance C. Bronson.


Considers proposals for revising old-age assistance and old-age and survivors insurance.


Analyzes administration, management, personnel, and financial policies and practices, and evaluates the institutional program.


Experience in a recreational day center for the aged.


Public Welfare and Relief


Includes a summary of the Council’s findings and recommendations.


Papers on priorities, recruitment, and the international field.


Includes articles on the medical social worker in a hospital setting, foster home placement, and the contribution of psychoanalysis in treatment of the aged and of adolescents and in the work of adoption and family agencies.


Some major differences and similarities between social group work and group psychotherapy.


A summary of Community Planning (Continued on page 17)