

Table 4.—Social welfare, health, and security trust fund operations, fiscal years 1947-48, 1948-49, and 1949-50

[In millions]

Fund and item	Actual, 1947-48	Estimated	
		1948-49	1949-50
Federal old-age and survivors insurance trust fund:			
Receipts:			
Appropriations (equal to Federal insurance contributions).....	\$1,616	\$1,754	\$2,420
Interest and other.....	191	231	266
Proposed legislation extending coverage, raising tax base, and adding disability benefits.....			1,700
Expenditures (benefit and administrative expenses):			
Existing legislation.....	559	656	745
Proposed legislation.....			1,500
Net accumulation (including proposed legislation).....	1,248	1,330	2,141
Total assets of fund as of June 30.....	10,047	11,377	13,518
Investments in United States securities as of June 30.....	9,937	11,267	13,408
Unemployment trust fund:			
Receipts:			
Deposits by States and railroad unemployment taxes.....	1,148	991	1,017
Interest.....	165	181	185
Proposed legislation extending coverage and improving benefits.....			230
Expenditures:			
State and railroad unemployment withdrawals.....	856	963	1,020
Proposed legislation.....			150
Net accumulation (including proposed legislation).....	457	209	262
Total assets of fund as of June 30.....	18,323	8,532	8,794
Investments in United States securities as of June 30.....	8,298	8,507	8,769
Railroad retirement account:²			
Receipts:			
Transfers from budget accounts.....	758	565	716
Interest on investments.....	39	51	62
Expenditures (benefit payments, salaries, and expenses).....	222	289	317
Net accumulation.....	575	327	461
Federal employees' retirement funds:			
Receipts:			
Salary deductions and transfers from budget accounts.....	486	566	693
Interest.....	108	120	139
Expenditures (annuities, refunds, and expenses).....	244	274	277
Net accumulation.....	350	412	555
Medical care insurance trust fund (proposed legislation):			
Receipts from pay-roll contributions.....			260
Expenditures (benefit payments).....			260
Net accumulation.....			260

¹ Data from the *Daily Statement of the U. S. Treasury*.

² Adjusted for proposed changes in legislation.

Source: *The Budget of the United States Government for the Fiscal Year Ending June 30, 1950*, unless otherwise noted.

current fiscal year and for 1949-50 they are expected to be \$4,147 million and \$7,218 million, respectively (table 5). For 1949-50 the total includes estimated receipts of \$2,190 million under proposed legislation, including tax receipts for medical care insurance. The higher level of taxable wages, expanded coverage, and higher contribution rates account for the large increase in estimated receipts in 1949-50. Federal social insurance contributions, as estimated for 1949-50, would amount to 13.7 percent of all Federal budgetary receipts; in 1948-49, this ratio was 6.9 percent.

All social insurance benefit payments are made directly from the trust funds, which accumulate reserves against future benefit payments. It is estimated that the additional old-age and disability pay-roll tax collections under proposed legislation would amount to \$1.7 billion, while the increase in expenditures would come to \$1.5 billion. Under combined present and proposed legis-

lation, total benefit payments are expected to increase from \$656 million in 1948-49 to \$2,245 million in 1949-50. The anticipated excess of receipts over expenditures will make possible the acquisition of new securities amounting to \$1.3 billion in 1948-49 and \$2.1 billion in 1949-50. The total assets of the fund are expected to reach \$11.4 billion by June 30, 1949, and \$13.5 billion at the end of the fiscal year 1949-50.

The unemployment trust fund is directly affected by the level of economic activity. The estimates of receipts and expenditures submitted in the budget for 1950 anticipate continued high employment at high wages. Receipts for the fiscal year 1948 were \$1,313 million; they are estimated at \$1,172 million for the current fiscal year and, if the proposed legislation is enacted, at \$1,432 million for 1949-50. Expenditures for these years are \$856 million, \$963 million, and \$1,170 million, respectively. The net addition to the fund would be \$209

Table 5.—Social insurance tax collections, existing and proposed legislation, fiscal years 1947-48, 1948-49, and 1949-50

[In millions]

Item	Actual, 1947-48	Estimated	
		1948-49	1949-50
Total.....	\$4,019	\$4,147	\$7,218
Old-age and survivors insurance, total.....	2,659	2,936	5,727
Federal Insurance Contributions Act:			
Existing legislation.....	1,616	1,754	2,420
Proposed legislation.....			1,700
Medical care insurance pay-roll tax (proposed).....			260
Federal employees' retirement acts ¹ :			
Carriers Taxing Act.....	486	566	693
	557	616	654
Unemployment insurance, total.....	1,360	1,211	1,491
Unemployment insurance contributions:			
Federal Unemployment Tax Act.....	208	229	239
Deposits by States ²	1,007	982	998
Proposed legislation.....			230
Railroad Unemployment Insurance Act ³	145		24

¹ Represents employee and Government contributions to the civil-service, Canal Zone, and Alaska Railroad retirement and disability fund.

² State pay-roll tax collections deposited in the unemployment insurance trust fund.

³ Represents railroad unemployment insurance contributions shown as a receipt item in the budget and the collections deposited by the Railroad Retirement Board in the railroad unemployment insurance account of the Federal unemployment trust fund.

Source: *The Budget of the United States Government for the Fiscal Year Ending June 30, 1950*.

million in the current year and \$262 million next year. The assets of the fund at the end of the fiscal year 1950 are estimated at \$8.8 billion.

Receipts of the proposed medical care insurance trust fund are estimated at \$260 million in 1949-50. Present plans call for increased contributions for this purpose in subsequent years. No outlays for benefits are planned in 1949-50.

Employers, Workers, and Wages, Third Quarter, 1948

The estimated 41 million workers with taxable wages from employment covered by old-age and survivors insurance in July-September 1948 represent a 0.5-percent increase over the number in April-June. The estimated number of workers employed in covered industries during the quarter was 42.4 million, or 3.2 percent larger than the total in the preceding

quarter. The difference between these figures results from the fact that wages in excess of \$3,000 paid by an employer to an employee in covered employment in any year are not taxable. Some workers in covered employment in the third quarter had already been paid wages totaling \$3,000 by their employers in the first 2 quarters of the year. The number of workers with taxable wages and the number of workers in covered industries in the third quarter were 2.5 and 3.7 percent larger, respectively, than in 1947. For the year 1948 as a whole, covered employment is estimated at 50 million, 1.6 percent above the 1947 figure.

Both average taxable wages and average wages in covered industries in the third quarter of 1948, estimated at \$520 and \$599, respectively, were 6.6 percent higher than in the corresponding quarter of 1947. As compared with the second quarter of 1948, however, average wages in covered industries declined 1.2 percent. This decline was a resumption, after a 2-year interruption, of the usual seasonal pattern reflecting the entrance of young workers into the labor market either temporarily during the summer vacation or permanently

when they finish school. Average taxable wages dropped 7.8 percent during the quarter as a result of the operation of the \$3,000 limitation on taxable wages. During 1948, average wages in covered industries reached \$2,040, an increase of 8.4 percent over the 1947 average.

Almost 2.8 million employers reported the payment of taxable wages during the third quarter of 1948, 5.0 percent more than in the third quarter of 1947 and 1.9 percent more than in the second quarter of 1948.

Civil-Service Refunds

More than \$70 million in contributions was refunded during 1948 to some 270,000 employees who left the Federal civil service. In 1947, 683,000 former Federal employees received \$155.9 million in refunds.

The average amount refunded increased only slightly during the year. The average refund was \$258 for the first 6 months and \$264 for the second half of the year, as compared with \$204 and \$263 for the same periods of 1947. Some of the year's increase in the average may be attributed to the fact that Federal employees leaving the service may now withdraw

their contributions if they have had less than 10 years of service; before July 1947, contributions could be withdrawn only if the employees had less than 5 years of service with the Federal Government.

Number and amount¹ of civil-service refunds, by specified period, 1940-48¹

Period	Refunds	
	Number	Amount
[In thousands]		
Calendar year:		
1940.....	17.8	\$3,227
1941.....	32.4	4,616
1942.....	67.3	6,357
1943.....	204.3	10,809
1944.....	704.2	42,156
1945 ²	858.1	80,992
1946 ³	1,599.5	238,594
1947.....	683.0	155,892
January-June.....	398.3	81,130
July-December.....	284.7	74,762
1948.....	271.2	70,664
January-June.....	148.7	38,370
July-December.....	122.4	32,294
July.....	21.2	5,578
August.....	26.5	7,179
September.....	14.9	3,944
October.....	20.4	5,266
November.....	19.6	5,114
December.....	19.9	5,214

¹ Refunds principally from civil-service retirement and disability fund but also from Canal Zone and Alaska Railroad retirement and disability funds administered by the Civil Service Commission.

² Excludes War Department refunds for July-December; see footnote 3.

³ Includes \$13,926,000 refunded during the fiscal year ended June 30, 1946, to 183,500 civilian employees of the War Department.

Source: Civil Service Commission.

Recent Publications in the Field of Social Security*

Social Security Administration

BUREAU OF EMPLOYMENT SECURITY. *Comparison of State Unemployment Insurance Laws as of October 1948*. Washington: U. S. Govt. Print. Off., 1948. 91 pp. 25 cents.

BUREAU OF EMPLOYMENT SECURITY. *Hire the Handicapped, It's Good Business for the Employer, for the Worker, for the Community—A*

*Prepared in the Library, Federal Security Agency. The inclusion of prices of publications in this list is intended as a service to the reader, but orders must be directed to publishers or booksellers and not to the Social Security Administration or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

Program Guide for the Use of Staff Members and Committee Chairmen in Planning State and Local Programs. Prepared by the Bureau of Employment Security, United States Employment Service, in cooperation with the Federal Interagency Committee on Employment of the Physically Handicapped and the President's Committee on National Employ the Physically Handicapped Week. Washington: U. S. Govt. Print. Off., 1948. 24 pp.

Discusses the findings of a 2-year study of the actual work records of workers with at least a 50-percent physical disability and those of unimpaired workers in 109 plants.

General

AMERICAN ECONOMIC ASSOCIATION. *A Survey of Contemporary Economics*. Edited by Howard S. Ellis. Phila-

delphia: The Blakiston Co., 1948. 490 pp. \$4.75.

Traces the significant developments in economics during the past 15 years. Includes *Employment Theory and Business Cycles*, by William Fellner; *Federal Budgeting and Fiscal Policy*, by Arthur Smith; *Economics of Labor*, by Lloyd G. Reynolds; and *Development and Use of National Income Data*, by Carl S. Shoup.

ARGENTINA. INSTITUTO NACIONAL DE PREVISIÓN SOCIAL. CÁMARA GREMIAL. *Pensamiento y Acción de la Cámara Gremial Durante el Período 1945-1946*. Buenos Aires: Secretaria de Trabajo y Previsión, 1948. 140 pp.

Summarizes the first 2 years of operation of the Occupational Chamber of the Argentine National Social Insurance Institute—the advisory body composed of the employer and employee representatives who constitute the board of directors of the various social security programs.

BLAKEY, LOIS. "Family Case Work." *Indian Journal of Social Work*, Andheri, Bombay, Vol. 9, Sept. 1948, pp. 87-95. \$1.