

Estimated number of employers¹ and workers and amount of earnings in employment covered under old-age, survivors, and disability insurance, for specified periods, 1940-57²

[Data corrected to Aug. 29, 1958. Beginning 1951, annual data include self-employment; quarterly data exclude self-employment and, after 1954, agricultural labor. Beginning 1955, estimates are preliminary.]

Year and quarter	Employers reporting wages (in thousands)	Workers with taxable earnings ³ during period (in thousands)	Taxable earnings ⁴		All workers in covered employment during period ⁵ (in thousands)	Total earnings in covered employment ⁶	
			Total (in millions)	Average per worker		Total (in millions)	Average per worker
1940	2,500	35,393	\$32,974	\$932	35,393	\$35,668	\$1,008
1941	2,646	40,976	41,848	1,021	40,976	45,463	1,110
1942	2,655	46,363	52,939	1,142	46,363	58,219	1,256
1943	2,394	47,656	62,423	1,310	47,656	69,653	1,462
1944	2,469	46,296	64,426	1,392	46,296	73,349	1,584
1945	2,614	46,392	62,945	1,357	46,392	71,560	1,543
1946	3,017	48,845	69,088	1,414	48,845	79,260	1,623
1947	3,246	48,908	78,372	1,602	48,908	92,449	1,890
1948	3,298	49,018	84,122	1,716	49,018	102,255	2,086
1949	3,316	46,796	81,808	1,748	46,796	99,989	2,137
1950	3,345	48,283	87,498	1,812	48,283	109,804	2,274
1951	4,440	58,120	120,968	2,081	58,120	148,000	2,550
1952	4,450	59,576	128,724	2,161	59,576	161,000	2,700
1953	4,350	60,839	136,003	2,235	60,839	173,000	2,840
1954	4,350	59,610	133,588	2,241	59,610	172,000	2,890
1955	5,000	66,000	158,000	2,390	66,000	196,000	2,970
1956	5,100	68,000	170,000	2,500	68,000	214,000	3,150
1957	5,200	74,000	183,000	2,470	74,000	233,000	3,150
1948							
January-March	2,588	39,560	23,080	583	39,560	23,923	605
April-June	2,690	40,245	22,708	564	40,524	24,668	609
July-September	2,699	40,585	21,150	521	41,675	25,700	617
October-December	2,661	36,790	17,184	467	41,540	27,964	673
1949							
January-March	2,639	38,162	23,376	613	38,162	24,254	636
April-June	2,693	38,591	22,571	585	38,864	24,570	632
July-September	2,697	38,333	20,160	526	39,601	24,971	631
October-December	2,692	34,529	15,701	455	39,477	26,194	664
1950							
January-March	2,671	37,393	23,490	628	37,393	24,316	650
April-June	2,766	39,264	24,052	613	39,557	26,210	663
July-September	2,768	40,486	22,382	563	41,923	28,165	672
October-December	2,741	35,609	17,574	494	41,792	31,113	744
1951							
January-March	3,552	43,908	30,336	691	43,908	31,000	710
April-June	3,658	45,483	30,693	675	45,718	33,000	720
July-September	3,635	45,693	27,815	609	46,778	33,000	710
October-December	3,638	41,846	22,702	543	46,107	35,000	760
1952							
January-March	3,595	45,145	33,159	734	45,145	34,000	750
April-June	3,690	46,659	32,627	699	46,903	35,000	750
July-September	3,663	46,772	29,166	624	48,082	36,000	750
October-December	3,640	42,630	24,067	565	47,697	39,000	820
1953							
January-March	3,590	46,951	36,382	775	46,951	37,000	790
April-June	3,662	48,220	35,963	746	48,497	39,000	800
July-September	3,654	47,637	30,864	648	49,187	39,000	790
October-December	3,652	41,353	22,824	552	48,046	41,000	850
1954							
January-March	3,620	45,984	35,813	779	45,984	37,000	800
April-June	3,726	46,790	35,084	750	47,115	38,000	810
July-September	3,715	46,250	30,058	660	47,972	38,000	790
October-December	3,768	40,292	22,598	561	46,984	41,000	870
1955							
January-March	3,830	46,700	38,053	815	46,700	39,000	840
April-June	3,951	48,400	38,770	801	48,600	41,000	840
July-September	3,948	49,300	35,621	723	50,500	43,000	850
October-December	3,985	44,800	28,054	626	50,000	46,000	920
1956							
January-March	3,976	48,500	42,606	878	48,500	44,000	910
April-June	4,060	50,400	42,072	835	50,600	45,000	890
July-September	4,060	50,500	36,600	720	52,000	46,000	880
October-December	4,090	45,000	28,600	640	51,500	49,000	930
1957							
January-March	4,060	53,000	47,100	780	53,000	49,000	920
April-June	4,160	54,000	45,700	750	54,500	50,000	920
July-September	4,180	54,000	40,000	740	56,000	51,000	910
October-December	4,200	48,000	30,000	620	54,000	52,000	960

¹ Annual data represent number of different employers filing returns for year; quarterly data, number of returns for quarter. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

² Excludes joint coverage under the railroad retirement and the old-age, survivors, and disability insurance programs.

³ Represents reported workers with taxable

earnings. Annual limit on taxable earnings was \$3,000 through 1950; for 1951-54, it was \$3,600; beginning 1955 it is \$4,200.

⁴ Excludes earnings in excess of annual taxable limit.

⁵ Includes workers with earnings in excess of annual taxable limit.

⁶ Includes earnings in excess of annual taxable limit.

⁷ Rounded to nearest \$10.

It is estimated that 5.2 million employers paid taxable wages in the calendar year 1957—2.0 percent more than in the preceding year. In each quarter of 1957 the number exceeded that in the corresponding quarter of 1956.

Civil Service Retirement Act Amendments, 1958*

Several laws affecting the civil-service retirement system were enacted during the second session of the Eighty-fifth Congress. Those of general interest include (1) Public Law 85-465, providing increased annuities for employees who retired before October 1, 1956, and for their survivors and granting annuities to certain widows and widowers of employees and annuitants who died before February 29, 1948; (2) Public Law 85-661, allowing voluntary contributions to be withdrawn from the civil-service retirement fund; (3) Public Law 85-772, which allows deposits after the death of an employee in order to establish additional survivor benefit credit and also changes the minimum service requirements for payment of annuities to survivors of Members of Congress; and (4) Public Law 85-844 (the Independent Offices Appropriation Act of 1959), which includes a provision requiring special congressional appropriations in order to make effective any future legislation increasing civil-service annuities.

The 1956 amendments to the Civil Service Retirement Act had greatly liberalized benefits for employees retiring on or after October 1, 1956. Public Law 85-465 (signed June 25, 1958, and effective August 1, 1958) adjusts benefits for employees who retired before October 1, 1956,¹ and for their survivors (present and future) by providing a 10-percent increase in all annuities, with the amount of the increase limited to \$500 a year for employee annuitants

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¹ An employee who separated from service before October 1, 1956, electing a deferred annuity, is entitled to the increase only if he reached age 62 (thus becoming entitled to the annuity) before August 1, 1958.

and to \$250 a year for survivors. For many persons, the increases provided by this act are in addition to certain previous annuity increases; the most recent was Public Law 369 of 1955, under which the amount of the increase depended on the date of retirement or on the starting date of the survivor annuity.

An example will illustrate the relative positions, under the 1958 amendments, of annuitants who retired immediately before and immediately after the effective date of the 1956 amendments. An employee who retired between July 1 and September 30 of 1956, with 30 years of service and a "high-5"² average salary of \$5,000, was receiving as of July 31, 1958, an annuity of \$198 a month (under the provisions of Public Law 369, applied to his basic annuity of \$188 a month). Beginning in August 1958, this amount was raised by 10 percent to \$218 a month. In comparison, an employee who had the same salary and service and who retires on or after October 1, 1956, receives \$234 a month.

Another section of Public Law 85-465 grants annuities to unremarried widows and widowers of former employees and annuitants who died before February 29, 1948, provided (1) the survivor was married to the employee or annuitant for the 5 years immediately before his death; (2) the survivor is not eligible for any other civil-service annuity based on the service of the former employee; and (3) the employee had at least 10 years of creditable service. The amount of the annuity is half that to which the deceased annuitant was entitled or to which the deceased employee would have been entitled by his service and salary, but the maximum is \$750 a year. This provision is related to earlier legislation—the act of February 28, 1948, which established annuities for widows of active employees dying after February 28, 1948, and which, with the act of July 6, 1950, established annuities for widows and widowers of married annuitants who were on the retired rolls on February 29, 1948, or who retired during the following month.

²The "high-5" average salary is the highest salary obtainable by averaging the rates of basic salary in effect during any 5 consecutive years of service.

The annuities and increases provided under Public Law 85-465 are temporary. They are effective after June 30, 1960, only if Congress makes special appropriations to cover the cost.

No terminal date is given, however, for a minor provision of Public Law 85-465, which applies to certain employees separated from service before July 31, 1956, under the automatic separation provisions of the Civil Service Retirement Act. Such an individual may have his benefit recomputed under the liberalized formula in the 1956 amendments if his separation would not have taken place until after July 30, 1956, had he been allowed to continue working for the period of time represented by all accumulated and current annual leave to his credit at the time of his actual separation. He must apply for the recomputation before January 1, 1959.

With the enactment of Public Law 85-465, automatic benefits for widows and widowers—as distinguished from elective benefits requiring reduction of employee annuities—are now available for (1) survivors of employees or annuitants who died before February 29, 1948, with the annuity subject to the \$750 limitation (no subsequently enacted increases apply) and terminating on remarriage or death; (2) survivors of married annuitants who were on the rolls on February 29, 1948, or who retired the following month, with the annuity subject to a limitation of \$600 (although subsequent increases may raise the amount to as much as \$936) and terminating only on death; (3) widows over age 50, or under age 50 if there is a child under age 18, of employees who died during the period February 29, 1948–September 30, 1956, with no special limitation on the amount of the annuity,³ which continues until remarriage or death; and (4) certain widows of annuitants who retired during the period February 29, 1948–September 30, 1956 (the widow must be under age 50 and have a

³The widow's annuity is, in effect, limited to 40 percent of the employee's "high-5" average salary, since it cannot exceed half the maximum amount—80 percent of that average—to which he would have been entitled. Subsequent increases apply without respect to this limit.

child under age 18 in her care), with no limitation on the amount and with the annuity terminating at age 50, remarriage, or death. Widows of annuitants retiring October 1, 1956, or later receive no automatic benefits. For survivors of active employees dying after September 30, 1956, the 1956 amendments provided automatic benefits for dependent widowers, as well as widows, and made all annuities payable immediately and until death or remarriage.

Before the enactment of Public Law 85-661 (signed August 14, 1958) an employee could use his special voluntary contribution account only to purchase an additional annuity, unless he separated from service before he became eligible for an immediate annuity. He may now withdraw such contributions at any time, provided no annuity payments have been made from the account. The employee may not again make voluntary contributions, however, unless he is separated for a period of more than 3 days and then reemployed.

Public Law 85-772 (approved August 27, 1958) permits the survivor of an employee who died on or after March 1, 1958, to make deposits in the retirement fund in order to obtain credit for periods of service for which contributions were not made or for which refunds of contributions were made and were not redeposited by the employee. Deposits are not allowed, however, after commencement of a survivor annuity. Previously such deposits could be made only by the employee.

A further provision of Public Law 85-772 revises the minimum service requirement for payment of annuities to survivors of Members of Congress from 5 years of service as a Member of Congress to 5 years of civilian service of any kind (including service as a Member of Congress). Thus the service requirement for survivor benefits for a Member of Congress is now the same as for the career employee.

Financing of any legislation enacted after August 28, 1958, increasing civil-service annuity benefits or providing new annuity benefits, will be affected by a provision of Public Law 85-844 (the Independent Offices Appropriations Act of 1959, signed August 28, 1958). Before increased

payments can be made from the fund, an appropriation must be made to prevent an immediate rise in the unfunded liability. This provision means that, for any annuity increase, the total estimated future costs of any portion of the increase attributable to past service of the then existing employees and annuitants must be appropriated to the fund. For an increase for annuitants already on the rolls, all costs would be attributable to past service. If prospective annuities of existing employees are increased, a considerable portion of total future costs may be attributable to past service, on the basis of actuarial estimates.

In addition to the acts discussed thus far, legislation was enacted to cover certain employees under the civil-service retirement system. These employees are (1) certain citizens of Panama employed by the United States (Public Law 85-550 of July 25, 1958); (2) office staff members allotted to former Presidents (Public Law 85-745, signed August 25, 1958); (3) Federal employees who transfer to public international organizations in which the United States Government participates (Public Law 85-795, signed August 28, 1958); and (4) certain temporary rural carriers in the field service of the Post Office Department (Public Law 85-827, signed August 28, 1958).

Recent Publications*

Social Security Administration

CHILDREN'S BUREAU. *Social Workers Look at Adoption*, by Ursula M. Gallagher. (Publication No. 369.) Washington: U. S. Govt. Print. Off., 1958. 19 pp. 15 cents.
Report of a meeting held in May 1958.

General

CANADIAN WELFARE COUNCIL. *Social Security for Canada*. Ottawa:

*Prepared in the Library, 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.

The Council, 1958. 20 pp. 25 cents.

A policy statement adopted at the Council's annual meeting in June 1958.

SCHOTTLAND, CHARLES I. "Where Are We in This Business of Social Security?" *California Law Review*, Berkeley, Vol. 46, Aug. 1958, pp. 315-330. \$2.

The Commissioner of Social Security reviews some of the programs established by the Social Security Act. U. S. CONGRESS. HOUSE. COMMITTEE ON GOVERNMENT OPERATIONS. *Federal-State-Local Relations: Federal Grants-In-Aid. Thirtieth Report . . .* (H. Rept. 2533, 85th Cong., 2d sess.) Washington: U. S. Govt. Print. Off., 1958. 94 pp.

Describes the various Federal grant-in-aid programs and considers ways to improve the Federal grant structure.

U. S. CONGRESS. HOUSE. COMMITTEE ON WAYS AND MEANS. *Social Security Legislation. Hearings, 85th Congress, 2d Session, on All Titles of the Social Security Act*. Washington: U. S. Govt. Print. Off., 1958. 1,205 pp.

U. S. CONGRESS. SENATE. COMMITTEE ON FINANCE. *Social Security. Hearings on H. R. 13549, 85th Congress, 2d Session*. Washington: U. S. Govt. Print. Off., 1958. 448 pp.

Retirement and Old Age

BARRY, MILDRED C. "Planning for Older Persons in an Urban Community." *Geriatrics*, Minneapolis, Vol. 13, Aug. 1958, pp. 535-541. 75 cents.

IOWA CONFERENCE ON GERONTOLOGY. *The Middle Years: A Time of Change and Preparation. Proceedings of the Sixth Annual Conference . . .* Iowa City: The Conference, 1958. 51 pp.

Includes Placing the Adult Years in Proper Perspective in Development Through the Life Span, by John E. Anderson; Research in the Adult Years, by W. W. Morris; Psychological and Biological Changes in the Middle Years, by Wilma Donahue; and Preparation for Retirement, by Jack F. Culley.

KOLODRUBETZ, WALTER W. "Characteristics of Pension Plans." *Monthly Labor Review*, Washington, Vol. 81, Aug. 1958, pp. 845-853. 55 cents.

"An analysis of the principal provisions of 100 selected pension plans under collective bargaining, winter 1957-58."

SAN ANTONIO HOUSING AUTHORITY.

Housing for the Aged, by Marie C. McGuire. San Antonio, Tex.: The Authority, 1957. 112 pp. Processed. \$2.

Discusses planning and research carried out by the authority in its housing program for the aged.

SHELDON, HENRY D. *The Older Population of the United States: The Characteristics and Contributions of the Nation's Older People*. (Census Monograph Series). New York: John Wiley & Sons, Inc., 1958. 223 pp. \$6.

Discusses trends in the growth of the older population, geographical distribution, employment, occupation and income, family structure, and housing arrangements.

SHENFIELD, B. E. *Social Policies for Old Age: A Review of Social Provision for Old Age in Great Britain*. London: Routledge and Kegan Paul, Ltd., 1957. 236 pp. \$5.

Discusses employment of the older worker, reasons for retiring or continuing to work, pensions, housing, residential care and welfare services, and medical care.

TOWNSEND, PETER. *The Family Life of Old People: An Inquiry in London*. London: Routledge and Kegan Paul, Ltd., 1957. 284 pp. 30s.

A study, based on interviews with older persons, that analyzes the domestic, economic, and social aspects of their family life and considers the social and economic problems of old age against this background.

U. S. CONGRESS. HOUSE. COMMITTEE ON WAYS AND MEANS. *Actuarial Cost Estimates and Summary of Provisions of the Old-Age, Survivors, and Disability Insurance System as Modified by the Social Security Amendments of 1958*. (Public Law 85-840, Approved August 28, 1958.) Prepared by Robert J. Myers. Washington: U. S. Govt. Print. Off., 1958. 24 pp.

Public Welfare

AMERICAN PUBLIC WELFARE ASSOCIATION. *Planning, Costs, and Procedures in Public Welfare Administration*. Chicago: The Association, 1958. 27 pp. 60 cents.

What Is Good Administrative Planning? by Spencer E. Brader; The Components of Administrative Cost by Ralph Ormsby; and Managing Office Procedures by Chester J. Best.

AMERICAN PUBLIC WELFARE ASSOCIATION. *The Public Welfare Board Member and His Unique Role*. Chicago: The Association, 1958. 26 pp. 50 cents.

(Continued on page 24)