

The Position of Women in the Social Security System

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HOW THE COMPLEX NEEDS of women workers are being met under the social security system has become of increasing concern in recent years. Crosscurrents of opinion on this subject range from the belief that women already are generously protected under old-age, survivors, disability, and health insurance (OASDHI) in their roles as workers, wives, widows, and mothers to the more controversial view that new types of benefits as well as revisions in those now available are needed to adapt the system more realistically to present-day needs. Included in the latter view is the position taken by some women's organizations and private individuals that an additional benefit be considered for married women workers to compensate for the contributions they had made under the program. A series of articles is planned to show how women have fared under present protections and to provide perspective on how well these measures can be expected to meet the predictable needs of the future.

EMPLOYMENT PATTERNS

This article, the first in the series, focuses on the employment of women in work covered under OASDHI, which is the basis for their entitlement as primary beneficiaries. Other articles will deal with a forecast of the probable proportion of women who will have sufficient covered employment to be insured for retirement benefits in selected future years; the ratio of benefits of women workers to their social security taxes; the contributions of women to family income during their working years and after retirement; and related questions.

Necessarily, women's employment will be considered retrospectively, for some current entitlements to benefits still are maturing that are based on wage credits and quarters of coverage received by women workers during and before World War II. Indeed this study may well begin with a question as to whether some of the alleged inequities in regard to women workers under

OASDHI would have had any substance had the large-scale employment of women during World War II receded to prewar levels as manpower again became available.

Underlying this question is the deeply rooted tradition concerning the dependency of married women on their husbands for support. Since this relationship of dependency also is linked into the benefit structure of OASDHI, it would follow that (1) except in times of national emergency or personal crisis, married women generally would become eligible for a wife's rather than a worker's benefit and, in the long run, the eligibility of married women as workers would lapse or be minimal; and (2) the typical employment pattern of married women who worked at all would be to work for a few years but not long enough to qualify en masse for a worker's primary benefit.

The question, of course, runs counter to the historic three-decade upswing in the employment trend of women, which developed after the social security system was devised. This trend already has been adequately documented elsewhere. What is of particular interest to OASDHI is that unlike the pre-World War II increases in employment level, which involved more extensive use of women under age 30, the subsequent growth reflects in large measure the entrance or reentrance of middle-aged and older women. To a considerable degree, the market demand for women workers during the 1950's and the 1960's was met by middle-aged and older women. It is no wonder that as the quarters of coverage of these workers accumulated and as the level of their earnings rose, so also did their expectations in regard to a "fair return" on the wages withheld for social security.

But were the contributions from their earnings as great as some women believe? This argument really focuses on the presumed marginal attachment of married women to the labor force and the supplementary nature of their earnings in meeting family needs for education, the temporary illness of the primary breadwinner, refurbishing or rebuilding the home, family vacations, and the like. Such goals may be accomplished within an

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employment span that is relatively short-term in comparison with the working lifetime of men. The question therefore arises as to why it is necessary or equitable to make additional payments to women who already receive a wife's benefit that is half of their husband's benefit amount, with no covered work or at best far fewer years than for men and at generally lower wage levels.

If on the other hand it can be shown (1) that because of their work, more women today than ever before have enough quarters of coverage to qualify for retirement benefits based on their own earnings records; (2) that the majority who so qualify meet more than minimum requirements for eligibility; and (3) that despite differences in earnings levels, the benefit amount of women entitled as workers is much larger than the auxiliary benefit received by wives, a good start will have been made toward understanding why questions have been raised with increasing force and persistency.

The Employment Trend

The extent of women workers' covered employment can be gauged by the number with taxable earnings in work covered under OASDHI at some time during the year. It was more than 32 million in 1967—or nearly 40 percent higher than the 23 million a decade earlier, 75 percent greater than the 18 million in 1944 (when World War II employment of women was highest), and more than two and one-half times the 9 million during 1937 (the first year for which program data are available) (table 1). The majority were 4-quarter workers with covered employment in every calendar quarter of the year, and the proportion of these more regularly employed workers increased during the uptrend.¹

It can be argued that at least part of the increases noted for women reflect the expansion of social security coverage rather than actual accretions to employment. Yet there is little doubt that substantial increases in employment of women did occur and that this almost quadrupling of the number of women with earnings credits is bound to have program consequences for OASDHI.

¹ See the *Social Security Bulletin, Annual Statistical Supplement, 1967*, tables 35, 36, and 41.

TABLE 1.—All women and those aged 55 and over in covered employment, selected years, 1937-67

Year	All women in covered employment		Women aged 55 and over as percent of—	
	Number (in thousands)	As percent of all covered workers	All covered workers aged 55 and over	All women in covered employment
1937.....	9,093	27.6	14.2	3.4
1940.....	9,821	27.7	13.2	4.2
1943.....	17,532	36.8	17.5	5.4
1944.....	18,195	39.3	18.7	5.9
1947.....	16,167	33.1	19.9	7.2
1950.....	15,662	32.4	21.2	8.1
1951.....	19,602	33.7	24.9	10.8
1954.....	20,524	34.4	27.4	12.4
1956.....	22,992	34.0	28.0	14.2
1960.....	24,635	34.0	31.1	15.2
1961.....	24,831	34.1	31.8	15.6
1964.....	27,170	35.1	33.9	16.3
1965.....	28,640	35.5	34.2	16.1
1966 ¹	30,800	36.4	34.7	15.8
1967 ¹	32,200	36.8	35.0	15.9

¹ Preliminary data.

Source: *Social Security Bulletin, Annual Statistical Supplement, 1967*, table 37.

One possibly disquieting signal of problems ahead is related to the entrance or reentrance to covered employment of middle-aged women. The result has been an increase in the median age of women workers from age 28 in 1937 to age 36 in 1967, compared with an increase for men from age 33 to age 37 in the same period. Older women aged 55 and over formed only 3 percent of all women workers in 1937; the proportion had doubled in 1944 and was almost five times greater in 1967. The number of older women workers in covered employment had risen spectacularly from an estimated 311,000 in 1937 to 5.1 million in 1967. In that year, the proportion of women among all workers in covered employment was nearly 37 percent—about the same as among workers in all paid employment. Women also formed almost as large a proportion of the covered workers aged 55 and over as they did of those under age 25—35 percent. This pattern of age distribution is very different from that in 1950, for example, when 32 percent of all covered workers were women—as high as 41 percent of the workers under age 25 but only 21 percent of those aged 55 and older.²

Regularity of Employment

One measure of regularity of employment that throws light also on its intensity, is the number

² *Ibid.*

TABLE 2.—Percent of men and women aged 55 and over who did not work, by age and marital status, selected years, 1961-67

Age in specified year	Total				Married			
	1961	1963	1965	1967	1961	1963	1965	1967
Women:								
55-57.....	46.7	43.8	44.9	44.6	56.5	51.4	53.4	51.6
58-59.....	50.1	50.1	50.0	47.5	57.2	58.9	59.8	54.3
60.....	55.9	54.7	55.1	48.1	66.7	61.4	62.6	55.1
61.....	59.8	59.9	50.8	52.3	68.3	71.9	61.4	62.2
62.....	60.8	59.2	57.8	53.8	72.4	70.5	69.9	61.8
63.....	63.2	62.0	61.7	60.5	72.8	69.3	71.6	70.1
64.....	69.6	65.6	63.1	61.9	82.2	72.8	73.3	71.1
65.....	70.6	68.1	69.6	69.4	81.0	79.3	75.3	76.7
66 and over..	85.9	86.4	87.3	87.5	89.4	89.0	90.5	90.5
Men:								
55-57.....	5.5	6.3	7.7	6.5	4.3	4.7	5.5	5.2
58-59.....	7.3	7.8	9.1	9.6	6.6	6.6	7.2	7.9
60.....	11.9	12.3	9.7	10.9	9.5	9.9	7.8	9.6
61.....	11.9	13.9	12.5	12.6	10.0	10.6	10.8	11.5
62.....	14.1	16.2	14.6	15.9	13.2	14.4	11.8	14.0
63.....	19.9	20.3	22.3	17.3	17.4	17.9	19.5	14.9
64.....	19.4	20.0	22.4	25.7	16.6	19.0	20.6	22.4
65.....	25.7	26.0	29.3	28.8	24.2	22.4	25.8	28.3
66 and over..	62.1	65.8	68.6	68.6	58.1	62.2	65.3	65.1

Source: Special tabulations from the *Current Population Survey*, prepared by the Bureau of the Census for the Social Security Administration.

of weeks in a year in which there is employment—full-time or part-time. This information for workers aged 55 and older in selected years from 1961-67—from the *Current Population Survey* of the Bureau of the Census—is presented here in tables 2 and 3. More than half the women aged 55-65 were married and living with their spouses. The majority of those who were aged 60 and older, especially among the married, did not work.

During the period for which the data are available a decline occurred, however, in the proportion of those under age 65 who did not work, and the drop was relatively greater for married women than for all women (table 2). This shift indicates, of course, that more older women were working in 1967 than in 1961. The increased employment of older women is all the more remarkable because, in most of these age groups, the proportion of men who did not work rose noticeably during this period.

The data in table 3 indicate that among women in other marital status categories, the labor-force participation of most age groups of single women under age 65 tended to show the same overall patterns of decline as that observed earlier for men whose labor-force behavior they most nearly resembled. The pattern for widowed or divorced women showed increases like those for married women.

Among the women who worked at all in 1966

TABLE 3.—Percent of women aged 55 and over by intensity of employment, age, and marital status, 1961

Age in specified year	Total, all women		Married		Widowed or divorced		Single	
	1961	1967	1961	1967	1961	1967	1961	1967
Percent with employment								
55-57.....	53.3	55.4	43.5	48.4	72.7	72.1	81.8	74.4
58-59.....	49.9	52.5	42.8	45.7	59.5	64.5	74.6	76.2
60-61.....	42.1	49.9	32.4	41.7	53.7	61.6	76.7	79.4
62-64.....	35.7	41.3	24.4	32.5	47.2	49.8	74.8	72.4
65.....	29.4	30.6	19.0	23.3	39.4	39.3	55.6	44.6
66 and over..	14.1	12.5	10.6	9.5	15.0	12.6	23.2	25.1
Full-time, full-year ¹								
55-57.....	26.5	30.6	18.0	23.5	42.2	44.6	58.4	64.6
58-59.....	20.0	29.2	13.1	22.9	29.0	39.9	48.4	63.0
60-61.....	18.6	26.4	11.0	19.4	28.2	36.3	47.3	55.2
62-64.....	15.5	20.8	8.0	14.0	23.0	25.8	45.0	53.1
65.....	10.7	12.5	5.0	7.5	15.5	17.1	26.7	26.8
66 and over..	3.9	3.3	2.3	2.2	4.4	3.0	8.1	10.7
Full-time, part-year ¹								
55-57.....	12.1	10.9	9.8	10.2	16.8	13.2	18.2	5.7
58-59.....	13.9	10.0	13.7	7.7	13.2	15.0	15.6	8.0
60-61.....	10.4	10.1	8.3	9.3	15.0	11.6	12.3	10.4
62-64.....	8.0	8.1	5.6	6.1	9.8	11.3	19.1	9.9
65.....	6.3	6.5	2.9	4.7	9.1	8.4	15.6	10.7
66 and over..	3.0	2.2	2.0	1.7	3.2	2.2	6.0	4.6
Part-time, full-year ¹								
55-57.....	6.5	6.6	7.2	7.0	4.8	6.7	4.5	2.5
58-59.....	7.0	6.5	8.1	7.5	6.2	4.6	2.5	2.0
60-61.....	5.2	6.0	5.2	5.6	4.7	5.7	6.2	7.3
62-64.....	5.4	6.2	5.5	5.9	5.2	6.8	7.6	7.4
65.....	4.8	4.0	3.7	4.0	4.9	4.7	15.6	1.8
66 and over..	2.5	2.9	2.4	2.3	2.4	3.0	3.6	4.1
Part-time, part-year ¹								
55-57.....	8.1	7.3	8.5	7.7	8.9	7.7	1.3	1.3
58-59.....	9.0	6.8	8.1	7.7	11.3	5.0	7.4	3.0
60-61.....	7.8	7.4	7.9	7.4	5.9	8.0	11.0	6.3
62-64.....	6.8	6.2	5.5	6.5	9.1	5.9	2.3	2.5
65.....	7.6	7.5	7.4	7.1	9.5	9.1	...	5.4
66 and over..	4.7	4.1	4.0	3.3	5.0	4.4	5.7	5.7

¹ Full year, 50-52 weeks; part year, less than 50 weeks.

Source: Special tabulations from the *Current Population Survey*, prepared by the Bureau of the Census for the Social Security Administration.

the proportion aged 65 and younger who were employed full-time was larger in all marital status groups than the proportion working part time. Among full-time workers the proportion for those working full-year schedules of 50-52 weeks was greater than the proportion for those working fewer weeks. About 15 percent of all women were part-time workers, and more than half of these women worked only part of the year. Taking care of the home was the reason most often given for not working a full year, but other reasons—illness, disability, or unemployment—also were reported by significant numbers of women.

Duration of Employment

Several measures of intensity of employment can be derived from the earnings record that forms the basis for the benefit computations. Information about today's retirees, however, provides only partial insights into their total employment histories. As yet no worker—man or woman—has at retirement age spent a full working lifetime in covered employment. In 1937 alone, half the women in covered employment were younger than age 28. Thus, if they survive and otherwise have enough coverage to qualify for a worker's benefit, their year of entitlement will be 1972 or later. The 16-year-old workers of 1937 will not become entitled until 1983.

A decade or more must pass before we can gain some perspective on the employment patterns of women. Not until then can the full work histories of even the first generation under OASDHI be known in relation to (1) the length of time worked before "time out" for marriage and/or family responsibilities; (2) the elapsed years in the period of withdrawal; and (3) on re-entry or initial late entry, the number of years of employment before entitlement and retirement.

Much can be learned, however, from the work histories of women who already have met the entitlement criteria. The following analysis relates to women who became entitled in 1965 and remained eligible for benefits at January 1, 1966. If these women worked at all during 1965, it was not enough to change their year-end benefit status. The last full year of employment before entitlement was established as 1964 and the first year as 1937 for a 28-year span of possible covered employment (tables 4-5).³

A surprisingly large proportion of women—nearly half—worked during 14 or more years from 1937 to 1964, and over one-fourth worked in more than 20 years. These proportions, though much smaller than those for men—71 and 53 percent, respectively—indicate that most women had much more than the minimum requirement of 3½

years of covered employment needed to qualify for a benefit in 1965.

Predictably, an age-sex comparison of the number of years worked shows a relatively larger proportion of women than men qualified for a benefit before age 65. In addition, unlike the situation for men, the proportion of the relatively long-term workers among women retiring in 1965 was larger for women aged 62-64 than for those aged 65 or older. For both men and women, most of the workers with the least covered employment were in the oldest group—aged 72 and over. Many of these workers probably could not have qualified at all for a retirement benefit until September 1965, when the amount of covered work required for their age group was reduced under the transitional insured-status provision of the 1965 amendments to as few as 3 quarters of coverage.

One of the more important factors in the employment picture, especially as it influences benefit levels, is the recency of covered employment. The data show that about two-thirds of the women who became entitled in 1965 were last employed within 3 years (1962-64) of their entitlement and nearly 60 percent worked as recently as the immediately preceding year. The corresponding figures for men are about 85 percent and nearly 80 percent. Nearly 6 in every 10 women aged 62-64 and 8 in 10 aged 65-71 were among those employed in 1964, the year preceding their entitlement. It comes as no surprise that these women formed the largest proportion of the workers with 20 or more years of covered employment.

Among the newly entitled women workers with less recent covered employment, almost a third had moderately long-term employment records of 10 or more years. Most of these women were last employed during the 1950's, largely between 1955 and 1959. The last year of employment was 1950 or earlier for some of the women, including those last employed during World War II. Like entitled women workers with longer and more recent employment, the group with only 5-9 years of covered employment in any of the time periods studied included a relatively larger proportion of workers choosing early retirement than of those waiting to establish their entitlement at age 65 or later. Only among women with fewer than 5 years of covered work and last employment in the least recent period were the entitled workers predominantly aged 72 and older.

³ The data are drawn from the Continuous Work-History Sample of the Social Security Administration. Because the data come from a sample, they are subject to sampling variability. For description of the sample design and an indication of statistical reliability, as well as the kinds of data tabulated, see pages 1-7, *Workers Under Social Security, Annual and Work History Statistics, 1960* (Office of Research and Statistics, Social Security Administration), 1968.

TABLE 4.—Workers first entitled to retirement benefits in 1965 and entitled January 1, 1966: Percentage distribution by employment characteristics and by sex and age

Number of years employed and last year of covered employment, 1937-64	Age in year of entitlement, 1965							
	Women				Men			
	Total	62-64	65-71	72 and over	Total	62-64	65-71	72 and over
Number in sample.....	5,283	2,523	2,033	726	8,561	2,763	5,219	578
	Percentage distribution, by age							
Last year employed, 1937-64:								
1937-64.....	100.0	47.8	38.5	13.7	100.0	32.3	61.0	6.8
1938-50.....	100.0	31.2	15.4	53.5	100.0	9.5	26.9	63.6
1951-59.....	100.0	51.2	23.7	25.1	100.0	27.7	46.0	26.2
1960-61.....	100.0	68.5	24.4	7.2	100.0	40.3	54.6	5.1
1962-63.....	100.0	70.4	22.8	6.8	100.0	54.6	41.5	3.8
1964.....	100.0	45.8	30.5	3.7	100.0	32.3	66.1	1.5
	Percentage distribution, by period of coverage							
Last year employed, 1937-64, total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1937-50.....	12.3	8.0	4.9	47.9	4.9	1.4	2.2	46.2
1951-59.....	16.4	17.6	10.1	30.0	7.8	6.7	5.9	30.3
1960-61.....	5.3	7.6	3.3	2.8	3.4	4.3	3.1	2.6
1962-63.....	7.0	10.3	4.1	3.4	5.2	8.8	3.5	2.9
1964.....	59.0	56.5	77.5	15.8	78.7	78.8	85.4	18.0
	Percent of total							
Number of years employed 1937-64, total percent:								
1-4.....	16.4	1.4	3.4	11.6	6.4	.2	1.2	5.0
5-9.....	20.1	12.1	6.7	1.4	10.1	3.2	5.9	1.0
10-14.....	23.1	13.6	9.1	.3	18.4	6.5	11.6	.3
15-19.....	14.4	8.7	5.5	.2	12.5	4.9	7.5	.1
20-24.....	12.0	6.3	5.6	.2	15.5	5.8	9.6	.1
25 and over.....	13.9	5.6	8.1	.2	37.1	11.6	25.2	.3

Source: *Continuous Work-History Sample, 1937-66*, 1-percent sample.

The employment patterns of women obviously are very different from those for men, but they are not ipso facto marginal. The distribution of employment on which retirement benefits are based, however, reveals a greater degree of marginality for women than for men. In the sample data, 16 percent of the women but only 6 percent of the men qualified with minimum covered employment. Less than 7 percent of these women, including the group still eligible because of employment during World War II, were last employed before 1951.

Adding to this segment of the minimum coverage group the women last employed between 1951 and 1955 (some of whom undoubtedly qualified for benefits through coverage extensions in 1950 and 1954) would bring to less than 10 percent the total eligible on the basis of last covered employment a decade or more before their year of entitlement. The remainder of the group with minimum coverage had more recent but limited covered employment. It included workers who

became eligible as the insured-status requirement was lowered by the 1960 amendments to one-third the elapsed quarters after 1950 and by the 1961 amendments to one-fourth of the quarters.

In a virtually universal public retirement program, it is to be expected, and properly so, that, until a system is fully mature there will be some women or men who will work for only a few years and thus be able to qualify for a benefit with minimal coverage. In time, however, this situation will disappear, as the amount of covered work required for eligibility increases. Since the number of covered quarters required relates to the worker's date of birth, women now approaching age 40 who are thinking of working again will need a minimum of 10 years of covered employment to qualify for a worker's benefit by the time they reach the earliest retirement age. Those reaching retirement age in 1965 needed only 3½ years; in 1969 they need 4½ years.

Benefit obligations deriving from quarters of coverage earned in the early years of OASDHI

TABLE 5.—Women with year of entitlement in 1965: Percent-age distribution by number of years employed and period of last covered employment and by age

Last year of covered employment and number of years employed	Age in year of entitlement, 1965			
	Total	62-64	65-71	72 and over
1937-50, total	100.0	31.2	15.4	53.5
1-4	55.4	2.3	5.2	47.9
5-9	35.2	21.8	8.1	5.2
10-14	9.4	7.1	2.0	.3
1951-55, total	100.0	48.2	18.9	32.9
1-4	34.1	1.0	3.1	30.0
5-9	30.0	18.0	9.4	2.6
10-14	22.8	18.5	4.3	
15-19	13.2	10.8	2.2	.2
1956-59, total	100.0	53.9	28.9	18.0
1-4	22.2	1.3	4.7	16.2
5-9	22.0	13.3	7.1	1.6
10-14	24.8	17.3	7.3	.2
15-19	19.1	14.0	5.1	
20-24	12.0	8.0	4.0	
1960-61, total	100.0	68.5	24.4	7.2
1-4	6.5	.7	.7	5.0
5-9	27.2	21.1	4.7	1.4
10-14	27.6	21.1	5.7	.7
15-19	17.6	11.1	6.5	
20-24	13.6	8.2	5.4	
25 or more	7.5	6.1	1.4	
1962-63, total	100.0	70.4	22.8	6.8
1-4	10.1	1.9	2.7	5.4
5-9	19.0	12.8	5.4	.8
10-14	28.0	21.5	6.0	.5
15-19	17.7	14.7	3.0	
20-24	13.8	10.9	3.0	
25 or more	11.4	8.7	2.7	
1964, total	100.0	45.8	50.5	3.7
1-4	6.8	1.3	3.3	2.2
5-9	14.9	8.2	6.3	.4
10-14	24.7	12.2	12.2	.3
15-19	16.3	8.6	7.4	.3
20-24	15.8	7.5	8.0	.2
25 or more	21.5	8.0	13.3	.2

Source: *Continuous Work-History Sample, 1937-66*, 1-percent sample.

have not yet been fully liquidated. Similarly, obligations relating to employment of women in more recent years may be outstanding for some time. Periodic review of the employment patterns of women should therefore aid in predicting the number who probably will work long enough to be eligible to receive a retirement benefit in future years.

ENTITLEMENT STATUS

Despite differences in employment patterns, most women workers manage to establish their entitlement to a retirement benefit on filing at age 62 or later. Those who are not entitled include the women who prefer to keep on working even though they already have enough coverage to be eligible for a benefit, as well as those who are uninsured because they have too few quarters of coverage. Included in the latter group are the

women who entered covered employment at advanced ages and those with broken patterns of employment and little, if any, recent covered work.

Some of these women were fully insured at a younger age but, at the time of retirement, no longer had enough quarters of coverage for insured status. Whether or not the worker is entitled at age 62, the earnings record remains open until death. Opportunity to achieve entitlement status or to improve the benefit level is thus provided.

Analysis of the entitlement status of a sample of workers aged 62 and over in 1965 showed that half the women and nearly six-tenths of the men had become entitled in previous years (table 6). An additional 6 percent of the women and 7 percent of the men became newly entitled during 1965 (those eligible on January 1, 1966, who were ineligible a year earlier). On January 1, 1966, however, over two-fifths of the women and over a third of the men of retirement age were ineligible.

Among the newly entitled workers, nearly half the women and one-third of the men became eligible before age 65. An additional fifth of the women and more than a third of the men were entitled at age 65. For both men and women, about 7 in every 10 newly entitled workers were aged 65 or younger. The majority of entitled workers aged 66 or older were not newly entitled but largely those who were already entitled to benefits before 1965.

Some characteristics of the substantial proportion of nonentitled workers are indicated in table 7. Among those under age 65, somewhat more than 50 percent of the women and 80 percent of the men were fully insured but presumably preferred employment to early retirement. The older nonentitled, however, were for the most part uninsured. For both men and women, as much as 75 percent to 80 percent of the nonentitled workers aged 65-72 were uninsured, and the proportions were even larger for those aged 73 and over.

No doubt, some of the older workers who were nonentitled at the beginning of 1966 would qualify for a special reduced benefit under the transitional insured-status provision of the 1965 act, if at the end of 1968 they reached age 72 or older and had 3 or more quarters of coverage. Legislation in 1966 provided a similar special benefit

TABLE 6.—Workers aged 62 and over in 1965: Percentage distribution by entitlement status on January 1, 1966

Age in 1965	Total	Women				Total	Men			
		Nonentitled		Entitled			Nonentitled		Entitled	
		Insured	Uninsured	Newly, 1965	Before 1965		Insured	Uninsured	Newly, 1965	Before 1965
Number in sample.....	82,252	10,413	25,241	5,162	41,436	116,813	17,275	23,349	8,171	68,018
Percentage distribution										
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
62.....	7.3	22.0	7.7	34.8	0	6.3	28.1	4.1	18.3	0
63-64.....	14.1	33.6	14.4	14.0	8.9	11.3	42.0	8.1	15.5	4.8
65.....	7.0	5.0	7.6	20.7	5.5	6.0	2.8	5.0	35.4	3.7
66-71.....	34.1	24.1	29.8	16.2	41.5	30.7	8.4	30.5	23.4	40.8
72.....	4.4	2.7	3.7	1.3	5.7	4.4	1.3	2.8	.8	6.2
73 and over.....	32.7	12.2	36.0	12.9	38.3	40.2	16.3	57.1	6.7	44.5
Percent of total										
Total.....	100.0	12.7	30.7	6.3	50.4	100.0	14.8	20.0	7.0	58.2
62.....	100.0	37.9	32.3	29.7	0	100.0	66.3	13.2	20.4	0
63-64.....	100.0	30.3	31.5	6.3	32.0	100.0	53.0	13.8	9.2	23.9
65.....	100.0	9.0	33.2	18.6	39.3	100.0	6.9	16.6	40.9	35.6
66-71.....	100.0	8.9	26.8	3.0	61.3	100.0	4.0	13.3	5.3	77.3
72.....	100.0	7.8	25.4	1.9	64.9	100.0	4.3	12.9	1.2	81.6
73 and over.....	100.0	4.7	33.8	2.5	59.0	100.0	6.0	28.4	1.2	64.5

Source: Continuous Work-History Sample, 1937-66, 1-percent sample.

payable from general revenues instead of the trust fund to persons aged 72 and over with no covered employment or less than 3 covered quarters (provided that they were not receiving payments under a federally aided assistance program and that pensions, retirement benefits, and annuities received from any other government program would be offset against the benefit).

Some of the aged men and women workers with too little work coverage for a primary benefit had already qualified for an auxiliary social security benefit as a dependent wife or husband, widow or widower, or parent. Others had qualified for pensions under programs of the Federal,

State, and local government retirement systems.⁴

EARNINGS RELATIONSHIPS

The Earnings Ratio

In the main, the discussion of earnings considers the relationship between some aspects of the earnings history and benefit levels of entitled women workers as a group and in comparison with men.

What level of benefit income can women expect their earnings to yield? To what extent can the ratio of earnings of men and women be used to predict the benefit ratios?

Data for 1959-67⁵ show that the median estimated total annual earnings of women as a group were slightly more than two-fifths of the average for men and that the median earnings for women with the most regular employment—the 4-quarter workers—represented about 55 percent of the comparable average for men.

If taxable earnings only were considered, how-

TABLE 7.—Percent of nonentitled workers aged 62 and over by insurance status on January 1, 1966, and by sex

Age in 1965	Women		Men	
	Insured	Uninsured	Insured	Uninsured
62 and over.....	29.3	70.7	42.8	57.2
62-64.....	50.8	49.2	80.9	19.1
62.....	54.0	46.0	83.4	16.6
63-64.....	49.0	51.0	79.3	20.7
65 and over.....	19.0	81.0	19.9	80.1
65.....	21.2	78.8	29.2	70.8
66-71.....	25.0	75.0	23.2	76.8
72 and over.....	13.4	86.6	17.8	82.2
72.....	23.5	76.5	25.0	75.0
73 and over.....	12.2	87.8	17.4	82.6

Source: Continuous Work-History Sample, 1937-66, 1-percent sample.

⁴ See Elizabeth Heidebreder, "Federal Civil-Service Annuity and Social Security," pages 20-33 of this issue.

⁵ See *Social Security Bulletin, Annual Statistical Supplement, 1967*, tables 35 and 36, for data for earlier years.

TABLE 8.—Median annual taxable and estimated total earnings in covered employment, 1959–67

Year	Median earnings			Ratio (percent) of women's earnings to men's		Percent of estimated total earnings, above taxable limit ¹	
	Women	Men		Annual taxable	Estimated total	Men	Women
	Annual taxable and estimated total	Annual taxable	Estimated total				
All workers:							
1959.....	\$1,634	\$3,783	\$3,713	43.2	43.2	37.3	5.7
1960.....	1,679	3,879	3,879	43.3	43.3	39.2	5.6
1961.....	1,742	3,936	3,936	44.3	44.3	40.4	7.6
1962.....	1,808	4,132	4,132	43.8	43.8	42.9	8.9
1963.....	1,856	4,266	4,266	43.5	43.5	44.6	10.0
1964.....	1,970	4,480	4,480	44.0	44.0	46.9	11.6
1965.....	1,990	4,680	4,680	42.5	42.5	48.9	12.7
1966.....	2,080	5,000	5,000	41.6	41.6	35.0	4.3
1967.....	2,230	5,160	5,160	43.3	43.3	36.9	5.0
4-quarter wage workers:²							
1959.....	2,642	4,680	4,680	56.4	56.4	46.0	9.1
1960.....	2,706	4,800	4,837	56.4	55.9	48.4	10.4
1961.....	2,776	4,800	4,950	57.8	56.1	49.8	12.0
1962.....	2,876	4,800	5,139	59.9	56.0	52.4	13.9
1963.....	2,956	4,800	5,298	61.6	55.8	54.5	15.7
1964.....	3,090	4,800	5,530	64.4	55.9	57.4	18.0
1965.....	3,180	4,800	5,740	66.2	55.4	59.9	19.9
1966.....	3,330	6,090	6,090	54.7	54.7	42.7	6.8
1967.....	3,450	6,340	6,340	54.4	54.4	45.6	7.7

¹ Annual limit on taxable earnings was \$4,800 in 1959–65, \$6,600 in 1966–67.

² Relates to those with wages and salaries received for employment in all 4 calendar quarters of the year, but also includes those who reached the taxable limit in fewer than 4 and were deemed as 4-quarter workers. Median wages above taxable limit based on estimated distribution by intervals of wages above the maximum. Data on earnings include self-employment as

well as wage and salary employment. For definitions, see footnotes to source, table 35. Data for 1966 and 1967 preliminary.

Source: *Social Security Bulletin, Annual Statistical Supplement, 1967*, tables 35 and 36. See also tables 40, 41, and 43 for distribution of wages, salaries, and earnings.

ever, instead of the median total earnings, the average earnings and the corresponding ratios would not have changed for women overall. For the 4-quarter workers, however, the ratio would have risen to 60 percent of men's earnings for the 7 years when \$4,800 was the taxable limit and fallen to 52 percent in 1966 when the taxable limit was raised to \$6,600; their 8-year average was 59 percent (table 8).

At age 50 and over, the ratio of median annual taxable earnings also was higher in some years than the ratio of median estimated total annual earnings (table 9). Both ratios were higher for women in these age groups than they were for women of all ages combined. In part, the higher ratios for the older women can be explained in terms of their appreciably higher median earnings than the average for all women. An additional explanation, however, is that with aging the earnings of women apparently fall less than do those of men.

The ratio of women's earnings to those of men becomes even more interesting when considered in conjunction with the proportion of workers with earnings above the taxable limits. In 1959, the first year that the annual limit on taxable earnings was \$4,800, nearly half the more regularly employed men (the 4-quarter workers) had

TABLE 9.—Workers aged 50 and over: Median annual taxable and estimated total earnings in covered employment, 1959–67

Year and age	Median earnings			Ratio (percent) of women's earnings to men's	
	Women, annual taxable, and estimated total	Men		Taxable	Estimated total
		Taxable	Estimated total ¹		
50–59:					
1959.....	\$2,189	\$4,407	\$4,407	49.7	49.7
1960.....	2,264	4,585	4,585	49.4	49.4
1961.....	2,334	4,712	4,712	49.5	49.5
1962.....	2,438	4,800	4,960	50.8	49.2
1963.....	2,509	4,800	5,120	52.3	49.0
1964.....	2,640	4,800	5,400	55.0	48.9
1965.....	2,736	4,800	5,700	57.0	48.0
1966.....	2,870	6,277	6,277	45.7	45.7
1967.....	3,080	6,540	6,540	47.1	47.1
60–64:					
1959.....	1,873	3,955	3,855	48.6	48.6
1960.....	1,960	3,946	3,946	49.7	49.7
1961.....	2,040	4,077	4,077	50.0	50.0
1962.....	2,154	4,300	4,300	50.1	50.1
1963.....	2,259	4,476	4,476	50.5	50.5
1964.....	2,404	4,730	4,730	50.8	50.8
1965.....	2,548	4,801	5,000	51.0	51.0
1966.....	2,661	5,308	5,308	50.1	50.1
1967.....	2,890	5,660	5,660	51.1	51.1
65 and over:					
1959.....	1,067	1,687	1,687	63.2	63.2
1960.....	1,076	1,680	1,680	64.0	64.0
1961.....	1,095	1,660	1,660	66.0	66.0
1962.....	1,112	1,662	1,662	66.9	66.9
1963.....	1,125	1,676	1,676	67.1	67.1
1964.....	1,163	1,750	1,750	66.5	66.5
1965.....	1,164	1,840	1,840	63.3	63.3
1966.....	1,292	1,820	1,820	71.0	71.0
1967.....	1,410	1,850	1,850	76.2	76.2

¹ See footnote 2, table 8.

Source: *Social Security Bulletin, Annual Statistical Supplement, 1967*, table 38.

earnings that exceeded this maximum and therefore did not count towards benefits.

In the more prosperous year 1965, when the level of earnings was higher, the taxable limit—still \$4,800 covered the total annual earnings of only about 40 percent of the regularly employed men. In other words, as large a proportion as 60 percent had earnings above the taxable and creditable limit. Even in 1966, when the maximum was \$6,600, more than two-fifths of the men had earnings outside the limit, and the proportion was even greater in 1967.

In all these years, by contrast, the total earnings of the vast majority of women workers were credited and subject to social security taxes. Less than 10 percent of the women with 4 quarters of employment had tax-exempt earnings in 1959; the proportion was twice as large in 1965 but only about 7 percent in 1966 and 1967.

Arguments mustered against the regressive nature of the social security tax on almost the entire earnings of women workers, as well as those of low-income men, are moderated somewhat by other aspects of the program. For example, women workers may expect a relatively larger percentage replacement of their total earnings by benefits than is usual for men, because of the weighting of the benefit formula.

These data thus offer a clue as to why, at least in the short run, the ratio of women's retirement benefits to those of men may be expected to be relatively more favorable to women workers than the ratio of their median total annual earnings. Not to be minimized, however, is the extent to which the taxable earnings ratio understates the

true differences in the total earnings of men and women (table 8).

Earnings of Newly Entitled Workers

The earnings of women who became entitled to retirement benefits in 1965 are compared here with the corresponding earnings of men in the 14-year span 1951-64, with respect to their highest earnings in any single year and their highest in any 5 years (table 10). The data are based on the sample of newly entitled workers whose employment characteristics were discussed previously (table 4). No adjustment was made for changes in the dollar value of earnings during the period studied.

Whichever of the distributions is examined, it is inescapable that women comprised the majority of the newly entitled workers with annual earnings credits below \$3,000. Among all women who became entitled in 1965, more than two-fifths earned less than \$2,400 in their year of highest earnings, and for more than half earnings were not above this level in their 5 years of highest earnings.

Women also were in the majority among newly entitled workers with earnings between \$3,000 and \$3,600 in their year of highest earnings and formed two-fifths of those with earnings at this level in their 5 years of highest earnings. Among workers with somewhat higher annual taxable earnings, however, only a fourth of the women, compared with nearly two-thirds of the men, had

TABLE 10.—Workers who became entitled to retirement benefits in 1965: Percentage distribution by taxable earnings in year of highest earnings and highest 5 years, 1951-64

Annual taxable earnings	Earnings of women		Earnings of men		Women as percent of all workers	
	Highest year	High 5 years	Highest year	High 5 years	Highest year	High 5 years
Total ¹	100.0	100.0	100.0	100.0	35.7	35.7
\$1-599.....	9.4	18.5	3.5	6.3	59.9	61.9
600-1,199.....	10.9	12.4	2.9	4.1	67.3	62.9
1,200-1,799.....	11.1	10.4	4.0	4.7	60.4	55.0
1,800-2,399.....	11.4	11.4	4.0	5.4	61.1	54.0
2,400-2,999.....	13.0	12.6	5.5	7.0	56.9	50.2
3,000-3,599.....	11.3	8.9	5.9	7.3	51.4	40.3
3,600-4,199.....	8.4	9.1	9.0	10.3	34.4	33.0
4,200-4,799.....	8.2	8.9	9.4	16.8	32.5	22.6
4,800 or more.....	16.3	7.8	55.8	38.1	13.9	10.2
Median.....	\$2,732	\$2,259	\$4,800	\$4,376	² 56.9	² 51.6

¹ Based on sample of 3,942 women and 7,104 men.

² Ratio (percent) of earnings of women to those of men.

Source: *Continuous Work-History Sample, 1937-66*, 1-percent sample.

"high-5" earnings of \$3,600 or more. Men were more than three times as likely as women to have earnings as high as \$4,800 in any single year of highest earnings and nearly five times as likely to maintain this level in their 5 years of highest earnings.

Whichever measure is used—highest single year or highest 5 years—the median earnings of women workers were between 51 and 57 percent of the corresponding median earnings of men.

Highest Earnings and Benefits

To provide some way of interpreting the low earnings of women workers, the distribution of highest earnings in any year of the 14-year period preceding entitlement in 1965 was related to the number of years of employment in this period. The benefit yield of the total work experience on entitlement was also related to the number of years employed. Women whose entitlement in 1965 was based on their last covered employment

TABLE 11.—Women who became entitled in 1965: Percentage distribution by highest taxable earnings in any year 1951-64 and primary insurance amount (PIA) and by number of years employed, 1951-64

Highest earnings (1951-64) ¹ and PIA ²	Number of years employed, 1951-1964									
	Total number	1-4	5-9	10-14	14	Percentage distribution				
						Total	1-4	5-9	10-14	14
Aged 62 and over										
Number in sample ³	3,963	745	1,025	889	1,304					
Highest earnings, total	100.0	100.0	100.0	100.0	100.0	100.0	18.8	25.9	22.4	32.9
Under \$600	9.4	40.7	5.9	1.1	.1	100.0	81.0	16.0	2.7	.3
\$600-1,199	10.9	23.8	16.6	6.6	2.0	100.0	41.0	39.4	13.7	6.0
1,200-1,799	11.1	16.5	15.9	11.1	4.1	100.0	28.0	37.1	22.6	12.3
1,800-2,399	11.4	6.4	15.7	15.6	7.9	100.0	10.6	35.6	30.8	22.8
2,400-2,999	12.9	5.1	12.6	14.8	16.4	100.0	7.4	25.1	25.7	41.7
3,000-3,599	11.2	2.3	10.3	13.0	15.8	100.0	3.8	23.8	26.1	46.3
3,600-4,199	8.4	1.6	6.3	9.7	13.1	100.0	3.6	19.5	25.7	51.2
4,200-4,799	8.2	1.1	5.8	9.9	13.1	100.0	2.5	18.1	27.0	52.5
4,800 or more	16.4	2.6	10.9	18.0	27.5	100.0	2.9	17.3	24.7	55.2
PIA, total	100.0	100.0	100.0	100.0	100.0	100.0	18.8	25.9	22.4	32.9
Less than \$44	22.8	72.9	28.2	6.9	0.8	100.0	60.1	32.0	6.7	1.2
\$45-49	3.2	5.4	6.0	1.9	.5	100.0	31.7	49.2	13.5	5.6
50-59	5.3	6.3	9.3	5.7	1.4	100.0	22.3	45.0	24.2	8.5
60-69	5.5	6.7	8.2	6.9	1.7	100.0	23.0	38.7	28.1	10.1
70-79	9.5	4.4	12.6	14.4	6.7	100.0	8.7	34.1	33.9	23.3
80-89	10.7	1.9	9.5	16.2	13.0	100.0	3.3	22.9	34.0	39.9
90-99	10.3	1.2	8.2	12.1	16.0	100.0	2.2	20.5	26.4	50.9
100-109	7.4	.9	5.0	8.0	12.7	100.0	2.4	17.3	24.1	56.1
110-119	8.2	.1	4.2	9.8	14.8	100.0	.3	13.3	26.9	59.6
120-129	6.9		3.4	9.4	12.0	100.0		12.7	30.5	56.7
130-134	5.0	.1	3.0	4.6	9.7	100.0	.5	15.6	20.6	63.3
135 or more	5.1		2.4	4.0	10.8	100.0		12.4	17.8	69.8
Aged 62-64										
Number in sample ³	2,022	303	662	519	533					
Highest earnings, total	100.0	100.0	100.0	100.0	100.0	100.0	15.0	32.9	25.7	26.4
Under \$600	7.9	35.0	6.6	1.5	.2	100.0	66.7	27.7	5.0	.6
\$600-1,199	13.4	22.1	20.3	9.0	3.9	100.0	24.8	50.0	17.4	7.8
1,200-1,799	14.5	21.8	16.2	14.8	7.9	100.0	22.5	36.9	26.3	14.3
1,800-2,399	15.3	9.9	17.6	18.5	12.4	100.0	9.7	37.9	31.1	21.4
2,400-2,999	13.9	5.3	12.2	15.0	20.1	100.0	5.7	28.7	27.7	37.9
3,000-3,599	10.4	2.3	9.6	11.0	15.6	100.0	3.3	30.3	27.0	39.3
3,600-4,199	7.0	1.0	5.0	9.0	10.9	100.0	2.1	23.4	33.3	41.1
4,200-4,799	6.8	.7	5.0	9.6	9.9	100.0	1.4	23.9	36.2	38.4
4,800 or more	10.8	2.0	7.7	11.5	19.1	100.0	2.7	23.3	27.4	46.6
PIA, total	100.0	100.0	100.0	100.0	100.0	100.0	15.0	32.8	25.7	26.4
Less than \$44	24.2	61.1	36.0	10.6	1.9	100.0	37.8	49.1	11.2	1.8
\$45-49	5.0	10.2	7.7	2.5	1.1	100.0	30.7	50.5	12.9	5.9
50-59	8.6	10.2	12.3	8.7	2.8	100.0	17.9	47.4	26.0	8.7
60-69	7.9	11.9	8.1	10.2	3.2	100.0	22.5	33.8	33.1	10.6
70-79	12.7	4.3	12.5	17.3	13.1	100.0	5.1	32.4	35.2	27.3
80-89	12.3	2.0	8.1	15.6	20.0	100.0	2.4	21.8	32.7	43.1
90-99	8.9	.3	6.0	10.4	16.7	100.0	.5	21.6	29.7	48.1
100-109	4.7		2.3	6.4	8.8	100.0		15.8	34.8	49.5
110-119	6.1		2.1	8.3	12.6	100.0		11.3	34.7	54.0
120-129	5.4		2.1	7.1	10.9	100.0		12.8	33.9	53.2
130-134	3.7		2.7	2.1	8.6	100.0		24.0	14.7	61.3
135 or more	.3		.2	.8	.4	100.0		(4)	(4)	(4)

See footnotes at end of table.

before 1951 were not included in the analysis (table 11).

Clearly, the higher the benefits, the higher the earnings and the greater the concentration of workers with longer work experience. A larger proportion of women employed in 14 years than in fewer years had annual earnings of at least \$2,400 in their year of highest earnings, and a larger proportion were eligible for monthly benefits of \$90 or more.

Women with highest earnings between \$1,800 and \$2,399 were most often associated with employment in 10-13 years and with benefit amounts of \$70-\$89. Those who never earned more than \$1,799, including women who earned as little as \$600-\$1,199, were more likely to have had employment in 5-9 years than either more or less

work experience, and their benefits most often were in the \$45-\$69 range.

Nearly 4 in every 5 women whose highest annual earnings were less than \$600 had less than 5 years of covered employment and most often qualified for no more than a minimum benefit of \$44. In this group, some were married women or widows who were insured but received larger benefits as dependents of entitled workers than as workers in their own right.

Over four-fifths of the working wives and three-fifths of the working widows whose own benefits were at the minimum received higher auxiliary benefits as entitled dependents in 1964.⁶ No com-

⁶ For tables on dual entitlement, see the *Social Security Bulletin, Annual Statistical Supplement (1960-64)*.

TABLE 11.—Women who became entitled in 1965: Percentage distribution by highest taxable earnings in any year 1951-64 and primary insurance amount (PIA) and by number of years employed, 1951-64—Continued

Highest earnings ¹ and PIA ²	Number of years employed, 1951-64									
	Total	1-4	5-9	10-14	14	Percentage distribution				
						Total	1-4	5-9	10-14	14
Aged 65-71										
Number in sample ³	1,639	182	339	362	756					
Highest earnings, total.....	100.0	100.0	100.0	100.0	100.0	100.0	11.1	20.7	22.1	46.1
Under \$600.....	3.7	2.6	3.2	.6	.7	100.0	78.3	18.3	3.3	
\$600-1,199.....	5.6	2.6	8.8	2.8	4.7	100.0	51.1	32.6	10.9	5.4
1,200-1,799.....	7.2	2.1	14.2	5.5	1.6	100.0	32.2	40.7	16.9	10.2
1,800-2,399.....	8.1	.6	12.7	11.9	4.6	100.0	8.3	32.6	32.6	26.5
2,400-2,999.....	13.7	.9	14.2	14.9	13.9	100.0	7.6	21.4	24.1	46.9
3,000-3,599.....	13.7	.3	12.1	16.0	15.9	100.0	2.3	18.3	25.9	53.6
3,600-4,199.....	11.2	.2	9.4	10.5	14.4	100.0	2.2	17.5	20.8	59.6
4,200-4,799.....	11.3	.3	7.4	10.2	15.6	100.0	2.7	13.5	20.0	63.8
4,800 or more.....	25.7	.4	18.0	27.6	33.3	100.0	1.9	14.5	23.8	59.9
PIA, total.....	100.0	100.0	100.0	100.0	100.0	100.0	11.1	20.7	22.1	46.1
Less than \$44.....	9.6	61.0	11.2	1.7	.3	100.0	70.7	24.2	3.8	1.3
\$45-49.....	1.2	3.3	2.7	.8	.1	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
50-59.....	2.0	7.1	3.5	1.4	.4	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
60-69.....	3.1	7.7	7.7	1.7	.7	100.0	27.4	51.0	11.8	9.8
70-79.....	7.4	11.0	13.6	10.5	2.4	100.0	16.4	37.7	31.1	14.8
80-89.....	10.4	2.7	12.7	17.1	7.9	100.0	2.9	25.3	36.5	35.3
90-99.....	13.2	2.7	12.7	14.6	15.3	100.0	2.3	19.8	24.4	53.5
100-109.....	11.9	3.8	10.6	10.5	15.1	100.0	3.6	18.5	19.5	58.5
110-119.....	12.0		8.6	11.9	16.5	100.0		14.7	21.8	63.5
120-129.....	9.9		5.9	12.7	12.8	100.0		12.3	28.2	59.5
130-134.....	7.5	.5	3.8	8.3	10.4	100.0	.8	10.6	24.4	64.2
135 or more.....	11.7		7.1	8.8	18.0	100.0		12.5	16.7	70.8
Aged 72 and over										
Number in sample ³	303	260	20	8	15					
Highest earnings, total.....	100.0	100.0	(⁴)	(⁴)	(⁴)	100.0	85.8	6.6	2.6	5.0
Under \$600.....	51.2	57.7	(⁴)	(⁴)	(⁴)	100.0	96.8	3.2		
\$600-1,199.....	23.1	24.2	(⁴)	(⁴)	(⁴)	100.0	90.0	7.1	2.9	
1,200-1,799.....	9.2	7.3	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
1,800 or more.....	16.5	10.7	(⁴)	(⁴)	(⁴)	100.0		(⁴)	(⁴)	(⁴)
PIA, total.....	100.0	100.0	(⁴)	(⁴)	(⁴)	100.0	85.8	6.6	12.6	5.0
Less than \$44.....	85.1	95.0	(⁴)	(⁴)	(⁴)	100.0	95.7	4.3		
\$45-69.....	5.7	2.3	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
70 or more.....	9.2	2.7	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)

¹ Annual limit on taxable earnings was \$3,600 in 1951-54, \$4,200 in 1955-58, and \$4,800 in 1959-64.

² As of December 31, 1965.

³ Excludes women with no covered employment, 1951-64.

⁴ Not shown for base less than 50.

parable data are available for a more recent year, but the administrative record of benefits in current-payment status indicate that, at the end of 1967, about 30 percent of the currently payable minimum benefits of women workers involved higher total payments as dually entitled auxiliary beneficiaries. More than half these benefits were actuarially reduced because of age.

The observed relationship between highest earnings, number of years in covered employment, and level of the primary insurance amount (PIA) is unmistakably defined, both among women in the older retirement ages 65-71 and among the relatively younger women who became entitled to retirement benefits at ages 62-64. Earlier, it was shown that in 1937-64, except for those last employed in 1964, the proportion of relatively long-term workers at the younger retirement ages was greater than for those aged 65 and older. It now can be seen that a larger proportion of "regular" than of early retirees had annual earnings of \$3,000 or more and benefit amounts of \$100 or more. The small group among those who became entitled at ages 65-71 and qualified for only minimum benefits seldom had earnings as high as \$1,200 or covered employment in as many as 5 years. Among the larger group of early retirees similarly qualified, with highest earnings also less than \$1,200 a year, a relatively larger proportion had employment in 5-9 years (table 11).

The clustering of benefits of women who were

aged 72 and older around the minimum level results from the combination of fewest years of covered employment and lowest earnings, which even in the year of highest earnings were mostly below \$600. That most of these women qualified for less than the \$44 minimum benefit reflects their eligibility under the transitional insured-status provision of the 1965 amendments. Under the provision, they could qualify for a special \$35 benefit with a minimum of 3 quarters of coverage instead of the 14 needed in 1965 for a benefit of \$44 or more (table 11).

BENEFITS CURRENTLY PAYABLE TO WOMEN

Retirement Benefits

For women workers, the retirement benefits currently payable at the end of 1967 were sufficiently above the statutory minimum to refute any notion of insubstantial covered employment. Their average monthly benefit of \$72.30 was nearly two-thirds higher than the \$44 statutory minimum. The unreduced benefit of \$79.25 for retirement at age 65 or later was 80 percent above that level, and the actuarially reduced benefit of \$66.01 for retirement at ages 62-64 was 50 percent above (table 12).

It comes as no surprise, however, that a much higher proportion of women than of men were

TABLE 12.—Retirement benefits in current-payment status, December 31, 1967: Percentage distribution by reduction status and monthly benefit amount

Monthly benefit amount	Women's benefits			Men's benefits			Women's benefits as percent of total		
	Total	Not reduced	Reduced	Total	Not reduced	Reduced	Total	Not reduced	Reduced
Number in sample ¹	4,805	2,284	2,521	7,128	5,182	1,946			
Percent.....	100.0	100.0	100.0	100.0	100.0	100.0	40.3	30.6	56.4
Less than \$44.00.....	12.1		23.1	3.9		14.2	67.9		67.9
\$44.00.....	9.9	20.0	.8	6.2	8.5	.2	51.8	50.9	86.5
44.10-49.90.....	5.6	3.3	7.7	2.3	1.5	4.2	62.4	48.1	70.4
50.00-59.90.....	12.0	8.1	15.5	5.3	4.2	8.3	60.3	45.9	70.7
60.00-69.90.....	12.2	9.9	14.3	6.7	5.2	10.6	55.1	45.5	63.5
70.00-79.90.....	11.3	11.5	11.1	8.3	7.5	10.3	47.8	40.3	58.1
80.00-89.90.....	10.0	11.9	8.4	8.8	8.6	9.3	43.6	38.0	53.7
90.00-99.90.....	8.7	10.2	7.3	8.5	7.9	10.1	40.8	36.2	48.5
100.00-109.90.....	7.5	8.1	7.0	9.4	7.8	13.9	34.8	31.2	39.4
110.00-119.90.....	4.4	6.5	2.6	12.8	14.2	9.0	19.0	16.8	27.0
120.00-129.90.....	3.3	5.3	1.4	15.6	18.5	7.9	12.5	11.3	19.1
130.00-134.90.....	1.6	2.5	.7	8.3	10.7	1.9	11.2	9.5	31.5
135.00 or more.....	1.3	2.7	(?)	3.9	5.3	(?)	19.0	18.5	63.1
Average benefit.....	\$72.30	\$79.25	\$66.01	\$94.77	\$99.74	\$81.53			
Ratio of women's benefit to men's.....	76	80	81						

¹ Excludes transitionally insured workers.

² Less than 0.05 percent.

Source: *Social Security Bulletin, Annual Statistical Supplement, 1967*, table 78.

paid minimum or less than minimum benefits. In fact, the majority of workers who received such benefits were women. This situation reflects, in part, the larger proportion of women with very low earnings, with barely enough covered employment, and with reductions for early retirement.⁷ Of all the workers who received benefits, however, less than one-fourth of the women and only one-tenth of the men received benefits at or below the minimum. Moreover, men with minimum benefits were more likely than women to have qualified for higher pensions under other retirement systems.⁸

Women also represented more than half of all retirees with benefit payments of less than \$70 and nearly two-thirds to nine-tenths of all retirees with reduced benefits at this level. The nearly one-half of all women at higher benefit levels included the 30 percent receiving between \$70.00 and \$99.99 in benefits, and these women also comprised the majority or nearly the majority of retirees at these levels with actuarial reductions for early retirement. The higher the benefit level, however, the lower the proportion taking reduced benefits. For women, the decline was noticeable at benefit levels of \$80 or more; for men, the drop occurred at levels of \$110 or more, where the proportion for women was only about 10 percent.

On the average, the retirement benefit of women workers was 76 percent of the average amount for men. When reduction status of the benefit is considered, the comparable average for those receiving full benefits becomes 80 percent and for those taking reduced benefits, it is 81 percent. These ratios may appear high in comparison with the ratio of women's covered earnings to those of men (table 10). A partial explanation of the difference lies in the relatively fuller coverage of the generally lower earnings of women than of men, whose annual earnings above the taxable limits were excluded from the benefit computations.

Another perhaps more crucial factor for women and other persons with typically low earnings is the differential effect of the "bent formula" used in the benefit computations, which allows a larger percentage replacement of low earnings than of

all taxable earnings. If, for example, the monthly equivalents of the median earnings in their "high-5" years—\$2,259 for women and \$4,376 for men—were taken as the "average monthly earnings" used in the benefit computations (under the formula in effect before the 1968 benefit increase), the computation would involve 62.97 percent of the first \$110 of average monthly earnings and 22.9 percent of the next \$290.

A hypothetical benefit of \$87.20 for women and \$127.60 for men would result from the assumed average monthly earnings. Since the \$110 element in the benefit formula would apply to 58 percent of the earnings of women but only to 30 percent for men, the earnings-replacement ratio would be as low as 35 percent for men, compared with a more favorable 46 percent for women.

In effect, the "bent formula" always favors the relatively disadvantaged workers. In the early years of the social security program, when unemployment rates were high, this was particularly important for men with families to support. Today the bent formula is most beneficial to workers with low earnings, among whom minority groups and women workers rank high.

Women Primary and Auxiliary Beneficiaries

The number of women who became entitled to retirement benefits in their own right rose spectacularly from 1.2 million to 4.8 million in the relatively brief period between 1955 and 1967 (table 13). Measured against the number entitled in 1950 or earlier, the increase would, of course, be even more phenomenal. In 1950, less than 30 percent of the women aged 65 and older who were entitled to social security benefits as wives, widows, or workers had qualified as retired workers. In 1955, the proportion of entitled workers in the combined categories was 40 percent. Since 1956, when the retirement age for women was lowered to age 62, the proportion has approached 50 percent.

Entitled women workers usually realized retirement benefits that were larger than the auxiliary benefits for wives but less than that of surviving widows. One reason for this situation is that the wife's benefit is based on 50 percent of her worker husband's primary insurance amount and

⁷ See Lenore A. Epstein, "Early Retirement and Work-Life Experience," *Social Security Bulletin*, March 1966.

⁸ Unpublished data from the study on which the article by Elizabeth Heidbreder, cited earlier, is based.

TABLE 13.—Women beneficiaries with no children in their care: Number and average monthly benefits in current-payment status, by type, at end of selected years, 1950-67

Year	Total	Women workers							Wives ¹		Widows ²		
		Total number	Retired				Disabled, aged 60-64		Number	Average monthly benefit	Number	Average monthly benefit	
			Number	As percent of all in specified beneficiary categories	Average monthly benefit		Number	Average monthly benefit					
					Amount	As percent of—							Average wife's benefit
1950.....	1,115	302	302	27.1	\$35.05	147.3	96.0	(³)	(³)	499	\$23.79	314	\$36.50
1955.....	3,047	1,222	1,222	40.1	49.93	148.5	102.5	(³)	(³)	1,125	33.63	700	48.70
1960.....	6,590	2,882	2,845	43.2	59.67	152.3	103.4	37	\$76.48	2,166	39.19	1,542	57.70
1965.....	9,195	4,363	4,276	46.5	70.07	157.8	94.8	87	84.90	2,463	44.41	2,369	73.90
1966.....	9,815	4,725	4,624	47.1	70.79	158.7	95.5	101	85.28	2,491	44.50	2,599	74.11
1967.....	10,243	4,973	4,859	47.4	71.92	160.2	95.9	114	85.50	2,503	44.90	2,767	74.99

¹ Aged 62 and older with no children in their care.

² For 1965-67, includes widows aged 60-61, widows of disabled workers, and surviving divorced wives.

³ Disabled-worker benefits first payable for July 1957.

Source: *Social Security Bulletin, Annual Statistical Supplement, 1967*, table 68, and corresponding table in *Annual Statistical Supplement* for specified years.

the widow's benefit is based on a higher proportion (75 percent until 1961 and 82.5 percent thereafter).

The data show that the average benefit for women workers was about 60 percent more than the wife's auxiliary benefit in the years 1965 through 1967, and half again as much as for wives in the earlier years. Similarly in other years, the woman worker's retirement benefit was relatively larger than the wife's benefit.⁹

In 1967, the woman worker's average benefit of \$72 was larger than the highest benefit payable to a wife on the basis of her husband's earnings. Even if his earnings had always been at the taxable limit until his retirement at the end of 1966, his "average monthly earnings" would have been only \$400, not the \$440 needed to produce a wife's benefit equal to her own average retired-worker benefit.

Not so, however, for the widow's benefit. Before the 1961 amendments, as the labor-force activity of women gained momentum and their earnings increased, their own benefit as retired workers, on the average, caught up with and slightly surpassed the level for widows. Since 1961, when the proportion of the PIA used for widow's bene-

fits increased, the auxiliary benefit was about 5 percent larger than the benefit for women workers. One other important factor is that the benefits of widows are not actuarially reduced at 62-64, but those of workers and wives are reduced at these ages, and the majority of women file early for their benefits.

Some fully insured women workers need and obtain income support from a social security benefit before they are old enough to become eligible for retirement benefits. At the end of 1967, over 321,000 disabled women workers were receiving social security benefits. Somewhat over a third of these women—more than 114,000—were approaching retirement age, and nearly two-thirds were younger women. Their disability benefits were generally higher than those for the retired, because they were based on more recent covered employment than that required for retirement. In addition, the disability-freeze provision protects their earnings record against the risk of deterioration because of their inability to work and thus makes it possible for the disabled of any age to receive a benefit as high as they might expect to receive on retirement at age 65.

⁹ See the *Social Security Bulletin, Annual Statistical Supplement, 1967*, tables 65 and 72; see also comparable data in earlier annual issues. In general, the comparisons above are for women workers and for wives and widows aged 62 and older without entitled children. Widows aged 60-61 are included in the data for aged widows for 1965 and later.

POSTTITLEMENT EARNINGS OF WOMEN

To women, the importance of income from their own employment can be sensed from the considerable proportion who worked for several

TABLE 14.—Postentitlement employment and median earnings of workers aged 62 and over who became entitled to retirement benefits, by sex, 1957-64

Year of entitlement and age in that year	Number of entitled workers in sample	Percent with employment 1 or more years ¹	Percent employed by years after entitlement							Median earnings by years after entitlement						
			First	Second	Third	Fourth	Fifth	Sixth	Seventh	First	Second	Third	Fourth	Fifth	Sixth	Seventh
Women:																
1957	4,055	51.2	44.5	33.0	27.6	24.4	20.6	16.8	14.0	\$889	\$923	\$930	\$887	\$935	\$928	\$963
1958	3,385	50.9	44.1	32.8	27.3	23.9	20.3	17.4	14.9	866	905	961	950	988	961	996
1959	3,306	51.4	45.7	34.0	28.4	24.5	20.4	17.5	14.1	989	1,013	1,023	1,003	967	962	971
1960	4,388	50.3	44.9	33.1	28.2	24.0	20.0	15.7	-----	1,050	1,024	1,033	1,042	1,050	1,080	-----
1961	4,374	48.9	44.0	32.8	28.1	23.0	18.4	-----	-----	1,134	1,076	1,038	1,061	1,085	-----	-----
1962	3,926	48.7	43.8	32.9	27.6	22.5	-----	-----	-----	1,094	1,030	1,031	1,033	-----	-----	-----
1963	3,746	46.9	42.7	32.3	25.2	-----	-----	-----	-----	1,112	1,034	1,131	-----	-----	-----	-----
1964	4,315	46.9	44.3	32.8	-----	-----	-----	-----	-----	1,264	1,318	-----	-----	-----	-----	-----
Men:																
1957	7,244	52.6	43.7	32.7	26.8	22.6	19.4	15.9	13.7	1,059	1,057	1,060	1,102	1,107	1,107	1,157
1958	6,277	50.8	42.3	32.1	26.8	23.1	19.4	16.0	13.8	1,061	1,064	1,069	1,076	1,083	1,083	1,166
1959	6,345	52.4	44.3	33.9	27.5	23.3	19.7	17.1	12.0	1,131	1,082	1,092	1,091	1,092	1,114	1,186
1960	8,186	55.4	49.0	34.5	28.2	24.4	21.0	15.8	-----	1,369	1,161	1,153	1,165	1,158	1,234	-----
1961	10,923	52.8	45.3	32.9	27.7	23.9	17.3	-----	-----	1,206	1,082	1,073	1,096	1,175	-----	-----
1962	7,283	58.8	51.7	37.9	32.3	23.9	-----	-----	-----	1,337	1,175	1,181	1,282	-----	-----	-----
1963	6,308	59.5	52.9	39.7	30.0	-----	-----	-----	-----	1,389	1,180	1,330	-----	-----	-----	-----
1964	7,404	63.8	60.7	42.1	-----	-----	-----	-----	-----	3,197	1,947	-----	-----	-----	-----	-----

¹ Includes those with reduced benefits (available for women in November 1956 and for men in September 1961).

Source: *Continuous Work-History Sample, 1937-66, 1-percent sample.*

years after becoming entitled to a retirement benefit—a proportion in some years larger than that for men. From 1957—the first full year that the option of retirement at age 62 was available to women—through 1960, more than half the newly entitled women workers continued to work for at least one more year, about one-fifth worked for 5 years, and smaller proportions for 7 or more years—patterns essentially the same as those for men (table 14).

It was among the women who waited until they were aged 65 or older to become entitled, rather than among the younger early retirees, that the proportion who worked after entitlement was as large, and in some years larger, than that for men (table 15). Among women who retired early and who were more likely than were older women to be married, the proportion employed after entitlement dropped since the option for early retirement first became available. Even in this group, however, one-third to one-half had some covered employment beyond their year of entitlement in the period 1957-64.

Among the small group of women who postponed entitlement until age 72 or later a considerable proportion continued to have some employment. This group, of course, was not subject to earnings-test limitations, and apparently those who did work often had higher postentitlement earnings than most younger retirees, at least in the early years of the period.

Men and women who were early retirees had

the lowest postentitlement income from employment. Their median earnings were well within the suspension-free zone of the earnings test,¹⁰ and the women averaged somewhat less than the men.

Among older retirees, who were aged 65-71 on entitlement, there appeared in the first years of postentitlement employment to be a scaled-down replication of the traditional roles of the sexes with respect to earnings levels. In these years, the respective average earnings of men and women either fell into the earnings-test penalty zone in which the "\$1 for \$2" rule applied or could have been subject to some suspension of benefits because of excess earnings. Subsequently, however, the earnings of both men and women were cut back probably in part to minimize the loss of benefit income. From then on, the postentitlement earnings were not very different for men and women—an indication that employment contributed toward maintaining the level of living in the retirement years, no less for women than for men.

¹⁰ Between 1957 and 1960, up to \$1,200 a year could be earned without loss of benefits. From January to June 1961, workers also could retain \$1 for every \$2 in earnings between \$1,200 and \$1,500; from July 1961 to December 1965, the \$1-for-\$2 band was extended to \$1,700 and, beginning in 1966, to \$2,700, and the suspension-free amount was raised to \$1,500. For a fuller discussion of the earnings test, see Kenneth D. Sander, "Retirement Test: Effect on Older Workers," *Social Security Bulletin*, June 1968.

TABLE 15.—Postentitlement employment and median earnings of workers who became entitled to retirement benefits, by age, group and sex, 1957-64

Year of entitlement and age in that year	Number of entitled workers in sample	Percent with employment 1 or more years	Percent employed by years after entitlement							Median earnings by years after entitlement						
			First	Second	Third	Fourth	Fifth	Sixth	Seventh	First	Second	Third	Fourth	Fifth	Sixth	Seventh
Women																
62-64:																
1957	1,872	47.8	40.0	31.7	26.4	22.8	19.8	16.7	14.2	\$712	\$739	\$751	\$773	\$846	\$789	\$789
1958	1,720	46.3	38.2	29.9	25.1	22.3	19.2	16.7	14.3	706	750	806	790	848	774	738
1959	1,681	44.7	37.9	29.7	25.3	22.2	18.7	17.1	14.0	804	865	855	852	831	800	885
1960	2,219	40.3	33.8	26.9	24.0	20.5	17.9	14.6		743	754	787	845	866	907	
1961	2,382	39.6	33.6	27.5	23.7	19.5	16.3			818	900	825	905	864		
1962	2,340	41.6	35.6	29.2	24.5	20.6				810	780	814	848			
1963	2,307	38.8	34.0	28.3	23.3					877	911	1,028				
1964	2,460	35.9	32.5	25.9						850	921					
65-71:																
1957	1,759	52.9	46.7	34.0	29.2	26.2	21.5	17.2	14.5	1,004	1,011	1,011	928	962	997	1,114
1958	1,408	54.5	48.8	34.5	28.7	25.3	21.4	18.8	16.2	974	1,009	1,045	1,036	1,082	1,098	1,168
1959	1,429	56.8	51.9	37.2	31.1	26.6	21.6	17.8	14.8	1,065	1,071	1,093	1,058	1,056	1,086	1,041
1960	1,962	61.3	56.7	39.8	32.9	28.0	23.0	17.7		1,243	1,149	1,145	1,164	1,163	1,230	
1961	1,817	60.0	56.5	38.8	33.5	27.8	21.8			1,555	1,229	1,189	1,181	1,283		
1962	1,426	60.2	56.5	39.4	33.2	26.7				1,678	1,317	1,257	1,311			
1963	1,328	60.0	56.9	39.5	29.4					1,607	1,173	1,358				
1964	1,709	63.0	61.2	43.7						2,426	1,874					
72 and over:																
1957	424	59.2	55.0	34.9	26.9	24.3	20.3	15.3	11.3	1,310	1,400	1,489	1,388	1,440	1,383	1,400
1958	257	61.9	57.6	42.8	34.2	27.2	21.8	14.4	12.5	1,629	1,633	1,700	1,800	1,400	1,700	(1)
1959	196	68.9	66.8	48.5	35.2	28.6	26.0	17.9	10.2	1,820	2,100	2,250	2,400	2,650	1,900	(1)
1960	206	54.4	52.4	36.4	28.6	23.3	14.1	9.2		1,533	2,260	2,100	2,400	(1)	(1)	
1961	175	58.3	56.6	42.9	31.4	20.6	11.4			1,375	1,350	1,433	1,400	(1)	(1)	
1962	160	48.8	48.7	29.4	22.5	14.4				1,000	(1)	(1)	(1)	(1)	(1)	
1963	111	56.8	55.0	30.6	16.2					1,071	(1)	(1)	(1)	(1)	(1)	
1964	146	45.2	44.5	22.6						1,288	(1)	(1)	(1)	(1)	(1)	
Men																
62-64:																
1957 ²																
1958 ²																
1959 ²																
1960 ²																
1961	4,154	46.5	37.2	29.2	24.0	21.0	15.1			\$801	\$810	\$771	\$816	\$866		
1962	2,955	53.1	43.4	34.7	30.1	22.9				973	976	1,023	1,063			
1963	2,601	53.6	44.6	37.0	29.3					970	976	1,130				
1964	2,661	50.5	45.5	33.1						1,034	1,153					
65-71:																
1957	5,999	49.7	39.9	30.0	24.8	21.3	18.4	15.2	13.3	942	944	944	1,006	1,015	1,014	\$1,039
1958	5,655	48.6	39.7	30.0	25.2	21.9	18.4	15.3	13.1	991	1,004	1,001	1,012	1,004	1,010	1,068
1959	5,824	50.8	42.2	32.2	26.3	22.2	18.8	16.3	11.7	1,068	1,025	1,031	1,028	1,030	1,047	1,089
1960	7,784	54.4	47.8	33.4	27.2	23.4	20.2	15.3		1,313	1,119	1,113	1,118	1,112	1,177	
1961	6,537	56.7	50.2	35.8	30.1	25.8	18.8			1,689	1,199	1,178	1,198	1,311		
1962	4,142	63.3	57.8	40.5	34.1	25.0				2,143	1,326	1,332	1,392			
1963	3,604	64.0	59.0	41.7	30.6					2,616	1,362	1,462				
1964	4,630	71.8	69.7	47.6						4,644	3,753					
72 and over:																
1957	1,245	66.5	62.5	45.6	36.4	29.0	24.3	19.3	15.3	2,107	2,150	2,285	2,492	2,582	2,325	2,667
1958	822	70.4	65.4	50.8	41.2	33.4	27.8	22.3	20.6	3,041	2,920	2,775	2,950	2,883	3,025	3,000
1959	521	70.6	68.7	52.8	41.8	36.1	30.9	26.5	15.2	3,160	3,125	3,200	2,900	2,871	2,650	2,850
1960	402	75.6	71.9	56.2	48.0	42.5	35.1	24.1		3,700	3,750	3,443	3,525	3,625	3,140	
1961	230	57.8	53.5	35.2	25.7	22.2	13.9			2,386	2,350	3,300	3,433	(1)	(1)	
1962	186	51.1	47.3	32.8	27.4	17.7				2,200	2,367	2,567	(1)	(1)	(1)	
1963	103	53.4	50.5	38.8	25.2					1,900	(1)	(1)	(1)	(1)	(1)	
1964	112	48.2	48.2	28.6						3,200	(1)	(1)	(1)	(1)	(1)	

¹ Not shown for base less than 50.

² Benefits not payable to men under age 65 until September 1961.

Source: *Continuous Work-History Sample, 1937-66*, 1-percent sample.

SUMMARY AND CONCLUSIONS

1. Because of the uptrend in employment of middle-aged and older women in the past three decades and their more-than-moderate attachment to full-time, full-year work, an increasing proportion have become entitled in their own right to retirement and other benefits under OASDHI.

2. Data on the duration and recency of employment of women who became entitled to retired-worker benefits in 1965 show that nearly half the women had worked in at least 14 years and more than one-fourth in 20 or more years of the 28-year period since the beginning of social security coverage. The majority were last employed in the year immediately preceding entitlement and two-thirds within 3 years. Almost half

the women newly entitled in 1965 were early retirees. Even among those last employed in the 1950's, the majority worked in at least 9 years and a substantial minority had a longer period of work attachment.

3. Nearly 70 percent of all women workers aged 62 and over in 1965 were fully insured at the beginning of 1966, but only 57 percent actually had claimed and were entitled to retirement benefits. The others either had not yet filed or were not yet ready to retire from regular employment. Included among the uninsured 30 percent were late entrants or reentrants to covered employment and a considerable proportion of women aged 65 and over. Included among the latter were women aged 72 and older who undoubtedly qualified later for a small flat benefit under the transitional provision or the 1966 provision for the uninsured.

4. The ratio of the median annual taxable earnings of women to the corresponding average for men is higher than the ratio based on total average annual earnings—largely because earnings above the maximum taxable limit formed a large proportion of men's total earnings but an almost negligible proportion for women. The earnings ratio (based on either taxable or total earnings) was higher for women aged 50 and over than for all women. The higher ratios for older women reflect both their above-average earnings and the tendency for their earnings to fall relatively less, with aging, than the earnings of men.

5. Women comprised the majority of all newly entitled workers who received less than \$3,000 a year in their year of highest earnings or in the highest 5 years in the period 1951-64. The earnings ratios for women also call attention to the low median earnings of men. The averages for men at least in part are held to artificially low levels by the maximum taxable cut-off, but the earnings of women are actually and historically low.

6. A high correlation was observed between the highest earnings in any year, the number of years employed, and of course, the benefit level of the women who became entitled in 1965. A relatively large proportion of women employed in all 14 years from 1951 to 1964 had annual earnings of \$3,000 or more in their year of highest

earnings and a very large proportion had monthly benefit amounts of \$90 or more. Nearly 4 in every 5 women whose highest annual earnings were less than \$600 had fewer than 5 years of covered employment and most often qualified for no more than a minimum benefit of \$44. For women aged 72 and older, the clustering of benefits around the minimum level reflects the combination of least recent employment, fewest years worked, and lowest earnings.

7. Despite heavy weighting of actuarial reductions for early retirement in the benefits of women workers, their average benefit payment at the end of 1967 was \$72.30, or nearly three-fourths as high as that for men. The surprisingly high ratio for women reflects not only the fact that their earnings were almost entirely taxable while a large proportion of the earnings of men exceeded taxable limits and thus were excluded from the benefit computations, but also the effect of the "bent formula" which was designed to allow a larger benefit replacement of low earnings than of all earnings.

8. Women comprised the majority of workers at the minimum benefit level, but these women constituted less than a fourth of all women receiving benefits.

9. The phenomenal increase in the number and proportion of women qualifying for benefits in their own right was relatively greater than the growth in auxiliary benefit groups such as wives or widows. The woman worker's benefit was about 60 percent higher than the benefit for wives and only about 5 percent lower than that for widows. The average widow's benefit reflects actuarial reductions only for those younger than age 62 while the average benefit for women workers (or wives) reflects actuarial reductions at ages 62-64.

10. Almost as large a proportion of women as of men were employed after their entitlement to retirement benefits. A larger proportion of women aged 65 and over than of younger women had postentitlement employment. The postentitlement earnings of women who continued to work for a few years were about as high as for men. This indicates that even in the retirement years income from employment was important to almost as large a proportion of women as men.