

ample, in 1939 the act provided that the maximum family benefit should be the smaller of \$85 or 80 percent of the average wage or two times the primary insurance amount. Since the average wage was \$105 a month in that year, and, of course, much higher from 1939 until 1950 as wages and prices rose, the \$85 maximum became a very restrictive factor in the estimation of maximum family benefits. For example, in 1949 the average monthly wage was \$238. But the limitation of \$85 meant that, although the average wage was \$238, the limitation of \$85 reduced benefits to roughly about one-third of the average wage of that period. By 1950 the average wage was \$250 and the maximum benefit was \$150. By that time the restrictive effect of the maximum dollar benefit was less than in the late 1940's. By 1958, 80 percent of the average monthly wages was \$290 and the maximum expressed in dollars was \$254, and therefore, the restrictive effects of the provision for a maximum dollar amount on higher incomes was greatly reduced.