The levels and compositions of family incomes of retirees is examined and compared to those of civilians in their age-education classes to determine whether existing differences in labor force behavior are associated with differences in levels and compositions of family income implied by economic theory.

TABLE 2.—COMPARISON OF LABOR FORCE PARTICIPATION RATES OF MILITARY RETIREES AND ALL CIVILIANS AND ACTUAL AND EXPECTED NUMBER OF WHITE RETIREES IN THE LABOR FORCE

Level of school completed and age	Labor force participation rate of—		Number of white retirees in the labor force	
	Retirees	Civilians	Actual	Expected [1]
Less than 8 yr.:				
35 to 44 yr.	0.986	0.938	1,160	1,106
45 to 54 yr.	.953	.907	1,833	1,750
55 to 64 yr.	.741	.802	1,686	1,844
65 yr. or more	.244	.216	279	267
9 to 11 yr.:				
35 to 44 yr.	.984	.970	2,035	2,009
45 to 54 yr.	.968	.959	3,118	3,094
55 to 64 yr.	.783	.872	1,703	1,093
65 yr. or more	.281	.292	223	235
12 yr.:				
35 to 44 yr.	.989	.986	10,832	10,782
45 to 54 yr.	.972	.972	13,470	13,464
55 to 64 yr.	.830	.892	2,214	2,392
65 yr. or more	.354	.347	215	214
13 to 15 yr.:				
35 to 44 yr.	.981	.979	4,277	4,269
45 to 54 yr.	.971	.974	7,505	7,530
55 to 64 yr.	.831	.894	1,632	1,761
65 yr. or more	.370	.388	269	286
16 yr.:				
35 to 44 yr.	.963	.994	643	662
45 to 54 yr.	.950	.977	1,900	1,950
55 to 64 yr.	.765	.892	729	853
65 yr. or more	.336	.383	184	208
17 yr. or more:				
35 to 44 yr.	.962	.991	502	515
45 to 54 yr.	.963	.984	2,177	2,224
55 to 64 yr.	.823	.888	1,118	1,209
65 yr. or more	.453	.610	266	359

[1] The expected number of retirees in the labor force is calculated by applying the civilian labor force participation rate for each group to the total number of retirees in that group of the sample.

Source: App. A and U.S. Bureau of Labor Statistics, "Educational Attainment of Workers, March 1965," Special Labor Force Rept. No. 65, table E.

Family income varies systematically with both age and level of school completed of white military retirees. In a given age group total family incomes are higher for retirees with greater amounts of schooling completed. The age-income profiles differ considerably among retirees with differing amounts of schooling completed (figure 2). Incomes decline as age increases for retirees in the two lowest levels of education groups. It peaks in the 45- to 54-year-old group and then declines as age increases for the next two education groups. For retirees with 16 or more years of school completed, income rises with age until the 55- to 64-year-old group, and declines for retirees who are 65 and older.