payments now go to those older persons who are not and are not likely to become dependents, while millions of children, widows, and the disabled in younger age brackets are very poorly provided for. Using the poverty level index, in 1966 only 25 percent of all aged beneficiaries had incomes above the poverty level, if OASDI benefit income is omitted, but 36 percent were kept above the poverty line by the OASDI benefit income. It would require an expenditure of $2.2 billion annually to raise the income of the remaining 39 percent to the poverty line. The primary cause of low-benefit levels appears to be the low level of prior earnings of so many of those currently receiving benefits. Hence, in order for OASDI to provide incomes high enough to lift 4 million older persons and couples above the poverty line, a minimum benefit of $100 per month would be needed.

Unquestionably there has been a phenomenal growth in persons covered, size of benefit payments, and number of beneficiaries of private pension plans since 1950. The rate of growth has been declining rapidly, however. At current rates of growth, approximately half the labor force will not be covered by private pension plans in the forseeable future, and apparently the population over 65 is now increasing faster than the number of beneficiaries—by the order of about 3 to 2. If the Nation is serious about providing an adequate income for older retired people, it will have to do so through a greatly improved public old-age insurance system. There is the question of whether, in the face of all the other needs, additional funds should be spent on older people. Numerous economists have proposed the introduction of some form of needs test to reduce the cost of old-age benefits, using the saving to improve the well-being of dependent children, widows, and the sick and disabled. A decision on such an issue is most difficult, but there are other ways of reclaiming insurance benefits received by thoses who are above the economic support line—for example, taxing OASDI benefits attributable to the employer's contribution, which would not undermine the contributory character of the OASDI system. There is a great deal to be said for finishing the job of providing adequate income for all older people using the present system. This goal is now within sight.

ROBERT BALL: SOME REFLECTIONS ON SELECTED ISSUES IN SOCIAL SECURITY

Our national social insurance system as we have it today (with all the need there is for improvement) is right now a tremendously successful program, which has changed the face of America in one short generation. Twenty-four million people who otherwise would be among our most economically vulnerable group—the retired aged, widowers, and orphans, and the totally disabled—have income they can count on month after month as a matter of right. That this has been accomplished with the enthusiastic acceptance of the vast majority of Americans speaks well for the principles on which the program is founded. These principles have not only been widely accepted but have stood the test of practical operation for a generation.