what the NEW social security means to you

employees' and employers' new rate

1958	2¼%
1959	2½%
1960-62	3 %
1963-65	3½%
1965-68	4 %
1969 and thereafter	4½%

self-employed new rate

1958	3⅜%
1959	3¾%
1960-62	4½%
1963-65	5¼%
1965-68	6 %
1969 and thereafter	6¾%

You'll be paying more to support the program—be sure you don't miss any of its benefits.

by Joseph N. Bell

IN A SMALL upstate New York town last year, a young widow with two small children was spending upwards of 12 hours a day scrubbing floors to make enough money to keep her going.

In Illinois, a 71-year-old man had exhausted his savings and was desperately trying to avoid asking help from his children.

About the same time, the widow of an Army sergeant—killed in a military accident—was forced to break up her home on the West Coast and seek foster parents for her five children.

These widely scattered people with widely divergent problems had one pathetic thing in common: each was eligible for sizable Social Security payments—*and didn't realize it.*

The first widow didn't know that dependents can draw Social Security benefits even though the deceased husband hadn't reached the age of 65; the elderly man thought that Social Security was only for the impoverished and had pauperized himself before seeking it; and the Army widow wasn't aware that military service counts in adding up the period of time needed for Social Security coverage.

These are just three of the many thousands of Americans who, out of ignorance or apathy, fail to collect what is due them from the Social Security program to which they contributed. In September, President Eisenhower signed into law a new Social Security bill which liberalized benefits considerably. Every American should know the provisions of this bill and understand what it means to him.

Specifically, the new Social Security law:

1. Increased benefits by about 7 percent.

2. Raised the maximum allowable monthly benefit (principally for widows with dependent children) from $200 to $254.

3. Liberalized the work requirements for disabled workers to benefit from the program, and provided payments for their dependents.

4. Enhanced the earning power of retired workers. Although the maximum allowable yearly income remains at $1,200, retired workers can now draw monthly benefit checks for any month in which they did not earn $100 or more.

5. Provided benefits for dependent parents of a deceased worker, even though he or she is survived by a widow, widower, or child.

6. Made it easier for borderline types of work to be included under the Social Security program, liberalized benefits for adopted children, and provided payments (under certain circumstances) to annuitants who remarry.

7. Stipulated that increased benefits should begin with the first monthly payment for 1959, due shortly after Feb. 1.

This sizable broadening of benefits will tap the Social Security till for many additional millions of dollars each year. Since the program operated in the red for the first time in 1958, this means a considerable increase in the Social Security tax rate is necessary to support the new program and make up deficits in the old one. As a result, Americans will be paying into Social Security at a steadily increasing rate over the next decade.

The new Social Security law steps up the tax rate every three years (beginning with an increase of ½ of 1 percent for employed workers and ⅜ of 1 percent for self-employed people in 1959) instead of the five-year interval in the old law. Thus the maximum rate of 4½ percent for employers and employees (or a combined 9 percent) and 6¾ percent for self-employed people will be attained by 1969 instead of 1975. And beginning Jan. 1, 1959, Social Security taxes will be applied to the first $4,800 (instead of the previous $4,200) of income.

This means that Social Security is going to cost the employed worker $51 more in 1959—assuming he earns more than $4,800. In 1960, and each third year after that until 1969, the Social Security tax will increase an additional $48, divided equally between worker and employer. Thus, by 1969—under the present law—you and your employer will be contributing a maximum of $432 annually to support Social Security. During the same period (1960-1969), the tax on self-employed persons earning $4,800 or more will increase from $142 yearly to $324.

These figures add up to the fact that you are investing a considerable portion of your present and future income in Social Security. You should know what you're getting for it. Unhappily, many Americans have only a limited knowledge of their rights under the Social Security program.

SOCIAL SECURITY is available to help you in three broad areas. First, it provides income to dependents of deceased *and* living workers who have contributed to the program and who have died or reached retirement age. Second, it offers monthly old-age benefits to men 65 years of age or over and women 62 or over. And, finally, it supplies an income for workers (50 years of age or over) covered by the program who have become totally disabled through accident or illness—as well as to the wife and minor or disabled children of such covered workers.

There are many complexities within these three broad areas, but if your situation falls within any of them, you should investigate. Far and away the least-understood benefit under Social Security is the survivor's insurance; yet this is a vital consideration, particularly to young families.

Take the case of the factory worker in Baltimore