

Notes and Brief Reports

Workers With Insured Status on January 1, 1953

Approximately 66.5 million persons were fully insured under the old-age and survivors insurance program at the beginning of 1953, an increase of 4.1 million from the number a year earlier.¹ The growth during 1952 in the number fully insured was the second largest since 1940, when monthly benefits under the program first became payable. There were no persons currently but not fully insured on January 1, 1953, nor can there be such insured individuals before the middle of 1954, when 7 quarters of coverage will, in general, be needed for fully insured status.

An estimated 24.9 million workers had permanently insured status on January 1, 1953, an increase of 2.1 million from the number with such status on January 1, 1952. To be permanently insured, workers must have the number of quarters of coverage required for fully insured status when they reach age 65. Persons who attain age 65 after 1970 will need 40 quarters of coverage to be permanently insured. For persons who reach age 65 before 1971—that is, those at least 47 years of age on January 1, 1953—the required number of quarters will range from 39 down to 6 for those at the oldest ages. Once they are permanently insured, they can, regardless of their future employment, qualify for old-age benefits at or after age 65; in the event of their death, their survivors can qualify for monthly benefits and/or lump-sum death payments. The distribution of workers who were permanently insured at the beginning of 1953 is shown by sex, age, and quarters-of-coverage requirement in the following tabulation.

¹The estimates presented in this note are based on data through the calendar year 1950, derived from the 1-percent continuous work-history sample; none of the estimates of the insured population has been adjusted to reflect changes in insurance status arising from (1) provisions that coordinate the old-age and survivors insurance and railroad retirement programs; and (2) wage credits for military service.

Age at beginning of 1953	Quarters of coverage required for permanently insured status	Workers permanently insured on Jan. 1, 1953 (in millions) ¹		
		Total	Male	Female
Total.....	6-40	24.9	19.0	5.9
Under 47.....	40	10.1	7.7	2.4
At least 47 but less than 63½.....	7-39	10.0	7.5	2.5
63½ and over.....	6	14.8	3.7	1.1

¹ Includes 4.1 million workers at least 65 years of age, of whom about 2.6 million were receiving benefits at the end of 1952.

More than one-third of the workers who were fully insured at the beginning of 1953 were permanently insured. The requirements for permanently insured status are more liberal for workers at the older ages than at the younger ages. The effect is clearly illustrated in the following comparison, by age, of the number of fully insured workers and permanently insured workers.

[Numbers in millions]

Age at beginning of 1953	Workers fully insured as of Jan. 1, 1953		
	Total number	Number permanently insured	
		Number	As percent of fully insured
Total.....	66.5	24.9	37
Under 47.....	46.4	10.1	22
At least 47 but less than 63½.....	15.3	10.0	65
63½ and over.....	4.8	4.8	100

Table 1 shows a comparison of the permanently insured group with the total fully insured population at the beginning of each year since 1940.

The growth in the number fully insured each year during the period 1940-49 was fairly regular, ranging between 1.2 million and 2.3 million. The marked increase during 1950 was due primarily to the "new start" in insured-status requirements for old-age and survivors insurance, contained in the 1950 amendments. The extension of coverage under the 1950

amendments, effective in 1951, made it possible for many persons in the newly covered occupations to become insured for the first time in 1952 and thus contributed to the more-than-normal increase in the number fully insured during 1952. The increase in 1952 would have been even greater if it had not been for the fact that many persons in newly covered occupations had previously had some employment covered under the 1939 amendments and consequently became insured before 1952.

Table 1.—Workers fully insured at the beginning of each year, 1940-53

[Number in millions]

Year	Fully insured workers				
	Total	Number permanently insured			
		Total number	Requiring less than 40 quarters of coverage	Requiring 40 quarters of coverage	As percent of fully insured
1940.....	22.9	0.6	0.6	-----	2.6
1941.....	24.2	1.1	1.1	-----	4.5
1942.....	25.8	1.4	1.4	-----	5.4
1943.....	28.1	1.8	1.8	-----	6.4
1944.....	29.9	2.3	2.3	-----	7.7
1945.....	31.9	2.8	2.8	-----	8.8
1946.....	33.4	3.4	3.4	-----	10.2
1947.....	35.4	8.6	3.8	4.8	24.3
1948.....	37.3	11.6	4.0	7.6	31.1
1949.....	38.9	13.2	4.0	9.2	33.9
1950.....	40.1	14.9	4.0	10.9	37.2
1951.....	59.8	21.0	14.0	7.0	35.1
1952.....	62.4	22.8	14.3	8.5	36.5
1953.....	66.5	24.9	14.8	10.1	37.4

Until 1971 the number of quarters of coverage required for fully insured status will, in general, increase each year and thus narrow the difference between the number of quarters of coverage required for permanently insured status and for fully insured status. In the long run, therefore, the permanently insured group will constitute an increasing proportion of the entire fully insured population. For those workers whose elapsed period will exceed 20 years, the requirement for permanently insured status is easier to fulfill than the requirement of 1 quarter of coverage for every two elapsed quarters. Consequently, all persons who are over age 41 at any time after 1970 and who are fully insured will also be permanently insured.