

Beneficiaries With Minimum Benefits: Their Characteristics in 1967

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Setting the appropriate level for the minimum cash benefit under old-age, survivors, disability, and health insurance is an important social policy issue. As in many wage-related systems, the replacement ratio of benefits to previous earnings is relatively high for those with low wages—a recognition of the fact that, for persons near the bottom of the wage scale, a sharp reduction in the level of living may be socially unacceptable. Obviously, the higher the minimum benefit, the greater the impact on poverty but the more compressed the benefit distribution—unless the maximum is raised proportionately. The Office of Research and Statistics has under way or planned a series of studies to provide information needed in setting minimum benefit policy.

Here we have drawn together for the first time data on the number receiving benefits at or near the minimum and on some of their characteristics. Later studies of those with benefits at minimum and higher levels will try to identify the reasons why so many workers are eligible at retirement only for very small benefits. Some light may be thrown on the question by the information on recency and extent of covered employment from a study being made of the covered earnings record of workers who started drawing benefits in 1966. Additional data now being collected by a mail survey, from men and women recently awarded retirement benefits, will permit study of their reasons for leaving their last job, receipt of pensions and income from other sources, and marital status, and, among the married, the spouse's employment and receipt of benefits.

For a sample of all persons aged 65 and over, interview data on 1967 work experience, total income, home ownership, and liquid asset holdings are to be related to the benefit amount; still more can then be told about the characteristics of those

whose benefits are at or near the minimum and the extent to which they are dependent on their benefit.

MINIMUM MONTHLY cash benefits under the old-age, survivors, disability, and health insurance program (OASDHI) were payable at the end of December 1967 to 3.1 million families with about 3.5 million beneficiaries. Who are these families and beneficiaries? What are their characteristics? Such questions are frequently asked by both social security program administrators and by social scientists in the research community. It is the purpose of this analysis to review the relevant statistical information. The analysis uses 1967 as the reference year because that is the latest year for which sufficient detailed statistical information is available.

This article considers, in addition to the total size of the minimum beneficiary population as 1968 began, the number of beneficiary families and individual beneficiaries by type and by family classification, by age, sex, and race characteristics, and by geographic distribution. The extent to which early retirement was chosen despite reduction in benefit amounts is indicated, as well as the extent to which benefits for these families and beneficiaries depended on pre-1951 earnings. The preentitlement employment of workers becoming entitled in 1966 to minimum retirement benefits, on the basis of the 1-percent Continuous Work-History Sample data of the Social Security Administration is now being studied and will be compared with that of workers entitled to higher benefits.

Characteristics of All Beneficiaries

Overall, about 18 million families were getting monthly cash benefits at the end of December 1967 (table 1). About two-thirds of them were

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retired-worker families—that is, the beneficiaries were the retired workers themselves, their spouses, and their children. About 7 percent were disabled-worker families (disabled workers and their dependents). More than a fifth were survivor families consisting of aged widows or widowed mothers with and without children and families with children only. Included also in some survivor families were the entitled parents of deceased workers. The beneficiary family population included about 116,000 families with transitionally insured beneficiaries and about 706,000 families with special age-72 beneficiaries.¹

The amounts of the monthly benefits payable to these families depend, of course, on the earnings experience of the workers on whose earnings records the benefits are payable and on the size of the families. At the lower end of the benefit scale were many families that were getting less than \$44 a month. These were individuals classified as one-person families whose benefit amounts were reduced because of early retirement.²

¹ A transitionally insured beneficiary is a person aged 72 or over whose entitlement to benefits was authorized by the transitional insured-status provision of the 1965 amendments, with quarters-of-coverage requirements as follows: (1) retired worker—quarters-of-coverage requirements are the same as for fully insured status but with a minimum of 3 quarters of coverage instead of the 6 quarters of coverage required for regularly insured status; (2) wife—the spouse must be transitionally insured; (3) widow—the deceased spouse must have had a specific number of quarters of coverage depending on his date of birth or death and on the widow's date of birth; a minimum of 3 quarters of coverage is required.

A "special age-72" beneficiary is a person aged 72 or over who does not have sufficient quarters of coverage to qualify for a retired-worker benefit either under the full or transitional insured-status provisions of the Social Security Act. The benefit for the special age-72 beneficiary was authorized by the Tax Adjustment Act of 1966 and is payable for months in which the person receives no public assistance money payments. The benefit amount is reduced by the amount of any government pension the beneficiary is receiving or is eligible to receive.

² Reductions in benefit amount for early retirement are as follows: (1) for a retired-worker beneficiary, 5/9 of 1 percent for each month of entitlement before age 65; (2) for a wife or husband beneficiary (with the wife's entitlement not dependent on having an entitled child beneficiary in her care), 25/36 of 1 percent for each month of entitlement before age 65; (3) for a widow or a surviving divorced wife, 5/9 of 1 percent for each month of entitlement before age 62. The benefits continue to be paid at a reduced rate even after age 65 (62 for a widow), except that the reduced rate may be refigured to include any additional earnings or omit months for which the reduced benefit was not paid.

At the upper end of the scale, a few families were getting \$368 a month. These were survivor families consisting of several beneficiaries—a widowed mother and several children, for example, or three or more children by themselves. For most families, however, the benefit amounts were neither at the top nor at the bottom of the scale but hovered somewhere between the extremes, depending on the type of family and its size.

The 18 million families consisted of 23.7 million beneficiaries, about one-third of them men, one-half women, and the rest children (table 2). About 7 in every 8 of the men were retired workers, 1 in 10 were disabled workers, and roughly 1 in 100 were special age-72 beneficiaries. Among women, 4 out of 10 beneficiaries were retired workers. Less than 3 percent were disabled workers. Wives of both retired and disabled workers made up somewhat less than one-fourth of the group, as did aged widows. Widowed mothers and special age-72 beneficiaries represented about 4 percent and 5 percent of the women, respectively. Two-thirds of the children were from survivor families, 14 percent were from retired-worker families, and 20 percent from disabled-worker families. More than 80 percent of the children were minors (under age 18); about 12 percent were students aged 18–21; and close to 7 percent were persons with disability that began before age 18.

Minimum Benefits Defined

The number of families or beneficiaries getting minimum benefits depends on how "minimum benefits" is defined. One approach is to consider the minimum benefit as based on the minimum primary insurance amount (PIA),³ which in 1967 amounted to \$44 (and has been \$55 since February 1968). Under this definition, those with minimum benefits would include all families and beneficiaries with PIA's of \$44, regardless of the

³ The primary insurance amount is the amount that would be payable to a retired worker who begins to get benefits at age 65 or to a disabled worker. This amount, which is related to the worker's average monthly earnings, is also the amount used as a base for computing all types of benefits payable on the basis of one individual's earnings record.

TABLE 1.—Beneficiary families and individuals with currently payable benefits: Total and those with benefits at or near the minimum amount, by beneficiary family type, end of 1967

[Numbers in thousands]

Beneficiary family type	Total number	With minimum PIA ¹		Benefit at or near the minimum amount ²		Percentage distribution		
		Number	Percent of total	Number	Percent of total	Total	With minimum PIA ¹	Benefit at or near minimum ³
Families								
Total.....	17,951	3,110	17	3,126	17	100	100	100
Retired-worker.....	11,938	1,937	16	1,803	15	67	62	58
Worker only.....	9,168	1,709	19	1,530	17	51	55	49
Men.....	4,390	426	10	475	11	24	14	15
Women.....	4,778	1,282	27	1,055	22	27	41	34
Worker and spouse.....	2,434	183	8	221	9	14	6	7
Worker and children.....	132	17	13	19	14	1	1	1
Worker, spouse and children.....	204	28	14	33	16	1	1	1
Disabled-worker.....	1,196	33	3	34	3	7	1	1
Worker only.....	847	27	3	27	3	5	1	1
Other.....	349	6	2	7	2		(³)	(³)
Survivor.....	3,995	317	8	467	12	22	10	15
Widow or widower only.....	2,694	244	9	358	13	15	8	11
Aged widow and children.....	46	5	11	5	11	(³)	(³)	(³)
Widowed mother and children.....	496	24	5	27	5	3	1	1
Children only.....	728	43	6	75	10	4	1	2
Parents.....	32	1	2	1	3	(³)	(³)	(³)
Other.....	822	822	100	822	100	5	26	26
Transitionally insured.....	116	116	100	116	100	1	4	4
Special age-72.....	706	706	100	706	100	4	23	23
Individuals								
Total.....	23,705	3,536	15	3,624	15	100	100	100
Retired-worker.....	15,080	2,225	15	2,148	14	64	63	59
Worker.....	9,168	1,709	19	1,530	17	39	48	42
Men.....	4,390	427	10	475	11	19	12	13
Women.....	4,778	1,282	27	1,055	22	20	36	29
Worker and children.....	4,865	366	8	442	9	21	10	12
Worker, spouse and children.....	296	41	14	46	16	1	1	1
Worker, spouse and children.....	752	109	14	130	17	3	3	4
Disabled-worker.....	2,140	52	2	55	3	9	1	2
Worker only.....	847	27	3	27	3	4	1	1
Other.....	1,293	25	2	28	2	5	1	1
Survivor.....	5,632	407	7	568	10	24	12	16
Widow or widower only.....	2,695	244	9	358	13	11	7	10
Aged widow and children.....	95	11	12	11	12	(³)	(³)	(³)
Widowed mother and children.....	1,628	78	5	88	5	7	2	2
Children only.....	1,181	73	6	109	9	5	2	3
Parents.....	34	1	3	1	3	(³)	(³)	(³)
Other.....	853	853	100	853	100	4	24	24
Transitionally insured.....	124	124	100	124	100	1	4	3
Special age-72.....	729	729	100	729	100	3	21	20

¹ \$44 for regularly insured and \$35 for transitionally insured and special age-72 beneficiaries.

² \$44 or less for 1-person families and less than \$70 for 2-or-more-person families.

³ Less than 0.5 percent.

actual benefit amounts these families and beneficiaries were receiving.

There are arguments both for and against inclusion of the transitionally insured and the special age-72 beneficiaries.⁴ The main argument against inclusion rests on the proposition that

these two kinds of beneficiaries constitute special groups with their own reason for being and that they should not play a role in the evaluation of the effectiveness of the social security system. Moreover, most benefits for the special age-72 beneficiaries are financed from general revenue and not from the OASI trust fund.

⁴ The amounts originally authorized for the transitionally insured and special age-72 beneficiaries were \$35 a month for the primary beneficiary and \$17.50 for the wife. The increased benefit rates authorized by the 1967 amendments are \$40 and \$20, respectively, compared with \$55 for the minimum PIA.

The argument for inclusion is that the special status of these beneficiaries is only a technicality. In a substantive sense they do not differ from other social security beneficiaries. One can further argue that the establishment of a minimum

TABLE 2.—Persons with currently payable benefits: Total and those with minimum PIA, by type of beneficiary and sex, end of 1967

[Numbers in thousands]

Type of beneficiary	All persons						With minimum PIA ¹					
	Total, number	Men		Women		Children, number	Total, number	Men		Women		Children, number
		Number	Percentage distribution	Number	Percentage distribution			Number	Percentage distribution	Number	Percentage distribution	
Total.....	23,705.0	8,164.5	100.0	11,955.2	100.0	3,585.2	3,536.5	814.6	100.0	2,496.9	100.0	225.1
Retired workers and dependents.....	15,080.8	7,137.6	87.4	7,433.0	62.2	510.2	2,224.8	649.9	79.8	1,498.0	60.0	76.9
Retired workers.....	11,932.9	7,127.8	87.3	4,805.1	40.2	.....	1,936.9	648.4	79.6	1,288.5	51.6	.....
Aged spouses.....	2,470.3	9.8	.1	2,460.6	20.6	.....	186.9	1.5	.2	185.4	7.4	.....
Young wives.....	167.3	.....	.....	167.3	1.4	.....	24.1	.....	.....	24.1	1.0	.....
Children.....	510.2	.....	.....	.....	.....	510.2	76.9	.....	.....	.....	.....	76.9
Disabled workers and dependents.....	2,140.2	872.4	10.7	555.3	4.6	712.5	51.9	14.6	1.8	22.6	.9	14.8
Disabled workers.....	1,193.1	871.9	10.7	321.3	2.7	.....	33.3	14.6	1.8	18.7	.7	.....
Aged spouses.....	35.9	.5	(²)	35.4	.3	.....	.6	(²)	(²)	.6	(²)	.....
Young wives.....	198.6	.....	.....	198.6	1.7	.....	3.3	.....	.....	3.3	.1	.....
Children.....	712.5	.....	.....	.....	.....	712.5	14.8	.....	.....	.....	.....	14.8
Survivors.....	5,631.6	4.9	.1	3,264.4	27.3	2,362.4	407.3	.4	(²)	273.6	11.0	133.4
Aged widows and widowers.....	2,739.4	2.9	(²)	2,736.5	22.9	.....	248.8	.3	(²)	248.5	10.0	.....
Widowed mothers.....	496.3	.....	.....	496.3	4.2	.....	24.5	.....	.....	24.5	1.0	.....
Parents.....	33.5	2.0	(²)	31.5	.3	.....	.7	.1	(²)	.6	(²)	.....
Children.....	2,362.4	.....	.....	.....	.....	2,362.4	133.4	.....	.....	.....	.....	133.4
Transitionally insured.....	123.8	32.7	.4	91.1	.8	.....	123.8	32.7	4.0	91.1	3.6	.....
Special age-72.....	728.6	117.0	1.4	611.6	5.1	.....	728.6	117.0	14.4	611.6	24.5	.....

¹ \$44 for regularly insured beneficiaries and \$35 for transitionally insured and special age-72 beneficiaries.

² Less than 0.05 percent.
³ Less than 500.

PIA for all those with earnings below some established level, if the individual has adequate quarters of coverage, is not much different from a set monthly amount for the elderly who have fewer quarters of coverage than the number required or no quarters of coverage at all. Besides, all transitionally insured beneficiaries as well as some special age-72 beneficiaries—those with 3 or more quarters of coverage—are paid from the OASI trust fund. In this analysis the argument in favor of inclusion has prevailed and is reflected in the data presented both in the text and in the tables. The data relating to the transitionally insured and special age-72 beneficiaries are identified, however, and can be excluded from the computed relationships if desired.

Minimum benefits can also be defined on the basis of the actual amount received, regardless of the PIA. Under this approach, all benefits of \$44 a month or less for a one-person family and all benefits under \$70 for a two-or-more person family can be called “benefits at or near the minimum.” Included within the scope of this definition would be benefits for one-person families based on PIA’s above \$44 but actuarially reduced to \$44 or less because of early retirement.

On the other hand, most benefits for women

with a low PIA who are dually entitled⁵ would be excluded because in most instances these entitled women would be getting more than \$44 a month. For two-or-more person families, the minimum unreduced family benefit was \$66 a month at the end of 1967. The actual family benefit could go below this amount if benefits were reduced because of early retirement. Because distributions by family benefit amount in the available tabulations are compiled in terms of \$10 intervals, the choice of \$69.90 as the upper limit ensured the inclusion of the unreduced minimum family benefits for two-or-more person families. A choice of \$59.90 as the upper limit

⁵ A person is dually entitled when he is entitled both to a primary benefit (as a retired or disabled worker) and to a larger secondary benefit, such as a wife’s, husband’s, widow’s, or parent’s benefit. The secondary benefit is reduced by the amount of the concurrent retired-worker or disabled-worker benefit. The dually entitled beneficiary is counted only *once*, as a primary beneficiary, whenever both the primary and secondary benefits are paid from the same trust fund. The monthly benefit amount is then equal to the sum of the primary benefit and the reduced secondary benefit. The dually entitled individual is counted *twice*, as a primary beneficiary and as a secondary beneficiary, whenever both benefits are paid from different trust funds. In such a case, the monthly benefit amount of the secondary benefit is, of course, the reduced secondary benefit amount.

would have excluded a considerable number of families. Consequently, the scope of this definition is somewhat broader than was originally desired, but it is thought that the distortion is not very large.

Statistical information is presented on the size and family status of the beneficiary population with minimum benefits both in terms of "benefits at or near the minimum" and "benefits based on the minimum PIA" (table 1). The more detailed description largely relates to the group defined in terms of the minimum PIA.

Number Receiving Minimum Benefits

A distribution of benefits in terms of monthly benefit amounts indicates that benefits at or near the minimum went to about 3.1 million families, or 17 percent of all beneficiary families. Almost three-fourths of the families with benefits at or near the minimum were regularly insured beneficiary families and somewhat more than one-fourth were transitionally insured and special age-72 beneficiary families. The vast majority of the families with benefits at or near the minimum were one-person families that included 1.1 million women and close to 0.5 million men classified as "retired-worker only" families. Most of the transitionally insured and special age-72 beneficiaries were one-person families.

About 3.6 million beneficiaries or about 15 percent of all beneficiaries were included in the families with benefits at or near the minimum. About 59 percent of these beneficiaries were in retired-worker families, 16 percent were in survivor families, and 24 percent in transitionally insured and special age-72 beneficiary families. Only 2 percent of the beneficiaries were in disabled-worker families.

A distribution of benefits in terms of the PIA indicates that the number of families with the minimum PIA (\$44 for regularly insured beneficiaries and \$35 for the transitionally insured and special age-72 beneficiaries) was approximately the same as the distribution by the benefit amount being received, including the breakdown between one-person and multiperson families and by type of benefit.

In the category "worker-only, women" in re-

tired-worker families, 1,282,000 women had benefits based on the minimum PIA of \$44. Yet, in that category only 1,055,000 women were receiving benefits at or near the minimum (\$44 or less). Obviously, then, the benefits for some women with PIA's of \$44 were not counted in the minimum category defined in terms of benefit amount because these women were dually entitled and received more than \$44 a month. The number of dually entitled women with PIA's of \$44 is in fact larger than is implied by the difference in the two numbers. The group with benefits at or near the minimum includes those with benefits actuarially reduced because of early retirement, on the basis of PIA's above \$44, as explained previously. The estimated number of dually entitled women with the minimum PIA is about 400,000.

For retired men classified as one-person families, there was a small number with benefits at or near the minimum that reflected the effect of actuarial reduction in monthly benefits (based on a PIA that might be as high as \$55) to \$44 or less because of early retirement. Dual entitlement is not a substantial factor among men.

Data on family benefits reflect the specialized definition of family⁶ inherent in the social security data-processing procedures. For example, a worker-wife family is shown here as one worker-and-spouse family if both the worker and his wife were getting benefits on the worker's earning record but as two one-person (worker-only) families if the worker and his wife were each getting benefits on his and her own earnings records. Consequently, the number of beneficiary families and their composition as shown in social security family benefit data differ from corresponding data reflecting the conventional definition of family.

Some worker-wife families shown here separately as worker-only families may actually have combined family benefits of \$88 or more. These worker-only families should therefore not be included among those receiving benefits at or near the minimum. However, since these worker-only families cannot be identified directly they have been included among those receiving benefits at or near the minimum if their individual benefits

⁶ As used here, a "family" is defined as the aggregate of individuals entitled to benefits on the same earnings record.

amounted to \$44 or less, regardless of total family benefits. Roughly 1.2 million couples may have been thus classified as worker-only families and so may be counted twice in the benefit family records. One or both members of about 0.4 million couples may have been getting minimum benefits as one-person worker-only families.

Before some salient characteristics of beneficiaries in families with a minimum PIA are

TABLE 3.—Beneficiary families with currently payable benefits: Percentage distribution by beneficiary family type and primary insurance amount, end of 1967

Beneficiary family type	Total	Primary insurance amount				
		\$44 (minimum)	\$44-69	\$70-99	\$100-129	\$130 or more
Number of families ¹ (in thousands)	17,129	2,288	2,561	5,016	5,612	1,652
Percentage distribution by beneficiary family type						
All families.....	100.0	100.0	100.0	100.0	100.0	100.0
Retired-worker.....	69.8	84.7	73.4	66.7	64.2	71.6
Worker only.....	53.6	74.7	61.8	53.4	43.5	45.8
Men.....	25.7	18.6	22.2	23.2	29.9	34.4
Women.....	27.9	56.1	39.6	30.3	13.6	11.3
Worker and spouse.....	14.3	8.1	10.0	11.5	18.7	23.4
Worker and children.....	.8	.7	.7	.7	.8	1.1
Worker, spouse and children.....	1.2	1.3	1.0	1.1	1.2	1.4
Disabled-worker.....	7.0	1.5	4.7	9.1	8.1	8.2
Worker only.....	5.0	1.2	3.8	6.9	5.4	5.1
Men.....	3.2	.4	1.7	3.9	4.1	4.7
Women.....	1.7	.8	2.0	3.0	1.3	.5
Other.....	2.1	.2	1.0	2.3	2.8	3.1
Survivor.....	23.2	13.9	21.9	24.2	27.6	20.2
Widow or widower only.....	15.8	10.7	16.4	17.5	18.4	8.5
Aged widow and children.....	.3	.2	.3	.3	.3	.2
Mother and children.....	2.8	1.1	1.7	2.2	3.7	6.2
Children only.....	4.1	1.9	3.4	4.0	5.2	5.1
Other.....	.2	(²)	.2	.2	.2	.2
Percentage distribution by primary insurance amount						
All families.....	100.0	13.3	15.0	29.3	32.8	9.6
Retired-worker.....	100.0	16.3	15.7	28.0	30.1	9.9
Worker only.....	100.0	18.8	17.2	29.2	26.6	8.2
Men.....	100.0	9.8	12.9	26.4	38.1	12.9
Women.....	100.0	27.1	21.2	31.8	16.0	3.9
Worker and spouse.....	100.0	7.5	10.4	23.4	42.8	15.8
Worker and children.....	100.0	12.7	13.2	26.0	35.2	12.9
Worker, spouse and children.....	100.0	14.0	12.8	28.0	33.8	11.5
Disabled-worker.....	100.0	2.8	10.0	37.9	38.1	11.3
Worker only.....	100.0	3.2	11.3	40.3	35.3	9.9
Men.....	100.0	1.8	8.0	35.0	41.3	13.9
Women.....	100.0	5.9	17.4	50.2	24.0	2.5
Other.....	100.0	1.8	6.7	31.8	45.0	14.6
Survivor.....	100.0	8.0	14.1	30.5	39.0	8.4
Widow or widower only.....	100.0	9.1	15.5	32.4	37.9	5.2
Aged widow and children.....	100.0	11.3	14.6	30.0	37.7	6.4
Mother and children.....	100.0	5.1	8.8	22.9	42.1	21.2
Children only.....	100.0	6.2	12.4	28.5	40.9	12.0
Other.....	100.0	2.3	16.4	39.0	33.7	8.7

¹ Excludes transitionally insured and special age-72 beneficiaries.

² Less than 0.05 percent.

presented, it would be desirable to obtain some perspective on the basic benefit structure of the beneficiary family population. As shown in table 3, roughly 2.3 million regularly insured beneficiary families were getting benefits based on a PIA of \$44. In addition, some 2.6 million families were receiving benefits based on PIA's that were more than \$44 but under \$70. In all, the benefits for close to 5 million families—somewhat less than 30 percent of all regularly insured beneficiary families—were based on PIA's of less than \$70.

As the PIA increases (except for those of \$130 or more) the proportion of retired-worker families gets smaller and the proportion of survivor families gets larger. In other words, as earnings rise the proportion of workers that have attained such earnings at the time of death rises and the proportion that have attained such earnings at retirement declines. There is, however, a reversal in the direction of the proportion as earnings reach levels near the taxable maximum. A relatively large proportion of retirees have had average earnings near the maximum.

The proportion of one-person "retired-worker, male" families also increases as the PIA increases, and the proportion of one-person "retired-worker, female" families decreases. These relationships reflect the different earnings experience of men and women.

Sex of Family Heads

About half the 18 million beneficiary families to whom benefits were payable at the end of 1967 were headed by women (table 4). About 45 percent were headed by men; the others were families with child beneficiaries only. Among heads of retired-worker families, men outnumbered women by a ratio of 3 to 2; among disabled-worker families it was almost 3 to 1 in favor of men. For the transitionally insured and special age-72 beneficiary families, however, it was 1 to 5 in favor of women. The overwhelming number of survivor families were, of course, headed by women.

Of the 3.1 million families with minimum PIA's, nearly three-fourths were headed by women. Women were more likely than men to

TABLE 4.—Beneficiary families and individuals with currently payable benefits: Total and those with minimum PIA, by beneficiary family type and sex of head, end of 1967

Beneficiary family type	Number (in thousands)	Percentage distribution				Number (in thousands)	Percentage distribution			
		Total	Male heads	Female heads	Children-only families		Total	Men	Women	Children
Families, total					Individuals, total					
All families.....	17,951.0	100.0	45.5	50.5	4.1	23,705.0	100.0	34.4	50.4	15.1
Retired-worker.....	11,937.9	100.0	59.7	40.3	.....	15,080.8	100.0	47.3	49.3	3.4
Disabled-worker.....	1,195.6	100.0	73.1	26.9	.....	2,140.2	100.0	40.8	25.9	33.3
Survivor.....	3,995.1	100.0	.1	81.7	18.2	5,631.6	100.0	.1	63.9	41.9
Transitionally insured.....	116.5	100.0	28.1	71.9	.....	123.8	100.0	26.4	73.6	.....
Special age-72.....	705.8	100.0	16.6	83.4	.....	728.6	100.0	16.1	83.9	.....
Families with minimum PIA ¹					Individuals with minimum PIA ¹					
All families.....	3,109.8	100.0	26.1	71.8	2.0	3,536.5	100.0	23.0	70.6	6.4
Retired-worker.....	1,936.9	100.0	33.5	66.5	.....	2,224.8	100.0	29.2	67.3	3.5
Disabled-worker.....	33.3	100.0	43.5	56.5	.....	51.9	100.0	28.1	43.5	28.5
Survivor.....	317.3	100.0	.1	79.9	20.0	407.3	100.0	.1	67.2	32.8
Transitionally insured.....	116.5	100.0	28.1	71.9	.....	123.8	100.0	26.4	73.6	.....
Special age-72.....	705.8	100.0	16.6	83.4	.....	728.6	100.0	16.1	83.9	.....

¹ \$44 for regularly insured and \$35 for transitionally insured and special age-72 beneficiaries.

head the family not only among survivor families and transitionally insured and special age-72 beneficiary families but also among retired-worker families. These ratios undoubtedly reflect the lower average earnings of women.

Sex of Beneficiaries

About half of all beneficiaries were women, 34 percent men, and 15 percent children (table 4). But among families with minimum PIA's, more than 70 percent of the beneficiaries were women. Some of the women workers with the minimum PIA were actually getting above-minimum benefits because of their dual entitlement as wives or widows. It is roughly estimated that about 375,000 dually entitled women were in this category.

Race Among Family Groups

The vast majority of beneficiary families were white (table 5).⁷ Similarly, the vast majority of beneficiary families with minimum PIA's were

⁷ Race is that shown on the application for a social security number by the worker on whose earnings record the benefit is based.

white. At the end of December 1967, beneficiary families that were other than white represented about 8 percent of all the families with benefits in current-payment status at the time and about 13 percent of the families with minimum PIA's. The proportions of these beneficiary families within each major family classification, both with respect to all families and families with minimum PIA only, are as follows:

Benefit type	Families other than white as percent of total	
	All families	Families with minimum PIA
All family units.....	8.5	13.2
Retired-worker.....	8.1	15.4
Disabled-worker.....	15.3	39.3
Survivor.....	8.6	19.3
Transitionally insured.....	11.4	11.4
Special age-72.....	3.8	3.8

Thus, except for the transitionally insured and special age-72 beneficiary families, which fall entirely within the "families with minimum PIA" category, families other than white were relatively more numerous among the group with the minimum PIA than among all families for every major family classification. Since workers of other races earn less on the average than white workers and are unemployed more frequently and for longer periods of time, one would expect that they would be disproportionately represented

TABLE 5.—Beneficiary families with currently payable benefits: Total and those with minimum PIA, by beneficiary family type and race, end of 1967

[Numbers in thousands]

Beneficiary family type	White			Negro and other races			Percentage distribution			
	Total, number	With minimum PIA ¹		Total, number	With minimum PIA ¹		All families		Families with minimum PIA ¹	
		Number	Percent of total		Number	Percent of total	White	Negro and other	White	Negro and other
Total.....	16,418.0	2,698.0	16.4	1,532.6	411.8	26.9	100.0	100.0	100.0	100.0
Retired-worker.....	10,973.4	1,639.1	14.9	964.4	297.8	30.9	66.8	62.9	60.8	72.3
Worker only.....	8,376.2	1,452.8	17.3	791.6	256.1	32.4	51.0	51.7	53.8	62.2
Men.....	3,988.2	345.5	8.7	406.8	81.0	19.9	24.3	26.5	12.8	19.7
Women.....	4,393.0	1,107.3	25.2	384.8	175.1	45.5	26.8	25.1	41.0	42.5
Worker and spouse.....	2,315.7	153.7	6.6	117.8	29.5	25.0	14.1	7.7	5.7	7.2
Worker and children.....	112.6	12.5	11.1	19.8	4.4	22.2	.7	1.3	.5	1.1
Worker, spouse and children.....	168.9	20.1	11.9	35.2	7.8	22.2	1.0	2.3	.7	1.9
Disabled-worker.....	1,012.6	20.2	2.0	183.0	13.1	7.2	6.2	11.9	.7	3.2
Worker only.....	716.3	16.2	2.3	130.6	11.0	8.4	4.4	8.5	.6	2.7
Men.....	469.0	7.2	1.5	87.5	2.6	3.0	2.9	5.7	.3	.6
Women.....	247.3	9.0	3.6	43.1	8.4	19.5	1.5	2.8	.3	2.0
Other.....	296.3	4.0	1.3	52.4	2.2	4.2	1.8	3.4	.1	.5
Survivor.....	3,649.5	256.2	7.0	345.4	61.1	17.7	22.2	22.5	9.5	14.8
Widow or widower only.....	2,538.1	207.3	8.2	155.5	36.2	23.3	15.5	10.1	7.7	8.8
Aged widow and children.....	41.4	4.2	10.1	4.1	1.0	24.4	.3	.3	.2	.2
Mother and children.....	404.1	14.2	3.5	91.8	10.2	11.1	2.5	6.0	.5	2.5
Children only.....	637.7	29.9	4.7	90.5	13.5	14.9	3.9	5.9	1.1	3.3
Other.....	28.2	.5	1.8	3.5	.2	5.7	.2	.2	(²)	(²)
Transitionally insured.....	103.2	103.2	100.0	13.3	13.3	100.0	.6	.9	3.8	3.2
Special age-72.....	679.3	679.3	100.0	26.5	26.5	100.0	4.1	1.7	25.2	6.4

¹ \$44 for regularly insured and \$35 for transitionally insured and special age-72 beneficiaries.

² Less than 0.05 percent.

among families with minimum PIA, as indeed they were.

The relative distribution of all white families among the various major family groups shows that two-thirds were retired-worker families and between one-fourth and one-fifth were survivor families. The other categories accounted for only a little more than one-tenth of the white families. For other races, the proportion of survivor families was about the same as it was among white families. The proportion of retired-worker families was somewhat smaller, however, and the proportion of disabled-worker families was considerably larger. The proportion of transitionally insured and special age-72 beneficiary families was about half as large as the proportion among white families.

The transitionally insured and special age-72 beneficiary families were relatively more important among families with the minimum PIA, particularly, as might be expected, for white families; the proportions for white families and those of other races were 29 percent and 10 percent, respectively. For disabled-worker and survivor families, however, the proportion was smaller among families with the minimum PIA than it

was among all families (both the white families and those of other races). For retired-worker families, the proportion among families with the minimum PIA was smaller than it was among all families and the reverse was true for families of other races.

The percentage of families with the minimum PIA differed among the types of families. But for each family type relatively fewer white were in this group (table 5).

About 90 percent of the adult white families with the minimum PIA were one-person families, mostly retired men and women classified as worker-only families and some one-person disabled-worker and aged-widow families. Of the families in this group that were not white, 83 percent were one-person families. Even when the transitionally insured and special age-72 beneficiaries are excluded, the percentage of one-person families was still larger for adult white families than for adult families of other races.

The very high proportion of one-person units among families with the minimum PIA reflects of course the definition of "family" used in social security statistics, discussed above. The actual number of one-person families is considerably

smaller than that shown. First, an estimated 225,000 women who were retired workers with the minimum PIA were dually entitled as wives; obviously, these are not one-person families. Some other women with minimum PIA's (an unknown number) among the one-person families are not dually entitled as wives even though they are married because their benefits as wives would be below the \$44 to which they are entitled as retired workers. A third group of married women are among the one-person families with minimum PIA's because their husbands have not as yet retired. A fourth group of married women with minimum PIA's do not have husbands on the beneficiary rolls because their husbands may be government employees with no social security coverage and consequently not entitled to benefits. The total number of women in these four groups combined is estimated at about 450,000, or roughly one-third the number of women in "worker only" families with the minimum PIA.

tation in the total population. More than half of these beneficiaries were either retired workers or the dependents of retired workers (table 6). About 30 percent were survivor beneficiaries and slightly less than 16 percent were disabled workers or dependents of disabled workers.

Among the various beneficiary types the proportion of beneficiaries other than white is as follows:

Types of beneficiary	Percent of total
All types	9.7
Retired workers and dependents	8.1
Retired workers	8.0
Aged spouses	4.9
Young wives	19.4
Children	21.4
Disabled workers and dependents	16.8
Disabled workers	15.3
Aged spouses	9.2
Young wives	16.4
Children	19.9
Survivors	12.2
Aged widows and widowers	5.8
Widowed mothers	18.7
Parents	11.0
Children	18.3
Transitionally insured	11.5
Special age-72	3.7

Race Among Individual Beneficiaries

Negroes and other races accounted for almost 10 percent of the beneficiary population with benefits in current-payment status at the end of 1967, not much below their relative represen-

Generally, the proportion of beneficiaries from Negro and other races was lower among the aged beneficiaries (retired workers and aged

TABLE 6.—Persons with currently payable benefits: Total and those with minimum PIA, by beneficiary family type and race, end of 1967

[Numbers in thousands]

Beneficiary family type	White				Negro and other races			
	Total, number	With minimum PIA ¹			Total, number	With minimum PIA ¹		
		Number	Percent of total	Percentage distribution		Number	Percent of total	Percentage distribution
Total families.....	21,396.7	3,014.9	14.1	100.0	2,308.3	521.4	22.6	100.0
Retired-worker.....	13,860.3	1,866.2	13.5	61.9	1,220.5	358.6	29.4	68.8
Worker only.....	8,376.3	1,452.8	17.3	48.2	791.6	256.1	32.4	49.1
Men.....	3,983.2	345.5	8.7	11.5	406.8	81.0	19.9	15.5
Women.....	4,393.0	1,107.3	25.2	36.7	384.8	175.1	45.5	33.6
Other.....	5,484.0	413.4	7.5	13.7	428.9	102.5	23.9	19.7
Disabled-worker.....	1,779.9	32.3	1.8	1.1	360.3	19.6	5.4	3.8
Worker only.....	716.3	16.2	2.3	.5	130.6	11.0	8.4	2.1
Other.....	1,063.6	16.1	1.5	.5	229.7	8.6	3.7	1.6
Survivor.....	4,945.5	305.4	6.2	10.1	686.2	101.9	14.8	19.5
Widow or widower only.....	2,538.2	207.5	8.1	6.8	155.6	35.9	23.1	6.9
Other.....	2,407.3	99.7	4.1	3.3	530.6	66.0	12.4	12.7
Transitionally insured and special age-72.....	811.0	811.0	100.0	26.9	41.3	41.3	100.0	7.9
One person.....	753.9	753.9	100.0	25.0	38.2	38.2	100.0	7.3
Other.....	57.1	57.1	100.0	1.9	3.1	3.1	100.0	.6

¹ \$44 for regularly insured and \$35 for transitionally insured and special age-72 beneficiaries.

TABLE 7.—Adult beneficiaries in families with currently payable benefits and minimum PIA: Total and women, by beneficiary family type and race, end of 1967

[Numbers in thousands]

Beneficiary family type	Total			White			Negro and other races		
	All adults, number	Women		All adults, number	Women		All adults, number	Women	
		Number	Percent of all adults		Number	Percent of all adults		Number	Percent of all adults
Beneficiaries in families with minimum PIA ¹	3,311.3	2,496.8	75.4	2,873.1	2,195.0	76.4	438.2	301.8	68.9
Retired-worker.....	2,147.8	1,498.0	69.7	1,812.9	1,284.6	70.9	335.0	213.4	63.7
Worker only.....	1,708.9	1,282.4	75.0	1,452.8	1,107.3	76.2	256.1	175.1	68.4
Other.....	439.0	215.6	49.1	360.1	177.3	49.2	78.9	38.3	48.5
Disabled-worker.....	37.2	22.6	60.8	22.9	12.4	54.1	14.3	10.2	71.3
Worker only.....	27.2	17.4	64.0	16.2	9.0	55.6	11.0	8.4	76.4
Other.....	10.0	5.2	52.0	6.7	3.4	50.7	3.3	1.8	54.5
Survivor.....	273.9	273.5	99.9	226.3	226.0	99.9	47.6	47.5	99.8
Widow or widower only.....	241.6	241.3	99.9	205.7	205.5	99.9	35.9	35.8	99.7
Other.....	32.3	32.2	99.7	20.6	20.5	99.5	11.7	11.7	100.0
Transitionally insured.....	123.9	91.2	73.6	109.7	81.7	74.5	14.2	9.5	66.9
Special age-72.....	728.4	611.5	84.0	701.3	590.3	84.2	27.1	21.2	78.2

¹ \$44 for regularly insured and \$35 for transitionally insured and special age-72 beneficiaries.

widows, for example) and higher among the younger beneficiaries (young wives, widowed mothers, children). Among all adult beneficiaries, women outnumbered men by a ratio of 59 to 41, and the extent to which women were more numerous than men was somewhat larger for white beneficiaries.

Among families with the minimum PIA, more than three-fifths of the white beneficiaries were in retired-worker families. One out of 10 was a survivor family. More than one-fourth were in transitionally insured and special age-72 beneficiary families. Only 1 percent were in disabled-worker families. Considerably larger proportions of the comparable beneficiaries of other races were in retired-worker, disabled-worker, and survivor families, but a considerably smaller proportion were in transitionally insured and special age-72 beneficiary families.

Among retired-worker families with the minimum PIA, 8 out of 10 white beneficiaries were worker-only families; 7 out of 10 beneficiaries who were not white belonged to this type of family. Among survivor families with the minimum PIA, widow or widower-only families accounted for two-thirds of the white survivor beneficiaries and half as large a proportion of the other survivor beneficiaries.

Women outnumbered men by even greater margins among adult beneficiaries with minimum PIA's than among all adult beneficiaries (table 7). The extent to which women were more numer-

ous was greater for white beneficiaries than for beneficiaries of other races in retired-worker families, but it was smaller for white beneficiaries in disabled-worker families.

Among the regularly insured, about 6 percent of the white beneficiaries in families with the minimum PIA and 17 percent of the beneficiaries of other races were getting child benefits at the end of 1967 (table 8). A significant proportion of the child beneficiaries with benefits based on the minimum PIA were dependents of retired workers. Yet child beneficiaries in retired-worker families with the minimum PIA comprised only a small proportion of all beneficiaries in those families (3 percent for white families and 7 percent for the other families). On the other hand, child beneficiaries in survivor families with the

TABLE 8.—Beneficiaries in families with currently payable benefits and minimum PIA: Total and children, by beneficiary family type and race, end of 1967

[Numbers in thousands]

Beneficiary family type	White			Negro and other races		
	Total number	Children		Total number	Children	
		Number	Percent of total		Number	Percent of total
Families with minimum PIA.....	¹ 2,203.9	141.9	6.4	¹ 480.1	83.2	17.3
Retired-worker.....	1,866.2	53.3	2.9	358.6	23.6	6.6
Disabled-worker.....	32.3	9.5	29.4	19.6	5.3	27.0
Survivor.....	305.4	79.1	25.9	101.9	54.3	53.3

¹ Excludes transitionally insured and special age-72 beneficiaries.

TABLE 9.—Retired and disabled workers with currently payable benefits: Percentage distribution of total and those with minimum PIA by age, by sex, end of 1967

Age	Total	Men	Women	Total	Men	Women
	All retired workers			Retired workers with minimum PIA		
All ages.....	100.0	100.0	100.0	100.0	100.0	100.0
62-64.....	8.7	6.8	11.4	10.8	8.1	12.2
65-69.....	30.0	29.5	30.7	26.2	25.0	26.8
70-74.....	27.9	28.5	27.1	24.0	23.5	24.3
75-79.....	19.6	20.2	18.7	20.2	20.0	20.3
80-84.....	9.7	10.3	8.7	12.5	14.3	11.6
85 and over.....	4.2	4.6	3.4	6.2	9.1	4.8
	All disabled workers			Disabled workers with minimum PIA		
All ages.....	100.0	100.0	100.0	100.0	100.0	100.0
Under 30.....	1.0	1.2	.7	.8	1.5	.3
30-39.....	6.4	6.9	5.0	4.4	5.4	3.5
40-49.....	17.9	18.5	16.3	10.4	11.4	9.5
50-54.....	15.5	15.3	16.1	15.0	14.4	15.5
55-59.....	24.4	23.6	26.4	28.0	27.5	28.4
60-64.....	34.8	34.5	35.6	41.4	39.7	42.7

minimum PIA were more prominent in relation to all beneficiaries in survivor families (26 percent for white children and 53 percent for the other), as well as in relation to all child beneficiaries in families with the minimum PIA (56 percent and 65 percent, respectively). The proportion was less pronounced in disabled-worker families but not very significant in terms of relation to all child beneficiaries in families with the minimum PIA.

Age of Retired Workers

About 9 percent of all retired-worker families with benefits in current-payment status at the end of 1967 were headed by persons under age 65, and 14 percent were headed by persons aged 80 and over (table 9). A smaller proportion of family heads were under age 65 among men than among women (7 percent and 11 percent), but a larger proportion of family heads were aged 80 and over among men than among women (15 percent and 12 percent). The larger percentage of women family heads under age 65 than of men who headed families is quite understandable. Women have a greater propensity than men for early retirement. The smaller percentage of women aged 80 and over who head families is somewhat surprising since women generally live longer than men.

Not all the aged women get benefits as retired and disabled workers, of course; a considerable number receive benefits as wives and widows. Moreover, the proportion of women getting benefits as wives and widows is higher at the older ages than at the younger ages. At age 80 and over, for example, twice as many women get benefits as wives or widows than as retired workers. At other ages the proportions are almost equal. Consequently, the percentage of women family heads at the older ages is smaller than would be normally expected.

Among retired-worker beneficiaries with the minimum PIA, the proportions for both men and women aged 62-64 were only slightly larger (8 percent and 12 percent, respectively) than among all retired workers. For those aged 80 or older, however, the proportions, for both men and women, were considerably larger (23 percent and 16 percent, respectively) among retired workers with a PIA of \$44 than among all retired workers (table 9).

An age distribution of retired workers by race is available for all retired-workers but not specifically for retired-workers with minimum PIA. The following shows the percent of each retired-worker sex and race group within the specified age intervals:

Age group	White		Negro and other races	
	Men	Women	Men	Women
All ages.....	100.0	100.0	100.0	100.0
62-64.....	6.7	11.5	8.7	12.3
65-69.....	29.1	30.6	34.9	36.0
70-74.....	28.7	27.1	28.0	28.5
75-79.....	20.5	18.7	16.8	15.3
80-84.....	10.4	8.7	7.7	5.9
85 and over.....	4.6	3.4	3.9	2.0

The proportion of families with the head under age 65 was somewhat smaller among white families than among other families—a reflection of the greater tendency of the family heads in the latter group to elect early retirement despite the associated reduced benefits. The smaller proportion of family heads aged 80 or older in the latter group can be attributed in part to the somewhat shorter total lifespan of that part of the population. More important, it reflects the relatively fewer entitlements to regularly insured retired-worker benefits attributable to incomplete coverage.

Age of Disabled Workers

About 3 out of 4 disabled-worker beneficiaries were aged 50-64 (table 9). Only 1 percent of the disabled workers were under age 30. Among disabled-worker families with the minimum PIA, 5 out of 6 disabled workers were aged 50 or older. Thus, the relatively older disabled-worker beneficiaries—particularly those aged 55 and over—were proportionally more numerous among those with minimum benefits.

Retirement Benefit Amounts and Age

A distribution of retired workers by size of benefit shows considerable variation from one age group to the other and marked differences between men and women (table 10). Relatively more persons were getting benefits of \$44 or less among retirees aged 62-64 and among those aged 85 and over than among retirees in other age groups. Even among retirees in the same age groups, relatively more women than men were

getting low benefits and relatively fewer women than men were getting high benefits.

The benefit distributions by benefit intervals and by age for white beneficiaries follow closely the pattern described above except that relatively fewer white beneficiaries were getting benefits of \$44 or less and a somewhat larger proportion were drawing \$100 or more. Among the beneficiaries that were not white a much higher proportion were getting benefits of \$44 or less and a much lower proportion were getting benefits of \$100 or more. Nearly one-fourth of the retired men and 44 percent of the retired women among these beneficiaries were getting \$44 a month or less; only 25 percent of the men and 5 percent of the women were getting \$100 or more.

Computation Starting Date

For all the retired-worker families with benefits in current-payment status at the end of 1967 (excluding the transitionally insured), the benefit

TABLE 10.—Retired workers with currently payable benefits: Percentage distribution by monthly benefit amount, by age, race, and sex, end of 1967

Monthly benefit amount	Men by age ¹							Women by age ¹						
	Total	62-64	65-69	70-74	75-79	80-84	85 and over	Total	62-64	65-69	70-74	75-79	80-84	85 and over
	Total													
Total number (in thousands) ²	7,128	486	2,100	2,044	1,440	726	322	4,805	554	1,490	1,309	884	408	159
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
\$44.00 or less.....	10.0	16.7	9.6	7.5	9.0	12.7	18.1	22.1	29.2	19.8	18.7	20.8	28.7	35.2
44.10-69.90.....	14.1	26.2	15.0	10.2	12.0	15.7	22.1	29.8	41.1	30.2	27.9	25.3	28.1	32.4
70.00-99.90.....	25.7	29.7	24.2	22.3	24.9	32.9	37.8	30.1	21.7	28.4	30.9	36.4	32.9	26.5
100.00 or more.....	50.1	27.4	51.2	60.0	53.9	38.6	21.9	18.1	8.2	21.3	22.4	17.5	10.3	6.0
	White													
Total number (in thousands) ²	6,551	436	1,908	1,883	1,343	682	300	4,425	507	1,354	1,201	826	386	151
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
\$44.00 or less.....	8.9	14.7	8.4	6.6	7.9	11.7	16.6	20.1	26.7	17.7	16.6	19.1	27.4	34.2
44.10-69.90.....	13.4	25.1	14.1	9.6	11.5	15.2	21.7	29.7	41.5	30.0	27.6	25.0	28.0	32.6
70.00-99.90.....	25.4	30.6	23.7	21.6	24.5	33.1	38.5	31.0	22.9	29.3	31.8	37.4	33.8	21.8
100.00 or more.....	52.4	29.6	53.7	62.6	56.1	40.1	23.1	19.2	8.7	23.0	24.0	18.5	10.8	11.4
	Negro and other races													
Total number (in thousands) ²	577	50	201	161	97	45	22	380	47	137	108	58	22	8
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
\$44.00 or less.....	23.2	34.3	20.9	19.3	23.1	29.1	38.0	44.1	54.8	41.0	41.0	45.4	51.2	53.7
44.10-69.90.....	22.3	35.7	23.0	17.6	19.6	24.5	27.0	31.9	34.6	32.9	31.5	28.9	30.5	29.2
70.00-99.90.....	29.6	21.6	28.5	31.4	32.3	31.4	27.2	19.0	8.7	20.1	21.9	21.4	15.8	16.0
100.00 or more.....	24.9	8.5	27.6	31.6	25.0	14.9	7.8	4.7	1.8	5.8	5.7	4.4	2.5	1.1

¹ Age on birthday in 1967.

² Excludes transitionally insured beneficiaries.

TABLE 11.—Beneficiary families with currently payable benefits: Percentage distribution of total and those with minimum PIA by computation starting date, by beneficiary family type, end of 1967

Beneficiary family type	All families			With minimum PIA		
	Total	1950	1936	Total	1950	1936
Retired-worker families.....	100.0	81.4	18.6	100.0	57.5	42.5
Male worker only.....	100.0	83.1	16.9	100.0	58.6	41.4
Female worker only.....	100.0	75.3	24.7	100.0	55.6	44.4
Worker and spouse.....	100.0	89.6	10.4	100.0	63.6	36.4
Worker and children.....	100.0	88.6	11.4	100.0	73.7	26.3
Worker, aged wife and children.....	100.0	92.1	7.9	100.0	66.8	33.2
Worker, young wife and children.....	100.0	89.1	10.9	100.0	80.4	19.6
Disabled-worker families.....	100.0	90.0	10.0	100.0	96.5	3.5
Male worker only.....	106.0	88.3	11.7	100.0	95.2	4.8
Female worker only.....	100.0	89.0	11.0	100.0	97.0	3.0
Worker and spouse.....	100.0	94.6	5.4	100.0	94.7	5.3
Worker and children.....	100.0	92.1	7.9	100.0	98.7	1.3
Worker, young wife and children.....	100.0	93.9	6.1	100.0	97.2	2.8
Survivor families.....	100.0	71.5	28.5	100.0	38.7	61.3
Widow or widower only.....	100.0	66.9	33.1	100.0	33.3	66.7
Widow and children.....	100.0	73.9	26.1	100.0	45.0	55.0
Mother and children.....	100.0	89.7	10.3	100.0	60.2	39.8
Children only.....	100.0	81.7	18.3	100.0	56.4	43.6

computation starting date⁸ used was December 31, 1950, in 5 out of 6 of the worker's "average monthly earnings" (table 11). The 1936 starting date was used most often in establishing benefit amounts for one-person families, particularly women, and less frequently in establishing benefit amounts for worker-wife-children families.

For retired-worker families with PIA's of \$44, the "1950 starting date" was used in less than 3 out of 5 computations. In other words, for more than 40 percent of the families with a \$44 PIA (roughly about 800,000 families) it was important to consider earnings before 1951; these families would not otherwise have been eligible for any benefits, not even minimum benefits. Some of the families with the minimum PIA may have been on the beneficiary rolls for a considerable time and may not have had earnings after 1950.

⁸ The computation starting date is the date that serves to define the period of covered employment used in computing a worker's average monthly earnings—the basis for the worker's PIA. Only covered earnings after the specified starting date are considered. Two dates are used: December 31, 1936, and December 31, 1950. Currently, the "1936 starting date" is used when a worker does not have enough quarters of coverage without considering covered earnings before 1951 or when inclusion of earnings before 1951 would lead to a higher PIA; otherwise the "1950 starting date" is used. The PIA of most beneficiaries who are on the rolls for more than 15 years (roughly 5 percent of all beneficiaries) are based on the "1936 starting date."

For all survivor families, the 1936 starting date was used in 3 out of 10 computations, but it was used in 3 out of 5 computations for survivor families with the minimum PIA. Thus, many survivor families (about 200,000) would not have been eligible even for minimum benefits without considering earnings before 1951.

Reduction of Benefits for Early Retirement

Actuarial reduction of benefits because of entitlement to benefits before the specified statutory ages (65 for retired men and women and aged spouses and 62 for widows) is primarily associated with retirement. Women are more likely to avail themselves of the opportunity to retire earlier at reduced benefit rates than men, and, more often than white women, women of Negro and other races choose early retirement. What role employment opportunities play in influencing early retirement decisions is not known. Some analyses have been made of the different work-life experience of persons entitled to reduced and full benefits in 1966,⁹ and other factors associated with early retirement are being explored through field surveys made by the Social Security Administration.

At the end of 1967, 27 percent of the retirement benefits for men and 52 percent of the retirement benefits for women were actuarially reduced, as were 59 percent of the benefits for the aged wives of retired workers (table 12). Only 11 percent of the benefits for aged widows were actuarially reduced. With respect to benefits based on PIA's of \$44, the pattern of actuarial reduction differed but not radically. Here, too, relatively more women's benefits than men's were actuarially reduced. For retired men, however, the proportion getting reduced benefits was larger for those with PIA's of \$44 than for all retired men; for retired women it was about the same. Moreover, the proportion of aged wives of retired workers getting reduced benefits was even a little smaller for those whose benefits were based on the minimum PIA than for all aged wives of retired workers.

The prevalence of actuarial reduction in re-

⁹ Lenore E. Bixby and E. Eleanor Rings, "Work Experience of Men Claiming Retirement Benefits, 1966," *Social Security Bulletin*, August 1969.

TABLE 12.—Specified beneficiaries with currently payable benefits: Total and those with minimum PIA, by reduction status, end of 1967

[Numbers in thousands]

Type of beneficiary	Total number ¹	Full benefits, number	Reduced benefits	
			Number	Percent of total
All beneficiaries				
Retired workers.....	11,933	7,467	4,466	37.4
Men.....	7,128	5,182	1,946	27.3
Women.....	4,805	2,285	2,521	52.5
Aged wives.....	2,496	1,011	1,485	59.5
Of retired workers.....	2,461	1,005	1,456	59.2
Of disabled workers.....	35	6	29	82.7
Widows.....	2,736	2,428	309	11.3
With minimum PIA				
Retired workers.....	1,937	1,063	874	45.1
Men.....	649	441	208	32.0
Women.....	1,288	622	666	51.7
Aged wives of retired workers.....	186	83	103	55.4
Widows.....	248	230	18	7.1

¹ Excludes transitionally insured beneficiaries.

tired-worker families varied considerably according to type of family (table 13). Worker-only families with women at the head were more likely to have reduced benefits than those with men at the head. In retired-worker-only families, the difference in the frequency of actuarial reduction between those with PIA's of \$44 and the group as a whole was insignificant.

In worker-and-aged-wife families, the worker's

TABLE 13.—Specified retired-worker families with currently payable benefits: Total and those with minimum PIA, by beneficiary type of family, end of 1967

[Numbers in thousands]

Beneficiary family type and reduction status	All families		With minimum PIA	
	Number	Percentage distribution	Number	Percentage distribution
Retired worker only.....	9,168	100	1,708	100
Men.....	4,390	48	426	25
Benefits reduced.....	3,056	33	284	17
Benefits not reduced.....	1,334	15	142	8
Women.....	4,778	52	1,282	75
Benefits reduced.....	2,272	25	619	36
Benefits not reduced.....	2,506	27	663	39
Male worker and aged wife.....	2,423	100	182	100
Both worker's and wife's benefits reduced.....	887	37	72	40
Worker's benefit reduced.....	93	4	8	4
Wife's benefit reduced.....	1,082	45	68	37
Neither benefit reduced.....	361	15	34	19
Male worker, young wife and children.....	165	100	24	100
Worker's benefit reduced.....	69	42	8	36
Worker's benefit not reduced.....	97	58	16	67

benefit was reduced in a somewhat larger proportion of cases among families with the minimum PIA than among all families. The wife's benefit was reduced in a somewhat smaller proportion of cases among families with minimum PIA than among all families. The differences were probably not significant.

In summary, though more women than men beneficiaries had the minimum PIA, an actuarial reduction was relatively less prevalent for women with the minimum PIA than for all women beneficiaries.

Dual Entitlement

As indicated earlier, about 400,000 retired women with PIA's of \$44 are entitled to benefits as wives or widows. The following tabulation gives the estimated distribution of these beneficiaries by type and amount of secondary benefit, as of the end of 1967.

Secondary benefit amount	Number of retired women with PIA of \$44 and dually entitled		
	Total	As wives	As widows
Total.....	410,000	225,000	185,000
Under \$44.00.....	33,000	33,000	.....
\$44.00-49.90.....	77,000	57,000	20,000
50.00-59.90.....	117,000	92,000	25,000
60.00-69.90.....	76,000	43,000	33,000
70.00-79.90.....	25,000	.....	25,000
80.00-89.90.....	18,000	.....	18,000
90.00-99.90.....	30,000	.....	30,000
100.00-109.90.....	30,000	.....	30,000
110.00 and over.....	4,000	.....	4,000

Though more retired women have dual entitlement as widows than as wives, the reverse is true for women workers with PIA's of \$44. Most dually entitled retired women (close to 90 percent) drew benefits higher than \$44 a month. Benefits for women who were dually entitled as wives were primarily concentrated between \$44 and \$60, but about 20 percent were between \$60 and \$70 and some were less than \$44. Benefits for retired women dually entitled as widows were much more widely and evenly distributed along the benefit range, with about 18 percent at \$100 or more.

Retired-Worker Benefit Awards in 1967

During 1967, monthly cash benefits were awarded to 1.1-1.2 million persons who either

TABLE 14.— Benefit awards to retired workers: Percentage distribution by primary insurance amount and by monthly benefit amount, by sex, 1967

Monthly benefit amount	Both sexes			Men			Women		
	Total	Not reduced	Reduced	Total	Not reduced	Reduced	Total	Not reduced	Reduced
Total number (in thousands) ¹	1,155	461	694	716	331	386	439	130	309
Percentage distribution by primary insurance amount									
Total percent.....	100	100	100	100	100	100	100	100	100
\$44.00.....	13	8	16	7	5	8	22	14	26
44.10-69.90.....	12	6	17	9	5	13	17	10	21
70.00-99.90.....	23	18	28	20	14	25	30	28	30
100.00-119.90.....	16	17	15	17	16	18	14	21	12
120.00-134.90.....	27	34	22	37	40	34	11	16	9
135.00 or more.....	8	18	2	10	20	2	5	11	3
Average primary insurance amount.....	\$96.93	\$109.05	\$88.88	\$106.05	\$114.40	\$98.90	\$82.04	\$95.49	\$76.36
Percentage distribution by monthly benefit amount									
Total percent.....	100	100	100	100	100	100	100	100	100
\$44.00 or less.....	14	7	19	9	5	12	23	12	27
44.10-69.90.....	18	6	25	12	5	20	27	11	34
70.00-99.90.....	24	18	27	22	14	28	25	27	25
100.00-119.90.....	19	18	20	22	16	27	14	23	9
120.00-135.80.....	19	36	9	27	42	13	8	20	3
135.90 or more.....	6	16	2	9	19	2	2	7	3
Average benefit.....	\$90.01	\$109.37	\$77.16	\$99.25	\$114.40	\$86.26	\$74.94	\$96.60	\$65.80

¹ Excludes transitionally insured beneficiaries, but includes beneficiaries with conditional and deferred awards; that is, awards which are suspended

immediately following determination.

have decided to retire and withdraw from substantial employment or have applied for benefits to qualify for Medicare. More than 60 percent of those awarded retired-worker benefits were men, and less than 40 percent were women (table 14). Reduced benefit amounts because of early retirement were involved in more than half (54 percent) of the awards for men and in more than two-thirds (70 percent) of the awards for women.

As would be expected, the average benefit amount was higher for unreduced benefit awards than for reduced benefit awards. The average PIA was also higher for the unreduced benefit awards, however, regardless of the sex of the awardee. The higher averages for the unreduced benefit awards reflect in part the higher benefit amounts generally associated with conditional awards,¹⁰ most of which are included with unreduced awards. The lower average amount for the reduced benefit awards reflects in part a greater tendency among workers with lower earn-

ings to elect early retirement despite the reduction in benefit amount.

A comparison of the proportions of retired workers with the minimum PIA whose benefits were currently payable at the end of 1967 and those awarded during 1967 is presented in the tabulation that follows:

Year of award and payment status	Percent of retired-worker beneficiaries with minimum PIA		
	Total	Benefit not reduced	Benefit reduced
Total with benefits—			
Awarded in 1967.....	13	8	16
Currently payable, end of 1967.....	16	14	20
Men with benefits—			
Awarded in 1967.....	7	5	8
Currently payable, end of 1967.....	9	8	11
Women with benefits—			
Awarded in 1967.....	22	14	26
Currently payable, end of 1967.....	27	27	26

Thus, though 16 percent of retired-worker benefits payable at the end of 1967 were based on a PIA of \$44, 13 percent of the 1967 awards were based on the minimum PIA. The differences in the proportions are even more pronounced when similar comparisons are made separately for unreduced and reduced benefits and for men and women.

¹⁰ A conditional award is one that is suspended immediately following determination. The cause for the suspension is usually the continued employment of the worker at an earnings rate sufficiently high to completely offset his benefits. Beginning with the later months of 1965, most conditional awards have gone to regularly employed persons aged 65 and over who applied for benefits primarily to qualify for Medicare.

Geographic Distribution

Available information on minimum benefits by State permits only partial indication of the size of the group within each State. It is possible to show for each State the total number of persons in the four benefit categories—retired workers, disabled workers, widows and widowers, and special age-72 beneficiaries—who are getting monthly benefits of \$44 or less at the end of the year (table 15). Whether the combined number of such persons within a State bears a disproportionate relationship to all beneficiaries within that State can also be determined. The available data cover more than 80 percent of all beneficiaries getting benefits “at or near the minimum” and thus a fairly reliable State distribution of “minimum benefits” can be arrived at. Information is not available by State on family composition of beneficiaries nor on their sex, race, and age characteristics. There is no information by State on the distribution of benefits by PIA intervals, and consequently those beneficiaries whose benefits are based on the minimum PIA cannot be shown separately.

Nationally the selected group of beneficiaries with minimum benefits represented nearly 13 percent of all beneficiaries. The State percentages varied from a low of about 9 percent for Michigan, New Jersey, and Alaska to a high of 23 percent for Mississippi, with Tennessee and Louisiana close seconds at about 20 percent. These percentages do not of course include wives, widowed mothers, and children in families with minimum benefits. As expected, the Southern States generally contain larger percentages of beneficiaries with minimum benefits than do Northern States. Delaware, Florida, and West Virginia are exceptions, with the percentage of beneficiaries with minimum benefits below the national average.

At the end of 1968 the total number of beneficiaries, as well as the number getting minimum benefits (among the four specified types), was larger than the number at the end of 1967. Beneficiaries with minimum benefits also accounted for a larger proportion of all beneficiaries at the end of 1968, both nationally and for each State, than the proportion a year earlier. The higher proportion in the later year reflects primarily the 25-percent increase (from \$44 to \$55) in the

minimum benefit under the 1967 amendments, compared with a 13-percent across-the-board increase for those getting \$49 or more. State variations in these percentages remained about the same. If the same relationship of beneficiaries with low benefits to all beneficiaries is assumed for 1968 and 1967, then the total number of beneficiaries with benefits at or near the minimum at the end of 1968 would be about 4 million, or about 400,000 higher than it had been at the end of 1967.

Summary

At the end of 1967, 2.3 million families of regularly insured workers were receiving benefits based on a PIA of \$44. In addition, 800,000 families were receiving special benefits as transitionally insured and special age-72 beneficiaries.

Among the families of the regularly insured workers with the minimum PIA, women outnumbered men by nearly 3 to 1 and children accounted for less than 10 percent of the beneficiaries. Women were even more predominant among the families with special benefits. Compared with all families, the families with a PIA at the minimum had relatively fewer men and children.

About 2 million of the regularly insured beneficiaries with the minimum PIA were classified in social security records as one-person families, with the overwhelming majority (85 percent) retired workers. The actual number of one-person families may be considerably smaller—perhaps as much as 25 percent. Roughly, 450,000 married women were classified as “retired-worker-only” families because (a) they were entitled to retired-worker benefits in addition to their eligibility as wives or (b) they were not eligible as wives because their husbands had not as yet retired or were not covered under the OASDHI program (as Federal employees, for example).

About 400,000 of the 1.3 million retired women workers with the minimum PIA were dually entitled as wives and widows; most of them were getting benefits higher than \$44 a month. In addition, the husbands of an unknown number of other women in this category may have been drawing benefits on their own earnings records

TABLE 15.—Persons with currently payable benefits: Total and those with minimum benefits, by State, end of 1967 and 1968

[Numbers in thousands]

State of residence	1967			1968		
	Total number	With minimum benefits ¹		Total number	With minimum benefits ¹	
		Number	Percent of total		Number	Percent of total
Total.....	23,707	3,025	12.8	24,560	3,339	13.6
New England.....	1,402	145	10.3	1,440	157	10.9
Maine.....	138	18	13.4	141	20	14.4
New Hampshire.....	90	10	11.3	93	11	11.8
Vermont.....	57	8	13.6	58	8	14.2
Massachusetts.....	683	70	10.2	699	75	10.8
Rhode Island.....	118	11	9.7	121	13	10.4
Connecticut.....	318	27	8.6	328	29	8.8
Middle Atlantic.....	4,515	442	9.8	4,633	471	10.2
New York.....	2,237	221	9.9	2,293	234	10.2
New Jersey.....	787	70	8.9	815	75	9.2
Pennsylvania.....	1,492	151	10.1	1,524	162	10.6
East North Central.....	4,563	472	10.5	4,622	509	11.0
Ohio.....	1,167	121	10.4	1,197	133	11.1
Indiana.....	592	65	11.0	608	70	11.6
Illinois.....	1,239	137	11.1	1,266	147	11.6
Michigan.....	952	84	8.8	982	90	9.2
Wisconsin.....	553	65	11.8	570	70	12.2
West North Central.....	2,144	303	14.1	2,203	330	15.0
Minnesota.....	461	65	14.1	474	71	14.9
Iowa.....	394	53	13.3	402	56	14.0
Missouri.....	623	88	14.1	641	96	15.0
North Dakota.....	81	11	14.2	83	12	15.0
South Dakota.....	95	14	15.0	98	16	16.0
Nebraska.....	201	30	14.9	205	32	15.7
Kansas.....	291	42	14.6	299	47	15.6
South Atlantic.....	3,461	517	14.9	3,624	580	16.0
Delaware.....	53	6	11.3	56	6	11.6
Maryland.....	332	44	13.4	347	48	13.9
District of Columbia.....	75	14	18.1	75	15	19.4
Virginia.....	461	81	17.5	477	88	18.5
West Virginia.....	286	34	12.0	290	37	12.8
North Carolina.....	560	98	17.4	581	110	18.9
South Carolina.....	273	49	17.8	284	54	19.2
Georgia.....	462	81	17.6	485	94	19.4
Florida.....	960	110	11.5	1,028	128	12.4
East South Central.....	1,611	301	18.7	1,672	336	20.1
Kentucky.....	437	68	15.6	450	76	16.9
Tennessee.....	472	96	20.4	489	106	21.7
Alabama.....	414	72	17.3	432	81	18.7
Mississippi.....	288	65	22.7	300	73	24.3
West South Central.....	2,110	351	16.6	2,204	395	17.9
Arkansas.....	286	57	20.0	300	66	21.8
Louisiana.....	370	60	16.3	390	68	17.6
Oklahoma.....	329	52	15.7	342	58	16.9
Texas.....	1,125	182	16.2	1,173	203	17.3
Mountain.....	813	100	12.3	855	112	13.0
Montana.....	85	10	12.2	88	11	12.9
Idaho.....	83	10	12.4	87	11	13.1
Wyoming.....	36	4	12.5	37	5	13.1
Colorado.....	210	29	13.8	219	32	14.5
New Mexico.....	94	13	13.9	100	15	14.9
Arizona.....	182	19	10.6	194	22	11.5
Utah.....	90	10	10.6	94	11	11.4
Nevada.....	34	4	11.1	36	4	11.9
Pacific.....	2,693	312	11.6	2,824	353	12.5
Washington.....	369	43	11.6	382	47	12.3
Oregon.....	262	29	11.2	275	33	12.0
California.....	1,995	231	11.6	2,097	263	12.5
Alaska.....	10	1	9.1	11	1	9.9
Hawaii.....	56	8	14.5	60	9	14.7
Other areas.....	264	68	25.6	283	77	27.2
Abroad.....	191	15	7.6	202	19	9.4

¹ Includes benefits of \$44 or less for 1967 and \$55 or less for 1968 payable to retired and disabled workers, widows and widowers, and transitionally in-

sured and special age-72 beneficiaries; excludes wives, mothers, children, and parents.

and the combined amount for the worker and spouse thus exceeded \$66, the family maximum amount for those with PIA's of \$44. The hus-

bands of other women in this category may have still been working. On this basis, one can conclude that between 11¼ and 11½ million persons

were getting benefits of \$44 or less, not supplemented by additional benefits for the spouses and not supplemented by earnings from the spouses' employment. This figure does not include the 850,000 transitionally insured and special age-72 beneficiaries who were getting \$35 a month.

A woman was more likely to be at the head of a family with the minimum PIA. Half of all beneficiary families had a woman at the head, but three-fourths of the families with low benefits were headed by a woman.

About 13 percent of the beneficiary families with the minimum PIA were not white, and close to three-fourths of these families were in retired-worker families. Whatever the family category, there were fewer white families with the minimum PIA, relatively, than there were families of other races.

Fourteen percent of the white individual beneficiaries and 23 percent of those in other races were in families with the PIA at the minimum. The proportion of women in these families was lower among the latter group than it was among the former, but for children the reverse was true.

Early retirement was more common among retired workers with the minimum PIA than among all retired workers. Even so, the proportion of workers aged 85 and over was considerably higher among retired workers with the minimum.

The PIA for about 5 out of 6 retired-worker families to whom benefits were payable at the

end of 1967 was determined on the basis of earnings from employment after 1950. Yet in more than 40 percent of the retired-worker families with the minimum PIA (about 800,000 families) pre-1951 earnings were needed for entitlement, even to minimum benefits. Minimum benefits for an additional 200,000 survivor families also depended on pre-1951 earnings.

More women than men received actuarially reduced benefits because of early retirement. Yet actuarial reduction tended to be less prevalent among women in retired-worker families with the minimum PIA than among women in all retired-worker families, and somewhat more prevalent among men with the minimum PIA than among all men.

About 13 percent of the retired-worker benefit awards made in 1967 were based on a PIA of \$44. Of all retired-worker benefits payable at the end of 1967, 16 percent were based on a PIA of \$44.

At the end of 1967, beneficiaries with benefits of \$44 or less in the various benefit categories, and inferentially all beneficiaries with minimum benefits, were relatively more numerous in Southern States than they were in Northern States. It is estimated that at the end of 1968 the number of regularly insured beneficiaries with minimum benefits (based on the new \$55 minimum) was about 3.2 million, not counting the 790,000 transitionally insured and special age-72 beneficiaries.