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# The Income and Resources of the Elderly in 1978 \*

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The Social Security Administration (SSA) recently released two publications dealing with the economic situation of persons aged 55 and older in 1978. These reports—**Income & Resources of the Aged, 1978** (a chartbook containing 17 charts and brief explanatory paragraphs) and **Income of the Population 55 and Over, 1978** (a staff paper containing 43 tables and supporting text)—are the most recent in a series of analyses of the aged population begun by SSA 40 years ago. By means of selected findings, tabulations, tables, and charts, this article presents a sampling of the information available in the two publications. The reports reveal that the aged as a group are no longer disproportionately poor compared with the adult population as a whole, and that the 1978 income of most elderly units had kept pace with inflation since 1976, the next most recent survey year.

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In 1941, a year after the first retirement benefits were paid under the Social Security program, the Social Security Administration (SSA) began conducting surveys of the elderly under its statutory mandate to measure the effectiveness of the program. At first, such surveys were held in individual cities or groups of cities and were confined to persons actually receiving benefits. In 1963, however, the surveys were made national in scope and began to include nonbeneficiaries as well as beneficiaries. From that year to 1972, three major national studies were conducted.

In 1976, a series of biennial studies on the financial resources of the elderly was initiated by SSA's Office of Research and Statistics (ORS). Interviewees as young as age 55 were included to permit the comparison of income and resources before and after retirement. As its data base, ORS employed the March supplement to the Current Population Survey (CPS) of the Bureau of the Census.<sup>1</sup> The first report in this series<sup>2</sup> described the

economic status of the elderly in 1976. This article reports on the situation 2 years later, in 1978.

Most of the analysis reported here is based on the aged unit and not the family or unrelated individuals as in other population research. The aged unit is either a married couple living together, one or both of whom is aged 55 or older, or a person aged 55 or older who does not live with a spouse. The 1978 sample represented 15,795,000 such couples and 16,148,000 single units. The single person may be a widow, widower, a person divorced or separated, a person legally married who does not live with the spouse, or a person who never married. Either the couple or the single unit can be living in households with other persons. The concept of the unit allows measurement of the income of the entire aged population separately from that of the families or households in which the elderly persons may be living.

This article is derived from two recently released ORS reports. The first section, based on material appearing in **Income & Resources of the Aged, 1978**, gives statistical highlights on the economic status of the elderly in that year. The second section, drawn from **Income of the Population 55 and Over, 1978**,<sup>3</sup> compares the 1978 data with statistics obtained in the 1976 study. Some differences in income between 1976 and 1978 may have

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\* Prepared by Robert E. Marsh, Publications Staff, Office of Research and Statistics, Office of Policy, Social Security Administration. This article is based on findings and data published in Susan Grad, **Income of the Population 55 and Over, 1978** (Staff Paper No. 41), Office of Research and Statistics, Office of Policy, Social Security Administration, 1981, and **Income & Resources of the Aged, 1978** (chartbook), Office of Research and Statistics, Office of Policy, Social Security Administration, 1981.

<sup>1</sup> For a description of the data source for the series, definitions of key variables, and a discussion of the reliability of the estimates, see the technical appendix to Susan Grad, *op. cit.*

<sup>2</sup> Susan Grad and Karen Foster, **Income of the Population 55 and Over, 1976** (Staff Paper No. 35), Office of Research and Statistics, Office of Policy, Social Security Administration, 1979.

<sup>3</sup> Full citations of these publications appear in the author's note. The staff paper analyzes the 1978 data in considerable detail, focusing on the major sources and combinations of sources of income received and their amounts and relative importance to total income by age, marital status, sex, and race.

resulted from changes in the accuracy of income measurement.<sup>4</sup>

As the data that follow are evaluated, it might be useful to remember that the youngest persons interviewed in 1978, those aged 55, were aged 14 in 1937, when Social Security contributions were first collected. These individuals and their somewhat older cointerviewees represent the first generation of Americans to have spent virtually an entire working lifetime under the Social Security program. From their youth onward, the members of this group were exposed to program literature advising them that Social Security benefits were intended merely as a basic floor of protection. Their work careers coincided with a period of rapid growth in private pensions and insurance plans designed to augment those benefits. As more disposable income became available, savings were encouraged to provide additional income in old age. In a sense, the economic status of this generation in retirement is a measure of how well these combined public and private approaches have worked.

## Characteristics of the Elderly, 1978

### Advantages of Marriage and Relative Youth

The survey demonstrated that couples and younger members of the elderly population enjoy decided economic advantages over their nonmarried, older counterparts. Among the elderly:

—**Couples were more likely than singles to have earnings.** Among the group aged 55–61, virtually all (93 percent) of the couples but only two-thirds of the singles reported earnings in 1978. Among units aged 65 and older, the respective proportions were two-fifths and one-sixth. Couples aged 65 and older with earnings had a median income of \$13,170, compared with \$7,870 for couples of the same age who did not have earnings.

—**Married men had higher incomes than single men.** The beneficial effect of marriage is further illustrated when the median total money incomes of men are compared, as in the following tabulation. Regardless of age

Age	Married	Single
55–61 . . . . .	\$15,560	\$8,720
62–64 . . . . .	11,720	7,040
65–69 . . . . .	7,750	4,910
70–72 . . . . .	6,560	4,960
73 and older . . . . .	5,400	4,370

group, married men consistently had higher median incomes than did single men. Married men in the youngest age group had a median income 78 percent higher than their single counterparts. This relative difference in me-

<sup>4</sup> Recent changes in the CPS—in particular, an experiment in data collection conducted in 1979—have improved the measurement of income and labor-force participation but have reduced the comparability of estimates made in different years. For information on this factor, see the technical appendix to Susan Grad, *op. cit.*

dian income was less pronounced at the older ages but nevertheless remained 24 percent at age 73 and older.

—**Total incomes were much higher for younger units and for couples.** Couples and single units aged 55–61 had median total money incomes of \$19,330 and \$6,820, respectively. Both these figures were more than twice as large as the corresponding amounts for those aged 65 and older.

### Demographic and Economic Changes

The relatively comfortable economic situation enjoyed by the youngest of the elderly is traceable, of course, to the fact that most of these units still had income from employment and had not yet fully encountered the difficulties associated with aging. Among groups that were older:

—**The proportion of men was smaller.** At ages 55–61, the units were 52 percent female and 48 percent male, about the same as the proportion for the population as a whole. In each succeeding age group, however, men represented a steadily diminishing minority, as the following tabulation shows. Among the oldest units, those aged 73 and older, 62 percent of the population were women and 38 percent were men.

Age	Total	Men		Women	
		Number (in millions)	Percent	Number (in millions)	Percent
Total . . . . .	43.8	19.3	100	24.5	100
55–61 . . . . .	15.1	7.2	48	7.9	52
62–64 . . . . .	5.5	2.6	47	2.9	53
65–69 . . . . .	8.5	3.8	45	4.7	55
70–72 . . . . .	3.9	1.7	44	2.2	56
73 and older . . . . .	10.6	4.0	38	6.6	62

—**The proportion of married units was lower.** In 1978, those aged 55 or older made up approximately 20 percent of the Nation's total population and were rather evenly divided between married couples and single units. At ages 55–61, about 64 percent of the units were married couples, 12 percent were single men, and 24 percent were single women. The corresponding figures were 59 percent, 11 percent, and 30 percent at ages 62–64. Among those aged 65 and older, however, only 40 percent of the units were married couples, 13 percent were single men, and 47 percent were single women.

—**The proportion with earnings was less.** In 1978, 83 percent of those aged 55–61 reported having either wages and salaries or earning from self-employment. As the tabulation on the next page shows, however, the proportion of units with income from earnings was 45 percent at ages 65–67 and only 27 percent at ages 70–72. Just 13 percent of the units aged 73 and older reported the receipt of earnings—a difference of 70 percentage points from the youngest to the oldest age group.

Age	Percent
55-61.....	83
62-64.....	66
65-67.....	45
68-69.....	35
70-72.....	27
73 and older.....	13

—**Income levels were lower.** Median total money incomes also dropped sharply at the later ages (chart 1). For couples, the figures were \$19,330 at ages 55-61, \$15,040 at ages 62-64, \$11,600 at ages 65-67, \$10,500 at ages 68-69, \$9,780 at ages 70-72, and \$8,060 at ages 73 and older. The decline for single units was less precipitous, from \$6,820 to \$3,730 over the entire range of ages, and the figure actually rose slightly—from \$4,220 to \$4,270—from the age 68-69 to the age 70-72 intervals.

### Situation at 65 and Older Ages

When age 65 is reached, unreduced Social Security benefits become available and possibly income from other pension programs, which often are keyed to begin making payments at about the same time. It may also be a time to convert assets into continuing income and possibly obtain a part-time or part-year job. For those units aged 65 and older:

—**These four sources provided almost all income.** So-

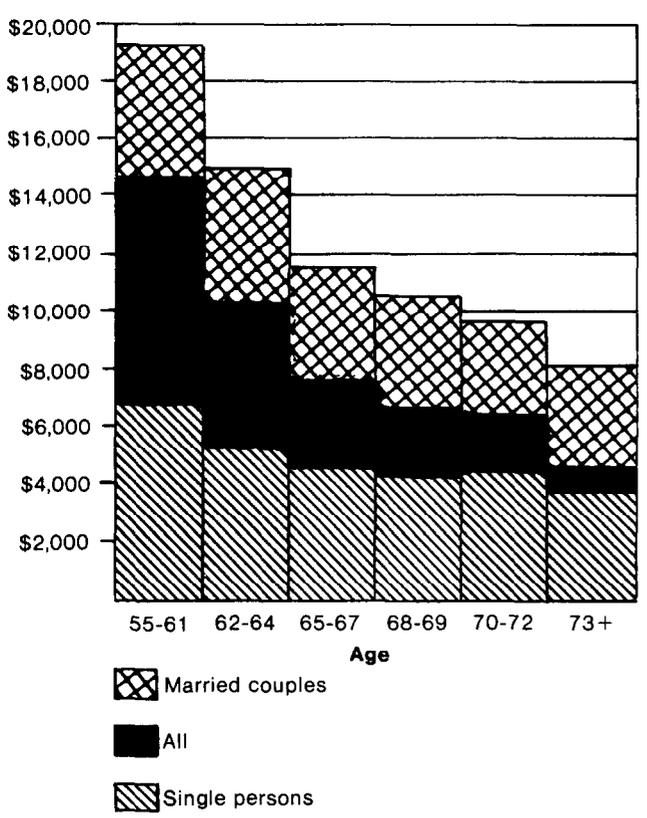
cial Security benefits, work earnings, public and private pensions, and asset income provided 96 percent of the money income for units aged 65 and older in 1978. As the following tabulation shows, the income share for each source varied considerably by marital status and sex.

Source	All units	Married couples	Single men	Single women
Total .....	100	100	100	100
Social Security .....	38	34	40	48
Other pensions .....	16	16	18	14
Earnings .....	23	30	20	9
Assets .....	19	18	17	22
Other .....	4	2	5	7

—**Social Security benefits were paid to virtually everyone.** As the following tabulation shows, 90 percent of the units aged 65 and older received Social Security benefits. According to an estimate by the SSA Office of the Actuary, an additional 5 percent were eligible for benefits but had not yet retired.

Age	Percent on rolls
55-61.....	14
62-64.....	51
65 and older.....	90
65-69.....	85
70-72.....	91
73 and older.....	92

**Chart 1.**—Median total money income of the elderly, 1978



—**The majority of beneficiaries had other income.** The median Social Security income of beneficiary units aged 65 and older was \$3,390 annually in 1978. Although 2 percent received less than \$1,000, 19 percent received more than \$5,000. The beneficiaries supplemented these amounts with income from other sources. For example, 24 percent still had earnings, 32 percent were recipients of other pensions, and 63 percent had income from assets. The asset income reported included interest on savings accounts and bonds, stock dividends, net income from rents, royalties, and income from estates and trusts. About 13 percent of the aged units received a government pension (with a median amount of \$3,855 a year), and 21 percent received a private pension (a median of \$2,180 a year). With all these sources taken into account, the median total money income of beneficiaries aged 65 and older was \$5,650 a year.

—**Social Security was about the only income for a fourth of the units, however.** Twenty-six percent of the units aged 65 and older received at least 90 percent of their income from the Social Security program. For two-thirds of the units in this age group, the program provided at least half their total income.

—**About a tenth of the units received public assistance.** Eleven percent of the units aged 65 and older reported that they received public assistance. Thirty-seven

percent of the black women in this age group were recipients, compared with 22 percent of the black men, 9 percent of the white women, and 6 percent of the white men. About a fourth of the aged units receiving public assistance reported that it amounted to 90 percent or more of their total income.

—**Seven percent of the units had annual incomes of \$20,000 or more.** Among the units aged 65 and older, 14 percent of the couples, 4 percent of the single men, and 2 percent of the single women had annual incomes of \$20,000 or more. By contrast, incomes at this level were reported by nearly half the couples aged 55–61.

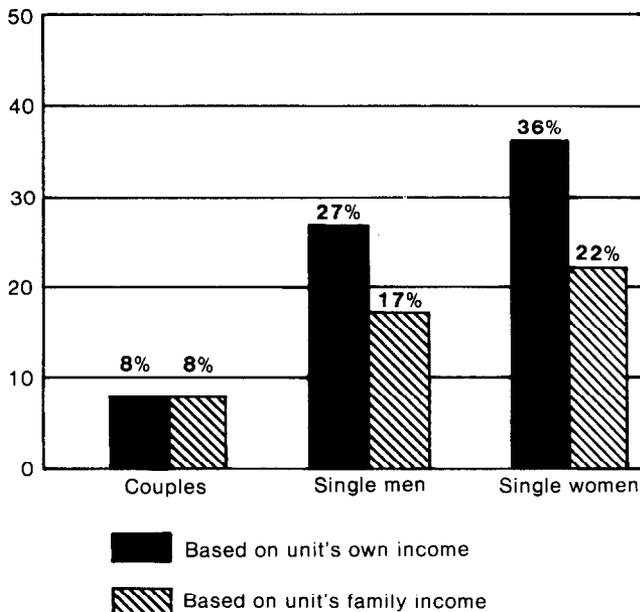
—**Single women were the most likely to be poor.** Single persons aged 65 or older were far more likely to have incomes below the poverty line than were couples, and single women were more likely to be poor than were single men whether the income of the aged unit was analyzed alone or in the context of that of the family in which the unit was a part. Chart 2 shows that, based solely on their own income, 36 percent of the aged single women were poor, compared with 27 percent of the single men, and 8 percent of the couples. When the family unit's resources were taken into account, the disparities were less marked, involving proportions of 22 percent, 17 percent, and 8 percent, respectively.

## Changes in Economic Status, 1976–78

### Size of Income

The traditional picture of the aged as persons existing on fixed incomes who suffer reduced living standards during periods of high inflation has rapidly undergone

**Chart 2.**—Percent of units aged 65 and older with income below the poverty level, by marital status, 1978



change. Due primarily to the automatic adjustment of Social Security benefits to keep them in line with price increases and the fact that persons with earnings have shared in the growth in wages, the median total money incomes for most groups within the elderly population increased as much as the 15-percent rise in the Consumer Price Index between 1976 and 1978.

A few notable exceptions to this pattern were registered by groups with historically low incomes—nonbeneficiaries, older nonmarried men, and blacks. For nonbeneficiaries aged 65 and older, for example, median total money income increased only 2 percent during the period. The nonmarried men in this group fared even worse, suffering a 7-percent decline. Only slight gains were recorded for nonmarried blacks aged 62–64 and 65 and older—2 percent and 6 percent, respectively.

Among the groups whose median total money incomes increased at a much higher rate than that of inflation were beneficiaries aged 55–61 (40-percent increase)—a gain that was shared by both blacks (45-percent increase) and whites (36-percent increase)—and nonmarried male beneficiaries aged 62–64 (38-percent increase). The groups enjoying income increases exceeding the rise in inflation were under age 65 and were increasing their rate of receipt of earnings or second pensions. From 1976 to 1978, black beneficiaries aged 55–61 improved their rate of receipt of earnings by 12 percentage points (39 percent, compared with 27 percent). During that period, white beneficiaries aged 55–61 increased their rate of receipt of pensions other than Social Security by 9 percentage points (31 percent, compared with 22 percent).

The size of total money income is related to the types of retirement pensions received. Among units aged 65 and older with only one type of retirement pension in 1978, recipients of government employee pensions had a median total money income of \$8,770, compared with \$4,210 for Social Security beneficiaries (table 1). Those with Social Security benefits and a Federal civil service pension had a somewhat higher median total money income in 1978 than either those with Social Security and another type of government employee pension or those with Social Security and a private pension (\$10,290, compared with \$9,200 and \$9,190, respectively).

Two groups had median total money incomes lower in 1978 than in 1976: Those aged 65 and older with a government employee pension as their only pension, and married couples aged 65 and older with Social Security and a government employee pension other than Federal civil service benefits—that is, Railroad Retirement benefits, and State, local, and military pensions. These groups registered respective declines of 2 percent and 7 percent in the period.

By comparison, median Social Security benefits and median private pensions or annuities of units aged 65 and older rose from 1976 to 1978. Median private pen-

**Table 1.—Retirement pensions, earnings, and income from assets by marital status: <sup>1</sup> Number of units aged 65 and older, median total money income, 1978**

Retirement pension	Number of recipients (in thousands)					Median income				
	Total	Earnings		Income from assets		Total	Earnings		Income from assets	
		Yes	No	Yes	No		Yes	No	Yes	No
<b>All units</b>										
Total .....	18,179	4,577	13,602	11,233	6,946	\$5,630	\$10,390	\$4,590	\$7,650	\$3,530
No benefit .....	1,287	621	665	545	742	3,600	14,710	2,180	13,990	2,520
One benefit .....	11,569	2,799	8,770	6,559	5,011	4,300	8,310	3,730	5,760	3,300
Social Security only <sup>2</sup> .....	11,002	2,697	8,306	6,183	4,819	4,210	8,140	3,670	5,640	3,260
Private pension or annuity only .....	108	53	55	76	32	(3)	(3)	(3)	(3)	(3)
Government employee pension only <sup>4</sup> .....	239	34	205	171	68	8,770	(3)	8,170	12,690	(3)
Railroad Retirement only .....	220	16	204	128	92	4,910	(3)	4,820	6,140	(3)
More than one benefit <sup>5</sup> .....	5,323	1,157	4,166	4,130	1,193	9,300	13,840	8,470	10,420	6,500
Social Security and Federal pension .....	380	76	304	301	79	10,290	(3)	9,320	10,940	(3)
Social Security and Railroad Retirement, State/local, or military .....	1,232	264	968	961	271	9,200	14,040	8,290	10,390	5,930
Social Security and private pension or annuity .....	3,632	799	2,811	2,798	834	9,190	13,870	8,400	10,260	6,600
<b>Married couples</b>										
Total .....	7,152	2,937	4,215	5,088	2,064	9,460	13,170	7,870	11,240	6,220
No benefit .....	449	380	69	290	159	16,830	20,820	(3)	23,380	(3)
One benefit .....	3,769	1,663	2,106	2,464	1,304	7,340	10,840	5,890	9,010	5,290
Social Security only <sup>2</sup> .....	3,581	1,588	1,993	2,321	1,260	7,210	10,560	5,820	8,740	5,280
Private pension or annuity only .....	53	39	14	41	12	(3)	(3)	(3)	(3)	(3)
Government employee pension only <sup>4</sup> .....	83	30	53	68	15	(3)	(3)	(3)	(3)	(3)
Railroad Retirement only .....	52	7	45	35	17	(3)	(3)	(3)	(3)	(3)
More than one benefit <sup>5</sup> .....	2,934	893	2,040	2,333	600	11,550	15,410	10,240	12,730	8,420
Social Security and Federal pension .....	158	55	102	129	29	(3)	(3)	(3)	(3)	(3)
Social Security and Railroad Retirement, State/local, or military .....	610	183	427	474	136	11,500	16,320	10,060	12,970	(3)
Social Security and private pension or annuity .....	2,122	640	1,482	1,693	429	11,350	15,220	10,040	12,470	8,460
<b>Nonmarried persons</b>										
Total .....	11,027	1,640	9,386	6,145	4,882	3,910	6,700	3,690	5,310	2,970
No benefit .....	837	241	596	255	583	2,550	9,530	2,150	7,520	2,270
One benefit .....	7,800	1,136	6,665	4,094	3,706	3,540	5,740	3,360	4,410	2,910
Social Security only <sup>2</sup> .....	7,421	1,109	6,311	3,863	3,559	3,490	5,690	3,300	4,330	2,880
Private pension or annuity only .....	55	14	41	36	20	(3)	(3)	(3)	(3)	(3)
Government employee pension only <sup>4</sup> .....	156	4	152	103	53	(3)	(3)	(3)	(3)	(3)
Railroad Retirement only .....	168	9	159	93	75	4,500	(3)	(3)	(3)	(3)
More than one benefit <sup>5</sup> .....	2,389	264	2,125	1,796	593	6,870	9,380	6,660	7,790	4,960
Social Security and Federal pension .....	222	20	202	172	50	7,780	(3)	7,590	8,560	(3)
Social Security and Railroad Retirement, State/local, or military .....	622	82	540	487	135	7,139	(3)	6,880	8,070	(3)
Social Security and private pension or annuity .....	1,510	159	1,351	1,105	405	6,650	(3)	6,440	7,500	4,960

<sup>1</sup> Receipt of sources is ascertained by responses to a yes/no question which is imputed by CPS. A married couple receives a source if one or both persons are recipients of that source.

<sup>2</sup> Social Security beneficiaries may be receiving retired-worker benefits, dependents' or survivors' benefits, disability benefits, transitionally insured bene-

fits, or special age-72 benefits.

<sup>3</sup> Fewer than 100 sample (160,000 weighted) cases.

<sup>4</sup> Includes Federal, State, local, and military pensions.

<sup>5</sup> Includes a small number with combinations of pensions not listed.

sions and annuities increased 18 percent for married couples and 13 percent for nonmarried persons from 1976 to 1978. At the same time, median Social Security benefits rose 18 percent and 20 percent, respectively.

## Extent of Poverty

Poverty rates among the aged have declined over the years to a point where the aged as a group are no longer disproportionately poor compared with the adult population as a whole. In 1959, 35.2 percent of persons aged 65 and older, compared with 22.4 percent of those aged 14 and older, had incomes below the poverty line. In 1977, the figures were 14.1 percent and 11.6 percent, respectively.<sup>5</sup> Certain groups among the aged are nevertheless still very likely to be poor.

Table 2 measures the extent of poverty for aged units in terms of the total income of the families in which they live. The estimates show the number of aged units actually living on incomes below the official poverty line. According to this table, 16 percent of the units aged 65 and older were below the poverty line in 1978, and 26 percent were below the near-poor line (125 percent of the poverty line). Black units aged 65 and older had poverty rates approximately double those of all units: Thirty-six percent were below the poverty line, and 52 percent were below the near-poor line. Black nonmarried women aged 65 and older were the most poverty-prone of all: Forty-four percent were below the poverty line, and 63 percent were below the near-poor line.

In 1978, 25 percent of those aged 65 and older lived with other family members (any persons related by blood, marriage, or adoption, such as minor children, grown children with families of their own, or an aged sibling or parent). On the family-income basis, 16 percent of the units aged 65 and older were below the poverty line in 1978, compared with 24 percent who would have been poor if they had lived by themselves and relied only on their own income. Seventy-five percent of the units aged 65 and older were above the poverty line and would have been above it even if they had not been living with relatives. Fifteen percent were below the poverty line and would have been below it if they had not been living with other family members. Nine percent had family incomes above the poverty level but would have fallen below that level if they had not been living with relatives.

## Sources of Income Received

In 1978, retirement pensions, including Social Security benefits and government employee and private pensions, provided income to one-fourth of the units aged

<sup>5</sup> Bureau of the Census, "Characteristics of the Population Below the Poverty Level: 1977," *Current Population Reports* (Series P-60, No. 119), table C.

**Table 2.**—Family income below the poverty line and the near-poor line<sup>1</sup> for married couples by age, beneficiary status, race, and living arrangements: Percent of units aged 55 and older, 1978

Income	All units			Married couples		
	55-61	62-64	65 and older	55-61	62-64	65 and older
<b>All units</b>						
Number (in thousands) . . . . .	10,066	3,698	18,179	6,640	2,183	7,152
Percent:						
Below poverty line . . . . .	10	14	16	4	6	8
Below 125 percent of poverty line . . . . .	13	19	26	6	10	14
<b>Beneficiaries<sup>2</sup></b>						
Number (in thousands) . . . . .	13,374	1,896	16,284	784	1,013	6,494
Percent:						
Below poverty line . . . . .	15	18	15	7	10	7
Below 125 percent of poverty line . . . . .	23	26	26	14	16	13
<b>Nonbeneficiaries</b>						
Number (in thousands) . . . . .	8,692	1,802	1,894	5,677	1,170	658
Percent:						
Below poverty line . . . . .	9	10	23	4	3	13
Below 125 percent of poverty line . . . . .	12	11	31	5	5	16
<b>White</b>						
Number (in thousands) . . . . .	8,894	3,314	16,280	5,990	2,023	6,583
Percent:						
Below poverty line . . . . .	8	12	14	6	6	7
Below 125 percent of poverty line . . . . .	11	16	23	6	9	12
<b>Black</b>						
Number (in thousands) . . . . .	1,023	351	1,671	381	140	471
Percent:						
Below poverty line . . . . .	27	32	36	9	16	22
Below 125 percent of poverty line . . . . .	36	41	52	17	25	36
<b>Living with family members</b>						
Number (in thousands) . . . . .	4,388	1,162	4,564	2,951	705	1,144
Percent:						
Below poverty line . . . . .	7	9	8	4	6	8
Below 125 percent of poverty line . . . . .	10	12	13	7	8	14
<b>Not living with family members</b>						
Number (in thousands) . . . . .	5,678	2,536	13,615	3,509	1,478	6,007
Percent:						
Below poverty line . . . . .	13	16	19	4	7	8
Below 125 percent of poverty line . . . . .	16	22	31	6	11	14

<sup>1</sup> The money income of families containing aged units is compared with the official poverty income lines of families in 1978.

<sup>2</sup> Beneficiaries may be receiving retired-worker benefits, dependents' or survivors' benefits, disability benefits, transitionally insured benefits, or special age-72 benefits.

55-61, three-fifths of those aged 62-64, and more than 90 percent of those aged 65 and older (table 3). Little change was registered from 1976 to 1978 in the proportions reporting receipt of a retirement pension. There was, however, a noticeable increase from 1976 to 1978 among Social Security beneficiaries under age 65 in the proportions reporting receipt of pensions other than Social Security—a rise from 21 percent to 28 percent among units aged 55-61, and a rise from 31 percent to 37 percent among units aged 62-64. This growth resulted largely from an increase in the rate of receipt of private pensions—from 15 percent in 1976 to 23 percent

**Table 3.—Income sources: Percent of units aged 55 and older with money income from specified sources,<sup>1</sup> by age, sex, and marital status, 1978**

Source of income	Aged 55-64		Aged 65 and older				
	55-61	62-64	Total	65-67	68-69	70-72	73 and older
<b>Total</b>							
Number (in thousands) . . . . .	10,066	3,698	18,179	3,806	2,285	3,043	9,045
Percent of units with—							
Earnings . . . . .	83	66	25	45	35	27	13
Retirement benefits . . . . .	24	59	93	87	91	94	95
Social Security <sup>2</sup> . . . . .	14	51	90	83	89	91	92
Benefits other than Social Security . . . . .	14	27	32	36	34	38	28
Other public pensions . . . . .	7	11	13	14	13	14	13
Railroad Retirement . . . . .	(3)	1	3	2	2	3	3
Government employee pensions . . . . .	7	10	10	11	11	11	10
Private pensions or annuities . . . . .	7	16	21	25	23	26	17
Income from assets . . . . .	61	63	62	62	60	64	61
Interest . . . . .	57	59	58	59	56	61	58
Other income from assets . . . . .	23	26	23	23	24	24	23
Veterans' benefits . . . . .	8	6	5	5	4	4	6
Unemployment compensation . . . . .	5	3	1	3	1	1	(3)
Workers' compensation . . . . .	3	3	1	1	2	1	1
Public assistance . . . . .	5	6	10	8	10	9	12
Supplemental Security Income . . . . .	4	5	10	8	9	9	11
Other public assistance . . . . .	2	1	1	1	2	1	1
Personal contributions . . . . .	2	(3)	1	(3)	1	1	(3)
<b>Married Couples</b>							
Number (in thousands) . . . . .	6,460	2,183	7,152	1,995	1,011	1,358	2,787
Percent of units with—							
Earnings . . . . .	93	77	41	59	50	40	26
Retirement benefits . . . . .	24	57	94	87	92	96	98
Social Security <sup>2</sup> . . . . .	12	46	91	83	89	93	96
Benefits other than Social Security . . . . .	15	31	44	45	45	48	40
Other public pensions . . . . .	9	13	16	16	16	16	16
Railroad Retirement . . . . .	(3)	2	3	3	2	3	4
Government employee pensions . . . . .	8	12	13	13	14	13	12
Private pensions or annuities . . . . .	7	19	31	33	32	25	27
Income from assets . . . . .	68	70	71	71	70	74	71
Interest . . . . .	64	67	68	68	66	70	68
Other income from assets . . . . .	28	31	29	27	30	31	30
Veterans' benefits . . . . .	9	7	5	6	3	4	5
Unemployment compensation . . . . .	6	4	1	3	1	1	1
Workers' compensation . . . . .	3	3	2	2	2	2	1
Public assistance . . . . .	2	2	5	4	5	5	6
Supplemental Security Income . . . . .	1	2	5	3	4	4	6
Other public assistance . . . . .	1	1	1	1	1	1	1
Personal contributions . . . . .	1	(3)	(3)	(3)	1	1	(3)
<b>Nonmarried persons</b>							
Number (in thousands) . . . . .	3,606	1,515	11,027	181	1,273	1,685	6,257
Percent of unit with—							
Earnings . . . . .	66	50	15	31	23	17	8
Retirement benefits . . . . .	24	62	92	88	90	93	94
Social Security <sup>2</sup> . . . . .	16	58	89	84	88	90	90
Benefits other than Social Security . . . . .	12	21	25	26	26	30	23
Other public pensions . . . . .	5	9	12	11	11	13	11
Railroad Retirement . . . . .	(3)	1	3	2	2	3	3
Government employee pensions . . . . .	5	8	9	9	9	10	8
Private pensions or annuities . . . . .	7	13	14	16	16	18	13
Income from assets . . . . .	47	53	56	54	52	57	57
Interest . . . . .	44	48	52	50	48	54	53
Other income from assets . . . . .	15	20	20	19	20	19	20
Veterans' benefits . . . . .	7	5	5	4	4	4	6
Unemployment compensation . . . . .	3	2	1	2	1	1	(3)
Workers' compensation . . . . .	2	3	1	1	2	1	1
Public assistance . . . . .	12	10	14	13	14	13	14
Supplemental Security Income . . . . .	8	9	13	12	13	12	13
Other public assistance . . . . .	4	2	2	2	2	2	1
Personal contributions . . . . .	3	1	1	1	1	1	1

<sup>1</sup> Receipt of sources is ascertained by response to a yes/no question which is imputed by CPS. A married couple receives a source if one or both persons are recipients of that source.

<sup>2</sup> Recipients of Social Security may be receiving retired-worker benefits, de-

pendents' or survivors' benefits, disability benefits, transitionally insured benefits, or special age-72 benefits.

<sup>3</sup> Less than 0.5 percent.

Note: Columns may not add to totals due to rounding.

in 1978 among units aged 55–61, and from 22 percent to 26 percent among units aged 62–64. Smaller increases were recorded in the rate of receipt of government employee pensions. The increase in the receipt of two pensions was very pronounced among nonmarried men aged 62–64 without earnings—from 20 percent in 1976 to 34 percent in 1978. No increase was reported in the receipt of pensions other than Social Security among units aged 65 and older, and only a small increase among units aged 62–64 who did not receive Social Security benefits.

The enactment of the Employee Retirement Income Security Act (ERISA) in 1974 may have contributed to an increase in the receipt of private pensions. Among other things, ERISA ensures that workers are not required to satisfy extreme age and service requirements to be eligible for pension coverage, and that persons who work for a specified minimum period under a plan will receive at least some benefits or a lump sum at retirement. These figures suggest that by 1978, ERISA had very little effect on persons aged 65 and older, who were already at or near retirement age when the legislation was enacted. In the past, nonbeneficiaries have been much less likely than beneficiaries to receive a private pension, and there was little or no growth in the receipt of such pensions among nonbeneficiaries from 1976 to 1978.

Income from assets was reported by more than three-fifths of the aged units in 1978. The proportions reporting receipt of such income were several percentage points higher in 1978 than in 1976. Income from assets has been the least well reported source of income in the CPS. Aggregate amounts of dividend income from the CPS totaled only 38 percent of the aggregate amounts from independent estimates. The increase in reported receipt of income from assets in 1978 may reflect better reporting of such income on a revised questionnaire used in the year. On the other hand, the proportion of aged units reporting the receipt of asset income increased from 49 percent in 1971 to 56 percent in 1976. Thus, the increase to 62 percent in 1978 may indicate the continuation of a trend toward increasing receipt of asset income among the aged.

For the most part, earnings were as prevalent among the aged in 1978 as in 1976. They were received by 83 percent of the units aged 55–61, by 66 percent of those aged 62–64, and by 25 percent of those aged 65 and older. The extent of work and the number of earners changed somewhat, however. Among married couples, for example, more beneficiaries aged 62–64 had full-year, full-time work in 1978 than in 1976 (29 percent, compared with 25 percent), or no work (42 percent, compared with 37 percent), and fewer had part-time or part-year work (29 percent, compared with 38 percent). Nonbeneficiary couples aged 65 and older were more likely to be two-worker units, with both persons work-

ing full-year, full-time in 1978 than in 1976 (15 percent, compared with 9 percent). Fewer had only the husband working (32 percent, compared with 38 percent).

Some increases in the reported receipt of pensions among groups under age 65 were evident. In 1978, married couples aged 62–64 were more likely to have had a pension and no earnings (23 percent, compared with 18 percent) and less likely to have had earnings and no pension (43 percent, compared with 47 percent) than the comparable group in 1976. Nonmarried men aged 55–61 who had no earnings in 1978 were less likely to have had no pension (41 percent, compared with 53 percent) and more likely to have had one pension (49 percent, compared with 41 percent) than the comparable group 2 years earlier. This increase in the receipt of pensions by nonmarried men was based on a rise in the receipt of pensions other than Social Security. (Social Security benefits received before age 62 would be disability insurance benefits or young surviving spouses' benefits based on child care rather than retirement benefits.)

### Relative Importance of Sources

A slightly greater proportion of units aged 62–64 with retirement pensions relied on them for more than half their income in 1978 than in 1976. This change was more marked for married couples (51 percent, compared with 45 percent) than for nonmarried persons (70 percent, compared with 68 percent). The increasing importance of retirement pensions for married couples aged 62–64 resulted from increases in the importance of each type of pension—Social Security, government employee pensions, and private pensions. For nonmarried persons aged 62–64, however, the only pension that gained in importance was Social Security benefits.

A smaller proportion of recipients of government employee pensions aged 65 and older received more than half their income from this source in 1978 than in 1976 (38 percent, compared with 44 percent). The decrease in the median amount married couples received from government employee pensions is a factor here.

The importance of public assistance (including Supplemental Security Income) to recipients has lessened. Fewer units aged 62–64 relied on it for half their income in 1978 than in 1976 (37 percent, compared with 47 percent). Also, fewer units aged 65 and older received 90 percent or more of their income from this source (18 percent in 1978, compared with 22 percent in 1976).

The importance of earnings to total income changed little during the period. Table 4 shows the proportion of units receiving 100 percent of total income from various sources in 1978, and the proportion of those with 90 percent or more (almost all) of their income from the source. A big difference exists between the two measures of importance for retirement pensions, Social Security benefits, government employee pensions, and earnings, but not for income from assets, public assist-

**Table 4.—Relative importance of income sources by age, sex, and marital status: Percentage distribution of aged units receiving particular sources of income, 1978**

[Number in thousands]

Proportion of income (recipients only) <sup>1</sup>	Married couples aged—						Nonmarried persons aged—					
	55-61	62-64	65 and older	55-61	62-64	65 and older	55-61	62-64	65 and older	55-61	62-64	65 and older
	Retirement pensions <sup>2</sup>			Private pension or annuity			Retirement pensions <sup>2</sup>			Private pension or annuity		
Total number . . .	1,517	1,233	6,699	455	399	2,109	880	945	10,178	239	188	1,521
Total percent . . .	100	100	100	100	100	100	100	100	100	100	100	100
1-19 . . . . .	27	21	8	49	43	43	15	8	3	34	36	36
20-39 . . . . .	26	20	12	23	28	40	14	12	8	23	40	39
40-59 . . . . .	15	14	16	12	16	15	11	16	16	10	18	18
60-79 . . . . .	13	13	20	8	8	2	18	19	18	16	2	4
80 or more . . . . .	18	31	44	7	6	(3)	41	45	55	17	2	2
90 or more . . . . .	13	24	33	5	5	(3)	34	35	44	12	1	1
100 . . . . .	7	11	14	2	3	(3)	22	20	26	9	1	1
	Social Security <sup>4</sup>			Earnings			Social Security <sup>4</sup>			Earnings		
Total number . . .	782	993	6,354	5,953	1,655	2,889	587	882	9,659	2,361	755	1,625
Total percent . . .	100	100	100	100	100	100	100	100	100	100	100	100
1-19 . . . . .	34	32	13	2	6	23	14	10	5	3	11	26
20-39 . . . . .	26	26	21	3	10	21	17	20	13	3	9	24
40-59 . . . . .	19	17	23	5	9	19	15	20	21	6	13	23
60-79 . . . . .	11	12	20	11	15	17	21	19	19	9	11	10
80 or more . . . . .	9	13	24	78	60	19	33	31	42	79	55	17
90 or more . . . . .	7	11	16	68	48	12	27	23	33	70	47	12
100 . . . . .	4	5	8	21	14	3	19	16	21	36	20	5
	Government employee pension <sup>5</sup>			Public assistance			Government employee pension <sup>5</sup>			Public assistance		
Total number . . .	520	243	825	117	52	366	164	116	916	424	158	1,525
Total percent . . .	100	100	100	100	100	100	100	100	100	100	100	100
1-19 . . . . .	22	26	27	(6)	(6)	39	17	(6)	14	13	(6)	27
20-39 . . . . .	31	24	33	(6)	(6)	30	21	(6)	28	13	(6)	23
40-59 . . . . .	19	17	20	(6)	(6)	14	10	(6)	25	10	(6)	22
60-79 . . . . .	12	17	12	(6)	(6)	7	21	(6)	19	6	(6)	5
80 or more . . . . .	16	16	8	(6)	(6)	10	31	(6)	14	58	(6)	23
90 or more . . . . .	10	9	5	(6)	(6)	9	28	(6)	9	56	(6)	22
100 . . . . .	3	2	1	(6)	(6)	7	16	(6)	5	51	(6)	21

<sup>1</sup> Units with zero or negative total income are excluded. In addition, units with negative earnings are excluded from the importance of earnings section; units with negative income from assets are excluded from the importance of income from assets section; units with a person receiving both Social Security and Railroad Retirement are excluded from the importance of Social Security section; and units with a person receiving both a government employee pension and a private pension are excluded from both the importance of government employee pensions and private pensions.

<sup>2</sup> Includes Social Security benefits, Railroad Retirement, government employee pensions, and private pensions or annuities.

<sup>3</sup> Less than 0.5 percent.

<sup>4</sup> Social Security beneficiaries may be receiving retired-worker benefits, dependents' or survivors' benefits, disability benefits, transitionally insured benefits, or special age-72 benefits.

<sup>5</sup> Includes Federal, State, local, and military pensions.

<sup>6</sup> Fewer than 100 sample (160,000 weighted) cases.

ance, or private pensions. For example, although 40 percent of the units aged 65 and older with retirement pensions received *almost* all their income from this source, only 21 percent reported that all their income

came from retirement pensions. In other words, about 20 percent of pension recipients aged 65 and older had only minor amounts of income that came from other sources.