

Notes and Brief Reports

Old-Age Benefit Awards, 1950

During 1950, old-age benefits were awarded to 567,000 persons, an increase of 68 percent over the previous high established a year earlier. About 46 percent of these persons were "new eligibles"—persons who qualified for old-age benefits solely as a result of the liberalized insured-status provisions in the 1950 amendments to the Social Security Act (table 1). Women represented about 28 percent of the new eligibles and 16 percent of the "1939 eligibles."

One-fourth of the awards to 1939 eligibles were to persons who attained age 65 during the year of award; the proportion was slightly higher for women than for men. Some of the persons shown in the table at age 66 reached their sixty-fifth birthday and filed an application for benefits near the end of the previous year, but the award action was not completely processed in that year; thus the number of awards at age 65 may be understated. About 18 percent of the awards to new eligibles were to persons who attained age 65 in 1950, and 19 percent were made to persons who attained age 66. The percentage of new eligibles awarded benefits at the older ages declined steadily, since the liberalization in the insured-status requirements was greatest at age 65 (from 27 quarters of coverage to only 6) and was less at each successive age. For persons reaching their seventy-fifth birthday in the first 6 months of 1950 or in an earlier period, there was no liberalization at all, since these persons needed only 6 quarters of coverage to be fully insured under the 1939 amendments.

The proportion of awards to 1939 eligibles aged 75 or over jumped to almost 16 percent; this age group represented only 9 percent in 1949. The large increase resulted chiefly from the provision in the 1950 amendments that permits beneficiaries aged 75 or over to receive monthly benefits even though they

are earning more than \$50 a month in covered employment. The backlog of these workers has been included in the 1950 awards, so that the proportion of awards to persons aged 75 or over is larger than it is likely to be hereafter.

For persons awarded old-age benefits who were eligible under the 1939 amendments, the average ages were 69.4 years for men and 68.7 years for women, about half a year older in each case than in 1949. These older average ages resulted chiefly from the large number of awards to persons aged 75 or over. About 35 percent of the 1939 eligibles awarded benefits in 1950 were aged 70 or over, an increase over the 31 percent in 1949, but still less than the high of 41 percent set in 1946. For new eligibles,

the average ages were 67.9 years for men and 67.6 years for women. These average ages reflect the larger percentage of awards to newly eligible persons at ages 65-69 and the absence of persons over age 75.

The average old-age benefit award under the 1950 amendments was \$33.24, only \$4.21 more than the average amount awarded under the 1939 amendments (table 2). This low average benefit was due chiefly to the large number of awards to new eligibles, who accounted for two-thirds of the awards under the 1950 amendments and whose average benefit was only \$25.36. The average benefit awarded to 1939 eligibles under the 1950 amendments was \$49.51, about 70 percent more than the average amount awarded under the 1939 amendments. The average benefit amount for women was lower than for men, ranging from \$11 less for

Table 1.—Number and percentage distribution of old-age¹ benefits awarded in 1950 by eligibility status, age, and sex of beneficiary

[Based partly on a 20-percent sample]²

Age of beneficiary ²	Total		Male beneficiaries		Female beneficiaries	
	Number	Percent	Number	Percent	Number	Percent
1939 eligibles ³	308,417	100.0	258,418	100.0	49,999	100.0
65	77,346	25.1	64,328	24.9	13,018	26.0
66	50,471	16.4	42,083	16.3	8,388	16.8
67	29,553	9.6	24,347	9.4	5,206	10.4
68	23,466	7.6	19,276	7.5	4,190	8.4
69	18,543	6.0	15,202	5.9	3,341	6.7
70	17,328	5.6	14,279	5.5	3,049	6.1
71	14,352	4.7	11,875	4.6	2,477	5.0
72	11,360	3.7	9,374	3.6	1,986	4.0
73	9,518	3.1	7,956	3.1	1,562	3.2
74	8,338	2.7	6,942	2.7	1,396	2.8
75-79	36,992	12.0	32,567	12.6	4,425	8.9
80 and over	11,150	3.6	10,209	4.0	941	1.9
New eligibles ⁴	258,714	100.0	185,410	100.0	73,304	100.0
65	47,374	18.3	32,926	17.8	14,448	19.7
66	49,301	19.1	34,688	18.7	14,613	19.9
67	40,774	15.8	28,261	15.2	12,513	17.1
68	36,433	14.1	26,125	14.1	10,308	14.1
69	27,546	10.6	19,974	10.8	7,572	10.3
70	22,292	8.6	16,603	9.0	5,689	7.8
71	15,161	5.9	11,416	6.2	3,745	5.1
72	10,209	4.0	7,836	4.2	2,433	3.3
73	6,161	2.4	4,835	2.6	1,326	1.8
74	2,788	1.1	2,248	1.2	540	.7
75 ⁵	615	.2	498	.3	117	.2

¹ Effective Sept. 1, 1950, under the Social Security Act Amendments of 1950, the term "primary insurance benefit" was changed to "old-age insurance benefit."

² Age at birthday in 1950.

³ "1939 eligibles" are persons who had sufficient quarters of coverage to qualify for old-age benefits

under the insured-status provisions in the 1939 amendments.

⁴ "New eligibles" are persons who qualified for old-age benefits solely as a result of the liberalized insured-status provisions in the 1950 amendments.

⁵ Only persons reaching their seventy-fifth birthday during July-December 1950 can qualify as new eligibles.

Table 2.—Number and average monthly amount of old-age¹ benefits awarded in 1950 under the 1939 and the 1950 amendments by eligibility status, age, and sex of beneficiary

[Based partly on a 20-percent sample]

Age of beneficiary ²	Total		Male beneficiaries		Female beneficiaries	
	Number	Average monthly amount	Number	Average monthly amount	Number	Average monthly amount
Under 1939 amendments						
Total.....	183, 223	\$29.03	154, 450	\$30.16	28, 773	\$22.9
65.....	41, 860	30.68	34, 981	31.94	6, 879	24.24
66.....	37, 134	30.40	31, 367	31.58	5, 767	23.97
67.....	19, 564	29.92	16, 332	31.18	3, 232	23.55
68.....	15, 500	29.03	13, 013	30.23	2, 487	22.72
69.....	12, 319	28.62	10, 270	29.90	2, 049	22.21
70.....	11, 259	28.18	9, 420	29.38	1, 839	21.99
71.....	9, 237	27.84	7, 795	28.92	1, 442	21.97
72.....	7, 314	27.07	6, 149	28.23	1, 165	20.94
73.....	6, 200	26.55	5, 268	27.56	932	20.86
74.....	5, 209	26.34	4, 442	27.30	767	20.79
75-79.....	13, 555	24.98	11, 745	25.69	1, 810	20.37
80 and over.....	4, 072	25.84	3, 668	26.20	404	22.65
Under 1950 amendments						
Total.....	383, 908	33.24	289, 378	35.32	94, 530	26.85
65.....	82, 860	39.79	62, 273	42.51	20, 587	31.57
66.....	62, 638	31.73	45, 404	33.47	17, 234	27.14
67.....	50, 763	30.01	36, 276	32.17	14, 487	24.61
68.....	44, 399	28.58	32, 388	30.29	12, 011	23.95
69.....	33, 770	27.91	24, 906	29.41	8, 864	23.68
70.....	28, 361	27.78	21, 462	29.08	6, 899	23.74
71.....	20, 276	27.60	15, 496	28.76	4, 780	23.85
72.....	14, 315	27.87	11, 061	28.93	3, 254	24.27
73.....	9, 479	28.72	7, 503	29.71	1, 976	24.98
74.....	5, 917	31.79	4, 748	32.94	1, 169	27.15
75-79.....	24, 052	48.91	21, 320	50.20	2, 732	38.79
80 and over.....	7, 078	50.52	6, 541	51.22	537	42.04
1939 eligibles ³	125, 194	49.51	103, 968	51.37	21, 226	40.44
65.....	35, 486	52.79	29, 347	54.53	6, 139	44.43
66.....	13, 337	50.14	10, 716	52.13	2, 621	42.03
67.....	9, 989	48.99	8, 015	51.28	1, 974	39.65
68.....	7, 966	47.88	6, 263	50.42	1, 703	38.54
69.....	6, 224	47.54	4, 932	49.89	1, 292	38.57
70.....	6, 069	46.75	4, 859	49.07	1, 210	37.45
71.....	5, 115	45.49	4, 080	48.05	1, 035	35.40
72.....	4, 046	44.88	3, 225	47.17	821	35.89
73.....	3, 318	43.62	2, 668	45.77	650	34.79
74.....	3, 129	41.74	2, 500	43.89	629	33.18
75-79.....	23, 437	49.45	20, 822	50.71	2, 615	39.43
80 and over.....	7, 078	50.52	6, 541	51.22	537	42.04
New eligibles ⁴	258, 714	25.36	185, 410	26.32	73, 304	22.93
65.....	47, 374	30.06	32, 926	31.80	14, 448	26.10
66.....	49, 301	26.74	34, 688	27.70	14, 613	24.47
67.....	40, 774	25.37	28, 261	26.75	12, 513	22.24
68.....	36, 433	24.36	26, 125	25.47	10, 308	21.54
69.....	27, 546	23.47	19, 974	24.36	7, 572	21.14
70.....	22, 292	22.62	16, 603	23.24	5, 689	20.82
71.....	15, 161	21.57	11, 416	21.87	3, 745	20.65
72.....	10, 269	21.16	7, 836	21.42	2, 433	20.35
73.....	6, 161	20.70	4, 835	20.85	1, 326	20.17
74.....	2, 788	20.64	2, 248	20.76	540	20.14
75 ⁵	615	28.09	498	28.94	117	24.49

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1939 eligibles who were awarded benefits under the 1950 amendments to \$3.40 less for new eligibles.

Benefits in Current-Payment Status, State Distribution

The number and amount of old-age and survivors insurance monthly benefits in current-payment status at the end of February 1951, classified by type of benefit and by the State of residence of beneficiary, are shown in the accompanying table. Almost 12 percent of the 3.7 million beneficiaries were in New York State, 9 percent were in Pennsylvania, 8 percent in California, and 6 percent in Ohio and in Illinois. Altogether, these five States accounted for 41 percent of all beneficiaries although, according to the 1950 census, they contained slightly less than 35 percent of the total population of the United States, Alaska, and Hawaii.

At the end of February the Northeastern States had a slightly smaller proportion of the total beneficiaries than before the 1950 amendments were enacted. Apparently, there were proportionately more workers in the Western and Southern States who, because of more limited opportunities for employment covered by the Social Security Act, did not have enough quarters of coverage to be insured under the 1939 amendments but who qualified for benefits because of the liberalization in the insured-status requirements. This trend is evident for all types of benefits but particularly for old-age and wife's benefits. Since the liberalization was applicable only to persons who were living on September 1, 1950, there was a backlog of persons immediately eligible for old-age and wife's benefits, whereas benefits were payable to survivors of newly eligible persons only in event of the worker's death after August 1950.

The average old-age monthly benefit being paid at the end of February ranged from \$48.40 in Connecticut to \$33.50 in Mississippi; the national average was \$43.30. The average bene-