

Notes and Brief Reports

Family Benefits in Current-Payment Status, June 30, 1959*

During the year ended June 30, 1959, the number of families receiving monthly benefits under the old-age, survivors, and disability insurance program increased about 931,000. At the end of the fiscal year, monthly benefits were being paid to at least one person in 9.7 million families (table 1). Of these, about 9.5 million were either retired-worker or survivor families, an increase for the year of about 857,000. Retired-worker

families, which made up 77 percent of the 9.5 million, numbered 7.3 million—about 657,000 more than a year earlier. The number of survivor families increased 200,000, to 2.2 million. Disabled-worker families numbered about 275,000, and 86,000 dependents of disabled workers were receiving monthly benefits provided by the 1958 amendments to the Social Security Act. At the end of June 1958, only disabled workers themselves could receive benefits, and about 200,000 had benefits in current-payment status.

Average family benefits at the end of June 1959 were substantially higher than those a year earlier because of (1) the higher benefit rates provided by the 1958 amendments, (2) the rising proportion of benefits computed on the basis of earnings after 1950, and (3) the increasing number computed under the provisions of the 1954 amend-

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TABLE 1.—Estimated number of families and beneficiaries in receipt of benefits and average monthly benefit in current-payment status by family group, end of June 1958 and 1959

[Number in thousands; data corrected to Feb. 24, 1960]

Family classification of beneficiaries	June 30, 1958			June 30, 1959			Percentage increase in average monthly amount per family 1959 from 1958
	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families	Number of beneficiaries	Average monthly amount per family	
Total.....	8,797.1	11,905.3		9,728.5	13,181.4		
Retired-worker families.....	6,638.5	8,785.1		7,295.6	9,636.6		
Worker only.....	4,662.0	4,662.0	\$62.00	5,153.6	5,153.6	\$68.30	10
Male.....	2,500.6	2,500.6	69.80	2,700.6	2,700.6	77.30	11
Female.....	2,161.4	2,161.4	53.00	2,453.0	2,453.0	58.30	10
Worker and aged wife.....	1,835.2	3,670.4	110.20	1,978.1	3,956.2	120.60	9
Worker and young wife ¹.....	.8	1.6	105.10	.6	1.2	113.70	8
Worker and aged dependent husband.....	13.7	27.4	93.20	14.7	29.4	104.70	12
Worker and 1 or more children.....	29.1	69.4	106.70	33.5	78.4	119.70	12
Worker, wife aged 65 or over, and 1 or more children.....	8.0	26.2	139.00	14.7	47.9	152.70	10
Worker, young wife, and 1 or more children.....	89.6	327.8	128.30	100.3	369.6	148.20	16
Worker, husband, and 1 or more children.....	.1	.3	129.00	.1	.3	135.00	5
Survivor families.....	1,958.2	2,919.8		2,157.7	3,183.6		
Aged widow.....	1,165.4	1,165.4	51.60	1,311.5	1,311.5	56.20	9
Aged dependent widower.....	1.5	1.5	48.30	1.7	1.7	53.20	10
Widowed mother only ²	1.2	1.2	50.30	1.1	1.1	57.20	14
Widowed mother and 1 child.....	145.1	290.2	116.20	154.2	308.4	129.00	11
Widowed mother and 2 children.....	101.8	305.4	149.50	107.9	323.7	166.50	11
Widowed mother and 3 or more children.....	96.5	459.6	148.10	102.7	494.0	177.50	20
Divorced wife and 1 or more children.....	.3	.8	137.40	.3	.8	161.60	18
Aged widow and 1 or more children.....	5.8	11.9	105.50	8.6	17.8	113.00	7
Widower and 1 or more children.....	(*)	(*)	94.00	(*)	(*)	94.30	
1 child only.....	258.0	258.0	51.20	276.5	276.5	56.40	10
2 children.....	99.4	198.8	88.10	104.9	209.8	97.00	10
3 children.....	34.2	102.6	113.80	35.1	105.3	125.00	10
4 or more children.....	21.3	95.0	123.60	22.2	98.8	150.00	21
1 aged dependent parent.....	26.0	26.0	52.70	28.5	28.5	58.60	11
2 aged dependent parents.....	1.7	3.4	98.40	1.7	3.4	110.40	12
1 or 2 aged dependent parents and 1 or more other survivors ⁴.....				.8	2.3	190.00	
Disabled-worker families ⁵	200.4	200.4		275.2	361.2		
Worker only.....	200.4	200.4	74.40	235.6	235.6	87.70	18
Male.....	158.8	158.8	75.50	179.0	179.0	91.40	21
Female.....	41.6	41.6	70.10	56.6	56.6	75.80	8
Worker and aged wife.....				12.7	25.4	130.00	
Worker and aged dependent husband.....				.1	.2	104.00	
Worker and 1 or more children.....				6.4	18.6	158.00	
Worker, wife aged 65 or over, and 1 or more children.....				.2	.6	200.00	
Worker, young wife, and 1 or more children.....				20.2	80.8	188.00	

¹ Benefits to children were being withheld.

² Less than 50.

³ Less than 0.5 percent.

⁴ Benefits to parents of deceased workers who were survived by widows,

dependent widowers, or dependent children were first payable for September 1958.

⁵ Benefits to disabled workers aged 50-64 were first payable for July 1957, and benefits to their dependents for September 1958.

TABLE 2.—Estimated number of families and beneficiaries in receipt of benefits and average monthly benefit in current-payment status on June 30, 1959, for selected family groups, by starting date used in benefit computation

[Number in thousands; data corrected to Feb. 24, 1960]

Family classification of beneficiaries	Total			Based on earnings after 1936			Based on earnings after 1950			
	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families as percent of total
Retired-worker families:										
Worker only.....	5,153.6	5,153.6	\$68.30	1,937.7	1,937.7	\$52.80	3,215.9	3,215.9	\$77.60	62
Male.....	2,700.6	2,700.6	77.30	974.8	974.8	58.40	1,725.8	1,725.8	88.00	64
Female.....	2,453.0	2,453.0	58.30	962.9	962.9	47.10	1,490.1	1,490.1	65.50	61
Worker and aged wife.....	1,978.1	3,956.2	120.60	560.5	1,101.0	93.50	1,427.6	2,855.2	131.00	72
Survivor families:										
Aged widow.....	1,311.5	1,311.5	56.20	870.3	870.3	50.30	440.8	440.8	67.80	34
Widowed mother and 2 children.....	107.9	323.7	166.50	38.6	115.8	111.70	69.3	207.9	197.00	64
Disabled-worker families:										
Worker only.....	235.6	235.6	87.70	69.8	69.8	72.70	165.8	165.8	94.00	70
Male.....	179.0	179.0	91.40	49.4	49.4	75.50	129.6	129.6	97.50	72
Female.....	56.6	56.6	75.80	20.4	20.4	65.80	36.2	36.2	81.40	64
Worker, young wife, and 1 or more children.....	20.2	80.8	188.00	5.4	10.8	133.00	14.8	29.6	208.00	73

ments that permit, in the computation of the average monthly wage, the dropping of as many as 5 years of lowest covered earnings and, in addition, any period of total disability.

Payments to retired workers without dependents also receiving benefits averaged \$77.30 for men and \$58.30 for women. Among families consisting of a retired worker and his aged wife, the average was \$120.60. The average benefit for aged-widow families was \$56.20, and for families consisting of a widowed mother and two children, it was \$166.50.

The average benefits being paid to disabled workers who had no dependents also receiving benefits were \$91.40 for men and \$75.80 for women. For families composed of a disabled worker, a young wife, and one or more children, the average benefit was \$188.00.

Families with benefits computed on the basis of earnings after 1950 had considerably higher average benefits than those whose benefits were based on earnings after 1936 (table 2). Among retired-worker families whose benefits were based on post-1950 earnings, the averages being paid were \$88.00 for a man with no dependents, \$65.50 for a woman with no dependents, and \$131.00 for a retired worker and his aged wife. At the end of June 1959, about 65 percent of all retired-worker families were receiving benefits based on earnings after 1950. This proportion is expected to increase since earnings after 1950 were used for about 88 percent of the old-age benefits awarded in the year ended June 30, 1959.

For survivor families, the average benefits

based on earnings after 1950 were \$67.80 for aged-widow families and \$197.00 for families consisting of a widowed mother and two children. Only 34 percent of the aged-widow families received benefits based on earnings after 1950. This low proportion reflects the large percentage of awards to (1) widows aged 62 or over whose husbands had died before April 1952 and (2) widows whose husbands had retired before April 1952 and have since died with no employment after March 1952; benefits cannot be based on earnings after 1950 in either case.

Among disabled-worker families, the average benefits based on post-1950 earnings were \$88.00 for a man with no dependents, \$65.50 for a woman with no dependents, and \$208.00 for a disabled worker, his young wife, and one or more children.

Old-Age, Survivors, and Disability Insurance: Administrative Expenses*

From the beginning of the old-age, survivors, and disability insurance program, administrative costs have represented a remarkably small proportion of contribution income—from 2 percent to 3 percent in most years. These costs have represented a similar proportion of disbursements for benefit payments in recent years, as benefit outgo has been rapidly maturing, and only about

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