

# Why Do Beneficiaries Retire? Who Among Them Return to Work?

by MARGARET L. STECKER\*

*Studies made in the 1940's indicated that most retired workers who are beneficiaries under the old-age and survivors insurance program do not leave their jobs because they want to; if their health permits and there is a market for their services, they would rather continue in gainful employment. The 1951 national survey included additional information about the retirement of old-age insurance beneficiaries and their reemployment that tends to support these findings.*

THE principal reason for retirement<sup>1</sup> given by former workers who receive old-age insurance benefits is inability to continue in employment because of sickness, accident, the infirmities of age, and other incapacities. Practically half say that they left their jobs of their own accord because they were no longer able to work or that their jobs were terminated by the employer because he thought they were no longer able to perform the tasks expected of them.

A fifth of all the men and women who were paid their first benefits between January 1940 and September 1950 later worked regularly full time for 6 or more consecutive months, and when interviewed at the end of 1951 a tenth were still working full time. Two in 5 beneficiaries reported that during the 12 months preceding the interview they had been employed at some kind of job for longer or shorter periods or that, though unemployed, they were able to work and wanted a job.

\*Division of Program Analysis, Bureau of Old-Age and Survivors Insurance.

<sup>1</sup>"Retirement" as used in this article means termination of last covered employment before payment of first old-age insurance benefit. For the great majority of beneficiaries, termination of last covered employment before first benefit payment indicates that their working days are over. They are retired not only in the sense of not earning in covered employment more than the maximum amount permitted while drawing benefits under the Social Security Act but are, in fact, out of the labor force for good. For most of them the month of the first benefit payment and the month of entitlement are the same; therefore, "entitlement" is sometimes used here interchangeably with "payment of first benefit."

The reasons men and women stop working in covered employment and become old-age beneficiaries, and the bearing these reasons for retirement have on their reemployment, are of more than passing interest. The growing number of older persons in the population and the increasing public concern about their problems—personal, social, economic—call for facts on which to base policies and build programs to meet their particular needs. Information about the availability of retired workers for employment is important not only to those who think in terms of the individual's welfare but also to the industries that might use the services of the aged.

A study of the reasons elderly men and women had left their last covered employment before their entitlement to old-age benefits and the nature and extent of their postretirement employment was part of the national survey conducted by the Bureau of Old-Age and Survivors Insurance in 1951. At the end of that year employees of the Bureau interviewed in their homes more than 15,000 retired workers<sup>2</sup> who were old-age benefici-

<sup>2</sup>The sample also included 2,553 widows aged 65 and over who, added to the 15,108 retired workers entitled to old-age benefits on their own wage records, made up the total of 17,661 old-age and survivors insurance beneficiaries in the 1951 national survey of beneficiary resources. For a description of the survey and of the characteristics of the beneficiaries, as well as other findings of the study, see the *Bulletin*, August 1952, June and August 1953, and April and August 1954. Reports on earlier local surveys made between 1941 and 1949 have also been published in the *Bulletin*.

aries. These men and women—living in every State of the Union and representing entitlements in every year between January 1940 and September 1950, every type of employment covered by the Social Security Act before January 1951, and at every economic level—are a fair cross section of persons aged 65 and over who had previously been employed in industry and commerce.

The interviewers recorded the reasons the beneficiaries gave for job terminations and their answers to specific questions about their subsequent reemployment. The reasons for termination have been grouped for this analysis according to whether the beneficiary himself decided to stop working (quit job) or his employer initiated his job termination (lost job). Postretirement employment has been analyzed to show how many beneficiaries who had left their preretirement covered jobs for specified reasons worked full time thereafter and how many worked at all during the survey year.<sup>3</sup> Particular attention has been devoted to the connection, if any, between the reasons they gave for their retirement and their reemployment, estimates of their current work capacities, and attitudes toward employment.

In September 1950 all restrictions were removed from the amount of covered earnings that employed individuals aged 75 and over could have while drawing old-age benefits. At the same time the covered wages that beneficiaries under age 75 could have without benefit suspension were raised from \$14.99 to \$50 a month.<sup>4</sup>

<sup>3</sup>The survey year was a period of 12 consecutive calendar months ended in October, November, or December 1951, or in January 1952, depending on the date of the interview.

<sup>4</sup>Beginning in January 1951, when most nonfarm self-employment became covered under the 1950 amendments, annual earnings of \$800 were permitted without benefit suspension for self-employed persons under age 75.

As a result, about 2 percent of all the retired men and women workers in the 1951 survey were paid benefits without termination of their covered employment. They are included in table 1, but most of this article relates to beneficiaries who had actually left covered jobs before being paid their first benefits, although some earned more than \$50 in 1 or more months during the survey year and had corresponding benefit suspensions.<sup>5</sup>

### Reasons for Retirement

The findings of the 1951 survey of old-age and survivors insurance beneficiaries confirm the conclusion of earlier studies that relatively few retired workers quit their jobs while they are in good health, because they want to. Only 1 in 25 told the interviewer that he had stopped working to have more leisure or because he thought he had worked long enough (table 1).

Some beneficiaries who said they had quit because they were no longer able to work (41 percent of the men, 46 percent of the women had suffered an acute illness or accident, others were chronically disabled, and still others were neither ill nor disabled but had found their work too hard or their strength unequal to the demands on it; they were tired and had stopped for a rest. An additional 7 percent of the men and 4 percent of the women had been dropped by the employer because he thought them no longer able to work.

Next to health conditions the reason for retiring most frequently reported by beneficiaries was that their jobs had been discontinued by the employer—for example, there was a reduction in force, the work was reorganized, or the employer went out of business or moved to another locality. One in 5 men and women was in this group whose jobs had been

<sup>5</sup> In most of the earlier *Bulletin* articles reporting findings of the 1951 national survey, only beneficiaries with no benefit suspensions during the survey year were considered. Retired workers with no benefit suspensions constituted 89 percent of all the retired workers in the survey. Thus the figures for all beneficiaries—those with and without benefit suspensions—are weighted heavily by those with no benefit suspensions.

discontinued. Discontinuance of the job is a normal cause of labor turnover for workers of any age. Other normal causes of labor turnover are dismissal by the employer for reasons other than impaired work capacity (6 percent of the men and 5 percent of the women had lost their jobs for these "other reasons"), quitting to take or look for another job (4 percent of the men, 3 percent of the women), and quitting for a variety of other reasons (6 percent of the men and 11 percent of the women had left of their own accord because of home responsibilities, various circumstances associated with their work, and so forth).

Finally there were the beneficiaries (11 percent of the men, 6 percent of the women) dismissed because they had reached the company retirement age. Not all of this group were receiving company or union pensions.

### Sex of Beneficiaries

Relatively more women than men had quit their jobs, largely because more women than men had stopped working for reasons of health or other incapacity or had retired voluntarily for so-called "other" reasons. The "other" reasons for which the women had quit more frequently than the men were connected with home responsibilities: to give full-time care to a sick relative (husband, sister, father), to keep house for a son or daughter, to look after a grandchild, or to perform similar duties. About the same proportion of men and women had lost their jobs because the jobs were discontinued, but percentagewise only half as many women as men had been dismissed because they had reached the company retirement age.

While both the retired men and the retired women had, of course, worked in covered employment, their occupations in general had been different. The men were more apt than the women to have been craftsmen or laborers, and the women were more apt to have been light factory operatives or sales, clerical, and service workers. These differences between the occupations of the men and women may be reflected in differences in the type of business organizations for which

they worked, in the degree of strength of their labor organizations, and in other factors that have a bearing on company personnel policies, programs, and practices. Thus the fact that relatively more men than women had been dismissed because of age may be due, in part at least, to their more extensive employment by companies that have compulsory retirement ages. Occupational differences may also partly explain the fact that, relatively, a few more men than women had been dismissed by the employer for work incapacity.

### Eligibility Status

Under the 1939 amendments to the Social Security Act, workers reaching age 65 in September 1950 (the third quarter of the year) required 27 quarters of coverage<sup>6</sup> to be fully insured and qualify for old-age benefits. Workers reaching age 75 in that month required 7 quarters of coverage; between the ages of 65 and 75 workers required 7–26 quarters of coverage, while those aged 76 and over in September 1950 required only 6 quarters. Under the 1950 amendments all workers aged 65 and over became fully insured in September 1950 if they had 6 quarters of coverage.<sup>7</sup>

Consequently many workers who previously had had insufficient covered employment to qualify for benefits then became entitled. Their sixth quarter of coverage might have been acquired in any calendar quarter since April 1, 1938.<sup>8</sup> Some of them had worked in noncovered employment after the termination of their covered employment; some had been out of the labor force a long time. They were the disabled whose covered employment had been prematurely terminated, the in-and-outs, the war workers, the individuals who had had

<sup>6</sup> A "quarter of coverage" is any calendar quarter after January 1, 1937, in which a worker was paid \$50 or more in covered employment. The quarters of coverage required are not necessarily consecutive.

<sup>7</sup> The 6-quarters-of-coverage provision remained in effect until July 1, 1954.

<sup>8</sup> Under the 1939 amendments persons aged 65 and over in the first half of 1940 were fully insured with only 6 quarters of coverage. Persons attaining age 65 thereafter needed an additional quarter of coverage for each 2 elapsed quarters.

**Table 1.—Percentage distribution of retired workers at end of survey year 1951 by reason for termination of last covered employment before first benefit payment, by benefit status during year and eligibility status**

Reason for termination of employment	All beneficiaries			Beneficiaries with no benefit suspensions			Beneficiaries with one or more benefit suspensions		
	Total	1939 eligibles <sup>1</sup>	1950 eligibles <sup>2</sup>	Total	1939 eligibles <sup>1</sup>	1950 eligibles <sup>2</sup>	Total	1939 eligibles <sup>1</sup>	1950 eligibles <sup>2</sup>
<i>Retired men workers</i>									
Number <sup>3</sup> .....	12,283	10,840	1,443	10,801	9,491	1,310	1,482	1,349	133
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Employment not terminated <sup>4</sup> .....	1.6	1.4	3.3	1.8	1.6	3.4	.2	-----	2.3
Aged 75 and over.....	1.4	1.2	2.2	1.5	1.4	2.4	-----	-----	-----
Earned no more than permitted amount.....	.3	.2	1.1	.3	.2	1.0	.2	-----	2.3
Employment terminated.....	98.4	98.6	96.7	98.2	98.4	96.6	99.8	100.0	97.7
Quit job.....	54.3	54.3	54.3	55.9	56.0	55.1	43.0	42.6	46.6
Unable to work <sup>5</sup> .....	40.8	40.9	40.0	43.2	43.4	42.1	23.3	23.7	19.5
Retired voluntarily in good health <sup>6</sup> .....	3.8	4.1	1.6	3.9	4.3	1.5	2.9	3.0	2.3
For other kind of job <sup>7</sup> .....	4.0	3.7	6.4	3.5	3.3	5.4	7.4	6.6	15.8
Other <sup>8</sup> .....	5.7	5.6	6.4	5.2	5.1	6.1	9.3	9.3	9.0
Lost job.....	44.0	44.2	42.3	42.3	42.4	41.4	56.8	57.3	51.1
Job discontinued <sup>9</sup> .....	20.5	19.5	28.5	18.5	17.2	27.9	34.9	35.0	33.8
Reached company retirement age.....	10.7	11.9	1.2	11.3	12.7	1.1	6.3	6.7	2.3
Considered unable to work by employer.....	6.6	6.7	5.8	7.2	7.4	6.1	2.1	2.0	3.0
Other <sup>10</sup> .....	6.2	6.2	6.9	5.2	5.1	6.3	13.5	13.6	12.0
<i>Retired women workers</i>									
Number <sup>3</sup> .....	2,725	2,073	652	2,518	1,908	610	207	165	42
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	*100.0
Employment not terminated <sup>4</sup> .....	1.3	1.1	1.8	1.2	.9	2.0	2.4	3.0	-----
Aged 75 and over.....	.4	.4	.2	.4	.5	.2	-----	-----	-----
Earned no more than permitted amount.....	.9	.7	1.7	.8	.5	1.8	2.4	3.0	-----
Employment terminated.....	98.7	98.9	98.2	98.8	99.1	98.0	97.6	97.0	*100.0
Quit job.....	64.5	64.9	63.2	66.1	66.8	64.1	44.4	43.0	*50.0
Unable to work <sup>5</sup> .....	46.3	47.4	43.1	48.3	49.5	44.8	22.2	23.0	*19.0
Retired voluntarily in good health <sup>6</sup> .....	4.0	4.2	3.1	4.0	4.4	3.0	3.4	3.0	*4.8
For other kind of job <sup>7</sup> .....	3.0	2.4	4.8	2.7	2.1	4.4	6.3	5.5	*9.5
Other <sup>8</sup> .....	11.2	10.9	12.3	11.1	10.8	12.0	12.6	11.5	*16.7
Lost job.....	34.2	34.0	35.0	32.7	32.3	33.9	53.1	53.9	*50.0
Job discontinued <sup>9</sup> .....	19.3	17.8	23.8	18.1	16.5	23.0	33.8	33.3	*35.7
Reached company retirement age.....	5.5	6.7	1.8	5.7	6.9	2.0	3.9	4.8	-----
Considered unable to work by employer.....	4.1	4.6	2.3	4.2	4.8	2.5	2.4	3.0	-----
Other <sup>10</sup> .....	5.4	4.8	7.1	4.7	4.1	6.6	13.0	12.7	*14.3

\*Percentage distribution computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Beneficiaries whose benefits were awarded under the 1939 amendments to the Social Security Act.

<sup>2</sup> Beneficiaries whose benefits were awarded for September 1950 under the 1950 amendments to the Social Security Act.

<sup>3</sup> Number reporting on all items in this table. Because the number reporting on different combinations of items varies slightly from one table to another, there may be slight variations in numbers and percentages that apparently should be the same.

<sup>4</sup> Beneficiaries entitled in September 1950. Effective that month the retirement test was liberalized to permit fully insured workers aged 75 and over to receive benefits regardless of earnings and those aged 65-74 to receive benefits if covered earnings were no more than \$50 a month. Before September 1950 the maximum amount of covered wages permitted without suspension of benefits was \$14.99 for all beneficiaries.

<sup>5</sup> Beneficiaries who quit because of sickness or accident or because they were tired or thought that their work was too hard for them or that they were too old to continue working.

<sup>6</sup> Beneficiaries who retired in good health to have more leisure or because they thought they had worked long enough.

<sup>7</sup> Beneficiaries who quit a full-time covered job hoping to find a different kind of work or to take a part-time covered job or noncovered employment.

<sup>8</sup> Beneficiaries who quit after a quarrel with the employer or fellow employees, during a strike, because they were unwilling to adjust to another kind of assigned work or were needed at home, and so forth.

<sup>9</sup> Beneficiaries who lost their jobs when there was a reduction in force, work was reorganized, the employer went out of business or moved to another locality, and so forth.

<sup>10</sup> Beneficiaries who lost their jobs for reasons they did not know or did not remember.

part-time or seasonal jobs in covered employment now and then.

The men and women in the 1951 survey who qualified for benefits only as a result of the 1950 amendments became entitled in the one month of September of that year; those who met the 1939 requirements became entitled in any month between January 1940 and September 1950. Half of all the entitlements in the first 9

months of 1950 were "1950 eligibles"—that is, they had at least 6 quarters of coverage but not enough to be fully insured under the provisions of the 1939 amendments.

All the elderly workers included in table 1 who drew their first old-age benefits without terminating their covered employment became entitled in September 1950. Four-fifths of them were 75-year-olds who, under

the 1950 amendments effective that month, could be paid benefits regardless of the amount of their covered earnings. The others were younger workers whose covered earnings did not exceed \$50 a month.<sup>9</sup> Most of

<sup>9</sup> Retired workers who before September 1950 drew their benefits while earning no more than \$14.99 a month are not included.

**Table 2.—Percentage distribution of retired workers at end of survey year 1951 by reason for termination of last covered employment before first benefit payment, by age at termination <sup>1</sup>**

Reason for termination of employment <sup>2</sup>	Age at termination of employment								Median age
	Total	Under 60	60-64	65	66-69	70-74	75-79	80 and over	
<i>Retired men workers</i>									
Number <sup>3</sup> .....	12,035	201	2,118	2,422	4,146	2,268	738	142	-----
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	67
Quit job.....	55.2	68.2	60.3	44.4	55.4	58.3	59.6	69.0	67
Unable to work.....	41.5	40.8	43.6	31.4	42.1	45.8	49.1	59.9	68
Retired voluntarily in good health.....	3.9	1.5	2.8	4.0	3.8	4.9	4.5	3.5	68
For other kind of job.....	4.1	14.9	7.1	3.9	3.6	2.3	1.4	.7	65
Other.....	5.8	10.9	6.8	5.1	5.9	5.3	4.7	4.9	67
Lost job.....	44.8	31.8	39.7	55.6	44.6	41.7	40.4	31.0	67
Job discontinued.....	20.9	23.4	25.3	17.8	22.2	19.7	16.0	12.0	67
Reached company retirement age.....	10.9	-----	3.6	26.1	8.7	7.6	8.3	4.9	65
Considered unable to work by employer.....	6.7	3.0	5.1	5.1	6.5	8.7	11.4	11.3	67
Other.....	6.3	5.5	5.8	6.6	7.3	5.7	4.7	2.8	68
<i>Retired women workers</i>									
Number <sup>3</sup> .....	2,678	129	694	519	855	374	91	16	-----
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	*100.0	*100.0	65
Quit job.....	65.2	71.3	69.2	60.7	64.3	66.3	*54.9	*75.0	65
Unable to work.....	46.9	44.2	48.7	40.3	47.0	52.1	*47.3	*68.8	66
Retired voluntarily in good health.....	4.0	1.6	2.9	6.4	4.4	3.2	*2.2	*6.2	65
For other kind of job.....	3.0	6.2	4.5	2.5	2.3	2.1	-----	-----	*65
Other.....	11.4	19.4	13.1	11.6	10.5	8.8	*5.5	-----	65
Lost job.....	34.8	28.7	30.8	39.3	35.7	33.7	*45.1	*25.0	66
Job discontinued.....	19.6	22.5	19.2	18.1	20.2	19.3	*22.0	*18.8	66
Reached company retirement age.....	5.6	1.6	3.5	12.3	4.9	3.5	*6.6	-----	65
Considered unable to work by employer.....	4.1	-----	3.3	3.7	4.6	5.9	*7.7	-----	67
Other.....	5.5	4.7	4.9	5.2	6.0	5.1	*8.8	*6.2	66

\*Percentage distribution and median age computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Excludes beneficiaries whose last covered employment before their first benefit payment had not been terminated.

<sup>2</sup> For definitions of reasons see footnotes to table 1.

<sup>3</sup> Number reporting on all items in this table. Because the number reporting on different combinations of items varies slightly from one table to another, there may be slight variations in numbers and percentages that apparently should be the same.

those who continued to work while receiving benefits qualified under the 1939 amendments.

There were some similarities and some differences in the reasons for their retirement given by the 1939 eligibles and the 1950 eligibles. Thus while the overall proportions of beneficiaries who had quit and of those who had lost their jobs were much the same, whether they qualified under the 1939 or the 1950 amendments, the proportions who had quit or lost their jobs for specified reasons were not always the same. For example, relatively half as many men with 1950 eligibility as with 1939 eligibility had retired voluntarily in good health, and relatively only a tenth as many 1950 eligibles as 1939 eligibles had lost their jobs when they reached the company retirement age. On the other hand, proportionately many

more 1950 eligibles than 1939 eligibles had left their last covered employment before their first benefit payment for other kinds of work or because their jobs had been discontinued.

Incapacity for work was as important a reason for retirement among the 1950 eligibles as among the 1939 eligibles. This similarity in experience is not surprising when it is remembered that the 1950 eligibles had been terminating their covered employment over the same period as the 1939 eligibles although they had to wait, sometimes years, before the 1950 amendments made it possible for them to qualify for benefits.

### Benefit Status

Retired workers whose benefits were suspended a month or more during the survey year said they had left

covered employment originally for reasons different from those given by the men and women whose benefits were paid throughout the entire 12-month period. This difference was to be expected in view of the fact that for those under age 75 most suspensions occurred because the beneficiaries had returned to covered employment and earned more than \$50 a month.<sup>10</sup> Twelve percent of the men and 8 percent of the women had benefit suspensions during the survey year.<sup>11</sup>

Of the beneficiaries with suspensions, slightly more than 2 in 5 had retired of their own accord, but of those with no suspensions 56 percent of the men and 66 percent of the women had quit. Relatively only half as many beneficiaries with suspensions as with no suspensions had quit because they were unable to work. On the other hand, twice as many with suspensions as with no suspensions had lost their jobs because the jobs were discontinued or they were dismissed by the employer for other reasons.

In general, therefore, it may be said that most of the beneficiaries whose earnings in covered employment in any month of the survey year were sufficient to cause a suspension of benefits had originally left covered employment for ordinary turnover reasons; they hoped and expected to return to work. Most of the beneficiaries with no suspensions had left because they were unable to continue working, or had retired in good health because they wanted to, or had reached the company retirement age; by and large they were out of the labor force for good.

<sup>10</sup> A few suspensions during the survey year were for earlier covered employment earnings or were penalties for violating certain provisions of the Social Security Act. A few additional suspensions may have occurred in 1952 because of self-employment earnings in 1951 exceeding \$600, which were not reported until the beneficiaries' income-tax returns were made in March 1952.

<sup>11</sup> Some beneficiaries whose benefits were not suspended during the survey year may, of course, have had suspensions in earlier years or in years following the period covered by the 1951 survey. Employment after the original termination of covered employment up to the time of the survey is discussed later in this article.

## Age at Job Termination

The great majority of beneficiaries were at least 65 years old when they retired; 8 in 10 men and 7 in 10 women whose jobs had been terminated before their first benefits were paid reported they had been aged 65 and over at the time. The distribution of beneficiaries by age at job termination is shown below.

Age	Retired workers	
	Men	Women
Total (percent).....	100.0	100.0
Under 60.....	1.7	4.8
60-64.....	17.6	25.9
65.....	20.1	19.4
66-69.....	34.4	31.9
70-74.....	18.8	14.0
75-79.....	6.1	3.4
80 and over.....	1.2	.6

The men's median age at retirement was 67, whether they had quit their jobs of their own accord or had lost them on the initiative of the employer (table 2). The men who had quit to take other kinds of work or had been dropped because they had reached the company retirement age were the youngest, on the average, when they stopped working; they were aged 65. Half the men who had retired for each of the other specified reasons had been employed after they reached their sixty-seventh or sixty-eighth birthday.

Most of the men who had retired at age 65 had lost their jobs; most of those who were younger and older had quit of their own accord. While incapacity for work was the most important single reason for job terminations at all ages, it was responsible for a much smaller proportion at age 65 than at other ages. A fourth of the men aged 65 at retirement—relatively three or more times the number in any other age group—had been dismissed by the employer because they had reached the company retirement age. No men younger than age 60 had lost their jobs because of their age. Compulsory retirements at ages older than 65 were accounted for partly by higher company-specified ages, partly by the retention of workers beyond a specified retirement age during periods of acute labor shortage or because of the particular

**Table 3.—Percentage distribution of retired workers at end of survey year 1951 by reason for termination of last covered employment before first benefit payment, by eligibility status and year of first benefit<sup>1</sup>**

Reason for termination of employment <sup>2</sup>	Total	1939 eligibles <sup>3</sup> whose first benefit payment was in—						1950 eligibles <sup>4</sup>	
		Total	1940-41	1942-43	1944-45	1946-47	1948-49		1950
<i>Retired men workers</i>									
Number <sup>5</sup> .....	12,081	10,686	782	663	1,408	2,876	3,485	1,472	1,395
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Quit job.....	55.3	55.1	52.7	61.5	63.7	54.1	52.9	52.6	56.2
Unable to work.....	41.5	41.5	37.7	45.6	48.1	40.8	40.2	39.9	41.4
Retired voluntarily in good health.....	3.9	4.2	5.1	5.7	5.6	3.8	3.7	3.3	1.6
For other kind of job.....	4.1	3.8	4.1	4.2	4.7	3.8	3.3	3.4	6.6
Other.....	5.8	5.7	5.8	6.0	5.3	5.6	5.7	5.9	6.6
Lost job.....	44.7	44.9	47.3	38.5	36.3	45.9	47.1	47.4	43.8
Job discontinued.....	20.9	19.7	16.2	18.3	18.3	20.0	21.2	19.7	29.5
Reached company retirement age.....	10.9	12.1	15.7	9.4	9.1	12.7	11.9	13.6	1.2
Considered unable to work by employer.....	6.7	6.8	9.3	5.9	4.8	6.8	6.9	7.4	6.0
Other.....	6.3	6.2	6.0	5.0	4.1	6.4	7.0	6.7	7.1
<i>Retired women workers</i>									
Number <sup>5</sup> .....	2,690	2,050	152	142	220	508	695	332	640
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Quit job.....	65.3	65.6	64.5	69.7	76.8	69.5	62.1	58.4	64.4
Unable to work.....	47.0	47.9	48.7	47.9	51.8	51.2	46.0	44.0	43.9
Retired voluntarily in good health.....	4.0	4.3	6.6	5.6	8.6	3.9	3.4	2.1	3.1
For other kind of job.....	3.0	2.4	1.3	.7	3.6	1.8	2.9	3.0	4.8
Other.....	11.3	11.0	7.9	15.5	12.7	12.6	9.8	9.3	12.5
Lost job.....	34.7	34.4	35.5	30.3	23.2	30.5	37.9	41.6	35.6
Job discontinued.....	19.5	18.0	17.1	16.2	11.8	15.0	21.3	21.4	24.2
Reached company retirement age.....	5.6	6.8	11.2	4.2	3.2	5.9	6.3	10.5	1.9
Considered unable to work by employer.....	4.1	4.7	3.9	2.8	4.1	4.9	5.6	3.9	2.3
Other.....	5.4	4.9	3.3	7.0	4.1	4.7	4.7	5.7	7.2

<sup>1</sup> Excludes beneficiaries whose last covered employment before their first benefit payment had not been terminated.

<sup>2</sup> For definitions of reasons see footnotes to table 1.

<sup>3</sup> Beneficiaries whose benefits were awarded under the 1939 amendments to the Social Security Act.

<sup>4</sup> Beneficiaries whose benefits were awarded for

September 1950 under the 1950 amendments to the Social Security Act.

<sup>5</sup> Number reporting on all items in this table. Because the number reporting on different combinations of items varies from one table to another, there may be slight variations in numbers and percentages that apparently should be the same.

circumstances of individual workers, and partly, perhaps, by erroneous reporting.

Men who had left their jobs before they were aged 60 more often than older men had quit for other kinds of work or for reasons other than incapacity; fewer had been laid off because the employer considered them no longer able to work. On the other hand, as the age at retirement increased after 65, the proportion of men who had quit because they were unable to work also increased, but the proportion of those who had quit in good health because they wanted to remained about the same. Except among those aged 65-69 at retirement, more men had quit their jobs for incapacity than had been dismissed by the employer for all reasons combined.

The median age at retirement was

the same for the women who had been dismissed because of age as for the men—65. Otherwise the retired women workers on the average were younger than the men; their median age for all the reasons for retirement combined was 65. At the various ages, however, the differences in the distribution of women by reason for job termination were similar to the men's. None of the women over age 75 reported quitting to look for another job, and none under age 60 said her employer had dismissed her because he thought her no longer able to work.

## Year of First Benefit Payment

During the years since workers in industry and commerce were first covered for benefits under the old-age and survivors insurance program, a variety of circumstances has con-

**Table 4.—Percentage distribution of retired workers at end of survey year 1951 by full-time reemployment<sup>1</sup> after termination of last covered employment before first benefit payment, by reason for termination<sup>2</sup>**

Full-time reemployment	Reason for termination of last covered employment before first benefit payment <sup>3</sup>				
	Total	Quit job			Lost job
		Total	Unable to work	All other reasons	
All beneficiaries					
Retired men workers					
Number <sup>4</sup> .....	12, 073	6, 671	5, 010	1, 661	5, 402
Total percent.....	100. 0	100. 0	100. 0	100. 0	100. 0
Never reemployed full time.....	78. 4	80. 6	87. 2	60. 6	75. 8
Reemployed, later terminated.....	10. 9	10. 0	7. 9	16. 1	12. 0
Still employed <sup>5</sup> .....	10. 7	9. 5	4. 9	23. 4	12. 2
Retired women workers					
Number <sup>4</sup> .....	2, 688	1, 756	1, 263	493	932
Total percent.....	100. 0	100. 0	100. 0	100. 0	100. 0
Never reemployed full time.....	88. 8	90. 6	93. 4	83. 4	85. 5
Reemployed, later terminated.....	6. 1	5. 7	4. 2	9. 5	7. 0
Still employed <sup>5</sup> .....	5. 0	3. 7	2. 4	7. 1	7. 5
Beneficiaries with full-time reemployment					
Retired men workers					
Number <sup>4</sup> .....	2, 604	1, 296	641	655	1, 308
Total percent.....	100. 0	100. 0	100. 0	100. 0	100. 0
Reemployed, later terminated.....	50. 4	51. 3	62. 1	40. 8	49. 5
Still employed <sup>5</sup> .....	49. 6	48. 7	37. 9	59. 2	50. 5
Retired women workers					
Number <sup>4</sup> .....	300	165	83	82	135
Total percent.....	100. 0	100. 0	*100. 0	*100. 0	100. 0
Reemployed, later terminated.....	55. 0	60. 6	*63. 9	*57. 3	48. 1
Still employed <sup>5</sup> .....	45. 0	39. 4	*36. 1	*42. 7	51. 9

\*Percentage distribution computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Noncovered employment before and after entitlement to old-age benefits and covered employment after entitlement that provided regular work for 35 hours or more a week for at least 6 consecutive months. This employment may later have been terminated.

<sup>2</sup> Excludes beneficiaries whose last covered employment

before their first benefit payment had not been terminated.

<sup>3</sup> For definitions of reasons see footnotes to table 1.

<sup>4</sup> Number reporting on all items in this table. Because the number reporting on different combinations of items varies slightly from one table to another, there may be slight variations in numbers and percentages that apparently should be the same.

<sup>5</sup> At end of survey year.

tributed both to their employment and their retirement. In January 1937, when the program started, the country was pulling out of a great depression; in January 1940, when monthly benefits were first paid, economic conditions were much the same, after a setback in 1938; but in 1941 conditions were considerably better as the defense program got under way. With the war years came a tight labor market in which almost anyone could find a job. After the war the demand for labor did not recede to its prewar level, although the return to peacetime pursuits of men and women who had been in the Armed Forces or otherwise employed in the war effort reduced the demand for all kinds of marginal workers.

It is therefore of interest to see what connection, if any, there was between the reasons elderly workers gave for leaving their jobs and the labor-market situation as indicated by the year in which the job terminations occurred, and to determine if over the years there has been any observable trend in job terminations for specified reasons. For this purpose the year of first benefit payment is taken to be representative of the year of job termination and comparisons are made of the 1939 eligibles only.

Most retired men and women in the survey became entitled soon after their covered employment was terminated. Some, of course, had stopped working before they were aged 65,

and a few who had retired during the late years of the depression, although aged 65 and fully insured, did not draw their benefits immediately because monthly payments did not start until January 1940. On the whole, however, for those beneficiaries who qualified under the 1939 amendments, the change in status from employed worker to retired worker occurred in a month or two.<sup>12</sup> The year in which benefits were first paid is the same as and representative of the year in which jobs were terminated.

This was not the situation, however, for many of the retired workers who qualified in September 1950 under the 1950 amendments, since often they had stopped working in covered employment years before that date. For these beneficiaries there could be little if any connection between industrial conditions prevailing when their benefits were first paid and the reasons they left their last covered employment, often months or years previously. That is why the analysis of reasons for retirement by year of first benefit payment is made only for the 1939 eligibles.

The beneficiaries in the 1951 survey are a sample of retired workers entitled to benefits in specified years who could be interviewed late in 1951. In considering the reasons for retirement given by beneficiaries entitled in each biennium, it should be remembered that, because of deaths, the 1951 sample is less representative of all beneficiaries entitled in the earlier years than in the more recent years.

Except for the war period the comparative importance of the various reasons given by the beneficiaries for originally leaving their covered jobs was much the same regardless of the years in which their benefits were first paid; for each biennium relatively a few more men said they had quit their jobs than said they had lost them (table 3). During the war

<sup>12</sup> Eligible workers may file claims several months after their covered employment has been terminated without loss of benefits because of the delayed application. From January 1940 to September 1950 the period of grace was 3 months; in September 1950 it was increased to 6 months. The 1954 amendments added additional months until the maximum of 12 was reached in February 1955.

years, however, with their abnormal demand for manpower, the proportion of voluntary quits rose significantly and reached a peak of 64 percent in 1944-45. At that time employers did not always follow their own rules as to dismissal for age attainment and often found they could use older workers who under other circumstances might have been dismissed for incapacity. The job separations that did occur were initiated mostly by the employees—primarily, they said, because they were not able to continue working.<sup>13</sup>

After the war, work incapacity as a reason for retirement of old-age beneficiaries assumed only a little greater importance than it had before the war, and job discontinuances by the employer became somewhat more numerous. On the other hand, the increase that was sometimes anticipated in the proportion of workers who retire in good health for more leisure did not occur, and there was no increase in the proportion of compulsory retirements for age.<sup>14</sup>

The reasons for the retirement of

<sup>13</sup> These figures differ in some respects from the reports of 3,500 beneficiaries interviewed in surveys made by the Bureau of Old-Age and Survivors Insurance between 1941 and 1949 in 20 large and middle-sized cities. See Margaret L. Stecker, "Beneficiaries Prefer to Work," *Social Security Bulletin*, January 1951, pp. 15-17. According to the earlier reports, slightly more than half the men who had retired just before and just after the war said they had lost their jobs; in the 1951 survey slightly more than half the men said they had quit their jobs in those years of their own accord. For the war years, voluntary retirements were reported at an even higher level in the 1941-49 surveys than in the one made in 1951.

The differences between the findings of the earlier and later surveys are small, however, and the relative importance of the various reasons for retirement is much the same. Both studies show that, except for the war period, when the figures for voluntary quits were higher than for earlier or later years, the beneficiaries were about evenly divided between those who had left their jobs of their own accord and those who had been dismissed by their employers. There is no doubt that during the war years more beneficiaries had quit their jobs than had lost them.

<sup>14</sup> The effect of recently adopted pension programs in private industry was not apparent in the 1951 survey and probably will not be fully realized for a number of years.

the women old-age beneficiaries followed the general pattern of the men's, except that in each biennium relatively more women quit of their accord. The gap between the proportion of each sex retiring for work incapacity was smallest during the war years, primarily because of the high level of incapacity retirements among the women before and after that period.

### Postretirement Employment

Although most old-age beneficiaries are truly retired and out of the labor force for good when they are paid their first benefits, a few are later reemployed. In the 1951 survey there were retired men and women who went directly from covered to noncovered employment or who later took noncovered jobs; there were also some who later took covered jobs, giving up their benefits in favor of the larger incomes provided by wages. For some retired workers, old-age benefits served as a kind of unemployment, sickness, or disability insurance that supplied funds during temporary loss of earnings; beneficiaries who drew their benefits in such circumstances usually went back to work as soon as they could.

The extent of postretirement employment varied widely with the reasons beneficiaries gave for leaving covered employment in the first place and the kinds of work they did afterwards; an odd job here or there, regular work part time or for a short period, or a full-time job that lasted for months or years. The reemployment of beneficiaries is considered here only briefly and only in relation to the reasons for their retirement. Their employment during the survey year will be considered in detail in a later article.

### Subsequent Full-Time Reemployment

Only a fifth of the men and a tenth of the women in the 1951 survey ever worked full time<sup>15</sup> after their retirement (table 4). The men who had

<sup>15</sup> "Full-time employment" as used in this article means regular employment for at least 35 hours a week for a period of at least 6 consecutive months. The employment may have been noncovered or covered, before or after entitlement to old-age benefits.

quit their covered jobs originally for reasons other than impaired work capacity were much more apt to be employed later than were those who had lost their jobs or had quit because they were not able to continue working. When they were interviewed at the end of 1951, relatively twice as many men who had quit for reasons not related to their health as had lost their jobs reported that they had worked regularly at least 35 hours a week for at least 6 months and were still thus employed. Only 5 percent who had quit originally for incapacity were then in full-time jobs.

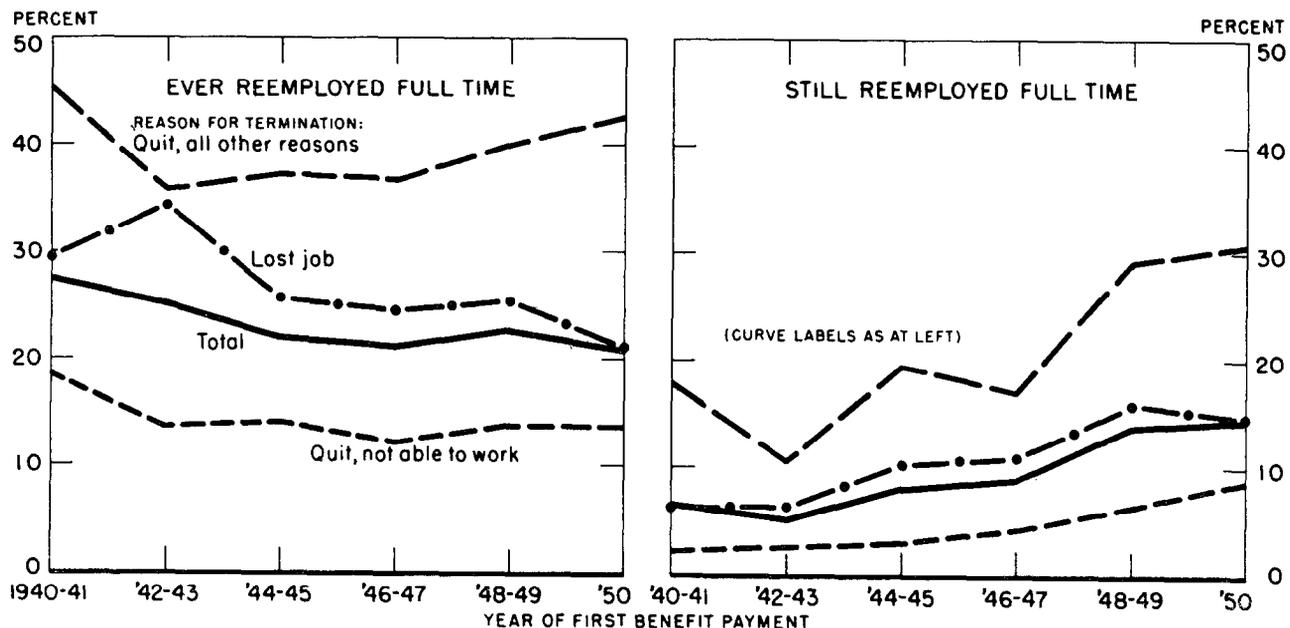
The proportion employed full time after their retirement was about the same for men who had been dismissed on reaching their company's retirement age as for those who had quit for incapacity (table 5). Those who had retired in good health, because they wanted to, later worked full time only slightly more frequently; in other words, most of the men who had stopped working in order to have more leisure in their later years had retired for good.

In contrast, beneficiaries whose jobs had been terminated for ordinary labor turnover reasons much more frequently returned later to full-time employment. The percentages reemployed full time among those who had retired for each of these reasons were as follows: quit for other kind of work, 60 percent; quit for "other reasons," 39 percent; lost job because it was discontinued, 30 percent; lost job for "other reasons," 36 percent.

Not more than 1 in 4 men who retired between the ages of 65 and 69 and not more than 1 in 5 who had retired at ages under 65 subsequently returned to a full-time job. Of the men aged 70 and over when they retired, the proportion later working full time regularly decreased as their ages increased.

The reasons beneficiaries of a certain age retired sometimes seemed to account for their reemployment more than did the age itself, sometimes not. For example, only 1 in 12 men who had quit when they were under age 65 because they were not able to work subsequently had full-time jobs—a percentage smaller than for the men in any age group except

Chart 1.—Percent of retired men workers at end of survey year 1951 reemployed full time<sup>1</sup> after termination of last covered employment before first benefit payment, by reason for termination and year of first benefit<sup>2</sup>



<sup>1</sup> Covered and noncovered employment that provided regular work for 35 hours or more a week for at least 6 consecutive months.

<sup>2</sup> Excludes beneficiaries entitled under 1950 amendments and beneficiaries whose employment had not been terminated.

75 and over. The great majority of these younger men were really disabled and out of the labor force for good when they originally left covered employment. Two-thirds of the men who had quit when they were under age 65 for another kind of job, however, later worked full time—a ratio larger than for any other age group.

Retired men in the 1951 survey whose benefits were first paid before 1944 were later reemployed full time somewhat more frequently (25–28 percent) than those whose payments began in that year and later (21–22 percent) (chart 1). To some extent the difference in full-time employment was associated with the reasons for retirement from one biennium to the next. The men who had left of their own accord in 1940–41, although still able to work, were more frequently reemployed full time than those who had quit under similar circumstances in later years. More men who had left for this reason than for any other in each 2-year period were reemployed.

Beneficiaries entitled in 1940–43 who were able to work were probably unemployed only a short time before the demands of defense and war oper-

ations called them back to supplement the current labor force and to take the places of younger men who went into the Armed Forces. When the emergency was over they dropped out again, and at the end of 1951 relatively fewer of these earliest retirees (5–6 percent) than of those whose first benefits were paid in the later years (8–14 percent) were still employed full time.

Beneficiaries most frequently working full time when they were interviewed at the end of 1951 were in general the ones who had become entitled in the immediately preceding years. Because of the recency of their retirement they were the youngest group in the survey and therefore perhaps the most employable. Even so, however, only a seventh of the men whose benefits were first paid in 1948–49 and 1950 were thus employed.

Many of the beneficiaries who were employed full time when interviewed in 1951 had probably quit or lost their jobs originally under circumstances of short duration. Layoffs in the seasonal trades, work accidents and other incapacitating conditions, strikes, crises in the home, and numerous other circumstances that pre-

vented fully insured individuals aged 65 and over from earning more than the permitted maximum in a given month caused them to become entitled and obtain their first benefits. Benefits first paid for such a month were often suspended later when the beneficiaries were again employed. Three in 10 men in the 1951 survey who had quit their covered jobs for reasons other than their health and had been paid their first old-age benefits in the 3 years immediately preceding 1951 had later been reemployed full time and were still employed full time at the end of that year.

Men whose benefits were first paid for September 1950 under the 1950 amendments worked full time less frequently following the termination of their last covered employment than did beneficiaries who had retired at any time under the 1939 amendments. This difference is, no doubt, an indication of the large proportion of beneficiaries qualifying under the 1950 amendments who had had no significant attachment to the labor market in recent years.

The full-time reemployment experience of the women beneficiaries cannot be so closely connected with the reasons for their retirement as

**Table 5.—Percent of retired workers at end of survey year 1951 reemployed full time<sup>1</sup> after termination of last covered employment before first benefit payment, by reason for termination and age at termination<sup>2</sup>**

Reason for termination of last covered employment before first benefit payment <sup>3</sup>	Age at termination of employment					
	Total	Under 65	65	66-69	70-74	75 and over
<i>Retired men workers</i>						
Total percent.....	21.6	20.9	24.3	24.9	17.8	10.4
Quit job.....	19.4	19.2	23.0	22.3	16.0	9.1
Unable to work.....	12.8	7.7	15.9	16.3	12.2	6.7
Retired voluntarily in good health.....	17.4	*19.4	*14.6	20.9	15.3	*13.2
For other kind of job.....	60.5	65.7	*60.0	59.7	*47.2	*54.5
Other.....	39.4	38.0	44.4	43.2	35.8	*19.0
Lost job.....	24.3	23.6	25.4	28.0	20.2	12.3
Job discontinued.....	30.0	24.3	38.4	34.3	24.5	17.0
Reached company retirement age.....	14.2	*19.7	15.4	14.7	9.9	*5.9
Considered unable to work by employer.....	11.7	11.4	13.8	13.1	11.2	7.0
Other.....	35.7	33.1	39.0	38.3	33.1	*20.5
<i>Retired women workers</i>						
Total percent.....	9.6	7.2	12.5	11.0	7.8	9.5
Quit job.....	6.9	4.9	7.5	9.0	6.1	*8.3
Unable to work.....	4.3	2.1	2.9	5.7	6.2	*9.6
Retired voluntarily in good health.....	7.4	*4.5	*3.0	*13.2	*8.3	*0
For other kind of job.....	*28.6	*25.0	*20.0	*38.9	*28.6	-----
Other.....	12.9	9.5	*23.3	*15.7	*0	*0
Lost job.....	14.5	12.4	20.1	14.4	11.1	*11.1
Job discontinued.....	16.2	13.6	*26.6	13.9	*12.5	*21.7
Reached company retirement age.....	6.6	*7.7	*6.2	*9.5	*0	*0
Considered unable to work by employer.....	8.2	*17.4	*15.8	*5.1	*0	*0
Other.....	21.2	*7.5	*33.3	*27.5	*26.3	*0

\*Percentage computed on small base and therefore subject to large sampling variation.

<sup>1</sup> Noncovered employment before and after entitlement to old-age benefits and covered employment after entitlement that provided regular work for 35 hours or more a week for at least 6 consecutive

months. This employment may later have been terminated.

<sup>2</sup> Excludes beneficiaries whose last covered employment before their first benefit payment had not been terminated.

<sup>3</sup> For definitions of reasons see footnotes to table 1.

that of the men. At the end of the survey year proportionately only half as many women (5 percent) as men (11 percent) had worked regularly 35 hours a week or more for at least 6 months after their retirement and were still employed full time. Over the years of entitlement from 1 biennium to the next, the trend of the women's full-time reemployment was much the same as the men's but at a lower level. The number of women in many of the classification groups that are compared is too small, however, to attach much significance to the findings.

The observable differences between retired men and women workers in the extent of full-time reemployment are not explained by notable differences in the relative importance of the reasons for the termination of their last covered employment before their first benefits or by any connection between these reasons and reemployment. They are more likely to be attributable to differences in the

nature of the employments that are open to elderly men and women and that they are equipped to take and to differences in their work capacities and in the general state of the labor market.

### Employment During Survey Year

A record of regular work for at least 35 hours a week, lasting for at least 6 consecutive months, as a measure of the employment possibilities of old-age beneficiaries is a fairly stiff test to apply to the rank and file of men and women aged 65 and over who have once retired from the labor force. Another study was made, therefore, using a much looser definition of employment—that is, any kind of gainful work during the 12 months preceding the interview, regardless of its regularity or the number of weeks it covered, provided it yielded \$1 or more in wages or was self-employment. A third of the retired men and a fourth of the re-

tired women in the 1951 survey had some employment as thus defined (table 6).

They may have worked a few hours, a few days, a few weeks, or the entire year. Their numbers are considerably larger than the numbers with full-time jobs at the end of the year that had lasted for at least 6 months, principally because of the great difference between the definitions of full-time employment and employment of any kind but also because some beneficiaries employed full time during the year were not thus employed at the end.

Most beneficiaries who had not worked at all during the year considered themselves incapacitated when interviewed at the end of the year; only an eighth of these nonemployed men claimed to be employable and were interested in jobs. Some said there was no use looking for jobs at their ages.

The relationship of reasons for retirement to employment during the survey year was much the same as their relationship to full-time reemployment. Where the beneficiaries had left their covered jobs originally because they were sick, disabled, tired out, or otherwise incapacitated, choice played little part in their decisions about employment, except as those who recovered were able to take their places once more in the labor force. A fifth of the men and women who had quit because they were unable to work had some employment during the survey year; nearly all the others said at the end of the year they were still incapacitated.

Approximately 2 in 5 men who had lost their jobs originally through termination by the employer had worked during 1951. Of those who had not worked, 2 in 3 reported themselves as unable to do so at the end of the year, and twice as many of the nonemployed who said they were able to work wanted jobs as did not.<sup>19</sup>

Half the men who had quit their jobs originally for reasons other than impaired work capacity had some em-

<sup>19</sup> Reasons for job terminations by the employer have not been broken down to show for this analysis of employment during the survey year how many workers had been released because the employer considered them incapacitated.

ployment during 1951; the other half were equally divided between those who said they were and those who said they were not able to work at the end of the year.

Relatively somewhat fewer women than men who were not employed during 1951 considered themselves able to work and wanted a job at the end of the year. Of the nonemployed who had lost their jobs, fewer women than men were also in this category. Among the nonemployed who had quit their jobs for reasons other than impaired work capacity, however, the same proportions of women and men said they were able and willing to work.

Age, of course, is an important factor in the possibility of employment for old people even though it is not always an indication of work capacity. Of all the retired workers who reported on the reasons for their job terminations and reemployment experience (including the few whose jobs had not been terminated on entitlement), 31 percent of the men and 42 percent of the women were less than 70 years old when interviewed at the end of 1951. Of those who were employed during the survey year or who were not employed but considered themselves able to work at the end of the year, 38 percent of the men and 50 percent of the women were under age 70. Of those who were not employed during the year and considered themselves unable to work at the end of the year, 25 percent of the men and 36 percent of the women were in this younger old-age group.

## Summary

Voluntarily quitting work to enjoy a life of leisure is rare among old-age insurance beneficiaries. Relatively few who are able to work choose retirement, although once having stopped working for other reasons, a few additional men and women apparently find satisfaction in their retirement. Only 4 percent of all the old-age beneficiaries in the 1951 survey said they had left covered employment 1-12 years earlier in good health, because they wanted to. When they were interviewed at the end of the year, some of the 4 percent were still in good health and

**Table 6.—Percentage distribution of retired workers by employment<sup>1</sup> during survey year 1951, work capacity, and attitude toward employment at end of year, by reason for termination of last covered employment before first benefit payment<sup>2</sup>**

Reemployment during survey year, work capacity, and attitude toward employment at end of year	Reason for termination of last covered employment before first benefit payment <sup>3</sup>				
	Total	Quit job			Lost job
		Total	Unable to work	All other reasons	
<b>All beneficiaries</b>					
<i>Retired men workers</i>					
Number <sup>4</sup> .....	12,057	6,665	5,009	1,656	5,392
Total percent.....	100.0	100.0	100.0	100.0	100.0
Reemployed.....	32.8	28.3	21.0	50.3	38.4
Not reemployed.....	67.2	71.7	79.0	49.7	61.6
Unable to work.....	52.8	62.1	74.4	24.9	41.3
Able to work.....	14.4	9.6	4.6	24.8	20.4
Not wanting work.....	5.9	5.3	1.2	17.8	6.6
Wanting work.....	8.5	4.3	3.4	6.9	13.8
<i>Retired women workers</i>					
Number <sup>4</sup> .....	2,682	1,732	1,259	493	930
Total percent.....	100.0	100.0	100.0	100.0	100.0
Reemployed.....	24.9	21.9	18.6	30.4	30.4
Not reemployed.....	75.1	78.1	81.4	69.6	69.6
Unable to work.....	60.5	66.7	77.4	39.6	48.7
Able to work.....	14.7	11.4	4.1	30.0	20.9
Not wanting work.....	7.6	6.8	1.2	21.1	9.1
Wanting work.....	7.0	4.6	2.9	8.9	11.7
<b>Beneficiaries not reemployed during survey year</b>					
<i>Retired men workers</i>					
Number <sup>4</sup> .....	8,103	4,780	3,957	823	3,323
Total percent.....	100.0	100.0	100.0	100.0	100.0
Unable to work.....	78.6	86.6	94.2	50.2	67.0
Able to work.....	21.4	13.4	5.8	49.8	33.0
Not wanting work.....	8.8	7.4	1.5	35.8	10.7
Wanting work.....	12.7	5.9	4.3	14.0	22.3
<i>Retired women workers</i>					
Number <sup>4</sup> .....	2,015	1,368	1,025	343	647
Total percent.....	100.0	100.0	100.0	100.0	100.0
Unable to work.....	80.5	85.5	95.0	56.9	70.0
Able to work.....	19.5	14.5	5.0	43.1	30.0
Not wanting work.....	10.1	8.7	1.5	30.3	13.1
Wanting work.....	9.4	5.8	3.5	12.8	16.8

<sup>1</sup> Covered and noncovered employment of any kind and duration.

<sup>2</sup> Excludes beneficiaries whose last covered employment before first benefit payment had not been terminated.

<sup>3</sup> For definitions of reasons see footnotes to table 1.

<sup>4</sup> Number reporting on all items in this table. Because the number reporting on different combinations of items varies slightly from one table to another, there may be slight variations in numbers and percentages that apparently should be the same.

enjoying their retirement, some had worked during the survey year, and some were ill and unable to work. Other beneficiaries who had originally quit their covered jobs for various reasons or had been laid off by their employers said they had not been employed during the year, although they were able to work, and did not want a job. Altogether, regardless of the reasons for their retirement, 6 percent of all the old-age

beneficiaries in the 1951 survey had not worked during the year, considered themselves able to work at the end of the year, and were not interested in working.

Most men and women who voluntarily quit covered employment for old-age benefits are too old, too weak, too tired, or otherwise too incapacitated to keep on working. Nearly half the old-age beneficiaries in the

*(Continued on page 35)*

**Table 9.—Public assistance in the United States, by month, February 1954–February 1955<sup>1</sup>**

[Except for general assistance, includes vendor payments for medical care and cases receiving only such payments]

Year and month	Total <sup>2</sup>	Old-age assistance	Aid to dependent children		Aid to the blind	Aid to the permanently and totally disabled	General assistance	Total	Old-age assistance	Aid to dependent children (families)	Aid to the blind	Aid to the permanently and totally disabled	General assistance							
			Families	Recipients																
				Total <sup>3</sup>										Children						
1954													Number of recipients		Percentage change from previous month					
February		2, 578, 293	560, 556	1, 995, 673	1, 503, 677	99, 605	200, 030	312, 000		-0.3	+1.4	-0.1	+0.9	+5.1						
March		2, 582, 057	569, 537	2, 030, 505	1, 530, 070	99, 934	202, 758	326, 000		+1	+1.6	+3	+1.4	+4.5						
April		2, 583, 201	575, 484	2, 053, 918	1, 547, 730	100, 295	205, 453	318, 000		(4)	+1.0	+4	+1.3	-2.4						
May		2, 582, 919	579, 954	2, 070, 859	1, 560, 881	100, 646	208, 407	304, 000		(5)	+8	+3	+1.4	-4.7						
June		2, 582, 403	581, 895	2, 079, 469	1, 566, 743	100, 930	211, 741	299, 000		(5)	+3	+3	+1.6	-1.6						
July		2, 579, 228	581, 179	2, 078, 251	1, 565, 887	101, 229	214, 829	297, 000		-1	-1	+3	+1.5	-5						
August		2, 578, 682	584, 715	2, 093, 489	1, 577, 953	101, 456	217, 432	303, 000		(5)	+6	+2	+1.2	+2.0						
September		2, 578, 207	588, 088	2, 109, 981	1, 590, 409	101, 759	219, 752	308, 000		(5)	+6	+3	+1.1	+1.7						
October		2, 569, 458	590, 975	2, 121, 879	1, 599, 738	101, 954	221, 255	310, 000		-3	+5	+2	+7	+8						
November		2, 565, 342	594, 300	2, 136, 995	1, 611, 647	102, 193	222, 631	322, 000		-2	+6	+2	+6	+3.7						
December		2, 564, 686	603, 932	2, 173, 569	1, 639, 948	102, 445	224, 393	351, 000		(5)	+1.6	+2	+8	+8.9						
1955																				
January		2, 558, 378	610, 518	2, 197, 927	1, 658, 102	102, 587	225, 855	370, 000		-2	+1.1	+1	+7	+5.6						
February		2, 553, 913	617, 692	2, 226, 024	1, 679, 072	102, 808	227, 490	380, 000		-2	+1.2	+2	+7	+2.5						
1954													Amount of assistance		Percentage change from previous month					
February	\$216, 529, 000	\$132, 135, 293	\$47, 420, 169	\$5, 551, 002	\$10, 699, 610	\$15, 859, 000	+0.6	-0.4	+1.7	+0.1	+1.5	+6.2								
March	219, 764, 000	132, 589, 452	48, 392, 469	5, 575, 575	10, 850, 504	17, 093, 000	+1.5	+3	+2.1	+4	+1.4	+7.8								
April	220, 012, 000	132, 610, 726	48, 868, 806	5, 598, 300	11, 043, 200	16, 615, 000	+1	(4)	+1.0	+4	+1.8	-2.8								
May	219, 890, 000	132, 747, 559	49, 304, 380	5, 621, 118	11, 164, 649	15, 510, 000	-1	+1	+9	+4	+1.1	-6.7								
June	220, 010, 000	132, 859, 663	49, 507, 880	5, 631, 935	11, 330, 308	15, 416, 000	+1	+1	+4	+2	+1.5	-6								
July	219, 998, 000	132, 737, 720	49, 550, 875	5, 675, 355	11, 562, 274	15, 483, 000	(5)	-1	+1	+8	+2.0	+4								
August	220, 883, 000	132, 934, 770	49, 743, 774	5, 675, 905	11, 638, 641	15, 391, 000	+4	+1	+4	(5)	+7	+2.6								
September	222, 821, 000	133, 470, 469	50, 293, 374	5, 704, 478	11, 805, 299	16, 544, 000	+9	+4	+1.1	+5	+1.4	+4.1								
October	222, 628, 000	132, 371, 000	50, 775, 470	5, 732, 141	12, 037, 489	16, 910, 000	-1	-8	+1.0	+5	+2.0	+2.2								
November	224, 346, 000	132, 502, 142	50, 948, 452	5, 746, 741	12, 110, 814	17, 776, 000	+8	+1	+3	+3	+6	+5.1								
December	229, 219, 000	133, 103, 960	52, 083, 695	5, 774, 614	12, 324, 863	20, 075, 000	+2.2	+5	+2.2	+5	+1.8	+12.9								
1955																				
January	229, 695, 000	132, 948, 916	52, 337, 556	5, 795, 865	12, 280, 061	20, 949, 000	+2	-1	+5	+4	-4	+4.4								
February	230, 360, 000	132, 054, 844	53, 192, 989	5, 822, 433	12, 421, 584	21, 518, 000	+3	-7	+1.6	+5	+1.2	+2.7								

<sup>1</sup> For definition of terms see the *Bulletin*, January 1953, p. 16. All data subject to revision.

<sup>2</sup> Total exceeds sum of columns because of inclusion of vendor payments for medical care from general assistance funds, from special medical funds, and, for one State for January 1954–June 1954, from funds for the special types of public assistance; data for such expenditures partly estimated for some States.

<sup>3</sup> Includes as recipients the children and 1 parent or other adult relative in families in which the requirements of at least 1 such adult were considered in determining the amount of assistance.

<sup>4</sup> Increase of less than 0.05 percent.

<sup>5</sup> Decrease of less than 0.05 percent.

## WHY BENEFICIARIES RETIRE

(Continued from page 12)

1951 survey, including a few whose jobs had been terminated by their employers for this reason, said they had stopped originally because they were not able to continue in their jobs. Seven-eighths of all those who had quit for this reason had never thereafter been employed full time (regularly for at least 35 hours a week for at least 6 consecutive months); three-fourths had not worked at all during the survey year and at the end of the year said they were not well enough to work.

Of the other retired workers—the remainder of those who quit and those who are dismissed by their employers for reasons not related to

their health—a considerable number seem to get back into the labor force. A fourth of the men and women in the 1951 survey whose jobs had been terminated for these reasons subsequently had been reemployed full time, and 14 percent were still employed full time at the end of the survey year. In that one year, 2 in 5 who had quit originally for reasons other than impaired work capacity or who had been dismissed by their employers had some employment, although not necessarily full time or for any considerable period; at the end of the year two-fifths said they were not able to work. Relatively more men than women were employed; indeed the deterioration in work capacity among the women who had quit

for reasons not related to their health seemed much more marked than among the men.

Except in a period of great industrial activity—for example, during World War II—about as many elderly workers in industry and commerce tend to leave their jobs of their own accord as are dismissed by their employers. In a tight labor market, older workers are more likely to be retained in their jobs, and those who leave tend to be the ones who believe that they are too old, too ill, or otherwise too incapacitated for further employment.

Voluntary terminations of covered employment for reasons other than impaired work capacity are sometimes caused by planned changes in

Table 10.—Amount of vendor payments for medical care for recipients of public assistance, by program and State, February 1955 <sup>1</sup>

State	Old-age assistance	Aid to dependent children	Aid to the blind	Aid to the permanently and totally disabled	General assistance <sup>2</sup>
Total.....	\$9,033,441	\$1,634,939	\$243,179	\$1,605,432	<sup>3</sup> \$5,350,000
Alabama.....	<i>485</i>	<i>361</i>	-----	<i>222</i>	58
Alaska.....	-----	-----	-----	( <sup>4</sup> )	15,744
California.....	-----	-----	-----	( <sup>4</sup> )	76,953
Colorado.....	-----	-----	<i>154</i>	-----	( <sup>5</sup> )
Connecticut.....	218,413	83,198	2,406	30,402	( <sup>5</sup> )
Delaware.....	-----	-----	-----	-----	18
District of Columbia.....	<i>40</i>	<i>44</i>	-----	<i>63</i>	16
Hawaii.....	19,602	6,239	990	15,360	( <sup>5</sup> )
Illinois.....	1,900,510	228,196	54,344	238,070	543,111
Indiana.....	403,784	67,923	17,963	( <sup>4</sup> )	209,903
Iowa.....	-----	-----	-----	( <sup>4</sup> )	185,073
Kansas.....	<i>187,072</i>	<i>41,712</i>	<i>5,470</i>	<i>25,865</i>	47,482
Louisiana.....	<i>85</i>	3,788	263	1,354	1,475
Maine.....	-----	-----	-----	( <sup>4</sup> )	47,366
Massachusetts.....	1,863,115	122,239	1,208	421,352	134,883
Michigan.....	135,878	-----	1,802	21,556	88,125
Minnesota.....	1,186,670	95,739	35,130	4,079	187,562
Montana.....	-----	-----	-----	-----	158,632
Nebraska.....	-----	-----	-----	( <sup>4</sup> )	148,911
Nevada.....	6,610	-----	-----	( <sup>4</sup> )	67,874
New Hampshire.....	76,788	14,297	2,421	4,400	( <sup>5</sup> )
New Jersey.....	-----	<i>12,757</i>	<i>16</i>	-----	152,394
New Mexico.....	27,154	13,126	1,650	3,110	3,888
New York.....	1,990,810	632,025	74,471	723,090	( <sup>5</sup> )
North Carolina.....	18,209	11,009	-----	6,379	167,603
North Dakota.....	89,765	14,372	146	19,536	20,352
Ohio.....	218,621	<i>23,707</i>	<i>7,263</i>	-----	903,201
Oregon.....	-----	-----	-----	-----	149,523
Pennsylvania.....	<i>152,270</i>	<i>123,045</i>	<i>27,993</i>	<i>46,319</i>	95,875
Rhode Island.....	53,968	23,674	1,410	16,303	20,646
South Carolina.....	-----	-----	-----	-----	10,573
South Dakota.....	-----	-----	-----	-----	70,065
Utah.....	<i>496</i>	<i>768</i>	-----	<i>48</i>	270
Virgin Islands.....	197	67	17	32	72
Virginia.....	-----	-----	-----	-----	8,434
Wisconsin.....	<i>482,949</i>	<i>116,653</i>	<i>9,972</i>	<i>27,892</i>	143,260
Wyoming.....	-----	-----	-----	-----	38,213

<sup>1</sup> For the special types of public assistance, figures in italics represent payments made without Federal participation. States not shown made no vendor payments during the month or did not report such payments.

<sup>2</sup> In all States except California, Illinois, Kansas, Louisiana, Massachusetts, Nevada, New Jersey, Pennsylvania, Utah, and the Virgin Islands includes payments made on behalf of recipients of the special types of public assistance.

<sup>3</sup> Includes an estimated amount for States making vendor payments for medical care from general assistance funds and from special medical funds and reporting these data semiannually but not on a monthly basis.

<sup>4</sup> No program for aid to the permanently and totally disabled.

<sup>5</sup> Data not available.

jobs or by situations that are temporary, and employment is available for these persons when they are ready to return. Consequently, more beneficiaries who quit work for reasons

not related to their health seem to be employed later, and to be employed more regularly and more steadily, than beneficiaries who leave their jobs for all other reasons combined.

In the 1951 survey, however, voluntary job terminations for reasons other than incapacity accounted for only a seventh of all the terminations.