

# Notes and Brief Reports

## Family Benefits in Current-Payment Status, June 30, 1961\*

During the year ended June 30, 1961, the number of families receiving monthly benefits under the old-age, survivors, and disability insurance program increased about 980,000. At the end of the fiscal year, monthly benefits were being paid to at least one person in 11.5 million families (table 1).

Retired-worker families, which made up 73 percent of the total, numbered 8.4 million—about

\* Prepared by George Kowalczyk, Division of Program Analysis, Bureau of Old-Age and Survivors Insurance.

601,000 more than a year earlier. The number of survivor families increased 192,000 to 2.5 million and represented 22 percent of all beneficiary families. These increases are partly attributable to the liberalization of the insured-status requirements, effective October 1960, provided by the 1960 amendments to the Social Security Act. The liberalization in the earnings test, effective January 1961, also contributed slightly.

An increase of 187,000 brought the number of disabled-worker families to 558,000 at the close of the fiscal year. For many of the new beneficiary families, eligibility resulted from the provision in the 1960 amendments making benefits payable to disabled workers under age 50 and their dependents, effective November 1960.

Generally, average family benefits at the end of June 1961 showed moderate increases from the

TABLE 1.—Estimated number of families and beneficiaries receiving benefits and average monthly benefit in current-payment status at end of June 1960 and 1961, by family group

[Numbers in thousands]

Family classification of beneficiaries receiving benefits	June 30, 1960			June 30, 1961		
	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families	Number of beneficiaries	Average monthly amount per family
Total.....	10,535.9	14,261.8		11,516.0	15,624.2	
Retired-worker families.....	7,813.0	10,206.6		8,414.0	11,028.4	
Worker only.....	5,541.8	5,541.8	\$69.50	6,029.7	6,029.7	\$70.40
Male.....	2,845.7	2,845.7	79.10	3,043.0	3,043.0	80.70
Female.....	2,696.1	2,696.1	59.30	2,986.7	2,986.7	60.00
Worker and aged wife.....	2,082.4	4,164.8	123.10	2,172.5	4,345.0	124.90
Worker and young wife <sup>1</sup> .....	.9	1.8	113.50	1.1	2.2	115.00
Worker and aged dependent husband.....	14.4	28.8	104.80	14.0	28.0	105.80
Worker and 1 or more children.....	47.7	108.3	119.30	54.4	122.2	119.50
Worker, wife aged 65 or over, and 1 or more children.....	17.9	54.9	157.50	24.3	74.4	157.80
Worker, young wife, and 1 or more children.....	107.7	395.6	152.10	117.8	426.3	152.70
Worker, husband, and 1 or more children.....	.2	.6	118.00	.2	.6	114.50
Survivor families.....	2,352.1	3,443.7		2,543.9	3,698.1	
Aged widow.....	1,456.0	1,456.0	57.20	1,603.7	1,603.7	58.20
Aged widow and 1 or more children.....	13.2	27.2	111.50	15.8	32.4	113.30
Aged widow and 1 or 2 aged dependent parents.....	.2	.4	130.80	.3	.6	131.20
Aged dependent widower.....	2.0	2.0	53.70	2.1	2.1	54.00
Widower and 1 or more children.....	( <sup>2</sup> )	.1	89.30	.1	.1	84.20
Widowed mother <sup>1</sup> .....	1.1	1.1	59.60	1.4	1.4	64.00
Widowed mother <sup>1</sup> and 1 aged dependent parent.....	0	0	0	( <sup>2</sup> )	( <sup>2</sup> )	173.70
Widowed mother and 1 child.....	164.8	329.6	131.30	181.0	362.0	131.80
Widowed mother and 2 children.....	108.9	326.7	173.20	118.6	355.8	190.70
Widowed mother and 3 or more children.....	112.3	540.6	181.40	118.1	568.3	182.80
Widowed mother, 1 or more children, and 1 or 2 aged dependent parents.....	.4	1.6	217.50	.5	1.9	215.80
Divorced wife and 1 or more children.....	.3	.9	164.00	.3	.9	163.00
1 child only.....	291.1	291.1	57.30	300.8	300.8	58.70
2 children.....	108.8	217.6	102.80	105.0	210.0	124.20
3 children.....	37.5	112.5	131.30	39.2	117.6	157.00
4 or more children.....	22.2	100.5	150.50	22.9	104.1	159.40
1 or more children and 1 or 2 aged dependent parents.....	.7	1.6	137.00	.6	1.4	138.00
1 aged dependent parent.....	31.0	31.0	60.30	32.0	32.0	61.40
2 aged dependent parents.....	1.6	3.2	106.50	1.5	3.0	108.90
Disabled-worker families.....	370.8	521.6		558.1	897.7	
Worker only.....	300.3	300.3	87.90	423.2	423.2	87.90
Male.....	222.8	222.8	91.90	308.1	308.1	91.90
Female.....	77.5	77.5	76.40	115.1	115.1	77.20
Worker and aged wife.....	19.7	39.5	136.00	24.3	48.6	135.30
Worker and young wife <sup>1</sup> .....	.2	.4	136.00	.2	.4	140.00
Worker and aged dependent husband.....	.2	.4	120.50	.2	.5	120.80
Worker and 1 or more children.....	14.2	35.5	154.60	32.3	84.6	154.20
Worker, wife aged 65 or over, and 1 or more children.....	.1	.2	200.00	.1	.4	185.00
Worker, young wife, and 1 or more children.....	36.1	145.3	186.50	77.8	340.0	191.40

<sup>1</sup> Benefits of children were being withheld.

<sup>2</sup> Less than 50.

TABLE 2.—Estimated number of families and beneficiaries receiving benefits and average monthly benefit in current-payment status at end of June 1961, for selected family groups, by starting date used in benefit computation

[Numbers in thousands]

Family classification of beneficiaries for selected family groups	Total			Based on earnings after 1950			Based on earnings after 1936		
	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
Retired-worker families:									
Worker only.....	6,029.7	6,029.7	\$70.40	4,108.7	4,108.7	\$78.90	1,921.0	1,921.0	\$52.30
Male.....	3,043.0	3,043.0	80.70	2,149.0	2,149.0	90.10	894.0	894.0	58.00
Female.....	2,986.7	2,986.7	60.00	1,959.7	1,959.7	66.60	1,027.0	1,027.0	47.30
Worker and aged wife.....	2,172.5	4,345.0	124.90	1,706.1	3,412.2	133.90	466.4	932.8	92.30
Survivor families:									
Aged widow.....	1,603.7	1,603.7	58.20	682.2	682.2	68.90	921.5	921.5	50.20
Widowed mother and 2 children.....	118.6	355.8	190.70	88.5	265.5	214.20	30.1	90.3	105.80
Disabled-worker families:									
Worker only.....	423.2	423.2	87.90	325.7	325.7	93.20	97.5	97.5	70.30
Male.....	308.1	308.1	91.90	241.5	241.5	97.10	66.6	66.6	73.10
Female.....	115.1	115.1	77.20	84.2	84.2	81.90	30.9	30.9	64.20
Worker, young wife, and 1 or more children.....	77.8	340.0	191.40	67.0	292.5	201.70	10.8	47.5	127.50

corresponding averages a year earlier. The reasons were (1) the growing proportion of benefits computed on the basis of earnings after 1950, (2) the increasing number computed under the provisions of the 1954 amendments 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, and (3) the 1960 legislation increasing the benefit, effective December 1960, for each child of a deceased worker to three-fourths of the primary insurance amount, subject to the family maximum (children in survivor-beneficiary families having at least two children and with the total family benefit less than the maximum had their benefits increased by this provision).

Payments to retired workers without dependents also receiving benefits averaged \$80.70 for men and \$60.00 for women. Among families consisting of a retired worker and his aged wife, the average was \$124.90. The average benefit for aged-widow families was \$58.20, and for families consisting of a widowed mother and two children it was \$190.70.

The average benefits being paid to disabled workers who had no dependents also receiving benefits were \$91.90 for men and \$77.20 for women. For families composed of a disabled worker, a young wife, and one or more children, the average benefit was \$191.40.

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 average benefits being paid were \$90.10 for a man with no dependents, \$66.60 for a woman with no dependents, and \$133.90 for a retired worker and his aged wife. At the end of June 1961, about 71 percent of all retired-worker families were receiving benefits based on earnings after 1950. This proportion will undoubtedly increase, since earnings after 1950 were used for about 82 percent of the old-age benefits awarded in the year ended June 30, 1961, and higher percentages are expected among the awards of future years.

For survivor families, the average benefits based on earnings after 1950 were \$68.90 for aged-widow families and \$214.20 for families consisting of a widowed mother and two children. Only 43 percent of the aged-widow families were receiving benefits based on earnings after 1950. This low proportion reflects the large number of benefits payable to (1) widows aged 62 or over whose husbands had died before April 1952 and (2) widows of men who had retired as old-age beneficiaries before April 1952 and who 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 \$97.10 for a man with no dependents, \$81.90 for a woman with no dependents, and \$201.70 for a disabled worker, his young wife, and one or more children.