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OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE

Family Benefits in Current-Payment Status, June 30, 1963

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The number of families receiving monthly benefits under the old-age, survivors, and disability insurance program increased about 1.0 million during the year ended June 30, 1963. At the end of the fiscal year, monthly benefits were being paid to at least one person in 13.8 million families (table 1). Retired-worker families made up 73 percent of the total and numbered 10.0 million--about 690,000 more than a year earlier. The number of survivor families increased 201,000 to 2.9 million and represented 21 percent of all beneficiary families. A rise of 111,000 brought the number of disabled-worker families to 790,000 at the close of the fiscal year.

Average family benefits at the end of June 1963 generally showed moderate increases from the corresponding averages a year earlier. One reason was the growing proportion of benefits computed on the basis of earnings after 1950, and a second reason was the rise in the number computed under the provisions of the 1954 amendments that permit, in the computation of the average monthly wage, the dropping out of as many as 5 years of lowest covered earnings and, in addition, any period of total disability. A third factor bringing about the moderate rise in average payments was the increasing number of benefits based on the earnings of workers for whom higher maximum creditable earnings were possible, as provided by the 1950, 1954, and 1958 amendments.

The average payment to retired workers without dependents also receiving benefits was \$82.30 for men and \$63.30 for women. Among families consisting of a retired worker and his aged wife, the average was \$128.70. The average benefit for aged-widow families was \$66.40, and for families consisting of a widowed mother and two children it was \$191.60.

For disabled workers who had no dependents also receiving benefits the average payment was \$92.30 for men and \$78.40 for women. For families consisting of a disabled worker, a young wife, and one or more children, the average benefit was \$192.80.

Average benefits were considerably higher for families with benefits computed on the basis of earnings after 1950 than for 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 benefit was \$90.20 for a man with no dependents, \$69.00 for a woman with no dependents, and \$136.30 for a retired worker and his aged wife. At the end of June 1963 about 76 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 84 percent of the old-age benefits awarded in the fiscal year 1962-63 and higher percentages are expected among the awards of future years.

Among survivor families, the average benefit based on earnings after 1950 was \$77.40 for aged-widow families and \$212.70 for families consisting of a widowed mother and two children. Only 49 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 two groups for whom benefits cannot be based on earnings after 1950. They are widows aged 62 or over whose husbands had died before April 1952, and widows of men who had retired as old-age beneficiaries before 1952 and who died with no employment after 1951. The proportion of aged-widow families with benefits based on post-1950 earnings will undoubtedly grow, since such earnings were used for about 69 percent of the awards to widows in 1962-63 and in future years higher percentages are expected.

Among disabled-worker families the average benefit based on post-1950 earnings was \$96.80 for a man with no dependents and \$81.90 for a woman with no dependents. For a disabled worker, his young wife, and one or more children, the average was \$200.00.

Table 1
ESTIMATED NUMBER OF FAMILIES AND BENEFICIARIES RECEIVING BENEFITS AND
AVERAGE MONTHLY BENEFIT IN CURRENT-PAYMENT STATUS AT END OF JUNE 1962 AND 1963, BY FAMILY GROUP

(Numbers in thousands)

Family classification of beneficiaries receiving benefits	June 30, 1962			June 30, 1963		
	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families	Number of beneficiaries	Average monthly amount per family
Total	12,754.8	17,280.4	-	13,756.5	18,608.3	-
Retired-worker families	9,347.6	12,188.6	-	10,037.4	13,014.8	-
Worker only	6,814.4	6,814.4	\$ 72.30	7,398.1	7,398.1	\$ 73.00
Male	3,523.0	3,523.0	81.50	3,792.1	3,792.1	82.30
Female	3,291.4	3,291.4	62.40	3,606.0	3,606.0	63.30
Worker and aged wife	2,268.0	4,536.0	127.40	2,351.7	4,703.4	128.70
Worker and young wife 1/	1.0	2.0	112.00	1.1	2.2	113.60
Worker and aged dependent husband	13.5	27.0	108.20	13.1	26.2	109.20
Worker and 1 or more children	69.4	157.5	119.10	76.2	173.2	118.80
Worker, aged wife, and 1 or more children ..	26.3	81.0	157.30	27.5	84.4	158.70
Worker, young wife, and 1 or more children ..	155.0	570.4	149.20	169.5	626.9	149.40
Worker, husband, and 1 or more children ....	.1	.4	115.00	.1	.3	115.50
Survivor families	2,727.9	3,940.0	-	2,928.7	4,211.1	-
Aged widow	1,756.1	1,756.1	65.40	1,913.7	1,913.7	66.40
Aged widow and 1 or more children	19.2	39.4	123.70	23.3	47.9	125.40
Aged widow and 1 or 2 aged dependent parents .....	.3	.6	159.70	.4	.7	171.40
Aged dependent widower	2.4	2.4	62.20	2.5	2.5	62.70
Widower and 1 or more children .....	.1	.1	99.20	.1	.2	114.00
Widowed mother 1/	1.6	1.6	61.30	2.1	2.1	61.10
Widowed mother and 1 child	184.4	368.8	136.20	192.1	384.2	138.30
Widowed mother and 2 children	122.8	368.4	190.30	129.5	388.5	191.60
Widowed mother and 3 or more children	125.0	605.0	185.30	132.2	641.2	188.10
Widowed mother, 1 or more children, and 1 or 2 aged dependent parents .....	.3	1.2	214.90	.3	1.0	211.80
Divorced wife and 1 or more children .....	.5	1.2	175.00	.4	1.2	186.00
1 child only	307.9	307.9	61.40	317.4	317.4	62.50
2 children	106.3	212.6	125.60	109.3	218.6	127.30
3 children	41.8	125.4	163.50	43.8	131.4	170.00
4 or more children	24.6	112.4	168.10	26.7	123.4	169.50
1 or more children and 1 or 2 aged dependent parents .....	.5	1.2	147.40	.6	1.4	151.40
1 aged dependent parent	32.6	32.6	68.60	32.9	32.9	69.50
2 aged dependent parents	1.5	3.0	110.30	1.4	2.8	108.70
Disabled-worker families	679.3	1,151.8	-	790.4	1,382.3	-
Worker only	500.6	500.6	87.80	574.2	574.2	88.20
Male	357.6	357.6	91.80	402.5	402.5	92.30
Female	143.0	143.0	78.00	171.7	171.7	78.40
Worker and aged wife	24.8	49.6	136.70	26.0	52.0	137.60
Worker and young wife 1/	(2/)	.1	149.80	(2/)	(2/)	145.50
Worker and aged dependent husband .....	.3	.6	120.00	.4	.8	121.20
Worker and 1 or more children	46.0	122.7	155.90	56.1	153.2	158.00
Worker, aged wife, and 1 or more children ..	.3	.9	178.80	.4	1.4	171.00
Worker, young wife, and 1 or more children ..	107.2	477.3	191.00	133.3	600.7	192.80

1/ Benefits of children were being withheld.

2/ 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 1963, FOR SELECTED FAMILY GROUPS,
BY STARTING DATE USED IN BENEFIT COMPUTATION

Family classification of beneficiaries for selected family groups	(Numbers in thousands)								
	Total			Based on earnings after 1950			Based on earnings after 1936		
	Number of families	Number of benefi- ciaries	Average monthly amount per family	Number of families	Number of benefi- ciaries	Average monthly amount per family	Number of families	Number of benefi- ciaries	Average monthly amount per family
Retired-worker families:									
Worker only	7,398.1	7,398.1	\$ 73.00	5,378.5	5,378.5	\$ 80.30	2,019.6	2,019.6	\$ 53.60
Male	3,792.1	3,792.1	82.30	2,875.2	2,875.2	90.20	916.9	916.9	57.60
Female	3,606.0	3,606.0	63.30	2,503.3	2,503.3	69.00	1,102.7	1,102.7	50.20
Worker and aged wife	2,351.7	4,703.4	128.70	1,954.3	3,908.6	136.30	397.4	794.8	91.60
Survivor families:									
Aged widow	1,913.7	1,913.7	66.40	945.4	945.4	77.40	968.3	968.3	55.60
Widowed mother and 2 children	129.5	388.5	191.60	105.5	316.5	212.70	24.0	72.0	97.40
Disabled-worker families:									
Worker only	574.2	574.2	88.20	471.3	471.3	92.40	102.9	102.9	68.90
Male	402.5	402.5	92.30	331.9	331.9	96.80	70.6	70.6	71.40
Female	171.7	171.7	78.40	139.4	139.4	81.90	32.3	32.3	63.30
Worker, young wife, and 1 or more children	133.3	600.7	192.80	120.7	543.9	200.00	12.6	56.8	123.30