

# Notes and Brief Reports

## OASDI Benefit Amounts Under 1972 Amendments\*

The increases in monthly cash benefits under the old-age, survivors, disability, and health insurance (OASDHI) program, provided by the July 1972 amendments to the Social Security Act, were included for the first time in the benefits for September 1972—the month these increases became effective. The September checks, delivered in the first week of October, were at least 20 percent higher than they were for August.

For the 28.1 million beneficiaries on the OASDI rolls at the end of August, the new benefit rates meant an additional \$660 million in benefits a month or \$7.9 billion a year.

For retired-worker beneficiaries, the amendments brought the average benefit up to \$161.47, an increase of \$27.75; for disabled-worker beneficiaries, the average under the new rate was \$178.64 or \$30.00 higher than the average amount payable under the old rate. The entitled dependents of these retired or disabled workers received raises in their benefits that ranged, on the average, from \$8.48 for children of disabled workers to \$15.03 for the wives and husbands of

retired workers. Among survivor beneficiaries, the average benefit increase ranged from \$18.34 for the children of insured deceased workers to \$23.31 for nondisabled widows and widowers.

The legislation enacted in July 1972 (Public Law 92-336) called for an across-the-board increase of 20 percent in the worker's primary insurance amount.<sup>1</sup> For some individuals, however, the increase in their benefit amount was slightly more than 20 percent. These were individuals who were receiving benefits that had been actuarially reduced because they claimed them before age 65. The actuarial reduction, in these instances, was either not applicable to the entire amount of the increase or was applicable to part of the increase to a lesser degree than to the rest of their benefit.

Benefits for disabled widows and widowers showed the largest percentage increase in the average amount—22.2 percent. The 21.9-percent rise in average benefits for the wives and husbands of retired workers ranked next. The increase was close to 20 percent for most other types of beneficiaries except retired workers, for whom the average benefit was 20.8 percent higher, and the spouses of disabled workers, for whom the average benefit amount went up 20.9 percent.

\* Prepared by Harry Shulman, Division of OASDI Statistics, Office of Research and Statistics.

<sup>1</sup> The amount payable to a retired worker who gets his benefit at age 65 or to a disabled worker; it is used as the base for computing all types of benefits payable on the basis of the worker's earnings record.

Monthly cash benefits in current-payment status: Amount under old and new rates and percentage increase, by type of beneficiary, at end of August 1972

Type of beneficiary	Number	Total amount (in thousands)		Average amount		Percentage increase
		Old rates	New rates	Old rates	New rates	
Total.....	28,109,567	\$3,188,879	\$3,819,003			20.7
Retired workers and dependents.....	17,692,490	2,139,036	2,586,690			20.9
Retired workers.....	14,392,459	1,923,069	2,324,016	\$133.62	\$161.47	20.8
Wives and husbands.....	2,727,021	187,423	228,406	68.73	83.76	21.9
Children.....	573,010	28,544	34,269	49.81	59.80	20.1
Disabled workers and dependents.....	3,148,718	322,394	387,660			20.2
Disabled workers.....	1,778,402	264,056	317,332	148.65	178.64	20.2
Wives and husbands.....	335,821	15,323	18,519	45.63	55.14	20.9
Children.....	1,036,495	43,015	51,809	41.60	49.98	20.4
Survivors of deceased workers.....	6,841,421	707,130	850,265			20.2
Widowed mothers.....	540,655	51,884	62,287	95.97	115.21	20.1
Children.....	2,802,967	256,484	307,892	91.60	109.84	20.0
Widows and widowers, nondisabled.....	3,409,605	390,172	466,653	114.43	137.74	20.4
Widows and widowers, disabled.....	61,786	5,541	6,773	89.70	109.65	23.2
Parents.....	26,428	3,050	3,660	115.39	138.50	20.0
Special age-72 beneficiaries.....	426,938	20,318	24,388			20.0
Primary.....	418,342	20,111	24,139	48.07	57.70	20.0
Wives.....	8,596	208	249	24.17	28.95	19.7