

# Notes and Brief Reports

## Old-Age Benefit Awards, January-June 1952

During the first half of 1952, old-age benefits were awarded to 192,000 persons, less than half the number to whom awards were made in the first 6 months of 1951. Awards made to persons who became eligible for benefits immediately in September 1950 under the 1950 provisions helped to swell the total number of awards made in January-June 1951. The absence of such awards in the first half of 1952 was responsible in part for the sharp decline from the earlier period. Another reason for the decline is the fact that many workers deferred filing their applications for benefits until the third quarter of 1952 in order to acquire 6 quarters of coverage after 1950 and thus qualify for higher monthly benefit amounts through use of the new benefit formula.

About 45 percent of the persons awarded old-age benefits in January-June 1952 were new eligibles, persons who qualified solely as a result of the liberalized insured-status provisions in the 1950 amendments (table 1). Women represented 36 percent of the new eligibles and 19 percent of the 1939 eligibles—those who were eligible under the 1939 legislation.

Of the awards to 1939 eligibles in January-June 1952, 26 percent (compared with 16 percent for the first half of 1951) were made to persons who attained age 65 during the first half of the year; the proportion was slightly higher for women than for men. Almost 34 percent of the awards to new eligibles (compared with 15 percent for the corresponding period in 1951) went to persons who reached age 65 during the first 6 months of 1952. The proportion of total awards that new eligibles represent declines at the older ages since the liberalization in the insured-status requirements was greatest for persons aged 65 (a reduction from 30 quarters of coverage to 6) and was less at each successive age. For persons

reaching their seventy-seventh birthday in the first 6 months of 1952 or earlier, there was no liberalization, since they needed only 6 quarters to

be fully insured under the 1939 law.

Persons aged 75 or over represented 11 percent of the 1939 eligibles. This age group represented almost 23 percent in 1951, when awards included a substantial number made to workers aged 75 and over. Under the 1950 amendments, for the first time,

**Table 1.—Number, percentage distribution, and average monthly amount of old-age benefits awarded in January-June 1952, by eligibility status, age, and sex of beneficiary**

[Based partly on 20-percent sample]

Age <sup>1</sup>	Total			Male			Female		
	Number	Per cent	Average monthly amount	Number	Per cent	Average monthly amount	Number	Per cent	Average monthly amount
Total <sup>2</sup> .....	191,961	100	\$39.84	140,780	100	\$42.90	51,181	100	\$31.26
65-69.....	144,569	75	40.46	102,956	73	44.25	41,613	81	31.08
70-74.....	32,297	17	38.31	25,238	18	40.15	7,059	14	31.72
75-79.....	12,300	6	38.29	10,210	7	39.34	2,090	4	33.18
80 and over.....	2,795	1	32.41	2,376	2	32.51	419	1	31.81
1939 eligibles.....	104,705	100	\$51.21	84,650	100	\$52.98	20,055	100	\$43.73
65-69.....	74,876	72	53.13	59,924	71	55.23	14,954	75	44.70
70-74.....	18,108	17	50.41	14,818	18	52.01	3,290	16	43.20
75-79.....	9,164	9	42.64	7,730	9	43.52	1,434	7	37.92
80 and over.....	2,555	2	31.31	2,178	3	31.15	377	2	32.19
New eligibles.....	85,707	100	\$25.91	55,002	100	\$27.47	30,705	100	\$23.12
65-69.....	69,059	81	26.71	42,583	77	28.78	26,506	86	23.38
70-74.....	13,863	16	22.53	10,243	19	22.90	3,620	12	21.51
75-77 <sup>3</sup> .....	2,755	3	22.86	2,176	4	23.33	579	2	21.08

<sup>1</sup> Age on birthday in 1952.

<sup>2</sup> Includes 1,549 old-age benefits computed under the new formula (average amount, \$42.68); data on "new

formula" benefits by eligibility status not available.

<sup>3</sup> Only persons reaching their 77th birthday during July-December 1952 can qualify as new eligibles.

**Table 2.—Number and percentage distribution of old-age benefits awarded in January-June 1952 by eligibility status, amount of benefit, and sex of beneficiary**

[Based on 20-percent sample]

Amount of monthly benefit	Total		Male		Female	
	Number	Percent	Number	Percent	Number	Percent
Total <sup>1</sup> .....	191,961	100	140,780	100	51,181	100
\$20.00.....	56,004	29	32,813	23	23,191	45
20.10-29.90.....	16,188	8	9,981	7	6,207	12
30.00-39.90.....	19,094	10	13,068	9	6,026	13
40.00-49.90.....	31,854	17	23,394	17	8,460	17
50.00-59.90.....	39,548	21	33,777	24	5,771	11
60.00-68.50.....	28,673	15	27,747	20	926	2
1939 eligibles.....	104,705	100	84,650	100	20,055	100
\$20.00.....	5,097	5	3,851	5	1,246	6
20.10-29.90.....	3,279	3	1,789	2	1,490	7
30.00-39.90.....	7,028	7	3,679	4	3,349	17
40.00-49.90.....	23,773	23	16,283	19	7,490	37
50.00-59.90.....	37,751	36	32,147	38	5,604	28
60.00-68.50.....	27,777	27	26,901	32	876	4
New eligibles.....	85,707	100	55,002	100	30,705	100
\$20.00.....	50,665	59	28,901	53	21,764	71
20.10-29.90.....	12,675	15	8,045	15	4,630	15
30.00-39.90.....	12,448	15	9,227	17	3,221	10
40.00-49.90.....	7,867	9	6,933	13	934	3
50.00-59.90.....	1,430	2	1,299	2	131	( <sup>2</sup> )
60.00-68.50.....	622	1	597	1	25	( <sup>2</sup> )

<sup>1</sup> See table 1, footnote 2.

<sup>2</sup> Less than 0.5 percent.

**Table 3.—Number and average monthly amount of old-age benefits awarded under the 1950 amendments, by period of award and eligibility status**

Period of award	Total		1939 eligibles		New eligibles		As percent of all old-age beneficiaries
	Number	Average monthly amount	Number	Average monthly amount	Number	Average monthly amount	
Total.....	1,278,853	\$36.59	501,336	\$49.60	685,968	\$25.36	54
September–December 1950.....	383,908	33.24	125,194	49.51	258,714	25.36	67
January–June 1951.....	435,636	37.18	219,629	48.91	216,007	25.26	50
July–December 1951.....	267,348	38.11	141,808	49.57	125,540	25.18	47
January–June 1952.....	191,961	39.84	104,705	51.21	85,707	25.91	45

<sup>1</sup> See table 1, footnote 2.

persons in this group could receive monthly benefits even though they were earning more than \$50 a month in covered employment.

The average old-age benefit awarded in January–June 1952 was \$39.84, an increase of \$2.66 from the average amount awarded in the first half of 1951 (table 1). This higher average benefit was due partly to the decrease in the proportion of new eligibles, who in the first half of 1951 represented half the total number of awards and in the corresponding period of 1952 only 45 percent. The average benefit awarded these new eligibles was \$25.91, slightly more than in the first half of 1951; the average for the 1939 eligibles was \$51.21, which also represents an increase. The average benefit amount for women was lower than for men; the difference was \$9.25 for 1939 and \$4.35 for new eligibles.

The minimum monthly amount of \$20 was payable in 59 percent of the awards to new eligibles; for women, comprising more than one-third of the newly eligible group, 71 percent of the awards were for the minimum amount (table 2). In contrast, for the 1939 eligibles the \$20 minimum was payable in only 5 percent of the awards, while \$50 or more was payable to 63 percent of this group. Most of the new eligibles were persons who had worked irregularly since 1936 or who had worked for only a limited period in employment covered by old-age and survivors insurance. Consequently, they did not have enough quarters of coverage to be insured under the 1939 amendments but did qualify as a result of

the liberalized insured-status provisions in the 1950 amendments. Such persons have, on the whole, substantially lower average monthly wages, fewer increment years, and, as a result, lower benefit amounts than do persons insured under the 1939 amendments, who are more likely to have worked regularly in covered employment.

The total number of persons awarded old-age benefits in the first half of 1952 includes 1,549 beneficiaries whose benefits were computed under the new formula provided by the 1950 amendments, which uses only earnings after 1950. The amount of these benefits at the time of the award was substantially smaller than the amount payable after the necessary recomputation. Since wages in the two calendar quarters preceding the quarter in which application for benefits is filed were excluded in the initial benefit computation under the 1950 amendments, these benefits were determined through use of wages in the first 9 months of 1951 and a

statutory minimum divisor of 18 months. These initial amounts have been recomputed to take the wages in the succeeding 6 months into account. Benefits at the resulting higher rate were payable immediately and the difference between the recomputed benefit and the initial benefit was payable retroactively to the date of entitlement.

The decreasing proportion that the number of benefits awarded to new eligibles bears to the total may be seen in table 3. The average old-age benefit award has gone up continuously, for a total increase of \$6.60 since the initial period in 1950. This rise was due chiefly to the decreasing proportion of new eligibles, whose average benefit remained only slightly more than half that payable to 1939 eligibles.

The rapid growth in the number of new eligibles receiving old-age benefits is indicated in table 4, which shows the number and amount of old-age benefits in current-payment status in 6-month intervals, June 1950–June 1952. By the end of June 1952, the new eligibles comprised one-fourth of all old-age beneficiaries. Although the average benefit payable to 1939 eligibles has risen steadily, the average amount payable to all old-age beneficiaries in current-payment status has dropped as the proportion of new eligibles has increased.

## Employers, Workers, and Wages, First Quarter 1952

The number of workers in covered employment during January–March

**Table 4.—Number and average monthly amount of old-age benefits in current-payment status at the end of each half-year, by eligibility status, June 1950–June 1952**

[Numbers in thousands; based partly on 20-percent sample]

Half-year ending—	Total		1939 eligibles		New eligibles		As percent of all old-age beneficiaries
	Number	Average monthly amount	Number	Average monthly amount	Number	Average monthly amount	
June 1950.....	1,385	\$26.30	1,385	\$26.30	—	—	—
December 1950.....	1,771	43.86	1,517	46.96	254	\$25.33	14
June 1951.....	2,091	42.57	1,654	47.17	436	25.13	21
December 1951.....	2,278	42.14	1,738	47.44	540	25.07	24
June 1952.....	1,372	41.98	1,770	47.69	601	25.17	25

<sup>1</sup> Includes 1,529 old-age benefits computed under the new formula; data on "new formula" benefits by eligibility status not available.