

# Notes and Brief Reports

## Women Social Security Beneficiaries Aged 62 or Older, 1960-83\*

The participation of women in the labor force has increased substantially during the past half century. In 1930, the 10 million women workers represented only 24 percent of all women and 22 percent of the total labor force (table 1). By 1957, the number of women workers had doubled and their labor-force participation had increased to 37 percent. In 1983, 48 million women were in the labor force—they represented 53 percent of all women and 43 percent of the total labor force. During the period 1930-83, the number of working-age women increased by 108 percent and the number of women in the labor force rose by 366 percent. This note briefly examines the effects of this increased participation in the labor force on the types of social security benefits received by women aged 62 or older.<sup>1</sup>

### Benefit Entitlement

Generally, women aged 62 or older receive social security benefits in one of three ways:

- Solely as wives or widows of workers. These women usually have not had enough covered employment to qualify for social security benefits on their own earnings record.<sup>2</sup> They are entitled to benefits based on their husband's earnings and are classified and counted as wives or widows.
- Solely as retired or disabled workers. These women are entitled to benefits based on their own earnings record that usually exceed any amount to which they may be entitled based on their husband's earnings record if they are or were married. They are classified and counted as workers.
- On the basis of their own earnings record and that

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<sup>1</sup> The benefit data are derived on a 100-percent basis from the Social Security Administration's major administrative file, the Master Beneficiary Record.

<sup>2</sup> In certain cases, persons who are insured as workers on their own earnings record and who are also eligible for a secondary benefit are not required to file for the worker's benefit.

**Table 1.**—Number of women aged 16 or older and number and percent of those in the labor force, 1930-83  
[Numbers in millions]

Year <sup>1</sup>	Total number <sup>2</sup>	In labor force		
		Number	Percent of—	
			All women	Total labor force
1930 <sup>3</sup>	44.1	10.4	24	22
1940	47.7	13.8	29	25
1947	52.5	16.7	32	27
1950	54.3	18.4	34	30
1953	56.3	19.4	34	31
1957	59.0	21.7	37	33
1960	61.6	23.3	38	33
1963	64.5	24.7	38	33
1967	69.0	28.4	41	37
1970	72.8	31.5	43	38
1973	77.8	34.8	45	39
1977	83.8	40.6	48	41
1980	88.3	45.5	52	43
1983	91.7	48.5	53	43
Percentage increase, 1930-83	108	366	...	...

<sup>1</sup> For 1930, data are for April; for 1940, data are for March; for 1947-83, data are annual averages.

<sup>2</sup> Noninstitutionalized population.

<sup>3</sup> Aged 14 or older in 1930.

Source: Bureau of Labor Statistics, Department of Labor, **Employment and Earnings**, January 1984, pages 156-157, and Women's Bureau, Department of Labor, **1975 Handbook on Women Workers** (Bulletin 297), 1975, page 11.

of their spouse. These women, called dually entitled beneficiaries, are entitled to a benefit based on their own earnings, but it is less than their benefit as a wife or widow. They are entitled to the worker benefit plus the difference between that amount and the amount to which they would be entitled as a wife or widow. They cannot receive both the full worker benefit and the full wife's or widow's benefit. These dually entitled women are classified and counted as workers.

A small number of women aged 62 or older are entitled to benefits as dependent surviving parents based on a child's earnings record or as disabled adults who are the children of retired or deceased workers. Also, women who attained age 72 before 1970 and who do not qualify for a regular social security benefit can receive "special age-72" benefits, which are financed mainly from general revenues.

To be eligible for a retired-worker benefit, a person must be fully insured—that is, he or she must have suffi-

cient earnings in the requisite number of quarters in covered employment. Before 1978, a wage and salary worker generally acquired a quarter of coverage by earning \$50 or more in covered employment in a calendar quarter. Beginning with 1978, quarters of coverage are based on an amount of annual earnings that is indexed to increase with the change in the average of national wages. In 1983, a worker was credited with one quarter of coverage, up to a maximum of four, for each \$370 of earnings. To be fully insured, an individual needs at least one quarter of coverage (acquired at any time after 1936) for each year after 1950, or the year in which he or she attains age 21, if later, and before the year he or she attains age 62.<sup>3</sup> A woman who reached age 62 in 1960, for example, needed nine quarters to be fully insured; a woman who attained age 62 in 1983

needed 32 quarters. Under the disability program, additional requirements must be fulfilled for entitlement.<sup>4</sup>

## Beneficiary Experience, 1960-83

The increased labor-force participation of women has resulted in a substantial increase in the number and proportion of women who are entitled to benefits based on their own earnings record. Overall, the number of women beneficiaries aged 62 or older rose from 6.6 million in 1960 to 17.7 million in 1983, a 167-percent increase. The number of women aged 62 or older receiving benefits as retired or disabled workers increased from 2.9 million in 1960—or 43 percent of all women beneficiaries in this age group—to 10.3 million—or 58 percent—in 1983 (table 2). The number of women

<sup>3</sup> For men attaining age 62 before 1975, the quarters-of-coverage requirement is higher.

<sup>4</sup> For a detailed discussion of benefit eligibility requirements, see *Social Security Handbook, Eighth Edition*, Social Security Administration, Department of Health and Human Services, July 1984.

**Table 2.**—Number and percent of women beneficiaries aged 62 or older, with benefits in current-payment status, by type of entitlement, 1960-83<sup>1</sup>

[Numbers in thousands]

At end of year	Entitlement based on—												
	Total number	Own earnings record						Husband's or child's earnings record					
		Number	Percent of total	Entitled as—				Disabled worker	Number	Percent of total	Entitled as—		
				Retired worker			Wife <sup>2</sup>				Widow <sup>3</sup>	Parent	
				Number	Number dually entitled	Percent of retired workers dually entitled							
1960.....	6,619	2,866	43.3	2,845	303	10.6	21	3,753	56.7	2,174	1,546	33	
1961.....	7,162	3,185	44.5	3,160	331	10.5	25	3,977	55.5	2,247	1,697	33	
1962.....	7,806	3,526	45.2	3,494	422	12.1	32	4,280	54.8	2,388	1,858	34	
1963.....	8,283	3,804	45.9	3,766	497	13.2	38	4,479	54.1	2,436	2,009	34	
1964.....	8,710	4,056	46.6	4,011	571	14.2	45	4,654	53.4	2,463	2,157	34	
1965.....	9,143	4,327	47.3	4,276	612	14.3	51	4,816	52.7	2,475	2,308	33	
1966.....	9,711	4,685	48.2	4,624	699	14.3	61	5,026	51.8	2,504	2,490	32	
1967.....	10,084	4,929	48.9	4,859	761	15.1	70	5,155	51.1	2,479	2,645	31	
1968.....	10,524	5,189	49.3	5,111	832	15.7	78	5,335	50.7	2,521	2,784	30	
1969.....	10,924	5,449	49.9	5,363	910	16.3	86	5,475	50.1	2,524	2,922	29	
1970.....	11,374	5,753	50.6	5,661	967	17.0	92	5,621	49.4	2,546	3,048	27	
1971.....	11,853	6,077	51.3	5,975	1,060	17.1	102	5,776	48.7	2,576	3,174	26	
1972.....	12,379	6,440	52.0	6,325	1,170	17.7	115	5,939	48.0	2,613	3,301	25	
1973.....	13,015	6,880	52.9	6,754	1,361	18.5	126	6,135	47.1	2,678	3,433	24	
1974.....	13,539	7,270	53.7	7,126	1,516	20.2	144	6,269	46.3	2,701	3,546	22	
1975.....	14,010	7,586	54.1	7,424	1,660	21.3	162	6,424	45.9	2,745	3,659	20	
1976.....	14,489	7,926	54.7	7,744	1,812	22.4	182	6,563	45.3	2,781	3,763	19	
1977.....	15,012	8,302	55.3	8,106	1,992	23.4	196	6,710	44.7	2,824	3,868	18	
1978.....	15,452	8,632	55.9	8,430	2,163	25.7	202	6,820	44.1	2,844	3,960	16	
1979.....	15,913	8,978	56.4	8,777	2,380	27.1	201	6,935	43.6	2,856	4,064	15	
1980.....	16,350	9,304	56.9	9,101	2,594	28.5	203	7,046	43.1	2,884	4,148	14	
1981.....	16,781	9,629	57.4	9,428	(4)	(4)	201	7,152	42.6	2,905	4,234	13	
1982.....	17,199	9,932	57.7	9,733	3,032	31.1	199	7,267	42.3	2,931	4,324	12	
1983.....	17,661	10,256	58.1	10,060	(4)	(4)	196	7,405	41.9	2,976	4,418	11	
Percentage change, 1960-83.....	167	258	...	254	...	...	833	97	...	37	186	-67	

<sup>1</sup> Excludes special age-72 beneficiaries and adults receiving benefits because of childhood disability.

<sup>3</sup> Includes mothers and disabled widows.

<sup>2</sup> Wives of retired and disabled workers.

<sup>4</sup> Data not available.

receiving benefits based on their own earnings record increased 258 percent during this period, while the number of women receiving benefits solely as dependents and survivors increased only 97 percent.

This change in the basis of entitlement is reflected in the distribution of beneficiaries aged 62 or older at the end of 1982. Older women were more likely to receive benefits solely as wives or widows. Some 45 percent of those aged 75 or older received benefits based only on their husband's earnings record, compared with 40 percent of those younger than age 75 (table 3).

Although the number of women who have worked long enough in covered employment to qualify for benefits based on their own earnings record has increased, these benefits are often lower than the benefits they would receive as wives or survivors. As a result, the increase in women retired workers has been accompanied by a substantial rise in the frequency of their dual entitlement. In 1974, only 1.5 million, or 20 percent, were dually entitled, while at the end of 1982, 3 million women retired workers, representing 31 percent of the total, were dually entitled. Of all women beneficiaries, the proportion entitled only as workers declined slightly between 1974 and 1982—from 42 percent to 40 percent (table 4).

## Benefit Calculations

All monthly social security benefits payable on a worker's earnings record are determined by the primary

**Table 4.**—Types of benefits received by women aged 62 or older, 1960–82

Benefits received	1960	1970	1974	1980	1982
Number receiving social security (in thousands) . . . . .	6,619	11,374	13,539	16,350	17,198
Total percent . . . . .	100	100	100	100	100
Entitled as worker . . . . .	43	51	54	57	58
Worker only . . . . .	38	42	42	41	40
Dually entitled <sup>1</sup> . . . . .	5	9	11	16	18
Wife's benefit . . . . .	2	3	4	6	7
Widow's benefit . . . . .	2	5	7	10	10
Auxiliary only <sup>1</sup> . . . . .	57	49	46	43	42
Wife's benefits . . . . .	33	22	20	18	17
Widow's benefits . . . . .	23	27	26	25	25

<sup>1</sup> Includes a small number receiving aged parent's benefits.

insurance amount (PIA), which is calculated on the basis of the worker's earnings in employment covered under the social security program. The full PIA is payable to a retired worker who begins to receive benefits at age 65 or to a disabled worker at any age who has never received a retirement benefit that was reduced for age.

Monthly benefits are payable to a retired worker as early as age 62, but the PIA is reduced by 5/9 of 1 percent for each month of entitlement before age 65 (with a maximum reduction of 20 percent).<sup>5</sup> Spouses and survivor beneficiaries receive certain proportions of the PIA. A widow may receive up to the full PIA, a wife up to 50 percent, and a parent up to 82.5 percent. The

<sup>5</sup> Retired workers who postpone retirement beyond age 65 can receive increased monthly benefits as a result of the delayed retirement credit provision. A widow can receive the amount to which the deceased worker was entitled because of the delayed retirement credit.

**Table 3.**—Number and percentage distribution of beneficiaries aged 62 or older with benefits in current-payment status, by type of benefit, sex, and age, at end of 1982<sup>1</sup>

Sex and age	Number of beneficiaries				Percentage distribution			
	Total	Retired and disabled workers	Wives and husbands	Widows, widowers, and parents <sup>2</sup>	Total	Retired and disabled workers	Wives and husbands	Widows, widowers, and parents <sup>2</sup>
Total . . . . .	28,684,332	21,351,724	2,970,541	4,362,067	100.0	74.4	10.4	15.2
62-64 . . . . .	3,809,646	<sup>3</sup> 2,815,693	510,279	483,674	100.0	73.9	13.4	12.7
65-69 . . . . .	7,968,948	6,215,142	965,323	788,483	100.0	78.0	12.1	9.9
70-74 . . . . .	6,770,977	5,161,530	755,206	854,241	100.0	76.2	11.2	12.6
75-79 . . . . .	4,882,404	3,595,926	452,135	834,343	100.0	73.7	9.3	17.1
80-84 . . . . .	2,984,414	2,084,270	205,936	694,208	100.0	69.8	6.9	23.3
85 or older . . . . .	2,267,943	1,479,163	81,662	707,118	100.0	65.2	3.6	31.2
Men . . . . .	11,485,378	11,419,472	39,733	26,173	100.0	99.4	.3	.2
62-64 . . . . .	1,541,905	<sup>3</sup> 1,530,535	1,200	10,170	100.0	99.3	.1	.7
65-69 . . . . .	3,469,729	3,457,764	8,059	3,906	100.0	99.7	.2	.1
70-74 . . . . .	2,846,318	2,829,002	13,884	3,432	100.0	99.4	.5	.1
75-79 . . . . .	1,900,799	1,888,146	9,375	3,278	100.0	99.3	.5	.2
80-84 . . . . .	1,042,857	1,035,535	4,616	2,706	100.0	99.3	.4	.3
85 or older . . . . .	683,770	678,490	2,599	2,681	100.0	99.2	.4	.4
Women . . . . .	17,198,954	9,932,252	2,930,808	4,335,894	100.0	57.7	17.0	25.2
62-64 . . . . .	2,267,741	<sup>3</sup> 1,285,158	509,079	473,504	100.0	56.7	22.4	20.9
65-69 . . . . .	4,499,219	2,757,378	957,264	784,577	100.0	61.3	21.3	17.4
70-74 . . . . .	3,924,659	2,332,528	741,322	850,809	100.0	59.4	18.9	21.7
75-79 . . . . .	2,981,605	1,707,780	442,760	831,065	100.0	57.3	14.8	27.9
80-84 . . . . .	1,941,557	1,048,735	201,320	691,502	100.0	54.0	10.4	35.6
85 or older . . . . .	1,584,173	800,673	79,063	704,437	100.0	50.5	5.0	44.5

<sup>1</sup> Excludes 62,612 special age-72 beneficiaries (of whom 56,144 were women) and 36,573 disabled adult children (of whom 20,116 were women).

<sup>2</sup> Includes mothers, fathers, and disabled widows and widowers.

<sup>3</sup> Includes 588,494 disabled-worker beneficiaries aged 62-64, of whom 389,630 were men and 198,864 were women.

monthly benefit amount payable to dually entitled retired workers usually includes any secondary benefit payable as a spouse or a survivor.

### Benefit Levels

As a result of the lower earnings of women and their more intermittent participation in the labor force, PIA's for women retired workers averaged \$361 at the end of 1983, compared with \$528 for men (table 5). Average PIA's for disabled workers were \$360 for women and \$526 for men.

The disparity in the average PIA for men and women is similarly reflected in the distribution of PIA's for retired workers at the end of 1982 (table 6). About 31 percent of the women, but only 9 percent of the men, had PIA's of less than \$250, and about 54 percent of the men, but only 17 percent of the women, had PIA's of

**Table 5.**—Number of beneficiaries aged 62 or older with benefits in current-payment status, by type of benefit and sex, at end of 1983 <sup>1</sup>

Type of benefit and sex	Number	Average—	
		Primary insurance amount	Monthly benefit amount
Retired workers and dependents . . .	24,353,558	...	...
Retired workers . . . . .	21,418,860	\$449.60	\$440.77
Men . . . . .	11,358,411	528.44	494.97
Women . . . . .	10,060,449	360.58	379.56
Wives . . . . .	2,897,403	542.24	229.36
Husbands . . . . .	37,295	345.08	160.93
Disabled workers and dependents . . .	659,823	...	...
Disabled workers . . . . .	580,011	470.01	468.50
Men . . . . .	384,465	525.90	524.00
Women . . . . .	195,546	360.11	359.38
Wives . . . . .	78,105	564.30	152.98
Husbands . . . . .	1,707	391.00	101.28
Survivors of deceased workers . . .	4,453,790	...	...
Aged:			
Widows . . . . .	4,371,126	446.28	398.15
Widowers . . . . .	23,653	368.84	304.47
Disabled:			
Widows . . . . .	38,095	467.48	260.82
Widowers . . . . .	278	379.74	187.74
Widowed:			
Mothers . . . . .	9,051	456.87	331.26
Fathers . . . . .	165	320.73	203.43
Parents:			
Women . . . . .	10,848	434.04	351.32
Men . . . . .	574	443.28	321.87

<sup>1</sup> Excludes 50,847 special age-72 beneficiaries (of whom 45,815 were women) and 39,351 disabled adult children (of whom 22,065 were women).

**Table 6.**—Number and percentage distribution of retired-worker beneficiaries with benefits in current-payment status, by primary insurance amount and sex, at end of 1982

Primary insurance amount	Total	Men	Women	
			Total	With dual entitlement
Total number . . .	20,763,230	11,029,842	9,733,388	3,031,518
Total percent . . .	100.0	100.0	100.0	100.0
Less than \$180.00 . . . . .	1.5	.5	2.8	5.0
\$180.00-\$182.90 . . . . .	9.2	3.7	15.2	28.2
\$183.00-\$199.90 . . . . .	2.2	1.0	3.7	7.1
\$200.00-\$249.90 . . . . .	6.3	3.3	9.7	16.5
\$250.00-\$299.90 . . . . .	9.2	5.7	13.3	16.6
\$300.00-\$349.90 . . . . .	9.1	6.3	12.2	10.9
\$350.00-\$399.90 . . . . .	8.0	6.1	10.0	6.5
\$400.00-\$449.90 . . . . .	8.4	7.8	9.0	4.6
\$450.00-\$499.90 . . . . .	9.7	11.6	7.6	2.6
\$500.00-\$549.90 . . . . .	10.3	13.6	6.5	1.3
\$550.00-\$599.90 . . . . .	8.5	12.2	4.2	} .7
\$600.00-\$649.90 . . . . .	6.7	10.3	2.6	
\$650.00-\$699.90 . . . . .	4.2	6.8	1.3	
\$700.00-\$749.90 . . . . .	3.7	6.1	1.0	
\$750.00 or more . . . . .	3.0	5.0	.9	

\$500 or more. Among the women retired workers who were dually entitled, PIA's were much lower—57 percent had PIA's of less than \$250 and only 2 percent had PIA's of \$500 or more.

Table 7 presents data on average PIA's and average monthly benefit amounts for both male and female retired workers from 1960 to 1983. During the period 1965-74, the ratio of average PIA's for women to those for men was 76-77 percent. This ratio has declined steadily since 1975 to 68 percent in 1983.

Because so many women retired workers are dually entitled, their monthly benefits are higher than their PIA's. At the end of 1983, the monthly benefits of retired women averaged \$380, while their PIA's averaged \$361. This disparity indicates that the effects of secondary benefits based on dual entitlement exceed the effects of reductions for early retirement. However, for men, average monthly benefits are lower than the average PIA's—\$495, compared with \$528 (table 5).

During the period 1965-72, the ratio of monthly benefit amounts for women to those of men was about 76-78 percent. This ratio increased to about 80 percent during the mid-1970's, when legislation first permitted dually entitled widows to receive up to 100 percent of their deceased husband's PIA. This proportion declined slowly to 77 percent in 1983 (table 7).

**Table 7.—Retired workers in current-payment status: Number, average monthly benefit amount, and average primary insurance amount, by sex, 1960–83**

At end of year	Number of beneficiaries (in thousands)			Average monthly benefit amount			Average primary insurance amount <sup>1</sup>		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
1960.....	8,061	5,217	2,845	\$74.00	\$81.90	\$59.70	\$74.50	\$81.90	\$60.90
1961.....	8,925	5,765	3,160	75.70	83.10	62.00	76.40	83.50	63.50
1962.....	9,738	6,244	3,494	76.20	83.80	62.60	77.40	84.70	64.20
1963.....	10,263	6,497	3,766	76.90	84.70	63.40	78.40	86.00	65.10
1964.....	10,669	6,657	4,011	77.60	85.60	64.30	79.30	87.30	66.00
1965.....	11,101	6,825	4,276	83.90	92.60	70.10	86.00	94.80	71.80
1966.....	11,658	7,034	4,624	84.40	93.30	70.80	86.70	95.90	72.50
1967.....	12,019	7,160	4,859	85.40	94.50	71.90	87.90	97.50	73.80
1968.....	12,421	7,309	5,111	98.90	109.10	84.20	102.20	112.90	86.80
1969.....	12,822	7,459	5,363	100.40	111.00	85.70	104.00	115.20	88.30
1970.....	13,349	7,688	5,661	118.10	130.50	101.20	122.00	135.40	103.60
1971.....	13,927	7,952	5,975	132.20	146.10	113.60	136.40	151.80	115.90
1972.....	14,555	8,231	6,325	162.40	179.40	140.10	166.90	186.20	141.70
1973.....	15,365	8,610	6,754	166.40	182.60	145.80	170.00	190.10	144.30
1974.....	15,959	8,832	7,126	188.20	206.60	165.50	191.90	215.20	163.00
1975.....	16,588	9,164	7,424	207.20	227.70	181.80	211.10	237.70	178.30
1976.....	17,164	9,420	7,744	224.90	247.70	197.10	229.10	259.10	192.50
1977.....	17,821	9,714	8,106	243.00	268.40	212.60	247.50	281.40	206.90
1978.....	18,358	9,928	8,430	263.20	291.60	227.90	268.20	306.50	223.10
1979.....	18,970	10,192	8,777	294.30	326.80	256.50	299.30	343.80	247.60
1980.....	19,562	10,461	9,101	341.40	380.20	296.80	345.60	398.90	284.30
1981.....	20,195	10,767	9,428	386.00	431.10	334.50	393.70	457.50	320.90
1982.....	20,763	11,030	9,733	419.30	469.60	362.20	428.10	500.40	346.20
1983.....	21,419	11,358	10,060	440.80	495.00	379.60	449.60	528.40	360.60

<sup>1</sup> Average primary insurance amounts are based on sample data for 1960–67. For 1968–80, transitionally insured beneficiaries are excluded from the calculation of average primary insurance amounts.