

# Notes and Brief Reports

## Female Social Security Beneficiaries Aged 62 or Older, 1960-82\*

During the past half century, the participation of women in the labor force has increased substantially. In 1930, the 10 million working women represented 24 percent of all women and 22 percent of the total work force (table 1). By 1957, the number of female workers had doubled and their labor-force participation rate had increased to 37 percent. In 1982, 48 million women were in the labor force. They represented 53 percent of all women and 43 percent of the total work force.

Major changes in the size and composition of the So-

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**Table 1.**—Number of women aged 16 or older and number and percent of those in the labor force, 1930-82  
(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	29
1953	56.4	19.4	35	29
1957	58.9	21.8	37	31
1960	61.6	23.7	38	32
1963	64.5	24.7	38	33
1967	69.0	28.3	41	35
1970	72.8	31.6	43	36
1973	77.9	34.9	45	38
1977	84.0	40.7	49	40
1980	88.5	45.6	52	42
1982	90.9	47.9	53	43
Percentage increase, 1930-82	106	360	...	...

<sup>1</sup> For 1947-82, data are annual averages; for 1930, data are for April; for 1940, data are for March.

<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 1983, pages 140-141, and Women's Bureau, Department of Labor, **1975 Handbook on Women Workers** (Bulletin 297), 1975, page 11.

cial Security beneficiary population have occurred as the labor-force participation rate of women has increased. This note briefly examines the impact of this increased labor-force participation on the types of Social Security benefits received by women aged 62 or older. The benefit data are derived on a 100-percent basis from the Social Security Administration's Master Beneficiary Record.

## Benefit Entitlement

Generally, when a woman reaches age 62 she may become entitled to Social Security benefits in one of three ways:

- Solely as the wife or widow of a worker. These women usually have not had enough covered employment to qualify for Social Security benefits on their own earnings record. They are entitled to benefits based on their husband's earnings record and are classified and counted as wives or widows.
- Solely as a retired or disabled worker. These women are entitled to benefits on their own earnings record that usually exceed any amount to which they may be entitled on the basis of their husband's earnings record. They are classified and counted as workers.
- On the basis of her own earnings and those of her spouse. These women are entitled to a benefit based on their own earnings, but it is less than their wife's or widow's benefit. 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 women are called dually entitled beneficiaries and are classified and counted as workers.

A small proportion 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 sufficient 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 the amount of annual earnings. In 1982, a worker was credited with one quarter of coverage, up to a maximum of four, for each \$340 of earnings. To be fully insured, an individual needs as least one quarter of coverage (acquired at any time after 1936) for each year after 1950 up to the year in which he or she attains age 62.<sup>1</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 1982 needed 31 quarters. Under the disability program, additional requirements must be fulfilled for entitlement.<sup>2</sup>

<sup>1</sup> For men attaining age 62 before 1975, the quarters-of-coverage requirement was higher.

<sup>2</sup> For a detailed discussion of benefit eligibility requirements, see *Social Security Handbook*, Seventh Edition, Social Security Administration, Department of Health and Human Services, June 1982.

## Beneficiary Experience, 1960-82

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. 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 female beneficiaries in this age group—to 9.9 million in 1982—or 58 percent of all beneficiaries (table 2).

Overall, the number of female beneficiaries aged 62 or older rose from 6.6 million in 1960 to 17.2 million in 1982, a 160-percent increase. The number of women receiving benefits based on their own earnings record increased 247 percent during this period, while the number of women receiving benefits solely as dependents and survivors increased only 94 percent.

Although the number of women who have worked long enough in covered employment to qualify for benefits based on their own earnings record has grown, these benefits are often lower than the benefits they would receive as dependents and survivors. At the end of 1980,

**Table 2.**—Number and percent of female beneficiaries aged 62 or older, with benefits in current-payment status, by type of entitlement, 1960-82

[Numbers in thousands]

At end of year	Total number <sup>1</sup>	Entitlement based on—										
		Own earnings record						Husband's or child's earnings record				
		Number	Percent of total	Entitled as—				Number	Percent of total	Entitled as—		
				Retired worker			Disabled worker			Wife	Widow	Parent
				Number	Number dually entitled	Percent 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	(2)	(2)	201	7,152	42.6	2,905	4,234	13
1982	17,198	9,933	57.8	9,734	(2)	(2)	199	7,265	42.2	2,931	4,322	12
Percentage change, 1960-82	160	247	...	242	...	...	848	94	...	35	180	-64

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

<sup>2</sup> Data not available.

2.6 million female retired workers, or 28 percent of the group, were dually entitled. Both the number and percentage of female retired workers who have dual entitlement has increased substantially in recent years. In 1970, for example, about 967,000 female retired workers (17 percent) were dually entitled.<sup>3</sup>

### Benefit Levels

Social Security benefit amounts are based on the worker's primary insurance amount (PIA). The PIA is related to the worker's earnings in covered employment. 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 reduced for age. Retired workers who apply for and draw benefits before age 65 receive a reduced amount. The maximum reduction is 20 percent at age 62. Dependent and survivor beneficiaries receive certain proportions of

<sup>3</sup> Part of this increase resulted from a change in the law, effective in 1973, that increased the possible benefit level for widows from 82.5 percent to 100 percent of the deceased husband's primary insurance amount.

**Table 3.**—Number of beneficiaries aged 62 or older with benefits in current-payment status, by type of benefit and sex, at end of 1982

Type of benefit and sex <sup>1</sup>	Number	Average—	
		Primary insurance amount	Monthly benefit amount
Retired workers and dependents . . . . .	23,654,951	...	...
Retired workers . . . . .	20,763,742	\$428.11	\$419.25
Men . . . . .	11,030,037	500.37	469.59
Women . . . . .	9,733,705	346.22	362.22
Wives . . . . .	2,853,306	510.50	216.73
Husbands . . . . .	37,903	333.32	155.97
Disabled workers and dependents . . . . .	668,671	...	...
Disabled workers . . . . .	589,284	453.25	451.79
Men . . . . .	390,157	506.22	504.44
Women . . . . .	199,127	349.48	348.63
Wives . . . . .	77,557	543.84	147.52
Husbands . . . . .	1,831	384.21	101.73
Survivors of deceased workers . . . . .	4,356,765	...	...
Aged:			
Widows . . . . .	4,273,041	423.91	380.21
Widowers . . . . .	21,693	352.61	292.61
Disabled:			
Widows . . . . .	39,080	444.66	253.06
Widowers . . . . .	275	360.15	185.68
Widowed:			
Mothers . . . . .	9,952	440.39	319.06
Fathers . . . . .	241	312.02	204.58
Parents:			
Women . . . . .	11,879	416.62	336.88
Men . . . . .	604	422.77	305.51

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

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.

As a result of the lower earnings of women and their more sporadic participation in the labor force, PIA's for female retired workers averaged \$346 at the end of 1982, compared with \$500 for men (table 3). Because so many of the women were dually entitled, monthly benefit amounts averaged \$362, compared with \$470 for men. Average PIA's for disabled workers were \$349 for women and \$506 for men.

The disparity in the PIA levels of men and women is reflected in a distribution of PIA's for retired workers at the end of 1980 (table 4). About 30 percent of the women, but only 9 percent of the men, had PIA's of under \$200, and about 54 percent of the men, but only 18 percent of the women, had PIA's of \$400 or more. Among the subgroup of the women who were dually entitled, PIA's were even lower: only 2 percent had PIA's of more than \$400 and 55 percent had PIA's of less than \$200.

**Table 4.**—Number and percentage distribution of retired workers with benefits in current-payment status, by primary insurance amount and sex, at end of 1980

Primary insurance amount	Retired workers			
	Total	Men	Women	
			Total	With dual entitlement
Total number <sup>1</sup> . . . . .	19,548,571	10,458,464	9,090,107	2,594,467
Total percent. . . . .	100.0	100.0	100.0	100.0
\$153.10 or less . . . . .	11.4	4.8	18.9	34.1
\$153.20-\$159.90 . . . . .	1.0	.5	1.5	3.0
\$160.00-\$179.90 . . . . .	2.7	1.4	4.3	8.0
\$180.00-\$199.90 . . . . .	3.7	2.1	5.6	9.7
\$200.00-\$219.90 . . . . .	3.8	2.4	5.5	8.1
\$220.00-\$239.90 . . . . .	5.0	3.2	7.0	8.7
\$240.00-\$259.90 . . . . .	4.6	3.1	6.2	6.3
\$260.00-\$279.90 . . . . .	4.4	3.1	5.8	4.8
\$280.00-\$299.90 . . . . .	4.4	3.4	5.7	4.0
\$300.00-\$319.90 . . . . .	4.1	3.3	5.0	3.2
\$320.00-\$339.90 . . . . .	4.0	3.5	4.6	2.6
\$340.00-\$359.90 . . . . .	4.2	4.1	4.3	2.1
\$360.00-\$379.90 . . . . .	4.2	4.4	3.9	1.7
\$380.00-\$399.90 . . . . .	5.2	6.4	3.9	1.3
\$400.00-\$419.90 . . . . .	5.6	7.4	3.6	} 2.4
\$420.00-\$439.90 . . . . .	5.0	6.6	3.0	
\$440.00-\$459.90 . . . . .	5.3	7.6	2.7	
\$460.00-\$479.90 . . . . .	4.2	6.1	2.1	
\$480.00-\$499.90 . . . . .	3.6	5.2	1.6	
\$500.00-\$519.90 . . . . .	3.2	4.8	1.4	
\$520.00-\$539.90 . . . . .	2.0	3.1	.8	
\$540.00-\$559.90 . . . . .	1.7	2.7	.6	
\$560.00 or more . . . . .	6.7	10.8	2.0	

<sup>1</sup> Excludes transitionally insured beneficiaries.