Assets of the Aged in 1962: Findings of the 1963 Survey of the Aged*

How successful have the Nation's elderly men and women been in saving for their old age? Have they accumulated in a lifetime of work sufficient assets to help overcome the financial problems that so often beset the elderly—the loss of earnings on retirement, the shattering costs of illness, the drain on retirement resources of rising prices? And are they free from debt?

Fresh and revealing data that bear on these broad questions are provided in the 1963 Survey of the Aged conducted by the Social Security Administration.[1] *Data on income, retirement patterns, medical care costs, and hospital insurance of the aged already have been reported.*[2] *The Survey has produced equally significant data on asset ownership by older persons.*

Generalization about the wealth—or lack of it—of the aged is possible within certain limitations. Much depends on just how old the aged are, on whether they are married, and, if they are not married, on whether they are still employed.

In analyzing the survey data, certain general facts emerge:

—The median value of the asset holdings of couples aged 65 and over was $11,180; nonfarm homes accounted for almost one-third of total assets. When the equity in the home is excluded, the median value of their assets is reduced to $2,950. Nonmarried men and women had less than one-third these amounts.

—One-tenth of the couples and more than one-fourth of the nonmarried men and women had no assets (as defined in this study).

—Among the lowest income third, more than half the holdings were in home equity; only a fourth was in the form of financial assets. Among the top income third, half the assets were in the form of financial assets and only a fourth in home equity.

—Two-thirds of the couples and one-third of the nonmarried men and women were nonfarm homeowners.

—In general, the proportion owning assets and the median amount of these holdings declined with age.

—Persons aged 65–72 who were receiving old-age, survivors, and disability insurance (OASDI) benefits had lower asset holdings than nonbeneficiaries of this age, who were likely still to be employed. At ages 73 and over, beneficiaries had higher asset holdings than nonbeneficiaries. Beneficiaries aged 62–64 had less in assets generally than either nonbeneficiaries aged 62–64 or older beneficiaries.

—Widows had substantially lower median assets than nonwidows in all age groups, but the difference between the two groups was smaller among beneficiaries than among nonbeneficiaries.

—From 1957 to 1962 the proportion of beneficiary couples reporting no assets remained almost unchanged, although the proportion of nonmarried persons reporting no assets declined.

—Personal debts are very small in relation to assets—about 1 percent. Approximately 75 percent of the married couples and 90 percent of the nonmarried men and women reported no personal debt. The proportion that reported debt varied little with income. The amount of debt did vary: the higher the income, the larger the amount of debt.

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[1] For a brief discussion of the source and the sampling variability of the estimates of the 1963 Survey of the Aged see the *Social Security Bulletin*, July 1964, pp. 26–68.

Data on asset holdings and personal debts of the total population, with classification by age and other factors, are available for 1962 from the Survey of Financial Characteristics of Consumers conducted for the Board of Governors of the Federal Reserve System by the Bureau of the Census. The annual Surveys of Consumer Finances made by the Survey Research Center of the Institute of Social Research, University of Michigan, provide data, with classification by age and other factors, on holdings of selected assets each year, including 1962. These surveys differ from the 1963 Survey of the Aged in purpose, population covered, sample design, unit surveyed, definitions, and other aspects of the survey method. The final report on the 1963 Survey of the Aged will include a comparison of the findings of the three surveys, as well as consideration of the response errors. The survey unit used in the Social Security Administration survey would be expected to produce lower asset values, on the average, than those used in the other surveys. In this survey, each couple or nonmarried person aged 62 or over is treated as a separate unit. In the Federal Reserve Board survey, data for such persons who are members of a family are pooled with data for the family unit. In the Survey of Consumer Finances the unit is composed of people who pool income. Accordingly, the Social Security Administration Survey would be expected to record a larger number of units from a given population than would the other surveys. Moreover, the units that live within other families or spending units would doubtless have smaller amounts of assets.

[2] See the March, June, July, and August 1964 issues of the BULLETIN for the earlier articles.

THE 1963 SURVEY OF THE AGED provides information on assets of the aged, classified by marital and beneficiary status and by age and income. The Survey defines assets to include deposits in banks and savings accounts and U. S. Savings Bonds (which together constitute liquid assets); marketable securities and the value of collectible loans to others (which, in combination with liquid assets, make up financial assets); equity in business, farm, and real-estate investment; and equity in a home. The asset totals thus do not include the cash value of life insurance, equity in annuities or in retirement plans, or the value of automobiles or personal effects. It was not considered feasible to obtain information on the cash value of insurance. Because, however, life insurance is one of the most commonly held assets of older persons, there is interest in the frequency and size of holdings. The distribution by face value is shown in table 12.

TABLE 1.—ASSETS, TOTAL AMOUNT AND AMOUNT LESS EQUITY IN NONFARM HOME, FOR UNITS AGED 65 AND OVER: Percentage distribution, by amount of assets, 1962

Amount of assets	Total assets			Total assets less equity in nonfarm home		
	Married couples	Nonmarried men	Nonmarried women	Married couples	Nonmarried men	Nonmarried women
Number (in thousands):						
Total	5,445	2,402	6,329	5,445	2,402	6,329
Reporting on assets [1]	5,217	2,086	5,489	5,048	7,058	5,339
Total percent reporting	100	100	100	100	100	100
Zero	10	28	26	23	37	37
$1–999	5	11	10	14	14	17
1,000–1,999	4	5	4	7	5	7
2,000–2,999	3	4	4	5	6	5
3,000–4,999	6	7	7	7	5	6
5,000–9,999	14	12	13	10	11	8
10,000–14,999	12	8	8	7	5	4
15,000 or more	35	18	16	21	11	10
Amount not reported	12	7	11	8	5	7
Median:						
For units reporting	$11,180	$2,900	$3,285	$2,950	$790	$610
For units with assets	13,000	6,920	6,820	6,180	4,270	2,950

[1] In this and subsequent tables, data for those reporting exclude persons in institutions, who were not asked to provide information on assets and debts, as well as those unable or unwilling to report.

This article presents data on assets of aged units for couples with one or both members aged 65 and over and for nonmarried persons, classified by OASDI beneficiary status. There is a brief analysis of the interrelationship of beneficiary status and age (including that of persons aged 62–64) to ownership of assets. The article also reports on the relationship of asset ownership to income, based on a classification of couples, nonmarried men, and nonmarried women in three groups according to the size of their income.

Assets

ASSETS OF PERSONS AGED 65 AND OVER

After income, probably the best single measure of the economic situation of an aged individual is his net worth, defined as the value of equity in all assets owned by the unit less personal debt. For the aged, however, personal debts are generally so small in relation to total assets that dis-

TABLE 2.—ASSETS, TOTAL AND LESS EQUITY IN NONFARM HOME, FOR UNITS AGED 65 AND OVER, BY OASDI BENEFICIARY STATUS: Percentage distribution, by amount of assets, 1962

Amount of assets	Married couples		Nonmarried men		Nonmarried women	
	OASDI beneficiaries	Nonbeneficiaries	OASDI beneficiaries	Nonbeneficiaries	OASDI beneficiaries	Nonbeneficiaries
	Total assets					
Number (in thousands):						
Total	4,325	1,120	1,599	803	3,796	2,543
Reporting on assets	4,162	1,055	1,464	622	3,415	2,074
Total percent reporting	100	100	100	100	100	100
Zero	10	11	26	34	21	34
$1–999	5	6	12	9	10	10
1,000–1,999	4	4	5	5	5	4
2,000–2,999	3	4	5	3	5	3
3,000–4,999	7	5	6	7	7	7
5,000–9,999	15	11	13	10	14	9
10,000–14,999	13	7	8	8	9	7
15,000 or more	34	38	19	17	17	15
Amount not reported	11	15	7	6	11	11
Median:						
For units reporting	$10,970	$12,565	$3,155	$1,920	$4,320	$1,475
For units with assets	12,600	15,000+	7,030	6,700	6,880	6,660
	Assets less home equity					
Number (in thousands): Reporting on assets less home equity	4,048	1,000	1,448	610	3,325	2,014
Total percent reporting	100	100	100	100	100	100
Zero	23	24	33	45	31	46
$1–999	14	12	16	13	17	17
1,000–1,999	7	7	6	4	8	6
2,000–2,999	5	5	6	4	5	3
3,000–4,999	7	7	6	4	7	7
5,000–9,999	10	9	11	10	9	6
10,000–14,999	7	6	6	5	5	2
15,000 or more	21	23	11	11	10	9
Amount not reported	7	8	6	3	7	7
Median:						
For units reporting	$2,935	$2,940	$995	$310	$975	$160
For units with assets	6,060	6,940	3,970	5,220	3,090	2,650

TABLE 3.—COMPONENTS OF TOTAL ASSETS FOR UNITS AGED 65 AND OVER, BY OASDI BENEFICIARY STATUS: Percent of total assets, by component, 1962

Component of total assets	Married couples			Nonmarried men			Nonmarried women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
Total assets	100	100	100	100	100	100	100	100	100
Financial	44	44	44	40	42	37	46	45	47
Liquid	24	24	23	28	26	30	26	27	23
Other	20	20	21	12	16	7	20	18	24
Home equity	31	31	32	32	34	27	34	35	32
Other	25	25	24	28	25	36	20	19	22

tributions by size of assets and size of net worth are very similar. For example, married couples with one or both members aged 65 or over had a median net worth of $10,860, according to preliminary tabulations, and median total assets of $11,180. Since complete tabulations of net worth are not yet available, this article presents a detailed analysis in terms of asset holdings and briefly summarizes data on personal debts.

Amount of Assets

The median assets of the units aged 65 and over reported in the 1963 Survey of the Aged ranged from $2,900 for nonmarried men and $3,285 for nonmarried women to $11,180 for married couples (table 1). More than one-third of the couples and one-sixth of the nonmarried persons had assets of $15,000 or more. Approximately one-sixth of the couples and two-fifths of the nonmarried men and women had no assets or less than $1,000. There were three times as many married couples with assets of $15,000 or more as there were with no assets. Among the nonmarried, in contrast, the number with no assets was more than 50 percent greater than the number with $15,000 or more.

Including the nonfarm home equity among the assets may obscure the picture of the effective financial resources of a person or family. When equity in the home is excluded, the proportion without assets is, of course, substantially larger than when the home equity is included: It was one-fourth for the couples and nearly two-fifths for the nonmarried. About the same proportion of the couples had $15,000 or more in assets (excluding the home) as had none at all, but nonmarried persons in the highest asset group were only one-fourth as numerous as those without assets (table 1). The median holdings for couples aged 65 and over were only $2,950 when the home

TABLE 4.—EQUITY IN NONFARM HOME [1] FOR UNITS AGED 65 AND OVER, BY OASDI BENEFICIARY STATUS: Percentage distribution, by amount of assets, 1962

Equity in nonfarm home	Married couples			Nonmarried men			Nonmarried women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
Number (in thousands):									
Total	5,445	4,325	1,120	2,402	1,599	803	6,329	3,786	2,543
Reporting on home equity	5,268	4,192	1,076	2,125	1,490	635	5,654	3,528	2,126
Total percent	100	100	100	100	100	100	100	100	100
None	34	33	36	65	65	66	62	60	65
$1–1,999	3	2	3	5	3	6	2	2	3
2,000–2,999	3	3	3	2	2	2	2	2	2
3,000–3,999	4	4	4	3	3	4	3	2	3
4,000–4,999	3	4	1	2	2	3	2	3	1
5,000–6,999	8	9	6	5	6	4	6	6	5
7,000–9,999	11	11	10	6	6	5	7	8	6
10,000–14,999	16	16	14	5	5	4	8	9	7
15,000 or more	17	17	21	7	8	5	9	10	8
Median:									
For units reporting	$5,690	$5,715	$5,550	(2)	(2)	(2)	(2)	(2)	(2)
For units with equity	10,100	9,880	11,100	$7,270	$7,810	$6,140	$9,070	$9,190	$8,860

[1] Includes, for a few units, equity in a farm home where the value of such home was reported separately from the rest of the farm. Excludes, for a few units, equity in a nonfarm home where the value was included in investment in other real estate or business.

[2] Half or more of the units had no equity in a nonfarm home.

TABLE 5.—FINANCIAL ASSETS FOR UNITS AGED 65 AND OVER, BY OASDI BENEFICIARY STATUS: Percentage distribution, by amount of assets, 1962

Financial assets	Married couples			Nonmarried men			Nonmarried women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
Number (in thousands):									
Total	5,445	4,326	1,120	2,402	1,599	803	6,329	3,786	2,543
Reporting on financial assets	4,998	4,006	992	2,057	1,440	617	5,300	3,286	2,014
Total percent	100	100	100	100	100	100	100	100	100
None	28	27	32	41	38	49	40	34	50
-499	10	11	9	11	11	9	12	12	12
500–999	7	7	5	6	6	6	7	8	6
1,000–1,499	5	5	4	4	4	3	5	6	4
1,500–1,999	3	4	3	2	2	2	2	3	2
2,000–2,999	5	6	4	7	8	5	5	6	4
3,000–3,999	5	5	5	3	3	3	4	4	3
4,000–4,999	3	3	3	2	2	2	3	3	1
5,000–6,999	5	6	4	5	5	6	4	5	3
7,000–9,999	5	4	5	4	5	2	3	4	3
10,000–14,999	5	5	6	5	5	5	3	4	2
15,000 or more	14	13	16	7	8	6	7	7	6
Amount not reported	4	4	4	3	3	3	4	4	5
Median:									
For units reporting	$1,340	$1,355	$1,270	$390	$525	$35	$400	$710	$20
For units with financial assets	3,660	3,490	4,430	2,740	2,710	2,840	2,200	2,350	1,830

equity is excluded, compared with $11,180 when it is included.

The size distributions of total assets and of assets less home equity are compared in table 2 for OASDI beneficiaries and nonbeneficiaries aged 65 and over. The data show that the beneficiaries appear to be less well off than the nonbeneficiaries among the married but that they were better off among the nonmarried. This finding parallels the finding on income position [3] and reflects to some extent the differences in the age distribution, discussed later.

Composition of Total Assets

Financial assets constituted the most important type of asset (table 3). More than two-fifths of total assets for all persons aged 65 and over represented financial assets, and more than half of these were liquid assets. Equity in a nonfarm home was next in importance, making up about one-third of the total.[4] Investment in other real estate and in a farm or business constituted the third form of asset holdings.

Equity in nonfarm home.—Two-thirds of the married couples aged 65 and over owned nonfarm homes in which they had an equity in 1962 (table 4). The median equity of owners was substantial —$10,100. About one-third of the nonmarried men and women owned nonfarm homes, and their equity was, on the average, somewhat lower. The median equity for men owning homes was $7,270, and for women it was $9,070.

Financial assets.—Financial assets, consisting of bank accounts, securities, and other readily convertible holdings are particularly important if income is suddenly cut off, serious illness strikes, or other emergencies arise.

Nearly two-fifths of the married couples and

TABLE 6.—SECURITIES FOR UNITS AGED 65 AND OVER: Percentage distribution, by amount of assets, 1962

Amount of securities	Married couples	Nonmarried men	Nonmarried women
Number (in thousands):			
Total	5,445	2,402	6,329
Reporting on securities	5,262	2,123	5,560
Total percent	100	100	100
None	86	91	90
$1–999	3	2	2
1,000–2,999	2	3	2
3,000–4,999	1	(1)	(1)
5,000–9,999	2	1	1
10,000–14,999	1	1	1
15,000 or more	5	2	2
Amount not reported	1	1	1
Median for units with securities	$7,150	$5,000	$5,000

[1] Less than 0.5 percent.

[3] See Lenore A. Epstein, "Income of the Aged in 1962: First Findings of the 1963 Survey of the Aged," *Social Security Bulletin*, March 1964.

[4] A farm home was treated as part of the value of the farm.

half the nonmarried had less than $500 in financial assets of any type (table 5). At the other extreme, about 1 in 7 of the married couples and 1 in 14 of the nonmarried had financial assets of $15,000 or more. About 1 in 7 of the married couples and 1 in 10 of the nonmarried owned marketable securities (table 6).

The median amount of liquid assets held by married couples was about $1,100, but about three-tenths had no liquid assets and two-fifths had less than $500. About two-fifths of the nonmarried men and women had no liquid assets, and more than half had less than $500. The median holdings for these men and women was about $300.

Liquid assets made up more than half the aggregate financial assets of the married couples and of the nonmarried women and nearly three-fourths the financial assets of the men who were not married. One-sixth of all liquid asset holdings consisted of U. S. Savings Bonds; deposits in banks and other financial institutions made up the balance.

RELATIONSHIP OF AGE AND BENEFICIARY STATUS TO ASSETS

Age, employment status, and beneficiary status all play a role in the pattern of asset ownership.

TABLE 7.—ASSETS, TOTAL AND LESS EQUITY IN NONFARM HOME, BY AGE, FOR UNITS AGED 62 AND OVER: Percent having assets and median amounts reported, by OASDI beneficiary status, 1962

Age and income group	Married couples			Nonmarried men			Nonmarried women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
	Total assets								
Number (in thousands):									
Total:									
62–64	1,785	465	1,320	380	124	256	814	406	408
65–72	3,346	2,542	804	1,077	724	353	2,797	1,972	825
73 and over	2,101	1,784	317	1,324	874	450	3,533	1,818	1,715
Reporting on assets: [1]									
62–64	1,707	447	1,260	299	96	203	768	397	371
65–72	3,210	2,455	755	974	677	297	2,544	1,833	711
73 and over	2,007	1,707	300	1,112	787	325	2,945	1,582	1,363
Percent having assets: [1]									
62–64	91	87	93	71	63	74	81	80	81
65–72	92	91	93	72	73	70	76	80	65
73 and over	88	89	80	71	71	75	72	79	65
Median:									
For units reporting:									
62–64	$11,485	$7,475	$12,860	$1,595	$360	$1,970	$5,380	$4,340	$6,575
65–72	12,020	11,345	15,000	2,880	2,595	3,500	4,030	4,835	1,560
73 and over	9,890	10,455	5,850	2,920	3,915	885	2,795	3,780	1,430
For units with assets:									
62–64	12,850	9,520	13,950	4,410	3,870	5,000	8,800	7,330	10,600
65–72	13,600	12,900	15,000	6,420	5,900	8,500	7,570	7,450	8,080
73 and over	12,050	12,250	9,790	7,630	8,440	5,840	6,300	6,380	6,140
	Total assets less equity in nonfarm home								
Number (in thousands):									
Total:									
62–64	1,785	465	1,320	380	124	256	814	406	408
65–72	3,346	2,542	804	1,077	724	353	2,797	1,972	825
73 and over	2,101	1,784	317	1,324	874	450	3,533	1,818	1,715
Reporting on assets less equity in home: [1]									
62–64	1,636	440	1,196	304	100	204	752	389	363
65–72	3,073	2,388	705	962	667	295	2,462	1,769	693
73 and over	1,955	1,660	295	1,096	781	315	2,877	1,556	1,321
Percent having assets less equity in home: [1]									
62–64	78	70	81	61	48	67	66	62	71
65–72	78	77	80	64	65	62	64	69	54
73 and over	76	78	67	63	68	49	62	69	54
Median:									
For units reporting:									
62–64	$3,345	$1,430	$4,605	$405	[2]	$940	$1,050	$375	$1,810
65–72	2,900	2,640	3,810	830	$790	960	730	980	155
73 and over	2,980	3,270	920	750	1,495	[2]	505	965	165
For units reporting with assets:									
62–64	6,240	4,120	6,740	3,140	1,625	3,870	3,890	2,850	5,000
65–72	6,520	6,140	8,290	3,970	3,430	5,260	3,380	3,640	2,760
73 and over	5,760	5,980	4,360	4,630	4,540	5,180	2,710	2,780	2,600

[1] Units reporting assets, including those with undetermined amounts.

[2] Half or more of the units had no assets.

The variation in assets (total and less the equity in a nonfarm home) by age and beneficiary status is shown in table 7. In general the proportion and the median amount of holdings decline with the age of the head of the survey unit.

There are several reasons why the value of asset holdings might be expected to drop with the age of the unit. First, the employment and earnings of the group aged 62–64 are higher than those of the older group. Second, the older the person, the more likely he is to have had high medical bills that may have reduced the value of his holdings. Furthermore, in a period of relatively high employment, each age cohort of workers may be expected to reach retirement with a larger accumulation of assets than the previous cohort.

The effect of retirement upon the assets of the worker would not be expected to be immediate or dramatic. The survey shows sharp differences in size of holdings, however, between those who had retired and those who continued to work and, for those not working, between those receiving OASDI benefits and those who were not.

Groups Aged 65–72 and 73 and Over

The proportion of nonmarried units with assets was about the same for beneficiaries as for nonbeneficiaries aged 65–72 and somewhat lower for the older nonbeneficiaries. The amount of total assets (as measured by the median) was considerably smaller, however, among couples and nonmarried men aged 65–72 for beneficiaries than nonbeneficiaries. For the couples aged 73 and over, on the other hand, the median total asset holding for beneficiaries was about twice that for nonbeneficiaries (table 7). Among the nonmarried women—those aged 65–72 as well as those aged 73 and over—beneficiaries had more resources than nonbeneficiaries.

Expressed in another way, the data show that among nonbeneficiaries, the oldest age group is greatly disadvantaged in comparison with those aged 65–72. Among the beneficiaries, however, this was not the case.

The relatively high asset holdings of the nonbeneficiary couples aged 65–72 reflect the higher employment rate and income levels of that group. Although only 7 percent of the men beneficiaries aged 65–72 had full-time jobs for at least 50 weeks in 1962, nearly half the nonbeneficiary men in this age group worked full time throughout the year.[5]

By the time they reach age 73, relatively few men or women are still employed. For the most

[5] See Erdman Palmore, "Work Experience and Earnings of the Aged in 1962: Findings of the 1963 Survey of the Aged," *Social Security Bulletin*, June 1964.

TABLE 8.—FINANCIAL ASSETS FOR UNITS AGED 62 AND OVER, BY AGE: Percent having financial assets and median amounts reported, by OASDI beneficiary status, 1962

Age and income group	Married couples			Nonmarried men			Nonmarried women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
Number (in thousands):									
Total:									
62–64	1,785	465	1,320	380	124	256	814	406	408
65–72	3,346	2,542	804	1,077	724	353	2,797	1,972	825
73 and over	2,101	1,784	317	1,324	874	450	3,533	1,818	1,715
Reporting on financial assets: [1]									
62–64	1,615	429	1,186	304	102	202	745	379	366
65–72	3,067	2,363	704	958	662	296	2,457	1,759	698
73 and over	1,931	1,643	288	1,099	778	321	2,843	1,527	1,316
Percent having assets: [1]									
62–64	71	61	75	56	45	62	61	58	64
65–72	72	72	72	60	61	58	61	65	50
73 and over	71	74	57	58	63	44	59	67	51
Median:									
For units reporting:									
62–64	$1,025	$425	$1,465	$225	[2]	$495	$360	$195	$995
65–72	1,265	1,095	2,225	435	$435	440	445	695	10
73 and over	1,530	1,955	250	345	680	[2]	365	725	25
For units with financial assets:									
62–64	2,810	1,295	3,400	1,750	1,080	2,310	2,430	1,395	3,500
65–72	3,380	2,950	5,000	2,560	2,410	2,820	2,310	2,460	1,800
73 and over	4,140	4,320	3,230	2,910	2,950	3,000	2,110	2,250	1,850

[1] Units reporting assets, including those with undetermined amounts.

[2] Half or more of the units had no assets.

part the nonbeneficiaries did not qualify for old-age benefits because they had not worked long enough in employment covered by the social security program, and indeed they may not have been employed for a number of years. Persons aged 72 and over who are eligible for OASDI benefits are no longer subject to the retirement test, and consequently those still employed are more likely than not to be beneficiaries.

The relationship among the various groups was generally similar to that described above when the equity in nonfarm homes was excluded from assets, even though the size of the holdings is substantially smaller (table 7). The median amount for beneficiary couples aged 65–72 was $2,640, compared with $3,810 for nonbeneficiaries in the same age group and $3,270 for older beneficiary couples. For nonbeneficiary couples aged 73 and over the median was only $920. The median holdings exclusive of an owned home were substantially less than $1,000 for the nonmarried.

The pattern of financial asset holdings was also similar (table 8). A fourth or more of the couples aged 65–72, beneficiary and nonbeneficiary alike, and of the beneficiary couples aged 73 and over had none at all. The same lack of financial assets was found for two-fifths of the nonbeneficiary couples aged 73 and over and for two-fifths of the nonmarried men (except non-

TABLE 9.—ASSETS, TOTAL AND LESS EQUITY IN NONFARM HOME, BY INCOME, FOR UNITS AGED 65 AND OVER: Percent having assets and median amounts, by OASDI beneficiary status, 1962

Age and income group	Married couples			Nonmarried men			Nonmarried women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
	Total assets								
Number (in thousands):									
Total:									
Low	1,569	1,249	318	735	405	330	1,866	762	1,104
Middle	1,573	1,389	184	708	574	133	1,811	1,232	578
High	1,577	1,147	430	730	509	221	1,860	1,349	511
Reporting on assets: [1]									
Low	1,519	1,216	303	615	340	275	1,569	666	903
Middle	1,556	1,372	184	644	538	106	1,699	1,155	544
High	1,566	1,139	427	711	502	209	1,759	1,312	447
Percent having assets: [1]									
Low	80	81	74	51	58	44	54	58	51
Middle	90	90	91	68	69	65	72	77	60
High	98	98	98	90	88	93	88	89	86
Median:									
For units reporting:									
Low	$4,495	$5,250	$2,150	$90	$665	[2]	$340	$590	$125
Middle	10,475	10,305	11,955	2,080	1,750	$3,500	2,440	3,065	710
High	15,000+	15,000+	15,000+	9,510	8,690	11,605	9,450	9,470	9,320
For units with assets:									
Low	6,540	7,060	3,860	4,200	5,080	3,270	4,180	3,600	4,570
Middle	11,900	11,700	13,900	6,020	5,900	6,400	5,300	5,180	5,680
High	15,000+	15,000+	15,000+	11,850	11,050	12,850	11,550	11,250	12,650
	Total assets less equity in nonfarm home								
Number (in thousands):									
Total:									
Low	1,569	1,249	318	735	405	330	1,866	762	1,104
Middle	1,573	1,389	184	708	574	133	1,811	1,232	578
High	1,577	1,147	430	730	509	221	1,860	1,349	511
Reporting on assets less equity in home: [1]									
Low	1,533	1,225	308	613	338	274	1,567	674	893
Middle	1,539	1,359	180	645	537	108	1,684	1,148	536
High	1,549	1,130	419	710	501	209	1,735	1,295	440
Percent having assets less equity in home: [1]									
Low	57	58	50	39	46	30	43	47	40
Middle	77	78	76	63	63	60	59	64	47
High	94	95	92	84	84	85	80	80	80
Median:									
For units reporting:									
Low	$315	$405	[2]	[2]	[2]	[2]	[2]	[2]	[2]
Middle	2,410	2,530	$1,785	$490	$470	$575	$350	$645	[2]
High	12,185	13,040	9,710	4,205	3,815	5,085	3,090	3,400	$2,425
For units with assets:									
Low	2,780	2,860	2,380	2,410	2,550	2,250	1,605	1,410	2,000
Middle	4,390	4,430	3,850	3,000	2,930	3,750	2,000	2,290	1,125
High	13,700	14,350	11,650	6,160	6,020	6,320	6,140	6,320	5,360

[1] Units reporting assets, including those with undetermined amounts.

[2] Half or more of the units had no assets.

beneficiaries aged 73 and over). About a third of the nonmarried women who received benefits and half of those who did not were without financial assets. Holdings were nominal for the great majority of the aged. Even among those with financial assets the median holdings exceeded $4,000 only for nonbeneficiary couples aged 65–72 and beneficiary couples over that age.

Group Aged 62–64

The Social Security Amendments of 1961 made possible the payment of benefits to men beginning at age 62. In consideration of the longer period over which benefits would be paid, the amount of the monthly benefit is actuarially reduced. The reduction usually discourages people from filing for benefits at the earlier age if they have substantial employment.

As a group, men workers aged 65 and over had for the most part met the higher eligibility requirements that were in effect previously. The persons aged 62–64 receiving benefits might be characterized as having less work experience and income in the immediate past and, as a consequence, less in the way of assets than either the nonbeneficiaries in their own age group or the beneficiaries in the older age groups. Beneficiary couples aged 62–64 had median assets, including equity in a home, of $7,475, and nonbeneficiaries had $12,860.

Under the 1956 amendments, women workers and wives aged 62–64 are eligible for actuarially reduced benefits. Widows' benefits, however, are payable to eligible widows at age 62 without reduction. As three-fourths of the nonmarried women aged 62–64 are widows, it is not surprising that a relatively large proportion were drawing full benefits as widows.

Among women in the age group 62–64—as among couples and nonmarried men—beneficiaries appear to be less well off than the nonbeneficiaries. Their assets seemed high, however, in relation to those of nonmarried men in the same age group.

The nonmarried nonbeneficiary women in the group aged 62–64 are not only better off than their beneficiary counterparts but they are also far better off than the older women. About 40 percent of the younger nonbeneficiary women worked in 1962, in comparison with 20 percent of the beneficiary women aged 62–64 and 20 percent of the nonbeneficiary women aged 65–72. The higher median assets of the more active, younger women are therefore to be expected.

Widowhood

It is sometimes assumed that widows are a particularly disadvantaged group. Yet they should be more likely than other nonmarried women to have an inheritance—at least the proceeds of a life insurance policy. The survey data on total asset holdings show that widows aged

TABLE 10.—ASSETS AND DEBTS BY INCOME GROUP, FOR UNITS AGED 65 AND OVER: Percent having specified assets and median amount of assets, 1962

Item	Married couples			Nonmarried men			Nonmarried women		
	Low income third	Middle income third	High income third	Low income third	Middle income third	High income third	Low income third	Middle income third	High income third
Percent having:									
Financial assets	48	72	92	33	58	82	40	56	78
Equity in nonfarm home	56	69	72	25	30	45	26	38	47
Investment in other real estate, business, or farm	24	24	34	15	13	26	6	10	22
Personal debts	28	26	22	10	11	17	10	14	13
Median:									
For units reporting on item:									
Financial assets	(1)	$1,195	$6,650	(1)	$320	$2,525	(1)	$220	$1,960
Equity in nonfarm home	$1,695	5,935	10,260	(1)	(1)	(1)	(1)	(1)	(1)
Investment in other real estate, business, or farm	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Personal debts	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
For units having item:									
Financial assets	1,375	2,890	7,930	$1,110	2,520	3,750	$1,355	1,405	4,050
Equity in nonfarm home	6,120	9,160	13,800	3,720	6,200	9,190	6,480	7,360	11,050
Investment in other real estate, business, or farm	5,760	9,310	15,000+	5,000	7,000	10,400	4,500	6,920	11,950
Personal debts	315	360	700	290	350	820	270	260	335

[1] Half or more of the units did not have the item.

65 and over have less in assets than the younger widows and that widows have less than nonwidows in the same age group, whether or not they receive OASDI benefits. The following tabulation, showing the median assets for widows and other nonmarried women, makes clear these distinctions.

Age	Widows	Nonwidows
Beneficiaries:		
62–64	$4,765	[1]
65–72	4,045	$8,980
73 and over	3,695	5,120
Nonbeneficiaries:		
62–64	5,120	11,310
65–72	1,395	2,835
73 and over	1,165	5,665

[1] Median not computed on base of fewer than 50,000 cases.

The very large holdings of nonbeneficiaries in the group aged 62–64 who were not widows reflect the fact that fully two-thirds of these women had earnings during 1962.

The median assets, excluding home equity, for all widows and all other nonmarried women, regardless of beneficiary status, are shown in the tabulation below.

Age	Widows	Nonwidows
62–64	$495	$3,000
65–72	525	2,035
73 and over	435	1,410

INCOME AND ASSETS

Not unexpectedly, the 1963 Survey of the Aged found a strong relationship between income and the amount of assets owned (table 9). The higher the income group, the larger the assets of the survey unit—whether married or not and whether or not receiving benefits under the social security program.

The rise with income in the proportion of asset holders among the aged is most striking if consideration is limited to financial assets—particularly open-market securities, which are likely to involve more risk than liquid assets. When the units are grouped according to income, the proportion with some financial assets rises to more than 9 in every 10 for couples and about 8 in 10 for nonmarried persons in the top third; fewer than half the couples and less than two-fifths of the nonmarried persons in the low income third had such assets. The median holding for units in this low-income group was roughly $1,300 (table 10).

Investment in tangible assets rises much less sharply with income, and the proportion with such holdings reaches as much as one-third only for couples in the top income third, and it is about one-fourth for the nonmarried persons in the top third. Some of those in the low income third—particularly the married men—have small farms or nonfarm businesses that are not very productive.

Homeownership too is positively correlated with income. Equity in a nonfarm home is the most common asset of couples in the low third and is found about as frequently as financial assets among the nonmarried in the low third. As would be expected, therefore, in the aggregate an equity in a home is about twice as important and financial assets about half as important for the low income third as for the high income third, regardless of marital status. The proportions of assets represented by financial assets and by

TABLE 11.—TOTAL ASSETS, EQUITY IN NONFARM HOME, AND FINANCIAL ASSETS OF OASDI BENEFICIARIES [1] AGED 65 AND OVER: Percentage distribution, by amount of assets, 1957 [2] and 1962 [3]

Amount	Total assets		Equity in home		Financial assets	
	1957	1962	1957	1962	1957	1962
	Married couples					
Total percent	100	100	100	100	100	100
None	12	11	35	33	28	28
$1–999	7	6	1	0	19	18
1,000–2,999	8	8	6	6	18	14
3,000–4,999	9	6	9	7	8	8
5,000–9,999	19	17	26	21	11	11
10,000–14,999	15	14	13	17	15	20
15,000 and over	30	37	9	17		
Median	$8,790	$11,210	$4,760	$6,000	$1,270	$1,480
	Nonmarried men and women					
None	32	24	65	62	43	36
$1–999	14	12	2	1	21	20
1,000–2,999	9	12	5	3	13	16
3,000–4,999	8	8	6	5	9	7
5,000–9,999	15	16	14	13	7	10
10,000–14,999	8	10	6	8	7	4
15,000 and over	15	20	3	9		8
Median	$1,916	$3,750	[4]	[4]	$257	$661

[1] Beneficiaries on rolls at least 1 full year at time of interview.
[2] Based on data from the 1957 survey of OASDI beneficiaries.
[3] Cases not reporting amount assumed to have same distribution as those providing complete information.
[4] Half or more of the units had no home equity.

TABLE 12.—FACE VALUE OF LIFE INSURANCE FOR UNITS AGED 65 AND OVER, BY OASDI BENEFICIARY STATUS: Percentage distribution by amount of face value, 1962

Face value of life insurance	Married couples			Nonmarried men			Nonmarried women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
Number (in thousands):									
Total	5,445	4,325	1,120	2,402	1,599	803	6,329	3,786	2,543
Reporting	5,291	4,224	1,067	2,115	1,481	634	5,697	3,540	2,157
Percent reporting, total	100	100	100	100	100	100	100	100	100
None	32	32	31	54	51	61	55	48	67
$1–499	3	3	2	6	5	7	9	8	9
500–999	6	6	4	9	11	6	16	19	11
1,000–1,499	10	10	8	12	14	9	12	15	8
1,500–1,999	7	7	7	2	3	1	3	4	1
2,000–2,999	13	14	10	7	7	7	3	3	2
3,000–3,999	7	7	7	3	3	1	1	1	(1)
4,000–4,999	4	4	4	1	1	1	(1)	(1)	
5,000–9,999	9	8	12	3	4	3	1	1	1
10,000 and over	8	6	14	3	2	4	(1)	(1)	(1)
Face value not reported	1	(1)	2	(1)		1	(1)	1	(1)
Median for units with insurance	$2,580	$2,460	$3,380	$1,325	$1,310	$1,380	$920	$950	$835

[1] Less than 0.5 percent.

equity in a nonfarm home among couples and nonmarried men and women are shown in the following tabulation for the high and low income thirds.

Unit and type of asset	Percent in specified income group	
	Low	High
Nonfarm home equity:		
Couples	50	25
Nonmarried men	46	26
Nonmarried women	58	27
Financial assets:		
Couples	23	52
Nonmarried men	22	52
Nonmarried women	29	52

Investments in real estate, farms, or nonfarm businesses made up most of the remainder. There was no consistent relationship to income.

CHANGES IN ASSETS, 1957–62, FOR OASDI BENEFICIARIES

From 1957 to 1962 there was little change in the proportion of beneficiary couples that reported having assets. Comparison of the beneficiaries who had been on the OASDI rolls for at least a year at the time of the survey with a similar group studied late in 1957 shows that for both periods the proportion reporting assets was nearly 90 percent for couples. For nonmarried men and women, however, the proportion reporting assets increased from about two-thirds to three-fourths. There was little gain in the proportion reporting equity in a nonfarm home—about two-thirds for couples and one-third for others in both 1957 and 1962. The relative number of married couples with any financial assets

TABLE 13.—PERSONAL DEBTS [1] FOR UNITS AGED 65 AND OVER, BY OASDI BENEFICIARY STATUS: Percentage distribution by amount of debt, 1962

Amount of personal debts	Married couples			Nonmarried men			Nonmarried women		
	Total	OASDI beneficiaries	Non-benecfiiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
Number (in thousands):									
Total	5,445	4,325	1,120	2,402	1,599	803	6,329	3,786	2,543
Reporting on debts	5,393	4,298	1,095	2,134	1,496	638	5,760	3,591	2,169
Total percent	100	100	100	100	100	100	100	100	100
None	76	76	76	87	87	89	88	87	90
$1–499	15	16	13	7	8	6	10	10	9
500–999	4	4	4	1	1	1	1	1	(2)
1,000–1,499	2	2	3	1	(2)	1	(2)	(2)	(2)
1,500–1,999	1	1	1	1	1	2	(2)	(2)	(2)
2,000 and over	1	1	2	2	1	1	(2)	(2)	(2)
Median for units with debts	$385	$370	$470	$410	$390	$470	$290	$295	$275

[1] Includes amounts owed to stores, doctors, banks, other lending institutions, and individuals. Excludes bills for current expenses and mortgage or home-improvement loans.
[2] Less than 0.5 percent.

was less than three-fourths in both periods. About three-fifths of the nonmarried had such assets in 1957, compared with nearly two-thirds in 1962. The median values of the assets, however, did increase during this period. For couples, total assets and equity in the nonfarm home were about a fourth greater in 1962 than in 1957, financial assets a sixth greater (unadjusted for price changes).

Personal Debt

About 75 percent of all the married couples in the survey and 90 percent of all the nonmarried men and women aged 65 and over had no debts. Among those survey units having debts, the median amount ranged from $275 for nonbeneficiary women to $470 for nonbeneficiary men and couples (table 13). The medians for beneficiary couples and men were lower than those for nonbeneficiaries, but there was no significant difference for the nonmarried women. Fewer older units than younger units have personal debts. As age increases the proportion having debts decreases both among couples and among the nonmarried, as shown in the following tabulation.

Age	Percent having personal debts		
	Married couples	Nonmarried men	Nonmarried women
62–64	36	33	27
65–72	28	16	15
73 and over	18	9	9

This situation may reflect a greater tendency of the younger group to rely on consumer credit and, perhaps more importantly, the greater availability of such credit to them.

Personal debts were small in relation to assets at each income level. Although the relatively well-to-do had personal debts (table 10) as often as those with less income, the amounts represented a smaller proportion of their income.

Recent Publications*

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WELFARE ADMINISTRATION

BUREAU OF FAMILY SERVICES. *Characteristics of State Public Assistance Plans Under the Social Security Act: Staff Development Provisions.* Washington: U. S. Govt. Print. Off., 1964. 130 pp. (Public Assistance Report No. 51.) $1.

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