

# Old-Age and Survivors Insurance: Employment of Aged-Widow Beneficiaries Before Receipt of First Benefit\*

**T**HREE out of every 10 persons aged 65 and over in the United States are widows. The lower mortality rate of women compared with that of men, the fact that on the average wives are younger than their husbands, and the lengthening life expectancy of the population, all combine to increase the importance of widowhood as a problem in old age.

Recognition of this problem led Congress in 1939 to provide widow's benefits under old-age and survivors insurance. Widows whose husbands die fully insured are eligible, if aged 65 or over, to receive benefits three-fourths as large as the husband's primary insurance amount.

Most widows, however, are under age 65 when they lose their husbands. Half the women becoming widows in an average year are under age 56; a fourth of them are under age 45.<sup>1</sup> Widows under age 65 who are mothers with children under age 18 in their care and whose husbands were fully or currently insured when they died are eligible for mother's benefits. The mother's benefits are payable while the widow remains unmarried but only until the youngest child reaches age 18. The widow then receives no benefits under the program until she reaches age 65, when, if her husband died fully insured, she becomes eligible for widow's benefits.

Thus between the time the youngest child reaches age 18 and the time the widow reaches age 65, no monthly benefits are payable to the widow under the program. Women who are under age 65 when they are widowed and who do not have minor children in their care are not eligible for

monthly benefits under the program until they reach age 65.<sup>2</sup>

How widows manage between the termination of the mother's benefits and receipt of the widow's benefits at age 65 or between the death of the husband and the time they attain age 65, as well as the extent to which this waiting period involves economic hardship, has been a matter of concern. The view is generally held that women widowed in their late fifties or early sixties who had been homemakers most of their lives are not often successful in obtaining employment. On the other hand, it is argued that the extent of this problem is narrowing; that, because of the increased opportunities for employment during and since World War II, many women widowed before age 65 are already in the labor force or have been absent from it for only a brief period.

In the fall of 1951 the Bureau of Old-Age and Survivors Insurance made a national survey<sup>3</sup> of a representative sample of aged beneficiaries, including 2,553 widows aged 65 or over who were entitled to widow's benefits at the end of 1950. Fully satisfactory answers to the questions of how widows fare in the interval between their husband's death and the receipt of widow's benefits would require more data than were obtained in the national survey. Information from the survey is limited to data on the benefit status of the aged-widow beneficiaries at the time of the hus-

band's death and on their employment status immediately before the husband died and between the time of his death and the date the widow became entitled to benefits.

## Age of Widows at Husband's Death

The facts pertinent to the present analysis—the benefit status of the widow at the husband's death, length of time between his death and receipt of widow's benefits, and whether the widow was employed in the year before her husband's death and in the interval between his death and her first widow's benefit—are directly related to the widow's age at the time of her husband's death.

Under the provisions of the Social Security Act, the widow of an insured worker is entitled to aged-widow benefits when she attains age 65, but only if her husband died in 1940 or later. Thus, a woman receiving aged-widow benefits at the end of 1950 must have been at least 54 years old at the time of her husband's death. Data from the survey, therefore, give no information about widows who were under age 54 when the husband died.

Three-fifths (62 percent) of the aged widows in the sample were aged 65 and over at the time of the husband's death and therefore eligible to receive survivor benefits immediately: 36 percent were aged 65-69; 18 percent, 70-74; and 8 percent, 75 or over. Thirty-eight percent were under age 65 when widowed: 9 percent were aged 54-59; 9 percent were 60-61; 12 percent, 62-63; and 8 percent were aged 64.

Because of the eligibility provisions of the Social Security Act and the length of time the program had been in operation, the sample of aged-widow beneficiaries includes relatively few who were widowed in their

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<sup>1</sup> "Widowhood and Its Duration," *Statistical Bulletin* (Metropolitan Life Insurance Company), September 1953.

<sup>2</sup> Effective November 1956, under the 1956 amendments to the Social Security Act (Public Law No. 880, 84th Congress), benefits are payable to widows at age 62.

<sup>3</sup> For a description of the survey and of the characteristics of the beneficiaries, as well as other findings of the study, see the *Social Security Bulletin* for August 1952, June and August 1953, April and August 1954, May and July 1955, and May 1956.

fifties or early sixties. Women widowed at age 54 and on the rolls in December 1950 could have been widowed in only the one year, 1940; those widowed at age 55 and on the rolls in 1950 must have been widowed in 1940 or 1941; those widowed at age 56 must have been widowed in 1940, 1941, or 1942; and so on. Women widowed at age 65 and over, it is clear, could have been widowed in any of the years 1940 through 1950.

### *Time Between Husband's Death and Receipt of Widow's Benefits*

Forty percent of the aged widows in the study were not awarded widow's benefits for the month in which the husband died. Some widows over age 65 when the husband died did not apply for benefits immediately on his death, and some under age 65 when they became widowed did not apply for benefits immediately on reaching that age. For the great majority, however, the length of time between the month of the husband's death and the month for which the first widow's benefit was paid was dependent on their age when the husband died. For widows on the rolls in September 1950, the longest possible period between the month of the husband's death and the month of the first widow's benefit payment was about 11 years.

Among the aged-widow beneficiaries who were not immediately entitled, 4 percent became entitled to benefits in the month after the husband's death, 13 percent in less than 6 months, 21 percent in less than a year, 40 percent in less than 2 years, and 52 percent in less than 3 years (table 1). For 31 percent of all the aged widows, however, the waiting period between the husband's death and their entitlement was 1-11 years, for 19 percent it was 3-11 years. As the program matures, however, aged-widow beneficiaries will include many women widowed at earlier ages, who consequently will have had longer periods to wait before they become entitled.

Sixty percent of the aged widows studied became entitled to survivor benefits in the month of the husband's death. One-third of all wid-

ows in the study had been receiving wife's benefits at the time the husband died, and the wife's benefit was automatically converted to a survivor benefit without any break in benefit payments. Twenty-seven percent were widowed after their sixty-fifth birthday and had not been receiving wife's benefits—in most instances because the husband was employed and did not file for benefits. They were awarded survivor benefits beginning with the month in which the husband died. Two-thirds were entitled to survivor benefits immediately or within 6 months of the husband's death. Two percent of the widows were aged 65 or over when the husband died but were not awarded benefits immediately.<sup>4</sup>

### *Employment Before Husband's Death*

Whether or not the widow was employed in the year before her husband's death may have an important bearing on her subsequent employment. The older woman finds more ready entrance into the labor force if she has had recent experience. Information concerning employment before the husband's death was obtained only for the widows who had not received a wife's benefit—67 percent of all aged widows in the study. Women who had received a wife's benefit would automatically be given a widow's benefit, and the death of the husband would in no case result in complete loss of income.

It should be borne in mind that the information dealt with in this analysis does not relate to all widows of insured workers in the study but only to those receiving widow's benefits. The national survey included 4,000 widows aged 65 or over. Of this num-

<sup>4</sup> The widows aged 65 or over at the death of the husband who were not awarded widow's benefits immediately had delayed filing until at least the fourth month after the month in which the husband had died. If they had filed before the fourth month, their entitlement would have been made retroactive to the month of the death. Between November 1950 and August 1954, benefits were paid retroactively for 6 months, and beginning September 1954, an additional month of retroactive payments was added each month until February 1955, when payments were made retroactive for 12 months.

**Table 1.—Percentage distribution of aged-widow beneficiaries by length of waiting period between month of husband's death and month for which first widow's benefit was paid, 1951 survey**

Length of waiting period	Total	Age of widow at husband's death	
		Under 65	65 or over
Total number <sup>1</sup> .....	2,542	952	1,590
Total percent.....	100.0	100.0	100.0
No waiting period.....	60.2	-----	96.2
Waiting period.....	39.8	100.0	3.8
Number with waiting period.....	1,012	952	60
Total percent.....	100.0	100.0	<sup>2</sup> 100.0
1 month.....	3.7	2.0	<sup>2</sup> 30.0
2-5 months.....	9.2	7.4	<sup>2</sup> 38.3
6-11 months.....	8.4	8.1	<sup>2</sup> 13.3
1 year but less than 2.....	18.7	19.2	<sup>2</sup> 10.0
2 years but less than 3.....	12.5	13.1	<sup>2</sup> 1.7
3 years but less than 4.....	11.5	12.2	-----
4 years but less than 5.....	10.6	11.0	<sup>2</sup> 3.3
5 years but less than 6.....	8.7	9.1	<sup>2</sup> 1.7
6 years but less than 7.....	6.5	6.8	<sup>2</sup> 1.7
7 years but less than 8.....	4.0	4.2	-----
8 years but less than 9.....	4.0	4.2	-----
9 years but less than 10.....	1.8	1.9	-----
10 years.....	0.7	0.7	-----

<sup>1</sup> Number reporting on all items in this table.  
<sup>2</sup> Percentage distribution computed on small base and therefore subject to large sampling variation.

ber, 61 percent were entitled to widow's benefits; 36 percent had been awarded old-age benefits based on their own wage records; and 3 percent were receiving benefits based on both their husband's and their own wage records.<sup>5</sup> Undoubtedly a significant number of the widows entitled on their own wage records were widows of insured wage earners, but the data from the survey do not provide information on this point.

It is probable, of course, that a larger proportion of the widows entitled on their own wage records than of the widows entitled to survivor benefits had been employed before their husbands died, and most of the widowed old-age beneficiaries had no doubt been employed after their husband's death. Widows entitled on their own wage records were not asked their age at the time the hus-

<sup>5</sup> A woman eligible to receive both an old-age and a survivor benefit is always awarded the old-age benefit. If it is smaller than the widow's benefit based on her husband's record, the difference between the two amounts is added to her old-age benefit. In effect, she receives the larger of the two benefits.

band died, but it is likely that, as a group, they were widowed at younger ages than the aged-widow beneficiaries. In any event, all the widowed old-age beneficiaries had been employed. At present the aged-widow beneficiaries therefore represent for the most part women who were widowed after age 65 or those widowed before age 65 who either were unsuccessful in obtaining employment or had not worked long enough or at high enough wages to become entitled on their own wage records.<sup>6</sup>

Of the approximately 1,700 widow beneficiaries in the study who had not received a wife's benefit, only 5.5 percent had worked for wages or had been self-employed in at least 4 weeks in the year preceding the husband's death. At the time the husband died, this group ranged in age from 55 to 74; as would be expected, the proportion employed was smaller for those past 65. For every 100 in each age group at the time of the husband's death, 8 of those aged 55-59, 7 of those aged 60-64, and 3 of those aged 65 and older had been employed in the year before they were widowed. The women widowed before they reached age 65 were more likely to have been employed if the husbands had been beneficiaries (11 percent) than if the husbands had not been entitled to benefits (6 percent). The husbands who were not beneficiaries presumably were working, and their incomes no doubt more nearly met the needs of the couples than did the incomes when the husbands were beneficiaries. Nevertheless, the large majority of widows who were under age 65 as well as those aged 65 and over at the time of the husband's death had not been employed in the preceding year.

### **Employment Between Husband's Death and Receipt of Widow's Benefits**

Most (83 percent) of the 1,012 widows who had a waiting period between the month of the husband's death and the month of their first widow's benefits had no gainful em-

<sup>6</sup> Hereafter in this analysis, the term "widow" refers to a woman aged 65 or over who was entitled to benefits based on her deceased husband's wage record.

ployment in this period. Only 17 percent of them reported some employment; they represented 7 percent of all the widows in the study. One-third of the total number had a waiting period and no employment in the period.

The proportion employed in the waiting period was directly related to the age at which the women were widowed. From 26 percent for women widowed at age 55-60, the proportion with employment dropped to 6 percent for those widowed at age 64 (table 2).

Data on employment both before the husband's death and during the waiting period are available for these 1,012 widows. The data show that most of the aged-widow beneficiaries who had been employed in the year before the husband died also worked in the interval between his death and receipt of widow's benefits; in contrast, relatively few of those who had not been employed previously worked during the waiting period. This contrast between the two groups is shown in the following tabulation.

Age of widow at husband's death	Percent of widows employed in waiting period	
	Employed in year before husband's death <sup>1</sup>	Not employed in year before husband's death
Total.....	77	12
55-59.....	82	21
60-64.....	74	11
60-61.....	94	18
62-63.....	78	11
64.....	50	2
65 or over.....	83	12

<sup>1</sup> Percentages computed on a small base and therefore subject to large sampling variations.

Only one-fifth of the widows with a waiting period worked either in the year before the husband died or in the waiting period, or in both. The data do not permit general conclusions on the difficulty that older women with no recent employment have in entering the labor market because many of the women who were successful in getting jobs became entitled on their own wage records and were not included among the aged-widow beneficiaries in the survey. The study indicates, however, that at pres-

ent women awarded survivor benefits are, for the most part, those who have not been employed either in the year before the husband died or in the waiting period.

Forty-four percent of the widows employed in the period between the husband's death and entitlement to survivor benefits worked in domestic and personal service jobs. The other types of employment were clerical, 14 percent; operating a rooming house or boarding house, 12 percent; sewing, 6 percent; professional, factory, and sales, each 5 percent; and all other, 9 percent. Most of the work was performed away from home. Approximately 83 percent were employed entirely outside the home, and 15 percent at home. Less than 3 percent were employed both at home and away from home; for the most part these were women who supplemented income from roomers or boarders by such work as baby-sitting, canvassing, or sewing.

Information concerning the number of years in which the widow had employment and the amount of earnings in those years was obtained only for the 116 widows who had not worked in the year before the death of the husband. This group made up 67 percent of all those employed in the interval between the husband's death and the receipt of benefits. Presumably the others—the 33 percent with recent employment before the husband's death—were more fully employed and had larger earnings than those who had not recently been gainfully employed at the time of the husband's death.

In addition, information on years worked and amount of earnings was obtained only for whole calendar years, excluding the year of the husband's death and the year of the first benefit payment.

If, for example, the husband died in 1945 and the widow became entitled in 1947, only 1 calendar year was considered in counting the number of years employed and the amount of earnings.

Most of the 104 widows from whom information on number of years of employment and earnings was obtained had worked throughout most of the waiting period. Three-fifths had some employment in each of the

intervening years, but most of this group had only 1-3 intervening years. Only two-fifths of those with 5-9 intervening years had employment in each calendar year. On the average, these 104 widows reported working in more than seven-tenths of the years in their waiting periods. The average number of full calendar years in the waiting period was 4.0, and the average number of calendar years in which the widows worked was 2.9.

Because information on annual earnings received anywhere from 1-10 years earlier could be obtained in only the most general terms, widows were asked to report whether their earnings in a particular year fell in one of three income classes: Less than \$300, \$300-\$599, and \$600 or more.

Most of the widows for whom this information is available reported low earnings. Only 27 percent earned \$600 or more in each year that they were employed during their waiting period, and 14 percent earned that much in 1 or more years but not in all the years of their employment. Thirty-five percent reported they had earned less than \$300 in each of the calendar years in which they were employed; 18 percent, \$300-\$599 in each of the years; and 6 percent, less than \$300 in some years and \$300-\$599 in other years.

### Summary and Conclusions

Information obtained from some 2,500 aged widows in the fall of 1951 indicates that at present survivor benefits are paid in the main to women who are widowed after they have passed their sixty-fifth birthday and to women widowed at younger ages who have not been employed in the interval between the death of

**Table 2.—Number of aged-widow beneficiaries with waiting period between month of husband's death and month for which first widow's benefit was paid, and the number and percent of those employed in waiting period, by age of widow at husband's death, 1951 survey**

Age of widow at husband's death	Widows with waiting period		
	Total number	Employed in waiting period	
		Number	Percent
Total.....	1,012	173	17.1
Under 65.....	952	167	17.5
Under 60.....	221	57	25.8
55-57.....	91	21	<sup>1</sup> 23.1
58.....	51	11	<sup>1</sup> 21.6
59.....	79	25	<sup>1</sup> 31.6
60-64.....	731	110	15.0
60.....	108	28	25.9
61.....	115	25	21.7
62.....	127	25	19.7
63.....	178	20	11.2
64.....	203	12	5.9
65 and over.....	60	6	<sup>1</sup> 10.0

<sup>1</sup> Percentage computed on small base and therefore subject to large sampling variation.

the husband and their attainment of age 65 and entitlement to widow's benefits.

Although three-fifths received their first widow's benefit for the month of the husband's death, as many as two-thirds received their first benefit either for that month or within 6 months after the husband died. Two-fifths of the widows had a waiting period between the month of the husband's death and the receipt of their widow's benefit; one-fifth had waiting periods of less than 3 years; and one-fifth, from 3 years to almost 11 years.

One-third of all the widows in the study were not entitled to widow's benefits immediately upon the death of the husband and had no employ-

ment during the waiting period; less than one-tenth had a waiting period and earnings in that period.

Of the widows with a waiting period, less than a fifth had worked during this period. Women widowed at younger ages were more likely to have been employed than those widowed when they were close to age 65. At every age, the widows who had worked before the husband's death were employed in the waiting period in markedly larger proportions than those who had not been employed previously.

The earnings of the widows employed in the waiting period but not before the husband's death were characteristically low. Only 27 percent of those with earnings reported \$600 or more in each calendar year that they were employed during the waiting period. Three-fifths earned less than \$600—most of them less than \$300—in each calendar year in which there were earnings.

Aged-widow beneficiaries now on the rolls have, no doubt, the same general characteristics as those studied in the 1951 beneficiary survey. As the old-age and survivors insurance program matures, the aged-widow beneficiaries will include women widowed at successively younger ages and therefore with longer waiting periods. Counterbalancing this trend is the increasing proportion of married women who are employed and whose retirement benefits will exceed their survivor benefits. It is probable, nevertheless, that during the next 10 or 20 years, as at present, the large majority of women awarded widow's benefits will have had little or no recent employment experience.