

# Notes and Brief Reports

## Money Income Sources of Aged Persons, December 1959\*

The start of the 1960's found about 1.7 million persons aged 65 and over, or 11 percent of the Nation's aged population, still primarily dependent on public assistance. An estimated 1.1 million others had no income from employment or any public income-maintenance program. Predominantly women who had been widowed before their husbands were covered under old-age, survivors, and disability insurance, they included some very wealthy individuals, but many more were dependent on and lived with children or other relatives, and some were being maintained in public institutions.

### SOCIAL INSURANCE AS A RESOURCE

Of the Nation's 15.7 million aged, three-fourths—almost 12 million—were drawing benefits under at least one social insurance or related program

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in December 1959. The old-age, survivors, and disability insurance system alone provided income for more than 10 million or 64 percent of those aged 65 and over. The compensation and pension programs for veterans and their survivors were next in importance, with an estimated 9 percent (counting wives of veterans on the rolls) receiving payments. Programs for government employees and railroad workers together provided support for about 1.5 million aged persons. It is estimated that more than half of those receiving a payment because of the disability or death of a veteran were also receiving a benefit because of the retirement or death of a worker in industry or government employment. More than 6 percent of the persons receiving social insurance benefits were also on the public assistance rolls because their benefits plus any other resources did not meet their needs, according to the standards set by their State of residence (table 1).

### INCOME FROM EMPLOYMENT

Slightly more than 3 million aged persons had some earnings from employment during the survey month. Others, of course, had been in paid employment at some time during the preceding

TABLE 1.—Estimated number of persons aged 65 and over in the United States receiving money income from specified sources, by sex, December 1959<sup>1</sup>

Source of money income <sup>2</sup>	Number (in thousands)			Percentage distribution		
	Total	Men	Women	Total	Men	Women
1. Population aged 65 and over, total.....	15,720	7,110	8,610	100.0	100.0	100.0
2. Employment.....	3,890	2,240	1,650	24.7	31.5	19.2
Earnings.....	3,010	2,240	770	19.1	31.5	9.0
Nonworking wives of earners.....	880		880	5.6		10.2
3. Social insurance and related programs <sup>3</sup> .....	11,750	5,710	6,040	74.8	80.3	70.2
OASDI.....	10,070	4,920	5,150	64.1	69.2	59.8
Railroad retirement program.....	610	310	300	3.9	4.4	3.5
Government employees' retirement programs.....	920	440	480	5.8	6.2	5.6
Veterans' compensation and pensions.....	1,430	820	610	9.1	11.5	7.1
4. Public assistance <sup>4</sup> .....	2,460	940	1,520	15.6	13.2	17.6
5. No money income or income solely from other sources.....	1,120	90	1,030	7.1	1.3	12.0
6. Income from more than one of sources in lines 2-4.....	3,500	1,870	1,630	22.3	26.3	18.9
OASDI and employment <sup>5</sup> .....	2,090	1,030	1,060	13.3	14.5	12.3
Other programs and employment <sup>5</sup> .....	670	420	250	4.3	5.9	2.9
Old-age assistance and OASDI.....	700	400	300	4.4	5.6	3.5
Other assistance and OASDI or related programs.....	40	20	20	.3	.3	.2

<sup>1</sup> Data relate to the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands. Persons with income from sources specified may also have received money income from other sources, such as interest, dividends, private pensions or annuities, or cash contributions from relatives.

<sup>2</sup> Because persons frequently have income from more than one of the sources specified, the sum of persons shown on lines 2-5 exceeds the total number in the population (line 1). The estimates of persons with income from more than one source are developed from survey data and are therefore subject to sampling and reporting errors, as well as the error inherent in projecting survey findings to additional population groups and different dates, errors that are relatively more significant for small estimates.

<sup>3</sup> Persons with income from more than one of the programs listed are counted only once. Estimates of women with benefits under these programs include an estimated number of beneficiaries' wives not in direct receipt of

benefits. Not shown are some 100,000 aged persons who received unemployment insurance. No information is available on the overlap with other social insurance programs.

<sup>4</sup> Old-age assistance recipients and persons aged 65 and over receiving aid to the blind or to the permanently and totally disabled; includes a small number receiving vendor payments for medical care but no direct cash payment.

<sup>5</sup> Excludes a small number with income from employment and OASDI and also a related program; the figures on line 3 have already been adjusted for overlap among the insurance and related programs.

Source: Estimated in the Division of Program Research on the basis of published and unpublished data from the Bureau of the Census, the Bureau of Labor Statistics, and agencies administering income-maintenance programs.

ar. In December more than three-fourths of the aged men and fewer than one-tenth of all the aged women were working. In addition, almost 900,000 women were supported in whole or in part by their husband's earnings. They represented only one-tenth of all women aged 65 or older: nearly 2 out of 3 aged women are widowed, divorced, or never married, and many others are married to men no longer in the labor force. The aged men who are still in the labor force, being younger than men who have retired completely, are more likely to be married to women under age 65.

The retirement provisions of the old-age, survivors, and disability insurance program permit full benefits to be paid to beneficiaries earning up to \$1,200 a year and some benefits when earnings are larger; retirement provisions under other public programs tend to be more liberal. It is not surprising, therefore, to find that barely one-third of those with income from employment had this as their sole source of income, apart from any returns on savings or investment that they may have received. Substantially this entire group, some 1.3 million persons, were eligible for old-age, survivors, and disability insurance on retirement—more than 1 million as insured workers and the others as wives of retired workers.

Including the 10.1 million receiving benefits in December and also those eligible but not receiving benefits, there were in all about 11.4 million aged persons eligible for old-age, survivors, and disability insurance benefits at the end of December 1959 (table 2).

### RESOURCES OF PERSONS NOT ELIGIBLE FOR OASDI

The 4.3 million aged persons not eligible for old-age, survivors, and disability insurance benefits were a heterogeneous group. More than one-third were protected by another public retirement program: Approximately 1.1 million were receiving benefits under the Railroad Retirement Act or the provisions of the Federal Civil Service Act, other programs for retired civilian and military personnel of the Federal Government, or retirement programs for State and local government employees. Almost half a million persons aged 65 and over who were not receiving payments under the old-age, survivors, and disability insurance, railroad retirement, or public employee

TABLE 2.—Estimated number of aged persons not eligible for old-age, survivors, and disability insurance, by income source and age, December 31, 1959

[In millions]		
Item	Number	
	Aged 65 and over	Aged 72 and over
Total.....	15.7	7.9
Eligible for OASDI.....	11.4	5.2
Not eligible for OASDI.....	4.3	2.7
Beneficiaries of railroad and government employee retirement programs.....	1.1	.7
Beneficiaries of veterans' compensation and pension programs <sup>1</sup> .....	.5	
Others <sup>2</sup> .....	2.7	2.0
Public assistance recipients.....	1.7	1.2
Other.....	1.0	.8

<sup>1</sup> Not receiving benefits under programs for railroad or government employees.

<sup>2</sup> Not receiving payments under programs for veterans.

retirement programs were on the Veterans Administration rolls and receiving compensation or pension payments. Of the remaining 2.7 million aged persons, about 1.7 million were old-age assistance recipients. Most of the others were elderly widows, as previously noted.

Though half of all persons aged 65 and over were at least age 72, those eligible for old-age, survivors, and disability insurance benefits tended to be younger. More than three-fifths of those not eligible were aged 72 and over. The 1.7 million primarily dependent on public assistance and others without protection under social insurance and related programs were heavily concentrated in the older ages, as shown by the estimates for the end of 1959 in table 2.

### Persons Receiving OASDI, OAA, or Both, June 30, 1959\*

Eleven and one-half million out of the 15.5 million persons aged 65 and over in the United States<sup>1</sup> at the end of June 1959 were receiving

\*Prepared in the Division of Program Research, Office of the Commissioner, from materials developed by the Bureau of Public Assistance and the Bureau of Old-Age and Survivors Insurance. For an analysis of the number of aged persons who receive income from other public income-maintenance programs or from employment see "Selected Sources of Money Income for Aged Persons, June 1959," *Social Security Bulletin*, December 1959, and "Money Income Sources of Aged Persons, December 1959," in this issue.

<sup>1</sup> Includes the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands.