

on a net basis, with dividends and refunds deducted. Contributions under noninsured plans are, for the most part, on a gross basis, and refunds appear as benefit payments. For pay-as-you-go (unfunded) plans, contributions have been assumed to equal benefit payments.

The number of beneficiaries under pension plans relates to those receiving periodic payments at the end of the year and thus excludes those who received lump sums during the year. The amounts shown for retirement benefits under noninsured plans does include (1) refunds of employee contributions to individuals who withdraw from

the plans before retirement and before accumulating vested deferred rights, (2) payment of the unpaid amount of employee contributions to survivors of pensioners who die before they receive in retirement benefits an amount equal to their contributions, and (3) lump-sum payments made under deferred profit-sharing plans. Because the source of the data from which the estimates have been developed does not permit distinction between these lump-sum benefits and the amounts representing monthly retirement benefits, precise data on average monthly or annual retirement benefit amounts cannot be derived.

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## Notes and Brief Reports

### Spanish-Surnamed OASDI Beneficiaries in the Southwest\*

How Federal social insurance programs affect the economic, social, and health situations of the Nation's disadvantaged minorities is a matter of public concern. A look at social security program data throws some light on this question, with respect to persons of Spanish background.<sup>1</sup> Information on this group can be gleaned from examining social security data for beneficiaries in five States with sizable populations of Spanish heritage—Arizona, California, Colorado, New Mexico, and Texas. (Data from the Bureau of the Census, collected in the 1970 Decennial Census, identify the Spanish-heritage population of this group of States, defined as the Southwest for the purpose.)

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\* Prepared by Jack Schmulowitz, Division of Disability studies. The beneficiary data file was prepared by Walter E. Kelsey and John W. Wagner, Division of OASDI Statistics. For a fuller report, see Jack Schmulowitz, *Spanish-Surnamed Social Security Beneficiaries in the Southwest*, Research and Statistics Note No. 28, Social Security Administration, Office of Research and Statistics, 1972.

<sup>1</sup> For a similar report on another minority, see Jack Schmulowitz and Anna M. Young, *Social Security Benefits and Earnings of Minority Groups in Covered Employment*, Research and Statistics Note No. 5, Social Security Administration, Office of Research and Statistics, 1971.

### POPULATION OF SPANISH BACKGROUND

National data on the population of Spanish background are collected currently on the basis of respondents' self-identification as to origin or descent. The Bureau of the Census collects the data on an ongoing basis through its Current Population Survey. In 1972, the population of Spanish origin was estimated at 9.2 million—4.5 percent of the civilian noninstitutional population of the 50 States and the District of Columbia.<sup>2</sup>

Fifty-seven percent of those who reported they were of Spanish background identified themselves as of Mexican origin, 17 percent said they were of Puerto Rican descent, and 7 percent claimed Cuban origin. In the five States discussed here, there were some 5.4 million persons of Spanish background (principally Mexican-American).

The Decennial Census of 1970 included information, for the five States listed above, on the population of Spanish heritage, defined to include all persons "of Spanish language" or with "Spanish surnames." The persons "of Spanish language" are those who reported Spanish as their mother

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<sup>2</sup> Bureau of the Census, *Current Population Reports, Population Characteristics*, "Selected Characteristics of Persons and Families of Mexican, Puerto Rican, and Other Spanish Origin, March 1972," Series P-20, No. 238, July 1972.

TABLE 1.—Persons of Spanish heritage, April 1970, and Spanish-surnamed persons with OASDI benefits in current-payment status, July 1971, five southwestern States

State	Persons of Spanish heritage, April 1970 <sup>1</sup>				Spanish-surnamed persons with benefits in current-payment status, July 1971	
	Total <sup>2</sup>		With Spanish surname <sup>3</sup>		Number	Percent of total beneficiary population
	Number	Percent of total population	Number	Percent of total population		
Total.....	6,188,362	17.1	4,667,975	12.9	410,369	9.7
Arizona.....	333,349	18.8	246,390	13.9	20,565	9.0
California.....	3,101,589	15.5	2,222,185	11.1	185,295	7.9
Colorado.....	286,467	13.0	211,585	9.6	19,493	8.1
New Mexico.....	407,286	40.1	324,248	31.9	34,111	29.8
Texas.....	2,059,671	18.4	1,663,567	14.9	150,905	11.5

<sup>1</sup> Persons "of Spanish language" or Spanish-surnamed, as defined by the Bureau of the Census for these 5 States.  
<sup>2</sup> Bureau of the Census, *Census of Population: 1970, General Social and*

*Economic Characteristics, Final Report, PC (1)-C, State reports.*  
<sup>3</sup> Bureau of the Census releases, June 1972 and November 1972.

tongue and all others in families in which the head or his wife reported Spanish as the mother tongue. Those with "Spanish surnames" were identified from an Immigration and Naturalization Service list of names, updated by the Bureau of the Census.

Approximately 4.7 million persons—or three-fourths of the 6.7 million with Spanish heritage in this group of States—had Spanish surnames (table 1). One in 10 of these individuals was not a person "of Spanish language."

### SPANISH-SURNAMED BENEFICIARIES

In examining the social security beneficiary rolls for the five States, the concept of the Spanish surname as defined in the Decennial Census data has been used here, since persons of Spanish background cannot otherwise be identified in the beneficiary data.

In July 1971, monthly cash benefits under the social security program were being received by 410,000 beneficiaries with Spanish surnames in the Southwest. These beneficiaries accounted for 10 percent of all persons with benefits in current-payment status in the area. The proportion with Spanish surnames differed with type of benefit (table 2). About 19 percent of the widowed mothers, the children, and the parent beneficiaries had Spanish surnames. For aged widows and widowers, retired workers, and "special age-72" beneficiaries the proportion was only 6-7 percent. An estimated 135,000 persons in the Southwest who do not have Spanish surnames but do have Spanish heritage also were receiving monthly benefits in July 1971.

TABLE 2.—Persons with OASDI benefits in current-payment status, July 1971: Total and number with Spanish surnames, by type of beneficiary, five southwestern States

Type of beneficiary	Persons with OASDI benefits in current-payment status		
	Total <sup>1</sup>	With Spanish surnames	
		Number	Percent of total
Total.....	4,231,400	410,369	9.7
Retired workers.....	2,166,700	151,824	7.0
Disabled workers.....	271,000	29,073	10.7
Wives and husbands.....	463,700	47,244	10.2
Widows and widowers.....	472,600	30,023	6.4
Disabled widows and widowers.....	8,100	783	9.7
Widowed mothers.....	80,700	15,210	18.8
Parents.....	3,500	673	19.4
Special age-72 beneficiaries.....	70,700	4,710	6.7
Children <sup>2</sup> .....	694,400	130,829	18.8

<sup>1</sup> Estimated on basis of June 1971 total (4,219,000).

<sup>2</sup> Includes children under 18, disabled children aged 18 and over, and students aged 18-21.

*Older beneficiary groups.*—The low proportion of Spanish-surnamed beneficiaries reflects primarily the relative youth of the Spanish-heritage population.<sup>3</sup> The median age of those with Spanish heritage in 1970 was 20.3; for the total population of the Southwest, it was 27.3. Only 4 percent of those with Spanish heritage were aged 65 or older; for the entire population of the area, the proportion was 9 percent.

*Disabled workers.*—The 1970 Census figures on the prevalence of disability among persons aged 18-64 include information for Negroes and

<sup>3</sup> In 1970, the median age of the total population was 28.1 (28.9 for the white population and 22.4 for Negroes); 10 percent of the white population and about 7 percent of the Negroes were aged 65 and over.

TABLE 3.—Number and percent of persons aged 18–64 unable to work because of disability, by race and Spanish heritage, April 1970<sup>1</sup>

Race and Spanish heritage	Number (in thousands) of persons aged 16–64 <sup>2</sup>	Unable to work because of disability <sup>3</sup>	
		Number (in thousands)	Percent
United States, total.....	104,556	4,466	4.3
White.....	92,583	3,656	4.0
Negro.....	10,682	756	7.1
Spanish heritage.....	4,416	200	4.5
5 southwestern States, total....	18,669	794	4.3
Spanish heritage.....	2,326	107	4.6
All other.....	16,343	687	4.2

<sup>1</sup> Bureau of the Census, *Census of Population: 1970, General Social and Economic Characteristics, Final Report*, PC(1)-C, U.S. Summary and State reports.

<sup>2</sup> Excludes inmates of institutions and persons attending school.

<sup>3</sup> Based on 5-percent sample. Disability refers to a serious illness that has lasted (or is likely to last) for a relatively long time, or a serious physical or mental impairment, defect, or handicap.

for persons of Spanish heritage, as well as for the white population.<sup>4</sup> Nationally, the proportion of Negroes unable to work because of disability (7 percent) was higher than the ratio for the white population (4 percent). For the Spanish-heritage population, disability was only slightly more prevalent than it was for the white population—less than 1 percent both nationally and in the Southwest (table 3).

At the end of 1971, 16 percent of all disabled-worker beneficiaries were minority race members (table 4), though they represented only 12 percent of all those insured under the social security program in the event of disability (that is, with the required quarters of coverage in the period specified in the law). It seems likely that some of the difference between the two ratios reflects the greater extent of disability among Negroes.

Information on those insured for disability is not available separately for the Spanish-surnamed. On the basis of 1970 Census data, it is estimated that, among employed adults aged 16 and older in the Southwest, the proportion with Spanish surnames was 11 percent—their approximate proportion among disabled-worker beneficiaries in these States.

*Families with children.*—Among Spanish-surnamed beneficiaries, survivor families were larger

than they were among the beneficiary population as a whole: The average number of children in families of the former group was 2.2, and it was 1.9 for the latter. Similarly, for retired-worker and disabled-worker families, the average number of children among the Spanish-surnamed was 2.3, and for the total beneficiary group it was 1.9.

*Women worker beneficiaries.*—Women accounted for only 30 percent of the retired-worker beneficiaries and 20 percent of the disabled-worker beneficiaries among the Spanish-surnamed—a reflection of their lower rate of participation in the labor force. They represented higher proportions of retired-worker and disabled-worker beneficiaries in the total beneficiary population—43 percent and 29 percent, respectively. For Negro women and for white women, these ratios were like those for all beneficiaries; for other minority races, the proportions of women in these beneficiary categories were closer to those for the Spanish-surnamed.

## MONTHLY BENEFITS

The average monthly cash benefit being paid to the Spanish-surnamed population in the five southwestern States is lower than the average for all beneficiaries in those States. The differ-

TABLE 4.—Number and percentage distribution of all OASDI benefits in current-payment status, by type of beneficiary and race at the end of 1971

Type of beneficiary	Number	Percentage distribution			
		Total	White	Negro	Other <sup>1</sup>
Total.....	27,291,508	100.0	89.4	9.5	1.1
Retired workers.....	13,926,939	100.0	91.6	7.5	.9
Men.....	7,951,809	100.0	91.5	7.3	1.2
Women.....	5,975,130	100.0	91.7	7.8	.5
Disabled workers.....	1,647,684	100.0	84.5	14.4	1.1
Men.....	1,175,271	100.0	84.4	14.3	1.2
Women.....	472,413	100.0	84.7	14.6	.7
Wives and husbands <sup>2</sup> .....	3,009,698	100.0	92.8	6.1	1.1
Widows and widowers <sup>3</sup> .....	3,309,561	100.0	93.6	5.9	.5
Disabled widows and widowers <sup>4</sup> .....	56,743	100.0	84.8	14.5	.7
Widowed mothers.....	535,126	100.0	79.4	18.8	1.9
Parents <sup>5</sup> .....	27,157	100.0	86.8	10.7	2.5
Special age-72 beneficiaries <sup>6</sup> .....	471,556	100.0	95.6	3.7	.7
Children, total.....	4,307,044	100.0	79.1	18.7	2.3
Under age 18.....	3,437,999	100.0	77.3	20.3	2.4
Disabled, aged 18 and over.....	285,671	100.0	90.2	8.8	1.0
Students aged 18–21.....	583,374	100.0	84.0	14.0	2.0

<sup>1</sup> Includes American Indians, Chinese, Japanese, Filipinos, and persons of other minority races.

<sup>2</sup> Includes 8,651 husbands.

<sup>3</sup> Includes 3,033 widowers.

<sup>4</sup> Includes 136 disabled widowers.

<sup>5</sup> 1,329 men and 25,828 women.

<sup>6</sup> Bureau of the Census, *Census of Population: 1970, General Social and Economic Characteristics, Final Report*, PC (1)-C, State reports.

TABLE 5.—Average monthly benefits in current-payment status for all beneficiaries, June 1971, and for Spanish-surnamed beneficiaries, July 1971, by type of beneficiary, five southwestern States

Type of beneficiary	All beneficiaries	Spanish-surnamed
Retired workers.....	\$129 14	<sup>1</sup> \$117. 20
Wives and husbands of retired workers.....	67. 21	<sup>1</sup> 60. 60
Disabled workers.....	149. 20	<sup>1</sup> 135. 90
Wives and husbands of disabled workers.....	46 85	<sup>1</sup> 36. 20
Survivors of deceased workers (except children):		
Widows and widowers.....	111. 59	98. 18
Widowed mothers.....	94 20	78. 76
Disabled widows and widowers.....	92 56	80. 85
Parents.....	110 98	101. 09
Children <sup>2</sup> .....	75 48	54. 83
Special age-72 beneficiaries:		
Primary.....	48 09	48. 19
Spouse.....	24 18	24. 20

<sup>1</sup> Based on benefits in force, July 1971.

<sup>2</sup> Children under age 18, disabled children aged 18 and over, and students aged 18-21 of retired, disabled, and deceased workers.

ences in benefit amount reflect the lower earnings of the Spanish-surnamed and the differences in size of family (as well as the application of the maximum limit on family benefits). The effect of limited earnings is modified somewhat, however, by the fact that the formula for determining the worker's primary insurance amount (on which the worker's benefits and those of his dependents are based) is weighted in favor of those with low wages.

The difference between the averages might be even greater if it were not for the relatively low proportion of women—whose benefits tend to be smaller than those of men—among the Spanish-surnamed retired-worker and disabled-worker beneficiaries.

In July 1971, the average monthly benefit currently payable to Spanish-surnamed retired-worker beneficiaries in the five States was \$117—90 percent of the average payable to all retired workers in those States (table 5). The average (\$136) going to disabled-worker beneficiaries with Spanish surnames was also nine-tenths of the average amount for all disabled-worker beneficiaries in these States.

Data on benefit amounts by sex are not available for the five States. It is estimated, however, that the amounts being received by Spanish-surnamed men with retired-worker benefits are 85 percent of those received by all men retired workers and that those with disabled-worker benefits get about 90 percent of the amount payable to the total group.

Child beneficiaries with Spanish surnames were receiving, on the average, only 73 percent of the average benefit for all entitled children in the Southwest—\$55 compared with \$75. The differences in average benefits were similar but less pronounced for the spouses of retired and disabled workers and for widowed mothers.

## Social Security Abroad

### Social Security Revisions in Spain\*

Social security legislation enacted in 1972 represents the first major revision of the Spanish system since the implementation of the basic social security law (*Ley de Bases*) in 1966. (The *Ley de Bases* lays down the basic principles and provisions for Spain's present social security system and establishes the framework for uniformity of benefits.) The announced purpose of the 1972 law is to bring benefits more closely into line with actual earnings. Improvement of benefits is to be carried out in a series of steps extending into 1975 in order to permit a gradual adjustment of the benefit formula and to spread out the increasing costs involved. The new law also provides for the inauguration of automatic adjustment of benefits and relaxes qualifications for certain survivor, disability, and health benefits. Another aim of the legislation is to extend coverage under the general social security system to marginal groups and to eliminate gradually the numerous special funds so that the system will eventually be centralized.

An increase in unemployment insurance benefits is included in the law. This action was taken to provide in particular for technological unemployment, which may be on the increase. The country is experiencing very rapid industrialization and a radical change of the economic structure that has led to one of the highest economic growth rates in Western Europe (7.3 percent a year in the period 1962-71).

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