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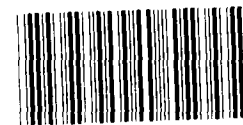
STUDY BY THE STAFF OF THE U.S. **RELEASED**

General Accounting Office

Demographic And Economic Characteristics Of Social Security Retiree Families

This study was made at the request of the Chairman, Subcommittee on Oversight, House Committee on Ways and Means. The data show various characteristics, such as family size, age, marital status, and income of social security retirees, their spouses, and children. Special emphasis is placed on newly entitled retiree families.

Such data can be useful to the Congress as it considers proposals that would affect future benefits.



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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

HUMAN RESOURCES
DIVISION

The Honorable Charles B. Rangel
Chairman, Subcommittee on Oversight
Committee on Ways and Means
House of Representatives

Dear Mr. Chairman:

This is our study on the demographic and economic characteristics of social security retirees and their dependents. This study is in response to a letter from Representative Sam M. Gibbons, former Chairman of the Subcommittee.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this study until 10 days from its issue date. At that time, we will send copies to the Director, Office of Management and Budget; the Secretary of Health and Human Services; the Commissioner of Social Security; Committees and Members of Congress; and others concerned with social security issues. In addition, copies will be made available to interested persons on request.

Sincerely yours,

Edward A. Klenzmore

for Gregory J. Ahart
Director

PREFACE

By July 1983 the Old-Age and Survivors Insurance (OASI) trust fund will lack sufficient money to pay all due benefits on time. That is the prediction offered in the 1982 OASI trustees' annual report.

This prospect may be averted by extending the borrowing authority which is enabling the OASI fund to meet its 1982 obligations; by enacting legislation that increases the fund's income, such as the 1977 amendments that raised Social Security taxes; or by enacting legislation that reduces its expenditures, such as decreasing benefits paid. Because of the increasing financial pressure on the OASI trust fund, the Subcommittee on Oversight, House Committee on Ways and Means, asked us to develop demographic and financial data on newly entitled social security retiree families as a backdrop against which proposals to limit or curtail benefits to future retirees' spouses and dependent children could be examined. This we have done, and the results of our work may be seen in the 2 charts and 29 tables that follow.

For four previous GAO studies, we issued reports in which we recommended various benefit changes. ^{1/} At the Subcommittee's request, our current work was directed to obtaining information, so this staff study does not contain conclusions or recommendations. The charts and tables and the text that accompanies them describe what we found. Two observations are worth noting at the outset:

1. A higher percentage of retirees retire early (age 62 to 64) now than in the past. In 1965 early retirees accounted for 66 percent of all new awards paid; from 1975 to 1980 that percentage ranged from 87 to 90.
2. Age eligibility has replaced poor health as the main reason given for retiring. Past studies showed failing health as the most mentioned reason for retiring. About

^{1/}"Social Security Student Benefits for Postsecondary Students Should Be Discontinued" (HRD-79-108, Aug. 30, 1979).

"Minimum Social Security Benefit: A Windfall That Should Be Eliminated" (HRD-80-29, Dec. 10, 1979).

"Revising Social Security Benefit Formula Which Favors Short-Term Workers Could Save Billions" (HRD-81-53, Apr. 14, 1981).

"Discontinuing Social Security's Currently Insured Benefit Provision Would Save Millions and Eliminate Inequities" (HRD-82-51, Apr. 23, 1982).

Questions on the content of this study should be directed to Peter J. McGough, Associate Director of GAO's Human Resources Division, (301) 597-3138.

Edward A. Hensmore

for

Director
Human Resources Division

67 percent of the newly entitled beneficiaries we surveyed reported that poor health was not a reason for retiring. About 65 percent reported that they applied because they had reached retirement age--62 or older. Availability of spouse and child benefits did not appear to be a major factor in most retirement decisions.

The charts and tables provide a great amount of information, much of it technical. To help the reader understand this information and place it in a relevant context, we have:

1. Included with the charts and the tables one or more comments on the information presented. These comments are provided not as major findings, but simply as examples of information presented in the charts and tables.
2. Discussed the charts and tables informally in brief narrative sections preceding the charts and selected groups of the tables.

Information from the two charts and tables 1 through 9 comes from Social Security statistics. The information on the other 20 tables is based on a GAO national questionnaire survey. ^{1/} The charts and tables of statistics from Social Security offer a historical trend, in addition to recent patterns. The GAO tables emphasize information that reflects attitudes and behavior of recent retirees.

How we selected the data to be compiled and analyzed, how we compiled and analyzed it, and what are the limits of the data's projectability are the subjects of appendix I. Appendix I also lists sampling errors calculated at the 95-percent confidence level for the results presented.

^{1/}Tests we made indicate that the questionnaire results are representative of the population surveyed. However, because of a relatively low response to some questions, particularly those concerning income and assets, we cannot be certain that the responses to those questions are representative of all recent retirees and their families. Consequently, care should be exercised in drawing conclusions from that information for which low responses were received.

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ABBREVIATIONS

DI	Disability Insurance
GAO	General Accounting Office
HI	Health Insurance
MPA	Monthly Payment Amount
OASI	Old-Age and Survivors Insurance
PFA	Primary Insurance Amount
SMI	Supplemental Medical Insurance
SSA	Social Security Administration

GLOSSARY

- Award - A determination of an applicant's eligibility to receive retirement benefits. An award does not automatically result in immediate payment of benefits.
- Currently payable award - A determination of an applicant's eligibility to receive retirement benefits followed by immediate payment of benefits.
- Early retiree - A worker who retires after age 61 but before 65 and receives less benefits for however long he or she is retired because of the decision to start collecting benefits earlier.
- Family type - The retiree, or retiree and spouses, or retiree and child(ren), or retiree, spouse(s) and child(ren).
- Monthly payment amount (MPA) - The amount payable to a beneficiary after adjustments but before deductions for medical insurance premiums.
- Newly entitled - A beneficiary who was awarded and received benefits between July 1979 and June 1980.
- Primary insurance amount (PIA) - The monthly amount payable to a retiree who begins to get benefits at age 65 or to a disabled worker.
- Regular retiree - A worker who elects not to retire until he or she reaches age 65 or some older age. The regular retiree is entitled to receive full benefits.

Charts A and B and Tables 1 through 9 use information derived from Social Security statistics.

Social Security pays out more than \$150 billion in benefits a year from the four trust funds shown in Chart A.

The largest of the funds--Old-Age and Survivors Insurance--spends about three-fourths of its annual payout on retirees and their families, as Chart B illustrates.

CHART A
PAYOUTS BY THE FOUR SOCIAL SECURITY FUNDS IN 1980

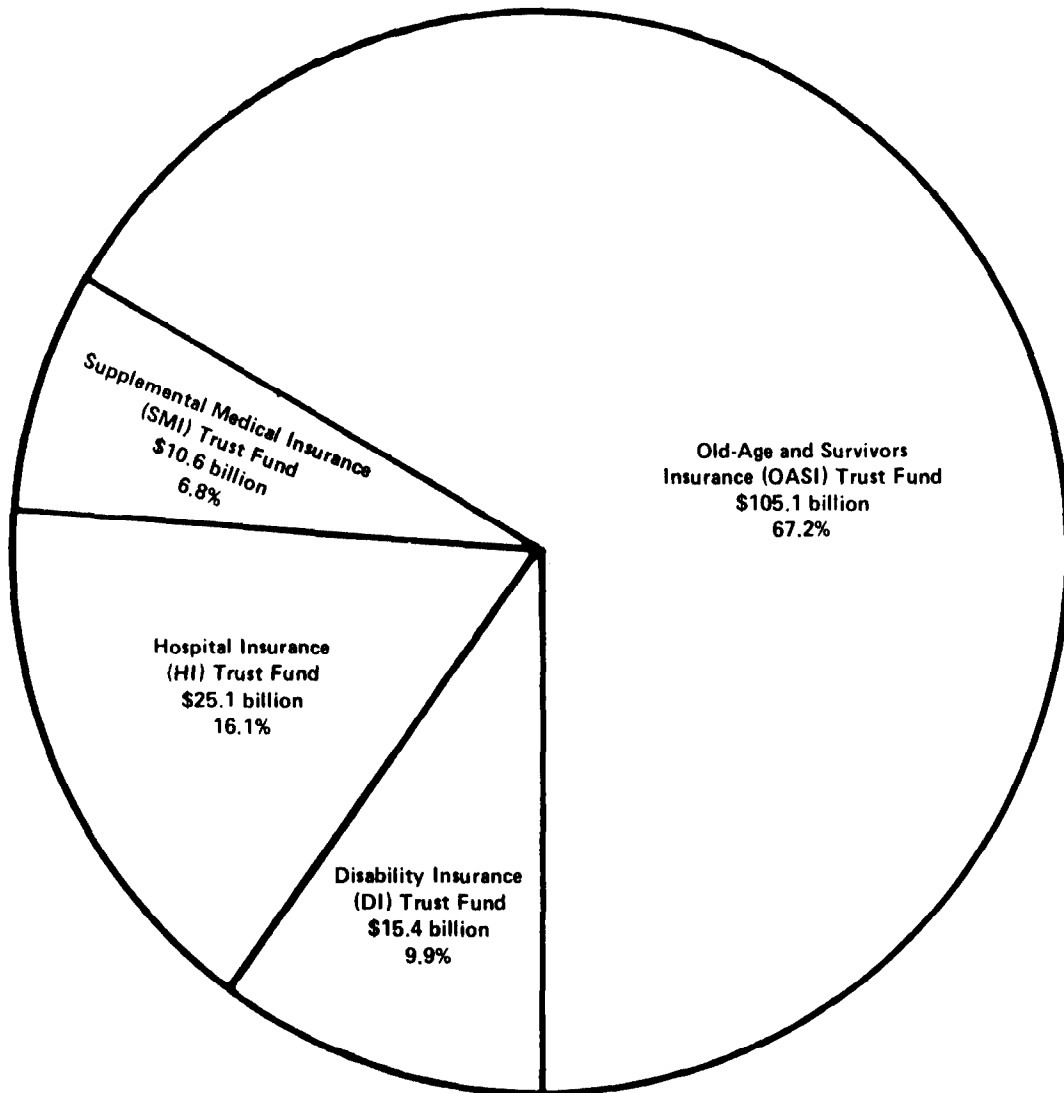


Chart A shows: Of the total benefits paid by Social Security in 1980 (\$156.2 billion), more than two-thirds (\$105.1 billion) came from the OASI trust fund.

CHART B
PAYOUTS BY THE OASI TRUST FUND IN 1980

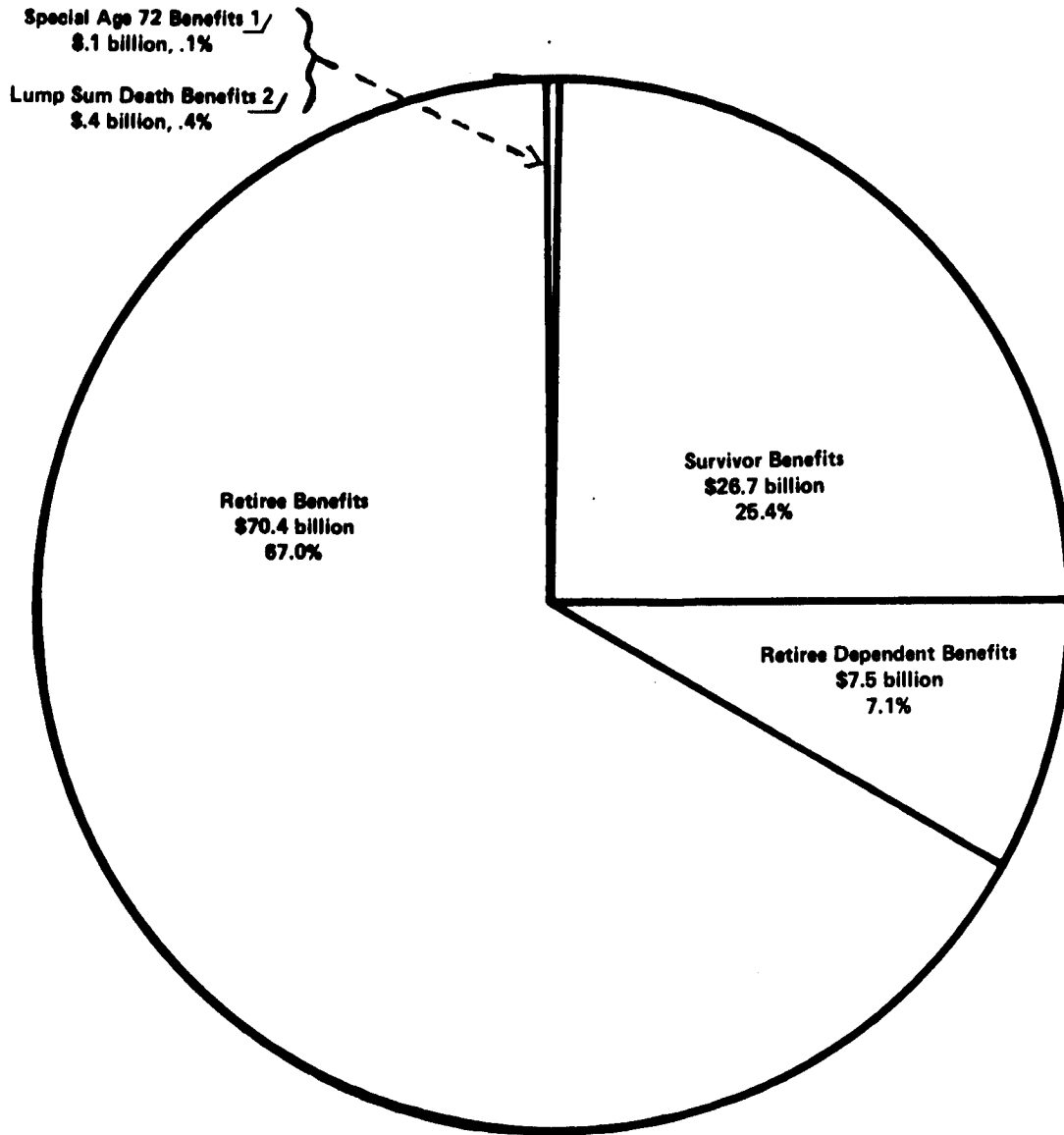


Chart B Shows: The total of benefits that survivors and dependents of retirees receive is less than half of what retirees receive.

1/ A special benefit is sometimes available to persons 72 or older who do not qualify for regular retirement benefits.

2/ A sum of \$255 to apply to burial expenses. This benefit was restricted in 1981 to entitled spouses and children.

Table 1 points out an important distinction: being found eligible for benefits does not automatically mean getting them. An applicant determined eligible to receive retirement benefits is called an "award." Payment of benefits can be held up for reasons explained in this table's first footnote. Applicants whose eligibility determinations are followed by immediate payment of benefits are called "currently payable awards." Table 1 also notes the difference between persons who retire at ages 62, 63, and 64 (early retirees) and those who retire at age 65 or older (regular retirees). Because by actuarial calculations they will receive benefits longer than regular retirees will, early retirees receive reduced benefits.

TABLE 1

AWARDS TO RETIREES IN 1965, 1970, 1975-80

<u>Year</u>	<u>Awards</u>		<u>Percentage receiving a reduced benefit</u>		<u>Average monthly amount for currently payable awards</u>	
	<u>All awards (note a)</u>	<u>Currently payable awards (note b)</u>	<u>All awards (note c)</u>	<u>Currently payable awards (note d)</u>	<u>Early retiree</u>	<u>Regular retiree</u>
	(000 omitted)					
1965	1,183	875	59	66	\$ 70.25	\$ 99.50
1970	1,338	859	60	87	105.30	126.50
1975	1,506	1,081	68	89	191.90	226.50
1976	1,464	1,082	71	90	211.70	250.30
1977	1,594	1,178	71	90	231.50	273.50
1978	1,473	1,116	73	87	256.00	285.10
1979	1,597	1,156	71	88	287.80	319.30
1980	1,620	1,160	70	89	324.00	374.40

Table 1 shows: From 1979 to 1980 early retirees averaged about 71 percent of all awards and about 89 percent of all currently payable awards. In 1980 the average monthly benefit awarded to early retirees was about \$324, about \$50 less than the benefit to regular retirees.

a/Includes (a) currently payable retirement awards; (b) awards not currently payable because they were suspended immediately following determination, most often because the retiree earned more than the allowed maximum; (c) awards of retiree benefits to disabled worker beneficiaries on attainment of age 65; (d) transitionally insured awards to persons aged 72 and over with 3 to 5 quarters of coverage.

b/Excludes groups (b), (c), and (d) in footnote a/.

c/Shows percentage receiving a reduced benefit for all awards entering payment status.

d/See footnote b/.

Tables 2, 3, and 4 show who, in recent years, has been determined eligible for retirement benefits. Table 2 (which, like Table 1, looks at selected years between 1965 and 1980) gives an overview of similar retirees, spouses, and children. Tables 3 and 4 (similar in year examined to Tables 1 and 2 but stopping in 1979, the latest year for which the desired data were available) examine at close range how many received awards as retiree spouses and retiree children.

TABLE 2

AWARDS TO RETIREES AND DEPENDENTS IN 1965, 1970, 1975-80

<u>Year</u>	<u>Awards to retirees and dependents</u>	<u>Retirees</u>		<u>Spouses of retirees</u>		<u>Children of retirees (note a)</u>	
		<u>Number</u>	<u>Percent of total</u>	<u>Number</u>	<u>Percent of total</u>	<u>Number</u>	<u>Percent of total</u>
	(000 omitted)			(000 omitted)		(000 omitted)	
1965	1,638	1,183	72.2	321	19.6	134	8.2
1970	1,860	1,338	71.9	339	18.2	183	9.8
1975	2,083	1,506	72.3	351	16.9	226	10.9
1976	2,048	1,464	71.5	347	16.9	237	11.6
1977	2,244	1,594	71.0	391	17.4	259	11.5
1978	2,034	1,473	72.4	347	17.1	214	10.5
1979	2,203	1,597	72.5	358	16.3	248	11.3
1980	2,269	1,620	71.4	361	15.9	288	12.7

Table 2 shows: Despite minor fluctuations in individual year totals, there was an overall increase in the percentage of children beneficiaries and an overall decrease in the percentage of spouse beneficiaries.

a/Includes student benefits, which are scheduled for significant curtailment by 1985.

Note: Because of rounding, some individual year totals do not add to 100 percent.

TABLE 3

AWARDS TO WIVES AND HUSBANDS OF RETIREES IN 1965, 1970, 1975-79

<u>Year</u>	<u>Wives</u>	<u>Husbands</u>	<u>Total</u>
1965	319,804	1,211	321,015
1970	338,245	1,202	339,447
1975	349,784	774	350,558
1976	345,895	728	346,623
1977	361,627	29,247	390,874
1978	330,402	16,554	346,956
1979	347,508	10,655	358,163

Table 3 shows: In 1979, husbands accounted for about 3 percent (10,655) of the spouses of retirees who were awarded benefits.

TABLE 4

AWARDS TO CHILDREN OF RETIREES IN 1965, 1970, 1975-79 (note a)

<u>Year</u>	<u>Children under age 18</u>	<u>Students age 18-21</u>	<u>Disabled children age 18 & over</u>	<u>Total</u>
1965	84,707	39,463	10,017	134,187
1970	99,353	71,894	11,348	182,595
1975	115,347	95,596	14,636	225,579
1976	113,006	108,197	15,602	236,805
1977	(b)	(b)	(b)	<u>c/259,447</u>
1978	93,187	105,719	15,378	214,284
1979	114,715	117,118	15,967	247,800

Table 4 shows: In 1979, about 47 percent of benefits awarded to children of retirees were to students.

a/Includes student benefits, which are scheduled for significant curtailment by 1985.

b/Data not available.

c/Social Security Administration (SSA) estimate.

Some persons are eligible for benefits because they are spouses of retirees as well as qualified retirees themselves. Tables 5 and 6 look at these dual entitlements, first noting the number of husbands and wives eligible over a 10-year span, then offering a "snapshot" of costs in one month of a recent year.

TABLE 5

DUAL ENTITLEMENTS: PERSONS RECEIVING A RETIREE
BENEFIT AND A WIFE OR HUSBAND BENEFIT IN 1968-78

<u>At year end</u>	<u>Number</u>	<u>Wife benefit Percent of all wives 62 and older</u>	<u>Husband benefit Number</u>
1968	354,750	12.4	5,810
1969	376,520	13.0	5,620
1970	388,210	13.3	5,530
1971	411,710	13.8	5,130
1972	477,333	15.5	6,797
1973	562,111	17.7	7,966
1974	554,844	17.1	6,592
1975	616,669	18.4	9,920
1976	669,792	19.5	7,497
1977	762,250	21.4	14,557
1978	836,004	22.8	17,832

Table 5 shows: During 1968-78, there was a near doubling of dually entitled wives as a percentage of all wives age 62 and older.

TABLE 6

DUAL ENTITLEMENTS: PERSONS RECEIVING A RETIREE BENEFIT
AND A WIFE OR HUSBAND BENEFIT IN DECEMBER 1978

<u>Type of benefit</u>	<u>Number</u>	<u>Average monthly benefit</u>		
		<u>Spouse</u>	<u>Retiree</u>	<u>Difference</u>
Wife	795,433	\$162.97	\$120.01	\$42.96
Husband	15,485	166.69	128.62	38.07
Total	<u>810,918</u>	163.04	120.17	42.87

Table 6 shows: In 1978 a dually entitled person received an average of about \$43.00 more in benefits as a spouse than he or she would have as a retiree.

Thus far we have been looking at awards made in a given year. Table 7 looks at the total number of beneficiaries actually receiving benefits at a given time--December 1979. These recipients might have been 1979 awards or awards from prior years.

TABLE 7

MONTHLY PROGRAM COSTS FOR ALL RETIREE FAMILIES,
BY FAMILY TYPE, AS OF DECEMBER 1979

<u>Family type</u>	<u>Number of families</u>	<u>Number of beneficiaries</u>	<u>Average monthly amount per family</u>	<u>Total monthly program cost</u>
	(000 omitted)			
Early retirees	11,590	13,622	\$286.73	\$3,323,188,000
Regular retirees	<u>7,383</u>	<u>8,991</u>	377.16	2,784,221,000
Total	<u>18,973</u>	<u>22,613</u>	321.90	6,107,409,000
All beneficiaries by family type:				
Retiree only	15,748	15,748	287.00	4,519,676,000
Retiree and spouse	2,749	5,498	486.44	1,337,224,000
Retiree and children	237	526	484.40	114,803,000
Retiree, spouse (note a), and children	238	841	569.30	135,493,000

Table 7 shows: In December 1979 fewer than one of every five retirees (3.2 million, or 17 percent of 18.9 million) had a spouse and/or dependent receiving benefits. It also shows that 61 percent of retirees retired early. In terms of dollars, Table 7 shows that regular retiree families receive, on the average, nearly 32 percent more in monthly benefits (\$377.16 vs. \$286.73) than do early retiree families.

a/Includes wives but not husbands of retirees.

Note: Figures on children include children receiving student benefits which are scheduled for significant curtailment by 1985.

Just who among this December 1979 beneficiary population is receiving what? Table 8 examines average and total monthly costs of beneficiary types with a special focus on the group that makes up most of the spouse beneficiaries--wives.

TABLE 8

BENEFITS TO RETIREES, WIVES (BY AGE), HUSBANDS, AND CHILDREN IN DECEMBER 1979

<u>Beneficiary type</u>	<u>Number</u>	<u>Average monthly amount</u>	<u>Total monthly cost</u>	<u>Percentatge of total monthly cost</u>
			(000 omitted)	
All retirees	18,969,586	\$294.30	<u>\$5,582,749</u>	91.46
Wives of retirees with entitled children:				
Under 35	6,037	74.10	447	
35-39	8,742	76.30	667	
40-44	15,352	82.70	1,270	
45-49	26,182	90.70	2,375	
50-54	45,026	101.00	4,547	
55-59	56,356	111.30	6,272	
60-61	16,693	119.60	1,997	
62-64	14,801	127.80	<u>1,892</u>	
Total	189,189	\$102.90	\$ 19,468	.32
Wives of retirees without entitled children:				
62 and over	2,762,901	151.90	419,685	6.88
Husbands of retirees	39,174	\$116.00	\$ 4,544	.07
Children of retirees (note a)	652,002	\$119.20	<u>\$ 77,719</u>	<u>1.27</u>
Total monthly cost			b/ <u>\$6,104,165</u>	<u>100.00</u>

Table 8 shows: Only 1 in every 16 (189,189 out of 2,952,090) wives of retirees has children entitled to social security benefits.

a/Includes student benefits, which are scheduled for significant curtailment in 1985.

b/SSA's statistics are slightly different for total monthly cost in Tables 7 and 8 because Table 7 data are based on a sample and Table 8 resulted from analysis of SSA's master beneficiary file. However, both amounts are valid for purposes of this study.

Does the composition of the retiree family vary over the years--and if so, by how much? Table 9 examines data for December, comparing the number of beneficiary types (retirees, spouses, children) on the rolls in that month for 1975-79.

TABLE 9

CHANGES IN BENEFIT AWARDS AS REFLECTED IN DECEMBER PAYMENTS, 1975-79

Beneficiary type	1979 number at <u>12/79</u>	Percent increase 12/78- <u>12/79</u>	1978 number at <u>12/78</u>	Percent increase 12/77- <u>12/78</u>	1977 number at <u>12/77</u>	Percent increase 12/76- <u>12/77</u>	1976 number at <u>12/76</u>	Percent increase 12/75- <u>12/76</u>	1975 number at <u>12/75</u>	Percent increase 12/75- <u>12/79</u>
Retirees	18,969,586	3.3	18,357,755	3.0	17,820,510	3.8	17,164,470	3.5	16,588,001	14.4
Wives of retirees with entitled children (note a):										
Under 35	6,037		6,250		6,440		6,419		6,44	
35-39	8,742		8,514		8,445		8,062		8,02	
40-44	15,352		15,164		15,458		15,471		15,36	
45-49	26,182		26,704		28,084		28,476		29,11	
50-54	45,026		47,258		49,082		49,456		50,39	
55-59	56,356		56,915		58,587		57,041		56,45	
60-61	16,693		16,653		16,422		16,037		16,19	
62-64	14,801		14,929		14,744		14,512		14,07	
Total	189,189	(1.7)	192,387	(2.5)	197,263	(b)	195,474	(b)	195,9933	(3.5)
Wives of retirees without entitled children:										
62-64	130,355		433,095		438,500		427,795		442,130	
64 & over	2,332,546		2,316,168		2,292,153		2,265,893		2,222,002	
Total	2,762,901	(b)	2,749,263	(b)	2,730,653	1.4	2,693,688	1.1	2,664,132	3.7
Husbands of retirees	39,174	2.3	38,292	14.5	33,439	378.0	6,996	(3.7)	7,263	439.4
Children of retirees (note a)	652,002	(1.3)	660,822	(2.6)	678,293	3.9	652,787	1.6	642,564	1.5

Table 9 shows: From December 1975 through December 1979, the number of retiree spouses and children awarded and paid benefits has remained relatively constant, with one exception: Benefits awarded and paid to husbands of retirees increased by about 378 percent from 12/76 to 12/77. Much of this increase may be attributed to the 1977 Supreme Court decision to eliminate a dependency test for men as a prerequisite to entitlement to benefits on a wife's account (Califano v. Abbott, Califano v. Jablon, and Califano v. Silbouitz).

a/Includes student benefits, which are scheduled for significant curtailment by 1985.

b/Less than 1 percent.

Tables 10 through 29 use information based on GAO's sample universe and data derived from our national survey of Social Security retiree families awarded benefits between July 1979 and June 1980 and still receiving benefits at the latter date. We intended to develop information on newly entitled beneficiaries to have a current picture of their demographic and economic characteristics. We also intended to develop information on the retirement decisions made by newly entitled retirees.

Differences between Social Security and GAO statistics arise because the data were developed over different periods and in most cases Social Security data are based on the overall retiree population while GAO's data are based on a selective group of retirees that met our sample criteria.

Who was found eligible for and actually received benefits?
Table 10 answers these questions for the July 1979 - June 1979
time period in terms of early and regular retirees and family
types. (Table 10 has some resemblance to Tables 2, 3, and 4,
but it differs in that they dealt with only one calendar year
and with all awards, not just currently payable awards.)

TABLE 10

NUMBER OF RETIREES, SPOUSES, AND CHILDREN AWARDED BENEFITS
BETWEEN JULY 1979 AND JUNE 1980 AND RECEIVING BENEFITS
IN JUNE 1980 (note a) BY AGE OF RETIREMENT

Family type (note b)	All retirees		Early retirees		Regular retirees	
	<u>Retiree families</u>	<u>Benefici- aries</u>	<u>Retiree families</u>	<u>Benefici- aries</u>	<u>Retiree families</u>	<u>Benefici- aries</u>
Retiree only	70,669	70,669	63,994	63,994	6,675	6,675
Retiree and spouse	7,157	14,314	5,815	11,630	1,342	2,684
Retiree, spouse, and children	1,791	6,308	1,679	5,935	112	373
Retiree and children	<u>1,910</u>	<u>4,187</u>	<u>1,720</u>	<u>3,777</u>	<u>190</u>	<u>410</u>
Total	<u>81,527</u>	<u>95,478</u>	<u>73,208</u>	<u>85,336</u>	<u>8,319</u>	<u>10,142</u>

Table 10 shows: About 87 percent (70,669 of 81,527) of families consisted of only a retiree—though spouse and/or dependent benefits could have been awarded to some of these accounts later. About 90 percent (73,208 of 81,527) of retirees were early retirees. About 13 percent (9,214 of 73,208) of early retiree families had spouse and/or dependent children beneficiaries compared to 19.8 percent (1,644 of 8,319) of regular retiree families.

a/GAO's 10-percent sample universe of newly entitled retiree families, from which our sample of 1,709 questionnaire recipients was selected.

b/Includes student benefits, which are scheduled for significant curtailment by 1985.

Why do people retire? Table 11 shows retiree reasons, major and minor. Tables 12 and 13 explore the question from the viewpoints of early and regular retirees. Table 14 focuses on the extent of awareness of the availability of spouse benefits.

TABLE 11

NEWLY ENTITLED RETIREES' REASONS FOR APPLYING FOR BENEFITS

<u>Reasons for applying</u>	<u>Major reason</u>	<u>Minor reason</u>	<u>Total major and minor</u>	<u>Not a reason</u>	<u>No response</u>
Because reached a certain age	65.0	15.0	80.0	14.8	5.1
Because wanted to retire to do things enjoyed or be with family	34.0	14.9	48.9	42.7	8.4
Because of poor health or physical condition	18.3	9.2	27.5	66.6	5.8
Because lost job or expected to lose it	8.9	2.3	11.2	83.8	5.0
Because spouse could receive benefits also	4.2	4.4	8.6	85.0	6.3
To avoid switching jobs or transfer to another location	2.3	1.2	3.5	90.7	5.8
Because children could receive benefits also	.6	.5	1.1	93.4	5.5
Other reasons	9.2	2.8	12.0	84.3	3.7

Table 11 shows: Most retirees (80%) retired because they reached retirement age. Two-thirds of retirees reported poor health or physical condition was not a reason for applying for benefits.

TABLE 12

NEWLY ENTITLED EARLY RETIREES'
REASONS FOR APPLYING FOR BENEFITS

<u>Reasons for applying</u>	<u>Major reason</u>	<u>Minor reason</u>	<u>Total major and minor</u>	<u>Not a reason</u>	<u>No response</u>
Because reached a certain age	64.2	15.5	79.7	15.5	4.8
Because wanted to retire to do things enjoyed or be with family	33.9	14.7	48.6	43.1	8.3
Because of poor health or physical condition	18.7	9.2	27.9	66.2	5.8
Because lost job or expected to lose it	9.4	2.4	11.8	83.4	4.9
Because spouse could receive benefits also	4.1	4.3	8.4	85.3	6.4
To avoid switching jobs or transfer to another location	2.3	1.2	3.5	90.7	5.8
Because children could receive benefits also	.6	.6	1.2	93.4	5.4
Other reasons	8.5	2.9	11.4	85.1	3.6

Table 12 shows: Nearly 28 percent of early retirees gave health as a reason to retire--as against about 23 percent (see Table 13) retirees 65 and older.

TABLE 13

NEWLY ENTITLED REGULAR RETIREES'
REASONS FOR APPLYING FOR BENEFITS

<u>Reasons for applying</u>	<u>Major reason</u>	<u>Minor reason</u>	<u>Total major and minor</u>	<u>Not a reason</u>	<u>No response</u>
Because reached a certain age	71.5	10.9	82.4	9.1	8.4
Because wanted to retire to do things enjoyed or be with family	35.0	16.4	51.4	39.3	9.2
Because of poor health or physical condition	14.4	8.8	23.2	70.1	6.6
Because spouse could receive benefits also	5.8	4.8	10.6	82.7	6.6
Because lost job or expected to lose it	4.9	1.3	6.2	87.3	6.5
To avoid switching jobs or transfer to another location	2.3	.5	2.8	91.0	6.1
Because children could receive benefits also	.1	.3	.4	92.5	7.0
Other reasons	15.1	2.1	17.2	77.5	5.2

Table 13 shows: Regular retirees most frequently mentioned their age as their reason for retiring. More than 51 percent of regular retirees said that the reason they retired was because they wanted to do the things they enjoyed or be with their family.

TABLE 14

NEWLY ENTITLED RETIREES'
AWARENESS OF SPOUSE BENEFIT

<u>Question - Response</u>	<u>Percent</u>		
	<u>All retirees (note a)</u>	<u>Early retirees</u>	<u>Regular retirees</u>
1. Was the retiree aware of the spouse benefit before applying?			
Yes	80.2	79.4	84.6
No	13.9	14.5	10.2
Not applicable	.4	.5	0.0
Don't remember	1.0	.9	1.3
No answer	<u>4.6</u>	<u>4.7</u>	<u>3.9</u>
Total	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Table 14 shows: About one in seven families (13.9 percent) was not aware of spouse benefits.

a/Applicable to families who received a spouse benefit during the first month of retirement.

Note: Because of rounding, some categories do not add to 100 percent.

Tables 15 and 16 profile retirees as to their category and, of those who are married, the length of marriage from 1 to 75 years. Tables 17 and 18 show the age range of retiree spouses and children.

TABLE 15

NEWLY ENTITLED RETIREES' MARITAL STATUS

	Percentage of retirees by marital status					
	<u>Married</u>	<u>Widowed</u>	<u>Separated</u>	<u>Divorced</u>	<u>Never married</u>	<u>No answer</u>
All sampled retirees:	76.9	5.8	1.8	4.9	6.8	3.7
Early retiree	79.0	4.2	1.6	5.0	6.6	3.6
Regular retiree	59.4	19.5	3.4	4.3	8.1	5.2
<u>Family type</u>						
Early retirees:						
Retiree only	76.8	4.8	1.8	5.4	7.7	3.6
Retiree and spouse	96.4	-	-	-	-	3.6
Retiree, spouse, and children	94.0	-	1.8	.5	-	3.7
Retiree and children	72.9	5.2	1.6	15.1	1.6	3.6
Regular retirees:						
Retiree only	51.0	24.0	4.2	5.2	9.9	5.7
Retiree and spouse	97.2	-	-	-	-	2.8
Retiree, spouse, and children	93.8	-	-	-	-	6.2
Retiree and children	81.5	5.0	2.5	5.0	1.7	4.2

Table 15 shows: About 8 of 10 (79.0%) early retirees are married compared to about 6 of 10 (59.4%) regular retirees. Most of the difference may be attributed to the nearly 20 percent of regular retirees who are widowed.

- Notes: 1. Because of rounding, some categories do not add to 100 percent.
2. Includes student benefits, which are scheduled for significant curtailment by 1985.

TABLE 16

NEWLY ENTITLED RETIREES' YEARS OF MARRIAGE

<u>Years of marriage</u>	<u>Percent of all retirees</u>		<u>Percent of early retirees</u>		<u>Percent of regular retirees</u>	
	<u>Actual response</u>	<u>Adjusted for non-response</u>	<u>Actual response</u>	<u>Adjusted for non-response</u>	<u>Actual response</u>	<u>Adjusted for non-response</u>
1-4	2.2	3.0	2.3	3.0	1.5	2.6
5-9	1.9	2.6	1.9	2.4	2.6	4.7
10-19	2.8	3.7	2.8	3.6	2.6	4.7
20-29	6.4	8.6	6.8	8.9	2.9	5.1
30-39	36.4	49.1	38.4	50.4	19.7	34.7
40-49	24.0	32.4	23.6	31.0	27.3	48.2
50-75	.5	.6	.5	.7	.1	.1
Not applicable (note a)	19.3		17.4		35.3	
No answer	<u>6.5</u>		<u>6.4</u>		<u>7.9</u>	
Total	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Table 16 shows: Over 82 percent of married retirees have been married 30 or more years. Nearly 95 percent have been married at least 10 years.

a/Retirees who had no spouse.

Note: Because of rounding, some categories do not add to 100 percent.

TABLE 17

AGE DISTRIBUTION OF NEWLY ENTITLED RETIREE SPOUSES

<u>Spouse age range</u>	<u>Percent of all retirees</u>		<u>Percent of early retirees</u>		<u>Percent of regular retirees</u>	
	<u>Actual response</u>	<u>Adjusted for non- response</u>	<u>Actual response</u>	<u>Adjusted for non- response</u>	<u>Actual response</u>	<u>Adjusted for non- response</u>
25 & under	0.0	0.0	0.0	0.0	0.0	0.0
26-35	.6	.8	.6	.9	0.0	0.0
36-45	1.4	1.9	1.5	2.0	.6	1.1
46-55	11.7	16.1	12.4	16.7	5.7	9.8
56-61	24.7	34.2	25.0	33.8	22.2	38.6
62-64	20.5	28.3	20.9	28.2	17.1	29.6
65-69	9.2	12.8	9.3	12.6	8.6	14.9
70-75	3.3	4.5	3.3	4.5	2.9	5.1
76-79	1.0	1.4	1.1	1.4	.5	.9
Not ap- plicable (note a)	19.3		17.4		35.3	
No answer	<u>8.3</u>	<u> </u>	<u>8.5</u>	<u> </u>	<u>7.1</u>	<u> </u>
Total	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Table 17 shows: About 53 percent of retiree spouses are under age 62 and thus, with few exceptions, are ineligible for benefits.

a/Retirees who had no spouse.

Note: Because of rounding, some categories do not add to 100 percent.

TABLE 18

AGE DISTRIBUTION OF NEWLY ENTITLED RETIREE DEPENDENT CHILDREN (note a)

Dependent child's age range	Early retirees				Regular retirees			
	Number of children by family type				Number of children by family type			
	Retiree, spouse, and child	Retiree and child	Total	Percent of total	Retiree, spouse, and child	Retiree and child	Total	Percent of total
Under 1 year	7		7	0.2				
1 to 5	65	26	91	2.0	2	3	5	1.4
6 to 10	274	98	372	8.0	11	4	15	4.1
11 to 14	658	218	876	18.9	23	13	36	9.8
15 to 17	1,206	437	1,643	35.5	72	28	100	27.1
18 to 22 (student)	255	1,128	1,383	29.8	29	137	166	45.0
Disabled child over 18	112	150	262	5.7	12	35	47	12.7
Total number of children	2,577	2,057	4,634	100.0	149	220	369	100.0
Number of families	1,679	1,720	3,399		112	190	302	

Table 18 shows: About 65 percent of the children in early retiree families are under age 18 compared to about 42 percent of the children in regular retiree families.

Notes: 1. Because of rounding some categories do not add to 100 percent.

2. Includes student benefits, which are scheduled for significant curtailment by 1985.

a/The data in this table are an actual count based on GAO's 10-percent sample universe of 81,527 retiree families, from which our sample of 1,709 questionnaire recipients was selected.

Tables 19, 20, and 21 deal with the question: In the first year of retirement, how much income do retirees get? The tables provide information on all retirees, early retirees, regular retirees, and family types within these two groups. The levels of retirement income are fitted to percentages of retirees receiving them.

TABLE 19

NEWLY ENTITLED RETIREES' ESTIMATED
INCOME FOR THE FIRST YEAR OF RETIREMENT,
BY RETIREMENT AGE (note a)

Income range	All retirees		Early retirees		Regular retirees	
	Per- cent	Cumula- tive percent	Per- cent	Cumula- tive cent	Per- cent	Cumula- tive Percent
\$ 0 - \$2,500	2.9	2.9	2.8	2.8	3.5	3.5
2,500-5,000	11.6	14.5	11.6	14.5	11.2	14.7
5,000-7,500	11.3	25.8	11.6	26.1	8.4	23.1
7,500-10,000	16.5	42.2	16.8	42.9	13.6	36.7
10,000-15,000	23.1	65.3	23.3	66.3	21.0	57.7
15,000-20,000	13.2	78.5	13.1	79.3	13.9	71.6
20,000-30,000	16.8	95.3	16.7	96.0	17.9	89.6
30,000-40,000	3.2	98.5	2.8	98.8	7.0	96.6
40,000-50,000	.4	98.9	.3	99.0	1.0	97.7
50,000 & up	1.1	100.0	1.0	100.0	2.3	100.0

Table 19 shows: One in four families estimated its first year retirement income at \$7,500 or less. About 70 percent of families estimate their first year retirement income at between \$7,500 and \$30,000. About one-third of this group reported income of \$10,000-\$15,000.

- Notes: 1. Because of rounding some categories do not add to 100 percent.
2. The 1977 Social Security amendments included a new calculation method that lowers the average benefit amount for people who reach age 62, become disabled, or die after 1978. Because our sample contains some benefits calculated under the old method, our benefit amounts are somewhat higher than they would be had we considered only those retirees who reached age 62 after 1978.

a/This table includes no data from the approximately 28 percent of questionnaire respondents who failed to provide complete income information. (See methodology, app. I.)

TABLE 20

NEWLY ENTITLED EARLY RETIREE FAMILIES' ESTIMATED INCOME FOR THE
FIRST YEAR OF RETIREMENT, BY FAMILY TYPE (note a)

Income range	<u>Retiree only receives benefits</u>		<u>Retiree and spouse receive benefits</u>		<u>Retiree, spouse, and children receive benefits</u>		<u>Retiree and children receive benefits</u>	
	<u>Per- cent</u>	<u>Cumula- tive percent</u>	<u>Per- cent</u>	<u>Cumula- tive percent</u>	<u>Per- cent</u>	<u>Cumula- tive percent</u>	<u>Per- cent</u>	<u>Cumula- tive percent</u>
\$ 0-\$2,500	3.3	3.3	0.0	0.0	0.0	0.0	0.7	0.7
2,500-5,000	13.4	16.7	0.6	0.6	3.2	3.2	5.4	6.1
5,000-7,500	11.7	28.3	11.9	12.5	10.8	13.9	10.9	17.0
7,500-10,000	18.3	46.7	7.3	19.8	8.9	22.8	11.6	28.6
10,000-15,000	22.5	69.2	33.4	53.2	19.0	41.8	20.4	49.0
15,000-20,000	11.7	80.8	17.6	70.8	33.5	75.3	17.7	66.7
20,000-30,000	15.8	96.7	22.5	93.3	17.7	93.0	21.8	88.4
30,000-40,000	2.5	99.2	3.6	97.0	4.4	97.5	6.1	94.6
40,000-50,000	0.0	99.2	1.2	98.2	1.9	99.4	3.4	98.0
50,000 & up	0.8	100.0	1.8	100.0	0.6	100.0	2.0	100.0

Table 20 shows: In the early retiree group more than 46 percent of retiree-only families make \$10,000 or less—a far greater percentage in this income range than was recorded for families with spouses and/or dependent children. This pattern is even more pronounced in the regular retiree families with spouses and/or dependent children profiled in Table 21.

Notes: See notes, Table 19.

a/See note a, Table 19.

TABLE 21

NEWLY ENTITLED REGULAR RETIREE FAMILIES'
ESTIMATED INCOME FOR THE FIRST YEAR OF RETIREMENT,
BY FAMILY TYPE (note a)

Income range	<u>Retiree only receives benefits</u>		<u>Retiree and spouse receive benefits</u>		<u>Retiree, spouse, and children receive benefits</u>		<u>Retiree and children receive benefits</u>	
	<u>Per-cent</u>	<u>Cumula-tive percent</u>	<u>Per-cent</u>	<u>Cumula-tive Percent</u>	<u>Per-cent</u>	<u>Cumula-tive percent</u>	<u>Per-cent</u>	<u>Cumula-tive percent</u>
\$ 0-\$2,500	4.3	4.3	0.0	0.0	0.0	0.0	0.0	0.0
2,500-5,000	13.8	18.1	1.2	1.2	2.1	2.1	1.1	1.1
5,000-7,500	10.1	28.3	1.7	2.9	2.1	4.2	0.0	1.1
7,500-10,000	15.9	44.2	5.2	8.2	2.1	6.3	0.0	1.1
10,000-15,000	20.3	64.5	25.7	33.8	10.4	16.7	14.6	15.7
15,000-20,000	11.6	76.1	23.4	57.3	14.6	31.3	22.5	38.2
20,000-30,000	15.9	92.0	24.9	82.1	37.5	68.8	28.1	66.3
30,000-40,000	5.8	97.8	11.4	93.6	10.4	79.2	16.9	83.1
40,000-50,000	0.0	97.8	4.1	98.3	10.4	89.6	11.2	94.4
50,000 & up	2.2	100.0	1.7	100.0	10.4	100.0	5.6	100.0

Table 21 shows: In families with a retiree, spouse, and children, over 80 percent of regular retirees reported first year family retirement income of \$15,000 or more compared to about 58 percent of early retirees profiled in Table 20.

Notes: See notes, Table 19.

a/See note a, Table 19.

To give these income levels more meaning, Table 22 compares them to an established benchmark: the 1981 urban poverty level. Against that level are compared retiree only income, retiree with spouse income, retiree with spouse income and child benefits, etc.

TABLE 22

COMPARISON OF NEWLY ENTITLED RETIREES' ESTIMATED INCOMES FOR THE FIRST YEAR OF RETIREMENT TO THE 1981 URBAN POVERTY LEVEL, BY FAMILY TYPE, WITH AND WITHOUT SPOUSE AND CHILDREN BENEFITS (note a)

	Percent no response (note b)	Retiree, spouse, & children benefits included		Spouse benefit not included		Children's benefit not included		Spouse & children's benefits not included	
		Percent families below poverty level	Percent families above poverty level	Percent families below poverty level	Percent families above poverty level	Percent families below poverty level	Percent families above poverty level	Percent families below poverty level	Percent families above poverty level
All sampled retirees:									
As reported	28.1	10.7	61.2	10.9	61.1	11.1	60.8	11.2	60.7
Adjusted (note c)		14.9	85.1	15.1	84.9	15.4	84.6	15.6	84.4
Age at Retirement									
Early retirees:									
As reported	28.2	11.0	60.8	11.1	60.7	11.4	60.4	11.5	60.3
Adjusted		15.3	84.7	15.1	84.5	15.8	84.2	16.0	84.0
Regular retirees:									
As reported	26.7	8.7	64.6	8.8	64.5	8.8	64.5	8.9	64.4
Adjusted		11.9	88.1	12.0	88.0	12.0	88.0	12.1	87.9
Family Type Early Retirees									
Retiree only:									
As reported		11.3	60.1	11.3	60.1	11.3	60.1	11.3	60.1
Adjusted		15.8	84.2	15.8	84.2	15.8	84.2	15.8	84.2
Retiree and spouse:									
As reported		7.3	65.9	8.7	64.9	7.3	65.8	8.7	64.4
Adjusted		10.0	90.0	11.9	88.1	10.0	90.0	11.9	88.1
Retiree, spouse, and children:									
As reported		11.5	61.0	11.9	60.5	18.3	54.1	18.8	53.7
Adjusted		15.8	84.2	16.5	83.5	25.3	74.7	25.9	74.1
Retiree and children:									
As reported		11.5	65.1	11.5	65.1	18.7	57.8	18.7	57.8
Adjusted		15.0	85.0	15.0	85.0	24.5	75.5	24.5	75.5
Regular Retirees									
Retiree only:									
As reported		10.4	61.5	10.4	61.5	10.4	61.5	10.4	61.5
Adjusted		14.5	85.5	14.5	85.5	14.5	85.5	14.5	85.5
Retiree and spouse:									
As reported		1.4	78.9	1.9	78.4	1.4	78.9	1.9	78.4
Adjusted		1.7	98.3	2.3	97.7	1.7	98.3	2.3	97.7
Retiree, spouse, and children:									
As reported		3.1	70.8	3.1	70.8	6.2	67.7	6.2	67.7
Adjusted		4.2	95.8	4.2	95.8	8.3	91.7	8.3	91.7
Retiree and children:									
As reported		0.8	73.9	0.8	73.9	2.5	72.3	2.5	72.3
Adjusted		1.1	98.9	1.1	98.9	3.4	96.6	3.4	96.6

Table 22 shows: Using the adjusted rates, about 85 percent of all retiree families reported income above the 1981 urban poverty level. About 11.9 percent of regular retiree families and 15.3 percent of early retiree families reported income below the 1981 urban poverty level. Without including spouse and children benefits, the number of regular retiree families going below the poverty level increases by 0.2 percent and the number of early retiree families by 0.7 percent.

Note: See note 2, Table 19.

a/Children's benefits include student benefits, which are scheduled for significant curtailment by 1985.

b/No response indicates the percent of questionnaire respondents who failed to provide complete answers to income questions. (See methodology, app. I.)

c/Adjusted percentages assume that the nonrespondents would have responded similarly to those providing complete answers to income questions.

Tables 23, 24, and 25 break out social security income and various other forms of income for early and regular retirees, by source and family type. The breakouts are in the form of mean and median incomes.

TABLE 23

NEWLY ENTITLED RETIREE FAMILIES'
MEAN AND MEDIAN INCOMES,
BY SOURCE AND FAMILY TYPE (note a)

	<u>Total reported income</u>		<u>Social Security retirement income</u>		<u>All other income (note b)</u>	
	<u>Mean</u>	<u>Median</u>	<u>Mean</u>	<u>Median</u>	<u>Mean</u>	<u>Median</u>
	All respondents	\$14,259	\$11,450	\$ 4,777	\$ 4,754	\$ 9,482
Early retirees	14,003	11,428	4,615	4,694	9,388	6,252
Regular retirees	16,411	13,303	6,134	6,681	10,277	6,350
<u>Family type</u>						
Early retirees:						
Retiree only	13,442	10,548	4,121	4,407	9,321	6,075
Retiree & spouse	17,082	14,521	7,500	7,463	9,582	7,200
Retiree, spouse, & children	16,759	16,200	7,965	8,810	8,794	7,200
Retiree & children	17,652	15,358	6,267	6,242	11,385	8,200
Regular retirees:						
Retiree only	14,999	11,377	5,394	5,776	9,605	5,669
Retiree & spouse	21,165	18,322	8,850	9,008	12,315	8,680
Retiree, spouse, & children	26,884	24,588	10,859	12,181	16,025	13,025
Retiree & children	26,529	22,990	9,694	11,188	16,835	14,188

Table 23 shows: The median social security income (\$4,754) accounts for 42 percent of the median total first year income (\$11,450) of all retirees. The median first year income of regular retirees with a spouse and children who also received benefits was \$24,588. Their median family income was about 50 percent higher than that of early retirees with a spouse and children.

Notes: 1. Children benefits include student benefits, which are scheduled for significant curtailment by 1985.

2. See note 2, Table 19.

a/See note a, Table 19.

b/Includes retiree families who reported no other income.

TABLE 24

**NEWLY ENTITLED RETIREE FAMILIES'
MEDIAN INCOME, EXCLUDING SOCIAL SECURITY,
BY SOURCE AND FAMILY TYPE (note a)**

Percentage of families reporting other income, by source and amount (note b)

	<u>Other income all sources</u>	<u>Public pension income</u>	<u>Private pension income</u>	<u>Worker earned income</u>	<u>Spouse earned income</u>	<u>Children earned income</u>	<u>Welfare income</u>	<u>Unemployed workers compensation income</u>	<u>Asset income</u>
All respondents	\$ 7,440 91.3	\$4,773 24.8	\$3,190 43.0	\$2,500 27.3	\$8,400 21.5	\$ 806 3.4	\$ 574 3.2	\$ 178 2.5	\$1,600 67.3
Early retirees	7,440 91.6	4,776 25.3	3,603 43.3	2,500 26.7	9,872 22.2	756 3.4	573 3.3	159 2.7	1,600 67.2
Regular retirees	7,740 89.0	3,859 20.6	5,061 40.4	4,001 32.3	5,000 15.9	2,003 3.6	1,165 2.4	10,927 1.3	1,751 68.4
<u>Family Type</u>									
Early Retiree: Retiree only	7,439 91.7	4,770 25.8	3,378 43.3	2,499 26.7	9,970 23.3	750 2.5	174 3.3	144 2.5	1,600 67.5
Retiree & spouse	7,516 90.6	5,976 18.2	5,352 49.2	3,435 24.3	2,000 7.3	2,400 .6	1,488 1.2	4,800 4.3	2,072 73.0
Retiree, spouse, & children	8,000 89.2	6,732 26.6	5,214 36.7	2,800 29.7	6,002 27.8	1,272 17.1	1,320 7.6	3,138 2.5	1,024 55.7
Retiree & children	10,498 91.2	7,596 29.3	5,394 31.3	2,605 31.3	7,800 29.3	1,040 23.8	1,200 4.8	3,048 3.4	1,250 51.0
Regular Retiree: Retiree only	7,200 87.0	3,768 21.0	4,800 35.5	4,000 31.9	5,030 17.4	2,432 2.9	534 2.9	12,600 1.5	1,620 64.5
Retiree & spouse	9,064 97.1	4,356 18.1	5,283 60.6	4,498 33.6	2,500 6.4	2,000 .6	9,264 .6	0 .0	2,469 84.3
Retiree, spouse, & children	13,633 91.7	8,766 25.0	8,166 54.2	4,002 35.4	4,200 27.1	1,500 35.4	0 .0	5,436 6.3	2,300 85.4
Retiree & children	14,190 98.9	7,956 25.8	5,604 52.8	3,200 34.8	6,000 36.0	1,496 43.8	0 .0	3,840 3.4	1,401 78.7

Table 24 shows: About 91 percent of retirees reported income other than social security, the median amount of other income totaling \$7,440. Although the type of income reported by the largest percentage of all families was asset income (\$1,600), the highest median amount of other income (\$8,400) came from spouses' earnings, reported by about 21.5 percent of the families.

a/See note a, Table 19.

b/Dollar amounts include only those retiree families that reported income from sources other than social security.

TABLE 25

NEWLY ENTITLED RETIREE FAMILIES' MEAN INCOME, EXCLUDING SOCIAL SECURITY, BY SOURCE AND FAMILY TYPE (note a)

	Total other income (note b)	Public pension income	Private pension income	Retired worker earned income	Spouse earned income	Children earned income	Welfare income	Unemployed workers compensation income	Asset income
All respondents	\$ 9,483	\$1,361	\$1,978	\$ 710	\$2,059	\$ 43	\$ 26	\$ 40	\$3,266
Early retirees	9,388	1,388	1,924	636	2,142	38	25	27	3,206
Regular retirees	10,277	1,133	2,428	1,326	1,365	79	32	151	3,765
<u>Family type</u>									
Early retirees:									
Retiree only	9,321	1,337	1,793	594	2,346	20	20	4	3,208
Retiree & spouse	9,582	1,243	2,982	887	151	15	18	180	4,106
Retiree, spouse, & children	8,794	2,042	1,924	830	1,667	260	147	99	1,826
Retiree & children	11,385	2,676	2,383	876	3,061	432	76	144	1,736
Regular retirees:									
Retiree only	9,605	1,061	1,920	1,230	1,596	67	28	183	3,519
Retiree & spouse	12,315	1,152	4,438	1,717	150	12	54	0	4,792
Retiree, spouse, & children	16,025	2,822	4,259	1,567	1,581	760	0	283	4,755
Retiree & children	16,835	3,128	4,166	1,598	2,872	874	0	146	4,050

Table 25 shows: A regular retiree, spouse, and children average nearly twice the income (\$16,025 compared to \$8,794) posted by the early retiree, spouse, and children.

Note: Because of rounding, some categories do not add to the recorded total income.

a/See note a, Table 19.

b/Includes only retiree families that reported income from sources other than social security.

Table 26 focuses on investments and total worth of early and regular retirees, giving answers in terms of median amounts.

TABLE 26

NEWLY ENTITLED RETIREE FAMILIES'
INVESTMENTS AND TOTAL
ASSETS, BY MEDIAN AMOUNTS AND FAMILY TYPE (note a)

	Percent no response (note b)	Investments		Total family assets	
		Median amount (note c)	Percent reported no invest- ments	Median amount (note c)	Percent reported no assets
All respondents	22.0	\$ 7,598.14	11.2	\$48,499.06	4.9
<u>Family type</u>					
Early retirees:	21.5	7,581.52	1.1	48,126.45	4.8
Retiree only	20.8	7,565.21	10.5	45,800.00	5.2
Retiree & spouse	28.2	24,897.20	6.8	59,724.42	6.1
Retiree, spouse, & children	20.6	3,580.35	27.1	46,250.02	2.8
Retiree & children	8.8	3,635.41	25.8	44,350.00	6.6
Regular retirees:	26.6	15,028.16	11.9	62,395.59	6.1
Retiree only	13.0	14,967.10	13.2	52,975.01	7.3
Retiree & spouse	8.4	25,076.55	7.1	85,012.93	1.6
Retiree, spouse, & children	18.4	25,020.83	7.5	93,000.00	1.8
Retiree & children	7.5	24,912.50	9.4	78,000.00	2.1

Table 26 shows: For families consisting of a retiree, spouse, and children, the median investment and total assets for early retiree families was \$3,580 and \$46,250 compared with \$25,020 and \$93,000 for regular retiree families.

a/Excludes personal residence and automobiles.

b/No response indicates the percentage of questionnaire respondents who failed to provide complete answers to income-related questions.

c/Includes our estimate of what the no response group would have reported had they provided complete answers to income-related questions.

Because housing costs, for most families, represent the single largest expense category, Tables 27, 28, and 29 present information on housing and what retirees pay for it. First, the percentages of early and regular retirees who occupy different types of housing are reported. Next, what that housing costs is listed. Last, statistics are offered on the number of home owners and/or mortgage payers.

TABLE 27

NEWLY ENTITLED RETIREES'
FAMILY HOUSING

<u>Housing type</u>	<u>All</u> <u>retirees</u>	<u>Early</u> <u>retirees</u>	<u>Regular</u> <u>retirees</u>
	<hr style="border-top: 1px dashed black;"/> (percent) <hr style="border-top: 1px dashed black;"/>		
House or condominium	71.3	70.7	76.2
Apartment	12.4	12.5	12.0
Trailer or mobile home	5.2	5.6	2.5
Boarding home	.6	.5	.8
Nursing home	0.0	0.0	.4
Other	4.6	5.0	1.2
No response	<u>5.8</u>	<u>5.8</u>	<u>6.8</u>
Total	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Table 27 shows: Nearly six times as many retirees occupy houses and condominiums as apartments.

Note: Because of rounding, some categories do not add to 100 percent.

TABLE 28

NEWLY ENTITLED RETIREE FAMILIES'
HOUSING COSTS AND HOW THEY ARE PAID

House payment method	<u>All retirees</u>		<u>Early retirees</u>		<u>Regular retirees</u>	
	<u>Percent</u>	<u>Mean & median month payment</u>	<u>Percent</u>	<u>Mean & median month payment</u>	<u>Percent</u>	<u>Mean & median month payment</u>
Owned and paid for	49.2	\$ 0	49.1	\$ 0	49.8	\$ 0
Pay mortgage	21.3	242	21.3	245	21.6	221
		200		215		168
Pay rent	19.2	202	19.9	200	13.4	232
		195		195		225
Pay room and board	.3	(a)	.1	(a)	2.3	(a)
Someone else pays	2.0	0	2.1	0	1.3	0
Live with relatives	2.0	0	1.7	0	4.3	0
No response	<u>5.9</u>		<u>5.8</u>		<u>7.3</u>	
Total	<u>100.0</u>		<u>100.0</u>		<u>100.0</u>	

Table 28 shows: Nearly one in five retiree families pays rent. Comparing median amount, regular retirees pay about 14 percent more rent than do early retirees. About one in five retiree families make mortgage payments.

a/Amount paid not known.

Note: Because of rounding some categories do not add to 100 percent.

TABLE 29

HOME OWNERSHIP, MORTGAGE, AND MONTHLY
PAYMENT OF NEWLY ENTITLED RETIREE FAMILIES

		<u>All retirees</u>	<u>Early retirees</u>	<u>Regular retirees</u>
Own home or pay mortgage		70.5%	70.4%	71.4%
Own home		49.2	49.1	49.8
Pay mortgage		21.3	21.3	21.6
<hr/>				
Reported value of home (note a)	Mean	\$54,563	\$53,441	\$64,384
	Median	45,000	45,000	55,000
Reported mortgage amount (note b)	Mean	15,252	15,112	16,487
	Median	10,000	10,000	8,997
Reported monthly mortgage payment	Mean	242	245	221
	Median	200	215	168

Table 29 shows: About 71 percent of retiree families own or are buying their own home. Nearly 50 percent own their home mortgage free.

a/Applicable to those who reported owning a home or making mortgage payments and also provided a dollar value.

b/Applicable to those who reported making mortgage payments and also provided a dollar value.

METHODOLOGY USED FOR SURVEY OF DEMOGRAPHIC AND
ECONOMIC CHARACTERISTICS OF NEWLY ENTITLED
SOCIAL SECURITY RETIREE FAMILIES

Our study of retired workers was designed to provide information on the demographic and economic characteristics of newly entitled social security retirement beneficiaries, their spouses, and/or their children. Our information came primarily from three sources:

- Published Social Security reports, from which we obtained general population statistics on retirees and dependents.
- Social Security's master beneficiary file, from which we obtained the name, address, sex, social security number, and latest primary insurance amount (PIA) of retirees. Also, for all beneficiaries we obtained age, entitlement date, the first month of current pay status, pay status as of June 1980, and latest monthly payment amount (MPA).
- A GAO-originated questionnaire sent to a national sample of retirees, from which we obtained data on their dependents, reasons for retirement, and sources and amounts of family income, assets and obligations, expenses, and housing. Most information on newly entitled beneficiaries was obtained from the questionnaire, which is discussed in the remainder of this appendix.

QUESTIONNAIRE DEVELOPMENT

In developing the questionnaire (see app. II), we used some questions from previous GAO and SSA surveys of social security recipients and some questions based on specific interests of the Subcommittee on Oversight, House Committee on Ways and Means. We pretested this first-stage questionnaire face-to-face on a sample of social security recipients in the greater Washington, D.C., and Los Angeles metropolitan areas to assure that the questions were generally understandable, free of confusion and error, and complete. Based on the pretest results, we revised the questionnaire to make it more understandable and complete.

SAMPLE SELECTION

Our objective was to obtain from SSA's master beneficiary file a sample of newly awarded retirement cases that were currently receiving benefits. The sample was selected in three stages.

First, we chose the survey universe--about 7.4 million, or 10 percent of all cases on the master beneficiary file wherein retirement, survivor, or disability benefits have been applied for or received based on a primary worker's earnings account.

Second, we identified the survey sample--all cases in the 10-percent universe, about 81,527, wherein a primary worker was (1) awarded retirement benefits between July 1979 and June 1980 and had not received any type of social security benefits before retirement and (2) was in current benefit status as of June 1980. About 19.2 million retirees were in current benefit status in that month.

Third, we selected the retired workers to whom the questionnaires would be mailed. To ensure that our survey results provided data about specific categories of retirees, the sample was stratified as follows:

1. Early retirees with no spouse or child beneficiaries.
2. Early retirees with only a spouse beneficiary.
3. Early retirees with spouse and child beneficiaries.
4. Early retirees with only child beneficiaries.
5. Regular retirees 1/ with no spouse or child beneficiaries.
6. Regular retirees with only a spouse beneficiary.
7. Regular retirees with spouse and child beneficiaries.
8. Regular retirees with only child beneficiaries.

A random subsample of each stratum was selected. The final sample of retirees to whom the questionnaires were mailed consisted of 1,709 cases.

Our sampling design will allow projections to the universe of new social security recipients for the strata described. It is not designed to--and will not--permit detailed analyses beyond what we have presented, based on such characteristics as age, sex, race, marital status, and income. Using the information we developed to perform more detailed analyses would cause a much higher sampling error than what we have calculated.

1/Those who retire at age 65 or older.

QUESTIONNAIRE RESPONSE RATES

In August 1980, we made the first questionnaire mailout to the sample population. We followed up with second, third, and fourth mailings (the last by mailgram) at 5-week intervals.

Questionnaire return rates ranged from 76 to 85 percent, comparing favorably with previous questionnaire return rates achieved by SSA in its studies. After adjustments, individual return rates by the strata previously mentioned are as follows:

<u>Strata</u>	<u>Questionnaires mailed</u>	<u>Questionnaires returned</u>	<u>Return rate</u>
1	214	168	78.5
2	254	202	79.5
3	273	218	80.1
4	247	192	77.4
5	232	192	82.1
6	271	205	75.9
7	77	65	84.4
8	<u>141</u>	<u>119</u>	85.0
Total	<u>1,709</u>	<u>1,361</u>	79.6

On the returned questionnaires, 91 percent of all questions had an answer rate of 90 percent or better. About 55 percent of all questions had an answer rate of 94 percent or better. As expected, the 9 percent of all questions that had an answer rate of 89 percent or less consisted mostly of financial questions. Even so, the lowest answer rate to any financial question was 84 percent.

Finally, after analyzing the answer rates for the 79.6 percent of the questionnaires that were returned, we determined that the average effective response rate for all questionnaire questions (including individual income and asset questions) was from 70 to 75 percent.

The average effective response rate for all questions should not be confused with the no response percentages for income and asset totals mentioned in Tables 22 through 26. The income and asset no response percentages result from the way we obtained asset and income totals based on the combined dollar amounts from different questions. For example, if a respondent indicated having a certain type of income but failed to provide the dollar value, regardless of whether all other income values were provided, we classified the case as a no response and did not consider the sum of that respondent's family income in our total income calculations. This type of no response yielded a 22- to 28-percent no response rate for total asset and income calculations.

DATA BASE DEVELOPMENT AND ANALYSIS

The data base was developed using the Statistical Package for the Social Sciences. This software package is commonly used when making statistical calculations. Questions left unanswered were declared missing values. Some data analyses consisted of basic tabulations, cross-tabulations, and computing mean and median amounts. Before combining questionnaire data with master beneficiary file information, we checked to assure the reliability of the editing and keypunching of the questionnaire data.

Analysis of financial data was more involved. Using totals of current benefit payments from SSA's master file, we calculated what the estimated social security benefit would be for:

1. Current benefit payments less any spouse benefits.
2. Current benefit payments less any child benefits.
3. Current benefit payments less both spouse and child benefits.

For income other than social security, we used estimates provided by questionnaire respondents. We then calculated totals for these estimates.

To determine the annual income amounts, we used, where available, the respondent's 12-month estimate of work income for family members. For those who did not report a 12-month estimate, we used their estimated earnings since retirement. We annualized the various amounts of the retiree and spouse retirement income and used the yearly estimates of other income. Then we calculated intermediate totals for family work income, retiree and spouse retirement income, and other income as well as total income. To determine total family income for each retiree family in our sample, we combined estimates of social security benefits with estimates of income reported on the questionnaire. If even one element in any of these calculations was missing, it was deemed incomplete and the resulting total was declared missing. Consequently, the distribution of missing income elements was such that for the overall total income calculation we encountered about a 28-percent nonresponse rate.

In determining the poverty status of retiree families, we compared the calculated total incomes to the 1981 Office of Management and Budget Poverty Guidelines. ^{1/} These guidelines are based on 1980 incomes. Because the total annual income for retiree families is based on estimates of 1979 and 1980 income, we used the 1981 poverty guidelines in our comparisons so that we would not understate the incidence of poverty. Consequently, our percentages of families above the poverty level are somewhat conservative. In determining family size, we used nonfarm family guidelines and included the retiree, spouse, and all children eligible to receive child benefits. We computed poverty status only for those retiree families included in our total income estimates; therefore, the 28-percent nonresponse on income calculations previously mentioned also applies.

In determining total assets, we added reported values for home and automobiles to our estimate of investment assets. Investment assets were evaluated at the midpoint of the dollar ranges shown on the questionnaire (see app. II, p. 60). We obtained some specific values for the open-ended dollar range (\$50,000 or more) through telephone calls. When no specific value was obtainable, we estimated answers in the open-ended range to be valued at \$55,000. When an expected value in any of the three asset groups was missing, it was deemed incomplete and the total asset value was declared missing. Treating these cases as no responses resulted in a 22-percent nonresponse rate to the overall total asset calculation.

Although we developed data on total expenses, net income, total liabilities, and net worth, we did not use these results for several reasons. There was a high no answer rate to these questions; there were also additional cases of apparent nonresponse where individuals reported some expense amounts while reporting no expenditures on other items commonly expected to have a value. In other cases, some expenses appeared inordinately high when compared to reported incomes. Therefore, except for mortgage and rent payments, we are not reporting any information on expenses, total liabilities, net income, or net worth. We are reporting only limited information on liabilities and total assets because these

^{1/}The 1981 nonfarm family poverty levels for all States except Alaska and Hawaii follow:

<u>Family size</u>	<u>Poverty level income</u>
1	\$ 4,310
2	5,690
3	7,070
4	8,450
5	9,830
6	11,210

calculations resulted in a large number of missing values, and asset liability comparisons showed some unusually large negative net worths.

DATA RELIABILITY AND PROJECTIONS

Our estimates have a statistical reliability at the 95-percent confidence level. The sampling error varies for the different types of information presented. Our projections take into consideration appropriate weighting factors for each of the eight strata in our sampling frame. For most questions we were able to project our results to about 70 to 75 percent of the sampled universe. However, when we combined the 22- to 28-percent no response rates on total assets and total income calculations with the no return rate on the questionnaires, it allowed us to project total assets to about 62 percent of the sample universe and total income to only about 55 percent. We believe that the questionnaire responses are probably representative of those who retired between July 1979 and June 1980. Because we cannot be certain of this, however, we projected our results based on the universe of questionnaire respondents. As a result, our projections are applicable--depending on rate of response--to 55 to 75 percent of the total universe sampled. If nonrespondents would answer the same as the respondents, our results would be projectable to the entire universe. However, we were unable to determine if nonrespondents would have answered the same.

We tested whether respondents and nonrespondents to original mail efforts differed in their characteristics as recorded by SSA and had planned to sample nonrespondents to test the representativeness of our survey results. Because of an increasing number of concerned inquiries about our survey efforts, after three mail followups, we elected not to attempt to recontact a sample of the nonrespondents.

To test for inherent differences between all respondents and nonrespondents, we made statistical checks on selected data elements from SSA's master beneficiary file. Under the previously mentioned family social security benefit payments, we tested for differences in primary insurance amounts, family maximum benefits, ages of family recipients, number of dependents paid, and total family benefits.

There were no differences in these elements between all respondents and nonrespondents, excepting age of spouse. This element showed a difference overall and also in the early retiree strata. The overall difference is caused by the differences in the early retiree strata. There were no differences among regular retirees, either in total or by individual stratum. In our opinion, the age differences, while statistically significant, have little practical effect on our study results since age of spouse is a random element and none of the differences showed strong effects on potential eligibility for benefits (i.e., none of the mean age comparisons straddled the basic eligibility age of 62--they were either both above or both below the basic eligibility age).

Because we had a relatively low response to financial questions, we looked at those respondents who provided complete answers to income questions to test for differences between them and non-respondents. The only differences occurred in stratum 6--regular retirees with spouse benefits only. For this stratum, those who answered income questions tended to have higher primary insurance amounts, higher family maximum payments, and higher social security payments if spouse benefits were excluded. However, further testing showed that, for those who answered income questions, there was only moderate (less than 0.4) correlation between master file elements and total reported income from all sources. The lack of major differences in this baseline information leads us to believe the questionnaire responses received are representative of the population surveyed.

SAMPLING ERRORS

Our estimates have a statistical reliability at the 95-percent confidence level. The sampling errors calculated at 95-percent confidence will vary depending on the data being observed. The table below shows the sampling error intervals (plus or minus) by strata and overall. The sampling errors are stated in percentages for most of the data presented and dollar amounts for others.

<u>Category</u>	<u>Strata 1-4</u> (+ or -)	<u>Strata 5-8</u> (+ or -)	<u>Overall</u> (+ or -)
Family income:			
Total income	\$2,061.04	\$1,839.81	\$1,851.01
Reason for retirement:			
Health - major reason	5.035%	4.048%	4.492%
Health - not a reason	6.120	5.200	5.484
Lost job - major reason	3.809	2.478	3.408
Lost job - not a reason	4.839	3.815	4.333
Wanted to retire - major reason	6.093	5.228	5.461
Wanted to retire - major and minor reason	6.508	5.598	5.799
Wanted to retire - not a reason	6.448	5.526	5.261
Spouse benefit available - major reason	2.025	2.086	1.819
Spouse benefit available - not a reason	4.135	3.718	3.707
Child benefit available - major reason	0.156	0.074	0.140
Child benefit available - not a reason	2.930	2.983	2.632
Reached retirement age - major reason	6.221	5.128	5.573
Reached retirement age - major and minor reason	5.268	4.393	4.719
Reached retirement age - not a reason	4.762	3.330	4.260

APPENDIX I

APPENDIX I

<u>Category</u>	<u>Strata 1-4</u> (+ or -)	<u>Strata 5-8</u> (+ or -)	<u>Overall</u> (+ or -)
Type of housing:			
House or condominium	6.022%	4.858%	5.394%
Trailer or mobile home	3.066	1.779	2.739
Apartment	4.451	3.741	3.988
Boarding house	0.994	1.120	0.895
Nursing home	0.000	0.794	0.086
How housing costs paid:			
Owned and paid for	6.525	5.618	5.849
Paying mortgage	5.219	4.518	4.678
Paying rent	5.309	3.875	4.751
Paying room and board	0.095	1.768	0.198
House value and housing payments:			
House market value	\$9,222.59	\$8,709.37	\$8,301.39
Amount of mortgage	3,643.68	5,607.32	3,320.29
Mortgage-rent amount	19.71	17.71	17.76
Monthly mortgage	43.22	40.62	38.99
Monthly rent	34.51	33.29	32.00
Awareness of spouse benefit:			
Knowledge of spouse benefit-Yes	6.360%	5.183%	5.697%
Knowledge of spouse benefit-No	5.653	4.280	5.058
Value of investments:			
\$0	4.015	3.810	3.603
\$1 to 500	2.757	2.681	2.475
501 to 1,000	1.981	2.082	1.780
1,001 to 1,500	1.979	1.383	1.771
1,501 to 2,250	2.406	2.222	2.159
2,251 to 5,000	4.199	2.263	3.751
5,001 to 10,000	4.685	3.097	4.189
10,001 to 20,000	3.214	3.550	2.958
20,001 to 30,000	2.928	2.825	2.628
30,001 to 40,000	3.070	2.507	2.750
40,001 to 50,000	2.594	1.437	2.317
Over 50,000	4.843	4.566	4.346
Missing	3.982	3.755	3.573

U.S. GENERAL ACCOUNTING OFFICE
SURVEY OF SOCIAL SECURITY BENEFICIARIES

Social security records show that the first Social Security retirement check you received was for the month and year shown in the label above.

Some of the questions below ask you about your family during that month and any work you might have been doing since that month.

(5) Card 1

DEPENDENTS

1. During the month shown in the label were you married, widowed, separated, divorced, or had you never been married? (Check one.) (6)

- 1. Married (7-8)
If married, how long? _____ yrs. (7-8)
Age of spouse during month given in label. _____ yrs. (9-10)
Social Security number of spouse _____

- 2. Widowed
- 3. Separated
- 4. Divorced
- 5. Never married

2. During the month shown in the label did you have a spouse who needed your income for support? (Check one.) (11)

- 1. Yes
- 2. No

3. During the month shown in the label did you have any children under age 18 who were dependent on your income? (Check one.)

1. Yes How many? _____ children (12)

What was the age of each child at that time? (in years) (13-28)

2. No

4. During the month shown in the label did you have any children aged 18-22 who were attending school full-time and who were dependent on your income? (Check one.)

1. Yes How many? _____ children (29)

2. No

5. During the month shown in the label did you have any children over age 18 who were physically or mentally disabled and who were dependent on your income? (Check one.)

1. Yes How many? _____ children (30)

2. No

6. During the month shown in the label did you have any other people who were dependent on your income? (Do not include people already covered in questions 1-5). (Check one.)

1. Yes How many? _____ people (31)

Please explain how they are related to you.

2. No

BENEFITS FOR DEPENDENTS

7. Before you filled out the application for social security benefits did you know that your spouse could get benefits along with yours based on your having worked (your earnings record)? (Check one.) (32)

- 1. Yes
- 2. No
- 3. Does not apply – had no spouse at that time
- 4. Don't remember

8. Before you filled out the application for social security benefits did you know that any of your children under age 18 could get benefits along with yours based on your having worked (your earnings record)? (Check one.) (33)

- 1. Yes
- 2. No
- 3. Does not apply – had no children under 18 at that time
- 4. Don't remember

9. Before you filled out the application for social security benefits did you know that any of your children or dependent step-children age 18-22 who were full-time students could get benefits along with yours based on your having worked (your earnings record)? (Check one.) (34)

- 1. Yes
- 2. No
- 3. Does not apply – had no children in that category
- 4. Don't remember

APPLYING FOR SOCIAL SECURITY

10. Did you apply for social security because of poor health or poor physical condition? (Check one.) (35)

- 1. Yes – it was a major reason
- 2. Yes – it was a minor reason
- 3. No – it was not a reason

11. Did you apply for social security because you lost your job or expected to lose it? (Check one.) (36)

- 1. Yes – it was a major reason
- 2. Yes – it was a minor reason
- 3. No – it was not a reason

12. Did you apply for social security because you would have had to switch jobs or transfer to another location? (Check one.) (37)

- 1. Yes – it was a major reason
- 2. Yes – it was a minor reason
- 3. No – it was not a reason

13. Did you apply for social security because you wanted to retire to do the things you enjoy doing or to be with your family more? (Check one.) (38)

- 1. Yes – it was a major reason
- 2. Yes – it was a minor reason
- 3. No – it was not a reason

14. Did you apply for social security because your spouse could receive benefits along with yours based on your having worked? (Check one.) (39)

- 1. Yes – it was a major reason } (GO TO QUESTION 15)
- 2. Yes – it was a minor reason }
- 3. No – it was not a reason } (GO TO QUESTION 16)
- 4. Had no spouse }

15. Would you have applied for social security even if your spouse could not receive benefits? (Check one.) (40)

- 1. Yes
- 2. No
- 3. Not sure

16. Did you apply for social security because your children could receive benefits along with yours based on your having worked? (Check one.) (41)

- 1. Yes – it was a major reason } (GO TO QUESTION 17)
- 2. Yes – it was a minor reason }
- 3. No – it was not a reason } (GO TO QUESTION 18)
- 4. Had no children who could receive benefits }

17. Would you have applied for social security even if your children could not receive benefits? (Check one.) (42)

- 1. Yes
- 2. No
- 3. Not sure

18. Did you apply for social security because you reached a certain age? (Check one.) (43)

1. Yes - it was a major reason

2. Yes - it was a minor reason

3. No - it was not a reason

19. If you applied for social security for some other reason please explain. _____

Was this a major or minor reason? (Check one.) (44)

1. Major reason

2. Minor reason

20. Please briefly describe the most important reason you applied for social security?

INCOME FROM WORKING

21. We would like to know about the money your family earned while working since you first started receiving social security checks. For yourself and each dependent that you spoke about on the first page please:

(1) Estimate how much money each person earned (before taxes and deductions) while working from the first month you started receiving social security checks and

(2) Estimate how much money each person will have earned (before taxes and deductions) while working during the 12 months since you first started receiving social security checks.

<i>(Do not include retirement income. Enter "0" if the person had no earnings.)</i>	(1) ESTIMATE EARNINGS FROM FIRST MONTH YOU STARTED GETTING CHECKS UNTIL NOW		(2) ESTIMATE EARNINGS IN 12 MONTHS SINCE YOU STARTED GETTING CHECKS	
(1) Yourself	\$	(45-49)	\$	(50-54)
(2) Your husband or wife	\$	(55-59)	\$	(60-64)
(3) Child 1 Name:	\$	(65-69)	\$	(70-74)
(4) Child 2 Name:	\$	*2 (6-10)	\$	(11-15)
(5) Child 3 Name:	\$	(16-20)	\$	(21-25)
(6) Child 4 Name:	\$	(26-30)	\$	(31-35)
(7) Child 5 Name:	\$	(36-40)	\$	(41-45)
(8) Child 6 Name:	\$	(46-50)	\$	(51-55)
(9) Child 7 Name:	\$	(56-60)	\$	(61-65)
(10) Other dependent 1 Name:	\$	(66-70)	\$	(71-75)
(11) Other dependent 2 Name:	\$	*3 (6-10)	\$	(11-15)
(12) Other dependent 3 Name:	\$	(16-20)	\$	(21-25)

Look at the amount you entered in the outlined box in the table above.

If you entered \$0 in this box (GO TO QUESTION 22.)

If you entered an amount greater than \$0 (GO TO QUESTION 23.)

<p>22. If you had no earnings since the month for which you first got a social security check how long had it been since you last worked regularly for pay or operated a farm, business or professional practice? <i>(Check one.)</i> (26)</p> <p>1. <input type="checkbox"/> Less than 1 month</p> <p>2. <input type="checkbox"/> At least 1 month but less than 4 months</p> <p>3. <input type="checkbox"/> At least 4 months but less than 7 months</p> <p>4. <input type="checkbox"/> At least 7 months but less than 1 year</p> <p>5. <input type="checkbox"/> At least 1 year but less than 3 years</p> <p>6. <input type="checkbox"/> At least 3 years but less than 6 years</p> <p>7. <input type="checkbox"/> At least 6 years but less than 11 years</p> <p>8. <input type="checkbox"/> At least 11 years but less than 20 years</p> <p>9. <input type="checkbox"/> 20 years or more</p> <p>If you answered question 22, now GO TO QUESTION 26.</p> <p>23. If you had earnings, which one of the following best describes why you were working even though you received social security benefits? <i>(Check one.)</i> (27)</p> <p>1. <input type="checkbox"/> I need more money to live on than social security gives me</p> <p>2. <input type="checkbox"/> I want to keep busy by working</p> <p>3. <input type="checkbox"/> Other <i>(please specify)</i></p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>24. Are you working at the same job or a different job than you had before your social security checks started to come in? <i>(Check one.)</i> (28)</p> <p>1. <input type="checkbox"/> Same job (GO TO QUESTION 26)</p> <p>2. <input type="checkbox"/> Different job (GO TO QUESTION 25)</p> <p>25. If you changed jobs, which one of the following best describes why you changed jobs? <i>(Check one.)</i> (29)</p> <p>1. <input type="checkbox"/> I lost my other job</p> <p>2. <input type="checkbox"/> I changed to a job which I liked better</p> <p>3. <input type="checkbox"/> I changed to an easier job because of my health or physical condition</p> <p>4. <input type="checkbox"/> I changed to a job where I could work fewer hours to have more time to do the things I enjoy</p> <p>5. <input type="checkbox"/> Other <i>(please explain)</i></p> <p>_____</p> <p>_____</p> <p>_____</p>
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RETIREMENT INCOME

26. Please look at each of the following kinds of income. Tell us whether you **NOW** receive each kind by checking "No" or "Yes" for each one. If you check "Yes," please estimate the monthly amount. If you are married, do not include income received by your spouse unless it is part of a combined check.

	Do you now receive this? (Check one for each item)			ESTIMATE MONTHLY AMOUNT	
(1) Any company or union pension	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(30)	\$ _____	(31-34)
(2) Social Security (regular retirement) (green check)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(35)	\$ _____	(36-39)
(3) SSI (Supplemental Security Income) (gold check)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(40)	\$ _____	(41-44)
(4) Federal Government employees pension	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(45)	\$ _____	(46-49)
(5) State or local government employees pension	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(50)	\$ _____	(51-54)
(6) Military retirement pension	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(55)	\$ _____	(56-59)
(7) Veterans pension or compensation	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(60)	\$ _____	(61-64)
(8) Railroad retirement	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(65)	\$ _____	(66-69)
(9) Workman's compensation, cash sickness, or temporary disability insurance	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(70)	\$ _____	(71-74)
(10) AFDC (Aid to Families with Dependent Children)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(75)	\$ _____	(76-79)
(11) Other welfare or assistance payments	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(6)	\$ _____	(7-10)
(12) Unemployment compensation (enter monthly amount)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(11)	\$ _____	(12-15)

27. Are you now married and living with your spouse? (Check one.) (16)

1. Yes (GO TO QUESTION 28)

2. No (GO TO QUESTION 29)

28. Here is the income list again. Please tell us whether your spouse **NOW** receives each kind by checking "No" or "Yes" for each one. If "Yes," please estimate the monthly amount. If you reported, in question 26, an amount included in a combined check, mark "Yes" and enter SHARED in the amount column.

	Does your spouse now receive this? (Check one for each item)			ESTIMATE MONTHLY AMOUNT	
(1) Any company or union pension	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(17)	\$ _____	(18-21)
(2) Social Security (regular retirement) (green check)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(22)	\$ _____	(23-26)
(3) SSI (Supplemental Security Income) (gold check)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(27)	\$ _____	(28-31)
(4) Federal Government employees pension	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(32)	\$ _____	(33-36)
(5) State or local government employees pension	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(37)	\$ _____	(38-41)
(6) Military retirement pension	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(42)	\$ _____	(43-46)
(7) Veterans pension or compensation	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(47)	\$ _____	(48-51)
(8) Railroad retirement	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(52)	\$ _____	(53-56)
(9) Workman's compensation, cash sickness, or temporary disability insurance	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(57)	\$ _____	(58-61)
(10) AFDC (Aid to Families with Dependent Children)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(62)	\$ _____	(63-66)
(11) Other welfare or assistance payments	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(67)	\$ _____	(68-71)
(12) Unemployment compensation (enter monthly amount)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(72)	\$ _____	(73-76)

OTHER INCOME

29. Here is another kind of income list. Please tell us whether you or your spouse receives each one by checking "No" or "Yes" for each one. If "Yes," please fill in the approximate yearly amount.

	Do you or your spouse receive this? (Check one for each item)		*5	ESTIMATE YEARLY AMOUNT	
(1) Interest from savings, notes, and bonds	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(6)	\$ _____	(7-11)
(2) Dividends from stock	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(12)	\$ _____	(13-17)
(3) Net rental income, after subtracting maintenance cost, utilities, mortgage payments, property taxes, etc.	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(18)	\$ _____	(19-23)
(4) Annuities purchased individually (for example, IRA, Keogh)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(24)	\$ _____	(25-29)
(5) Alimony/child support	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(30)	\$ _____	(31-35)
(6) Regular contributions from relatives outside your home	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(36)	\$ _____	(37-41)
(7) Other non work income (please explain)	1 <input type="checkbox"/> No	2 <input type="checkbox"/> Yes	(42)	\$ _____	(43-47)

HOUSING AND AUTOMOBILES

30. In what kind of housing do you live? (Check one.) (48)

- 1. House or condominium
- 2. Trailer or mobile home
- 3. Apartment
- 4. Boarding house
- 5. Nursing home
- 6. Other (specify) _____

31. How do you pay for the place where you live? (Check one.) (49)

- 1. I own it. It is paid for.
- 2. I pay a mortgage
- 3. I pay rent
- 4. I pay room and board
- 5. Someone pays for me
- 6. I don't have to pay - I live with relatives or friends

32. If you own or are buying the place where you live, how much do you think this property would sell for on today's market? (50-55)

\$ _____

33. About how much do you owe on any mortgages on this place? (56-61)

\$ _____

34. Do you own any automobiles? (Check one.) (62)

- 1. Yes How many? _____ autos
(GO TO QUESTION 35)
- 2. No (GO TO QUESTION 37)

35. How much do you think these automobiles would sell for on today's market? (Insert total for all automobiles owned) (63-67)

\$ _____

36. About how much do you owe on any loans for these autos? (68-72)

\$ _____

MONTHLY EXPENSES

37. Listed below are a number of expenses you could have. For each expense you have please estimate the monthly amount spent. If you do not have monthly figures please try to estimate the yearly figure. If you do not have a certain expense enter \$0 in the monthly column.

Expense	ESTIMATE MONTHLY AMOUNT	or	ESTIMATE YEARLY AMOUNT	
(1) Mortgage or rent (if paying a mortgage, include principal, interest, taxes & insurance)				*6 (6-9)
(2) Any property taxes not included above				(10-12)
(3) Any property insurance not included above				(13-14)
(4) Medical insurance and expenses				(15-17)
(5) Food				(18-20)
(6) Coal, gas or oil for heating/cooking				(21-23)
(7) Electricity				(24-26)
(8) Water				(27-28)
(9) Telephone				(29-31)
(10) Auto insurance				(32-34)
(11) Auto loan payment				(35-37)
(12) Auto expenses (gas, oil, repairs)				(38-40)
(13) Other transportation costs (taxi, bus)				(41-43)
(14) Other loan payments				(44-46)
(15) Contributions				(47-49)
(16) Recreation				(50-52)
(17) Other expenses (e.g., clothing, household repairs and services) (please list)				(53-55)
				(56-58)
				(59-61)
				(62-64)
				(65-67)
				(68-70)

ASSETS AND OBLIGATIONS

38. Here is a list of assets or investments. Please tell us whether or not you or your spouse has each of these. (Check one box for each.)

	Yes	No	
(1) Cash in banks, loan associations or credit unions			(71)
(2) U.S. Savings Bonds			(72)
(3) Stocks, bonds and notes			(73)
(4) Rental property investments			(74)
(5) Land investments			(75)
(6) Other investments (do not include your home or automobiles)			(76)

39. About how much are all of the items worth that you said you had in question 38. (Check one.)

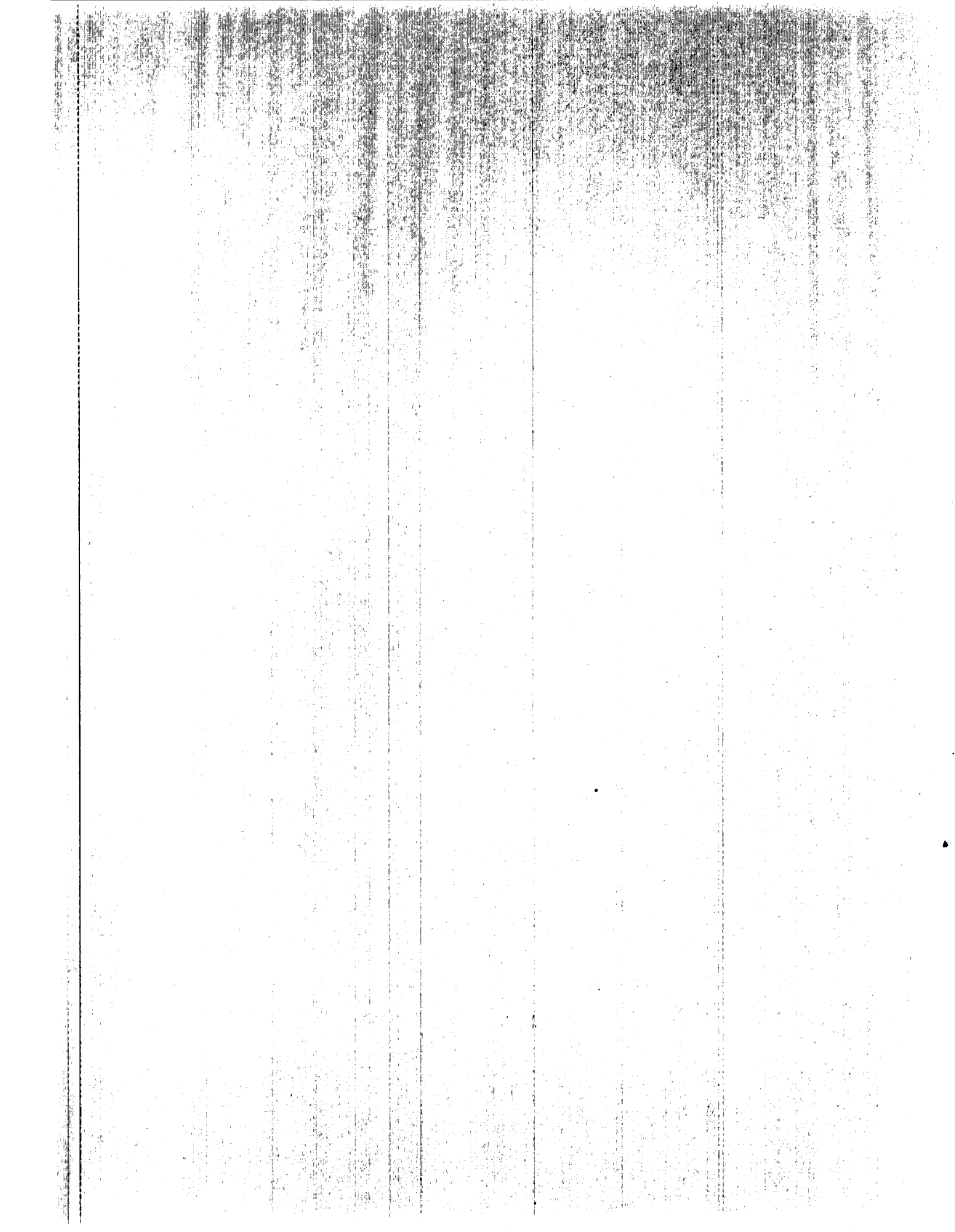
- (1) \$0 *7 (6-7)
- (2) \$1 - \$500
- (3) \$501 - \$1,000
- (4) \$1,001 - \$1,500
- (5) \$1,501 - \$2,250
- (6) \$2,251 - \$5,000
- (7) \$5,001 - \$10,000
- (8) \$10,001 - \$20,000
- (9) \$20,001 - \$30,000
- (10) \$30,001 - \$40,000
- (11) \$40,001 - \$50,000
- (12) \$50,001 or more

40. About how much do you owe in total on any loans or obligations other than your home mortgage or auto loans?

\$ _____ (8-13)

<p>BACKGROUND</p> <p>41. With which of the following groups do you most identify? <i>(Check one.)</i> (14)</p> <p>1. <input type="checkbox"/> White</p> <p>2. <input type="checkbox"/> Black</p> <p>3. <input type="checkbox"/> Oriental</p> <p>4. <input type="checkbox"/> Other</p> <p>42. Do you consider yourself to be of Spanish or Hispanic origin? <i>(Check one.)</i> (15)</p> <p>1. <input type="checkbox"/> Yes</p> <p>2. <input type="checkbox"/> No</p> <p>43. We may need to contact you for further information. Would you please give us your telephone number?</p> <p>(_____) _____ Area code Telephone number</p> <p>44. If there is anything you would like to say about the items on this questionnaire or about Social Security in general, please do so in the remaining space. If you need more space please attach extra sheets. (16)</p>	
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THANK YOU FOR YOUR HELP



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