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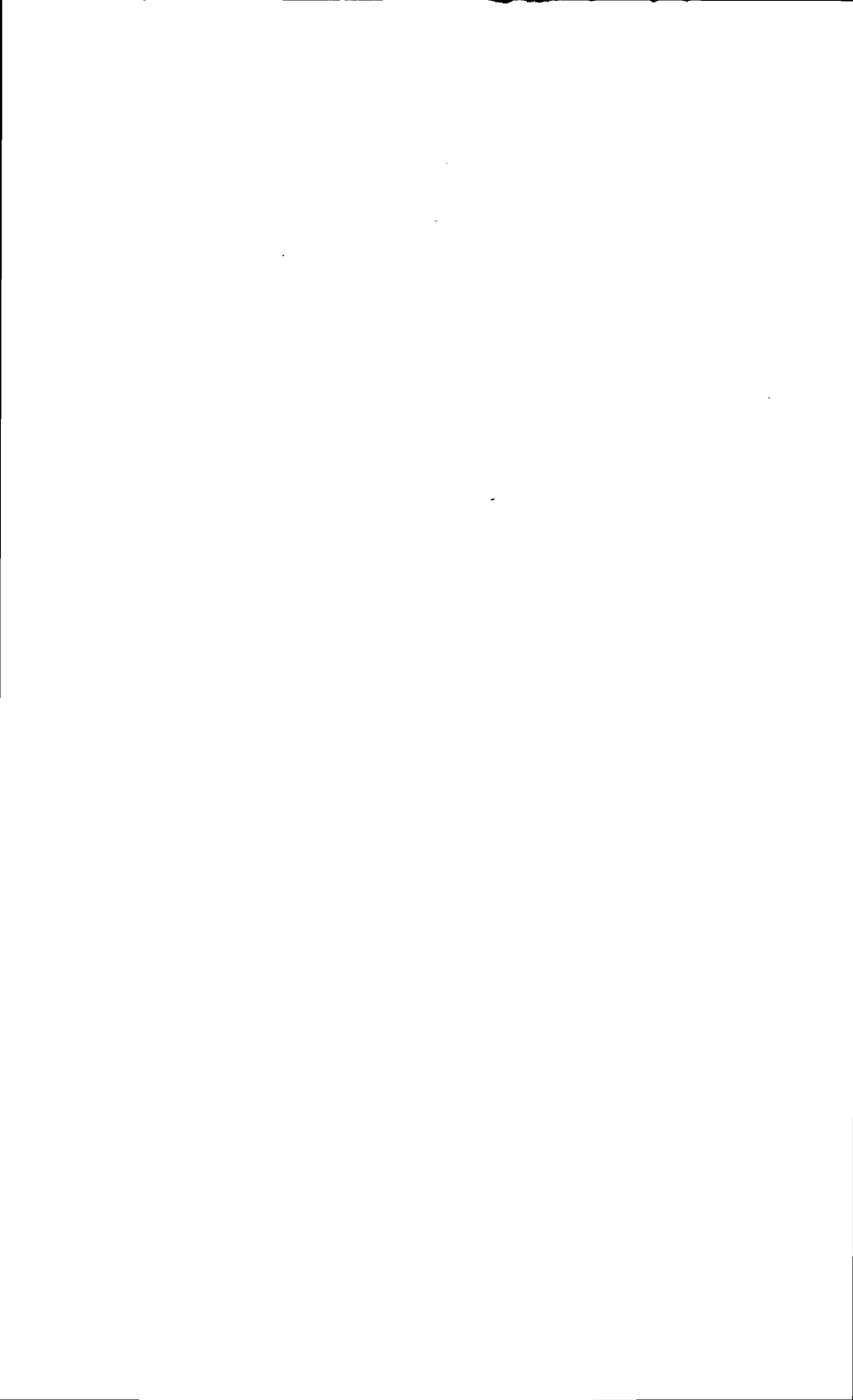
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PART V

**THE QUALITY OF
INCOME DATA**



CHAPTER 12

Measurement of Transfer Income in the Current Population Survey

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The findings of the Current Population Survey (CPS) with regard to total money income and its distribution among consumer units in the United States are widely used in analyses of social and economic well-being. Currently, the CPS provides the basis for analyzing such important problems as the effects on the distribution of income of proposed changes in the income maintenance system. When income aggregates estimated from the CPS or from other cross-section surveys are compared with aggregates from the social accounts, appropriately adjusted, survey totals are usually less than social account totals. The understatement in the survey totals stems from a variety of sources, and, consequently, the implications of the understatement vary with the particular problem being analyzed. For example, the CPS finds less than one-half the property income found in social accounts.

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To the extent that this understatement reflects a failure to enumerate dividend income, it is probably not serious for purposes of estimating the cost of a welfare reform bill or for analyses of the magnitude of the low-income population, because dividend income is concentrated among a relatively few families. On the other hand, the failure of the CPS to find large amounts of wages or of interest income is more of a problem because such income is widely distributed in the population and many families may contribute to the understatement. An understatement of transfer income is important because such income is concentrated among families with small amounts of nontransfer income. If the understatement is attributable largely to low-income families, cost estimates of income maintenance proposals based on the CPS will be affected, as will analyses of the magnitude of the low-income problem.

This paper is addressed to the question of the reliability of data on public transfer payments as reported in the March 1971 CPS. For purposes of this paper, public transfer payments consist of the sum of three items reported in the CPS: (1) Social Security and railroad retirement benefits; (2) public assistance payments; and (3) unemployment and workmen's compensation, government employee pensions, and veteran's payments.

The question is analyzed in two ways. First, the demographic characteristics of the persons and economic units reporting various kinds of public transfer income in the CPS are examined on the basis of the eligibility conditions of the social insurance or welfare program in order to determine whether the presence of a public transfer payment is reasonable. For example, are there many reports of Social Security benefits which cannot be explained by age, disability, and so on? More generally, are public transfer payments and the components thereof being reported by the income and age groups that one would expect, given the characteristics of the programs? Secondly, the number of beneficiaries and the average benefit received under various programs as shown by the CPS are compared with statistics generated by the program.

The first section presents a summary comparison of the CPS income aggregates with 1970 personal income figures from the National Income and Product Accounts, and an overview of the distribution and composition of transfer income received by all families and unrelated individuals, and by units in various income

and age groups. Section II deals with Social Security and railroad retirement benefits, the single largest component of public transfer payments.

I. PUBLIC TRANSFER PAYMENTS IN RELATION TO TOTAL INCOME AND AGE

The population represented in the March 1971 CPS data tape which is the basis for this analysis consists of "... the civilian noninstitutional population of the United States and approximately 1,164,000 members of the Armed Forces in the United States living off post or with their families on post, but excludes all other members of the Armed Forces."¹ The members of this population belong to 67,305,000 economic units—families and unrelated individuals—distributed by money income and age of head as shown in Table 1.² Total money income reported by families and unrelated individuals in the population represented by the CPS data tape amounted to \$646.9 billion in 1970.

The income received by persons in 1970, as given by the personal income series of the National Income and Product Accounts, was \$806.3 billion. The personal income aggregate exceeds the CPS aggregate for three main reasons: (1) persons, as defined for the income and product accounts, is a broader concept than CPS families and unrelated individuals in that it includes nonprofit institutions, private trust funds, and the like; (2) the personal income concept includes various imputations and pay-

¹ U.S., Commerce Department, Bureau of the Census, *Current Population Reports*, Series P-60, No. 80, "Income in 1970 of Families and Persons in the United States" (Washington, D.C., 1971), page 2.

² The March 1971 CPS data tape used for this paper does not incorporate the results of the 1970 Decennial Census with regard to population counts. The Decennial Census count of the civilian resident population as of April 1, 1970, was slightly less than the March 1970 CPS count—201,064,000 and 201,372,000, respectively. However, the Decennial Census found more persons 65 years of age or over—20,067,000—compared with 19,713,000 from the March 1970 CPS. This comparison suggests that the March 1971 CPS figure of 20,093,000 persons 65 years of age or over in the civilian resident population may be too low by 300,000 to 400,000. See U.S., Commerce Department, Bureau of the Census, *Current Population Reports*, Series P-20, No. 212, "Marital Status and Family Status: March 1970;" Series P-20, No. 225, "Marital Status and Living Arrangements: March 1971;" and Series P-25, No. 483, "Preliminary Estimates of the Population of the United States, by Age and Sex: April 1, 1960 to July 1, 1971."

TABLE 1 Families and Unrelated Individuals by Total Money Income in 1970 and Age of Head
(families and unrelated individuals as of March 1971)

<i>Total Money Income</i>	<i>Age of Head</i>						
	<i>Total</i>	<i>Under 25</i>	<i>25-34</i>	<i>35-44</i>	<i>45-54</i>	<i>55-64</i>	<i>65 and over</i>
Total number (thousands)	67,305	5,795	12,447	12,045	12,832	11,202	12,983
1970 income (percent):	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under \$1,000	3.9	9.7	2.4	1.5	2.2	3.8	6.8
\$1,000-\$1,999	7.4	7.9	2.2	2.1	3.1	6.3	22.2
2,000- 2,999	6.6	9.3	3.1	2.8	2.8	5.8	16.5
3,000- 3,999	6.2	9.8	4.3	3.3	3.7	5.6	11.9
4,000- 4,999	5.8	9.3	4.6	4.0	4.2	5.7	8.8
5,000- 5,999	6.0	9.0	6.0	4.8	4.8	6.2	6.5
6,000- 6,999	6.0	8.0	7.1	5.4	5.3	6.1	4.9
7,000- 7,999	6.1	8.1	8.3	6.1	5.2	6.2	3.8
8,000- 9,999	12.1	12.5	17.2	13.7	11.8	12.0	5.9
10,000-14,999	22.1	14.1	30.2	30.2	26.2	21.3	7.1
15,000-24,999	14.2	1.9	12.8	21.0	23.6	15.8	3.9
25,000 and over	3.7	.2	1.7	5.0	7.0	5.0	1.5

SOURCE: Tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

ments in kind which are not recorded in the CPS; and (3) the population covered by personal income is broader because it includes inmates of institutions and military personnel overseas or living on post in the United States. Personal income adjusted to take these conceptual differences into account amounted to \$725.6 billion in 1970—\$78.6 billion more than the CPS aggregate (see Table 2). This discrepancy reflects error in both the personal income and the CPS totals, but it is generally accepted that some part of the discrepancy is attributable to understatement in the CPS. Nevertheless, in using the relation between CPS and adjusted personal income as a guide to the reliability of CPS data, it should be borne in mind that the personal income figures are also subject to error.

Comparisons are shown in Table 2 for total income and for components of income. The CPS aggregate was 89 percent of adjusted personal income and the proportions for the various types of income ranged from a high of 96 percent for wages and salaries to a low of 44 percent for property income. With such substantial differences among components, it is tempting to conclude that the data on wages and salaries in the CPS are less subject to error than, say, the data on property income. However, the magnitude of the differences among components may be exaggerated because of classification problems. For example, Social Security/railroad retirement benefits as reported in the CPS were 87 percent of the program totals incorporated in the personal income figure, compared with 76 percent for public assistance. If any substantial amount of public assistance is reported in the CPS as Social Security benefits, this comparison is too favorable to Social Security.

Public transfer income was less than 10 percent of aggregate income, whether CPS or personal income is used as the base, but represented a much larger share of the income of low-income families and of families headed by older persons, according to the CPS. For example, about 18 percent of all families and unrelated individuals received less than \$3,000 money income in 1970, more than one-half of which was public transfer income (see Tables 1, 3, and 5). On the other hand, another 18 percent of families and unrelated individuals received \$15,000 or more in money income, less than 3 percent of which was a public transfer payment.

Among the 13 million units with head 65 years of age or over, more than one-third of total income was a public transfer. Among

TABLE 2 Aggregate Money Income in 1970: Comparison of March 1971 Current Population Survey Aggregates With Components of Personal Income Adjusted to the CPS Concept
(billions of dollars)

<i>Type of Money Income</i>	<i>Personal Income Adjusted</i>	<i>March 1971 CPS</i>	<i>CPS as Percent of</i>	
			<i>Personal Income Less CPS</i>	<i>Personal Income</i>
Total	725.6	646.9	78.6	89
Wages and salaries	526.8	508.3	18.6	96
Proprietors' income—business and professional	48.9	45.0	3.9	92
Proprietors' income—farm	15.6	7.9	7.7	51
Property income	64.0	28.0	36.0	44
Rent	9.7	a	a	a
Dividends	19.4	a	a	a
Interest	35.0	a	a	a

Public transfer payments	60.7	46.8	13.8	77
Social Security and railroad retirement	30.6	26.5	4.1	87
Public assistance	8.2	6.2	2.0	76
Unemployment and workmen's compensation, government employee and veteran's pensions	21.9	14.2	7.7	65
Unemployment compensation	4.5	2.4	b	b
Workmen's compensation	1.9	.7	b	b
Government employee pensions	9.0	4.3	b	b
Veteran's pensions	6.5	4.5	b	b
Two or more sources or source unidentified in CPS	-	2.2	b	b
Other ^c	9.6	10.9	-1.3	114

SOURCE: See Technical Appendix, tables T-1 through T-3.

^aNot available from CPS.

^bThe CPS aggregates are not comparable to the personal income figures because of the "two or more sources or sources unidentified" component.

^cThe CPS aggregate of other income is larger than the personal income component, but the two are not comparable because the CPS figure includes interfamily transfers omitted from the personal income figure.

TABLE 3 Composition of 1970 Income: Share Derived From Specified Source

(percentage distribution of mean amounts)

<i>Group Characteristic</i>	<i>Total</i>	<i>Earnings</i>	<i>Property</i>	<i>Public Transfer</i>	<i>Other</i>
All families and un-related individuals:	100	87	4	7	2
1970 income—					
Under \$1,000	100	-32	15	109	8
\$1,000- \$1,999	100	24	5	68	3
2,000- 2,999	100	34	7	54	5
3,000- 3,999	100	51	7	36	6
4,000- 4,999	100	63	6	26	5
5,000- 5,999	100	74	5	16	4
6,000- 6,999	100	82	5	11	3
7,000- 7,999	100	87	3	8	2
8,000- 9,999	100	90	3	6	2
10,000- 14,999	100	93	3	4	1
15,000- 24,999	100	93	3	3	1
25,000 and over	100	87	10	1	1
Head under 25:	100	94	1	3	1
1970 income—					
Under \$1,000	100	77	2	13	9
\$1,000- \$1,999	100	75	1	19	6
2,000- 2,999	100	76	1	16	6
3,000- 3,999	100	85	1	10	4
4,000- 4,999	100	91	1	5	3
5,000- 5,999	100	94	1	4	2
6,000- 6,999	100	96	^a	2	1
7,000- 7,999	100	96	1	2	1
8,000- 9,999	100	98	1	1	1
10,000- 14,999	100	98	1	1	^a
15,000 and over	100	92	7	1	^a
Head 25-34:	100	95	2	3	1
1970 income—					
\$1,000- \$1,999	100	58	1	32	9
2,000- 2,999	100	58	1	34	6
3,000- 3,999	100	67	1	26	6
4,000- 4,999	100	81	^a	14	3
5,000- 5,999	100	90	^a	7	3

TABLE 3 (Continued)

<i>Group Characteristic</i>	<i>Total</i>	<i>Earnings</i>	<i>Property</i>	<i>Public Transfer</i>	<i>Other</i>
6,000- 6,999	100	94	1	3	2
7,000- 7,999	100	96	1	3	1
8,000- 9,999	100	97	1	2	1
10,000- 14,999	100	97	1	1	1
15,000- 24,999	100	97	2	1	a
25,000 and over	100	89	10	a	a
Head 35-44:	100	94	2	3	1
1970 income—					
\$1,000- \$1,999	100	56	1	38	4
2,000- 2,999	100	61	2	32	6
3,000- 3,999	100	72	2	21	5
4,000- 4,999	100	79	2	17	3
5,000- 5,999	100	86	1	10	2
6,000- 6,999	100	91	1	6	2
7,000- 7,999	100	94	1	5	1
8,000- 9,999	100	95	1	3	1
10,000- 14,999	100	96	1	2	1
15,000- 24,999	100	96	2	1	1
25,000 and over	100	93	6	a	a
Head 45-54:	100	92	3	4	1
1970 income—					
\$1,000- \$1,999	100	48	4	44	4
2,000- 2,999	100	57	3	36	5
3,000- 3,999	100	72	2	22	4
4,000- 4,999	100	80	2	16	1
5,000- 5,999	100	85	2	11	2
6,000- 6,999	100	88	3	8	1
7,000- 7,999	100	92	2	5	1
8,000- 9,999	100	92	2	6	1
10,000- 14,999	100	93	2	4	1
15,000- 24,999	100	94	2	3	a
25,000 and over	100	91	7	2	1
Head 55-64:	100	87	6	6	2
1970 income—					
Under \$1,000	100	-106	51	148	8
\$1,000- \$1,999	100	31	7	58	4
2,000- 2,999	100	42	7	46	5

TABLE 3 (Concluded)

<i>Group Characteristic</i>	<i>Total</i>	<i>Earnings</i>	<i>Property</i>	<i>Public Transfer</i>	<i>Other</i>
3,000- 3,999	100	64	7	22	6
4,000- 4,999	100	73	6	17	4
5,000- 5,999	100	78	5	14	4
6,000- 6,999	100	81	5	11	3
7,000- 7,999	100	87	4	7	1
8,000- 9,999	100	88	4	6	2
10,000- 14,999	100	90	4	4	1
15,000- 24,999	100	92	5	3	1
25,000 and over	100	86	11	1	2
Head 65 and over:	100	40	17	36	7
1970 income—					
Under \$1,000	100	-16	9	106	2
\$1,000- \$1,999	100	5	6	86	2
2,000- 2,999	100	9	10	76	5
3,000- 3,999	100	17	14	63	7
4,000- 4,999	100	21	14	55	10
5,000- 5,999	100	30	16	44	11
6,000- 6,999	100	39	18	34	9
7,000- 7,999	100	41	16	33	10
8,000- 9,999	100	52	13	27	9
10,000- 14,999	100	58	17	19	7
15,000- 24,999	100	60	21	12	7
25,000 and over	100	59	31	5	6

NOTES:

Income and age groups with average total money income less than zero are included in the totals but are not shown separately.

Earnings is the sum of three CPS components: wages and salaries; net income from farm self-employment; and net income from nonfarm self-employment.

Property income is the CPS component dividends, interest on savings or bonds, income from estates or trusts, net rental income or royalties.

Public transfer income is the sum of three CPS components: Social Security and railroad retirement; public assistance; and unemployment compensation, government employee pensions, veterans' payments, and workmen's compensation.

Other income is the CPS component private pensions, annuities, alimony, regular contributions from persons not living in the household and other periodic income.

SOURCE: Tabulations prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a Less than 0.5 percent.

TABLE 4 Composition of 1970 Income: Percentage of Group Having Income From Specified Source

<i>Group Characteristic</i>	<i>Total</i>	<i>Earnings</i>	<i>Property</i>	<i>Public Transfer</i>	<i>Other</i>
All families and un-related individuals:	99	84	41	38	10
1970 income—					
Under \$1,000	81	41	16	41	5
\$1,000- \$1,999	100	36	25	77	7
2,000- 2,999	100	50	30	72	12
3,000- 3,999	100	69	34	60	16
4,000- 4,999	100	78	34	50	17
5,000- 5,999	100	87	32	42	14
6,000- 6,999	100	92	32	35	11
7,000- 7,999	100	95	34	30	10
8,000- 9,999	100	97	38	29	9
10,000- 14,999	100	98	47	26	7
15,000- 24,999	100	99	61	24	7
25,000 and over	100	98	78	22	9
Head under 25:	97	93	22	19	9
1970 income—					
Under \$1,000	71	59	8	9	11
\$1,000- \$1,999	100	88	16	26	13
2,000- 2,999	100	89	13	26	16
3,000- 3,999	100	96	17	25	14
4,000- 4,999	100	99	18	19	11
5,000- 5,999	100	100	21	19	9
6,000- 6,999	100	100	18	15	7
7,000- 7,999	100	100	27	15	8
8,000- 9,999	100	100	29	18	5
10,000- 14,999	100	100	37	18	5
15,000 and over	100	100	58	17	6
Head 25-34:	99	96	32	20	6
1970 income—					
Under \$1,000	68	54	10	18	5
\$1,000- \$1,999	100	74	8	44	12
2,000- 2,999	100	74	12	48	14
3,000- 3,999	100	81	12	45	11
4,000- 4,999	100	92	11	31	10
5,000- 5,999	100	97	15	25	9
6,000- 6,999	100	99	19	19	7

TABLE 4 (Continued)

<i>Group Characteristic</i>	<i>Total</i>	<i>Earnings</i>	<i>Property</i>	<i>Public Transfer</i>	<i>Other</i>
7,000- 7,999	100	100	21	19	6
8,000- 9,999	100	100	31	16	5
10,000- 14,999	100	100	43	16	5
15,000- 24,999	100	100	53	13	4
25,000 and over	100	100	66	12	5
Head 35-44:	100	97	37	21	7
1970 income—					
Under \$1,000	72	56	6	21	6
\$1,000- \$1,999	100	70	8	45	8
2,000- 2,999	100	78	7	43	10
3,000- 3,999	100	88	13	39	11
4,000- 4,999	100	92	12	36	9
5,000- 5,999	100	95	14	28	8
6,000- 6,999	100	98	18	22	8
7,000- 7,999	100	99	26	22	7
8,000- 9,999	100	100	30	18	6
10,000- 14,999	100	100	40	18	5
15,000- 24,999	100	100	57	18	6
25,000 and over	100	100	76	12	5
Head 45-54:	100	96	43	30	6
1970 income—					
Under \$1,000	81	57	15	24	4
\$1,000- \$1,999	100	62	12	53	6
2,000- 2,999	100	76	14	50	9
3,000- 3,999	100	90	18	39	8
4,000- 4,999	100	94	20	35	5
5,000- 5,999	100	97	23	30	8
6,000- 6,999	100	98	28	31	7
7,000- 7,999	100	99	29	27	4
8,000- 9,999	100	100	36	31	5
10,000- 14,999	100	99	46	29	5
15,000- 24,999	100	100	61	26	6
25,000 and over	100	100	76	20	8
Head 55-64:	100	89	49	36	9
1970 income—					
Under \$1,000	88	46	23	38	4
\$1,000- \$1,999	100	48	25	67	7

TABLE 4 (Concluded)

Group Characteristic	Total	Earnings	Property	Public	
				Transfer	Other
2,000- 2,999	100	58	29	67	10
3,000- 3,999	100	82	35	44	13
4,000- 4,999	100	90	40	39	10
5,000- 5,999	100	90	38	39	10
6,000- 6,999	100	92	43	35	10
7,000- 7,999	100	98	43	28	9
8,000- 9,999	100	98	51	32	9
10,000- 14,999	100	99	57	28	8
15,000- 24,999	100	99	67	26	6
25,000 and over	100	98	83	21	12
Head 65 and over:	99	41	53	91	20
1970 income—					
Under \$1,000	89	16	22	79	4
\$1,000- \$1,999	100	15	32	97	6
2,000- 2,999	100	25	44	97	13
3,000- 3,999	100	38	59	96	23
4,000- 4,999	100	43	65	94	34
5,000- 5,999	100	56	67	89	35
6,000- 6,999	100	65	68	87	29
7,000- 7,999	100	68	71	85	33
8,000- 9,999	100	76	69	85	33
10,000- 14,999	100	81	76	82	29
15,000- 24,999	100	85	85	75	30
25,000 and over	100	84	89	74	26

SOURCE: Tabulations prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

the remaining 54 million units with younger heads, less than 5 percent of income was a public transfer.

Almost four in ten units reported the receipt of some form of public transfer income (see Tables 4 and 6). The frequencies were lowest among high-income units and units headed by young persons. The frequencies were highest—as high as 97 percent—among units headed by older persons at low-income levels.

Social Security was the single most important form of public transfer payment, accounting for more than one-half of the total, using either CPS or adjusted personal income figures as the base

TABLE 5 Composition of 1970 Income: Mean Amount of Income From Specified Source

(dollars)

<i>Group Characteristic</i>	<i>Total</i>	<i>Earnings</i>	<i>Property</i>	<i>Public Transfer</i>	<i>Other</i>
All families and un-related individuals:	9,612	8,338	417	696	162
1970 income—					
Under \$1,000	260	-83	39	284	21
\$1,000- \$1,999	1,508	358	78	1,020	52
2,000- 2,999	2,461	845	160	1,331	125
3,000- 3,999	3,468	1,781	238	1,245	204
4,000- 4,999	4,471	2,824	256	1,161	230
5,000- 5,999	5,445	4,054	261	898	233
6,000- 6,999	6,452	5,275	293	679	204
7,000- 7,999	7,458	6,471	246	578	163
8,000- 9,999	8,920	8,027	227	511	154
10,000- 14,999	12,120	11,213	324	457	126
15,000- 24,999	18,410	17,150	628	467	166
25,000 and over	35,755	31,169	3,612	515	459
Head under 25:	5,940	5,594	64	194	88
1970 income—					
Under \$1,000	342	263	6	43	30
\$1,000- \$1,999	1,442	1,081	10	267	85
2,000- 2,999	2,431	1,861	27	383	159
3,000- 3,999	3,455	2,951	35	329	140
4,000- 4,999	4,458	4,054	27	241	137
5,000- 5,999	5,458	5,122	34	213	89
6,000- 6,999	6,433	6,185	17	136	95
7,000- 7,999	7,449	7,175	55	118	101
8,000- 9,999	8,911	8,690	50	123	49
10,000- 14,999	11,752	11,494	70	145	43
15,000 and over	19,840	18,324	1,341	142	32
Head 25-34:	9,944	9,441	150	260	93
1970 income—					
Under \$1,000	-88	-208	15	76	29
\$1,000- \$1,999	1,484	858	17	482	127
2,000- 2,999	2,467	1,436	37	848	146
3,000- 3,999	3,458	2,303	28	905	222
4,000- 4,999	4,473	3,664	19	646	144

TABLE 5 (Continued)

Group Characteristic	Total	Earnings	Property	Public Transfer	Other
5,000- 5,999	5,451	4,929	16	355	152
6,000- 6,999	6,446	6,080	50	206	110
7,000- 7,999	7,468	7,144	42	201	81
8,000- 9,999	8,917	8,647	47	155	69
10,000- 14,999	12,039	11,694	100	179	66
15,000- 24,999	17,769	17,281	277	125	86
25,000 and over	36,557	32,469	3,747	180	161
Head 35-44:	11,912	11,240	228	337	107
1970 income—					
Under \$1,000	-58	-263	21	139	45
\$1,000- \$1,999	1,510	849	16	579	66
2,000- 2,999	2,454	1,491	42	777	143
3,000- 3,999	3,469	2,503	53	729	185
4,000- 4,999	4,468	3,508	70	758	132
5,000- 5,999	5,436	4,680	57	565	135
6,000- 6,999	6,440	5,837	64	410	129
7,000- 7,999	7,474	6,990	48	344	92
8,000- 9,999	8,945	8,511	68	266	100
10,000- 14,999	12,167	11,700	129	254	84
15,000- 24,999	18,312	17,641	285	264	122
25,000 and over	34,279	31,913	2,099	156	111
Head 45-54:	12,586	11,573	387	537	89
1970 income—					
Under \$1,000	-125	-345	32	175	12
\$1,000- \$1,999	1,522	723	67	670	63
2,000- 2,999	2,505	1,421	75	893	115
3,000- 3,999	3,480	2,504	72	771	134
4,000- 4,999	4,482	3,600	88	734	61
5,000- 5,999	5,440	4,627	99	590	124
6,000- 6,999	6,449	5,686	166	506	90
7,000- 7,999	7,444	6,830	155	409	50
8,000- 9,999	8,920	8,177	156	498	90
10,000- 14,999	12,289	11,476	245	505	63
15,000- 24,999	18,715	17,684	437	515	79
25,000 and over	35,286	32,085	2,411	551	239

TABLE 5 (Concluded)

<i>Group Characteristic</i>	<i>Total</i>	<i>Earnings</i>	<i>Property</i>	<i>Public Transfer</i>	<i>Other</i>
Head 55-64:	10,334	8,945	602	617	169
1970 income—					
Under \$1,000	166	-178	85	245	13
\$1,000- \$1,999	1,506	470	99	877	60
2,000- 2,999	2,455	1,042	175	1,124	113
3,000- 3,999	3,476	2,235	260	770	210
4,000- 4,999	4,466	3,279	275	738	175
5,000- 5,999	5,420	4,202	287	739	193
6,000- 6,999	6,446	5,229	311	687	219
7,000- 7,999	7,446	6,512	301	521	111
8,000- 9,999	8,923	7,896	360	527	140
10,000- 14,999	12,088	10,895	525	528	141
15,000- 24,999	18,675	17,178	844	513	141
25,000 and over	36,752	31,426	4,147	480	700
Head 65 and over:	5,237	2,090	875	1,894	377
1970 income—					
Under \$1,000	560	-93	50	590	14
\$1,000- \$1,999	1,520	74	97	1,314	35
2,000- 2,999	2,462	224	244	1,878	116
3,000- 3,999	3,469	573	476	2,173	246
4,000- 4,999	4,473	931	626	2,449	467
5,000- 5,999	5,464	1,645	855	2,391	574
6,000- 6,999	6,495	2,511	1,187	2,195	601
7,000- 7,999	7,458	3,079	1,200	2,456	723
8,000- 9,999	8,879	4,580	1,145	2,392	762
10,000- 14,999	12,061	6,969	1,997	2,304	791
15,000- 24,999	18,491	11,171	3,856	2,186	1,278
25,000 and over	38,058	22,369	11,625	1,911	2,153

SOURCE: Tabulations prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

(see Tables 2 and 7). The Table 2 comparison indicates that Social Security/railroad retirement income was reported more fully than other components of public transfers.

Almost one in four units reported receipt of a Social Security/railroad retirement benefit (see Table 6). The proportions were nominal among units headed by younger persons, but rose to 85 percent among units with head aged 65 years or more. At

high-income levels, almost seventy in one hundred of the units headed by older persons reported a benefit.

Next in importance in terms of dollar magnitude was government employee pensions, amounting to \$9 billion in 1970, according to program data. In the CPS, government employee pensions are reported with unemployment and workmen's compensation and veteran's payments and the interviewer is instructed to indicate by a check on the questionnaire which type(s) of income is covered in the single dollar amount recorded. These indicators are entered in the CPS data tape and were used to identify by type the \$14 billion of public transfer, other than Social Security/railroad retirement and public assistance. Two billion of the \$14 billion was associated with two or more sources of income or was not identifiable as to type. Government employee pensions amounted to \$4.3 billion of the remaining \$12 billion which was identified in the CPS. Unless a large share of the unidentified \$2 billion is government employee pensions, this type of income seems to be especially poorly reported in the CPS.

Two percent of all families and unrelated individuals reported government employee pensions and the proportion might be as high as 4 percent if most of those with two or more sources, or an unidentified source, received government employee pensions. The proportions were largest—as high as 11 percent—among units headed by older persons with above-average incomes.

The CPS found an aggregate of \$6.2 billion in public assistance, compared with a program total of \$8.2 billion. Again, using the relation between CPS aggregates and adjusted personal income as a criterion, public assistance is not as well-reported as Social Security/railroad retirement, but is better reported than the other forms of public transfer payments.

Only seven in one hundred units reported receipt of public assistance, with some variation by age—as low as 5 percent to 6 percent for units headed by a younger person, and as high as 11 percent for units headed by persons 65 years or over. With regard to income level, the frequencies decline from about twenty in one hundred among the 18 percent of units with income less than \$3,000 to nominal rates at high-income levels, which would be expected in view of the income tests associated with the programs.

Payments to veterans amounted to \$6.5 billion according to program data, compared with a CPS total of at least \$4.5 billion. Five units in one hundred reported receipt of a veteran's payment

TABLE 6 Composition of Public Transfer Income for 1970: Percentage of Group Having Income From Specified Source

Group Characteristic	Other									
	Total	Social Security/ Railroad Retirement	Public Assistance	Total	Unemploy- ment Compensa- tion Only	Workmen's Compensa- tion Only	Government Employee Pensions Only	Veteran's Payments Only	Two or More Sources or Source Unidentified	
All families and un- related individuals:	38	24	7	15	5	1	2	5	2	2
1970 income—										
Under \$1,000	41	27	13	3	1	a	a	1	a	a
\$1,000-\$1,999	77	60	24	8	1	a	1	5	1	1
2,000- 2,999	72	55	19	17	3	1	2	9	2	2
3,000- 3,999	60	43	12	17	5	a	2	7	2	2
4,000- 4,999	50	35	9	17	6	1	3	6	2	2
5,000- 5,999	42	27	5	19	7	2	3	5	3	3
6,000- 6,999	35	21	4	16	6	1	2	4	2	2
7,000- 7,999	30	16	3	17	8	2	2	4	2	2
8,000- 9,999	29	14	3	17	7	1	2	4	3	3
10,000-14,999	26	11	2	17	6	2	2	5	3	3
15,000-24,999	24	11	1	16	4	1	2	5	3	3
25,000 and over	22	12	1	12	2	a	3	5	2	2
Head under 25:	19	2	6	12	6	1	a	4	1	1
1970 income—										
Under \$1,000	9	1	7	1	1	a	a	a	a	a
\$1,000-\$1,999	26	3	19	5	4	a	a	1	a	a
2,000- 2,999	26	3	14	12	6	1	a	4	1	1
3,000- 3,999	25	1	12	14	6	a	a	5	2	2
4,000- 4,999	19	2	6	12	6	1	a	4	1	1
5,000- 5,999	19	2	4	16	9	1	a	5	2	2
6,000- 6,999	15	2	2	13	6	2	a	3	2	2

Measurement of Transfer Income 395

7,000- 7,999	13	1	3	15	1	6	1	1	2	2	2	1	1	2
8,000- 9,999	18	1	1	16	2	8	2	2	2	2	2	a	5	2
10,000-14,999	18	1	2	15	1	6	2	2	1	5	5	1	5	2
15,000 and over	17	a	a	17	a	2	2	2	1	14	14	1	14	a
Head 25-34:	20	2	6	14	1	7	1	1	a	3	3	1	3	1
1970 income—														
Under \$1,000	18	a	12	6	1	1	1	1	a	1	1	2	1	2
\$1,000-\$1,999	44	2	38	4	3	4	a	a	a	a	a	a	a	a
2,000- 2,999	48	3	37	10	5	3	1	1	a	3	3	1	3	1
3,000- 3,999	45	4	29	16	10	10	1	1	a	3	3	2	3	2
4,000- 4,999	31	4	15	15	9	9	a	a	a	3	3	2	3	2
5,000- 5,999	25	2	7	19	12	7	2	2	a	3	3	1	3	1
6,000- 6,999	19	2	4	15	8	8	2	2	a	3	3	2	3	2
7,000- 7,999	19	2	3	17	10	10	2	2	a	3	3	2	3	2
8,000- 9,999	16	1	2	14	8	8	1	1	a	3	3	2	3	2
10,000-14,999	16	2	1	14	7	7	2	2	a	4	4	1	4	1
15,000-24,999	13	3	1	10	4	4	1	1	a	3	3	1	3	1
25,000 and over	12	5	2	7	2	2	a	a	1	3	3	1	3	1
Head 35-44:	21	6	5	13	6	6	1	1	1	4	4	2	4	2
1970 income—														
Under \$1,000	21	6	10	6	1	1	a	a	a	4	4	1	4	1
\$1,000-\$1,999	45	6	36	6	2	2	1	1	1	1	1	1	1	1
2,000- 2,999	43	9	30	7	4	4	2	2	a	2	2	1	2	1
3,000- 3,999	39	9	21	15	8	8	1	1	1	4	4	1	4	1
4,000- 4,999	36	9	20	14	7	7	2	2	a	4	4	1	4	1
5,000- 5,999	28	10	8	16	9	9	1	1	a	3	3	3	3	3
6,000- 6,999	22	5	7	15	7	7	1	1	a	4	4	2	4	2
7,000- 7,999	22	6	4	16	9	9	1	1	a	4	4	2	4	2
8,000- 9,999	18	5	3	13	6	6	2	2	a	3	3	1	3	1
10,000-14,999	18	5	1	14	7	7	1	1	1	3	3	2	3	2
15,000-24,999	18	7	1	12	4	4	1	1	1	5	5	2	5	2
25,000 and over	12	5	1	7	2	2	a	a	1	3	3	1	3	1

TABLE 6 (Concluded)

Group Characteristic	Other									
	Total	Social Security/ Railroad Retirement	Public Assistance	Total	Unemploy- ment Compensa- tion Only	Workmen's Compensa- tion Only	Government Employee Pensions Only	Veteran's Payments Only	Two or More Sources or Source Unidentified	
Head 45-54:	30	11	5	19	5	1	2	7	3	
1970 income—										
Under \$1,000	24	8	16	4	1	a	a	2	a	
\$1,000-\$1,999	53	18	31	9	1	1	a	6	1	
2,000-2,999	50	22	25	15	4	1	1	8	3	
3,000-3,999	39	16	12	21	9	1	1	8	3	
4,000-4,999	35	17	9	18	6	1	1	8	2	
5,000-5,999	30	15	4	18	5	2	1	6	4	
6,000-6,999	31	14	6	17	6	2	a	5	2	
7,000-7,999	27	10	3	18	7	2	1	5	3	
8,000-9,999	31	12	3	21	7	2	1	7	4	
10,000-14,999	29	10	2	21	6	1	2	8	4	
15,000-24,999	26	8	1	20	4	1	2	8	4	
25,000 and over	20	8	1	14	1	a	3	6	4	
Head 55-64:	36	21	6	16	5	1	3	4	3	
1970 income—										
Under \$1,000	38	23	15	3	1	a	1	1	a	
\$1,000-\$1,999	67	37	23	10	1	1	1	5	2	

Measurement of Transfer Income 397

2,000- 2,999	67	47	20	19	4	1	1	9	4
3,000- 3,999	44	32	6	15	7	a	2	4	2
4,000- 4,999	39	24	6	18	7	1	4	4	2
5,000- 5,999	39	26	6	18	6	3	4	4	2
6,000- 6,999	35	23	4	16	6	1	2	4	3
7,000- 7,999	28	17	2	15	6	1	3	4	2
8,000- 9,999	32	16	3	19	7	2	2	4	3
10,000-14,999	28	15	2	17	6	2	3	3	3
15,000-24,999	26	11	1	17	5	1	3	4	3
25,000 and over	21	9	a	13	2	a	5	5	2
Head 65 and over:	91	85	11	17	1	a	5	7	2
1970 income—									
Under \$1,000	79	64	15	2	a	a	1	1	a
\$1,000-\$1,999	97	88	23	9	a	a	1	6	1
2,000- 2,999	97	93	15	20	1	a	4	12	2
3,000- 3,999	96	93	7	19	a	a	5	11	2
4,000- 4,999	94	91	6	22	2	a	6	10	3
5,000- 5,999	89	86	3	24	3	1	9	7	3
6,000- 6,999	87	83	3	18	3	a	7	5	3
7,000- 7,999	85	80	2	25	4	1	11	5	4
8,000- 9,999	85	80	3	23	5	a	10	3	5
10,000-14,999	82	77	3	25	4	1	9	6	5
15,000-24,999	75	68	2	20	2	a	11	3	3
25,000 and over	74	69	1	14	3	a	6	3	2

SOURCE: Tabulations prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

a Less than 0.5 percent.

TABLE 7 Composition of Public Transfer Income for 1970: Mean Amount of Income From Specified Source (dollars)

Group Characteristic	Other									
	Total	Social Security/Railroad Retirement	Public Assistance	Total	Unemployment Compensation Only	Workmen's Compensation Only	Government Employee Pensions Only	Veteran's Payments Only	Two or More Sources or Source Unidentified	
All families and un-related individuals:	696	394	91	210	33	10	62	65	41	
1970 income—										
Under \$1,000	284	190	75	18	4	a	3	8	3	
\$1,000-\$1,999	1,020	717	235	68	5	3	9	43	8	
2,000- 2,999	1,331	865	295	170	16	6	33	83	32	
3,000- 3,999	1,245	804	238	203	37	5	46	90	24	
4,000- 4,999	1,161	736	206	219	39	9	64	77	30	
5,000- 5,999	898	541	105	252	52	18	74	67	41	
6,000- 6,999	679	398	68	213	41	11	56	66	39	
7,000- 7,999	578	317	39	222	46	15	74	50	38	
8,000- 9,999	511	256	42	212	44	13	61	55	40	
10,000-14,999	457	201	25	232	41	13	61	67	49	
15,000-24,999	467	181	10	276	29	10	96	76	64	
25,000 and over	515	209	7	299	10	a	148	64	77	
Head under 25:	194	17	93	84	30	4	1	37	12	
1970 income—										
Under \$1,000	43	6	33	4	3	a	a	a	1	
\$1,000-\$1,999	267	27	217	23	17	a	a	6	a	
2,000- 2,999	383	29	260	94	30	5	a	50	10	
3,000- 3,999	329	13	226	90	26	a	a	43	20	
4,000- 4,999	241	24	139	79	30	4	a	32	12	

Measurement of Transfer Income 399

7,000- 7,999	118	8	25	86	47	11	a	19	6
8,000- 9,999	123	6	7	110	36	5	a	58	11
10,000-14,999	145	13	20	112	38	7	a	46	21
15,000 and over	142	a	a	142	7	a	5	130	a
Head 25-34:	260	38	109	113	45	11	2	42	13
1970 income—									
Under \$1,000	76	3	54	19	5	a	a	6	8
\$1,000-\$1,999	482	18	438	25	15	5	a	1	4
2,000- 2,999	848	52	687	109	35	14	a	38	23
3,000- 3,999	905	81	669	154	83	5	a	50	16
4,000- 4,999	646	109	409	128	74	7	1	31	14
5,000- 5,999	355	27	151	177	87	16	2	53	19
6,000- 6,999	206	25	61	121	49	15	a	47	11
7,000- 7,999	201	36	35	131	53	25	a	37	15
8,000- 9,999	155	17	34	104	45	9	4	31	14
10,000-14,999	179	40	20	120	41	12	2	57	8
15,000-24,999	125	34	7	84	26	3	3	36	16
25,000 and over	180	87	16	77	11	a	31	25	10
Head 35-44:	337	106	98	133	35	10	17	44	27
1970 income—									
Under \$1,000	139	38	56	45	19	a	a	25	1
\$1,000-\$1,999	579	72	462	46	7	7	14	11	7
2,000- 2,999	777	145	555	77	22	7	a	27	21
3,000- 3,999	729	152	418	159	61	19	12	52	15
4,000- 4,999	758	142	496	120	44	25	8	33	11
5,000- 5,999	565	214	204	147	48	13	18	34	34
6,000- 6,999	410	109	116	185	51	5	1	89	39
7,000- 7,999	344	149	58	137	51	6	2	58	20
8,000- 9,999	266	83	63	120	38	17	5	45	16
10,000-14,999	254	82	25	147	40	8	28	33	38
15,000-24,999	264	117	10	138	20	11	19	58	29
25,000 and over	156	73	7	76	11	a	31	21	13

TABLE 7 (Concluded)

Group Characteristic	Social Security/ Railroad Retirement	Public Assistance	Total	Unemployment Compensation Only			Other			Veteran's Payments Only	Two or More Sources or Source Unidentified
				Unemployment Compensation Only	Workmen's Compensation Only	Government Employee Pensions Only	Government Employee Pensions Only	Veteran's Payments Only			
Head 45-54:	178	69	289	37	12	61	105	74			
1970 income—											
Under \$1,000	55	94	26	7	2	a	18	a			
\$1,000-\$1,999	206	380	84	12	11	3	54	4			
2,000-2,999	893	416	142	22	4	9	65	42			
3,000-3,999	771	267	241	78	5	15	109	34			
4,000-4,999	347	161	226	39	3	30	114	40			
5,000-5,999	590	79	248	40	13	44	100	51			
6,000-6,999	506	99	206	55	27	8	93	23			
7,000-7,999	409	40	227	46	14	34	60	72			
8,000-9,999	498	46	257	47	21	42	83	65			
10,000-14,999	505	28	305	41	15	56	118	76			
15,000-24,999	515	11	377	31	10	92	136	109			
25,000 and over	551	8	424	6	a	185	102	131			
Head 55-64:	291	70	256	40	15	97	54	49			
1970 income—											
Under \$1,000	141	89	15	2	a	8	6	1			
\$1,000-\$1,999	549	233	95	10	7	11	44	23			

2,000- 2,999	1,124	662	276	186	27	9	23	73	55
3,000- 3,999	770	508	96	166	49	4	45	51	16
4,000- 4,999	738	348	112	278	50	10	111	78	29
5,000- 5,999	739	364	93	282	65	35	82	64	36
6,000- 6,999	687	361	73	253	32	8	93	61	59
7,000- 7,999	521	262	33	225	34	10	98	53	29
8,000- 9,999	527	223	48	255	53	20	73	73	37
10,000-14,999	528	213	18	297	45	23	108	51	70
15,000-24,999	513	150	11	352	48	18	174	35	77
25,000 and over	480	142	3	335	9	a	199	72	55
Head 65 and over:	1,894	1,472	108	315	13	5	158	85	53
1970 income—									
Under \$1,000	590	470	100	20	1	a	5	8	5
\$1,000-\$1,999	1,314	1,063	179	72	1	a	10	54	7
2,000- 2,999	1,878	1,485	178	215	4	5	60	114	33
3,000- 3,999	2,173	1,804	94	276	2	5	98	140	31
4,000- 4,999	2,449	2,025	90	334	19	6	139	121	50
5,000- 5,999	2,391	1,890	47	453	28	19	236	94	76
6,000- 6,999	2,195	1,742	30	423	21	5	241	69	89
7,000- 7,999	2,456	1,758	38	660	43	15	422	78	101
8,000- 9,999	2,392	1,711	38	643	36	a	414	51	143
10,000-14,999	2,304	1,561	52	691	34	16	388	114	140
15,000-24,999	2,186	1,440	17	730	21	1	542	71	95
25,000 and over	1,911	1,347	11	553	22	a	323	35	172

SOURCE: Tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

a Less than \$.50.

and the proportion might be as high as 7 percent if most of those with two or more sources, or an unidentified source, received a payment. The proportions were as large as 12 percent among units headed by older persons at rather low income levels—\$2,000 to \$3,000. The veteran's programs covered in this component include some which are subject to an income test. Thus, a finding that recipients are of more modest income than are recipients of, say, government employee pensions, which are not income tested, should be expected.

Program data show that unemployment compensation amounted to \$4.5 billion in 1970, compared with a CPS total of at least \$2.4 billion. Five in one hundred units reported receipt of unemployment compensation with little variation by age group among units headed by persons less than 65 years of age. The frequency drops to 1 percent among units headed by older persons.

To sum up, using the CPS–personal-income comparison as a criterion, all forms of public transfer income are understated in the CPS. Social Security and public assistance are more fully reported than other components. For units who report public transfer income, the picture that emerges is one of general consistency or, at least, no glaring inconsistency, with social insurance and welfare program eligibility conditions. Social Security is reported with great frequency among the units headed by older persons; reports of payments under income-tested programs occur to some extent among families with above-average income, but the rates are far higher among families with below-average income.

II. SOCIAL SECURITY AND RAILROAD RETIREMENT PAYMENTS

The analysis of the reliability of Social Security/railroad retirement income was developed as follows. The data record of each person in the CPS sample was examined and assigned a beneficiary code based on rules developed from the eligibility conditions of the Old-Age, Survivors, and Disability Insurance (OASDI) and railroad retirement programs. The results of this coding are presented, and it is shown that most benefit reports can be explained on the basis of an age, disability, or survivor condition. The numbers of beneficiaries thus defined are compared with program totals by sex and age group.

A special economic unit consisting of persons who are interdependent under the conditions of the social insurance programs was constructed in order to derive the distribution of benefits in the population. Units were classified as retired worker units, disabled worker units, and so on, to correspond as closely as possible with concepts available from program statistics. Average benefits and distributions of units by size of benefit are presented for the various groups of beneficiary units in comparison with program statistics.

Summary of Methodology for Beneficiary Code

The March 1971 CPS data tape contains a record for each person in the covered population with information on age and sex and on the relation of the person to others in the Census household. For each person 14 years of age or over, the record contains dollar amounts of income received in 1970. Eight types of income were enumerated as follows:

1. wages or salary before deductions;
2. net income from own nonfarm business or professional practice or partnership;
3. net income from own farm;
4. Social Security or railroad retirement;
5. estates, trust or dividends; interest on savings accounts or bonds; net rental income; royalties;
6. welfare payments or other public assistance;
7. unemployment compensation, workmen's compensation, government employee pensions, veteran's payments; and
8. private pensions or annuities, alimony, regular contributions from persons not living in the household, and other.

For persons 14 years of age or over in the civilian population at the time of the interview, the record also contains information about work experience during the year 1970—number of weeks worked and reasons for working less than full year—and about labor-force attachment at time of interview in March 1971.

Based on these data, each person on the CPS data tape was given a code indicating whether or not he was a Social Security/railroad retirement beneficiary in 1970 and classifying him as to type of beneficiary—retired worker, disabled worker, wife of retired worker, and so on. The analysis was facilitated by the development of a special economic unit—the STATS [Simulated Tax and Transfer] unit—and a number of codes.

The STATS unit consists of a head, wife, and dependent children. The unit was formed from the Census family or unrelated individual and may be one of the following types:

1. primary family unit;
2. secondary family unit;
3. subfamily unit;
4. hidden subfamily unit;
5. primary individual unit;
6. secondary individual unit; or
7. individual-from-a-family unit.

Primary and secondary individual STATS units follow the Census definition of unrelated individuals—persons 14 years of age or over not living with any relatives.

The primary family, secondary family, and subfamily units were formed from their Census counterparts and consist of head, wife, never-married children of the head under 18 years of age, never-married children of the head 18 through 21 years of age whose labor-force status indicated that they were students in 1970 and/or early 1971, other never-married relatives of the head under 18 years of age, other never-married relatives of the head 18 through 21 years of age whose labor-force status indicated that they were students in 1970 and/or early 1971, and foster children (secondary individuals less than 14 years of age). For purposes of this analysis, the last five groups are considered dependent children.

Most persons in a Census primary or secondary family who did not meet these criteria became one-person STATS units—individual-from-a-family units. Examples are an own child 22 years of age or over, a grandparent, and so on.

A disability code and a student code were developed for each person on the data tape. The codes were based on work experience during 1970 and on labor-force attachment at time of interview in March 1971. All persons who reported that they worked less than a full year in 1970 because of illness, and that they were not in the labor force or in school in early 1971, were considered disabled for purposes of the analysis. All persons who reported that they worked less than a full year in 1970 because they were attending school and those who reported that their major activity in March 1971 was attending school were classified as students.

Each person in a STATS unit was given a Social Security/railroad retirement recipient code on the basis of such characteristics

as age, sex, disability status, marital status, student status, presence of children, and relationship to the person in the unit who reported the Social Security/railroad retirement payment. If no one in the STATS unit reported a payment, all persons in the unit were considered nonbeneficiaries. If one or more persons in the unit reported payments, the unit was considered a beneficiary unit and some, but not necessarily all, of the persons in the unit were counted as beneficiaries. Some persons had characteristics which made them appear eligible for two or more types of benefits. For example, a widow 65 years of age or more could be a retired-worker beneficiary or an aged-widow beneficiary. The codes for such cases indicate all the types of benefits for which the person is eligible. In the example just cited, the woman is coded as retired worker or widow. If no one in the beneficiary unit appeared to be eligible to receive a Social Security benefit—if, for example, the unit contained no person 62 years of age or more, no disabled persons, and so on—the person reporting the payment was counted as a beneficiary and coded “not ascertained” with regard to type of beneficiary. The rules for forming STATS units and for the recipient code are given in the Technical Appendix.

Results of Coding

The results of the beneficiary coding are shown in Tables 8 through 10. Altogether, an estimated 24,007,000 persons were identified as Social Security/railroad retirement beneficiaries. The majority of these—19,086,000—reported Social Security/railroad retirement payments in their own CPS records. Moreover, of those reporting Social Security in their own records, all but a negligible number possessed characteristics which permitted classification by type of beneficiary, such as retired worker, disabled worker, and so on.

Males With Social Security/Railroad Retirement Benefits in Their Records. There were 8,671,000 males 14 years of age or more who reported Social Security/railroad retirement benefits in their own records and virtually all of them were coded as beneficiaries (Table 8). About 7,024,000 were identified as retired-worker beneficiaries because they were 65 years of age or more, or because they were 62 through 64 years of age and their records contained no evidence of disability. Another 544,000 were

TABLE 8 Number of Social Security/Railroad Retirement Individual Beneficiaries by Presence of Benefit Payment in Record: Sex, and Type of Beneficiary, March 1971 Current Population Survey

Type of Beneficiary	(thousands)								
	All Persons			No Social Security/Railroad Retirement in Record					
	Total	Male	Female	Total	Male	Female			
Total	201,855	97,477	104,379	19,559	8,671	10,888	182,296	88,806	93,490
Not a beneficiary	177,849	87,549	90,300	473	177	297	177,375	87,372	90,003
No payment in record	177,375	87,372	90,003	—	—	—	177,375	87,372	90,003
Payment in record imputed to children	446	164	282	446	164	282	—	—	—
Payment in record imputed to spouse	27	13	14	27	13	14	—	—	—
Beneficiary	24,007	9,928	14,082	19,086	8,495	10,592	4,919	1,433	3,487
Retired worker	9,360	7,037	2,323	9,345	7,024	2,322	14	13	1
Wife of retired worker with entitled children in her care ^a	124	—	124	29	—	29	95	—	95
Wife of retired worker with no entitled children in her care	3,010	—	3,010	1,183	—	1,183	1,827	—	1,827
Disabled worker	800	548	252	784	544	240	15	4	12
Wife of disabled worker with entitled children in her care ^a	159	—	159	41	—	41	117	—	117
Wife of disabled worker with no entitled children in her care	4	—	4	—	—	—	4	—	4
Widowed mother ^b	444	—	444	444	—	444	—	—	—
Widow	104	—	104	104	—	104	—	—	—

Measurement of Transfer Income 407

	105	55	49	43	25	17	62	30	32
relative of unit head, under 10 years of age	600	333	267	297	173	124	303	160	143
Child beneficiary: never-married student child of unit head, 18-21 years of age	22	6	16	22	6	16	—	—	—
Child beneficiary: never-married student relative of unit head, 18-21 years of age	4	3	1	4	3	1	—	—	—
Child beneficiary: never-married student head of individual STAS unit, under 18 years of age	23	20	3	23	20	3	—	—	—
Child beneficiary: other	110	62	48	110	62	48	—	—	—
Retired or disabled worker	286	208	78	286	208	78	—	—	—
Wife of retired or disabled worker with entitled children in her care ^a	17	—	17	4	—	4	13	—	13
Wife of retired or disabled worker with no entitled children in her care	19	—	19	—	—	—	19	—	19
Retired worker or widow	5,350	—	5,350	5,350	—	5,350	—	—	—
Retired worker or disabled worker or widow	95	—	95	95	—	95	—	—	—
Disabled worker or widow	42	—	42	42	—	42	—	—	—
Disabled worker or widowed mother	37	—	37	37	—	37	—	—	—
Not ascertained as to type	393	164	229	393	164	229	—	—	—

SOURCE: Tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For purposes of this analysis, an entitled child in the wife's or widow's care is a never-married child of the unit head, under 18 years of age.

^b A widow under 62 years of age with an entitled child in her care. See footnote a.

TABLE 9 Number of Social Security/Railroad Retirement Individual Female Beneficiaries With Benefit Payment in Record by Marital Status and Type of Beneficiary, March 1971 Current Population Survey
(thousands)

<i>Type of Beneficiary</i>	<i>Married, Spouse Present</i>						<i>Never Married, Separated, or Divorced</i>
	<i>Head Is Beneficiary</i>			<i>Head Is Not Beneficiary</i>			
	<i>Total</i>	<i>Retired Worker</i>	<i>Other</i>	<i>Head Is Not Beneficiary</i>	<i>Widow</i>	<i>6,200</i>	
Total	<u>10,592</u>	<u>2,301</u>	<u>117</u>	<u>472</u>	<u>6,200</u>	<u>1,499</u>	
Retired worker	2,322	996	39	360	—	927	
Wife of retired worker with entitled children in her care ^a	29	29	—	—	—	—	
Wife of retired worker with no entitled children in her care	1,183	1,183	—	—	—	—	
Disabled worker	240	23	7	54	51	106	
Wife of disabled worker with entitled children in her care ^a	41	—	41	—	—	—	
Wife of disabled worker with no entitled children in her care	—	—	—	—	—	—	
Widowed mother ^b	444	—	—	—	444	—	
Widow	104	—	—	—	104	—	
Child beneficiary: never-married child of unit head under 18 years of age	185	—	—	—	—	185	

Child beneficiary: never-married relative of unit head under 18 years of age	17	-	-	-	17
Child beneficiary: never-married student child of unit head, 18-21 years of age	124	-	-	-	124
Child beneficiary: never-married student relative of unit head, 18-21 years of age	16	-	-	-	16
Child beneficiary: never-married head of individual STATS unit under 18 years of age	1	-	-	-	1
Child beneficiary: never-married student head of individual STATS unit 18-21 years of age	3	-	-	-	3
Child beneficiary: other	48	-	3	13	32
Retired or disabled worker	78	38	9	11	20
Wife of retired or disabled worker with entitled children in her care ^a	4	-	4	-	-
Wife of retired or disabled worker with no entitled children in her care	-	-	-	-	-
Retired worker or widow	5,350	-	-	-	5,350
Retired worker or disabled worker or widow	95	-	-	-	95
Disabled worker or widow	42	-	-	-	42
Disabled worker or widowed mother	37	-	-	-	37
Not ascertained as to type	229	21	12	49	78

SOURCE: Tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For purposes of this analysis, an entitled child in the wife's or widow's care is a never-married child of the unit head under 18 years of age.

^b A widow under 62 years of age with an entitled child in her care. See footnote a.

TABLE 10 Number of Social Security/Railroad Retirement Beneficiaries 65 Years of Age and Over, by Sex and Type of Beneficiary, March 1971 Current Population Survey

(thousands)

<i>Characteristic</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>
Total	19,119	8,047	11,072
Not a beneficiary	3,082	1,407	1,675
Beneficiary	16,037	6,640	9,397
Retired worker	8,623	6,640	1,982
Wife of retired worker with no entitled children in her care	2,408	-	2,408
Wife of disabled worker with no entitled children in her care	4	-	4
Wife of retired or disabled worker with no entitled children in her care	5	-	5
Retired worker or widow	4,997	-	4,997

SOURCE: Tabulations prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

counted as disabled workers on the basis of their age and disability status—that is, they were less than 62 years of age, they worked less than a full year in 1970 because of illness, and were not in the labor force or in school at the time of interview in early 1971. About 555,000 male beneficiaries with payments in their records were coded as child beneficiaries on the basis of their age and disability status—that is, they were 14 through 22 years of age in March 1971 and their records contained no evidence of disability.

Females With Social Security/Railroad Retirement Benefits in Their Records. The majority of the 10,888,000 females 14 years of age or more who reported payments in their own records were 65 years of age or more, or were 62 through 64 years of age with no evidence of disability in their records. About 5,350,000 were coded as widows on the Census marital-status code and were classified as retired worker or widow on the beneficiary code. Another 927,000 were coded “never-married, separated, or divorced” on the Census marital code and were counted as retired workers (see Table 9).

The remainder of these aged female beneficiaries were coded “married, spouse present” and their beneficiary code depended on

the beneficiary status of the head as well as on their own age and disability status. If the head was a retired-worker beneficiary and the wife's payment was less than or equal to 50 percent of the head's benefit, she was counted as a wife with no entitled children in her care—an estimated 1,183,000. If the wife's payment was more than 50 percent of the head's benefit, she was counted as a retired worker—an estimated 996,000. In other words, wives whose benefit was larger than that to which a wife is entitled under the Social Security program—at most 50 percent of the head's benefit—were considered retired-worker beneficiaries, and all other wives were classed as wife beneficiaries.³ If the head was not a retired-worker beneficiary, the wife was classified as a retired worker—about 399,000 cases.

Beneficiaries "Not Ascertained" As to Type. About 393,000 persons with a Social Security/railroad retirement payment in their records were coded "not ascertained" as to type of beneficiary. An estimated 39,000 were persons less than 62 years of age who reported that they did not work during 1970 because they were retired and were not in the labor force or in school in early 1971. These persons may have retired on disability, but they were not coded as disabled workers because the reason that they gave for not working during 1970 was retirement rather than illness. An elaboration of the code to take this case into account was not feasible for this presentation.

The approximately 350,000 remaining in the "not ascertained" group may include some persons who were beneficiaries during 1970, but the basis for the entitlement did not exist in March 1971. For example, if the last entitled child of a widowed mother left the unit before time of interview in early 1971, there is no basis for recognizing that the widow was entitled during 1970 as a widowed mother. Finally, some of the "not ascertained" group may be attributable to the fact that the data tape underlying the analysis incorporates the Census Bureau's allocations for nonresponse.

Beneficiaries With No Social Security/Railroad Retirement in Their Records. An estimated 4,919,000 persons were coded as

³ In a few cases in which own children were present in the unit, the relation between payments of head and wife was not considered a good basis for classifying wives as retired worker or wife beneficiaries, because the child's benefits may have been included in the benefit of the head or of the wife. In these cases, the wife was considered a retired worker.

beneficiaries even though they did not report a Social Security/railroad retirement benefit in their own records, because they were dependents of the unit head or wife who reported benefits. More than one-half of these were child beneficiaries, and virtually all of the remainder were wives of retired or disabled workers. Women who did not report a benefit were coded as wife beneficiaries when the STATS unit contained head and wife, the head reported a Social Security/railroad retirement payment in his record which was identified as a retired- or disabled-worker benefit, and the wife was of eligible age—62 years or over if there were no children under 18 years of age in the STATS unit and any age if there were such entitled children present.

The majority of the dependent children who were coded as child beneficiaries were the own children of the STATS unit head, and the unit head was identified as a retired or disabled worker or as a widow or a widowed mother. Another large group of dependent children were coded as child beneficiaries as an explanation of the payment received by the head or wife in the STATS unit. It will be recalled that children under 14 years of age do not have income information in their CPS data records. About 446,000 heads or wives reported a Social Security/railroad retirement payment which could not be identified as a retired- or disabled-worker payment, a widowed mother payment, and so on. In these cases, the payment was assumed to be received on behalf of children in the unit—about 1,160,000 children in the aggregate.

Comparison With Program Counts of Beneficiaries

According to program records, more than 26 million persons were receiving OASDI benefits at the end of 1970 and about 1 million were receiving railroad retirement benefits at that time (see Table 11). Taking into account the beneficiaries receiving both Social Security and railroad retirement benefits—about 400,000—there were 26.8 million beneficiaries on either the Social Security or railroad retirement rolls or both in current payment status as of the end of 1970—about 2.8 million more than the CPS found in March 1971. If the results of the 1970 Decennial Census had been incorporated in the March 1971 CPS, this discrepancy would have been smaller (see footnote 2).

Program counts at the close of 1970 are larger than CPS counts because of broader population coverage and because some beneficiaries died in early 1971 before the time of the CPS interview. With respect to population coverage, the CPS does not enumerate persons living outside the fifty states and the District of Columbia, and the data tape which underlies this analysis does not include the institutional population. The number of OASDI beneficiaries living outside the fifty states and the District of Columbia was about 600,000 at the end of 1970 according to program data. In early 1968, the Survey of the Aged found 650,000 Social Security beneficiaries 65 years of age or over who were living in institutions. Social Security data on awards to disabled workers provide a basis for a rough estimate of 260,000 beneficiaries under 65 years of age who were institutionalized. The total number of beneficiaries in institutions at the end of 1970 is estimated at roughly 900,000. With regard to deaths of beneficiaries, the Social Security program estimate is somewhat more than 300,000 in the first quarter of 1971.

Program counts at the end of 1970 are too low as a measure of the CPS concept because some persons were on the rolls early in 1970 but not in December of that year. Social Security terminations data show that there were about 900,000 such persons. About 700,000 would have been identified as child beneficiaries in the CPS. They included 234,000 children who attained age 18 in 1970 and did not convert to student-child beneficiary status, 209,000 who ceased being full-time students, 71,000 who attained age 22, 48,000 children of disabled workers who recovered, 46,000 child beneficiaries who married, and the like. The remaining 200,000 would have been identified as adult beneficiaries under 65 years of age in the CPS. There were 63,000 widowed mothers who lost entitlement because their last entitled child came of age, 41,000 disabled workers who recovered, and so on.

In addition to the 26.2 million Social Security beneficiaries on the rolls in current-payment status at the end of 1970, there were 1.6 million on the rolls whose benefits were being withheld. Most of the cases of withheld benefits involved beneficiaries whose earnings exceeded the amount allowable by the law, and some of them may have been in current-payment status earlier in 1970. The number in current-payment status earlier in 1970 is estimated

TABLE 11 Number of Social Security/Railroad Retirement Beneficiaries, by Age: Reconciliation of Program Data with March 1971 CPS Concept

(millions)

	Total	Children		Adults, by Age		
		Other Than Disabled	Children	Total	Under 65	65 and Over
On program rolls in current payment status, end of 1970	27.2	3.9	3.9	23.3	5.0	18.4
OASDI	26.2	3.9	3.9	22.4	4.9	17.5
Railroad retirement	1.0	a	a	.9	.1	.8
Less: Beneficiaries receiving both OASDI and railroad retirement	.4	a	a	.4	a	.3
Equals: On OASDI and/or railroad retirement rolls in current payment status, end of 1970	26.8	3.9	3.9	22.9	4.9	18.0
Less: OASDI beneficiaries living outside of U.S.	.6	.2	.2	.4	.1	.3
Beneficiaries in institutions ^b	.9	a	a	.9	.3	.7
Terminations due to death, January-March 1971 ^c	.3	a	a	.3	a	.3

Equals:	25.0	3.7	21.3	4.5	16.7
Plus: Beneficiaries on rolls in 1970, but not in 12/70 ^d	.9	.7	.2	.2	^a
Beneficiaries in current payment status in 1970, but not 12/70	.2	^a	.2	^a	.2
One-fourth of OASDI beneficiaries who were 64 years of age in 12/70	—	—	—	-.2	.2
Equals: Program data adjusted to CPS concept	26.1	4.4	21.7	4.5	17.2
March 1971 CPS estimate	24.0	3.8	20.2	4.2	16.0
Excess of program data over CPS	2.1	.6	1.4	.3	1.1
March 1971 CPS as percent of adjusted program total	92	86	93	93	93

SOURCES: 1970 *Annual Statistical Supplement*, *Social Security Bulletin*, Tables 67, 106, 108, 121, and 123; *Statistical Supplement* to the 1971 *Annual Report of the Railroad Retirement Board*, Tables B-9, B-10, B-20, B-22, B-24, B-26, and B-29; and Tables 8 and 10 of this paper.

^a Less than .05.

^b Number of beneficiaries 65 years of age or more living in institutions estimated on the basis of data from 1968 Survey of the Aged. See J. Murray, "Living Arrangements of People Aged 65 and Older: Findings from 1968 Survey of the Aged," *Social Security Bulletin*, September 1971, page 10. Beneficiaries less than 65 years of age living in institutions estimated on the basis of Social Security disability applicant statistics for 1966 and 1967.

^c Terminations due to death in 1971 is an unpublished Social Security Program estimate.

^d Beneficiaries on rolls in 1970, but not in December 1970, based on OASDI terminations data for 1970. Consists of child beneficiaries who came of age, married, or ceased being students; disabled workers who recovered and their dependents; disabled widows who married; widowed mothers who married; widowed mothers and wives of retired or disabled workers whose last entitled child married or attained age 18.

at roughly 200,000 for those 65 years of age and over and is assumed to be negligible for younger beneficiaries.⁴

On balance, the program counts shown in Table 11 exceed the CPS by 2.1 million—8 percent of the adjusted program total. For beneficiaries aged 65 and over, the adjusted program number is 1,100,000 larger than the CPS total of 16 million; and for younger beneficiaries, it is 900,000 larger than the CPS total of 8 million.

The results by age group suggest that reporting for adult beneficiaries may be relatively better than that for child beneficiaries. The CPS count of adult beneficiaries is 93 percent of the adjusted program total compared to 86 percent for child beneficiaries (see Table 11). This result may be attributable in part to CPS procedures, which do not call for income reports from persons under 14 years of age.

Some of the difference between program and CPS counts for the younger adult beneficiaries may arise from an inability to recognize disability by means of the information in the CPS data tape. For example, Table 8 shows that 164,000 men and 282,000 women who were receiving Social Security/railroad retirement payments were considered to be receiving them on behalf of children in the unit, because there was no evidence of disability in the record of the head or wife. If these cases were classified as disabled workers, rather than as child beneficiaries, the program and CPS totals would be in close agreement for young adults, but the discrepancy for the children would be widened.

Comparisons for males and females are shown in Tables 12 and 13 and indicate that more men than women are missing from the

⁴ At the end of 1968 and of 1970, there were 1 million beneficiaries 65 years of age and over whose benefits were being withheld because of earnings. Information for 1968 shows that about 800,000 had all of their 1968 benefits withheld. See "The Retirement Test Under Social Security," a report on a study called for by the Congress in P.L. 90-248, the Social Security Amendments of 1967 (Washington, D.C.: U.S., Department of Health, Education and Welfare, 1968), Table 1, page 10. Thus, about 200,000 of those whose benefits were being withheld in December 1968 were in current-payment status earlier. It was assumed that the same relation held for 1970.

Similar estimates are not available for younger beneficiaries for 1968. At the end of 1970, there were about 200,000 beneficiaries under 65 years of age whose benefits were being withheld because of the retirement test, and it was assumed that the number of these in current-payment status earlier in the year was negligible.

TABLE 12 Number of Adult Social Security/Railroad Retirement Beneficiaries Under 65 Years of Age, by Sex: Reconciliation of Program Data with March 1971 CPS Concept

	(millions)		
	Total	Male	Female
On program rolls in current payment status, end of 1970	5.0	1.8	3.1
OASDI	4.9	1.8	3.1
Railroad retirement	.1	a	.1
Less: Beneficiaries receiving both OASDI and railroad retirement	a	a	a
Equals: On OASDI and/or railroad retirement rolls in current payment status, end of 1970	4.9	1.8	3.1
Less: OASDI beneficiaries living outside of U.S.	.1	.1	.1
Beneficiaries in institutions ^b	.3	.2	.1
Terminations due to death, January-March 1971 ^c	a	a	a
Equals:	4.5	1.6	3.0
Plus: Beneficiaries on rolls in 1970, but not 12/70 ^d	.2	.1	.1
One-fourth of OASDI beneficiaries who were 64 years of age 12/70	-.2	-.1	-.1
Equals: Program data adjusted to CPS concept	4.5	1.5	3.0
March 1971 CPS estimate	4.2	1.3	2.9
Excess of program data over CPS	.3	.2	.1
March 1971 CPS as percent of adjusted program total	93	86	97

NOTES: See Table 11.

SOURCES: 1970 Annual Statistical Supplement to the Social Security Bulletin, Tables 67, 106, 108, 121, and 123; Statistical Supplement to the 1971 Annual Report of the Railroad Retirement Board, Tables B-9, B-10, B-15, B-20, B-22, B-24, B-26, and B-29; Tables 8 and 10 of this paper.

TABLE 13 Number of Adult Social Security/Railroad Retirement Beneficiaries 65 Years of Age or More, by Sex: Reconciliation of Program Data With March 1971 CPS Concept

(millions)

	Total	Male	Female
On program rolls in current payment status, end of 1970	18.4	7.6	10.8
OASDI	17.5	7.2	10.3
Railroad retirement	.8	.4	.5
Less: Beneficiaries receiving both OASDI and railroad retirement	.3	.1	.2
Equals: On OASDI and/or railroad retirement rolls in current payment status, end of 1970	18.0	7.4	10.6
Less: OASDI beneficiaries living outside of U.S.	.3	.1	.1
Beneficiaries in institutions ^a	.7	.2	.5
Terminations due to death, January-March 1971 ^b	.3	.2	.2
Equals:	16.7	6.9	9.8
Plus: Beneficiaries in current payment status in 1970, but not 12/70	.2	.1	.1
One-fourth of OASDI beneficiaries who were 64 years of age 12/70	.2	.1	.1
Equals: Program data adjusted to CPS concept	17.2	7.1	10.1
March 1971 CPS estimate	16.0	6.6	9.4
Excess of program data over CPS	1.1	.5	.7
March 1971 CPS as percent of adjusted program total	93	93	93

SOURCES: 1970 Annual Statistical Supplement to the Social Security Bulletin, Tables 67, 106, 108, 121, and 123. Statistical Supplement to the 1971 Annual Report of the Railroad Retirement Board, Tables B-9, B-10, B-15, B-20, B-22, B-26, and B-29; and Table 10 of this paper.
^a Number of beneficiaries 65 years of age or more living in institutions estimated on the basis of data from 1968 Survey of the Aged. See J. Murray, "Living Arrangements of People Aged 65 and Older: Findings from 1968 Survey of the Aged," Social Security Bulletin, September 1971, page 10.
^b Terminations due to death in 1971 is an unpublished Social Security disability applicant statistics for 1966 and 1967.

CPS count in the under 65 age group. Among the older beneficiaries, men and women were equally well reported.

Summary of Methodology for Social Security Unit Coding

The methodology outlined above for deriving STATS units yielded slightly more than 80 million units when it was applied to the March 1971 CPS data tape. Each unit was given a Social Security unit code identifying it as to beneficiary status. The results are shown in Table 14.

The Social Security unit code was based on the beneficiary codes assigned to each person in the STATS unit and on the composition of the STATS unit. For example, a single-person STATS unit coded as a retired worker on the beneficiary code is a retired-worker unit. The codes for head-wife units depend on the relation between the beneficiary codes of head and wife. If the head is a retired worker and the wife is not a beneficiary, the unit is coded as retired worker, or as retired worker and children, if dependent own children are present. If the head is a retired worker

TABLE 14 Number of STATS Units by Type of Social Security/Railroad Retirement Unit, March 1971 Current Population Survey^a

(thousands)

<i>Type of Unit</i>	<i>Number</i>
Total	<u>80,125</u>
Not a beneficiary unit	63,529
Beneficiary units	<u>16,597</u>
Retired worker	4,040
Male	2,763
Female	1,277
Retired worker and wife	3,005
Retired worker, wife, and children	129
Retired worker and children	74
Two retired workers	980
Two retired workers and children	16
Disabled worker	533
Male	347
Female	186
Disabled worker and wife	4
Disabled worker, wife, and children	159

TABLE 14 (Concluded)

<i>Type of Unit</i>	<i>Number</i>
Disabled worker and children	54
Two disabled workers	2
Two disabled workers and children	1
Retired worker (head) and disabled worker (wife)	19
Retired worker, disabled worker, and children	4
Disabled worker (head) and retired worker (wife)	11
Disabled worker, retired worker, and children	b
Retired or disabled worker	155
Male	124
Female	31
Retired or disabled worker and wife	19
Retired or disabled worker, wife, and children	17
Retired or disabled worker and children	9
Two retired or disabled workers	9
Two retired or disabled workers and children	b
Retired or disabled worker (head) and retired worker (wife)	27
Retired or disabled worker, retired worker, and children	1
Retired worker (head) and retired or disabled worker (wife)	36
Retired worker, retired or disabled worker, and children	1
Retired or disabled worker (head) and disabled worker (wife)	1
Retired or disabled worker, disabled worker, and children	b
Disabled worker (head) and retired or disabled worker (wife)	b
Disabled worker, retired or disabled worker, and children	b
Widow	98
Widow and children	5
Widowed mother and children	444
Retired worker or widow	5,335
Retired worker or widow and children	15
Retired worker or disabled worker or widow	95
Retired worker or disabled worker or widow and children	b
Disabled worker or widow	42
Disabled worker or widow and children	b
Disabled worker or widowed mother and children	37
Child beneficiary of deceased worker	831
Not ascertained as to type	387

SOURCE: Tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a An estimated 88,000 STATS units contain second Social Security/railroad retirement beneficiary units, all of which are child beneficiary units. See text.

^b Less than .5.

and the wife is a wife beneficiary, the unit is coded as retired worker and wife or as retired worker, wife, and children if dependent own children are present. If both head and wife are retired workers, the unit is coded as two retired workers or as two retired workers and children if dependent own children are present; and so on.

About 16.6 million STATS units were classified as Social Security beneficiary units. The single largest group consisted of 5,335,000 STATS units which were headed by women who were coded as retired workers or widows and in which there were no dependent own children present.

In addition to the Social Security beneficiary units shown in Table 14, some STATS units contain a second Social Security unit. The second unit consists of relatives of the head other than wife and own children. There were 88,000 such units receiving Social Security/railroad retirement benefits in March 1971, all of them classified as child beneficiary units.

Comparison With Program Counts of Beneficiary Families

A program beneficiary family consists of all persons whose entitlement to benefits is based on the same earnings record. According to program records, there were 20.1 million family units receiving OASDI and/or railroad retirement benefits at the end of 1970 (see Table 15). About 4.8 million of the program beneficiary families were male retired workers or special age 72⁵ families; many of these workers had wives who were receiving benefits on their own records as retired workers. About 9 million of the program family units were widows or female retired workers or special age 72; many of these women were married to male retired workers. About 3 million program families consisted of retired worker and wife, including 370,000 cases of dual entitlement in which the wife had entitlement both as a retired worker and as wife, but her benefit as a wife exceeded her benefit as a retired worker.

The CPS totals shown in Table 15 may be derived from Table 14 by combining various code positions. For example, Table 15 shows 3,800,000 male retired workers and 7,742,000 female

⁵ A person (or couple) aged 72 or over with insufficient quarters of coverage to qualify for a retired-worker benefit, either under the full or transitionally insured-status provisions, but eligible for a monthly benefit at age 72 under a 1966 amendment.

TABLE 15 Number of Retired Worker, Survivor, and Disabled Worker Beneficiary Families: Comparison of March 1971 Current Population Survey With Program Data for End of 1970
(thousands)

Family Classification	Program Data, End of 1970					March 1971 CPS
	Total	Total	OASDI ^a		Railroad Retirement Only	
			OASDI Only	OASDI and Railroad Retirement		
Total	20,103	19,637	19,336	299	466	17,792
Retired worker and widow families	17,060	16,641	16,344	297	419	14,792
Male retired workers and special age 72	4,753	4,599	4,519	80	154	3,800
Retired workers	4,688	4,534	4,454	80	154	
Special age 72	65	65	65	—	—	
Female retired workers, special age 72, and widows	8,908	8,733	8,635	98	175	7,742
Retired workers	5,213	5,213	5,213	b	b	
Special age 72	442	442	442	—	—	
Widows	3,253	3,078	2,980	98	175	
Retired worker and wife and special age 72	2,976	2,886	2,767	119	90	3,005
Retired worker	2,963	2,873	2,754	119	90	
Special age 72	13	13	13	—	—	

Retired worker, wife, and children	205	205	205	—	—	129
Retired worker and children, or widow and children	218	218	218	—	—	116
Retired worker	159	159	159	—	—	
Widow	59	59	59	—	—	
Disabled worker and young survivor families	3,041	2,994	2,992	2	49	2,999
Male disabled workers	680	680	680	c	c	520
Female disabled workers and disabled widows	422	420	420	d	2	427
Disabled workers	374	374	374	c	c	
Disabled widows	48	46	46	d	2	
Disabled worker and wife	43	43	43	c	c	23
Disabled worker, wife, and children	240	240	240	—	—	176
Disabled worker and children	158	158	158	—	—	102
Widowed mother	531	523	523	d	8	444
Children	888	851	849	2	37	920
Other ^e	79	79	79	d	d	387

SOURCES: 1970 Annual Statistical Supplement, Social Security Bulletin, Table 96; Statistical Supplement to the 1970 Report of the Railroad Retirement Board, Tables B-22 and B-29; unpublished OASDI data on dual entitlement; and Table 14 of this paper.

^a The total number of OASDI beneficiaries is less than that shown in Table 96 of the 1970 Annual Statistical Supplement, Social Security Bulletin because of 370,000 cases in which female retired workers were entitled to wife's benefits which exceeded their benefits as retired workers. In these cases of dual entitlement, both the wife and her husband were removed from the counts of retired workers and included in the retired worker and wife unit counts. The number of female retired worker and of retired worker and wife beneficiaries also differ from the Table 96 counts because of 46,000 units in which both head and wife were railroad retirement beneficiaries and the wife but not the head was a Social Security beneficiary; these cases are included with retired workers and wives.

^b Included with male retired workers.

^c Included with retired workers.

^d Less than 5.

^e Program total consists of remarried widows (35), parents (28), worker and husband (8), surviving divorced wife (5), and widowers (3); CPS total consists of the cases not ascertained as to type.

retired workers and widows. These totals are obtained from Table 14 as follows:

	<i>Male</i>	<i>Female</i>
	<i>(thousands)</i>	
Retired worker	2,763	1,277
Two retired workers	980	980
Two retired workers and children	-	16
Retired worker (head) and disabled worker (wife)	19	-
Disabled worker (head) and retired worker (wife)	-	11
Retired or disabled worker (head) and retired worker (wife)	-	27
Retired worker (head) and retired or disabled worker (wife)	36	-
Retired or disabled worker, retired worker, and children	-	1
Widow	-	98
Retired worker or widow	-	5,335
Total	<u>3,800</u>	<u>7,742</u>

As this summary shows, a Social Security beneficiary unit may contain two program beneficiary families. For example, there were 980,000 STATS head-wife units with two retired workers (see Table 14). Each of these units contains two program families—a male retired worker and a female retired worker—resulting in 1,960,000 program families. Another example would be two retired workers and children, a category which would be considered as consisting of two program families—a retired worker and children, and a female retired worker. Thus, the total of 116,000 cases of retired worker and children, or widow and children is obtained as follows:

	<i>(thousands)</i>
Retired worker and children	74
Two retired workers and children	16
Retired worker, disabled worker and children	4
Retired worker, retired or disabled worker and children	1
Retired worker or widow and children	15
Widow and children	5
Total	<u>116</u>

The disabled workers group in Table 15 includes those who are coded as retired or disabled workers in Table 14, as well as those coded as disabled workers. For example, Table 15 shows 520,000 male disabled workers and 427,000 women disabled workers or disabled widows for a total of 947,000. These totals may be obtained from Table 14 as follows:

	<i>Male</i>	<i>Female</i>
	<i>(thousands)</i>	
Disabled worker	347	186
Two disabled workers	2	2
Two disabled workers and children	-	1
Retired worker (head) and disabled worker (wife)	-	19
Retired worker, disabled worker and children	-	4
Disabled worker (head) and retired worker (wife)	11	-
Retired or disabled worker	124	31
Two retired or disabled workers	9	9
Retired or disabled worker (head) and retired worker (wife)	27	-
Retired worker (head) and retired or disabled worker (wife)	-	36
Retired worker, retired or disabled worker, and children	-	1
Retired or disabled worker (head) and disabled worker (wife)	1	1
Retired worker or disabled worker or widow	-	95
Disabled worker or widow	-	42
Total	<u>520</u>	<u>427</u>

The total number of beneficiary families thus derived from CPS Social Security beneficiary units was 17,792,000, about 2.3 million less than the program count as of the end of 1970. Reconciliation between program and CPS totals for the population coverage, timing, and other differences discussed above is more difficult for family units than for individual beneficiaries, because data for the reconciliation items are not available on a family basis. Table 16 shows a rough approximation for family units,

TABLE 16 Number of Retired Worker, Survivor, and Disabled Worker Beneficiary Families, by Type: Reconciliation of Program Data With March 1971 CPS Concept

	(millions)		
	<i>Families</i>	<i>Retired Worker and Widow Families</i>	<i>Disabled Worker and Young survivor</i>
	<i>Total</i>		
On OASDI and/or railroad retirement rolls in current pay- ment status, end of 1970	20.1	17.1	3.0
Less: OASDI beneficiary families living outside of U.S.	.4	.3	.1
Beneficiary families in institutions	.9	.7	.3
Terminations due to death, January-March 1971 ^a	.2	.2	b
Equals:	18.6	15.9	2.7
Plus: Beneficiary families on the rolls in 1970, but not 12/70 ^c	.7	b	.7

Beneficiary families in current payment status in 1970, but not 12/70	.2	.2	b
One-fourth of disabled worker families in which the disabled worker was 64 years of age in 12/70	19.5	b	b
Equals: Program data adjusted to CPS concept	17.8	16.1	3.4
March 1971 CPS estimate	1.7	14.8	3.0
Excess of program data over CPS	91	1.3	.4
March 1971 CPS as percent of adjusted program total		92	88

SOURCE: See text.

^a Of the 300,000 beneficiaries aged 65 or over whose benefits were terminated due to death between January and March 1971 (see Table 11), 200,000 were assumed to be in retired worker or widow units and 100,000 in retired worker and wife units. The terminations due to death in the retired worker and wife units affect the number of beneficiaries but not the number of units. Thus, the number of units whose benefits were terminated due to the deaths of beneficiaries was estimated to be 200,000.

^b Less than .05.

^c Consists of child beneficiaries who came of age, married, or ceased being students; disabled worker families where the worker recovered; and disabled widows who married.

using data sources cited in Table 11. For retired worker and widow families, the adjusted program total given in Table 16 exceeds the CPS total by about 1.3 million; and for disabled worker and younger survivor families, by about 400,000.

Comparison With Program Data on Average Benefit

The average CPS benefit per beneficiary unit is \$1,490, compared with a program figure of \$1,661—the December 1970 benefit at an annual rate (see Table 17). The program average may be too low as a measure of payment to the CPS population, because the program average covers beneficiaries living in institutions. Beneficiaries in institutions are primarily one-person units, and their benefits are probably smaller on the average than the benefits of the noninstitutional population. On the other hand, the December benefit at an annual rate is too high as a measure of payment to the CPS population, because the CPS mean covers units which did not receive benefits for the entire year 1970, and because the January 1970 benefit payment incorporated in the CPS mean does not reflect the 15 percent increase of 1970.

The CPS averages are less than program figures for both major groups of beneficiaries—the retired worker and widow group and the disabled worker and young survivor group—but the discrepancy is much smaller for retired workers.

Comparison With Program Data on Size Distributions of Benefits

Distributions of beneficiary families by size of Social Security benefit are given in Tables 18 through 27. Program data represent OASDI beneficiaries as of the end of 1970, including beneficiaries living abroad and in institutions, distributed by their December 1970 OASDI benefit expressed at annual rates. Railroad retirement benefits are excluded from the program data, because information was not available in a form which permitted distributions of the sum of OASDI and railroad retirement benefits.

The CPS distribution of male retired workers and special age 72 beneficiaries by size of benefit received in 1970 is given in Table 18, along with the corresponding OASDI distribution. The CPS distribution shows a larger proportion with small benefits, which one would expect because of the part-of-year cases. The CPS also

shows cases with benefits in excess of the OASDI maximum payment. This is attributable in part to the fact that the CPS benefit covers both Social Security and railroad retirement, and the maximum railroad retirement benefit is larger than the maximum Social Security benefit.

The results for female retired workers and widows and for retired workers and wives are similar to those for the male retired workers (see Tables 19 and 20). In other words, the CPS distribution shows higher proportions of very small and very large benefits than the OASDI distributions. The remaining groups for which comparisons are possible are somewhat less amenable to generalization, but in all cases, the CPS shows higher proportions of units with small benefits.

A comparison for all units for which OASDI data were available is given in Table 27. The OASDI distribution of 19.3 million units shows 15 percent receiving monthly benefits of \$64 or less—\$768 a year or less. The CPS distribution of 17 million units has 19 percent in that range. Both distributions show that 7 percent of units received payments of \$2,880 or more.

Economic Status of Missing Beneficiaries

A question posed at the beginning of this paper concerned the relation between understatement of transfer income and the count of the low-income population. Some evidence on this question is provided by a comparison of the average income of the population reporting Social Security benefits with those not reporting benefits. Such a comparison for the aged population is given in Table 28, and Tables 29 and 30 show results for two subgroups of the nonaged population.

In Table 28, STATS units with heads 65 years of age or more are classified into groups, depending on the Social Security/railroad retirement beneficiary status of the head. In about 12.5 million units, the head was coded as a beneficiary and average income of the unit excluding Social Security was \$2,161. In the remaining 2.6 million units, the head was not coded as a beneficiary.

An approximation to the retirement test was introduced and shows that 860,000 of the 2.6 million not reporting benefits may have had some or all of their benefits withheld because of the retirement test; their income was high on the average—above \$10,000. Some of the remaining units which did not report

TABLE 17 Average Benefit Received by Retired Worker, Survivor, and Disabled Worker Beneficiary Families: Comparison of March 1971 Current Population Survey with Program Data^a

(dollars)

Family Classification	Program Data—December 1970 Benefit at Annual Rate					March 1971 CPS
	Total	Total	OASDI Only	OASDI and Railroad Retirement	Railroad Retirement Only	
Total	1,661	1,643	1,617	3,345	2,381	1,490
Retired worker and widow families	1,589	1,566	1,534	3,357	2,500	1,466
Male retired workers and special age 72	1,578	1,541	1,519	2,803	2,675	1,432
Retired workers	1,592	1,555	1,533	2,803	2,675	
Special age 72	552	552	552	—	—	
Female retired workers, special age 72, and widows	1,219	1,214	1,206	1,932	1,476	1,163 ^b
Retired workers	1,244	1,244	1,244	^b	^b	
Special age 72	522	522	522	—	—	
Widows	1,270	1,258	1,236	1,932	1,476	
Retired worker and wife and special age 72	2,583	2,533	2,430	4,904	4,194	2,248
Retired worker	2,590	2,541	2,438	4,904	4,194	

Special age 72	828	828	828	—	—
Retired worker, wife, and children	2,754	2,754	2,754	—	2,249
Retired worker and children, or widow and children					
Retired worker	2,309	2,309	2,309	—	1,687
Widow	2,282	2,282	2,282	—	—
Disabled worker and young survivor families	2,380	2,380	2,380	—	—
Male disabled workers	2,062	2,073	2,073	1,603	1,606
Female disabled workers and disabled widows	1,636	1,636	1,636	^c	^c 1,431
Disabled workers	1,318	1,318	1,317	2,040	1,368
Disabled widows	1,357	1,357	1,357	^c	^c
Disabled worker and wife	1,015	997	986	2,040	1,368
Disabled worker, wife and children	2,390	2,390	2,390	^c	^c 1,924
Disabled worker and children	3,244	3,244	3,244	—	2,640
Widowed mother	2,623	2,623	2,623	—	1,950
Children	3,137	3,158	3,159	2,160	2,609
Other ^d	1,740	1,761	1,761	1,470	1,346
	1,199	1,198	1,197	1,704	1,314

SOURCE: See Table 15.

^a Average benefit represents the sum of Social Security and railroad retirement for families as shown in Table 15.

^b Included with male retired workers.

^c Included with retired workers.

^d Program total consists of remarried widows (35), parents (28), worker and husband (8), surviving divorced wife (5), and widowers (3); CPS total consists of the not ascertained as to type cases.

TABLE 18 Benefits for Male Retired Workers and Special Age 72 Families: Percentage Distribution by Amount Received in 1970, Old-Age, Survivors, and Disability Insurance, and March 1971 Current Population Survey

<i>Amount Received in 1970^a</i>	<i>OASDI^b</i>	<i>March 1971 CPS</i>
Total number (thousands)	<u>4,969</u>	<u>3,800</u>
Total percent	<u>100.0</u>	<u>100.0</u>
Less than \$708	} 6.8	11.1
\$ 708-\$ 767		3.7
768	5.3	1.7
769- 839	1.9	3.0
840- 959	4.2	5.6
960-1,079	4.8	6.3
1,080-1,199	6.0	6.0
1,200-1,319	5.8	7.6
1,320-1,439	6.3	5.4
1,440-1,679	13.3	12.9
1,680-1,919	16.9	16.9
1,920-2,159	21.0	12.3
2,160-2,399	6.4	3.0
2,400-2,639	1.0	1.4
2,640-2,879	.4	.8
2,880-3,119	—	1.0
3,120 and over	—	1.3
Average benefit per family	\$1,531	\$1,432

SOURCES: 1970 *Annual Statistical Supplement, Social Security Bulletin*, Tables 96 and 99; and tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For OASDI, represents December 1970 benefit at annual rate.

^b Consists of male retired workers and special age 72 beneficiary families as shown in Table 15 plus 370,000 cases in which the wife of a retired worker had dual entitlement, distributed by the OASDI benefit of the retired worker or special age 72 beneficiary. See footnote *a* to Table 15.

TABLE 19 Benefits for Female Retired Worker, Aged Widow, and Special Age 72 Families: Percentage Distribution by Amount Received in 1970, Old-Age, Survivors, and Disability Insurance, and March 1971 Current Population Survey

<i>Amount Received in 1970^a</i>	<i>OASDI^b</i>	<i>March 1971 CPS</i>
Total number (thousands)	<u>9,148</u>	<u>7,742</u>
Total percent	<u>100.0</u>	<u>100.0</u>
Less than \$708	} 14.6	17.4
\$ 708-\$ 767		4.7
768	9.3	2.4
769- 839	3.7	4.6
840- 959	8.7	8.3
960-1,079	8.7	9.0
1,080-1,199	8.7	8.0
1,200-1,319	7.9	9.2
1,320-1,439	7.4	8.0
1,440-1,679	18.6	17.0
1,680-1,919	7.4	5.9
1,920-2,159	3.5	3.1
2,160-2,399	1.2	.9
2,400-2,639	.2	.5
2,640-2,879	.1	.2
2,880 and over	—	.7
Average benefit per family	\$1,192	\$1,163

SOURCES: 1970 *Annual Statistical Supplement to the Social Security Bulletin*, Tables 96, 99, and 100; and tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For OASDI, represents December 1970 benefit at annual rate.

^b Consists of female retired workers, special age 72, and widows as shown in Table 15 plus 46,000 cases in which both head and wife were railroad retirement beneficiaries and the wife but not the head was a Social Security beneficiary, distributed by the OASDI benefit of the retired worker, special age 72, or widow beneficiary, and plus 370,000 cases of wives with dual entitlement, distributed by their OASDI benefits as wives. See footnote *a* to Table 15.

TABLE 20 Benefits for Retired Worker and Wife, and Special Age 72 Families: Percentage Distribution by Amount Received in 1970, Old-Age, Survivors, and Disability Insurance, and March 1971 Current Population Survey

<i>Amount Received in 1970^a</i>	<i>OASDI^b</i>	<i>March 1971 CPS</i>
Total number (thousands)	<u>2,470</u>	<u>3,005</u>
Total percent	<u>100.0</u>	<u>100.0</u>
Less than \$960	1.0	6.9
\$ 960-\$1,079	2.6	2.8
1,080- 1,199	6.3	3.1
1,200- 1,319	1.9	3.4
1,320- 1,439	2.4	2.3
1,440- 1,679	6.3	6.2
1,680- 1,919	7.3	9.2
1,920- 2,159	7.4	9.7
2,160- 2,399	7.9	8.6
2,400- 2,639	13.0	12.3
2,640- 2,879	16.0	14.6
2,880- 3,119	16.0	10.6
3,120- 3,359	7.0	3.9
3,360- 3,599	2.6	2.4
3,600- 3,839	1.1	1.3
3,840- 4,079	1.1	.8
4,080 and over	—	2.0
Average benefit per family	\$2,379	\$2,248

SOURCES: 1970 *Annual Statistical Supplement to the Social Security Bulletin*, Tables 96 and 99; and tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For OASDI, represents December 1970 benefit at annual rate.

^b Consists of retired worker and wife, and special age 72 beneficiary families as shown in Table 15, less 370,000 cases of dual entitlement and less 46,000 cases in which both head and wife were railroad retirement beneficiaries and the wife but not the head was a Social Security beneficiary.

TABLE 21 Benefits for Male Disabled Worker Families: Percentage Distribution by Amount Received in 1970, Old-Age, Survivors, and Disability Insurance, and March 1971 Current Population Survey

<i>Amount Received in 1970^a</i>	<i>OASDI</i>	<i>March 1971 CPS</i>
Total number (thousands)	<u>680</u>	<u>520</u>
Total percent	<u>100.0</u>	<u>100.0</u>
Less than \$769	3.3	16.4
\$ 769-\$ 839	.8	2.9
840- 959	2.5	3.7
960-1,079	3.1	3.6
1,080-1,199	6.8	6.4
1,200-1,319	9.3	7.2
1,320-1,439	9.1	8.6
1,440-1,679	15.1	14.3
1,680-1,919	16.3	11.9
1,920-2,159	25.5	18.1
2,160-2,399	8.0	2.1
2,400-2,639	.2	1.8
2,640-2,879	b	.7
2,880-3,119	b	1.0
3,120 and over	—	1.1
Average benefit per family	\$1,636	\$1,431

SOURCES: 1970 *Annual Statistical Supplement* to the *Social Security Bulletin*, Table 101; and tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For OASDI, represents December 1970 benefit at annual rate.

^b Less than .05 percent.

TABLE 22 Benefits for Female Disabled Worker Families: Percentage Distribution by Amount Received in 1970, Old-Age, Survivors, and Disability Insurance, and March 1971 Current Population Survey

<i>Amount Received in 1970^a</i>	<i>OASDI</i>	<i>March 1971 CPS</i>
Total number (thousands)	<u>374</u>	<u>427</u>
Total percent	<u>100.0</u>	<u>100.0</u>
Less than \$769	8.8	31.3
\$ 769-\$ 839	2.3	2.8
840- 959	5.8	7.9
960-1,079	5.8	10.4
1,080-1,199	12.7	8.1
1,200-1,319	13.5	8.2
1,320-1,439	12.9	8.9
1,440-1,679	17.2	14.7
1,680-1,919	11.3	5.3
1,920-2,159	8.5	1.0
2,160-2,399	1.2	b
2,400-2,639	b	.6
2,640-2,879	b	b
2,880-3,119	b	b
3,120 and over	—	.7
Average benefit per family	\$1,357	\$1,075

SOURCES: 1970 *Annual Statistical Supplement* to the *Social Security Bulletin*, Table 101; and tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For OASDI, represents December 1970 benefit at annual rate.

^b Less than .05 percent.

TABLE 23 Benefits for Disabled Worker, Wife, and Children Families: Percentage Distribution by Amount Received in 1970, Old-Age, Survivors, and Disability Insurance, and March 1971 Current Population Survey

<i>Amount Received in 1970^a</i>	<i>OASDI</i>	<i>March 1971 CPS</i>
Total number (thousands)	<u>240</u>	<u>176</u>
Total percent	<u>100.0</u>	<u>100.0</u>
Less than \$769	.6	3.9
\$ 769-\$ 839	b	.7
840- 959	.1	6.1
960-1,079	.1	.6
1,080-1,199	2.7	1.4
1,200-1,319	1.0	.7
1,320-1,439	1.4	3.4
1,440-1,679	3.9	5.4
1,680-1,919	6.1	10.6
1,920-2,159	5.4	4.6
2,160-2,399	5.7	5.7
2,400-2,639	4.7	4.4
2,640-2,879	5.1	6.7
2,880-3,119	6.1	11.2
3,120-3,359	5.8	10.6
3,360-3,599	6.3	2.2
3,600-3,839	6.8	6.6
3,840-4,079	8.9	4.4
4,080-4,319	12.6	6.6
4,320-4,559	6.4	1.5
4,560-4,799	7.2	2.2
4,800 and over	3.3	.7
Average benefit per family	\$3,244	\$2,640

SOURCES: 1970 *Annual Statistical Supplement* to the *Social Security Bulletin*, Table 101; and tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For OASDI, represents December 1970 benefit at annual rate.

^b Less than .05 percent.

TABLE 24 Benefits for Widowed Mother and Children: Percentage Distribution by Amount Received in 1970, Old-Age, Survivors, and Disability Insurance, and March 1971 Current Population Survey

<i>Amount Received in 1970^a</i>	<i>Total</i>		<i>One Child</i>		<i>Two Children</i>		<i>Three Children</i>		<i>Four or More Children</i>	
	<i>OASDI</i>	<i>CPS</i>	<i>OASDI</i>	<i>CPS</i>	<i>OASDI</i>	<i>CPS</i>	<i>OASDI</i>	<i>CPS</i>	<i>OASDI</i>	<i>CPS</i>
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total number (thousands)	523	444	187	145	155	132	94	98	88	70
Total percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than \$1,200	5.9	13.5	6.4	14.3	5.7	11.1	4.7	11.8	6.2	19.1
\$1,200-\$1,319	1.5	4.4	1.1	7.1	1.7	5.0	1.7	2.5	1.8	^b
1,320-1,439	1.9	2.2	1.9	4.0	1.7	2.0	1.9	^b	2.5	1.9
1,440-1,559	1.8	5.0	1.9	9.4	1.9	4.3	1.5	2.9	1.7	^b
1,560-1,679	2.0	5.4	1.9	6.3	1.8	3.9	2.1	3.7	2.3	8.8
1,680-1,919	5.5	6.2	7.0	10.1	4.4	7.1	4.1	1.0	5.6	3.4
1,920-2,159	5.3	5.0	8.0	4.5	3.9	7.0	3.6	2.7	3.6	5.6
2,160-2,399	5.0	4.2	7.0	2.7	3.7	7.0	3.8	2.6	4.2	4.1

2,400-2,639	5.7	6.2	10.2	5.6	2.8	6.1	3.5	10.7	3.6	1.6
2,640-2,879	5.8	6.5	10.2	7.6	3.4	3.0	2.7	11.9	3.8	3.1
2,880-3,119	12.0	7.6	25.8	14.6	4.2	6.2	4.0	1.2	4.8	5.0
3,120-3,359	6.8	5.4	12.1	7.7	3.7	4.0	3.4	3.9	4.9	5.6
3,360-3,599	4.8	3.8	5.0	2.3	4.9	5.1	4.7	5.5	4.6	1.8
3,600-3,839	3.1	3.9	.6	1.0	4.5	5.9	4.5	5.7	4.2	3.3
3,840-4,079	3.3	3.9	.2	.9	5.2	3.2	5.0	5.5	4.5	8.8
4,080-4,319	5.7	4.5	.2	1.0	8.8	6.0	9.5	4.3	8.0	9.2
4,320-4,559	7.5	2.4	.1	b	14.4	3.0	10.4	4.1	8.0	5.3
4,560-4,799	9.7	3.9	—	b	14.4	5.0	16.5	9.5	15.0	1.8
4,800 and over	6.6	6.1	—	.9	8.8	5.0	12.1	10.3	10.8	13.3
Average benefit per family	\$3,158	\$2,609	\$2,556	\$2,105	\$3,493	\$2,677	\$3,564	\$3,056	\$3,388	\$2,905

SOURCES: 1970 *Annual Statistical Supplement to the Social Security Bulletin*, Table 100; and tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For OASDI, represents December 1970 benefit at annual rate.

^b Less than .05 percent.

TABLE 25 Benefits for Children: Percentage Distribution by Amount Received in 1970, Old-Age, Survivors, and Disability Insurance, and March 1971 Current Population Survey

Amount Received in 1970 ^a	Total		One Child		Two Children		Three Children		Four or More Children	
	OASDI	CPS	OASDI	CPS	OASDI	CPS	OASDI	CPS	OASDI	CPS
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total number (thousands)	851	920	515	578	196	165	82	77	58	101
Total percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than \$708	{ .9	27.1	{ 1.5	32.8	-	14.0	-	30.2	-	13.0
\$ 708-\$767		1.5		1.9	-	.8	-	2.2	-	b
768	9.9	1.2	16.4	1.6	-	1.3	-	b	-	b
769- 839	2.4	2.8	4.0	3.8	-	2.5	-	b	-	b
840- 959	6.1	5.0	10.1	5.6	-	4.3	-	5.0	-	2.9
960-1,079	5.8	5.9	9.5	7.1	-	5.5	-	3.5	-	1.3
1,080-1,199	9.0	5.3	7.6	5.5	10.0	1.4	11.3	9.4	15.4	7.7
1,200-1,319	7.9	7.3	11.4	8.2	2.2	8.1	2.5	5.2	3.4	2.4
1,320-1,439	6.4	6.2	8.7	7.4	2.9	5.7	3.0	3.4	2.8	2.3
1,440-1,559	13.6	9.1	20.8	11.5	2.5	8.3	2.8	1.5	2.6	2.8
1,560-1,679	5.5	3.7	7.1	4.2	2.8	2.3	3.1	b	3.7	5.5
1,680-1,919	4.7	4.1	2.4	2.5	8.9	5.7	6.9	6.8	8.0	8.9

1,920-2,159	2.8	1.9	.3	1.4	8.3	2.3	4.7	b	3.6	5.7
2,160-2,399	2.6	2.6	-	1.4	8.0	4.8	4.9	b	3.7	7.4
2,400-2,639	3.1	2.0	-	.7	10.7	4.9	3.4	b	3.8	6.1
2,640-2,879	2.7	1.8	-	.7	9.4	6.4	3.2	b	3.4	1.4
2,880-3,119	5.9	3.6	-	1.8	23.1	8.3	3.9	10.4	3.4	1.2
3,120-3,359	2.4	1.4	-	.7	8.1	4.2	3.5	b	2.9	2.7
3,360-3,599	1.1	.7	-	b	1.9	1.6	3.7	1.9	3.8	2.5
3,600-3,839	.7	1.3	-	.2	.4	4.0	4.0	3.5	3.2	2.7
3,840-4,079	.8	.3	-	-	.4	.7	5.1	1.5	3.5	1.2
4,080-4,319	1.0	.9	-	-	.2	-	5.7	1.6	6.3	6.1
4,320-4,559	1.6	.5	-	-	.1	-	12.0	3.6	6.3	1.4
4,560-4,799	1.8	.7	-	-	-	-	11.6	3.4	10.7	3.8
4,800 and over	1.1	1.4	-	-	-	-	4.8	5.0	9.2	7.8
Not ascertained ^c	-	1.8	-	1.1	-	2.9	-	2.1	-	3.5
Average benefit per family	\$1,761	\$1,346	\$1,184	\$1,038	\$2,370	\$1,702	\$3,067	\$1,764	\$2,947	\$2,206

SOURCES: 1970 *Annual Statistical Supplement* to the *Social Security Bulletin*, Table 100; and tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

a For OASDI, represents December 1970 benefit at annual rate.

b Less than .05 percent.

c In cases in which the payment reported by the head or wife was assumed to be received on behalf of children in the family, all children in the unit were considered beneficiaries. However, the entire payment was imputed to own children, if present. Hence there are a few cases in which relative children are considered beneficiaries, but the amount of benefit is not known.

TABLE 26 Benefits for Current Population Survey Units Not Ascertained As to Benefit Type: Percentage Distribution by Amount Received in 1970, March 1971 Current Population Survey

<i>Amount Received in 1970</i>	<i>March 1971 CPS</i>
Total number (thousands)	<u>387</u>
Total percent March 1971 CPS	<u>100.0</u>
Less than \$708	26.6
\$ 708-\$ 767	3.0
768	.3
769- 839	2.6
840- 959	6.6
960-1,079	5.6
1,080-1,199	2.4
1,200-1,319	7.1
1,320-1,439	4.5
1,440-1,559	8.0
1,560-1,679	5.2
1,680-1,919	5.9
1,920-2,159	7.4
2,160-2,399	1.3
2,400-2,639	4.6
2,640-2,879	3.1
2,880-3,119	2.6
3,120 and over	3.2
Average benefit per family	\$1,314

SOURCE: Tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

benefits may have been subject to the retirement test, but their earnings were sufficiently low so that they would have received some benefit had they been beneficiaries; their income of approximately \$2,700 was greater than the income excluding Social Security of units reporting benefits—about \$2,200. If the missing beneficiaries are contained largely in the second group of nonreporters, then the suggestion is that the missing aged beneficiaries are at least as well-off, on the average, as those who report.

TABLE 27 Benefits for Retired Worker, Disabled Worker, and Survivor Families: Percentage Distribution by Amount Received in 1970, Old-Age, Survivors, and Disability Insurance, and March 1971 Current Population Survey

<i>Amount Received in 1970^a</i>	<i>OASDI</i>	<i>March 1971 CPS</i>
Total number ^b (thousands)	<u>19,256</u>	<u>17,034</u>
Total percent	<u>100.0</u>	<u>100.0</u>
Less than \$708	{ 15.3	13.8
\$ 708-\$ 767		3.3
768		1.7
769- 839	2.5	3.2
840- 959	5.7	6.0
960-1,079	6.2	6.7
1,080-1,199	7.5	6.3
1,200-1,319	6.5	7.4
1,320-1,439	6.3	6.2
1,440-1,679	14.9	13.5
1,680-1,919	10.1	9.1
1,920-2,159	9.5	6.7
2,160-2,399	3.8	2.9
2,400-2,639	2.4	3.1
2,640-2,879	2.5	3.2
2,880-3,119	2.7	2.7
3,120-3,359	1.3	1.2
3,360-3,599	.6	.7
3,600-3,839	.3	.5
3,840-4,079	.4	.3
4,080-4,319	.4	.4
4,320-4,559	.4	.2
4,560-4,799	.4	.2
4,800 and over	.3	.5
Average benefit per family	\$1,555	\$1,483

SOURCES: 1970 *Annual Statistical Supplement to the Social Security Bulletin*, Tables 96, 100, and 101; and tabulations prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a For OASDI, represents December 1970 benefit at annual rate.

^b Consists of the groups shown in Tables 18 through 25.

TABLE 28 Social Security Beneficiary Status and Average Money Income in 1970: STATS Units With Head 65 Years of Age or More, by Social Security/Railroad Retirement Beneficiary Status and Sex of Head

<i>Beneficiary Status and Sex of Head</i>	<i>Number of Units (Thousands)</i>	<i>Average Income of Unit</i>	
		<i>Total</i>	<i>Total, Excluding Social Security</i>
All units	15,109	\$ 4,051	\$ 2,698
Head is Social Security beneficiary	12,490	3,785	2,161
Head is not Social Security beneficiary	2,619	5,320	5,262
Unit's benefits may have been withheld because of retirement test ^a	860	10,657	10,567
Other units	1,759	2,710	2,668
Head reports public assistance	613	1,297	1,292
Head does not report public assistance	1,146	3,467	3,404
Units with male head	8,047	5,464	3,789
Head is Social Security beneficiary	6,640	4,957	2,950
Head is not Social Security beneficiary	1,407	7,857	7,750
Unit's benefits may have been withheld because of retirement test ^a	696	11,492	11,383
Other units	711	4,301	4,196
Head reports public assistance	169	1,616	1,599
Head does not report public assistance	542	5,140	5,007
Units with female head	7,062	2,442	1,455
Head is Social Security beneficiary	5,850	2,456	1,265
Head is not Social Security beneficiary	1,212	2,376	2,374
Unit's benefits may have been withheld because of retirement test ^a	164	7,125	7,113
Other units	1,048	1,630	1,630
Head reports public assistance	444	1,175	1,175
Head does not report public assistance	604	1,965	1,965

TABLE 29 Social Security Beneficiary Status and Average Money Income in 1970: STATS Units With Disabled Head Under 65 Years of Age, by Social Security/Railroad Retirement Beneficiary Status

Beneficiary Status of Head	Number of Units (Thousands)	Average Income of Unit	
		Total	Total, Excluding Social Security
Total, all units	2,812	\$3,233	\$2,591
Head is Social Security beneficiary	1,101	3,683	2,059
Head is not Social Security beneficiary	1,711	2,944	2,934
Unit's benefits may have been withheld due to excess earnings ^a	200	8,401	8,386
Other units	1,511	2,221	2,212
Head reports public assistance	635	1,985	1,979
Head does not report public assistance	875	2,392	2,381

SOURCE: Tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a Head with earnings of \$3,000 or more.

TABLE 30 Social Security Beneficiary Status and Average Money Income in 1970: STATS Units in Which Head is a Widowed Mother Under 65 Years of Age, by Social Security/Railroad Retirement Beneficiary Status

<i>Beneficiary Status of Head</i>	<i>Number of Units (Thousands)</i>	<i>Average Income of Unit</i>	
		<i>Total</i>	<i>Total, Excluding Social Security</i>
Total, all units	625	\$5,345	\$3,487
Head is a Social Security beneficiary	444	5,731	3,120
Head is not a Social Security beneficiary	180	4,393	4,393
Unit's benefits may have been withheld due to excess earnings ^a	76	7,178	7,178
Other units	104	2,338	2,338
Head reports public assistance	40	2,708	2,708
Head does not report public assistance	64	2,106	2,106

SOURCE: Tabulation prepared by the Social Security Administration Office of Research and Statistics from the March 1971 Current Population Survey.

^a Head with earnings of \$3,000 or more.

Comparisons for the nonaged population are more tenuous because of the difficulty in specifying groups which might be expected to contain the missing beneficiaries. Two subgroups are specified in Tables 29 and 30—units with a disabled person as head and units with a widowed mother as head. The general result for the units with a disabled head is the same as for the aged population; that is to say, after taking into account the earnings test and excluding Social Security income, the units not reporting Social Security are at least as well-off as those reporting. On the other hand, for units with widowed mothers as head, the reporters have, on the average, higher incomes excluding Social Security than the nonreporters.

Summary of Findings and Conclusion

Following the rules described above, 24 million Social Security/railroad retirement beneficiaries were found in the population covered by the CPS, about 2.1 million less than the program totals adjusted to the CPS concept. Slightly more than one-half the missing beneficiaries were 65 years of age or over, and the remainder were younger. Relatively more young beneficiaries were missing. For most persons identified in the CPS as beneficiaries, the status can be explained on the basis of age, disability, or survivorship.

Comparison of program and CPS data for beneficiary family units is complicated by the fact that the data available to adjust for population coverage and timing differences are approximate. With regard to counts of units, the CPS covers 91 percent of the adjusted program figure. With regard to average benefit, the CPS and program figures are probably in close accord for retired workers and widow units, but the CPS mean for disabled workers and young survivor units may be understated. The combination of missing beneficiaries and probable understatement of the CPS average benefit results in an understatement in aggregate benefit of about \$4.1 billion.

