All told, 37 percent of all households currently defined as poor in 1965, in terms of money income including any transfer payments, received OASDHI benefits while a total of 54 percent received payments under all public programs combined. Obviously, OASDHI benefits would be a better protector against poverty for the aged than for those under age 65: 70 percent of the households in which anyone was drawing social security in 1961 were headed by an aged person.

The antipoverty effect of economic growth is largely confined to households of young earners. In contrast the antipoverty contribution of social security is primarily in lifting the burden of privation from the aged: The number of households with an aged head counted poor in 1965 would be two-thirds again as high—7.1 million rather than the 4.1 million now shown as poor—were it not for OASDHI benefits. Of the 9 million aged households enjoying these benefits in 1965, two-thirds were poor in terms of money income before adding in the benefits, but only one-third of all aged beneficiary households were still in poverty after counting in their benefits with other money income.

Although it served the aged better, even for households headed by a person under age 65 OASDHI benefits played a sizable role in correcting poverty. (In some of the young households, it was undoubtedly an aged "other relative" who was the actual beneficiary.) Instead of the 7.1 million households with a nonaged head counted poor in 1965—in terms of money income including public transfer payments—there would have been 7.7 million households poor if there were no OASDHI benefits, or a number in poverty 8 percent larger than presently defined.

Among families with children under age 18 and a woman younger than age 65 at the head, the number below the poverty line would be 14 percent greater than at present but for the existence of the social security program. About 0.6 million of these 2.7 million families reported drawing OASDHI benefits in 1965. For two-thirds of these beneficiary families their income with the benefits excluded was below the poverty line. When the OASDHI benefits were added, however, only a third of the young beneficiary families were left with money income below the poverty line.

Among poor households headed by someone age 65 or older, those receiving any social security benefits in 1965 had less unmet need—using as a measure the difference between their actual income for the year and the minimum requirement according to the SSA poverty index. Aged households who were poor but weren't receiving OASDHI benefits had an income deficiency $200 or $300 greater than those drawing benefits. Among aged poor persons living alone, for example, a fifth of the men and almost a third of the women who were nonbeneficiaries needed at least $1,000 more income than they had to come out of poverty—implying they were living on a current rate of income no more than one-third their estimated minimum requirements. By contrast, among aged one-person households living in poverty but drawing social security, only 1 in 25 was this far below the poverty line.

As a group households receiving social security benefits are more likely to be poor than those without—though if a household is poor it is likely to be closer to its minimum income need when OASDHI