

The State of Working Montana



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The State of Working Montana series explores the state of Montana's economy from the perspective of its workers and documents how they are faring. In this installment on jobs, and in every report in this series, our analysis goes beyond the top-level indicators that many use to evaluate the Montana economy. Instead, we focus on what matters to people who work in Montana.

Social Security Keeps Over 60,000 Montana Seniors out of Poverty and Provides Critical Boost to Montana Economies

In Montana, Social Security strengthens the state's economy and plays a vital role in helping seniors, families and communities make ends meet. In fact, this essential program provides income to almost 20% (192,701) of Montanans, including over 128,000 retired workers and over 13,000 children. Social Security primarily provides retirement income to those over the age of 65. Retirees receiving Social Security benefits contributed to the program for decades during their careers, thus helping to build the system that would later provide them and their families with much-needed income.

More than 93% of Montanans 65 years and older receive Social Security benefits.¹ The program also provides benefits to the spouses and children of retired, disabled, and deceased workers. For the breakdown in the types of beneficiaries and the amount of benefits received in Montana, see the table below (for details by county see the appendix).

Each month, families in every corner of Montana receive nearly \$200 million in Social Security benefits.² In turn, these beneficiaries spend this income in their communities to buy groceries or school supplies, repair their cars, and pay their bills. As a result, families across the state have greater economic security, businesses can grow, and local economies are strengthened.

Social Security Beneficiaries and Amounts in Montana			
		Number of Beneficiaries	Monthly Amount of Benefits
Total		192,701	\$199,474,000
Retirement	Retired workers	128,616	\$143,491,000
	Spouses	8,464	\$4,854,000
	Children	2,022	\$1,086,000
Survivors	Widow(er)s and parents	15,650	\$17,248,000
	Children	6,382	\$4,609,000
Disability	Disabled workers	26,077	\$26,580,000
	Spouses	550	\$142,000
	Children	4,940	\$1,464,000
Aged 65 or older	Men	62,787	\$79,802,000
	Women	73,246	\$69,986,000
SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data, December 2010.			

Social Security helps over 60,000 Montana seniors escape poverty. In fact, without Social Security income, after spending decades in the workforce and contributing to their families and communities, more than half (56%) of Montana seniors would be living in poverty. The additional critical income provided by Social Security lowers that poverty rate to 8.1%.³

In addition to assisting seniors, Social Security also plays a critical role in lifting families and children out of poverty. Nationally, over one million children are lifted out of poverty because of social security benefits, either because they live in families that receive benefits or because they receive their own benefits as dependents of retired, disabled, or deceased workers. ⁴ In Montana, over 13,000 children receive their own Social Security benefits.⁵

As a result of Social Security benefits, Montana’s seniors can live with dignity and families can make ends meet. However, the income provided by this essential program goes far beyond supporting individual seniors and families. Social Security payments are spent in local economies all across this state, helping local businesses grow and serving as a necessary bolster to Montana’s recovering economy.

¹ Social Security Administration, Master Beneficiary Record, 100 percent data; Census Bureau, Population Division, 2010 estimates of resident population, available at http://www.socialsecurity.gov/policy/docs/statcomps/oasdi_sc/2010/.

² Ibid.

³ Paul N. Van de Water and Arloc Sherman, "Social Security Keeps 20 Million Americans Out of Poverty: A State-by-State Analysis," Center on Budget and Policy Priorities, August 11, 2010, <http://www.cbpp.org/files/8-11-10socsec.pdf>.

⁴ Ibid.

⁵ Social Security Administration, Master Beneficiary Record, 100 percent data, available at http://www.socialsecurity.gov/policy/docs/statcomps/oasdi_sc/2010/.