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How Income of the Elderly Has Increased Over Time

WASHINGTON— How has the income of the elderly increased over time?

A recent study by the nonpartisan Employee Benefit Research Institute (EBRI) answers that and other questions about the sources and distribution of the income of those age 65 and older in 2008. Here are the results:

The *median* income level of the elderly population (the midpoint, 50 percent above and 50 percent below) increased from \$13,264 (in constant 2009 dollars) in 1974 to \$17,507 (in 2009 dollars) in 1999. By 2004, the median income of the elderly had declined to \$17,085. Real median income increased by 2008, to \$18,001, the highest point in the U.S. Census Bureau's Current Population Survey time series (and the most recent data available).

The *average* income of the elderly increased from \$18,715 in 1974 to \$24,076 by 1989. Following 1989, average income of the elderly was up and down, being higher in 2008 than in 1989 by \$4,702.

Income of the Older Population, Selected Years, 1974–2008
(2009 \$s)

Year	Median	Average
1974	\$13,264	\$18,715
1979	\$13,617	\$19,669
1984	\$15,381	\$22,973
1989	\$16,526	\$24,076
1994	\$16,263	\$22,970
1999	\$17,507	\$26,619
2004	\$17,085	\$24,673
2008	\$18,001	\$28,778

Source: EBRI estimates of the March 1975, 1980, 1985, 1990, 1995, 2000, and 2009 Current Population Surveys.

According to the study, Social Security was the largest source of income for those currently age 65 and older, accounting for 39.8 percent of their income on average in 2008. Pension and annuities income was 19.7 percent, income from assets 13.0 percent, and income from earnings was 25.6 percent.

The study appeared in the June 2010 *EBRI Notes* and is available at www.ebri.org. It is based on the latest data on the older population's income, from the U.S. Census Bureau's March 2009 Current Population Survey.

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