

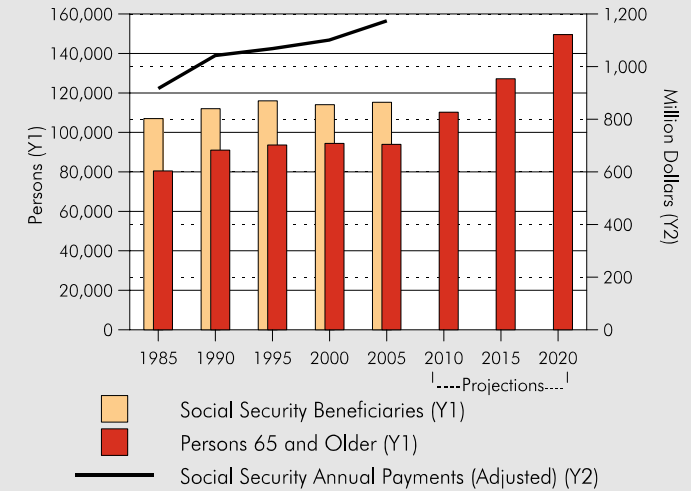
Social Security - Beneficiaries, Annual Payments, and Average Monthly Benefits in North Dakota: 2005

Over the next 15 to 20 years, as baby boomers (the large cohort of persons born between 1946 and 1964) leave the workforce and enter retirement, North Dakota will likely see a significant increase in social security income.

In 2005, the number of social security beneficiaries in North Dakota totaled 115,260. Retired workers and their dependents comprised 71 percent of these beneficiaries and received \$780 million in payments. Disabled workers and their dependents comprised 12 percent of all beneficiaries and received \$137 million. Survivors comprised 17 percent of all social security beneficiaries in North Dakota and received \$257 million in 2005 (Table 1). The average monthly social security benefit for a retired worker in North Dakota was \$935 in 2005, an increase of 5 percent from 2000 after adjusting for inflation.

Population projections suggest that the number of persons 65 years and older will increase by more than 50 percent over the next 15 years (Figure 1). Since the majority of social security beneficiaries are retired workers, annual social security payments to North Dakotans will likely increase significantly over the next few decades (Figure 1).

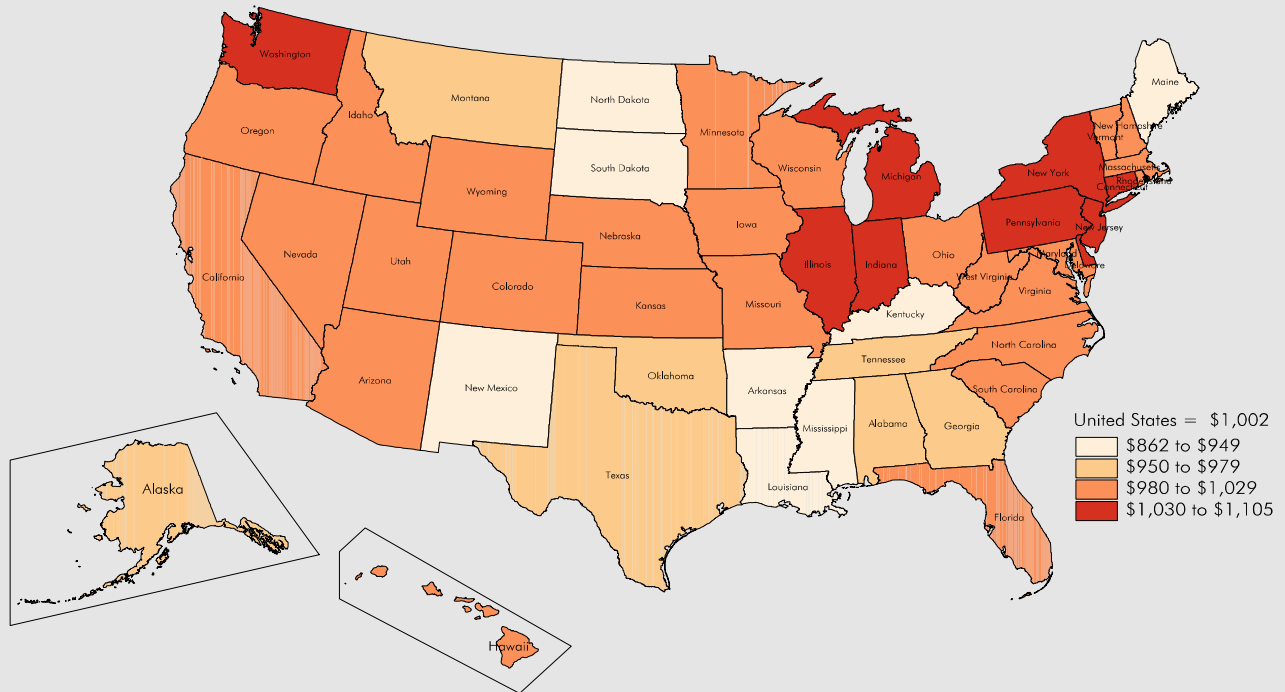
Figure 1. Social Security Beneficiaries, Payments, and Total Persons 65 Plus North Dakota: 1985 to 2005 and Projections for 2010, 2015, and 2020



Sources: **Social Security Beneficiaries and Annual Payments** - U.S. Social Security Administration, Annual Statistical Supplement to the Social Security Bulletin; **Persons 65 and Older** - U.S. Census Bureau, Population Division; North Dakota State Data Center, North Dakota Population Projections 2005 to 2020. Note: Annual payments have been adjusted to their 2005 values using the Consumer Price Index.

Figure 2. Average Monthly Social Security Benefits to Retired Workers by State: 2005

Source: U.S. Social Security Administration, Annual Statistical Supplement, 2006, www.ssa.gov/policy/docs/statcomps/supplement/2006/



Date of Release: April 19, 2007

Social Security Income in North Dakota Likely to Rise Significantly in the Next 15 Years

Baby boomers (the large cohort of persons born between 1946 and 1964) are just now turning 60. As they leave the workforce and enter retirement over the next 15 to 20 years, North Dakota will likely see a significant increase in social security income.

This month's "Economic Brief," a monthly publication from the North Dakota State Data Center at North Dakota State University, focuses on social security in North Dakota - beneficiaries, annual payments, and average monthly benefits. In 2005, the number of social security beneficiaries in North Dakota totaled 115,260. Retired workers and their dependents comprised 71 percent of these beneficiaries and received \$780 million in payments. Disabled workers and their dependents comprised 12 percent of all beneficiaries and received \$137 million. Survivors comprised 17 percent of all social security beneficiaries in North Dakota and received \$257 million in 2005. The average monthly social security benefit for a retired worker in North Dakota was \$935 in 2005, an increase of 5 percent from 2000 after adjusting for inflation.

Population projections suggest that, due to aging baby boomers, the number of persons 65 years and older will increase by more than 50 percent over the next 15 years. Since the majority of social security beneficiaries are retired workers, annual social security payments to North Dakotans will likely increase significantly over the next few decades. Current economic simulation modeling indicates that the surge in elderly will translate into a corresponding increase of \$429 million in social security payments before adjusting for inflation. "The dramatic rise in seniors in our state will have important consequences, not only in the redistribution of income, but also on the state's labor force and the demand on infrastructure and services," said Richard Rathge, Director of the State Data Center.

<p>North Dakota State Data Center North Dakota State University IACC Building, Room 424 or PO Box 5636 Fargo, North Dakota 58105-5636 Ph: (701) 231-7980 Fax: (701) 231-9730</p>	<p>For more information, contact:</p>		
<p>Dr. Richard Rathge, Director (701) 231-8621 richard.rathge@ndsu.edu</p>	<p>Karen Olson, Information Specialist (701) 231-1060 k.olson@ndsu.edu</p>	<p>View publication online at: www.ndsu.edu/sdc/publications.htm</p>	