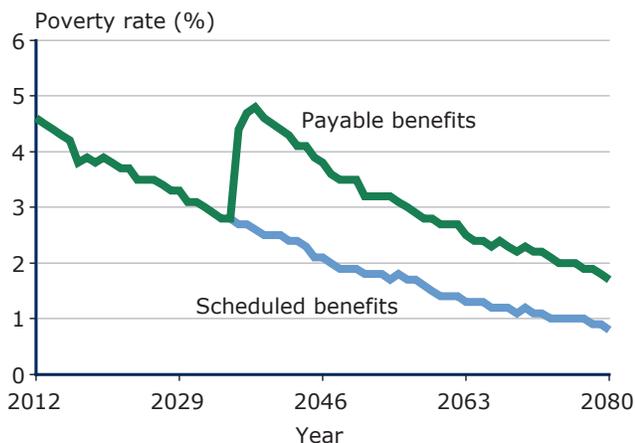


# Why Will Poverty Decline for Social Security Beneficiaries Aged 60 and Older?

- Income rises with wages, while the poverty threshold<sup>a</sup> is indexed to prices.
- Wages are projected to increase at a faster rate than prices.
- Over time, wage growth is projected to outpace price growth, lifting beneficiaries over the poverty threshold.

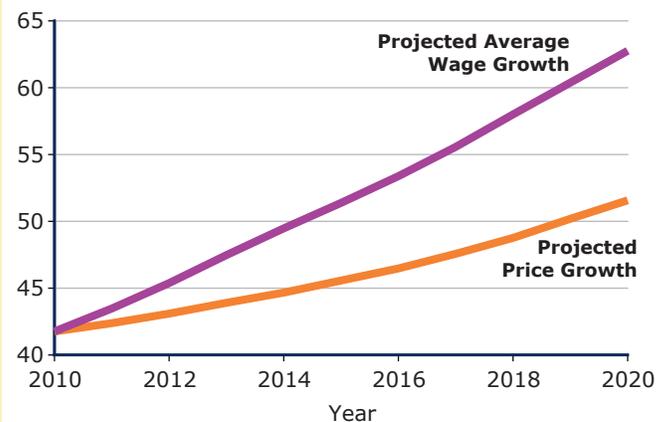
## Poverty Rate for Beneficiaries Aged 60 or Older, 2012–2080



SOURCES: Modeling Income in the Near Term, Version 6 (MINT6) microsimulation model using 2011 Trustees Report intermediate assumptions. The 2011 Trustees Report projects tax rates will be sufficient to pay 77 percent of scheduled benefits after trust fund exhaustion in 2036, often referred to as payable benefits.

## Projected Average Wage and Price Growth, 2010–2020

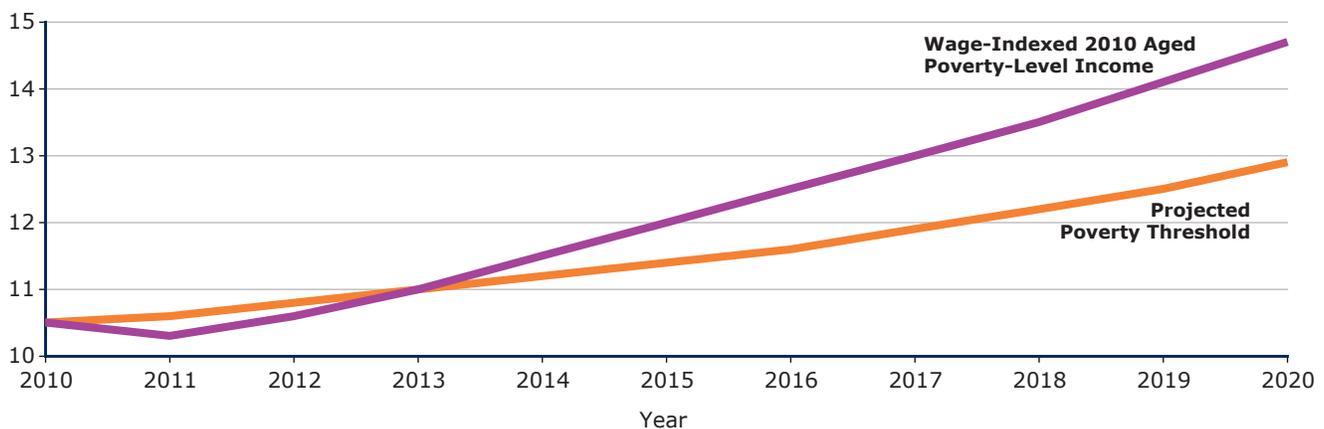
*In thousands of dollars*



SOURCE: Based on the Consumer Price Index (CPI) and Average Wage Index (AWI) assumptions from the 2011 Trustees Report.

## Projected Growth of Poverty-Level Income and the Poverty Threshold, 2010–2020

*In thousands of dollars*



SOURCE: Based on the Consumer Price Index (CPI) and Average Wage Index (AWI) assumptions from the 2011 Trustees Report.

a. U.S. Census Bureau, *Poverty Thresholds by Size of Family and Number of Children*.

