



# Fact Sheet

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## Six Key Facts on Women and Social Security

*As research by the Institute for Women's Policy Research (IWPR) and others shows, the current Social Security program is a mainstay for women. Fifty-seven percent of all beneficiaries aged 65 and older—including retirees, the disabled, and survivors of deceased workers—are women. Over 21 million women aged 65 and older receive Social Security checks each month.<sup>1</sup>*

### FACTS:

- For both men and women aged 65 and older, Social Security is the largest source of income, contributing more than all other sources—such as earnings, pensions, and assets—combined.<sup>2</sup>
- Women rely on Social Security for a larger part of their income in retirement than do men because women are less likely than men to have income from their own pensions (28 percent of women aged 65–74 receive pension income, compared with 42 percent of men aged 65–74). Also, women who do receive income from their own pensions receive, on average, less than half as much as men.<sup>3</sup>
- Social Security provides more generous benefits to lower earners for the amount of taxes paid, as compared with higher earners.<sup>4</sup> Because women have lower earnings on average across the lifetime than do men,<sup>5</sup> they benefit from this distribution toward lower earners.
- Social Security provides family benefits to the children and spouses (and some ex-spouses) of workers in the event of a worker's retirement, disability, or death. In 2010, 27 percent of women aged 65 and older received only spousal benefits (based on their husbands' or ex-husbands' earning records). Another 29 percent of women in this age range received benefits based both on their husbands' earnings records (or ex-husbands') and on their own, increasing their benefits.<sup>6</sup>
- Since women's life expectancy is five years longer than men's (81 for women compared with 76 for men),<sup>7</sup> women rely disproportionately on survivor benefits.<sup>8</sup> They also rely on Social Security for a longer period, making the cost-of-living adjustment to Social Security, which protects recipients from inflation as they age, especially important for women.<sup>9</sup>
- Unmarried women living alone aged 65 and older are three times more likely to be living in poverty than married women aged 65 and older (16.6 percent compared with 4.8 percent).<sup>10</sup> Without Social Security benefits, more than two-thirds of these unmarried women would live in poverty.<sup>11</sup>

Half of women aged 65 and older rely on Social Security for 80 percent or more of their income,<sup>12</sup> pointing to the need to safeguard and strengthen the program. Unfortunately there are some policy proposals that would reduce benefits:

- Each year the retirement age is raised amounts to a seven percent reduction in benefits<sup>13</sup>—the age will rise from 66 to 67 by 2027 under current law and some legislators have proposed increases to 69 or 70.
- Proposed reductions to the annual Social Security cost-of-living-adjustment (COLA), such as the ‘chained COLA,’ would cause benefit cuts that are cumulative over time and therefore have a greater impact on women, who tend to receive benefits for longer than men.<sup>14</sup>

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<sup>1</sup> IWPR calculations based on data from the U.S. Social Security Administration’s Annual Statistical Supplement. 2011.

<<http://www.ssa.gov/policy/docs/statcomps/supplement/2011/5a.html#table5.a16>> (accessed June 29, 2011).

<sup>2</sup> Hartmann, Heidi, Jeff Hayes, and Robert Drago. 2011. *Social Security Especially Vital to Women and People of Color, Men Increasingly Reliant*. Washington, DC: Institute for Women’s Policy Research. See Figures 1a and 1b.

<sup>3</sup> Hartmann, Heidi, Jeff Hayes, and Robert Drago. 2011. *Social Security Especially Vital to Women and People of Color, Men Increasingly Reliant*. Washington, DC: Institute for Women’s Policy Research. See Figures 2a, 2b, 3a, and 3b.

<sup>4</sup> U.S. Social Security Administration. 2010. Annual Statistical Supplement to the Social Security Bulletin, 2010.

<<http://www.socialsecurity.gov/policy/docs/statcomps/supplement/2010/index.html>> (accessed May 31, 2011).

<sup>5</sup> Rose, Stephen and Heidi I. Hartmann. 2004. *Still a Man’s Labor Market: The Long-Term Earnings Gap*. Washington, DC: Institute for Women’s Policy Research.

<sup>6</sup> U.S. Social Security Administration. 2011. “Annual Statistical Supplement, 2011.”

<<http://www.ssa.gov/policy/docs/statcomps/supplement/2011/5a.html#table5.a15>> (accessed June 29, 2011). See Table 5.A15.

<sup>7</sup> U.S. Census Bureau. 2010. *Expectation of Life and Expected Deaths by Race, Sex, Age: 2007* in Statistical Abstract of the United States: 2011 (130<sup>th</sup> Edition). Washington, DC. <<http://www.census.gov/compendia/statab/2011/tables/11s0105.pdf>> (accessed May 31, 2011).

<sup>8</sup> English, Ashley and Sunhwa Lee. 2010. *Women and Social Security: Benefit Types and Eligibility*. Washington, DC: Institute for Women’s Policy Research. See Table 3.

<sup>9</sup> Olsen, Anya. 2008. *U.S. Social Security Administration Policy Brief No. 2008-03: Distributional Effects of Reducing the Cost-of-Living Adjustments*. <<http://www.socialsecurity.gov/policy/docs/policybriefs/pb2008-03.html>> (accessed June 1, 2011).

<sup>10</sup> IWPR calculations based on 2010 Current Population Survey Annual Social and Economic (ASEC) Supplemental Survey. <<http://www.census.gov/cps/>> (accessed June 6, 2011).

<sup>11</sup> Hayes, Jeff, Heidi Hartmann, and Sunhwa Lee. 2010. *Social Security: Vital to Retirement Security for 35 Million Women and Men*. Washington, DC: Institute for Women’s Policy Research.

<sup>12</sup> Hartmann, Heidi, Jeff Hayes, and Robert Drago. 2011. *Social Security: Especially Vital to Women and People of Color, Men Increasingly Reliant*. Washington, DC: Institute for Women’s Policy Research. See Figure 4.

<sup>13</sup> Ruffing, Kathy A. and Paul N. Van De Water. 2011. *Social Security Benefits are Modest: Policymakers Have Only Limited Room to Reduce Benefits without Causing Hardship*. Washington, DC: Center on Budget and Policy Priorities. <<http://www.cbpp.org/files/1-11-11socsec.pdf>> (accessed June 7, 2011).

<sup>14</sup> Olsen, Anya. 2008. *U.S. Social Security Administration Policy Brief No. 2008-03: Distributional Effects of Reducing the Cost-of-Living Adjustments*. <<http://www.socialsecurity.gov/policy/docs/policybriefs/pb2008-03.html>> (accessed June 8, 2011). See Table 1.

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