



# Fact Sheet

## SOCIAL SECURITY

### **Social Security Is Important to Women**

**Social Security is neutral with respect to gender – individuals with identical earnings histories are treated the same in terms of benefits. This Fact Sheet is provided by the Social Security Administration to highlight how women benefit from the Social Security program and how certain demographic characteristics of women compare with the entire population.**

Out of 37.8 million beneficiaries aged 65 and older in 2014, 21.1 million (or 56 percent) were Women.<sup>1</sup>

- With longer life expectancies than men, elderly women tend to live more years in retirement and have a greater chance of exhausting other sources of income. They benefit from Social Security's [cost-of-living protections](#) because benefits are annually adjusted for inflation.
  - According to SSA's Office of the Chief Actuary, women reaching age 65 in 2015 are expected to live, on average, an additional 21.5 years compared with 19.1 years for men.<sup>2</sup>
  - Women represent 56 percent of all Social Security beneficiaries age 62 and older and approximately 66 percent of beneficiaries age 85 and older.<sup>3</sup>
- The Social Security system is progressive in that lower-wage earners receive a higher percentage benefit than higher-wage earners do. The system returns a greater percentage of pre-retirement earnings to a lower-wage worker than to a higher-wage worker. Women who are low-wage workers receive back more benefits in relation to past earnings than do high-wage earners.
  - In 2014, the median earnings of working-age women who worked full-time, year-round were \$39,000, compared to \$50,000 for men.<sup>4</sup>
- In 2014, the average annual Social Security income received by women 65 years and older was \$13,150, compared to \$17,106 for men. Social Security provides dependent benefits to spouses, divorced spouses, elderly widows, and widows with young children.
- In 2014, for unmarried women – including widows – age 65 and older, Social Security comprises 47 percent of their total income. In contrast, Social Security benefits comprise only 34 percent of unmarried elderly men's income and only 29 percent of elderly couples' income.<sup>5</sup>

- In 2014, 46 percent of all elderly unmarried females receiving Social Security benefits relied on Social Security for 90 percent or more of their income.<sup>6</sup>
- Elderly women are less likely than elderly men to have significant family income from pensions other than Social Security. In 2014, 31.6 percent of unmarried women aged 65 or older were receiving their own private pensions (either as a retired worker or survivor), compared to 34.3 percent of unmarried men.<sup>7</sup>
  - Men and women in today’s workforce have comparable participation rates, at almost half (or 49 percent each), in employer-sponsored retirement plans.<sup>8</sup>
  - Women generally receive lower pension benefits due to their relatively lower earnings and the higher share of employed women who work part-time, around twice the rate for men.<sup>9</sup>

Our website at [www.socialsecurity.gov/women](http://www.socialsecurity.gov/women) contains more information of interest to women.

*This fact sheet is designed to provide general information and does not apply to all individuals within the female population.*

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<sup>1</sup>Calculations are based on the U.S. Census Bureau, public-use March 2015 Current Population Survey (CPS) (income year 2014), and are subject to nonsampling error (such as respondent error in reporting characteristics and amount and type of income). These are all Social Security beneficiaries aged 65 or older in March 2015.

<sup>2</sup> 2016 Trustees Report, Access at: Table V.A5, Cohort Life Expectancies based on Intermediate Projections for 2015. Access at: [https://www.ssa.gov/OACT/TR/2016/V\\_A\\_demo.html#221776](https://www.ssa.gov/OACT/TR/2016/V_A_demo.html#221776)

<sup>3</sup> Social Security Bulletin, Annual Statistical Supplement, 2015 Social Security Administration, Research, Statistics, & Policy Analysis, Table 5.A10, Number and average monthly benefit for beneficiaries aged 60 or older, by type of benefit, age, and sex. December 2014, Released April 2016. Access at: <https://www.ssa.gov/policy/docs/statcomps/supplement/2015/5a.pdf>

<sup>4</sup> Calculations are based on the U.S. Census Bureau, public-use March 2015 Current Population Survey (CPS) (income year 2014), and are subject to nonsampling error (such as respondent error in reporting characteristics and amount and type of income).

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> SSA, Income of the Population 55 or Older, 2014. Released April 2016. Table 2.B1, Percentage with family income from specified source, by sex, marital status, and age, 2014. Access at: [https://www.ssa.gov/policy/docs/statcomps/income\\_pop55/](https://www.ssa.gov/policy/docs/statcomps/income_pop55/)

<sup>8</sup> Pew Charitable Trusts, January 2016. “*Who’s In, Who’s Out*,” A Look at access to employer-based retirement plans and participation in the states. Project Team: John Scott, Andrew Blevins, Theron Guzoto, and Kevin Whitman. Note: The figures in this report are based on a pooled version of the 2010-14 Minnesota Population Center’s Integrated Public Use Microdata Series (IPUMS) Current Population Survey (CPS), Annual Social and Economic (ASEC) Supplement or pooled 5-year data. Worker means full-time, full-year, private sector wage and salary worker ages 18-64. This demographic group matches previous data used in this Fact Sheet. Methodological differences, such as the make-up of the underlying sample or the phrasing of the survey questions, contribute to some of the variation. Furthermore, previous research by SSA researchers suggests that the respondents tend to underreport retirement plan access and participation compared with W-2 tax data. There is no single, definitive benchmark figure for retirement plan access and participation. Pew uses CPS (versus CPS matched to W-2 data, etc.) because of geographical detail it allows. Previous Fact Sheets have been based on Employee Benefit Research Institute (EBRI) and Congressional Research Service (CRS) data, no longer available.

<sup>9</sup> U.S. Bureau of Labor Statistics, “Women in the Labor Force: A Databook,” Report 1040, 2013. Access at: <http://www.bls.gov/cps/wlf-databook-2012.pdf> Note: Per Pew’s IPUMS CPS 5-year data file, about 29 percent of employed women reported working part-time, while 15 percent of employed men reported working part-time. Per BLS, Table 20, year 2011, published February 2013, about 26.5 percent of employed women reported working part-time, while 13.4 percent of employed men reported working part-time.