Key Facts about Older Women and Social Security

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Social Security is an important source of retirement income for many older Americans (age 65 and over), but for older women this financial support is especially vital.

Three key features—a progressive benefit formula, lifetime benefits, and inflation-adjusted benefits—of the Social Security program are particularly helpful to women.

- Women’s full-time earnings are about 82 percent—on average—of men’s, and women are more likely to hold part-time jobs and to have gaps in their employment. Social Security’s progressive benefit formula helps protect workers with lower average career earnings that result from low wages, limited work histories, or both.

- Because women tend to live longer than men, they are helped by Social Security’s inflation adjustment and guaranteed lifetime benefits.

More than a quarter of older women rely on Social Security for nearly all of their family income.

- In 2012, 26.5 percent of women age 65 or older relied on Social Security for 90 percent or more of family income, compared to 20.1 percent of older men.

- Widowed and divorced older women are most likely to rely on Social Security: 35.1 percent and 26.3 percent, respectively, rely on Social Security for 90 percent or more of family income.

- Women are less likely than men to have family income from pensions, savings, or other retirement income.

In 2012, Social Security family income kept almost 38 percent of older women out of poverty, yet women still are more likely to be in poverty than are older men.

- In 2012, family income from Social Security kept 37.5 percent of older women out of poverty, compared to 32.5 percent of older men.

- Older women are still more likely than men are to face poverty, even with Social Security family income. About 11.0 percent of older women lived in poverty in 2012, compared to approximately 6.6 percent of older men.

Social Security reforms could do even more to reduce poverty among older women.

- Some proposals to expand benefits as part of Social Security reform would improve the adequacy of women’s benefits by expanding the minimum benefit, providing caregiving credits, increasing survivor benefits, or decreasing the number of years of marriage (currently 10 years) required for divorced spouses to
be eligible for spousal benefits. However, such enhancements would have costs and would need to be considered carefully in the context of the program’s long-term solvency.

Endnotes