



# 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 36.4 million beneficiaries aged 65 and older in 2012, 20.3 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.
  - Women reaching age 65 in 2012 are expected to live, on average, an additional 21.4 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 67 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 2012, the median earnings of working-age women who worked full-time, year-round were \$38,000, compared to \$48,362 for men.<sup>4</sup>

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<sup>1</sup> Office of Retirement Policy (ORP) tabulations of 2013 Current Population Survey (CPS) from dataset: cps2013. Based on the public-use March 2013 CPS (income year 2012), 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 2013.

<sup>2</sup> The 2013 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, Table V.A4, Cohort Life Expectancies based on Intermediate Projections. Access at: [http://mwww.ba.ssa.gov/oact/TR/2013/V\\_A\\_demo.html#221776](http://mwww.ba.ssa.gov/oact/TR/2013/V_A_demo.html#221776)

<sup>3</sup> Social Security Bulletin, Annual Statistical Supplement, 2013 Social Security Administration, Office of Policy, Office of Research, Evaluation, and Statistics, December 2012. Table 5.A10, Number and average monthly benefit for beneficiaries aged 60 or older, by type of benefit, age, and sex. Note: In progress (1/28/2014) Access at: <http://mwww.ba.ssa.gov/policy/docs/statcomps/supplement/2013/5a.pdf>

<sup>4</sup> 2013 Current Population Survey (CPS) from dataset: allperson2013. 2013 tabulations (data from allperson2013 data file for 18 to 64 years), median earnings of full-time, year-round women (18-64) was \$38,000 and \$48,362 for men or \$42,500 for all workers. Note: Previous on-line Fact Sheet used CPS numbers for median earnings. This updated fact sheet uses CPS numbers for median earnings. Based on the public-use March 2013 CPS (income year 2012), and are subject to nonsampling error (such as respondent error in reporting characteristics and amount and type of income). Note: For comparison, U.S. Census Bureau, 2012 American Community Survey. S2001

- In 2012, the average annual Social Security income received by women 65 years and older was \$12,520, compared to \$16,398 for men. Social Security provides dependent benefits to spouses, divorced spouses, elderly widows, and widows with young children.<sup>5</sup>
- In 2012, for unmarried women – including widows – age 65 and older, Social Security comprises 50 percent of their total income. In contrast, Social Security benefits comprise only 36 percent of unmarried elderly men's income and only 30 percent of elderly couples' income.<sup>6</sup>
- In 2012, 50 percent of all elderly unmarried females receiving Social Security benefits relied on Social Security for 90 percent or more of their income.<sup>7</sup>
- Elderly women are less likely than elderly men to have significant family income from pensions other than Social Security. In 2010, only 23 percent of unmarried women aged 65 or older were receiving their own private pensions (either as a retired worker or survivor), compared to 27 percent of unmarried men.<sup>8</sup>
  - Participation in employer-sponsored retirement plans is increasing for women in today's workforce. In 2012, 55.0 percent of women employed full-time participated in an employer-sponsored public and private sector plan compared to 52.3 percent of men. Women generally receive lower pension benefits due to their relatively lower earnings.<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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Earnings in the Past 12 Months (in 2012 Inflation-Adjusted Dollars). Saved pdf.file. Median Earnings of Full-Time, Year-Round Workers 16 years or older: \$37,412 for women and \$47,473 for men.

<sup>5</sup> 2013 Current Population Survey (CPS) from dataset: allperson2013. Taken from CPS 2013 tabulations (2012 data from allperson2013 data file), \$12,520 for women and \$16,398 for men 65 years & older. Based on the public-use March 2013 CPS (income year 2012), and are subject to nonsampling error (such as respondent error in reporting characteristics and amount and type of income). Note: For comparison, Other source: Social Security Bulletin, Annual Statistical Supplement, 2013 Social Security Administration, Office of Policy, Office of Research, Evaluation, and Statistics, December 2012. Table 5A1.1 Number and average monthly benefit for retired workers, by race, age, and sex. <http://mwww.ba.ssa.gov/policy/docs/statcomps/supplement/2013/5a.pdf>

Note: \$13,233.24 for women 62 years & older and \$17,004.60 for men 62 years & older.

<sup>6</sup> 2013 Current Population Survey (CPS) from dataset: couples2013. Social Security's share of Total Income for 65+.

<sup>7</sup> Office of Retirement Policy (ORP) SAS Tabulations of 2013 Current Population Survey (CPS) from dataset: couple2013, which is .4966. Alternate source: Check also 2013 Fast Facts & Figures, available but not by gender. All units are either married or nonmarried. See p. 7, Relative Importance of Social Security. Access 2013 version of Fast Facts & Figures about Social Security. [http://www.ssa.gov/policy/docs/chartbooks/fast\\_facts/](http://www.ssa.gov/policy/docs/chartbooks/fast_facts/)

<sup>8</sup> Income of the Population 55 or Older, 2012. Note: Expected update is April 2014. Requested ORES 1/28/2014 for update.

Undergoing technical clearance until 2/14/14.. Table 2.B1, Percentage with Family Income from specified source, by sex, marital status, and age, 2010. Nonmarried women aged 65 & older – 22.6 and nonmarried men aged 65 & older – 27.3 percent. Note: Current expanded table refers to “family” income of persons as a way to measure whether person is in poverty or not whereas previous table refers to income of aged “units.” Updated every 2 years. No update in 2011. Access at: [http://www.ssa.gov/policy/docs/statcomps/income\\_pop55/](http://www.ssa.gov/policy/docs/statcomps/income_pop55/)

<sup>9</sup> EBRI Issue Brief. November 2013, No. 392. Figure 2 and 3. Employment-based Retirement Plan Participation: Geographic Differences and Trends, 2012. Access at: [http://www.ebri.org/pdf/briefspdf/EBRI\\_IB\\_011-13.No392.Particip.pdf](http://www.ebri.org/pdf/briefspdf/EBRI_IB_011-13.No392.Particip.pdf)