

# VOTING & ELECTIONS

## FACT SHEET

### Why Women Should Vote: To Protect Social Security

May 2012

*Social Security is important to all Americans, but women especially depend on Social Security's guaranteed lifetime benefits. By voting, women can make sure our leaders in Washington pursue policies that protect and strengthen Social Security.*

#### **It's harder for women to achieve a secure retirement.**

- Women are paid less than men and are more likely to take time out of the labor force for caregiving. Thus, they reach retirement with fewer savings and smaller pensions than men – but have to make them last for a longer lifespan.
- Women are at substantially higher risk of poverty in retirement than men: 11 percent of women 65 and older, compared to 7 percent of men, are poor, and 17 percent of single women 65 and older are poor.

#### **Social Security is the foundation of women's economic security.**

- Women are a majority of Social Security beneficiaries, and rely more on income from Social Security than men do. For a majority of women 65 and older, Social Security provides half or more of their income. For one in three single women age 65 and over, Social Security provides virtually all of their income, 90 percent or more. Without Social Security, half of all women 65 and older would be poor.
- Especially for women, Social Security is more than a worker retirement plan – it's a family insurance

program. Women make up over 98 percent of adults who receive benefits as the family member of a disabled, deceased, or retired worker.

- Social Security has a number of features that make it especially valuable to women. Its benefits are reliable, continue for life, and are adjusted each year for inflation. Social Security provides lower earners – such as women who were paid less or took time out from work – a higher percentage of their pre-retirement earnings than higher earners. For a young worker and family, Social Security provides the equivalent of a \$476,000 life insurance and \$465,000 disability insurance policy.

#### **Policy makers will choose whether to protect and strengthen Social Security, or cut and—worse—privatize it.**

- Social Security is not in crisis. The latest report of the Social Security Trustees finds that even with no changes, Social Security can pay 100 percent of promised benefits for 20 years, and about 75 percent of benefits after that from payroll taxes coming into the system.
- It isn't necessary to cut benefits that are already modest – on average, \$12,100 a year for women

65 and older – to ensure that Social Security can pay 100 percent of promised benefits for the next 75 years. Currently, wages above \$110,100 aren't subject to Social Security taxes. Applying the Social Security tax to higher wages and other compensation could close the long-term financing gap and fund improved benefits for women.

- Alternatively, for about the same cost as making the 2001 and 2003 tax cuts permanent for just the richest two percent of households (those with incomes above \$250,000), we could make sure that Social Security can pay 100 percent of promised benefits for the next 75 years.
- Raising the full retirement age (already age 66 for people born in 1943 or later and 67 for people born in 1960 or later) would be the equivalent of an across-the-board benefit cut. It would create particular hardship for workers in physically demanding jobs, older workers who can't find new employment, and those who rely on Social Security for the vast majority of their income.
- Reducing Social Security annual cost-of-living adjustments is a benefit cut that gets deeper over time. It would be particularly harmful to women because they generally live longer than men.
- Privatizing Social Security in whole or part would mean lower Social Security benefits, because funds already committed to paying promised benefits would be diverted into private accounts. Private accounts can't provide the same financial security as Social Security: their value goes up and down with the stock market; accounts can be outlived; and they can't provide the same disability and life insurance protections to workers and their families.

**When women vote, leaders listen.**

**REGISTER. VOTE.**

The National Women's Law Center is a non-profit, non-partisan organization that has been working to advance and protect women's legal rights since 1972. NWLC takes no position on candidates or elections, and nothing herein should be construed as an endorsement of any candidate or party.