

Women's Retirement Security A 25 Year Perspective

PRESENTED BY

ANNA M. RAPPAPORT, FSA, MAAA



Women and Retirement: Where are We Today vs. 25 Years Ago?

1992: House Report

- How Well Do Women Fare Under the Nation's Retirement Policies?

Key Issues Raised

- Poverty rates – gender, age, ethnicity, marital status
- Particularly vulnerable groups
- Predicted for 2020: drop in poverty rates but increase in older women alone
- Social Security benefits and family status
- Differences in work history, earnings and pension coverage
- Social Security integration

Issues raised: still a concern today

Big Developments: Last 25 Years

- Increasing life spans and periods of retirement
- Aging of the Baby Boom – large increases in population over age 85
- Increasing inequality by economic status
- Decline of traditional pension plans and retiree health plans
- Growth in GIG employment and low benefit jobs
- Continued trend at higher ages: men likely to remarry vs. women remaining unmarried
- Growing focus on racial and ethnic disparities
- Small declines in overall gender pay gap
- Emergence of state retirement plans

Poverty rates today

At 65-69 – 7.5% M vs. 9.3% F

At 80 + -- 7.6% M vs. 13.6% F

At 80+ F – 8.6% living with others and 18.9% living alone

At 65+ F – 4.7% married vs. 15.5% nonmarried

By 65+ F by Race

- White (not Hispanic) 7.9%
- Black (not Hispanic) 20.2%
- Asian 10.5%
- Hispanic 18.6%

Source: Rates are from April, 2021 CRS report and are based on CRS analysis of 2020 CPS
1990 rates at 65+ 7.6% M and 15.4% F (from 1992 Congressional report)

Social Security Family Benefit Issues

Benefits based on families of the 1940s

1940s – many more dependent wives

- Gradual shift to more two earner couples

Inequities: single earner couples vs. singles and two earner couples

Single earner couples – highest benefits per dollar of taxes

- While alive and after death

Equal earner couples and singles

- Benefits based on own earnings only

Caregiver Issues

Shortage of caregivers

Child care

- Long-term: fewer family caregivers to help
- Very expensive: major barrier to work for lower and middle-income families
- Barrier to retirement savings

Elder care

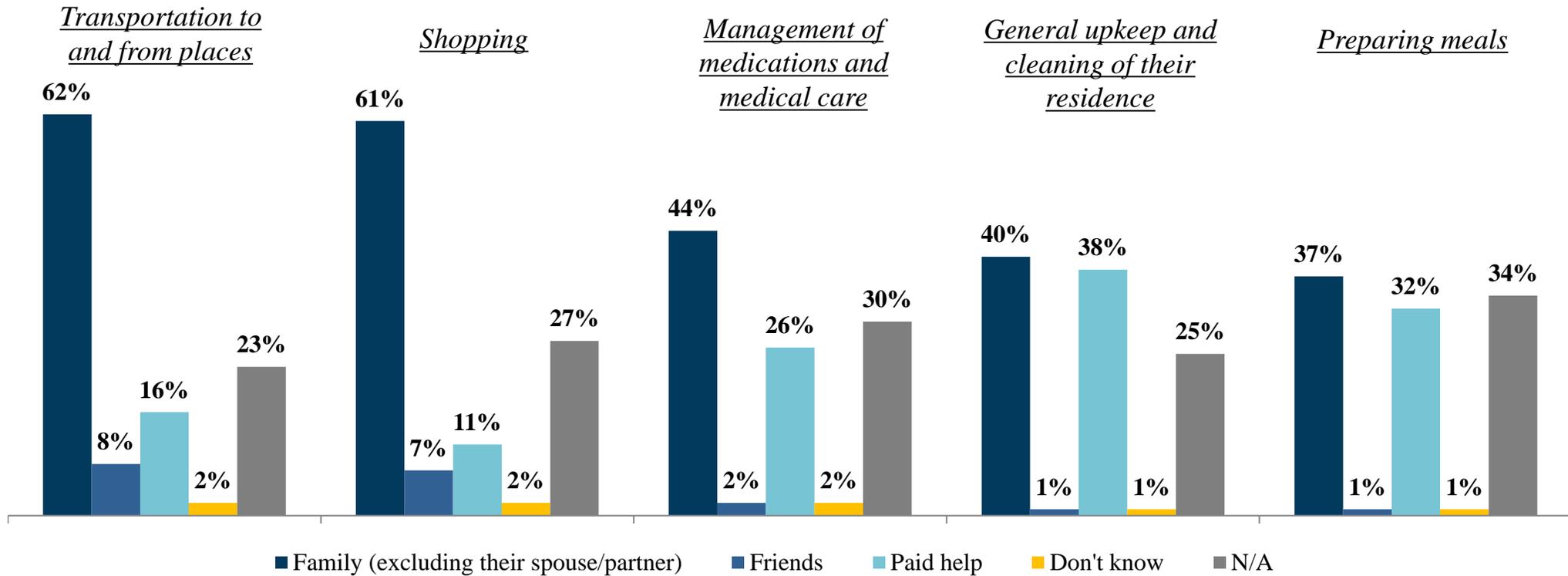
- Society of Actuaries research – little advance planning but family steps in
- Paid care: difficult to find caregivers and expensive
- Major responsibilities disrupt employment and retirement savings

Over three in five adult children say they help their elderly parents with transportation and shopping.

Adult Children of Elderly Parents: Care Providers by Daily Activity

Total (n=202)

Source: Society of Actuaries Survey of Adult Children with Parents Age 85 or over



Does your [PARENT] receive help from any combination of family, friends or paid help to do each of the following:

My Perspective

Greater awareness of women's retirement issues than 25 years ago

Some groups still have major issues to address

Social Security family benefit issues are not even on the table for discussion

More older women alone as the population ages

Some advances

- More educated women and better opportunities for professional women
- More women in senior jobs, but still far too few

Some declines

- Growing inequality generally – many people in lower economic levels are falling behind
- Caregiver problems probably growing
- Societal events – COVID, climate change, Great Recession, have had lasting effects on many people: particularly those at the bottom