

# Women Must Act Now to Ensure Income Security As they Age

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# Wider Opportunities for Women

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[www.WOWonline.org](http://www.WOWonline.org)

- WOW is a national advocacy organization celebrating over 40 years of helping women and their families achieve economic independence and equality of opportunity.
- WOW's intergenerational vision and mission of economic independence for women and their families is met through the work of its national and local programs.



# Women are more likely to aging into poverty

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The most recent U.S. Census data shows that women are almost twice as likely to live in poverty in their senior years as men: 6.6 percent of men and 11.5 percent of women live in poverty. Among women age 65 and over, poverty disproportionately hits women of color:

- 9.9 percent of non-Hispanic white older women;
- 26.7 percent of African-American older women;
- 20.8 percent of Hispanics older women; and
- 40.5 percent of older Hispanic women who live alone.



# Economic Insecurity: Contributing Factors

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- Cumulative disadvantage;
- Minimum wage is inadequate to meet an individual or family's need. On average a single mother would have to work 3 full time minimum wage jobs to meet her family's needs;
- Occupational segregation and pay inequity;
- The structure of work does not acknowledge family responsibilities

## ...continued

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- The ratio of women's to men's median *annual earnings, for full-time, full-year workers*—was **76.9 in 2006** (the latest available data). This ratio has been at about the **same level since 2001**; and
- Over a 15-year period the average woman earned only 38% of what a man earned - \$273,592 while the average man earned \$722,693.

**Combined these contributing factors leave older women with fewer sources of retirement income.**



# Coming Up Short: The Retirement Income of Women

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- In 2007, the average **annual income** for **women** 65 and older was **\$19,514**, including pension income, compared to **\$26,079** for **men**. **Less than 30% of women have retirement income from other sources (defined contribution plans, defined benefit plans, private savings, and/or assets)**;
- Nearly half of older men have income from pensions (46%);
- Only 25% of African American women and less than 20% of Asian American and Hispanic women have pension income;

## Continued...

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•In 2007, the average **annual Social Security income** received by **women 65 years and older was \$10,432**, compared to **\$13,755 for men**;

•In 2006, **almost half** of all elderly unmarried females receiving Social Security benefits relied on Social Security for **90 percent** or more of their income; and

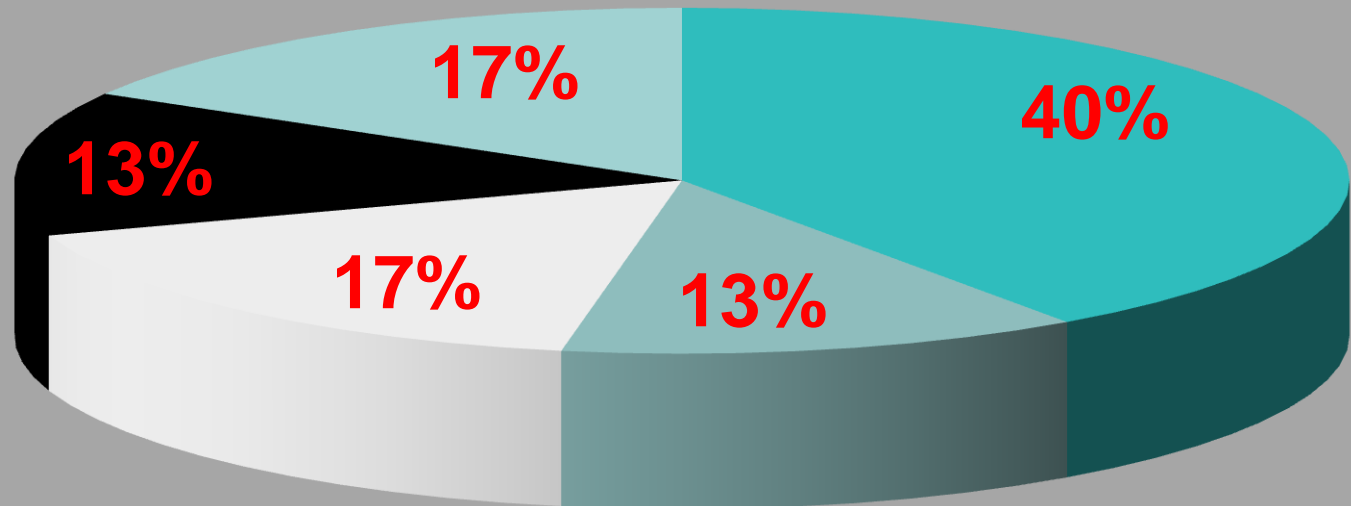
•For all unmarried women – including widows – age 65 and older, Social Security comprises **53.4 percent of their total income**. In contrast, Social Security benefits comprise only 38.3 percent of unmarried elderly men's income and only 33.1 percent of elderly couples' income.

# Elder Economic Security Standard™ Index for a Single Elder, US Average 2006

Monthly Expenses	Elder Person	
	Owner w/o Mortgage	Renter, One bedroom
	Private Transportation	
Housing	\$349	\$655
Food	\$206	\$206
Transportation	\$276	\$276
Health Care (Good Health)	\$220	\$220
Miscellaneous	<u>\$210</u>	<u>\$271</u>
<b>Index Per Month</b>	<b>\$1,261</b>	<b>\$1,628</b>
<b>Index Per Year</b>	<b>\$15,134</b>	<b>\$19,541</b>

Source: National WOW –UMB GI Elder Economic Security Standard Index, 2006.

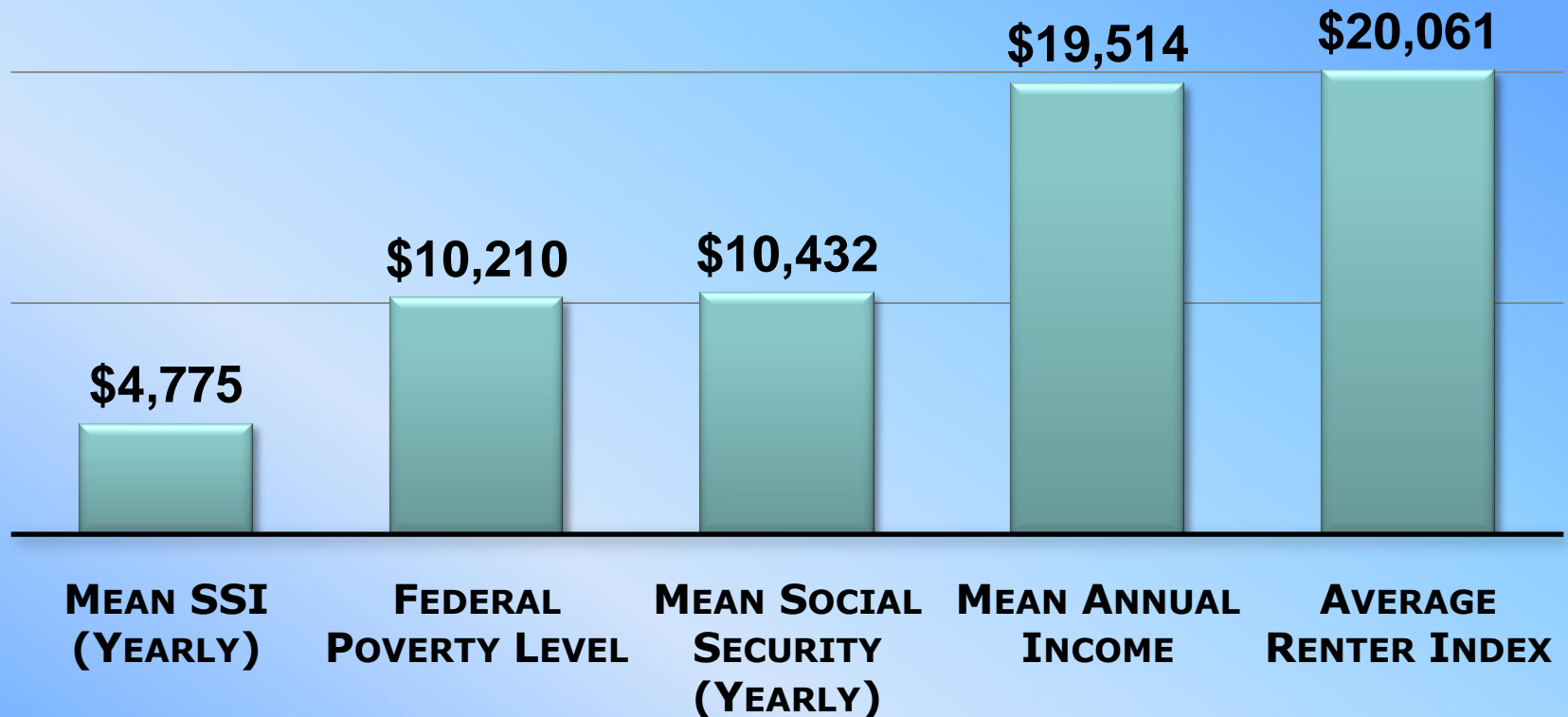
## The Elder Economic Security Standard, US Average, 2006, Monthly Expenses for Elder Renter in Good Health



- Housing (40%)
- Food (13%)
- Transportation (Private Auto) (17%)
- Health Care (Good Health) (13%)
- Miscellaneous (17%)

Source: The WOW-GI National Elder Economic Security Standard: A Methodology to Determine Economic Security for Elders. 2006.

# Elder Economic Security of Women Compared to Typical Annual Income, Single Female Elder in Good Health, 2007



Source: Census Bureau. Current Population Survey, 2006 ASES. Figures inflated to 2007.

# The Average Social Security Income for Single Women Compared to Economic Security

\$24,192 (Homeowner w/ Mortgage Index)

\$19,541 (Renter Index)

\$15,134 (Homeowner w/o Mortgage Index)

\$10,210 (Federal Poverty Level)



National Elder Economic Security Standard Indexes and Average Annual Social Security by Race for Single Female Elders, 2007. Source: U.S. Census Bureau, Current Population Survey, 2007 Annual Social and Economic Supplement. <http://pubdb3.census.gov/macro/032007/perinc/toc.htm>.

## Average Social Security Income of Men and Women Compared to Elder Economic Security Standard Index, 2007

\$24,192 (Homeowner w/ Mortgage)

\$19,541 (Renter Index)

\$15,134 (Homeowner w/o Mortgage Index)

\$10,210 (Federal Poverty Level )



National Elder Economic Security Standard Indexes and Average Annual Social Security by Race for Single Female Elders, 2007. Source: U.S. Census Bureau, Current Population Survey, 2007 Annual Social and Economic Supplement. <http://pubdb3.census.gov/macro/032007/perinc/toc.htm>.

# The Impact of Supports on Monthly Costs and Elder Economic Security, Single Elder Renter in Alameda County, CA, 2007

	<b>Elder Standard Index</b>	<b>Food Stamps</b>	<b>Food Stamps, Prescription Drug Subsidy (LIS)</b>	<b>Food Stamps, LIS, Medi-Cal</b>	<b>Food Stamps, LIS, Medi-Cal, LIHEAP</b>	<b>Food Stamps, LIS, Medi-Cal, Housing Assist.</b>
Housing	\$1,055	\$1,055	\$1,055	\$1,055	\$1,034	\$306
Food	\$302	\$219	\$219	\$219	\$219	\$219
Transportation	\$202	\$202	\$202	\$202	\$202	\$202
Health Care	\$293	\$293	\$241	\$0	\$0	\$0
Miscellaneous	\$244	\$244	\$244	\$244	\$244	\$244
<b>Total Expenses (monthly)</b>	<b>\$2,096</b>	<b>\$2,014</b>	<b>\$1,962</b>	<b>\$1,721</b>	<b>\$1,700</b>	<b>\$972</b>
<b>Average Social Security Income (monthly)</b>	\$1,054	—————→				
<b>Income Adequacy</b>	<b>50%</b>	<b>52%</b>	<b>54%</b>	<b>61%</b>	<b>62%</b>	<b>108%</b>

# Get Involved!

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- Apply to be a lead state organization!
- Visit the WOW Website:  
[www.WOWonline.org](http://www.WOWonline.org)
- Visit and comment on the EESI blog:  
<http://wow-eesi.blogspot.com/>
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