Impact: The Importance of Social Security to the Economic Security of Workers and their Families

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Social Security is a Comprehensive Insurance System

Value:

- $225,000 in retirement benefits for a typical retiree
- $414,000 in disability insurance for a 30-year old worker with a spouse and two young children
- $433,000 in life insurance for the same worker’s family

Use of Social Security by Beneficiary Type and Race/Ethnicity

<table>
<thead>
<tr>
<th>Whites</th>
<th>Blacks</th>
<th>“Other”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement</td>
<td>Survivor</td>
<td>Disability</td>
</tr>
<tr>
<td>74%</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>15%</td>
<td>55%</td>
<td>43%</td>
</tr>
<tr>
<td>11%</td>
<td>15%</td>
<td>27%</td>
</tr>
</tbody>
</table>

Reliance on Social Security for 90% or More of Income by Beneficiaries Age 65+

Elderly Poverty Rates by Race, Ethnicity, & Gender

Source: AARP Public Policy Institute, *Older Americans in Poverty: A Snapshot*, Washington, DC, 2010 Figure 18, p. 17.
Poverty Rates for Women Age 65+ by Marital Status

Source: AARP Public Policy Institute, Older Americans in Poverty: A Snapshot, Washington, DC, 2010 Figure 21, p. 19.
Median Weekly Earnings by Race, Ethnicity and Gender (First Quarter, 2010)

Pensions and Assets Upon Retirement by Race and Ethnicity (SSA, 2004)

Social Security has Improved with Age, New Improvements are Needed

Some options for increasing benefit adequacy:

• Effective minimum benefit

• Student benefits for surviving children

• Family care credits

• Addressing issues with disability benefit claims