



Boomer Women and Social Security

*Breaking the Social Security Glass Ceiling:
A Proposal to Modernize Women's Benefits*

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IWPR Program Areas—25 years

- **Employment, Education, and the Economy**
- **Work and Family**
- **Poverty and Income Security**
- **Health and Safety**
- **Democracy and Society**

The Care Economy

—a Feminist Issue

Women are following care work out of the home into the marketplace.

AND

Women continue to do the majority of care work still done at home.





The Problem for Women

- Women earn less than men when they work for pay
- Work fewer years, fewer hours, and earn less per hour
- IWPR study using PSID shows that, across 15 years (1984-1998), typical woman earned only 38% of what typical man earned
- Spend more time on family care

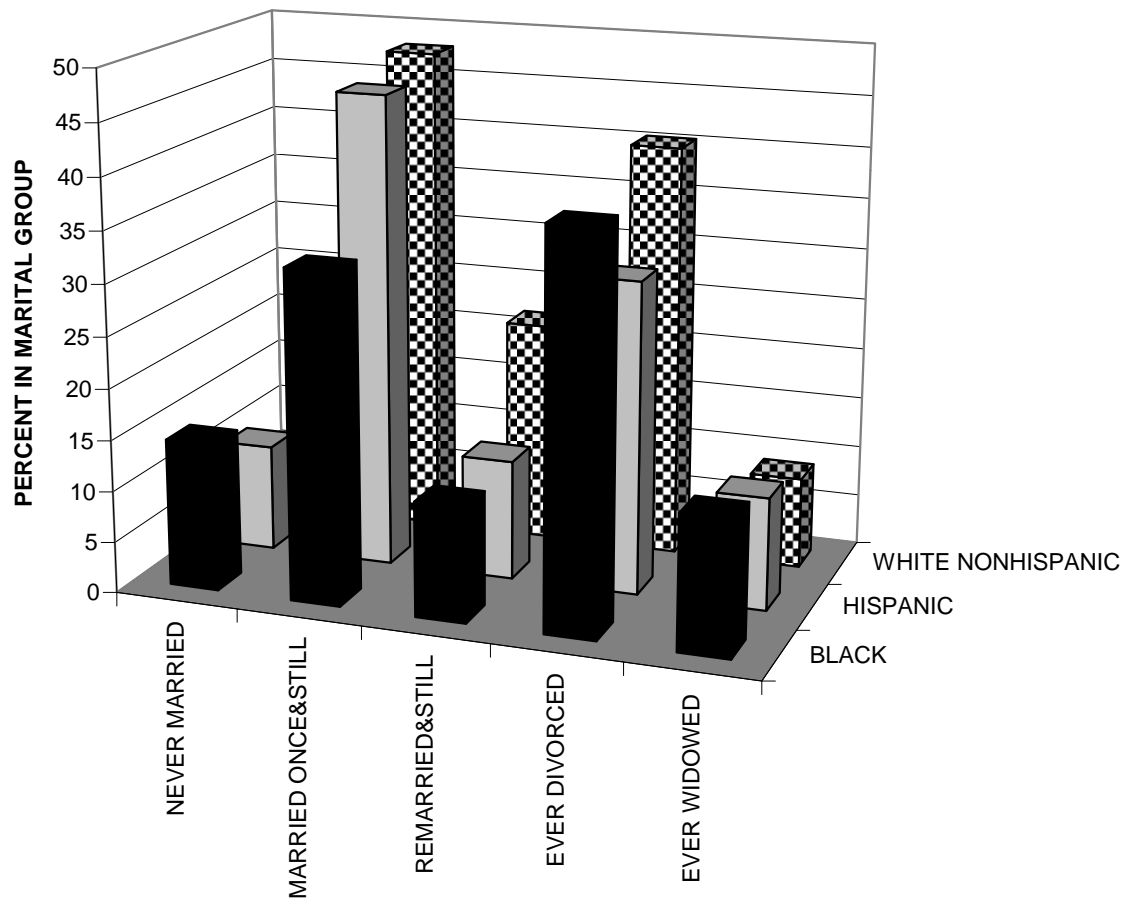
Problems of Boomer Women

- Boomer women worked twice as much as their moms
- Got more education, earned more
- Married less, divorced more, had fewer children, had children outside of marriage



Non-Marriage is Especially High for Black Women.

Figure 5: Marital Status by Race, women 50-59



Source: Holden, Karen and Angela Fontes. 2009. "Economic Security in Retirement: How Changes in Employment and Marriage Have Altered Retirement-related Economic Risks for Women." *Journal of Women, Politics, & Policy* 30(2/3).





How Social Security Works for Women

- Benefits based on highest 35 years—0 earning years bring benefits down
- Caregiving rewarded only for married women via spousal benefits = 50% of hubby's benefits; work effort of many wives results in no added benefits
- Single mothers, divorced wives with less than 10 yrs of marriage get \$0 beyond what is based on own earnings



Positive Aspects of US Social Security System for Women

- Covers everyone who worked at least 10 years at \$4,520 per year.
- Provides benefits to wives whether they worked for pay or not, former wives (provided they had a ten-year marriage), and widows.
- Fully adjusted for inflation (especially important for long-lived women).
- Returns more to lower earning than higher earning workers (redistributive).



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NCPSSM, NOW, and IWPR Proposal for Changes to Social Security

- Improve Survivor Benefits, so survivor gets 75% of what both members of couple received—improves equity for working wives
- Add Caregiving Credits for up to five years for child care and care of disabled adults or elderly at 50% of the national average wage index
- Enhance the special minimum (reduce earnings required per year, allow up to 10 caregiving years, raise benefit to 150% of poverty for 30 years of work or caregiving).



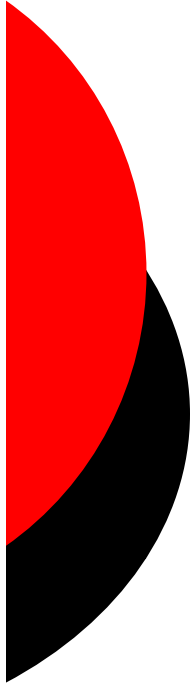
More Changes to Address Women's Lives

- Improve benefits for working widows by not subjecting them to husbands' early retirement decisions
- Equalize rules for disabled widows and surviving divorced spouses:
 - eliminate reduction for claiming disability benefits before full retirement age
 - eliminate age 50 requirement
 - eliminate the seven-year application period



Changes for All

- Raise benefits for all by a lump sum= 5% of average benefit (approximately \$55 per month)
- Increase the COLA by using the CPI-E
- Include Same-Sex Married Couples and Partners and their children
- Restore Student Benefits through age 22 if in school and parent is deceased or disabled
- Improve benefits for adult disabled children (no family maximum, allow eligibility after divorce)



Proposal	Cost as a Percent of Taxable Payroll	Cost as a Percent of Increase in Shortfall
1. Improving Survivor Benefits	0.06	3
2. Providing Social Security Credits for Caregivers	0.24	12
3. Enhancing the Special Minimum Benefit	*	*
4. Equalizing Rules for Disabled Widows	0.02	1
5. Benefit Equality for Working Widows	No estimate available	No estimate available
6. Strengthening the COLA	0.34	17
7. Restoring Student Benefits for Children of Disabled or Deceased Workers up to Age 22	0.07	4
8. Improving the Basic Benefit of all Current and Future Beneficiaries	0.75	37
9. Equal Benefits for Same-Sex Married Couples and Partners	0	Negligible
10. Improving Benefits for Disabled Adult Children	No estimate available	No estimate available