



# The Impact of Social Security on American Families

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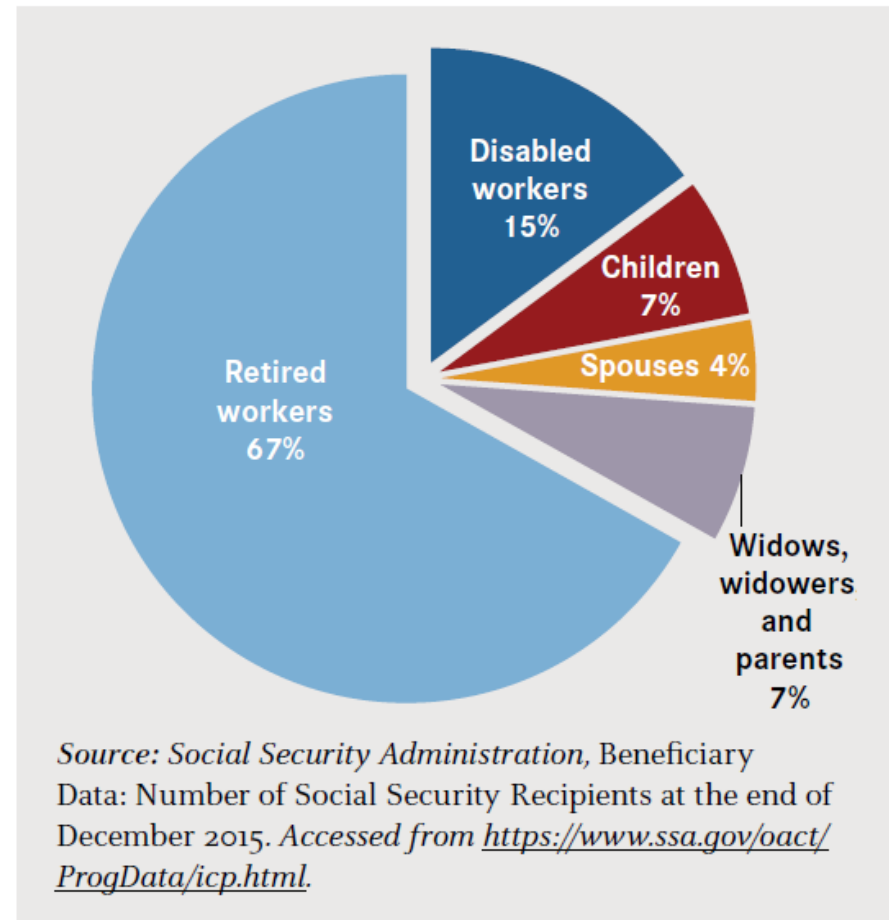
# Old-Age, Survivors, and Disability Insurance Program

“The Social Security program provides workers and their families with (1) retirement, (2) disability, and (3) survivors insurance benefits.” –Social Security Administration

“In 2015, 60 million people, including about 17 million under age 65, received some sort of Social Security benefit.” –AARP Public Policy Institute

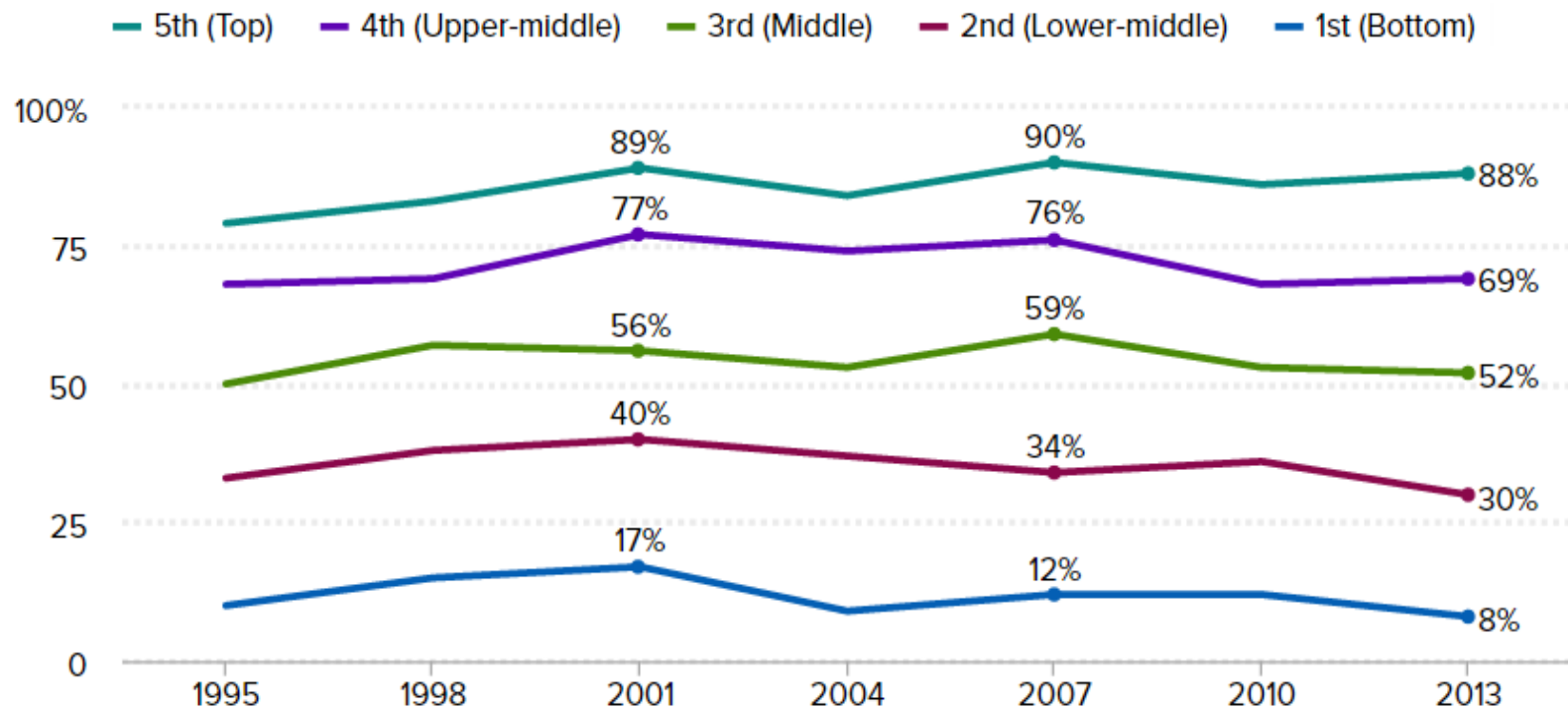
Figure from Alison Shelton, "Social Security: Who's Counting on It?," (Washington, DC: AARP Public Policy Institute, 2016).

Who Benefited from Social Security in 2015?



# High-income families are 10 times as likely to have retirement accounts as low-income families

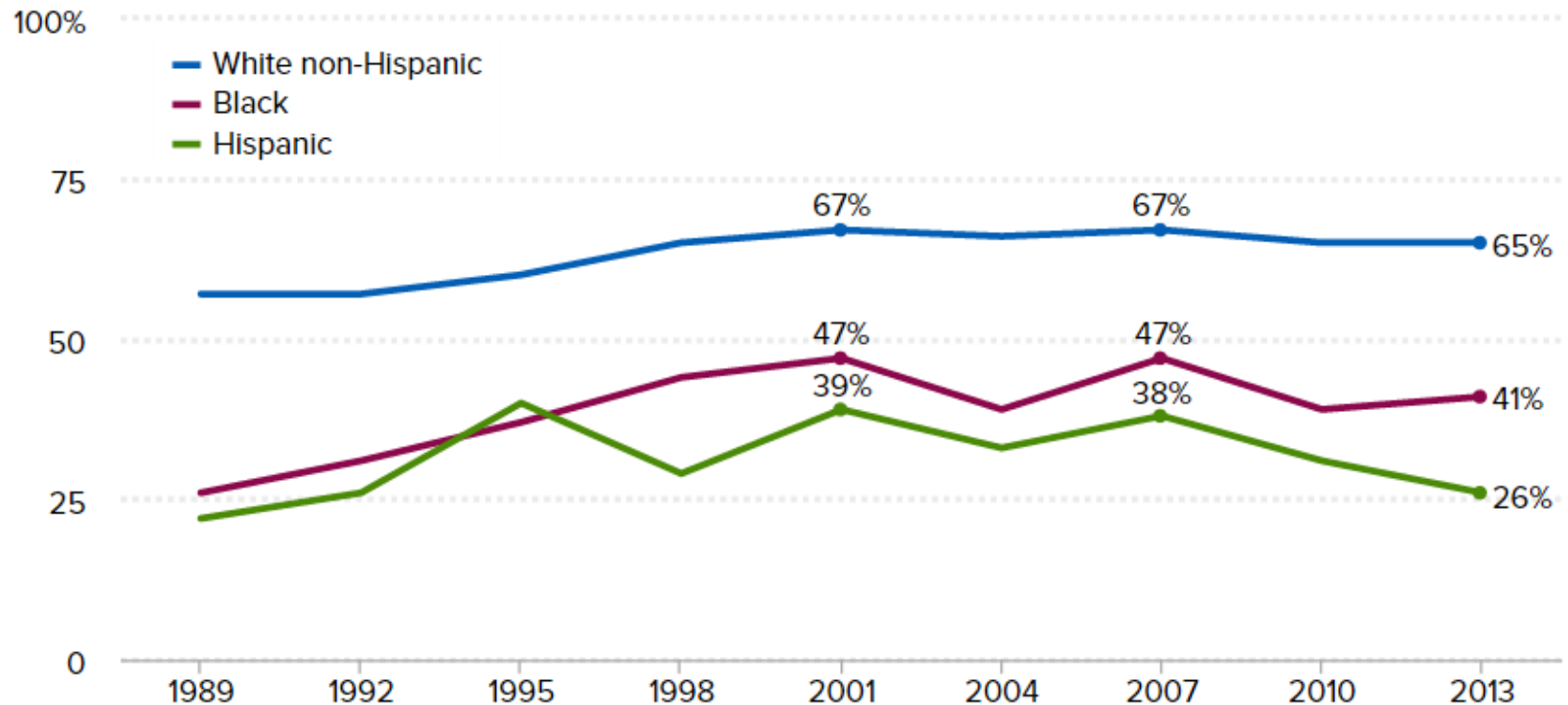
## Share of families age 32–61 with retirement account savings by income quintile, 1995–2013



Source: Monique Morrissey, *The State of American Retirement: How 401(k)s Have Failed Most American Workers* (Washington, DC: Economic Policy Institute, 2016).

# Most black and Hispanic families have no retirement account savings

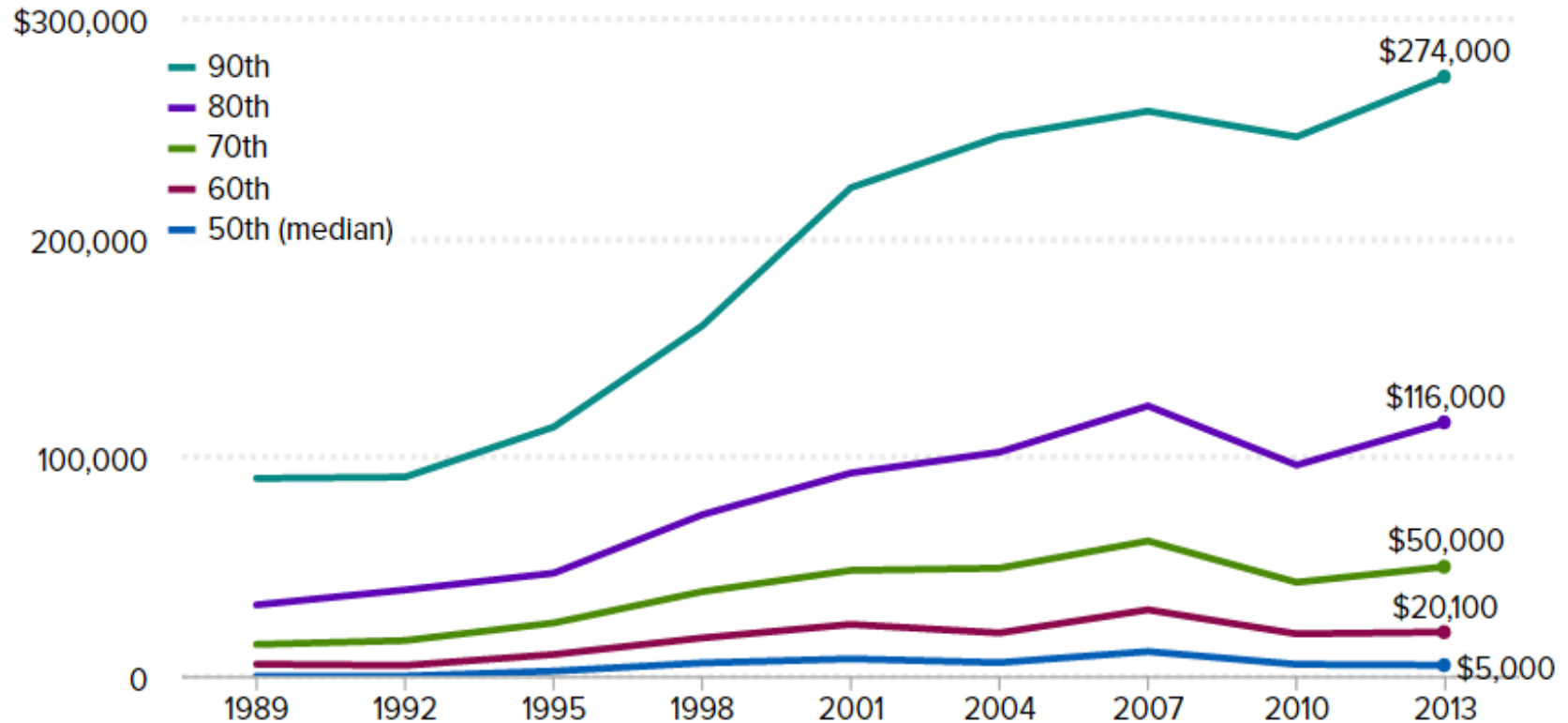
Share of families age 32–61 with retirement account savings by race, 1989–2013



Source: Monique Morrissey, *The State of American Retirement: How 401(k)s Have Failed Most American Workers* (Washington, DC: Economic Policy Institute, 2016).

# The gap between the retirement 'haves' and 'have-nots' has grown since the recession

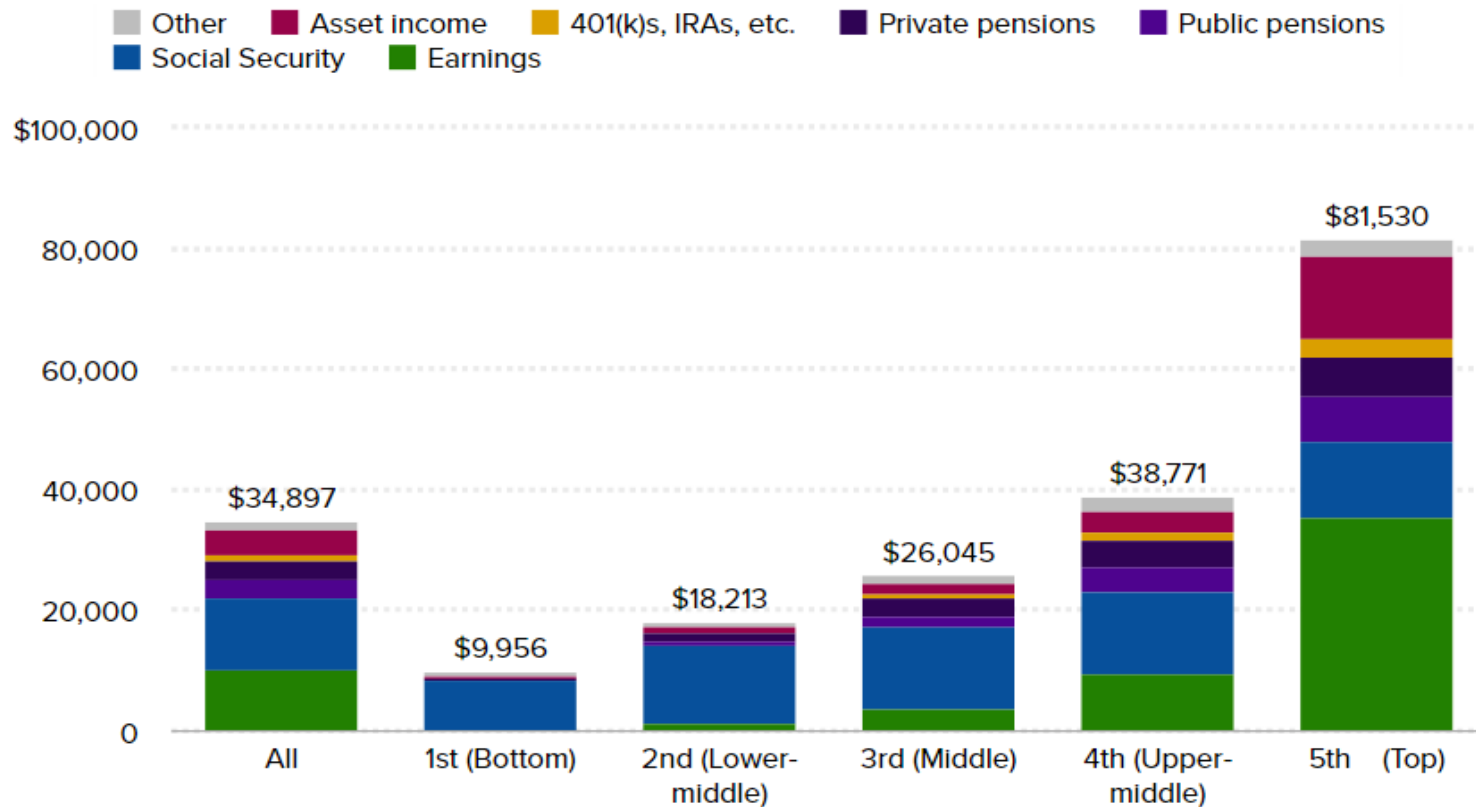
Retirement account savings of families age 32–61 by savings percentile, 1989–2013 (2013 dollars)



Source: Monique Morrissey, *The State of American Retirement: How 401(k)s Have Failed Most American Workers* (Washington, DC: Economic Policy Institute, 2016).

# Low-income seniors are almost entirely reliant on Social Security, whereas earnings matter most for high-income seniors

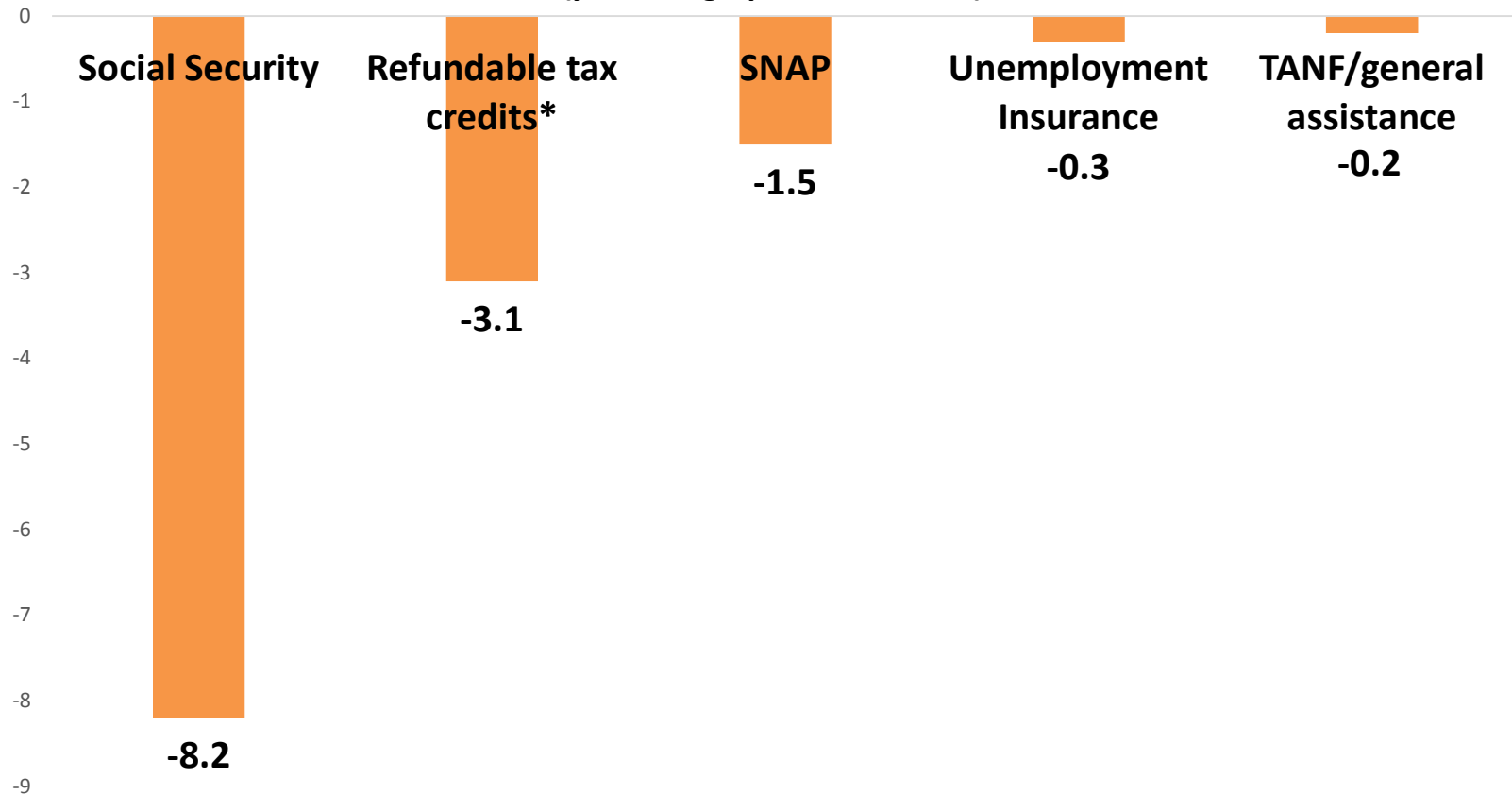
Mean annual income of people age 65 and older by source and by family income quintile, 2014



Source: Monique Morrissey, *The State of American Retirement: How 401(k)s Have Failed Most American Workers* (Washington, DC: Economic Policy Institute, 2016).

# The Poverty-Reducing Effect of Social Security versus Selected Other Programs, 2014

(percentage-point reduction)

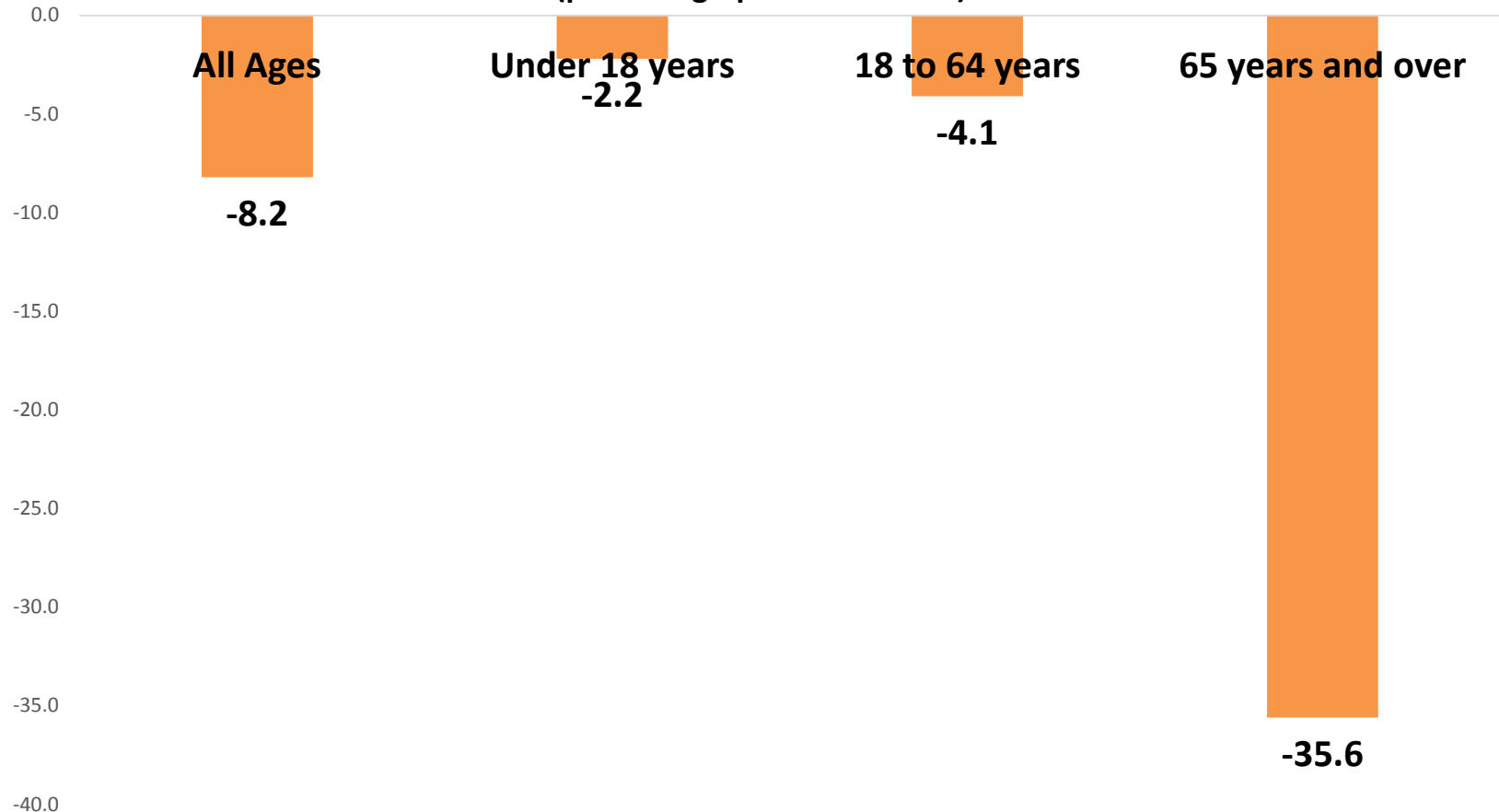


\* The Earned Income Tax Credit and the refundable portion of the child tax credit.

Source: Adapted from Kathleen Short, *The Supplemental Poverty Measure: 2014*, Current Population Reports (Washington, D.C.: U.S. Census Bureau, 2015).

# The Poverty-Reducing Effect of Social Security for Selected Age Groups, 2014

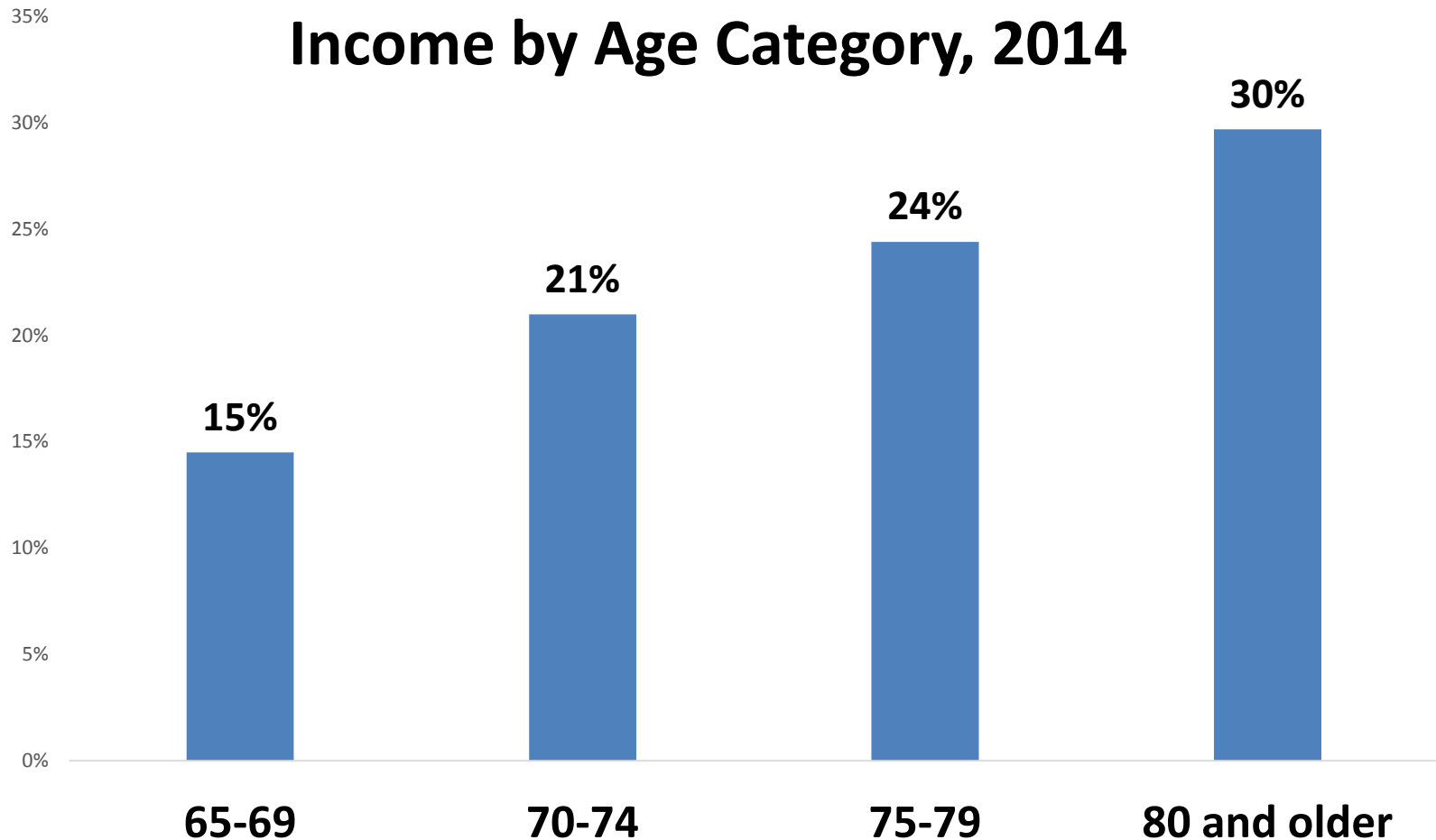
(percentage-point reduction)



Source: Adapted from Kathleen Short, *The Supplemental Poverty Measure: 2014*, Current Population Reports (Washington, D.C.: U.S. Census Bureau, 2015).



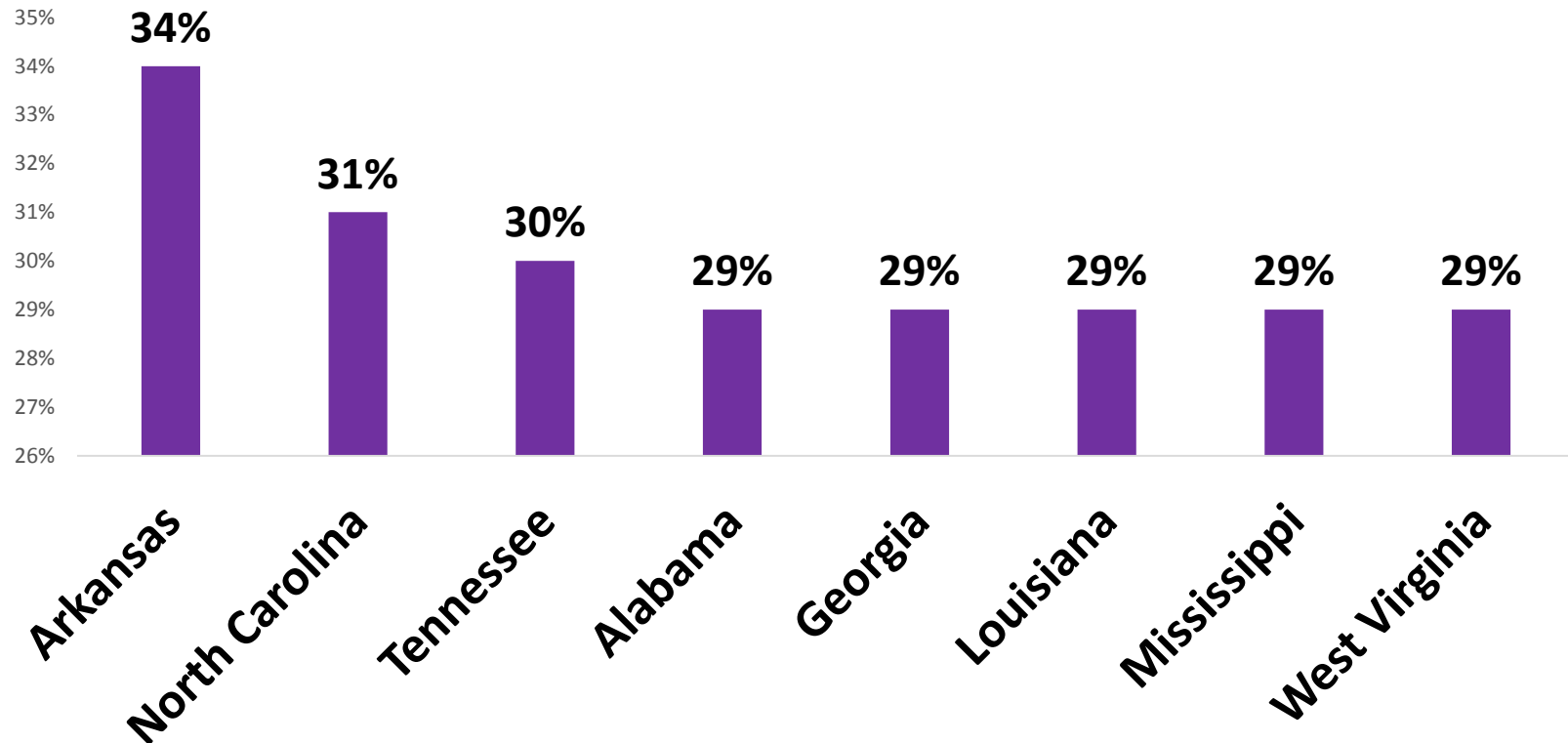
# Share of Seniors Relying on Social Security for at Least 90% of Family Income by Age Category, 2014



Source: Adapted from Alison Shelton, "Social Security: Who's Counting on It?," (Washington, DC: AARP Public Policy Institute, 2016).

# Top 8 States for the Share of Seniors Relying on Social Security for at Least 90% of Family Income, 2014

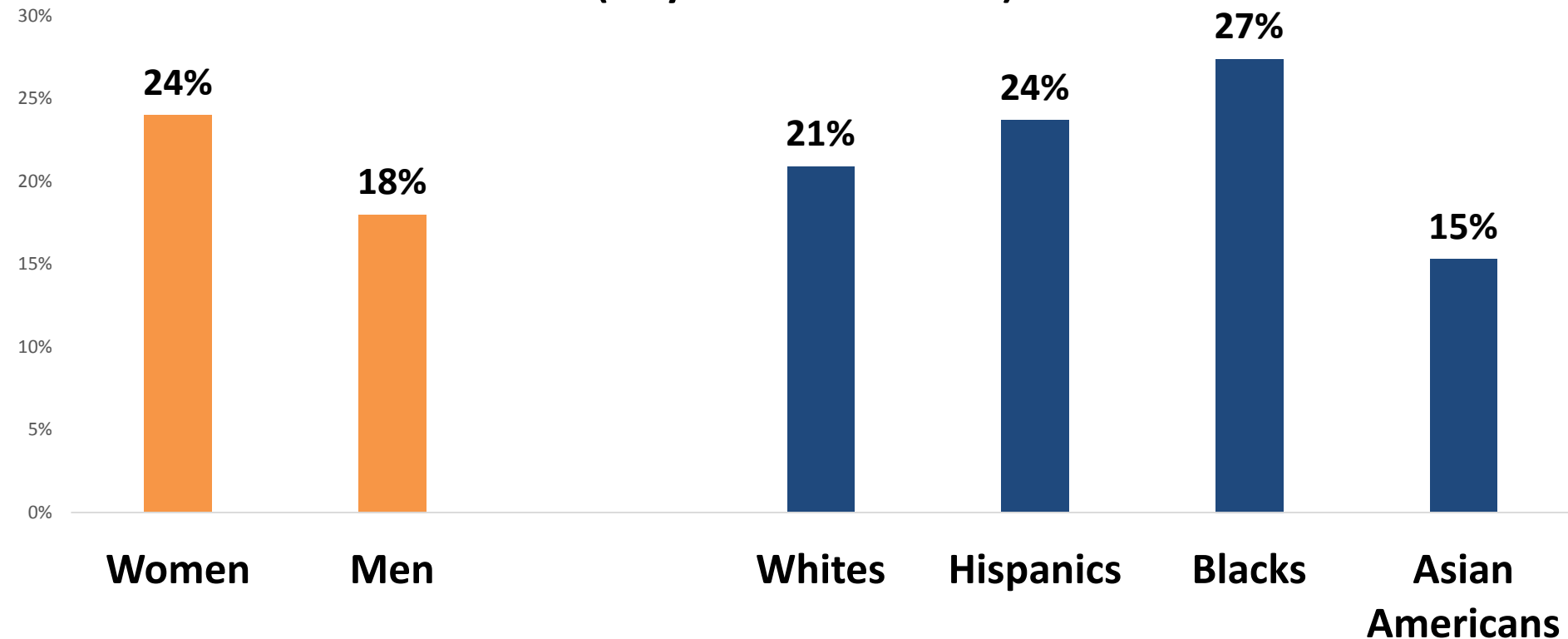
(65 years old and over)



Source: Adapted from AARP Public Policy Institute (Washington, DC, 2015).

# Share of Selected Groups Relying on Social Security for at Least 90% of Their Family Income, 2014

(65 years old and over)



Source: Adapted from Alison Shelton, "Social Security: Who's Counting on It?," (Washington, DC: AARP Public Policy Institute, 2016).

# The Economic Impact of Social Security

- Social Security is an insurance program for when workers can no longer earn an income due to retirement, disability or death.
- Social Security is an essential component to the economic security of seniors.
- Without Social Security there would be higher poverty rates for Americans of all ages—including children—but it would be dramatically higher for seniors.