

March 28, 2022 [Women in Retirement](#)

More Women Relying On Social Security But Will It Be There For Them?



Will Social Security be around for those who need it?

By [Doug Bailey](#)

More than half of the 65 million people receiving Social Security benefits in the U.S. are women, an amount experts say shouldn't be surprising since women tend to live longer than men.

What is surprising is that about half of the female recipients rely on Social Security for 50% or more of their income, and about a quarter of them count on the benefits for more than 90% of their earnings.

"I find that staggering considering the average Social Security benefit is somewhere around \$1,400 a month," said Heather Schreiber, owner of HLS Retirement Consulting. Speaking at a National Association of Fixed Annuities webinar recently on "Social

Security Seen Through the Lens of Today's Woman," Schreiber said the overarching question about Social Security for all genders is whether the benefit will survive and be there in the future.

"There's more of a strain now for how many workers we have for every beneficiary," she said. "It is currently 2.7 workers for every beneficiary and is expected to go to 2.3."

The viability question of the government benefit and its trust fund is perhaps more vital for women because of the length and dependence of female beneficiaries, with a full 96% of Social Security survivor benefits going to women. Moreover, women need to work an average of nine years longer than men to achieve the same benefit levels as men do and are women are far more likely than men to exhaust their other sources of retirement income.

"Another sobering statistic is three out of four women are widowed by age 75," Schreiber said. "So it means they might count on living another 20 years in retirement alone."

Schreiber said educating women on saving for retirement, building ways to create retirement income, and how and when to claim Social Security, has never been as important for women as it is right now. In addition, she said, fundamental points about Social Security that apply uniquely to women must be driven home so women understand the full ramifications of what can be a Byzantine claiming process.

In particular, women facing retirement must be mindful of how the maximum benefits differ depending on the age they retire and how having been in and out of the workforce over their working lives affects their total benefit calculation.

"People who historically have been in and out of the workforce will have a higher replacement ratio than someone who worked fully for 35 years," she said. "The bottom line is [Social Security] should never be relied on as a sole source of income for anybody, but especially not by women."

One positive trend, Schreiber said, is that women are working longer and thus increasing the amounts of their Social Security benefits when they retire.

"There's an upward trend in labor force participation among women," she said.

A full 66% of women ages 60 to 64 are still working; 52% of those 65 to 69, and 29% of those age 70 and older are still in the workforce.

"That's a great thing and beneficial on a whole host of fronts, including emotional and financial," Schreiber said. "So I suspect that we'll see more women receiving higher benefits as a result."

Schreiber also admonished financial planners who weren't counting women among their clients.

“If you’re not working with women, you should be,” she said. “Wealth accumulation is shifting, and women currently control a third of their household financial assets. By 2030, it is projected that women in the U.S. will control as much as \$30 trillion.”

As women gain wealth, she said, they will increasingly desire and need sound retirement planning advice.

“There is a golden opportunity to focus on those women who will have more and more of a say in their financial futures,” she said.