

# Social Security Privatization: What's At Stake for Women



**Women stand to lose more than just their retirement benefits if Social Security is privatized.** They will lose the only program that protects workers and their families at all stages of life and keeps women out of poverty.

## **Social Security is the foundation of women's retirement security**

- Women are 58 percent of all Social Security beneficiaries age 65 and older. Without Social Security, more than half of these older women would be poor.

## **Social Security keeps older women out of poverty**

- Older women are more likely to be unmarried, living alone and without other sources of retirement income. For more than 4 in 10 of these women, **Social Security provides 90 percent or more of their income.**

## **Women benefit from Social Security's unique structure**

- Women benefit from Social Security's progressive structure, which replaces a larger percentage of pre-retirement earnings for lower-income earners. Women continue to earn less than men across all race/ethnic groups and take more time out of the labor market to care for family. In addition, Social Security keeps pace with inflation and **cannot be outlived.** Because women on average live longer than men, they benefit from Social Security. Privatization will dismantle this safety net.

## **Privatization hurts working families**

- Despite claims by President Bush, shifting money into private accounts will not be a financial windfall for women. Instead, it would **take away benefits that favor women and their children.**

## **Benefits will be cut by 30% for everyone**

- Future retirees will face huge cuts in benefits, even if they don't participate in private accounts. **The average worker will see her benefits cut by as least 30%.** For private account holders, the government will take back at least 70 cents on the dollar in addition to the benefit cuts, leaving little to live on or to pass onto heirs.

## **Younger women have little to gain from private accounts**

- In addition to cuts in benefits, younger workers would be saddled with paying back trillions of dollars in debt for creating the private account system.

## **Women would be greatly impacted by cuts to Social Security's disability benefits**

- One in 10 female Social Security recipients depend on its disability benefits. **Under Bush's plan, benefits for disabled workers and their families will be drastically cut.**

## **Private accounts cannot be touched until after the worker retires**

- In addition, the government will decide how you can invest the money in your account. Once you opt to use private accounts, **there is no turning back – even if the stock market turns sour.**

Sources: Business Week, Center on Budget and Policy Priorities; General Accountability Office; Institute for Women's Policy Research; National Women's Law Center; Social Security Administration.

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