LESS SECURITY AND MORE POVERTY DURING THE RETIREMENT YEARS

OLDER WOMEN ARE AT A GREATER RISK OF NOT HAVING FINANCIAL SECURITY LATER IN LIFE THAN OLDER MEN. FOR A NUMBER OF INTERTWINED REASONS, OLDER WOMEN HAVE LESS RETIREMENT SAVINGS, ARE MORE LIKELY TO DEPLETE THEIR FINANCIAL RESOURCES, AND ARE MORE LIKELY TO LIVE IN POVERTY.

ONE GOVERNMENT STUDY FOUND THAT WOMEN AGED 65 AND OLDER CONSISTENTLY HAVE LESS INCOME AND HIGHER RATES OF POVERTY THAN MEN. DIVORCE, THE DEATH OF A SPOUSE, AND UNEMPLOYMENT NEGATIVELY IMPACT TOTAL HOUSEHOLD ASSETS AND INCOME FOR BOTH MEN AND WOMEN WHO ARE NEARING OR IN RETIREMENT. BUT DIVORCE AND THE DEATH OF A SPOUSE HAVE MORE PRONOUNCED EFFECTS FOR WOMEN THAN FOR MEN.

FOR EXAMPLE, A WOMAN’S HOUSEHOLD INCOME FALLS, ON AVERAGE, BY 41 PERCENT AFTER DIVORCE. THAT’S ALMOST TWICE THE SIZE OF THE DROP THAT MEN EXPERIENCE.

WOMEN HAVE $57,767 LESS

Women with IRAs are just as likely to contribute to their accounts as men, but they tend to make smaller contributions. In 2012, women IRA account holders contributed an average of $3,995 and men contributed an average of $4,023.
Older men and women also differ in their relative reliance on Social Security benefits. According to the Social Security Administration, half of all elderly single women receiving Social Security benefits rely on those benefits for 90 percent or more of their income.

Older women receive a lower average annual Social Security income, both in New Hampshire and nationally. This is largely because Social Security benefits are based on income from work, and women earn less than men on average.

In December 2012, the average woman in New Hampshire aged 65 or older received a monthly Social Security benefit of $1,142. By contrast, New Hampshire men in the same age bracket received an average monthly benefit of $1,521.

Nationally, Social Security benefits provide a higher share of total income for single women than for single men.

50.4% for women
35.9% for men
30.2% for couples