



SOCIAL SECURITY ADVISOR

Social Security Planning for Retirement

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Social Security Can Rescue Women's Retirements

For many retirees, Social Security is the base upon which ongoing income is built. The stakes can be much higher for women, who generally lag men in lifelong career earnings, retirement savings, and planning for a secure retirement.

Therefore, financial advisors should play a vital role for their female clients by seeing that they get the most out of their Social Security benefits over the long term. Bolstering those payments can be the key to delivering a comfortable, rather than a financially stressful, retirement.

savings and smaller Social Security benefits. In fact, the SSA's most recent "[Master Beneficiary Record](#)" ([December, 2019](#)) shows that the average retirement benefit for a male was \$1,646.18 per month, vs. only \$1,281.60 for a woman.

This gender gap is particularly perilous for unmarried women, including widows, ages 65 or older. These women rely on Social Security for 45% of their income. (A comparable number for men is only 32%.) Of that 45%, a staggering 48% of those elderly unmarried women rely on Social Security for 90% of their income.

Gender Pay Gap

Data indicates that women who work full-time, year-round, are paid 82 cents for every dollar earned by a man. According to the [National Women's Law Center March 2020 Fact Sheet](#), the average woman must work nine years longer to earn the same amount as the average man. These statistics become even more sobering for women of color.

Moreover, female clients often have sporadic work histories, as they have historically been more likely than men to leave the workforce to care for children or aging parents. Their periods of prolonged absence from the workforce or part-time work can result in inadequate retirement

Longer Life Expectancies

This combination — *lower Social Security benefits and a greater reliance on those benefits* — may be especially worrisome for elderly female clients. Women tend to have longer life expectancies than men, so longevity risk (the chance of running short of cash in a long retirement) can be increased.

Whereas, according to [FAS Congressional Research Service](#), nearly 55% of all Social Security retirement income beneficiaries are women, that percentage grows to 65% of all such beneficiaries age 85 or older.

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