



Older Women and Poverty

In March, we celebrate International Women's Day. The theme this year is "[Planet 50-50 by 2030: Step it Up for Gender Equality](#)". The inequality girls and women face over their lifetimes accumulates, resulting in high poverty rates for older women. Although women experience higher rates of poverty than men at almost every point in their lifetimes, by 3.8% on average, the gap swells substantially for women age 65 and older. The rate for women 65 and older is 4.7% higher than that for men of the same age. [Once women reach 75 years of age, the gap is as large as 7.1%](#). Women's poverty rates across the board have failed to improve in the past five years, but for elderly women [the poverty rate has increased significantly](#). Among Americans 65 and older, [almost twice as many women as men live in poverty](#); women make up over two thirds (68.1%) of the elderly poor. As many as [half of all women aged 65 and older have incomes that render them economically insecure](#). Poverty is most extreme amongst older women who live alone; one in five lives in poverty.

As with women overall, [women of color age 65 and older have higher rates of poverty](#) than white women: 20.9% of Black women, 19.6% of Hispanic women, 18.6% of Native American women, and 16.0% of Asian American women live in poverty, compared to 9.9% of white women. And, for each demographic of women 65 and older, they experience rates of poverty that are consistently higher than those of their male counterparts. The rate for elderly white, non-Hispanic men is 5.3%, 16.7% for Black men, 16.2% for Hispanic men, 17.8% for Native American men, and 13.1% for Asian American men.

Women live longer than men on average, so they must stretch their savings and other retirement resources further, contributing to the higher poverty rates. But women start their older years at an economic disadvantage compared to men. For example, too many adult women have accumulated financial losses due to discriminatory practices in healthcare. The Affordable Care Act (ACA) banned gender rating, the widespread and arbitrary practice of charging women higher health insurance premiums than men. Prior to the passage of the ACA, women regularly paid more for plans that did not cover some essentials for women, such as maternity services. The National Women's Law Center estimates that gender rating [cost women \\$1 billion annually](#). Even with the elimination of gender rating, women suffer from some unique health needs, such as higher rates of functional impairments like memory loss or dementia, resulting in more costly healthcare costs. In 2009, older women spent more than [twice as much for long-term services and supports](#) than older men.

Housing is another area where older people pay a disproportionate amount of their income. According to the U.S. Department of Housing and Urban Development, families who pay more than 30% of their income for housing are considered cost burdened. A third of adults ages 50 and over, including 37% of those over 80, are cost burdened. What's more, according to a 2012 report from the Center for Housing Policy, [one in five households ages 65 to 74 and one in four households over 85 are "severely cost burdened," paying at least half of their income towards housing.](#) Lopsided spending on housing cuts into funds that the elderly use for caregiving services and other necessities. And, as with healthcare, older women are at greater risk when it comes to housing. The report notes that approximately seven out of ten older men live with their spouse while less than half of older women do—a nearly equal number of women (40%) live alone. It adds, "Older adults living alone often have less caregiver support and fewer financial resources than those living with a spouse or relatives."

Women make less from the beginning of their careers to the end. According to the most recent estimates from the Institute for Women's Policy Research, [women earn only 79 cents for every dollar a man earns](#), and, as their rates of poverty indicates, [women of color earn even less](#). There is an additional career penalty for women with children; studies suggest that mothers receive 7.9% lower starting salaries and two times fewer callbacks for jobs than women without children ("Getting a Job: Is There a Motherhood Penalty?"). [The poverty rate for the growing demographic of single mothers is a startling 39.8%.](#)

All told, [the gender wage gap costs the average woman \\$435,049](#) over the course of her working life. A career of lower earnings severely impacts a woman's retirement security. Women must rely on their Social Security income more than men, but they receive less of it. [The average Social Security benefit for women is \\$13,500 a year, whereas the average benefit for men is \\$17,600.](#) Unmarried women rely the most heavily upon Social Security. As the population of single women grows, Social Security income will become increasingly important to more women's economic well-being as they age.

In light of the economic hardships older people face, [more elderly women are choosing to work past retirement age](#)—one in seven now compared with one in twelve in 1992. Unfortunately, in the average woman's later years, the wage gap grows. Women over 50 make just [68 cents on the dollar](#) to men of the same age. Women have begun to express serious doubts about their ability to be financially stable in retirement. In a survey [almost half of women have little to no confidence that their assets will last through retirement](#), compared to 35% of men. Women can't wait until 2030 for gender equity.

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