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Academy Testifies Before Congressional Committee on the Impact of Social Security on Women

WASHINGTON – The American Academy of Actuaries provided [testimony](#) to the U.S. Senate Committee on Finance this morning at its hearing, “Social Security: Is a Key Foundation of Economic Security Working for Women?” providing an actuarial perspective on the impact of the program on women.

Testifying at the Committee on Finance hearing, Janet Barr, who recently completed her term as chairperson of the Academy’s Social Security Committee, illustrated how Americans’ Social Security benefits are based on average indexed earnings in their 35 highest-paid years regardless of gender. However, she noted, “Some of Social Security’s rules have a different impact on women because the average woman’s work history is not the same as that of the average man.”

Social Security benefits are affected, Barr said, by gender-specific factors such as women’s greater likelihood than men to be out of the workforce or to have breaks in employment, and their lower average earnings. Other such gender-specific factors include women’s longer life spans, and the fact that women are more likely than men to be single, widowed, or divorced in retirement.

Barr urged lawmakers to consider legislative reform options in the context of the Social Security program’s competing principles of social adequacy vs. individual equity. However, she acknowledged, while “the current Social Security law is gender neutral,” “it contains spousal and subsidized benefit provisions that mitigate, but do not eliminate, the impact of gender-related factors that produce lower benefits for women.”

Barr’s written [testimony](#) detailing Social Security’s impact on women, as well as perspectives on reform proposals that have been made to address public policy concerns on this impact, is available on our website, www.actuary.org.

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