

Societal Headwinds Are Undermining Women’s Retirement Security

New report examines the retirement-related risks for women in the workforce

LOS ANGELES – November 17, 2022 – More than four in 10 working women (41 percent) expect to retire at age 70 or older or do not plan to retire, according to [Emerging from the COVID-19 Pandemic: Women’s Health, Money, and Retirement Preparations](#), a study released today by nonprofit Transamerica Center for Retirement Studies® (TCRS) in collaboration with Transamerica Institute®.

“Women are at even greater risk than men of not achieving a financially secure retirement due to societal headwinds including the persistency of the gender pay gap, time out of the workforce for parenting and caregiving, and less access to employer and government benefits,” said [Catherine Collinson](#), CEO and president of Transamerica Institute and TCRS. “Emerging from the pandemic, we must spotlight women’s longevity and their retirement insecurities. Now is the time to implement solutions so that all women can retire with dignity.”

As part of TCRS’ *22nd Annual Retirement Survey*, the new study examines the retirement outlook of women workers and includes recommendations for women, employers, and policymakers to improve retirement security. The survey, one of the largest and longest running of its kind, was conducted in late 2021 among employed workers of for-profit companies.

The Financial Fragility of Women Workers

“Women workers have weathered a financial storm amid the pandemic. Many experienced negative employment impacts that could jeopardize both their short-term finances and future retirement,” said Collinson. The survey findings illustrate the financial challenges faced by women workers:

- **Thirty-seven percent experienced one or more negative impacts to their employment as a result of the pandemic**, including reduced work hours (21 percent), reduced salaries (13 percent), furloughs (11 percent), and layoffs (11 percent).
- **More than four in 10 women workers are having trouble making ends meet (44 percent)**, while 57 percent feel they do not have enough income to save for retirement.
- **Fifty-eight percent cite paying off some form of debt as a financial priority**. Other financial priorities include saving for retirement (50 percent), building emergency savings (38 percent), and just getting by to cover basic living expenses (31 percent).
- **Emergency savings are low**. Women have only \$2,000 (median) in emergency savings. Emergency savings increase with age: Generation Z women have saved \$500, Millennials have saved \$1,400, Generation X has saved \$3,000, and Baby Boomers have saved \$7,000 (medians).
- **Thirty-eight percent are either currently serving or have served as a caregiver in the past for a relative or friend during their working career (excluding parenting responsibilities)**. Eighty-four percent of them adjusted their employment situation, including missing days of work (35 percent), reducing hours (25 percent), quitting a job (10 percent), and foregoing a promotion (7 percent).

Women’s Risky Retirement Outlook

“Women’s current financial challenges often undermine their long-term retirement confidence. Most women also worry about the future of government retirement benefits,” Collinson said. Only 21 percent of women workers are “very” confident they will be able to fully retire with a comfortable lifestyle, and only 24 percent “strongly” agree they are building a large enough retirement nest egg. Seventy-six percent are concerned that Social Security will not be there for them when they are ready to retire.

The survey findings further illustrate women's risky retirement outlook:

- **Twenty-eight percent of women workers expect to rely on Social Security as their primary source of income in retirement**, while 45 percent expect to rely on self-funded savings from 401(k)/403(b)/IRAs and other savings and investments, and 16 percent expect to rely on income from working.
- **Sixty-nine percent are offered a 401(k) or similar plan by their employers**, including 75 percent of those working full-time, but only 47 percent who work part-time.
- **Almost three in four are saving for retirement (73 percent)** through employer-sponsored plans (e.g., 401(k) or similar plans) and/or outside the workplace (e.g., in IRAs, mutual funds, or bank accounts). Among women who are saving, they started saving at age 29 (median).
- **Eighty-one percent who plan to work past age 65 or do not plan to retire cite financial reasons** for doing so, while almost as many (77 percent) cite healthy aging-related reasons.
- **Household retirement savings are alarmingly low.** Women workers have saved only \$43,000 (estimated median) in all household retirement accounts. Retirement savings increase with age: Generation Z women have saved \$26,000, Millennials have saved \$29,000, Generation X has saved \$51,000, and Baby Boomers have saved \$101,000 (estimated medians).

Recommendations for Improving Women's Retirement Security

"Fostering women's financial security requires a collaboration among stakeholders including policymakers, employers, and individuals to tackle deeply rooted issues and modernize our retirement system for current and future generations," said Collinson. Each of these stakeholders could take additional steps, including:

- **Policymakers** can implement reforms to Social Security and Medicare to ensure their sustainability. Additionally, policymakers can implement further reforms to expand access to workplace retirement plans, increase incentives for employers to offer plans, and facilitate retirement savings among women.
- **Employers** can ensure gender pay equity. They can expand their retirement, and health and welfare benefits offerings for all employees, including both full-time and part-time workers. They can also offer flexible work arrangements, which can help all employees with work-life balance and potentially enable them to stay in the workforce amid competing demands.
- **Women** can take greater control over their future by gaining a full understanding of their situation, creating a financial plan, setting goals, factoring financial implications of taking time out of the workforce, and developing a retirement strategy.

"Women's ability to achieve a secure retirement ultimately depends on equitable pay throughout their working years; access to retirement, and health and welfare benefits; and the preservation of safety nets such as Social Security and Medicare," Collinson said. "As we emerge from the pandemic, we have an unprecedented opportunity to bridge gender inequalities during a woman's working years and her retirement."

[Emerging From the COVID-19 Pandemic: Women's Health, Money, and Retirement Preparations](#) provides detailed survey findings and comparisons between women and men. It also provides recommendations for workers, employers, and policymakers. Since 2006, TCRS has published research reports and conducted outreach campaigns focused on women as part of its annual retirement survey. To download the report, visit www.transamericainstitute.org. Follow on Twitter [@TCRStudies](#).

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About the 22nd Annual Transamerica Retirement Survey

The 28-minute online survey was conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between October 28 and December 10, 2021 among a nationally representative sample of 5,493 workers in a for-profit company employing one or more employees, including 2,686 women, 2,768 men, and 39 workers who did not identify as either gender. Results were weighted where necessary to align with the population of U.S. residents, referencing Census data for education, age, gender, race/ethnicity, region, household income, education, employment, marital status, and size of household. Weighting also adjusts for attitudinal and behavioral differences between those who are online versus those who are not, those who join online panels versus those who do not, and those who respond to surveys versus those who do not.

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