

# Should women just delay retirement and work longer?

Working longer is often proposed as a solution to retirement insecurity. As life expectancy increases and birthrates decrease in many industrialized countries, the ratio of workers to retirees changes, meaning there are fewer workers supporting retirees. Raising retirement ages and expecting people to work longer seems like an irresistible solution.

Is working longer the best path to more secure retirements? Or are there multiple options to pave the way to financial security at older ages and maintain vitality in our workforce? These questions are especially pertinent to women, whose life expectancy is longer than men's and who often have interrupted work histories.

Delayed retirement might seem like a good strategy for women. A lifetime of [gender divisions in work](#)—both paid and unpaid—mean that women tend to arrive at traditional retirement ages with [lower retirement savings and lower Social Security contributions than men](#). And since women have greater life expectancies, they need to stretch retirement income across more years. If, by working longer, they can wait until age 70 to claim Social Security, they will receive monthly benefits that are almost twice as great as if they were claimed at age 62. At first glance, delaying retirement looks like an attractive option.

Indeed, for the past decades, policymakers have been pushing Americans to work longer. Population aging puts pressure on Social Security funding, and policymakers have responded by raising Social Security eligibility ages to cut costs. The underlying assumption is that most adults can simply choose to delay retirement into their late 60s or 70s.

The trouble is that for many Americans, working longer is not a viable path to a secure retirement. Poor health, family caregiving responsibilities, insecure jobs, age discrimination, and troubled local labor markets [push many out of paid work earlier than they might wish](#). And many jobs available to older workers feature low wages, few benefits, and [difficult working conditions](#).

**Beth C. Truesdale**  
W.E. Upjohn Institute for  
Employment Research

**Lisa F. Berkman**  
Harvard Center  
for Population and  
Development Studies

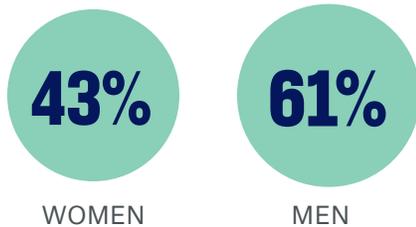
## Monthly Social Security benefits



**2x higher**  
if claimed at age 70  
versus age 62

Several of these challenges fall more heavily on women than men. One result is that many women are already out of the labor force before traditional retirement age. **Only about 43 percent of women (and 61 percent of men) are steadily employed throughout their 50s**, and those who lack steady employment in their 50s are much less likely to be working in their 60s.

## Steady employment through their 50s



Policy solutions that implicitly expect almost everyone to delay retirement will leave many Americans behind. Raising Social Security retirement ages would likely increase economic inequalities in old age, including disparities between men and women.

Effective solutions recognize that **policies affecting work and policies affecting retirement are two sides of the same coin**. Better jobs would make working longer a better option—while better retirement policies would give older Americans a set of options beyond trying to work longer at any cost. Universal policies raising the floor under job quality and retirement security for everyone benefit women and other disadvantaged groups in particular.

We highlight three of the challenges women face in trying to work longer and propose potential policy solutions so that women can retire with greater financial security.

## Challenges women face trying to work longer

### 1. Unhealthy working conditions and insecure jobs

Job quality affects workers' health, and their health, in turn, affects their ability to keep working productively. **Healthy jobs**—those that feature adequate pay and benefits, safe working conditions, reasonable schedules, and some control over work—should help to support longer and healthier working lives.

But many jobs available to older women do not fit that model. Consider physical job demands, for example. Although people may associate physical demands with mostly male jobs like construction, the reality is that many mostly female jobs—in health care, retail, childcare, and the beauty industry, for instance—require a great deal of lifting, bending, or being on one's feet for hours. The proportion of **women workers age 55 to 62 who said their job required “stooping, kneeling, or crouching most or all of the time”** actually rose slightly from 23 percent in 1992 to 26 percent in 2014.

Job insecurity is another hazard. Because older workers tend to have a harder time than younger workers finding a new job when they are unemployed, job stability is critical for working longer. A study that looked at workers who had full-time, full-year jobs in their early 50s—those whose jobs looked fairly stable—found that more than half of both women and men later lost or left a job involuntarily and experienced serious financial consequences as a result. Of those who had such a job loss, **only one in 10 ever again had a job that paid as well as the one they lost**.

### 2. Family caregiving responsibilities

As the U.S. population ages, more elderly people require more long-term care, but very little public funding is available for such care. Home health care can cost tens of thousands of dollars a year, while **the average nursing home costs more than \$100,000 annually**. Medicare does not cover custodial care; Medicaid does, but only for individuals with low incomes and few assets. These costs are unaffordable for many families. As a result, much of the care required by America's elderly is provided by family members. And much of this care is provided by daughters rather than sons.

Caregiving for older family members often comes into tension with paid work. **Almost a third of women provide personal care to the older generation at some point in their 50s or early 60s**—exactly the years that are most crucial for paving the way to working longer. Women who provided eldercare were much less likely to be working for pay at age 65.

For coming generations, this dual challenge is likely to worsen. Longer lives result in more older people with challenges like dementia. This will likely create a need for more time-intensive caregiving; at the same time, smaller family sizes will reduce the supply of potential family caregivers. Increasing longevity—the same trend that has led to increased pressure to work longer—is making it harder for women to stay employed.

### 3. Age discrimination in employment

For older workers who experience job loss or who want to return to the labor force after time out, working longer hinges on whether they can find suitable new jobs. Unfortunately, older adults looking for new jobs face age discrimination.

Age discrimination is more acute for women than men. In experiments in which researchers send out thousands of similar resumes to see how potential employers would respond to candidates of all ages, [younger candidates received far more callbacks than older applicants](#). When women's resumes were submitted for administrative jobs, the younger group was almost twice as likely to get a callback as the older group. For men, there was much less difference across age groups.

Age discrimination against workers age 40 and over is illegal, but the protections are relatively weak and successive [Supreme Court decisions have made it harder to win an age discrimination case](#). As it stands, there is little to prevent employers from favoring younger workers.

## Policy choices can help shrink gender gaps in work and retirement

The problems with work and retirement in America are systemic, and so solutions must be systemic, too. Individual efforts to work longer, save more, or become more financially literate are worth encouraging, but we should be under no illusions that they will plug the holes in American retirement security. Solutions, however, are at hand. First we need to understand that women (and men) vary greatly in their

opportunities to work longer. There is not one single solution to the issue of financial security at older ages—rather, [a range of solutions is essential](#).

These four solutions offer examples of policies that would help address the barriers to longer working lives and financially secure retirements outlined above:

1. [Strengthen workers' voices and rights to organize](#), because collective bargaining is one of the most effective ways to improve wages and working conditions and to make jobs more secure.
2. Provide [paid time off for caregiving](#) and provide public support for the high cost of childcare and eldercare.
3. [Strengthen age discrimination protections](#) by bringing them in line with protections against discrimination by gender and race.
4. [Put Social Security on a secure financial footing for the future](#) by raising revenues rather than by cutting benefits or further increasing retirement ages. For instance, require high earners to contribute the same percentage of income as lower earners.

Policies like these that improve job quality and retirement security for workers of all ages and genders would make working longer a more realistic possibility for older women and help shrink gender gaps in both work and retirement.

## About the TIAA Institute

The TIAA Institute helps advance the ways individuals and institutions plan for financial security and organizational effectiveness. The Institute conducts in-depth research, provides access to a network of thought leaders, and enables those it serves to anticipate trends, plan future strategies, and maximize opportunities for success.

To learn more, visit [www.tiaainstitute.org](http://www.tiaainstitute.org).



Join the conversation online:  
[@TIAAInstitute](https://twitter.com/TIAAInstitute)