

# United States Senate

SPECIAL COMMITTEE ON AGING

WASHINGTON, DC 20510-6400

(202) 224-5364

January 26, 2006

The Honorable David M. Walker  
Comptroller General  
U.S. Government Accountability Office  
441 G Street, NW  
Washington, D.C. 20548

Dear Mr. Walker,

Over their lifetimes, men and women differ in many ways that have consequences for their retirement income. For example, many women spend significant periods of time out of the workforce raising children or taking care of elderly parents. Women also are more likely than men to work part-time. These differences impact what men and women receive from both Social Security and pensions, as well as what they are able to accumulate through personal savings. And the result is that women have less retirement income and tend to have much higher rates of poverty in old age.

Given the current debate on Social Security and private pension reforms, the impending retirement of the Baby Boom generation and the rising percentage of the population that will be over age 65, the consequences of these differences for the retirement income of women and men may become more significant over time. A clearer understanding of what drives the gap in retirement income and how it might be reduced in the future, would contribute greatly to the public debate.

Therefore, I am asking GAO to conduct a study of the issues related to women's retirement income prospects. In particular I would like to know:

- 1) Women's demographic and labor force characteristics, including their rate of Social Security and pension coverage, how they fare in the current Social Security and employer-based pension programs, and the rate of poverty among women;
- 2) How women's retirement income might be affected by various elements of both Social Security and pension reform;
- 3) Some projections of women's future retirement income under different reform scenarios, including what percentage of women will have incomes below the federal poverty line; and
- 4) How women's retirement income might be affected by different life events, such as divorce, widowhood, workforce interruptions, and the need for long term care.

Thank you for your assistance with these important issues and I look forward to receiving the report. Please feel free to contact Kara Getz at 202-224-5364 or Lori Prater at 202-224-3753 for additional information related to this request.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. H. Smith', with a long horizontal flourish extending to the right.

Gordon H. Smith  
Chairman