



Financial longevity for women in retirement

Currently, Canadian women centenarians outnumber men by a ratio of 5 to 1. Additionally, the average age of widowhood for women is approximately 56. Moreover, 68 percent of seniors living alone are women due to combination of being a widow, divorced, or just single. Another factor is that Canadian women have been increasing financial independence over their lifetimes. Even in my own experience, 80 percent of my clients are women living on their own. These statistics highlight the importance of ensuring that women have purposeful activities, nurturing relationships, and sufficient financial resources to support them throughout their retirement years.

Engaging in purposeful activities

Studies show that gender influences how men and women plan for retirement. For many, women tend to continue enjoying much of the same activities they did in the years before retirement and then after retirement in at least the first half of those years. These activities can then gradually change due to health, energy levels, mobility, living situation, family and social circle changes. This includes working part-time, volunteering, helping take care of grand children, and especially traveling. This continuity helps maintain a sense of meaning. It is important to recognize that retirement may have several chapters, each requiring meaningful activities to stay happy and engaged.

For consideration: Consider pursuing new activities to keep your life interesting. Try to learn something new or practical. Discuss with your investment advisor whether these activities necessitate rethinking your investment plan, such as switching investment allocation from growth oriented to more income generating paycheque portfolios so you can have steady dividends to allocate to your activities. It is important to also consider if we may also need to cut back on certain costs of living such as downsizing, to increase financial resources for activities like traveling or new hobbies.

Building Relationships in Retirement

Women generally have stronger social circles than men, which can be advantageous in retirement. Research indicates that healthy social support can lead to longer life spans and quicker recovery from illnesses. Sociability may even offer protection against Alzheimer's disease. It is crucial for women to discuss their retirement expectations with their spouse or partner if there is one. Topics to cover include the balance between shared and individual activities and the nature of those joint

activities. Whether single or married, women should also communicate with their children, extended family, and friends about shared time to avoid misunderstandings, such as the amount of time spent with grandchildren. These conversations can help ensure harmony and sufficient quality time with loved ones during retirement.

Although an investment advisor who focuses on seniors are not qualified relationship experts or psychologists, it is important in having someone who will listen to you and your relationship concerns as it relates to your personal finances, as well gain a financial perspective to those relationship issues.

Since women typically outlive men, and usually by a significant number of years, it is especially important to continue expanding social connections and support networks. Of course, if there is a same sex marriage situation, then the longevity difference between sexes may not be as much of a variable.

In terms of emotional and practical support in the event of health or mobility challenges, one has to ask how they will continue with their socializing activities and what resources there are. Often times my elderly clients have their children provide extended care, however, this may not always be possible depending on one's situation.

For consideration: Evaluate whether you have enough emotional and practical support in case of a health issue. Consider how you will continue to grow and deepen your current relationships. When your investment advisor asks you who is your trusted contact person, focus on the above mentioned points on who can help the most.

Caregiving in retirement

Women often find themselves in caregiving roles throughout their lives, whether as mothers or as caregivers for aging parents and spouses. Recognizing that caregiving may be big part of your retirement can help you plan better both psychologically and financially.

For consideration: Meet with your investment advisor to discuss how caregiving could impact your financial plan, as it can take up significant financial resources, especially if the person you are taking care of has a lengthy life ahead. Ensure you have built in contingencies for your own possible care and the costs of providing care to others. Recognize there are cultural differences. In Asian cultures, such as in my Chinese heritage or my spouse's Filipino background, it is absolutely expected to take care of parents in their old age, and you will be shunned if you do not do so.

In Western cultures, based on conversations with my mom as a long-term care nurse, we see a very wide variety of tackling the issue of care giving, from children visiting and helping often, to some putting their parents in a long-term facility and simply waiting for their inheritance.

Financial planning for longevity

Because women tend to live longer and are often single in later life, proper financial planning is key to their long-term security. Women may spend less time in the workforce, often staying home to care for dependents, and potentially could earn less on average than men. This makes adequate planning essential to cover any shortfalls and ensure long-term financial sustainability.

For consideration: Meet with an investment advisor to determine how you can generate investment income from your savings for a comfortable retirement. Develop an investment strategy to stay on track with your short and long-term goals. Improving your financial literacy can also provide greater understanding and peace of mind about your finances.

While it is important to have enough money to last your life, it is equally important to have enough life to last your money. The key for women is finding balance of financial security with personal fulfillment in retirement.

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