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# THE DISADVANTAGED RETIREMENT SECTOR

*women*



The fact is both scientific and straightforward: **Women live longer than men!**

For several years our family worked as volunteers for the food bank. It supplied those in need with weekly baskets of food and other necessities of life. It was very special to help, and we have numerous memories of that time.

Over the years, we realized that a change was taking place; many people (especially women) that volunteered morphed into those who needed help, which included a need for the food baskets. What happened?

To place the reason was not easy, and it was, in a sense, embarrassing for those who helped to become those in need. But remove half of the income, and things changed. In most cases, a spouse had died, and with that event, income was severely reduced, and lifestyle was lowered. One woman, in particular, was a retired teacher, her husband was also a retired teacher, and life was fine with their pensions and social security. She and her husband raised children and helped the church and their community, but things changed when he died.

I remember the day she came for food; she was in tears and needed friends. Of course, everyone helped, but the humiliation of that event shook her and the rest of us. How could this have happened? They had been retired for about 18 years. Initially, their retirement was more than enough, but with inflation, tax increases, and covering for medical expenses leftover from a lowering of medical reimbursements, it all took a toll.

Millions of women just like her are in need and living in the shadows. Considering what retirement should be to live well and with comfort; how many have seen their dream of the *Golden Years* turn dark?

Women, in general, make less money, translating to less money to put aside for retirement resulting in them becoming a more significant portion of the poverty population. And women live longer than men, which statistically translates to less available retirement income.



A recent report from the National Institute on Retirement shows shocking results regarding women in retirement. The report shows that women in retirement are **80%** more likely than men to be impoverished.

The reasons are apparent; throughout a women's working life, their income is lower, and less money is contributed to Social Security for retirement.

The study found that women of all age groups have substantially less income at retirement than men. For women aged 65 and older, the report indicates that their average income is as much as 25% lower than men.

As men and women grow older, the men's income advantage widens to 44% by age 78. Consequently, women were 80% more likely than men to face poverty at age 65. Women aged 75 to 79 were three times more likely to fall below the poverty level than men.

The critical first step for women with their financial planning is to take control and be in charge of their financial future. Making sure your financial future has fundamental guarantees is the first step. Guaranteed income annuities may help provide that strong base.



## Key points about Women and Retirement

- 01 Longer life expectancy:** Women generally live longer than men, meaning they may need to plan for a longer retirement period. This can involve saving more money, making smart investment choices, and ensuring they have adequate healthcare coverage.
- 02 Lower lifetime earnings:** Women, on average, tend to earn less than men over their lifetimes, which can lead to smaller retirement savings and Social Security benefits. This may make it even more critical for women to prioritize saving and investing for retirement.
- 03 Caregiving responsibilities:** Women are more likely to take on caregiving roles for family members, which can lead to career interruptions and reduced earnings. This can impact the amount of money saved for retirement, so it's essential for women to consider caregiving responsibilities when planning for retirement.
- 04 Financial literacy:** Women may be less confident about their financial knowledge and may feel less prepared for retirement than men. Financial education and planning can help bridge this gap and empower women to take control of their financial futures.
- 05 Health and wellness:** As women tend to live longer, they may face more health-related challenges during retirement. Planning for long-term care needs and maintaining a healthy lifestyle can help women enjoy a more comfortable and fulfilling retirement.
- 06 Social connections:** Retirement can sometimes lead to social isolation, so it's crucial for women to maintain strong social networks and engage in hobbies or activities that foster connections with others.
- 07 Estate planning:** Women should also consider the importance of estate planning, including creating a will, designating beneficiaries, and setting up a power of attorney for healthcare and financial decisions.

# THE WORST DESTINATION FOR LIVING TOO LONG:

## *Social Isolation*

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Social isolation can be a significant concern for women in retirement, as they may experience loneliness and disconnection during this stage of life. Several factors contribute to this phenomenon, such as longer life expectancy, caregiving responsibilities, and changes in living situations. These factors can lead to women losing their social networks, limiting their ability to make new connections and engage in social activities.

Women can take various steps to maintain and develop social connections to address social isolation in retirement. Some of these strategies include pursuing hobbies and interests, volunteering, staying physically active, and maintaining regular contact with friends and family.

Embracing technology can also help women stay connected with loved ones at a distance. By being proactive and nurturing social relationships, women in retirement can reduce the risk of social isolation and create a more fulfilling and meaningful life.

To ensure a secure and comfortable retirement, women should consider working with financial professionals, discussing their retirement goals with family members, and staying informed about the latest financial trends and best practices.

