

## WHY DO WOMEN NEED MORE FINANCIAL SECURITY THAN MEN IN RETIREMENT BUT RECEIVE FAR LESS?



Women who seek early retirement, hoping that their giving up on permanent work years will lead to contentment and a life of relative ease, with their savings boosted with revenue from part-time jobs are finding that their belief was misplaced. 63-year old Jeanne Majors retired before time in December 2005, presuming that she would work part-time and that would suffice to see her through. Little was she to know, how wrong she was. The sluggish economy ensured that she lost her part-time job and attempts to land another proved futile. "They wanted somebody young," Majors says. "Or if I was a man, somebody would have hired me at my age. I'm not sorry that I retired, but things didn't turn out the way I wanted it to. Everything went bust." Women suffer more monetary hardship than men on retirement. One of the main reasons is that the gender pay gap is not shrinking and women earn far less than what men earn which negatively impacts their savings for retirement. Women have also been forced to delay their retirement as the Great Recession has made it hard for them to save enough for the remaining years of their life. 66-year old Judy Frazier says that she cannot contemplate retirement as she cannot afford to. "At this point in time, retirement is financially impossible," she says. She says that she has to care for three grandchildren and an ailing mother, which sees her salary dissipate completely. "I cannot save one penny," she says. "At the end of the month there is nothing left." Heidi Hartmann, president of the Institute for Women's Policy Research says that retirement scares many women. They had not planned for the fact that they may not have jobs in their autumn years. Lack of jobs has seen them eating into their savings, coupled with the declining value of their homes and they do not know how there are going to reconstruct their lives. What then are the main impediments that smudge the women's golden years? Women make less money than men, even though they combine work with home-care and the responsibilities of raising families. Joan Entmacher, vice president for Family Economic Security, National Women's Law Center said, "The wage gap between men and women has been stagnant for the past decade. We're not making much progress." According to the US Census Bureau, women make 77 cents from every \$1 dollar earned by men. Women also tend to live longer than men which means they need more money for retirement. When jobs started coming back after the recession officially ended and there was a semblance of an economic recovery, men recovered lost jobs faster than the women. According to the National Women's Law Center women regained only 26.7% of the jobs they had lost whilst men regained 40.6%. Not only did it mean loss of earnings during their earning years it also negatively impacted their Social Security benefits. Health costs for women are more, because they live longer than men, their autumn years could mean living a life without their men and managing their health-care costs alone. Sadly, most women can hardly pay for health-insurance before retirement and to be able to plan for long-term care is a Herculean task. It is assumed that nearly one in five women between 18 and 64 does not have health insurance. Twice more women are poorer than men. Furthermore in their twilight years they could find themselves alone, divorced, widowed or single. They need a safety net that is larger and sturdier than the one needed by their male counterparts. Entmacher said that Social Security needs to be modernized to reduce the risk for older women. This, he said, can be done by providing credit to women when they leave their jobs to care for their families.