

## Women's Retirement and Economic Security

Why is saving for retirement so important for women?

- **Longevity:** Women today live longer than men do. Women who retire at 65 can expect to live for another 20 years. This longer life span causes women to be more likely to deplete their retirement savings. In 2005, 12 percent of women 65 and older were living in poverty, compared with 7 percent of men in the same age group, according to the U.S. Census Bureau. Because women live longer than men, they spend more money on health care, including nursing home costs, health insurance, and more.
- **Caretaking:** Women are the primary caretakers of children and aging parents, and because of this, women are more likely to take time out of the workforce than men. Women are also more likely to work part-time than men, making it harder to receive benefits and eligibility for pension or 401(k) plans.
- **Wages:** Overall, a woman earns 75 cents for every dollar a man earns. Even though women are going to college in higher numbers than men and are succeeding in greater numbers, women still earn less than men, leaving them with less money to save.

Here are some solutions from recent articles and sources that will help women plan properly for their future:

- **Save, save, save!** According to a recent *Boston Globe* article, the rule of thumb for men is to save 10 percent of their salaries for retirement every year. But a financial planner from eMoney Advisor suggests that women save 12 percent to cover their longer retirements and interrupted work lives.
- **Earn.** Even if you're staying at home with the kids, find a way to make money. This can be as simple as babysitting, freelancing, consulting, or working a part-time job. Any income is beneficial.
- **Contribute.** Keep putting money in your company's 401(k) plan—even if it's a small percentage of your paycheck each month.
- **Invest.** Picking investments wisely can be beneficial in the long run. Read up on investments or contact a financial advisor. Another reason women should seek investment advice is that women tend to invest more conservatively than men and receive lower rates of return over time.

Read more about women's retirement security:

- AAUW Report: [Mom's Retirement Security](#)
- The Boston Globe: [Women Face Uphill Challenges in Keeping Their Financial Strength](#)
- The Chicago Tribune: [Odds Against Retired Women, Financial Security in Danger for Many](#)
- USA TODAY: [Women's Top Retirement Strategy Often Is to Stay on the Job](#)
- U.S. Department of Labor: [Women and Retirement Savings](#)