



Financial Planning for Women

Financial adviser Simon Backman from Financial Spectrum discusses why women have special financial planning needs when it comes to making the most of their finances and money for the future.

8 DEC 2009

Women are increasingly turning to financial planners for advice about planning their financial future. According to Sydney based senior financial planner Simon Backman of Financial Spectrum, this is a welcome shift allowing women to become more financially independent. Mr Backman notes that women often have special needs when it comes to financial planning which is why women really need to consider getting professional financial advice irrespective of whether they're single or in a relationship. He gives five main reasons why women should be particularly concerned about their financial futures:

1. Longer life expectancy: women live on average 5 years longer than men. This highlights two issues for women. Firstly, that Australian women need to be financially prepared for a longer retirement than men, and secondly, that women who are currently married or in lifelong relationships with men will likely become solely responsible for their finances at some point in their life.
2. Irregular career paths: many women become mothers or primary caregivers in their lives and need or choose to alter their working patterns to give them time to work in the home. Despite being fulfilling for many women, this can impact quite heavily on your finances by limiting your future career options, impacting upon your short term cash flow, or reducing your savings for retirement by reducing your super contributions.
3. Less knowledge and involvement: many studies have indicated that women in long term partnerships or marriages often look after the day-to-day running of the household finances, but tend to leave the long term planning (such as investing and retirement) to their partner. This is particularly worrisome when you consider that given divorce statistics (over 51%) and longer life expectancies, many women will be left to handle their finances with little experience.
4. Less pay: like it or not, women tend to earn on average significantly less than men. Recent studies indicate the average weekly income of males in Australia is \$1346.10 as opposed to \$1074.80 for women. This means that women tend to have less income to fund their lifestyle and retirement. So, it's very important for them to seek professional financial advice to help them make the most of what they've got.
5. Divorce and relationship breakdowns: it's a sad fact of life but many marriages and long term relationships end in divorce or breakdown. Statistics show that women are vulnerable to suffering financial consequences, far more than men who have the ability to rebuild assets more easily.

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More information about the importance of financial planning advice for women can be found by contacting Financial Spectrum, one of Australia's leading fee for service financial planning firms. You can call them on 02 8238 0888 or [download their free ebook Financial Planning for Women](#) available from their website www.financialspectrum.com.au

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