

10-12-02 – ADVISOR – Survey: Women wield financial power

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Survey: Women wield financial power

Katie Keir / December 02, 2010

Canadian women have more financial power and knowledge than maybe they are willing to admit.

The 'Financial Lives of Girls and Women', a survey of more than 1,000 Canadian women conducted in August by Angus Reid Public Opinion and commissioned by Barbara Stewart, portfolio manager at Cumberland Private Wealth Management Inc., challenges assumptions and stereotypes around the financial behaviour of Canadian women. The results also highlight the trends surrounding money, investing, financial knowledge and financial planning.

The results reveal that despite being publicly modest about their financial management capabilities, women are privately confident in their own financial planning and investment abilities. That being said, women still devalue their financial management capabilities.

Women it seems have all the power when it comes to personal finances. **Key survey findings** include the staggering realization that **90% of women control the purse strings** when it comes to making decisions about household spending. Women also have the financial "last word" and surprisingly only consult their partner half the time. **Over 95% of women take charge of the financial education of their families** and over 80% of women have taken the steps to educate their children about finances.

While it was revealed that most women cite "lack of interest" as the reason they do not consume financial news, 63% felt completely comfortable with their knowledge base. Upwards of 90% agree that financial security and freedom are crucial values and over 70% also value the ability to support their children, as well as have the means to go on vacation, donate to charity and buy large ticket items.

"Historically, we were led to believe that women and finance didn't mix; that women left the financial planning to the men in their lives and were largely ignored or under-served by financial firms and planners," says Stewart. "These attitudes, many of which still prevail today, contradicted my day-to-day dealings with women, providing me with the impetus to develop a study that would capture and generate deeper understandings around women's financial behavior, while simultaneously challenging no-longer relevant stereotypes."

The only problem it seems is that 71% of women admitted to lacking a plan for their financial future.

To overcome this hurdle, almost half of women turn to the newspaper and television for information; preferring real-life examples to aid in their efforts to reach their financial goals.

In fact, over half of women become much more confident and informed as they age, continuing to seek further education each year. In addition, for issues outside of money management, women

revealed that they know exactly who to turn to when navigating financial waters and successfully manage productive and beneficial relationships with their financial advisors.

The survey has a margin of error of plus or minus 3.1%, 19 times out of 20.

Filed by Katie Keir

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Financial Lives of Girls and Women: New Survey Challenges Prevailing Ideas on Canadian Women and their Financial Behavior

The most recent survey of its kind in Canada, the national *Financial Lives of Girls and Women* survey reveals that Canadian women are surprisingly confident in their own abilities relating to financial and investment matters.

Barbara Stewart, CFA (Chartered Financial Analyst), developed this survey and commissioned global research firm Angus Reid to conduct it because she had a disconnect between what she read in the media about women's financial behavior (they were unhappy with their financial advisors, they thought financial firms ignored them, they left financial planning to the men in their lives, etc.) and what her clients actually did.

Existing research has traditionally focused on what women say rather than what they do, however, many of these findings did not resonate with Ms. Stewart's day-to-day experience dealing with women. As such, this survey takes a drastically different approach and focuses on the actual behaviors women exhibit when it comes to money, investing, financial knowledge, and financial planning.

The Financial Lives of Girls and Women survey, together with extensive one-on-one interviews and focus groups conducted throughout 2010, provide the perspective for a white paper on this topic to be published by Ms. Stewart in November 2010.

The survey was based on the responses of 1,006 Canadian women from August 3 to August 9, 2010. Survey participants were women aged 18 and over who were selected to reflect a representative sample of the Canadian population in terms of region, age, income and education. Survey results are accurate to $\pm 3.1\%$, 19 times out of 20.

Barbara Stewart, CFA
