

RBC Wealth Management and Women's Age Lab empower women to make informed financial decisions

CONTENT FROM: GLOBE CONTENT STUDIO

PUBLISHED FEBRUARY 28, 2023



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Older women face discrimination based on both their sex and age, known as 'gendered ageism.' These inequities are deeply embedded in contemporary culture, health care practices and socio-economic policies and structures, and have a pervasive and harmful effect on older women that largely goes unrecognized.

Dr. Paula Rochon, a geriatrician and founding director of Women's Age Lab, says that while there have been global studies around ageing and ageism,

“they don’t necessarily get at the specific issues that are relevant to women or put that additional gender-related socio-cultural lens on it.”

People are familiar with the idea of ageism, but “they don’t often think about the gender component and the economic fallout,” explains Dr. Rochon, adding that this research is far overdue as Canada is set to hit ‘super-age status’ – which means 20 per cent of a country’s population is over 65 – by 2024, a large proportion of whom are women. Despite this, older women are an ‘invisible majority’ with their unique needs going unrecognized and unmet.

Through Women’s Age Lab, which was launched in 2021 at Women’s College Hospital in Toronto, Dr. Rochon and her team aim to improve the lives of older women by using science to transform care and practice, and drive health system and social change.

Their research is centred on four pillars of focus to improve the lives of older women including: gendered ageism; reimagining aging in place and congregate care; optimizing therapies; and promoting social connectedness.

The gender pay gap, which is still sitting at around 11 per cent between women employed in Canada and their male counterparts, contributes to the even larger 26 per cent pension gap experienced by older women in Organization of Economic Development and Co-operation (OECD) countries, resulting in older women in Canada being more likely than men to experience poverty and live in low income households, according to Statistics Canada.

A large number of these gender-related socio-cultural factors contribute to this complex problem, compounding the inequities faced by older women. Being at a financial disadvantage puts older women at higher risk for deterioration of health as they age. Further, the pension gap for older women makes them less able to afford the additional care that they may need to stay in their homes.

For all of these reasons, RBC Wealth Management has teamed up with Dr. Rochon and Women’s Age Lab to help improve financial literacy and build

confidence, so women are empowered to seek out experienced financial advice to ensure the decisions they make today lead to financial security later on.

“We want to help draw attention to and understand the specific challenges that impact women as we age, and part of those challenges can be financial,” says Leanne Kaufman, president and chief executive officer of RBC Royal Trust.

“Women are going to tend to be financially disadvantaged by the time they hit retirement as a result of circumstances in the years and decades leading up to retirement.”

Whether it's maternity leave, aging parents or loved ones with disabilities, the role of caregiver predominantly falls on women – often taking them out of the work force for a period and taking a major financial toll over time. This time lost can have a detrimental cascading effect to their finances later on, including sacrificing pension or retirement savings, lost promotion opportunities or having to pay others to provide those caregiving services.

“I can't think of anyone that I know of who, when they were contemplating their maternity leave, financially planned the 30-year outlook of what the impact to their income would be, and ultimately to the financial health of their retirement,” says Ms. Kaufman. “But I think that's really critical.”

Having the right financial advisor can not only help women build their financial literacy and confidence, but also create a robust plan to see them through life's ups and downs, explains Michelle Vickers, advisor experience and client strategy officer at RBC Wealth Management.

“We know that women are generally going to live longer, so they might have higher costs associated with health and other age-related issues later in life and it's important to be prepared,” says Ms. Vickers. “Coupled with the potential lower lifetime earnings and lower pensions because they may have taken leaves from work, I think women should be thinking about their lives as older women at an earlier age.”

“Our partnership with Women’s Age Lab is such a great opportunity to educate us at RBC, our advisors and our clients to have these more impactful conversations,” Ms. Vickers says. Not only does the partnership provide the opportunity for meaningful education, but it will also produce a tangible impact towards improving the lives of older women and women across the lifespan, while working to reduce the pervasive impacts of gendered ageism.

Ms. Vickers advises women to take charge of meetings with their advisor to ensure that the financial plans they make reflect what they want to get out of life. “These meetings are a time for you to address your needs and it really should be a reflection of what you want to cover,” she explains. “Advisors have certain items they need to cover with you, but you should also feel confident to add to the agenda with questions or topics that are important to you.”

To combat gendered ageism, we need to take an intergenerational approach: Women in today’s work force will become the older women who receive pensions in the future. By building trust and confidence through conversations that lead to increased financial literacy, we equip present and future generations of women with the skills and knowledge they need to ensure their success.

You can learn more about the work of Women’s Age Lab by listening to the Matters Beyond Wealth podcast episode, “What is gendered ageism?”

Advertising feature produced by Globe Content Studio with RBC Wealth Management. The Globe’s editorial department was not involved.