



# Effectively communicating superannuation and financial literacy messages to women during their different life-stages

Discussion paper prepared by  
the Women's Advisors Meeting  
Working Group on Superannuation  
and Financial Literacy

August 2007



# Contents

<b>1</b>	<b>Introduction</b>	<b>4</b>
1.1	Policy context	4
1.2	Aim and scope of this Paper	4
<b>2</b>	<b>Background</b>	<b>6</b>
2.1	What is financial literacy and financial education?	6
2.2	Research	7
<b>3</b>	<b>How to develop effective communication strategies</b>	<b>9</b>
3.1	The challenges	9
3.2	What methods of communication do women want?	9
3.3	In short	10
<b>4</b>	<b>Particular needs of women during differing life-stages</b>	<b>12</b>
<b>4.1</b>	<b>Teenage girls (15–19 year olds)</b>	<b>13</b>
4.1.1	Communication strategies	13
4.1.2	In short	13
<b>4.2</b>	<b>Young women (20–30 year olds)</b>	<b>14</b>
4.2.1	Communication strategies	14
4.2.2	In short	14
<b>4.3</b>	<b>Older women (60+)</b>	<b>15</b>
4.3.1	Communication strategies	15
4.3.2	In short	15
<b>4.4</b>	<b>Women living in rural and remote communities</b>	<b>16</b>
4.4.1	Communication strategies	16
4.4.2	In short	16
<b>4.5</b>	<b>Indigenous women</b>	<b>17</b>
4.5.1	Communication strategies	17
4.5.2	In short	17
<b>4.6</b>	<b>Culturally and linguistically diverse (CALD) women</b>	<b>18</b>
4.6.1	Communication strategies	18
4.6.2	In short	18
<b>4.7</b>	<b>Women with disabilities</b>	<b>19</b>
4.7.1	Communication strategies	19
4.7.2	In short	19
<b>4.8</b>	<b>Women with interrupted work patterns</b>	<b>20</b>
4.8.1	Communication strategies	20
4.8.2	In short	20
<b>4.9</b>	<b>Women Undergoing Significant Change</b>	<b>21</b>
4.9.1	Divorce	21
4.9.2	Widows	21
4.9.3	Communication strategies	22
4.9.4	In short	22
<b>4.10</b>	<b>Sole mothers</b>	<b>23</b>
4.10.1	Communication strategies	23
4.10.2	In short	23
<b>5</b>	<b>Choosing places to target</b>	<b>25</b>
<b>6</b>	<b>More Information</b>	<b>26</b>





Effectively communicating financial messages to women.

# Introduction



## 1 Introduction

The Commonwealth, States, Territories and New Zealand Ministers' Conference on the Status of Women (MINCO) is committed to improving women's financial literacy, particularly in relation to superannuation. In order to do this, MINCO asked the Women's Advisors Meeting (WAM) Working Group to develop information on ways to effectively communicate superannuation messages to women during their different life-stages.

The WAM Working Group has developed this discussion paper for MINCO. The paper highlights the need for relevant and effective financial literacy information.

The last few decades have seen an increase in access to and range of choice in financial products and services. This, combined with the growing Australian economy, has provided consumers with greater opportunity to spend and invest money than ever before. However, the capability of consumers has not been sufficiently developed to take advantage of the changes, or to avoid the associated risks<sup>1</sup>.

To ensure financial wellbeing during retirement it is necessary for individuals to take responsibility for saving for their own retirement rather than relying solely on government assistance. In order to achieve this it is essential that individuals are financially literate. Financial education and the provision of quality advice are paramount to achieving this.

It is important that approaches to increasing the superannuation and retirement savings of women in Australia recognise women's patterns of workforce participation and earnings, and specifically provide advice and information to encourage women to prioritise their superannuation savings.

### 1.1 Policy context

Women in general spend less time in the paid workforce than men, are less likely to be paid overtime than men and are more likely to have interrupted career patterns due to caring responsibilities. Women's employment is also concentrated in lower paying sectors and occupations. These issues affect women's financial management and security, as well as their superannuation and retirement savings.

While there is a vast amount of financial information in the marketplace it is often not targeted at specific consumer groups and does not take into account specific information or communication needs. Doubt about the credibility of much of this information has grown at the same pace, with consumers often not sure about the accuracy or relevance of advice provided to them.

Women have very different financial needs than men and are more likely to require financial intervention, or targeted life-stage financial advice, particularly when facing relationship changes such as separation, divorce, the death of a partner, or when taking maternity leave or career breaks to raise children. Women access information differently to men and can respond differently to the same information.

Superannuation should be considered as part of overall planning for retirement. While it is important to convey messages and information about the importance of superannuation in retirement, it is equally important to ensure that overall financial education campaigns and strategies provide individuals with information to make sensible and informed investment choices about their future.

Appropriate financial education can help individuals prepare savings plans that suit their particular needs, rather than a one size fits all approach. Financial education can also provide the key skills and knowledge necessary in monitoring and adapting a savings plan to an individual's life-stages and can reduce their vulnerability to theft and fraud.

Poverty has multiple impacts on women's capacity to access long term financial planning information. Many women have developed money management strategies that have only the smallest of buffers for emergencies, and saving for their retirement is not seen as a current priority.

### 1.2 Aim and scope of this Paper

This discussion paper is targeted at the wide range of organisations developing information about superannuation, including policy makers, community organisations and financial institutions. It aims to offer current evidence and information that will provide these organisations with insight into how to better develop financial information specifically targeted at women.

The discussion paper has also informed the development of an evidence-based summary guide/ checklist that will provide a practical and effective quick reference tool to assist those preparing financial management information.

Background

2

## 2 Background

The average superannuation balances of women are lower than those of men. On average, when women retire from the paid workforce they will have half as much superannuation as men (Olsberg et al, 2001). Fifty per cent of women who have either retired, or will retire within the next ten years, have less than \$20,000 in superannuation, while 20 per cent have less than \$5,000 (Austen et al 2002).

Women are concentrated in casual and part-time employment. They make up 71.2 per cent of all part-time employees and of employed women 45.2 per cent worked part-time (ABS Cat No. 6202.0).

This directly affects women's earnings, their likelihood of being paid overtime and to accrue superannuation. For those women who are on a low or insecure income, this may also affect their attitude towards long term savings plans.

On average women live longer than men. The current life expectancy of women is 83 years compared with men who can expect to live to 78 years<sup>2</sup>. Given this, and women's lower superannuation savings than men, the long term economic well being of women may be compromised and the importance of financial education increased.

Changing life events, such as leaving school, finding a job, marriage, becoming a parent, separation, divorce and widowhood impact upon women's needs.

The Australian Government has implemented several superannuation initiatives that will improve women's ability to accumulate superannuation savings through these varying life-stages. These initiatives include:

- The removal of the Work test, which stipulated that a person needed to work 10 hours in a week some time in the past two years to be eligible to contribute to superannuation. The Work test was removed on 25 February 2004, and now women temporarily outside of the workforce can better save for retirement.
- The Superannuation Co-contribution Scheme, which is an initiative whereby the Australian Government will match the superannuation contributions of eligible employees, up to \$1,500 per year.
- Super Choice, which allows more Australian employees to choose the superannuation fund into which their future employer superannuation guarantee contributions will be paid.

The introduction of portability of accumulated benefits will also allow people to transfer their benefits between funds.

- Super Splitting, which allows superannuation to be split on divorce by mutual agreement or court order. Parties are able to determine by what proportions their superannuation will be divided, if at all. The court, in making an order, is required to make a decision that is just and equitable in all the circumstances.

- The Australian Government's allowing couples to split superannuation contributions for contributions made on or after 1 January 2006. This will provide a means for individuals to share their superannuation benefits with their spouse, allowing couples to access two eligible termination payment tax-free thresholds and two reasonable benefits limits.

In addition, the 2006 Federal Budget announced major superannuation reforms that will improve the retirement incomes of all Australians with superannuation accounts.

- The Better Super legislation has significant benefits for women, in particular changes to the pension taper rate, abolition of reasonable benefit limits and age based contribution limits.

### 2.1 What is financial literacy and financial education?

A useful definition of financial literacy is a process of making meaning of, and understanding, financial issues and situations.

It requires:

- a set of prerequisite skills (which importantly include literacy and numeracy);
- knowledge of how to access information and resources;
- confidence in one's own skills and knowledge; and
- a set of values relating to personal financial responsibility.<sup>3</sup>

It should be noted that to become financially literate requires information and services to be available, accessible, useful and useable.

The Organisation for Economic and Organisational Development (OECD) defines financial education as:

*... the process by which financial consumers/investors improve their understanding of financial products and concepts and, through information, instruction and/or objective advice, develop the skills and confidence to become more aware of financial risks and opportunities, to make informed choices, to know where to go for help, and to take other effective actions to improve their financial well-being.*<sup>4</sup>

In Australia today, there is no real lack of information available about current superannuation initiatives, but the information is often difficult to access and is not targeted specifically at women. The information does not appreciate the differing communication styles used by women, or the existing levels of understanding that they have about superannuation.

In addition, some women are not confident that the information they can access is impartial. A recent survey<sup>5</sup> undertaken by the Women's Information Service found that despite access to information about superannuation 60 per cent of respondents did not feel confident or knowledgeable about growing their finances through superannuation savings.

2 ABS Yearbook 2006 Catalogue No. 1301.0.

3 Financial Literacy Among Marginalised Women, Office for Women, Australian Government Department of Families, Community Services and Indigenous Affairs, 2007.

4 Improving Financial Literacy: Analysis of Issues and Policies OECD 2005.

5 Women's Financial Needs Survey, Women's Information Services, May 2006

The challenge is how to effectively educate women about their specific superannuation needs and requirements. To meet this challenge there is a need to understand the barriers that many women face in becoming financially literate. One of the initial barriers for women is that their lower superannuation contributions may make them feel it is too late to improve their financial circumstances. This can lead to feelings of fear and anxiety that may hinder women taking the first steps in securing their financial futures. In 2005–06 the Office for Women commissioned research into *Financial Literacy among Marginalised Women*.

The preliminary findings of this research, comprising of a literature review, roundtable discussions and focus groups, identified the following barriers to financial literacy:

- lack of reliable information about entitlements;
- lack of respite or child care to attend information seminars;
- discriminatory attitudes from some financial service providers;
- costs of travel to access services;
- unreliable internet access; and
- lack of culturally appropriate financial information.

## 2.2 Research

Generally, there is limited research about the communication strategies that work effectively to improve women's financial literacy.

A survey by Security4Women found that many women know little about superannuation and the importance of saving for retirement. The survey found:

- 51 per cent of women surveyed were unaware of their Superannuation Guarantee contribution entitlements;
- 62 per cent did not know how their superannuation was taxed;
- 55 per cent of women had two or more superannuation accounts;
- 43 per cent had never made a voluntary superannuation contribution; and
- 68 per cent did not know how much superannuation they needed to retire comfortably.<sup>6</sup>

Positively, 87 per cent of women who completed the survey indicated that they would like to manage their superannuation better.

A survey by the ANZ bank found a strong correlation between financial literacy and socio-economic status. It also indicated that many women do not see superannuation, or the issues involved in financial literacy, as relevant to them. This can be for a number of inter-related reasons, including lower incomes, focus on immediate family needs and discomfort with the technical language used by the financial sector.<sup>7</sup>

To make financial education successful, there is a need to first increase awareness about the importance of financial education and planning for retirement. There is a lack of research about how financial education programs can be designed to meet the needs of consumers through different life-stages.

The term 'retirement' can also have a different meaning to women than to men. This perception is shaped by men's greater attachment to the labour force and women's disproportionate participation in unpaid work (especially in the home). Attitudes about traditional gender roles may lead to women (and men) expecting that their partner will provide for them in their retirement and to not seeing a need to have an independent retirement savings strategy.

OECD research has found that some countries provide financial education in a variety of forms with the most frequently used tool being the internet. The research also found that the next most used method of financial education was through the provision of resources such as brochures and pamphlets followed by courses and seminars.<sup>8</sup>

In Victoria in 2005 a women's summit on *Ageing with Financial Security* delivered the following key findings:

- young women rely on family and friends for financial information; women in their late 20s rely on their husband/partner and family; and women over 55 rely on government departments and community organisations;
- information must be accessible to women who need it most and tailored to different age groups and lifestyles;
- information programs need to run out of multiple outlets in places that women congregate and be run by peer educators, i.e. women of the same background;
- research shows that women are more likely to value information accessed through seminars or from colleagues, family and friends;
- specific needs of marginalised women must be considered; and
- success stories and simple, personable, relevant language that relates to all women was considered the most effective way to provide financial information.

A Victorian Office of Women's Policy online consultation on financial security, held in 2005, found that:

- 40 per cent of respondents did not consider themselves to be financially secure;
- over 40 per cent of respondents stated that they did not know whether they would be financially secure in retirement, with 34 per cent stating that they would not be financially secure in retirement; and
- over one third of respondents rated their knowledge of finances (e.g. debt, taxes, investments, banking, super etc.) as average.

6 *Women, Saving and Superannuation*, Security4Women, July 2005.

7 *ANZ Survey of Adult financial Literacy in Australia*, ANZ Banking Group, [2003]

8 *Improving Financial Literacy: Analysis of Issues and Policies* OECD 2005



Effectively communicating financial messages to women.

# How to develop effective communication strategies

# 3

### 3 How to develop effective communication strategies

There are many challenges in developing information specifically targeted at all women throughout their lives however, marketers are developing their understanding of how women respond to messages. Market researchers are responding to women's increasing spending capacity and influence over spending decisions, and this research is providing valuable insights into the most effective way of communicating with women. Effective communication with women must take into consideration a variety of communication strategies and women's particular needs during their different life-stages. These different life-stages offer all information providers opportunities and challenges to improve women's financial literacy.<sup>9</sup>

To ensure effective communication, it is important that strong partnerships between relevant organisations are formed. This enables the particular needs of specific groups to be met and also ensures that the documents are accepted by peak agencies.

#### 3.1 The challenges

Due to the wide range of circumstances women may face during their lives, developing information about superannuation, retirement savings and financial literacy targeted to women can be complex. This is further compounded when barriers to accessing information are also considered, for example, language, culture and geographic location.

Of equal importance to the development of information content is how information is marketed to the women who need it.

Many women, particularly those from lower socio-economic groups, do not see superannuation or retirement savings as relevant to them. This is because either their current financial needs are seen to be more important or because they are not aware of the significance of retirement savings. However, this is not a phenomenon restricted to women with limited income. One of the challenges in improving women's financial literacy and encouraging them to better provide for their retirement will be overcoming long standing attitudes about the relevance of superannuation to women.

Recent research undertaken by the Financial Services Institute of Australasia found that people under 40 are retirement literate with 82 per cent being aware that they can contribute a greater percentage of their salary to superannuation. However, only 33 per cent actually do. Sixty one per cent of men and 69 per cent of women did not contribute extra income to superannuation. The research also showed that 22 per cent of people surveyed considered the statement 'I live for the moment, I'll worry about my retirement planning later' as describing them well, and 12 per cent perfectly well.<sup>10</sup>

This research confirms the need to educate women about the importance of saving for retirement in a way that is relevant, targeted and strategic and will result in long term behaviour change.

#### 3.2 What methods of communication do women want?

There are some general principles about the way in which women prefer to receive information.

Barletta identifies some general strategies for marketing products to women.<sup>11</sup> These include:

- a people-first approach—women like to hear real stories from real people who have benefited from the product and understand how it can benefit them, for example by reading a vignette about how someone in similar circumstances to themselves used or benefited from a product;
- user focus—talk about what the product means to the person. Women tend not to focus on the technical detail of the product, but instead what it can do for them and their families. For example, encourage improved financial literacy among mothers by emphasising that they can pass this knowledge on to their children or help their ageing parents;
- no losers!—women tend to respond more negatively to strategies that show a winner and the resultant loser. Messages that promote a sense of belonging or ability to help someone else can engage women. Also, messages should emphasise likeness rather than status;
- new usage/product—highlight an aspect of the product that is of more relevance to women than has previously been shown, for example, how the life insurance component of superannuation means that if something happens to a mother, her children are provided for;
- highlight the need—women may be discouraged from seeking additional information about how a product can benefit them because superannuation has traditionally been explained in a highly technical and user-unfriendly way; and
- intercept marketing—put the product in women's daily lives, for example by hosting an event that will attract women and using that as the opportunity to highlight the advantages of holding superannuation savings.

The limited research available also tells us that women prefer to learn in small groups, face-to-face, which allows interaction and sharing based on the education principle of learning from each other. An example of such an initiative is the *Economy Wise + Budget Smart* program which was run by the Queensland Office for Women. This program provided 20 x 1 hour seminars covering issues such as debt management, financial planning, tax, shares, superannuation and also changing life events that impact on women's financial security.

9 Schiffman et al, *Consumer Behaviour*, 1997, Prentice Hall Australia.

10 *Public Opinion Research*, financial Services Institute of Australasia, July 2006.

11 *Marketing to women: How to Understand, Reach, and Increase Your share of the World's largest market segment*, Martha Barletta, 2003.



The Victorian Government undertook a women's financial literacy project in 2005 and 2006. As part of the project, 20 workshops focusing on financial planning for retirement and superannuation were held targeting women nearing or in retirement (aged 45+ and 55+). More than 500 women attended the workshops.

The evaluation of the project found that:

- 77 per cent of participants were motivated to take some form of action around planning for their retirement and after attending one of the workshops – the common action was consulting a financial planner; and
- 96.7 per cent of participants found the workshops to be a positive and motivating experience.

Focus groups held at the Ageing with Financial Security (Sixth Annual Victorian Premier's Women's Summit) suggested the following ways to deliver financial information:

- training packages that build on each other rather than one overwhelming information package;
- giving financial literacy the same value in schools as numeracy, language and information technology;
- training modules on CD or tapes for the car. This is particularly relevant for rural women who spend a lot of time travelling; and
- product-free information to build women's trust in the process.

When distributing information in print format the focus groups suggested that the following principles should be followed:

- written in plain English;
- provided in dot point format;
- succinct and easy to understand; and
- information is targeted at particular needs of the individual.

Media and advertising can also be a useful avenue to raise women's awareness about superannuation. It is important to consider how messages are delivered to capture women's attention and to help them see the relevance of superannuation to their and their family's lives. For example, the Victorian Workplace Safety campaign produces story-like advertisements about why workplace safety is so important, because of the people you come home to.

When educating women about the importance of retirement savings, it should be done as part of a whole of lifestyle discussion to illustrate how it fits into overall financial planning. Other discussion points could include budgeting, debt control, income, and saving for the future. While superannuation savings provide a large contribution to retirement savings it should also be highlighted that other assets such as property, bonds and shares may be used to invest in the future.

The Financial Literacy Among Marginalised Women's research commissioned by the Australian Government Office for Women indicated that while the internet may be a useful tool to disseminate information, many women living in Australia have difficulty both accessing and using it. This is partly due to the demographics of the Australian population with 25 per cent living in non-urban areas<sup>12</sup> where access to the internet is unreliable, and often expensive. Use of the internet also requires a degree of not only financial but also computer literacy, an issue particularly relevant to older women.

### 3.3 In short

Women prefer:

- a people first approach;
- a personalised approach; and
- to learn in small groups.

Educational formats that women prefer include:

- training packages that build on each other;
- emphasising the importance of financial literacy in schools;
- mobile learning, for example CDs in cars;
- radio; and
- free information.





# Particular needs of women during differing life-stages

4

## 4 Particular needs of women during differing life-stages

Women face specific milestones in their lives, and may also face unexpected, life changing events. These different stages in women's lives provide common characteristics that can inform any communication strategy. Understanding what these different life-stages involve and the impact they have on women will assist in making it easier to engage and communicate with women.

For the purposes of this discussion paper we have identified groupings of women according to life-stages and circumstances. Women may belong to more than one group at any one time in their lives.

The following groupings are useful for highlighting how to effectively communicate with women about superannuation:

- 4.1 Teenage girls (15–19 years old);
- 4.2 Young women (20–30 years old);
- 4.3 Older women (60+);
- 4.4 Women living in rural and remote communities;
- 4.5 Indigenous women;
- 4.6 Culturally and Linguistically Diverse (CALD) women;
- 4.7 Women with disabilities;
- 4.8 Women with interrupted work patterns;
- 4.9 Women undergoing significant change; and
- 4.10 Sole mothers.

## 4.1 Teenage girls (15–19 years old)

The focus of this section is on teenage girls aged between 15 and 19 years of age.

At the time of the Australian Bureau of Statistics (ABS) 2001 Census, 7 per cent of the Australian population was aged between 15 and 19 years. Approximately 49 per cent of those were female.<sup>13</sup>

Young adulthood is a time of great change in women's lives. This time may include education (secondary and tertiary), first employment, first independent job, travelling, leaving home and entering relationships.

It is during these early years that young women enter into contracts or make significant financial commitments. The importance of financial literacy and budgeting at this age is paramount as it sets up lifetime saving and spending patterns.

Financial literacy education targeted specifically to teenage girls is important, with 59.9 per cent of all females aged between 15 and 19 years being in the labour force.<sup>14</sup> During these formative years young women may accrue small superannuation balances from casual or part-time employment. It is therefore essential that young women are educated about choosing a superannuation fund for the first time, how to make the best use of superannuation savings and taking their superannuation with them. This can be done by rolling multiple superannuation accounts into one fund in order to maximise savings and minimise fees. Highlighting ways of finding lost superannuation benefits is also useful.

Young women are faced with competing needs and wants, such as purchasing a car or mobile phone. Communication strategies therefore need to focus on making superannuation relevant to their lives. The long term benefits of superannuation need to be highlighted to encourage balanced short and long term savings patterns early in their earning career.

### 4.1.1 Communication strategies

While using the correct promotional avenue is important to reach the target audience, the use of appropriate language is also important. Information should be quick to access and relevant to young women.

Consideration should also be given to the use of new technologies when delivering community education messages. Teenage girls are more likely to use the internet or access information via podcasts.

One example of good practice is the New South Wales Girl Savvy project, which involves conducting workshops at school. The program is delivered through schools, but held in separate venues.

The program uses interactive games and fun exercises that are age appropriate. The success of the project has been due to its interactive nature.

Potential avenues for educating teenage girls about the importance of retirement savings are:

- girls' magazines and publications;
- internet, including the use of pop-up messages;
- podcasting; and
- schools and training institutions.

Teenage girls also turn to trusted sources, such as family and friends, for financial advice. This reiterates the importance of broader community education on the importance and benefits of retirement savings.

### 4.1.2 In short

To communicate superannuation and financial education to teenage girls:

- information should be relevant and quick to access;
- new technologies such as the internet and podcasts should be used; and
- relevant avenues such as magazines, schools and teaching institutions should be utilised.

13 ABS 2001, *Census of population and housing: Australia's youth*, [Cat. no. 2059.0.], Canberra.

14 ABS June 2006, Catalogue No. 291.0.55.001, Labour Force, Australia.

## 4.2 Young women (20– 30 years old)

For the purpose of this discussion paper, young women are defined as women aged between 20 and 30 years.

At the time of the ABS 2001 Census, 13.5 per cent of the Australian population was aged between 20 and 29 years. Approximately 49.9 per cent of those were female.<sup>15</sup> Young women's workforce participation is considerable with 76.7 per cent of all women in this age group being in the labour force.

This is a diverse group that experience quite differing life events. For many, this is the first time that financial independence is experienced. It is also a time to set lifetime goals. Many think about travelling, saving for a house, moving out of home and purchasing a vehicle. This group also includes women who are getting married, having children or undergoing separation or divorce.

Given the large numbers of women in the labour force during these years, knowledge and tools to deal with financial literacy are paramount. It is at this time that many women have the financial capacity to focus on building their own nest egg and to save for retirement. Women must be equipped with the knowledge to make informed decisions about their superannuation savings.

Targeted financial literacy education is critical to establishing good savings practices. This education must be provided in a way that is interesting and that is made relevant to young women's particular lifestyles. It is important to identify the advantages of saving early for retirement and to highlight the fact that many women face additional barriers to accruing adequate savings later in life, such as leaving the paid workforce to care for children and family or being employed in part-time or casual positions.

### 4.2.1 Communication strategies

Research has shown that Generation Y, defined as those born between 1980 and 1994, are more responsive to action words such as dynamic, progressive, friendly and new.<sup>16</sup>

As with teenage girls, this group of women tend to be computer literate and the use of new technologies when delivering community education messages should be utilised. Such technologies could include podcasts and internet pop-ups.

Magazines are also an effective tool to disseminate and educate young women about superannuation and broader money management strategies.

In addition, the importance of superannuation savings and information about superannuation schemes could be provided by employers as part of their employee orientation program.

Family and friends are seen as a source of information for young women. Many young women turn to trusted sources to discuss options or to seek direction about superannuation savings. As highlighted in the previous section broader community education on the importance and benefits of retirement savings is vital.

### 4.2.2 In short

While there are many synergies between teenage girls and young women to be considered when preparing communication plans, it is important to recognise the diverse target audience in this age group and that it encompasses young women experiencing often very different life-stages. Potential avenues for educating young women about the importance of retirement savings are:

- magazines and publications;
- internet, including the use of pop-up messages;
- podcasting; and
- new employment orientation programs.

15 ABS 2001, *Census of population and housing: Australia's youth*, [Cat. no. 2059.0.], Canberra.

16 Drake International, White Paper Volume three Number one, *Generation Y: attracting, engaging and leading a new generation at work*.

## 4.3 Older women (60+)

On average, women live longer than men so they need more retirement savings. Key factors that affect women's capacity to save for retirement include: women spend less time in the paid workforce than men; and women tend to earn less and have lower incomes than men.

Unplanned early exits from the labour market may be detrimental to a woman's financial wellbeing and may possibly lead to a decline in expected retirement living standards.<sup>17</sup>

According to data drawn from the Household Income and Labour Dynamics in Australia survey in 2003, 85.4 per cent of women compared to 87.8 per cent of men aged 65 or older were completely retired. Only 14.1 per cent of women and 7.2 per cent of men aged 45 to 54 were completely retired.<sup>18</sup>

Although 70.1 per cent of women reported that their standard of living was the same or better since they retired, and 59.9 per cent reported that their financial security had either improved or stayed the same as before retirement,<sup>19</sup> women are generally recognised as having inequitable prospects compared to men in terms of their retirement and superannuation future. Women retiring from the paid workforce have less than half the amount of superannuation savings as male employees.<sup>20</sup>

Around 60 per cent of (fully and partly) retired women said that retiring was something they wanted to do. For women who were fully retired, the proportion who felt they were pushed or forced to retire declined with age—from 44.8 per cent of women aged 45 to 54 to 23.4 per cent of women aged 65 and over. The pressure to retire for these women came from their doctor or employer, but women experienced more pressure from their spouse or partner to retire than men did.<sup>21</sup>

Widows have often had to take responsibility late in life for their financial affairs and, unless they have developed good financial literacy, may find themselves vulnerable to unsound advice from family members, or even subject to financial abuse. Older women may also find the vast array of modern superannuation and financial products and the accompanying jargon to be off-putting.

Older women's own or a loved one's ill-health, bereavement and entering residential care all have specific financial implications. Communicating with older women during these life-stages requires targeted and specialised communication approaches.

### 4.3.1 Communication strategies

Older women experience a range of life-events that can significantly impact on their financial wellbeing and need targeted, unbiased but helpful advice.

*The Financial Literacy Among Marginalised Women research* found that many older women identified with trusted sources and role models. The research also identified that the use of more modern resources such as the internet were not effective in reaching older women.<sup>22</sup>

Keeping in mind some fundamental aspects of good communication with elderly people is useful when considering how to effectively engage with older women, for example:

- older eyes—use large, easy to see text, choose your colours carefully to ensure a good contrast;
- slowing down—give your reader/listener time to hear your message and think about it;
- older ears—loud enough to hear but in a voice that is familiar, for example rap music may not be an appropriate vehicle;
- same language—jargon, edgy messages or vulgarities may not appeal to an older audience; and
- right channel—postcards at coffee shops may not be as effective as a segment on talk-back radio.

Using trusted people with whom women can identify as role models has often proven to be an effective way of communicating with older women.

### 4.3.2 In short

To communicate with older women the following strategies should be observed:

- objective, helpful advice should be provided;
- trusted sources and role models should be used; and
- information should be accessible to older people including print, colour, etc.

17 Cobb-Clark, D., & Stillman S., 2005, *The Effect of Economic shocks on Retirement Intentions*, Australian National University and Institute for Labor Studies.

18 Warren, D., 2006, *Aspects of retirement for older women*, prepared for the Australian Government Department of FACSIA for the Office for Women.

19 *ibid*

20 Gallagher, P. 2001, *Challenges of the Past, Present and Future: Women and Retirement Income*, Retirement Income Modelling Force, Treasury paper, Commonwealth of Australia.

21 Warren, D., 2006, *Aspects of retirement for older women*, Draft report prepared for the Australian Government Department of FACSIA for the Office for Women.

22 *Financial Literacy among Marginalised Women*, Office for Women, Australian Government Department of Families, Community Services and Indigenous Affairs, 2007.

## 4.4 Women living in rural and remote communities

Many people living in rural areas, including women and older people, work in the farming sector.<sup>23</sup> The labour force participation rates in 2001 were slightly higher in rural areas for women at 55 per cent compared to 53 per cent of those in urban areas, however, rural women had a lower median gross weekly income.<sup>24</sup> Drought conditions, which have recently been experienced by many farming communities, have also reduced the ability of women working in the farming sector to plan for their long term financial security.

In a recent report, women living in rural and remote areas expressed difficulty in accessing financial services because of the time and cost associated with travelling to service providers, the slow and unreliable internet service, and discriminatory attitudes towards women by service providers.<sup>25</sup>

The closure of rural bank branches and the general lack of financial counselling and other support services has further limited women's ability to educate themselves about financial matters.

### 4.4.1 Communication strategies

Local newspapers and radio are key communication channels in rural and remote areas.

Due to the large distances women travel CDs and tapes to listen to in vehicles would be an effective means of reaching some women.

Existing occasions when women are visiting regional centres or local towns and community events, such as the annual agricultural show or a town festival, provide opportunities to engage with women and provide financial information.

Ensuring that financial information uses language and images targeted to women in rural and remote areas is important to ensure relevance of the message to those consumers. Using generic messages designed for urban women may not be seen as pertinent to women outside cities. Rural women have reported that the use of local role models or case studies can build a sense of relevance to information presented.

Partnerships with existing points of expertise in unrelated fields, for example the local stock and station agent, can also be useful.

### 4.4.2 In short

In summary, avenues for effective communication with women living in rural and remote communities are:

- local media, such as radio and print;
- community events, which provide ideal opportunities for raising awareness; and
- tools such as CDs for listening in the car.

23 Barr, N. 2004, *Australian Census Analytic Program: The Micro-Dynamics of Change in Australian Agriculture: 1976-2001*, [Cat. No. 2055.0], Canberra.

24 ABS 2001, *Census of Population and Housing*, unpublished data; National Health Survey, 2001, unpublished data.

25 RPR Consulting 2007, *Financial Literacy among marginalised women: Literature review*, The Australian Government Office for Women, Canberra.

## 4.5 Indigenous women

Disadvantage experienced by Indigenous Australians includes poor literacy and numeracy and generally lower levels of education; on average, lower incomes and high unemployment; high rates of disability and poor health; remote location and lack of services.<sup>26</sup> Indigenous women face particular barriers to gaining financial security. Indigenous life expectancy at birth is about 18 years less than the total population, at 64.8 years for Indigenous women compared to 83 years for all Australian women.<sup>27</sup>

Indigenous women tend to have children earlier than non-Indigenous women. The most fertile age group for Indigenous women in both 1998 and 2003 was the 20–24 year old age group. In comparison, the most fertile age group for all women in 1998 was 25–29 years and in 2003 was 30–34 years.<sup>28</sup>

Indigenous women are particularly disadvantaged in the labour market, experiencing the lowest labour force participation rate, at 43 per cent in comparison with Indigenous men (64 per cent) and non Indigenous women (55 per cent) and men (73 per cent).<sup>29</sup> The 2001 census reported that Indigenous people had a mean gross equivalent household income of \$364 per week, compared to \$585 for non-Indigenous Australians.<sup>30</sup>

Further, in Indigenous communities cultural perceptions regarding money may be different from mainstream communities. For example, there can be an expectation placed on people to share and/or pool their resources for the extended family or community benefit. This may be a barrier for individuals to gain financial security and to plan for their futures.

Research conducted for the Australian Government Office for Women found that the barriers for Indigenous women to becoming financially literate include:

- lack of role models for Indigenous women when they are growing up;
- lack of Indigenous financial counsellors for people to talk to; and
- lack of information that takes into account language and cultural issues for Indigenous communities.<sup>31</sup>

### 4.5.1 Communication strategies

The above research identified some successful program approaches Indigenous communities. These include:

- providing face-to-face services;
- tailoring services to suit the cultural needs of Indigenous clients (e.g. clan accounts);
- using materials such as DVDs, videos, oral presentations;

- training and employing Indigenous people who speak the local language;
- having supportive partnerships with large financial institutions; and
- information provided in a 'whole of lifestyle' format.

The Cape York Family Income Management (FIM) project was designed by Indigenous people to build financial competency, improve family functioning and living standards and contribute to economic development in a culturally sensitive and practical way.

FIM offices arrange direct deductions from Community Development Employment Program (CDEP) wages or Centrelink to ensure that essential living expenses are covered. Local arrangements are negotiated with stores, schools and pharmacies so that participant expenses can be paid via FIM transfers, reducing the need to carry cash.

A 2005 evaluation of FIM found that participants achieved impressive outcomes against core and non-core areas of the program, including improved overall financial management, longer-term planning of finances and improved overall health and wellbeing.

MoneyBusiness aims to provide Indigenous individuals and families with the money management information and support they need to build self-reliance and improve individual, family and community wellbeing.

The MoneyBusiness program is implemented in partnership with the ANZ and is currently delivered in six sites: Galiwinku, Nguuu, Tennant Creek and Katherine in NT, and Kununurra and Geraldton in WA.

Sound money management is a basic building block for families and communities. The program involves employment and training of a team of local Indigenous people to build money management skills within their communities.

### 4.5.2 In short

Information targeted at Indigenous women should:

- take into account cultural issues;
- be provided in appropriate languages; and
- be provided in appropriate settings.

26 RPR Consulting, 2007, *Financial literacy among marginalised women: Literature review*, The Australian Government Office for Women, Department of FACSIA.

27 ABS 2003, *Deaths 2004*, [Cat. No. 3302.0], Canberra.

28 ABS 2005, *Australian Social Trends*, 2005, [Cat. No. 4102.0], Canberra.

29 ABS 2000, *Indigenous Women in Australia*.

30 ABS 2004, *Year Book Australia, 2004*, [Cat. No. 1301.0], Canberra.

31 RPR Consulting, 2007, *Financial literacy among marginalised women: Interim Report*, The Australian Government Office for Women, Department of FACSIA.

## 4.6 Culturally and linguistically diverse (CALD) women

As at 30 June 2005, almost one quarter of the Australian population was born overseas.<sup>32</sup>

CALD women's labour force participation rate in June 2006 was lower than that of the total Australian female population (46 per cent compared to 59 per cent).<sup>33</sup>

Refugee and migrant women face a range of barriers to achieving financial literacy. The Financial Literacy Among Marginalised women's research identified that cultural attitudes to money can be a significant barrier to being able to access and deal with Australian financial institutions and government income support agencies.

For CALD women, particularly refugees and recently arrived immigrants on low incomes, maintaining economic security can be very difficult. In addition, these women may experience difficulties in securing employment because of a lack of Australian work experience or difficulties with recognition of overseas qualifications. Barriers such as language, culture, religion and education may further compound this.

### 4.6.1 Communication strategies

Research undertaken on behalf of the Australian Government Office for Women found that a significant barrier to accessing financial information for CALD women is the lack of resources in community languages, as well as difficulties in accessing interpreter services.<sup>34</sup>

Cultural nuances need to be considered and examined for opportunities, not just barriers. For example, in instances where a particular community does not support women taking the lead in financial matters, messages may need to be targeted at men. The messages would include information about the importance of women in the community having superannuation and how it is of benefit to men.

In some communities, financial matters are regarded as a private matter and not one that should be publicly discussed, so communication strategies that respect privacy and allow for the information to be received and considered in a private forum would be more useful than, for example, public information sessions.

It is recommended that financial literacy education be included in language classes run by community centres and other organisations. In conducting this education it is important to include tasks that are often regarded as basic skills, such as using an ATM.

Financial literacy education could also be provided by intermediary services such as settlement services for newly arrived women and other agencies supporting newly arrived communities into employment.

Children of CALD women provide an important avenue to communicate with CALD women. Financial education of CALD children has a direct flow-on effect, as the children, often inadvertently, educate their parents about financial matters.

It is important that education is tailored to meet the needs of different cultural and linguistic groups of women. This ensures that cultural beliefs are taken into consideration.

The structure of a financial education resource may also vary from group to group. For example, if men have major carriage of finances it might be useful to run family workshops. This includes all family members and men may be more receptive to the workshop.

Written materials should be provided in a range of languages. It is also important that telephone information services provide access to interpreters.

### 4.6.2 In short

To effectively reach CALD women, communication strategies should:

- target information for specific communities;
- ensure information is developed in a range of different languages;
- use interpreters;
- use intermediary services such as settlement services for newly arrived women;
- target men when the community/cultural norms indicate this is necessary;
- respect privacy;
- include financial education in language classes; and
- determine the best form of information for each group, as written communication may not be the most effective.

32 ABS 2005, *Migration, Australia*, (Cat. No. 3412.0), Canberra.

33 ABS Catalogue No: 6291.0.55.001, Labour Force, Australia, Electronic Delivery.

34 Department of Family, Community Services and Indigenous Affairs, Office For Women, *Financial Literacy Among Marginalised Women*, 2007.

## 4.7 Women with disabilities

In 2003, one in five people in Australia had a reported disability. This rate was much the same for men (19.8 per cent) and women (20.1 per cent). Disability was defined as any limitation, restriction or impairment that has lasted, or is likely to last, for at least six months and restricts everyday activities.<sup>35</sup>

In 2003, the labour force participation rate for women with disabilities was 46.9 per cent, compared to 59.3 per cent for men with disabilities.<sup>36</sup> Women with disabilities are over represented in part-time, casual and lower paying jobs and are among those relying solely on government payments, which may result in them living in poverty.<sup>37</sup> The unemployment rate for women with disabilities is about 8.6 per cent and has improved little over the past 5 years, whereas that for men with disabilities has improved radically from 13.5 per cent to 8.8 per cent.<sup>38</sup>

Women with disabilities may be affected by sex and disability discrimination, which detrimentally affects their levels of employment and levels of remuneration across all sectors of the workforce and across all levels of education.<sup>39</sup>

Women with cognitive disabilities, such as developmental disabilities, face additional challenges and are particularly vulnerable to exploitation if they have poor financial literacy.

### 4.7.1 Communication strategies

Many women from this group feel socially isolated due to a lack of access to information and support services. Women with disabilities can face barriers when accessing information and services, including additional costs for transport.

Women with disabilities who are Centrelink customers could access financial literacy resources through this channel. Care, however, must be taken in separating messages about superannuation and financial literacy from Centrelink compliance requirements.

Ensuring accessibility of information is essential. For women with sensory difficulties, written resources should be provided in Braille, large print and on cassette/CD, and hearing services should be provided for information lines. Consultation with local disability groups may be useful in the development of resources and distribution strategies.

When organising workshops or other face-to-face information sessions, it is advisable to request information about any additional requirements participants may have prior to the event. Accessibility to the venue needs to be considered, including parking and toilets, and any other needs the participants have identified.

Internet based resources should comply with Australian Government standards to ensure that they are accessible and user-friendly. Vision Australia provides a summary of Australian web accessibility policies and guidelines.

See <http://visionaustralia.org.au/info.aspx?page=639>.

It is important to note that often friends, families, carers or Public Trustees make decisions about the current and future financial needs of women with a disability, in particular cognitive disabilities.

As such it is important to raise awareness of the need for financial planners and counsellors to be sensitive to these women's disabilities and needs.

### 4.7.2 In short

Information for women with disabilities should:

- be accessible for the variety of disabilities, such as sensory impairments as well as physical disabilities;
- take into account specific requirements and ensure that policies and standards are adhered to; and
- when conducting information sessions and seminars ensure that the venue has appropriate facilities to support people with a disability.

35 ABS 2003, *Disability, Ageing and Carers, Australia*, [Cat. No. 4430.0], Canberra.

36 ABS 2004, *Disability, Ageing and Carers: Summary of Findings Australia*, [Cat.No: 4430.0 2003.], Canberra.

37 ACFOA 2003, *Disability and the Millennium Development Goals*, Issues Paper.

38 ABS 2003, *Disability, Ageing and Carers: Summary of Findings*, 2003, [ Cat No. 4430.0 2003.], Canberra.

39 Women with Disabilities Australia, 2005, *Submission to the Australian Senate Inquiry into the Employment and Workplace Relations Legislation Amendment (Welfare to Work and other Measures) Bill 2005 and the Family and Community Services Legislation Amendment (Welfare to Work) Bill 2005*, Canberra.

## 4.8 Women with interrupted work patterns

The reasons for which women take time out of the paid workforce are numerous and varied, and can be either a voluntary choice or due to circumstances beyond their control. Whether time out of the paid workforce has been planned (e.g. for the birth of a child), or is unexpected (e.g. suddenly having caring responsibilities for a family member), it results in the diminishment of women's retirement incomes and superannuation funds. As the Association of Superannuation Funds of Australia explains:

*"Women currently spend on average the equivalent of 18 years full-time in the paid labour force compared to 38 years for men. Younger women are more likely to work for more years on average than the previous generation. However, many women are likely to have breaks from employment to care for children or elderly relatives."*<sup>40</sup>

In addition to time out of the workforce, many women also combine periods of full-time work and part-time work across their working lives, particularly due to caring responsibilities. This can lead to lower levels of superannuation and retirement savings compared to men who are more likely to work full-time throughout their working lives.

As at March 2006, women made up 70.9 per cent of all part-time employees.<sup>41</sup> The main reasons given for women remaining in casual work were education (39 per cent), care of children (21.5 per cent), a preference for part-time work (14.9 per cent) and an inability to find full-time work (12.4 per cent).<sup>42</sup>

### 4.8.1 Communication strategies

The above information highlights the need to effectively target women that are taking a break from the workforce or reducing their hours of paid work to ensure that they understand the long term implications of reducing or not contributing to retirement savings during these periods. It is also important to educate women about the options available to them to continue their superannuation contributions.

These financial messages should be conveyed in a variety of venues such as during parenting sessions, in doctors' rooms, at supermarkets and at places where women frequent.

In the absence of adequate respite care services and/or child care, it may be difficult for women to attend seminars or events. Careful consideration of the time events are scheduled should be included in planning community education activities, as should access to public transport. Information could also be provided via the internet, targeted mailouts or other media.

Superannuation funds could play a more active role in promoting superannuation matters to women, including options to maximise superannuation savings during periods out of the workforce and identifying customers whose circumstances appear to change. Follow up and targeted advice could be provided when a customer's contributions cease or are dramatically reduced.

In 2006, the Queensland Office for Women partnered with QSuper, a large superannuation fund, to develop and deliver a series of five 'Women and Superannuation' workshops throughout Queensland. The seminars were complimented by a section on the QSuper website. See <http://www.qsuper.qld.gov.au/women>.

This group of women pose particular challenges for information dissemination due to the diversity and variability of their working lives, caring responsibilities and recreational activities. Identifying opportunities to engage with these women in a way that encourages them to think about the importance of superannuation and financial literacy can also be challenging. Further segmentation of this group and specific targeting through communications channels would be useful.

### 4.8.2 In short

Strategies for communicating with women with interrupted work patterns can be:

- targeted to raise awareness of the importance of saving for retirement;
- provided via the internet or targeted mailouts;
- provided by superannuation funds, with targeted strategies that also identify this target group; and
- provided in forums and venues frequented by this target group, such as parenting groups, health centres, doctors' rooms, shopping centres and playgrounds.

40 The Association of Superannuation Funds of Australia Ltd. 2003, *Fact sheet 8: Do Women get as much Superannuation as Men?*, From the fact sheet series 'Fact Sheets for Women and Men on superannuation and Retirement Income, ASFA.

41 Labour Force Status (Aged 15 years and over): Seasonally Adjusted, ABS, *Labour Force*. 6202.0, March 2006.

42 Productivity Commission Research Paper, May 2006, *The Role of Non-Traditional Work in the Australian Labour Market*, Canberra.

## 4.9 Women undergoing significant change

Women going through significant life changes such as the death of a partner or divorce are particularly vulnerable when dealing with their future economic security. During these often emotional times it is important for women to receive accurate, unbiased advice to inform their future financial wellbeing.

This section jointly considers divorce and the death of a partner, as the WAM Working Group considered that the way in which information is delivered during these often traumatic life events is very similar, as they both involve women taking sole responsibility for their financial affairs.

### 4.9.1 Divorce

In 2001, 55,300 divorces were granted in Australia, the highest number granted in 20 years. Projections suggest that the likelihood of marriage ending in divorce is increasing, with estimations that, for those born today, 32 per cent of their marriages will end in divorce.<sup>43</sup> Rates of relationship dissolution are even higher for second marriages and de facto relationships.<sup>44</sup>

A 2005 AMP National Centre for Social and Economic Modelling (NATSEM) report found that women who separate from a relationship will experience a drop in household income by 42 per cent (down \$21, 400 pa), whereas men experience a drop of 8.2 per cent (down \$4,100).<sup>45</sup> Women's greater economic vulnerability post-separation can be attributed to a combination of social and economic factors including:

- that a woman may have assumed greater responsibility for staying home and caring for children, therefore undergoing an immediate loss of the larger salary at separation, plus a diminished earning capacity and lower superannuation balance due to an interrupted career pattern; and
- women are more likely to stay in the family home and care for the children post-separation, therefore have the responsibility of maintaining a mortgage and household expenses on a reduced family income.

Women are also vulnerable to what has been labelled as "sexually transmitted debt". This occurs when women take on a former partner's debt, or find themselves responsible for the debt of a former partner because they have guaranteed a loan or agreed to be a Director in the partner's company. It is during separation or death that the impact of sexually transmitted debts become apparent and women need to be educated about the effects that these have on their future economic security.

Separating assets and determining future financial arrangements are key points of negotiation during separation and divorce. Improved financial education is required to increase women's recognition of the importance of their long term financial future. The desire to finalise arrangements and reduce contact with a former partner can result in women overlooking superannuation (which is considered as part of property settlement proceedings) and it can be difficult to encourage women to consider such a technical subject in what is often a stressful time.

Divorce can be a chaotic time for women. Appreciating this is important to a successful communications strategy. Using checklists, for example, may be useful.

A change management approach should be taken where superannuation is seen as only one component to the overall transformation women undergo during divorce.

### 4.9.2 Widows

Women on average live longer than men. The average life expectancy for women is currently 83 years. If a woman lives to 65 she can expect to live another 20 years on average. Of those currently over 85 more than 70 per cent are female.<sup>46</sup> It should be recognised that a significant number of women may live the final years of their lives widowed and alone. Widows are at particular risk of social isolation. Working in partnership with seniors agencies is an important way to access this group of women.

In 2000, almost 25 per cent of all women without partners were widows, compared to 6 per cent of all men. In the age group 65 years and over, widowhood was the most common marital status, particularly among women (79 per cent of women and 48 per cent of men). Only around 6 per cent of all women widowed were under 45 years old, suggesting that the issues of being a widow are mostly connected with the later stages of a woman's life.<sup>47</sup>

Taking responsibility particularly late in life for a range of financial and other functions that may have been their husband's domain may contribute to a confusing and difficult time for women suffering the loss of their partner. New skills need to be learned regarding financial management.

Particular challenges that may be significant to widows include:

- living longer than men and therefore having longer periods of retirement;
- having participated in the workforce for shorter periods of time and therefore having less in superannuation savings;
- being dependent on a pension; and
- having to take responsibility late in life for a range of financial and other functions that used to be their husbands' responsibility.<sup>48</sup>

43 ABS 2002, *Marriages and Divorces, Australia, 2002*, (Cat. No. 3310.0) Canberra.

44 D. DeVaus, 1997 "Divorce" in D. DeVaus and I. Wolcott (eds) *Australian Family Profiles: Social and Demographic Patterns*, Australian Institute of Family Studies, 30-1

45 Kelly, Simon and Harding, Ann, 2005, *Love can hurt, Divorce can cost*, AMP NATSEM Income and Wealth Report Issue 10

46 ABS 2004, *Population by Age and Sex*, (Cat. No. 3201.0), Canberra.

47 ABS 2000, *Australian Social Trends*, (Cat. No. 4102.0), Canberra.

48 Slack-Smith, D. and Lavery, M., 2005, *Diversity and the Baby Boomers: Findings of the Compass Consultation on Australia's Ageing Population*, Novartis Australia.

In addition, research has shown that some women have turned to their adult children for advice and assistance only to find that this compounded their financial problems.<sup>49</sup> In some instances their children provided unsound advice and in others there was financial abuse resulting in the sale of assets and investment of money by a relative.

### 4.9.3 Communication strategies

Financial advice during separation or divorce needs to include dealing with splitting assets, relationship debt, benefit entitlements, and the adjustments needed to live on one income.<sup>50</sup> Information about financial planning for the long-term should be made available.

During separation, divorce or the loss of a partner, women are required to make a number of important decisions very quickly. Information should be provided in a supportive environment by a trusted source.

Written information that women can browse through and refer back to as they start to think about their future can be an effective approach. This written information should be prepared in plain English and in summary format. This will allow messages about the importance of superannuation and retirement savings to be readily absorbed, as they will be simple and easy to understand.

In addition, financial advice provided by financial counsellors and financial advisers should be tailored towards the specific needs of each individual. For example, it is unlikely that a retired woman who is recently widowed would want information about the superannuation co-contributions scheme.

The preliminary findings of the *Financial Literacy Among Marginalised Women* study recommended that to assist women to get the information they need, a checklist of questions for her to ask her advisor would be a useful tool. More importantly, the checklist could be used as a technique to develop capacity to identify the issues that are important to women individually.

Older women's families can also be encouraged to highlight the importance of superannuation savings. However, some research suggests that families could also 'take advantage' of women during times of crisis or provide unsound advice.

### 4.9.4 In short

While communication strategies for widows and divorced women may be similar, these two groups of women have different information requirements that must be considered separately.

In summary, women undergoing significant change require:

- information to be provided in a supportive and understanding environment;
- information to be provided in a timely way, for example, at a point of contacting a new institution such as with a court in family law matters or by a superannuation fund during superannuation splitting;
- information to be provided by a trusted source;
- information to be provided in a simple written format that can be referred back to; and
- a checklist format would also be useful.

49 Department of Family, Community Services and Indigenous Affairs, Office for Women, *Financial literacy among marginalised women*, June 2007 (unpublished).

50 Department of Family, Community Services and Indigenous Affairs, Office for Women, *Financial literacy among marginalised women*, June 2007 (unpublished).

## 4.10 Sole mothers

Among Australian families that have a child under 15 years of age, 20 per cent are headed by a sole mother.<sup>51</sup> According to a NATSEM study in 2001, the proportion of single parent families in income poverty, of which 90 per cent are headed by women, was 18 per cent compared with 6 per cent of couples with children.<sup>52</sup> However, the number of single parents finding work is growing. Changes to the welfare system in Australia will now require more sole parents to seek paid employment. In June 2005, 51.3 per cent of single mothers with dependent children were employed compared to 48 per cent in 2002.<sup>53</sup>

Often sole mothers face the challenge of becoming financially independent. It is important to educate this group of women about the significance of financial planning and incorporating savings for retirement into their overall planning.

The financial literacy and marginalised women's research has shown that particular challenges that sole parents face include:

- managing finances from one financial emergency to the next, which means there is little scope for long term financial planning; and
- social isolation and depression that women reported as a consequence of poverty affected some women's capacity to pursue educational opportunities to improve their financial literacy.

Ensuring that women consider their long term financial position when they separate is also important. Research indicates that women may use their retirement savings for day-to-day expenses following divorce or separation and will tend to use any extra funds they have on their family's immediate expenses rather than adding to their retirement savings.

### 4.10.1 Communication strategies

A key challenge in targeting sole mothers is raising their awareness of the relevance and importance of retirement savings so it becomes a priority for them, particularly as they are not as likely as other groups to have surplus funds.

Sole parents are often time-poor and reaching them through traditional means can be difficult. Providing information through avenues such as their children's interests, child care, school, Centrelink or supermarkets may be useful.

Inviting guest speakers to parent group meetings, playgroups and perinatal classes is another effective approach for communicating with sole parents. As with older women, using examples, case studies and role models are also a useful way to highlight how retirement savings will equate to actual retirement dollars.

Workshops and seminars are another means of reaching sole mothers. However, to make the sessions successful organisers must ensure that they are held at local facilities, during convenient times and that free child care is provided. For example, sessions held at night should not go for too long and should not conflict with normal meal times.

Opportunities to engage sole mothers during any divorce or separation processes should also be promoted, as it is likely that financial issues will be at the forefront of their minds during this time. However, this can also be a highly emotional and stressful time for some women and they may not be receptive to messages about the importance of superannuation.

MoneyMinded, an adult education program developed by the ANZ bank, could be seen as an effective program that targets low income earners. The program is delivered by community educators and financial counsellors and covers six core topics. It is flexible and enables counsellors and participants to select workshops that are relevant to the participants' needs. Core topics include planning and saving; easy payments; understanding paperwork; living with debt; everyday banking and financial products; and rights and responsibilities.

One of the successes of the program has been the modular format that makes it adaptable to suit the individual needs of a range of clients.

### 4.10.2 In short

Considerations when communicating with sole mothers include:

- time of information session, i.e. does not conflict with meal times;
- provision of free child care;
- flexible learning format;
- location of information sessions; and
- access to public transport.

51 ABS 2003 *Australian Social Trends*, [Cat. No. 4102.0], Canberra.

52 NATSEM 2001, *Overview of the social and economic impacts and emerging trends*, Canberra.

53 ABS, *Year Book, Australia 2006*, [Cat. No. 1301.0, Table 6.8], Canberra.



# Choosing places to target

# 5

## 5 Choosing places to target

When marketing the benefits of superannuation to women, location and distribution of information is critical. As well as working with women's organisations in each State and Territory, information could also be distributed, more generally, at key access points for women.

These could include:

- Shopping centres
- Supermarkets
- Centrelink
- Libraries
- Child care centres
- Doctors' surgeries
- Community health centres
- Refugee centres
- Specialist magazines, e.g. Council on the Ageing (COTA) magazine
- Women's magazines
- Hairdressers and beauty therapists
- Cosmetic companies
- Schools, i.e. through children
- Workplaces
- Conferences
- Rural community shows
- National Day celebrations for various nationality groups
- Multicultural festivals
- Neighbourhood houses
- Social clubs
- Sporting clubs
- Breastscreen Australia centres
- Mobile health vans
- Online access centres
- Internet cafes
- Charitable organisations
- Financial counsellors
- Accountants
- Lawyers specialising in separation and divorce
- Churches
- Unions
- Breastfeeding associations

## 6 Where can I find more information?

- The Financial Literacy Foundation ([www.understandingmoney.gov.au](http://www.understandingmoney.gov.au)) has been established by the Australian Government to give all Australians the opportunity to better manage their money. The website lists useful links to other relevant government agencies.
- FIDO ([www.fido.gov.au](http://www.fido.gov.au)) is the consumer website for the Australian Securities and Investments Commission. ASIC is the consumer protection regulator for financial services ([www.asic.gov.au](http://www.asic.gov.au)). The FIDO website provides useful contacts to other general investment advice and financial planning agencies.
- Centrelink ([www.centrelink.gov.au](http://www.centrelink.gov.au)) has information about various government payments and services. The Financial Information Service produces a range of factsheets with detailed information about financial issues and savings planners.
- The Australian Taxation Office ([www.ato.gov.au](http://www.ato.gov.au)) website has information on taxation and superannuation matters.

## Acknowledgements

This document has been prepared by the Commonwealth, States, Territories and New Zealand Ministers' Conference on the Status of Women (MINCO).

The Office for Women in your state or territory is an important contact if you would like to find out further information about women's issues.

Australian Government Office for Women

[www.ofw.facsia.gov.au](http://www.ofw.facsia.gov.au)

Victoria Office for Women's Policy

[www.women.vic.gov.au](http://www.women.vic.gov.au)

South Australia Office for Women

[www.officeforwomen.sa.gov.au](http://www.officeforwomen.sa.gov.au)

New South Wales Office for Women

[www.women.nsw.gov.au](http://www.women.nsw.gov.au)

Queensland Office for Women

[www.women.qld.gov.au](http://www.women.qld.gov.au)

Tasmania Women Tasmania

[www.women.tas.gov.au](http://www.women.tas.gov.au)

Western Australia Office for Women's Policy

[www.womenwa.communitydevelopment.wa.gov.au](http://www.womenwa.communitydevelopment.wa.gov.au)

Northern Territory Office of Women's Policy

[www.women.nt.gov.au](http://www.women.nt.gov.au)

Australian Capital Territory ACT Office for Women

[www.women.act.gov.au](http://www.women.act.gov.au)



