The Future of Retirement: Bridging the Gap

Women in retirement
Almost half (46%) of working age women around the world either don’t know how much they are saving for their retirement or have not started saving at all. Women across the world are less financially prepared for retirement than men, and there are numerous reasons why, but it’s not too late. There is plenty women can do to ensure that they too can enjoy a better retirement.

The Future of Retirement is a world-leading independent research study into global retirement trends. It provides authoritative insights into key issues associated with ageing populations and increasing life expectancy around the world.

This factsheet represents the views of 17,405 people in 16 countries and territories and provides a snapshot of some of key research findings about how men and women prepare for later life. There are also some practical tips to help people plan for the retirement they want.

Key findings

1. **51%** of working age women worry they will struggle to pay for food and other basic necessities during retirement (compared to 47% of working age men)

2. **46%** of working age women either don’t know how much they are saving for their retirement, or haven’t started saving at all (compared to 37% of working age men)

3. **60%** of working age women worry they will not have enough money to cover their medical or care expenses in retirement (compared to 55% of working age men)

4. **42%** of women rate themselves as well-informed on financial matters (compared to 54 per cent of men)
Being prepared

Retirement basics
Working age women worry more about meeting future retirement needs than their male counterparts. Three in five (60 per cent) worry they will not have enough money to cover medical or care expenses (compared to 55 per cent of men), and around half (51 per cent) fear they will struggle to pay for basic necessities during retirement (compared to 47 per cent of men).

For women of working age, concerns about their financial future are heavily linked to long-term health fears. Over half (56 per cent) worry they will not have enough income to pay for basic living needs if they or their partner had to retire early due to ill health (compared to 52 per cent of men).

If the worst happened and their partner passed away, 47 per cent of working age women worry they would find it hard to cope financially (compared to just 41 per cent of men). This fear is borne out in reality; women already in retirement are indeed more likely than men to expect to rely on their spouse’s income or pension (57 per cent vs. 52 per cent) and financial support from their children (54 per cent vs. 45 per cent).

Women worry about meeting financial burdens when in retirement

- **I will not have enough money to cover my medical or care expenses**
  - **Men:** 55%
  - **Women:** 60%

- **I will struggle to pay for basic necessities (e.g., food, heating, water etc.) at some stage in retirement**
  - **Men:** 47%
  - **Women:** 51%

- **If I or my partner had to retire early due to ill health, we would not have enough income to pay basic living needs in retirement**
  - **Men:** 52%
  - **Women:** 56%

- **I would find it hard to cope financially if my partner passed away**
  - **Men:** 41%
  - **Women:** 47%

Q. To what extent, if at all, are you worried about the following in retirement? Base: All working age people
Time out
Women are still far more likely to take a career break to look after children, than men. Two in five (39 per cent) working age mothers have taken parental leave (compared to 18 per cent of working age dads), and just under a third (31 per cent) have reduced working hours (compared to 26 per cent of their male counterparts).

In fact, just under one in four (22 per cent) working age mothers has stopped work completely to look after their family (compared to 7 per cent of men).

This significant amount of time out from earning, has led to almost a quarter (23 per cent) of working age women not having contributed as much financially towards retirement as their partners.

Globally, women are contributing less to their retirement than their partners

I have contributed a lot/a little less than my partner

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Q. How does the amount that you contributed for retirement compare to that of your partner? Base: All working age people (with a spouse/partner)
Taking control

Knowledge is power
Women are less likely to back their own financial know-how than men. 42 per cent of women rate themselves as well-informed on financial matters (compared to 54 per cent of men). Just over a quarter (27 per cent) of women in relationships pitch their level of financial knowledge as higher than their partners. In contrast, around half (49 per cent) of men think their financial acumen is superior.

Women are less likely to consider themselves financial knowledgeable

My level of knowledge on financial matters is better than my partner

Men: 49%  
Women: 27%

Q. How would you rate your level of knowledge on financial matters compared to your partner? Base: All males and females who have a partner.

For many reasons, women are also less likely to take responsibility for household financial decisions. The only area where women assume sole financial control is groceries and day-to-day purchases; over half (58 per cent) of women living with their partner are solely responsible for this (compared to 32 per cent of men living with their partner).

Around the world, household financial responsibility typically falls to men

- Purchasing groceries/day-to-day purchases: Men 32%  
  Women 58%
- Deciding where my/our money is saved: Men 51%  
  Women 42%
- Deciding where my/our money is invested: Men 50%  
  Women 34%
- Managing and paying household bills: Men 53%  
  Women 43%
- Managing credit cards and/or other debts: Men 56%  
  Women 43%
- Making large, one off payments on purchases (e.g. holidays, cars): Men 47%  
  Women 27%

Q. How would you describe your role, regarding the following financial responsibilities in your household? Base: All men and women (with a spouse/partner).
Looking ahead
Knowing how far your money will go can take the stress out of retirement planning.
A quarter (26 per cent) of working age women do not know what proportion of their pre-retirement income they would need for a financially comfortable retirement (vs. 18 per cent of working age men).

Women are also more likely to feel anxious about money matters (55 per cent of women compared to 49 per cent of men).

Women are more likely than men to worry about their finances

- I get anxious about financial/money matters: 49% (Men) vs. 55% (Women)
- After making a financial decision, I am anxious whether I was right or wrong: 49% (Men) vs. 52% (Women)
- I feel confident about my financial future: 54% (Men) vs. 45% (Women)

Q. To what extent, if at all, are you worried about the following in retirement? Base: All working age people

One in four don’t know how much money they will need to be comfortable in retirement.
Positive mindset

Life after retirement
Although working age women have concerns about managing finances during retirement, they are generally more positive about other aspects of life after work than men.

More than three quarters (78 per cent) of working age women look forward to pursuing old or new hobbies and interests in retirement (compared to 73 per cent of men). A further 65 per cent anticipate retirement as a time to rediscover themselves (compared to 62 per cent of men).

Women also have a more positive take on their relationship with younger people. Fewer working age women think that visiting them will become a chore or obligation for their children as they age (34 per cent of women compared to 41 per cent of men), and only a third (32 per cent) think that young people will look down on them when they are older (compared to 37 per cent of men).

Women are also more likely to be confident about life after the death of their partner. Only a third (36 per cent) of retired women say their life wouldn’t be worth living without their partner (compared to 55 per cent of men).

Women are less likely to worry about life without a partner

![Chart showing the percentage of men and women who wouldn't be worth living without a partner](chart)

- **Men**: 55%
- **Women**: 36%

To what extent do you agree or disagree with the following statements? 
A/ Strongly agree/ tend to agree
Base: All married men and women

In fact, more women feel that they’ll continue to be in control once they retire. Only 35 per cent of working age women think they will have less choices over their life as they get older, compared to 42 per cent of working age men.

Men are more likely to worry that their choices will be taken away in retirement

![Chart showing the percentage of men and women who worry about their choices being taken away](chart)

- **Visiting me will become a chore/obligation for my children as I age**: 41% (Men) 34% (Women)
- **I will have less money for myself in retirement because I had children**: 38% (Men) 31% (Women)
- **I think young people will look down on me when I’m older**: 37% (Men) 32% (Women)
- **The choice I have over my life will be taken away as I get older**: 42% (Men) 35% (Women)

Q. To what extent do you agree or disagree with the following statements? Base: All male and female pre-retirees
Practical steps

Here are some practical steps drawn from the research findings, to consider when planning for the retirement you want:

1. Reframe how you think about retirement
   It’s easy to put off planning your retirement so reframing how you view it is important. Think of it as a chance to pursue your passions and have new adventures. Make sure you make the most of it by planning ahead.

2. Visualise the retirement you want
   Think about the kind of retirement you want. Do you want to go travelling, move home, take up a new hobby or even start a new business? Having a broad idea of how you’d like your life in retirement to look, will allow you to plan for it more effectively.

3. Ask the experts
   Nobody expects you to be an expert in saving and investments so use free online advice or seek professional financial advice to help you plan and cost out your retirement plans. This will help you decide on the right approach. Don’t be afraid to ask questions – get clarity before making decisions.

4. From managing to planning
   Managing your finances is not enough – you need to plan where you can save money and how much. Use the online tools such as savings calculators and budgeting apps to help identify the changes you can make today that will cut costs and then direct the savings to your future.

5. Don’t be afraid to go it alone
   Women already in retirement are more likely than men to rely on their spouse’s income or pension. Get financial independence by starting a separate savings pot or opening investments of your own.

The research
The Future of Retirement is a world-leading independent research study into global retirement trends, commissioned by HSBC. It provides authoritative insights into the key issues associated with ageing populations and increasing life expectancy around the world.

This is the fifteenth in the series and represents the views of 17,405 people in 16 countries and territories. Since The Future of Retirement programme began in 2005, more than 194,000 people have been surveyed worldwide.

The survey
The findings are based on a representative sample of people of working age (21+) and in retirement, in each country or territory. The research was conducted online by Ipsos MORI in November and December 2017, with additional face-to-face interviews in the UAE.

The 16 countries and territories are Argentina, Australia, Canada, China, France, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, Turkey, United Arab Emirates United Kingdom and United States.

Country Factsheets are also available. Retirees are people who are semi or fully retired. Working age people are those who have yet to fully or semi-retire. Global figures are the average of all countries and territories surveyed unless stated otherwise. All figures are global unless stated otherwise. Figures have been rounded to the nearest whole number.
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