



TD Wealth for Women

The time to take
control of your
finances is now

TD Wealth

Ready
for you



What's inside

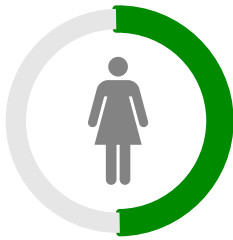
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Introduction:
The future
is female

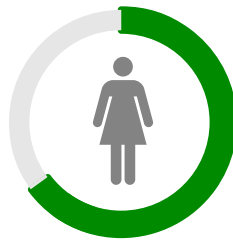


Over the past several decades, Canadian women have made significant progress in the ongoing struggle to achieve financial independence and pay parity. Today, Canadian women make up 48% of the workforce, are responsible for two thirds of consumer spending and control almost \$2 trillion in financial assets, a number expected to skyrocket in the coming years.¹ Despite significant advances in the workforce, however, many women still struggle to balance the competing demands of family, careers, and finances.



48%

WOMEN represent 48% of the **workforce**.¹



2/3^{rds}

WOMEN are responsible for 2/3^{rds} of **consumer spending**.¹



\$2 trillion

WOMEN control \$2 trillion in **financial assets**.¹

In addition to holding down demanding jobs, women are generally more likely to devote more time to caring for children, aging parents, and household needs than men. This can leave little time or energy for ensuring that their current and future financial affairs are being managed properly.

Looking ahead, 80% of women will become the sole decision makers over their finances later in life.² No matter what life stage you're in, as a woman, you need to take control of your finances to help ensure that you will remain financially secure for the remainder of your life. Whether you're married, divorced, widowed, or single — the power to protect your financial future is in your hands.

Read on to learn what steps you can take **now** to **protect and grow** everything you have worked so hard to build and to **increase your confidence** as you enter the next exciting chapter of your life.



Looking ahead,
80% of women will
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Are you prepared to manage your wealth?

Here are three key areas you should focus on in order to help you manage wealth wisely:

1

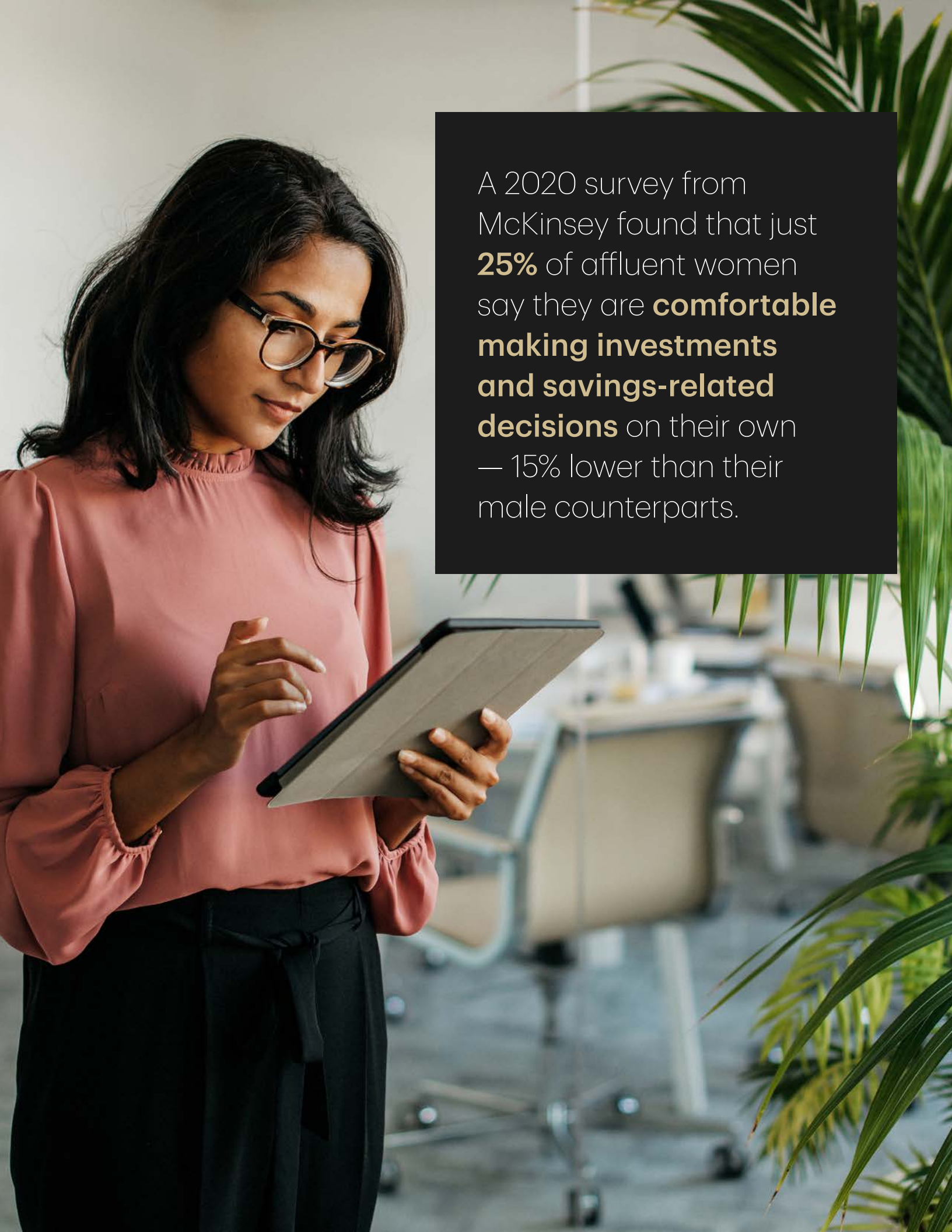
Financial Self-Awareness: Managing your finances and investments is about more than numbers. It also requires that you have insight into your money personality and what drives your short-term and long-term financial habits and behaviors. Thankfully, today there are tools available that can increase your financial self-awareness and help you make more mindful decisions. Try the [Wealth Personality™ introductory assessment!](#)

2

Financial Knowledge: You don't need to become an expert in all things financial, but you do need to know enough in order to make informed spending, saving, investing, and estate planning decisions. If you decide that you would rather delegate the more complicated tasks to a professional, then you'll need to know how to hire a financial advisor that's right for you and your unique personality. No matter which approach is best for you, your financial future is too important to simply delegate to your spouse or partner or to simply ignore.

3

Financial Confidence: Many women say they lack confidence when it comes to managing money. A 2020 survey from McKinsey found that just 25% of affluent women say they are comfortable making investments and savings-related decisions on their own — 15% lower than their male counterparts.³ If you feel the same way, that's okay. You just need to build your confidence which can come from building your knowledge and strengthening your understanding of your relationship with money. As a natural consequence, your confidence should grow over time. Of course, if you are already financially aware, knowledgeable, and confident, all the better! Be sure to share your knowledge and act as a role model to other women in your life.



A 2020 survey from McKinsey found that just **25%** of affluent women say they are **comfortable making investments and savings-related decisions** on their own — 15% lower than their male counterparts.



Major life events that can impact your financial future

Women have unique financial planning challenges that differ from those of men. These include **longer life expectancies**, a **gender wage** and **investing gap**, and the burden of shouldering a larger share of the **caregiving burden** — whether that's for children or aging parents and other family members. The COVID-19 pandemic placed additional caregiving burdens on many, particularly women.

Fortunately, these challenges can be overcome with financial and estate planning help. In order to succeed, however, you'll need to take proactive steps to address the unique challenges that you may face. Let's examine some of those challenges and what you can do **now** to take control of your finances and prepare for the future.

Plan today to help secure retirement later

Retirement may be a new and exciting chapter of your life. But it may also be cause for some anxiety, especially if you're not confident you will have a secure stream of income to ensure you don't outlive your savings. This is especially important for women, who often enter retirement with 30% less money saved than men.⁴ One reason women save less is that they are much more likely to leave the workforce to provide care to their children, aging parents or loved ones. And when they are in the workforce, they typically earn less than men.⁵

Women can also expect to live longer than men, which means their savings will need to last longer.

The average life expectancy for a Canadian woman is 83, versus 79 for men.⁶

If you use 65 as a marker, women can expect to live in retirement 28% longer than men.⁷

As a result of these and other factors, it should come as no surprise that many women (42%) report they are worried about running out of money by age 80.⁸





Many retirees today view retirement as an **exciting new chapter in their lives**, as well as a time for rest and relaxation.

Fortunately, there are many things you can do to improve your retirement readiness. First, you'll need to take a step back and develop a vision for your retirement years. This requires some introspection and deep thought. Consider the type of lifestyle you'd like to lead.

Retirement today looks much different than it did for previous generations. With longer life spans, improved health, and more financial resources, visions of rocking chairs and sedentary lifestyles are no longer part of the picture for retirees. In fact, many retirees today view retirement as an exciting new chapter in their lives, as well as a time for rest and relaxation.

As you ponder your future, consider whether you want to travel extensively or stay close to home, family, and friends. Are you planning to work part-time or volunteer your time? Will you remain in your current home or downsize to something smaller and less expensive?

TIP: Write down what a perfect day in retirement looks like for you, then ask your partner to do the same. Talk about what parts of your retirement dreams align and what parts are different.

The answers to these and other questions will help determine whether you need to start tapping into your retirement savings sooner rather than later, or whether you can leave most of it invested for future growth. While you ponder the future, there are many steps you can take to improve your future retirement readiness, including:

- 1 Maximizing your retirement savings contributions and taking advantage of any matching funds from your employer.
- 2 Projecting what your fixed living expenses will be in retirement to see if your savings are on track to cover these expenses.
- 3 Paying down your debts to help reduce the fixed expenses you will be responsible for when you retire.
- 4 Holding a family meeting to start the conversation about passing down wealth to your loved ones.

Taking a proactive approach now can help ensure that you can enjoy a stress-free, financially secure retirement in the future.

Prepare for the unexpected

Whether you are single or in a relationship being financially self-sufficient is important. For many couples, it's common to have one spouse manage all or most of the couple's financial affairs. In fact, only about 20% of couples make financial decisions together.⁹

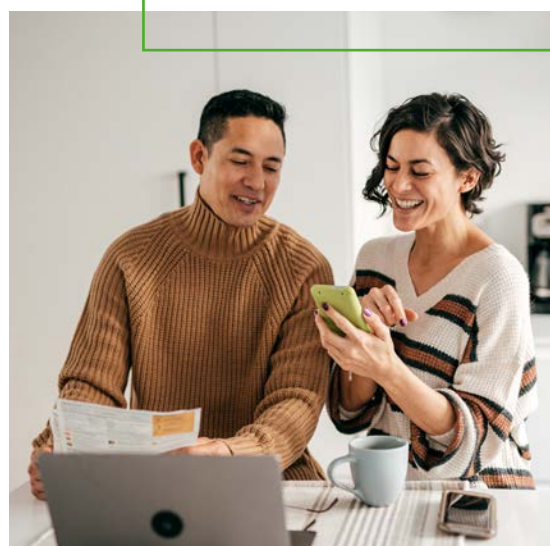
Relying on someone else to manage all of your finances could create serious financial planning challenges if your spouse or long-term partner were to die unexpectedly, become incapacitated or their plans didn't align with yours. In addition to the emotional stress, being on your own financially means you will bear sole responsibility for managing your income, expenses, and investments. If you previously relied on your spouse to manage your financial affairs, these new responsibilities may be an unwelcome surprise for you.

Fortunately, there are several steps you can take to make sure you don't get caught unprepared later in life, including:

Talk with your spouse, partner, or advisor

Discuss your monthly income and expenses, your retirement savings and other investments, insurance policies, and estate planning documents. You don't have to tackle this all at once, but over time, you should aim to develop a clear understanding of everything you own and everything you owe. Make sure you make note of where important documents are stored, your retirement account beneficiaries, as well as the login and password credentials for all of your online accounts. Moving forward, plan monthly or quarterly reviews to ensure you and/or your spouse or partner are up-to-date on any changes that may have occurred. If you're single, aim to have these same types of conversations with your advisor or a trusted friend or family member.

Only 20% of couples make financial decisions **together.**



Download the TD Wealth for Women [financial checklist](#) and [goal setting worksheet](#) to get started.

Build your own credit history

If you do not have financial accounts in your own name, you may face serious challenges obtaining credit if your spouse dies. This could prevent you from obtaining an automobile loan or a mortgage in your own name. To get started, obtain a free credit rating report and then take the necessary steps to improve your score, including opening credit products in your own name and managing payments effectively.

Take an active role in managing your finances

Once you're up-to-speed on your overall financial picture, develop a system so that you remain engaged in managing your finances. For example, you could rotate responsibility for paying the monthly bills with your spouse or partner. If you already have a financial advisor, make sure you jointly attend all of your scheduled meetings. Or you might even schedule a one-on-one meeting with your advisor to ensure all of your interests are protected.

Hire an advisor who works for both of you

If you don't already have an advisor, make sure any advisor you do hire is a good listener who treats each of you equally. If you already have an advisor but you're not happy with this person, share your concerns with your spouse and find someone you're both comfortable with. Remember, women generally live longer than men, so you need to find someone you can work with, whether it's as a couple or individually.

Protect yourself in case of relationship breakdown or divorce

Nobody gets married expecting a divorce, but that doesn't mean you should be totally unprepared for a potential split. As explained above, taking an active role in managing your financial affairs is the best thing you can do to protect yourself prior to a relationship breakdown. However, if separation proceedings begin, make sure you fully understand the financial and tax implications of the settlement before you sign any agreements. Consider working with an advisor of your own who can protect your interests as you move forward through this emotional, financial, and legal process. After the dust settles, be sure to update the beneficiaries on all of your retirement accounts, insurance policies, and estate planning documents. Finally, avoid emotional spending — the tendency to binge shop to make yourself feel better or alleviate guilt about a relationship breakdown.

Explore the TD Wealth for Women [‘Navigating Life Transitions Checklist’](#) and this [MoneyTalk article](#) about navigating the financial stress and mental health impact following a divorce or separation.

Develop a plan to meet elder care needs

For many women, it may come as no surprise to learn that they shoulder more of the caregiving burden than men do. In fact, **Canadian women spend 50% more time than men caregiving for their families.**¹⁰ These caregiving hours are first devoted primarily to raising children. However, once the children are grown and move out, that's often when the need to care for aging parents, siblings, spouses or other loved ones kicks in.

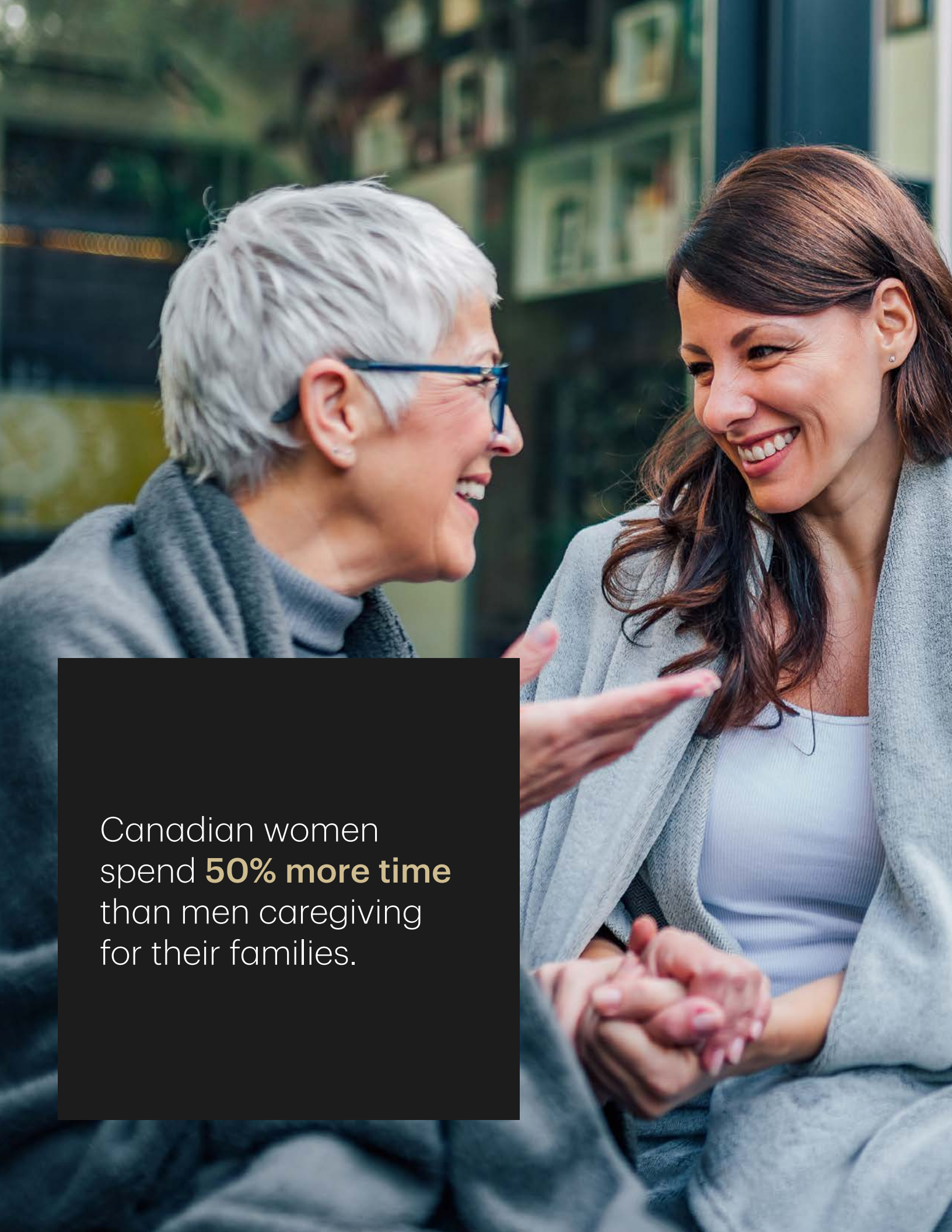
Anyone who has experienced these demands on their time knows that it can be physically and emotionally exhausting. As you edge closer to retirement for yourself, now is the time to ensure that your loved ones will be cared for and that you will be cared for, assuming such care becomes necessary. Here are several action steps you can take now to help reduce stress for you and your extended family in the future:

Schedule a family meeting

Many people prefer to avoid difficult conversations about healthcare, aging, investments and money, as these can be uncomfortable subjects. Without clear communication, however, family relationships can be torn apart by disagreements over elder care and finances. One way to avoid this is to schedule family meetings to discuss challenges before critical decisions are made. Rather than causing stress and pulling families apart, family meetings can actually bring them closer together. You can ask your advisor or another neutral third party to serve as a facilitator.

Designate health care decision-makers

Who will be authorized to make end-of-life health care decisions for your elderly parents or for yourself? Often, a person's spouse or partner makes these decisions. But if your parents are widowed or if one parent is suffering from dementia, you'll need a written legal and notarized document that spells out who is authorized to make critical health care decisions. You'll need to have these same documents in place for yourself as well. If your spouse is not alive or is unable to act, who will be your health care proxy? Ensure to have these conversations with the designated individual. Having these agreements in place can save your family members critical time and emotional turmoil. In the meantime, if you are struggling in your role as a caregiver, reach out to a caregiving support organization for help managing your stress and to learn about care-giving resources for your loved ones.



Canadian women spend **50% more time** than men caregiving for their families.

Designate a Power of Attorney over your finances

A financial advisor can help people of all ages manage their investments and avoid financial mistakes. However, as people age, they become more likely to become victims of fraud, especially if they are suffering from cognitive decline or dementia. Therefore, make sure you, your spouse or partner, your parents, and your adult children have Power of Attorney (POA) agreements in place. These documents spell out who is authorized to manage each person's finances and make critical decisions if they are physically or mentally unable to do so themselves.

Explore MoneyTalk's [Beginner Guide to Powers of Attorney](#).

Get your estate plan in order

If you have not already completed a will, a living trust, or other estate planning agreements, don't procrastinate any longer. Once you have these documents in place, a family meeting offers a great opportunity to spell out how you want your assets to be distributed after you die. You don't need to get into the specifics of who will receive how much, but you can convey your overall thinking, values, and philosophy, including any philanthropic wishes. On a more practical level, a family meeting enables you to let your children know where your will, account passwords, and other critical estate planning documents are stored, as well as who to contact when the time comes.



Conversation
starters and
resources

Try these family meeting conversation starters

Talking to your spouse or partner

- What philanthropic values do we want to share with our adult children?
 - What financial assets do we want to gift vs. bequeath to the next generation or to charities?
 - What unique family situations do we need to consider and plan for (e.g., children with special needs)?
-

Talking to your elderly parents

- Do you prefer to remain in your home as long as possible or do you prefer an elderly care facility?
- What are your preferences for end-of-life care?
- Are your estate planning documents up-to-date, in order, and accessible?

Retire with confidence

For help in improving your financial self-awareness, knowledge, and confidence, including advice from an advisor, visit the [TD Wealth for Women website](#).

For additional information on how you can work towards helping to secure your financial future, please book an appointment with a TD wealth advisor.



¹Investor Economics Household Balance Sheet Report, 2021.

²UBS, "Own Your Worth 2021: Building Bridges, Breaking Barriers," May 2021

³McKinsey & Company, Women as the Next Wave of Growth in Wealth Management, 2019.

⁴Mercer, Addressing the Retirement Savings Gap, 2021.

⁵Canadian Women's Foundation, The Facts about the Gender Pay Gap, 2022.

⁶Statistics Canada, Health adjusted life expectancy in Canada, April 2018.

⁷CBC, Women need to save more than men for retirement – here's why, August 2018.

⁸Schwab Funds, Women and Investing, 2021.

⁹UBS, "Own Your Worth 2021: Building Bridges, Breaking Barriers," May 2021

¹⁰Statistics Canada, Estimating the economic value of unpaid household work in Canada, March 17, 2022

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