

EDITORIAL Tuesday, September 21, 2004

Women, money matters

Too often, women don't know how much money the family has in the bank. They don't have a retirement fund stashed away for the future. They don't know how to pay off debt, or make smart investments.

They've been told they can't handle these math issues. Nothing could be further from the truth.

Many thanks to the state Treasurer's office and the Vermont Commission on Women, along with business sponsors, who hosted a free day long seminar recently called the Vermont Women & Money Conference. About 300 women took advantage of the forum to become smarter money managers.

All women should tune in. These are important lessons, particularly relevant to women because:

- They earn about 75 cents for every \$1 a man earns. That means there is less available to women for retirement savings.
- Three out of four women earn less than \$30,000 annually, too often holding down jobs in low-paying areas like waitressing, day care and retail. These jobs are also less likely to provide benefits, such as health care and retirement.
- Only one in three women has a job that provides retirement benefits, compared to about 55 percent of men.
- Women live longer than men, which means they must make their money last longer.
- A startling 70 percent of America's elderly poor are women. They often use up their money caring for spouses who require medical or nursing home care.

Other factors make it especially important that women focus on their financial situations. Many girls are mistakenly taught to believe that they can't do math or balance the books. Wendy Love, executive director of the Vermont Commission on Women, taught fifth grade and can attest that girls, just like boys, do fine in math.

In addition, one form of domestic abuse is for men to hide assets and money from their wives. They might withhold cash, or refuse to allow their wives to have a credit card. Love said in some cases they even have their wives sign IRS tax forms without disclosing the income or deductions.

Women have a right to know their family's financial situation. Withholding that information -- or the money -- is a shameful form of control.

There are some basic steps women can take to gain control of their finances.

- First, get out of debt. Pay off credit cards as quickly as possible. With interest rates and fees, this debt can sap a woman's financial future.
- Second, save early and often. It's less important how much you save. Experts say that even

giving up a daily latte or fast-food dinner and putting the money into a savings account will build up a credible chunk of change over time.

-- Also, know your financial situation (and your partner's). Put all your papers together and look realistically at your income and spending, your debt and savings. There should be no secrets.

There are places for women to visit to receive more information on financial strategies and planning (see box with plenty of solid tips for building a strong financial future.

Women play many roles in people's lives. They are children who will help aging parents, spouses and partners who will help balance a family budget, and mothers who will shape spending for their children.

Women have a special need for financial planning information, and a special obligation to become informed. To learn more

-- Treasurer's office Web site at www.tre.state.vt.us

-- U.S. Department of Labor Women's Bureau at www.wiseupwomen.org.

Contact the Vermont Commission on Women at 828-2840