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**SUBMISSION 12**

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Standing Committee on
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House of representatives Standing Committee on
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Submission No: 12

Date Received: 26/7/05

Secretary: fb.

The Secretary,
Standing Committee on Economics, Finance and Public Administration
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam

Please find enclosed a copy of our submission to the Committee's Inquiry into Improving the Superannuation Savings of People Under Age 40.

We trust that you will find our submission useful in your deliberations. Please contact me if you need additional information on matters relating to our submission

An electronic copy of the submission was emailed to your office on July 21.

Best wishes

S. Austen

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House of representatives Standing Committee on
Economics, Finance and Public Administration

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# Women's Economic Policy Analysis Unit (WEPAU)

## *Curtin University of Technology*

# SUBMISSION:

House of Representatives

Standing Committee on Economics, Finance and Public Administration

**Inquiry into Improving the Superannuation Savings of People Under Age 40**

**2005**

## *Women's Economic Policy Analysis Unit (WEPAU)*

The Women's Economic Policy Analysis Unit (WEPAU) is an inter-disciplinary research program that spans two divisions of Curtin University: the Curtin Business School (CBS) and the Division of Humanities. WEPAU was founded in April 1999 in response to a growing void, both within the Australian and international contexts, in the gendered analysis of economic and social policy issues that confront women. As such, WEPAU is committed to producing high quality quantitative and qualitative research on a broad range of issues which women identify as impeding their ability to achieve equity and autonomy.

The gender perspective generated through the work of WEPAU has provided a number of key opportunities to inform the policy debates within numerous government departments. WEPAU seeks to further its commitment to providing a meaningful gender analysis of policy through pursuing further research opportunities which privilege women's experiences of social and economic policies within the Australian context.

The broad objectives of WEPAU include:

- To identify the cases and causes of women's disadvantaged social and economic status and to contribute to appropriate policy initiatives to address this disadvantage;
- To demonstrate the way in which social factors, particularly gender, influence the construction of economic theory and policy;
- To extend current theory and research by placing women and their social context at the centre of analysis;
- To contribute an interdisciplinary approach to the understanding of women's position in society. In turn, this should enable the unit to better reflect the interrelatedness of the social, economic and political discourses in policy and their consequent implications for women;
- To foster feminist research both nationally and internationally.

## *FOREWORD & ACKNOWLEDGEMENTS*

WEPAU is pleased to offer the following submission to the House of Representatives Inquiry into Improving the Superannuation Savings of People Under Age 40.

Our submission is based on research carried out by Therese Jefferson, Associate Professor Siobhan Austen and Professor Alison Preston and supported by an ARC Linkage Grant (LP 0347060) titled **"Financial (In)Security In Later Life: Women, Work , Superannuation And Australia's Retirement Income System".**

Any questions regarding this submission should be directed to

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## *1. Introduction*

Over the last five years, the Women's Economic Policy Analysis Unit, based at Curtin Business School, Perth has undertaken a range of research projects related to women's retirement incomes. This has been prompted by widespread recognition that Australia's retirement income framework is not gender neutral in its application. Our research shows that women's patterns of work and unpaid household responsibilities make it particularly difficult for women to successfully engage with Australia's occupational superannuation arrangements. In light of these findings, we submit that it is necessary for the Committee to consider separately the needs of women as part of its general inquiry into the superannuation savings of younger Australians.

In the following section we provide a brief a summary of some existing Australian research which demonstrates how women's typical patterns of workforce participation make occupational superannuation particularly difficult for them to access. Following this, in Section 3, we present some results from our recent, exploratory research investigating institutional and behavioural issues that exacerbate women's of engagement with superannuation. These findings are important in identifying a broad range of linked social barriers to and disincentives for women's participation in superannuation. We comment on the policy implications of the findings in Section 4. A report outlining the detailed findings from our recent qualitative research is attached for the Committee's information.

## 2. Selected Australian Research: Barriers to Women's Participation in Occupational Superannuation[1]

Australia's retirement income framework consists of three pillars: government transfers (such as the age pension); compulsory superannuation and private savings. There are clear signs that the second pillar, compulsory superannuation, is not gender neutral in its operation. In 2000, the median account balance among those with superannuation was $13,400 for males, and $6,400 females (Australian Bureau of Statistics 2001). A significant gender gap in superannuation accumulations, of at least 30 per cent, is expected to continue for another three decades (Kelly, Harding & Percival 2001). Private savings are also higher among men than women (Tinnion 1998).

In contrast, the importance of the age pension as a source of retirement income, particularly for women, is well established (Rosenman & Warberton 1996; Department of Family and Community Services 2001; Department of Family and Community Services 1999; Australian Bureau of Statistics 1998b). In June 1999, 63 per cent of age pensioners were women, of whom 70 per cent received the full age pension rate (Department of Family and Community Services 2001).

### 2.1 Women's employment patterns and incomes

There is considerable evidence that women's lifetime earnings are, on average, lower than men's and this, in turn, is responsible for a large part of women's current disadvantage in superannuation savings. Women's low lifetime earnings can be attributed to three interrelated issues: fewer years in the workforce; a gender pay gap; and a gender gap in non-wage income such as rent and dividends.

The main reason that women spend less time in the workforce than men is due to their traditional responsibility for unpaid household work. While men and women spend

[1] This section summarises the main issues raised in an article to be published in the September 2005 Jefferson, T. 2005, 'Women and retirement incomes in Australia: A Review', Economic Record, vol. 81, no. 254, pp. 273-294.

roughly equal amounts of time engaged in "total work" men spend more time in paid work while women spend a greater amount of time in unpaid household production (Australian Bureau of Statistics 1998a; Ironmonger 1996). Data from the 1997 National Life Course Survey (McDonald et al. 2001) illustrates that women in the baby boomer cohort are likely to spend about 60 per cent of the time in paid work that is typical for men (Jefferson & Preston 2003).

When in the workforce, women experience a gender pay gap. Women are over represented in occupations and industry sectors which have relatively low rates of pay and are less likely to offer stable, full time, long term employment. On average, they receive lower returns to investments in human capital (Preston 2001). There are important links between women's unpaid responsibilities and their experiences in the paid labour market. Patterns of intermittent periods of non participation in the paid workforce have significant effects upon career paths and women's own perceptions of their career prospects and status (Rimmer & Rimmer 1994) and employer investment in training for women (Miller 1994).

Income also accrues from sources other than wages, particularly through asset ownership. Women's disadvantage persists in this sphere. Personal income tax returns from 1995/96 show that about 73 per cent of women tax filers and 72 per cent of men receive some form of income through the ownership of assets. Men received higher average levels of capital income than women, $7,368 compared with $5,912 (Tinnion 1998).

## 2.2 Women's projected superannuation accumulations, savings and retirement incomes

Since the introduction of the Superannuation Guarantee Charge (SGC) a number of studies have demonstrated the effects of women's lower earnings on their capacity to save for retirement. In the absence of longitudinal data, Australian researchers have developed a diverse range of micro-simulations which facilitate an examination of women's patterns of workforce entry and exit, incomes and savings. These involve the construction of earnings profiles on which to base estimates of superannuation contributions and/or savings. A number of these studies focus solely on retirement savings through compulsory superannuation provisions. While the assumptions and earnings profiles used in such studies are diverse, they are unanimous in their demonstration that many women will experience considerable difficulty in achieving adequate retirement incomes through SGC provisions (Preston & Austen 2001; Clare 1994; Donath 1998). Models which include other possible sources of savings also project relatively low retirement incomes among women (Kelly, Harding & Percival 2002).

The results from these micro-simulation exercises are summarised in the table below. The figures in table identify a 'high' scenario for women where superannuation savings equal more than $200,000 at the time of retirement. In Preston and Austen (2001) this estimate relates to the case of a woman who entered the workforce at age 20 in 2000 and worked continuously for the next 45 years, retiring in 2045. It is also based on data on typical earnings growth for women, standard rates of contributions to super funds, and, as mentioned in the above paragraph, an assumed rate of return on investments in these funds. The amount translates into an annuity over the woman's retired life equal to $10,3002, an amount that is still estimated to be substantially less than the amount accumulated by a typical male worker.

A contrasting 'low' scenario is also documented in the Table. This is based on the case of a woman who does not return to paid work after she has a child at age 27. Her total superannuation by age 65 will be only $43,000 – creating private annual income for her of only $2,150 over the period until she reaches 85.

[2] Assuming life expectancy is 85 years and the real interest rate is zero

**Table 1: *Selected Outcomes from Studies Projecting SGC and/or Savings Accumulations* by Gender, Australia**

| Author/s | Type of Outcome projected | Projected outcomes for men | | Projected outcomes for women | |
|---|---|---|---|---|---|
| | | *High* | *Low* | *High* | *Low* |
| Brown 1994 | $1992/93 lump sum | $216,255 | $167,365 | $112,963 | $84,916 |
| Ross 1994 | $1994 lump | $122,000 | * | $81,000 | $46,500 |
| Donath 1997 | Annuity expressed as multiple of age pension | 7.0 | 2.4 | 4.7 | 0.9 |
| Tinnion & Rothman 1999[(a)] | Ratio of Average Net Annual Expenditure in Retirement to Average Working Life Net Salary | 0.69 | 1.28 | | |
| King 2001[(a)] | Living standard at retirement for single person household as multiple of a defined adequacy benchmark | 1.8 | 1.6 | 1.6 | 1.4 |
| Preston & Austen 2001 | $1996 superannuation accumulations | $233,000 | (b) | $206,000 | $43,000 |
| Kelly, Harding and Percival 2002 | *Average* $1999 superannuation account balance of pre retired population aged 55-64 years in 2030. | *Average* $232,700 | | *Average* $131,900 | |
| Jefferson & Preston 2002 | *Average* $1996 superannuation accumulation for those born 1960 at age 65. | $77,998 | | $47,515 | |

Notes:

(a) These studies did not have an explicit focus on gender but their use of low, middle and high individual earnings profiles provides a structural analysis which is applicable to women's lower earnings and superannuation accumulations

(b)One outcome was estimated for men in this study.

Sources: Brown, 1994 Table 3; King, 2001, Figure 2; Tinnion and Rothman, 1999, Table 1, column c; Donath, 1998 Figures 7 and 11, 0.05 per cent returns and retirement at age 65 years; Preston and Austen, 2001 Table 4; Kelly, Harding and Percival, 2002 Appendix C; Jefferson and Preston, 2002.

## 2.3 Attitudes to saving and retirement

While women's responsibilities for the key roles associated with social reproduction and, thus, their limited ability to participate in paid work appear to be the most critical factor in explaining their high chances of poverty in old age, attitudes towards saving for retirement have also been shown to have an impact on savings rates. Research shows that the cumulative disadvantages faced by women in the workforce are exacerbated by a lack of effective planning for retirement (Onyx 1998). This appears to stem from three connected issues: the relevance of the term retirement to women's working lives; an expectation that retirement incomes will be provided through transfers from a partner; and the availability and use of resources for retirement planning.

The concept of retirement is problematic for women because many do not draw clear distinctions between their roles in unpaid and paid work. Difficulties with applying the concept of retirement to women's lives have been found in both large scale survey research and qualitative interview data (Onyx & Benton 1996; Rosenman & Winocur 1988; Encel & Studencki 1996; Woolcott 1998). It has also been an impediment to the construction of research models attempting to examine women's workforce entry and exit (Chalmers & Norris 2001). Many women view both their unpaid and paid roles as "work" and while there is a recognition that the balance between the two roles may alter over time, they do not consider that there will be a time when they cease "working". The perception that work does not cease at some point in the life cycle appears to discourage active consideration of retirement. In the context of differing work experiences, it is been argued that the concept of retirement is not gender neutral (Onyx & Benton 1996).

Secondly, it appears that many women identify retirement income planning as their partner's responsibility, indicating that traditional "breadwinner" approaches to income earning and retirement planning may be significant (Rosenman 1999). The view that retirement income planning is the responsibility of a partner appears to translate into an expectation that women's retirement incomes will be dependent on transfers. In 1988 Rosenman and Winocur found that older women expected to be dependent upon either private transfers from a partner or public transfers in the form of a government pension as a source of retirement income (Rosenman & Winocur 1988). Despite subsequent increases in superannuation coverage through the SGC this is still a relatively prevalent expectation, particularly among those employed part time (both men and women) (Onyx 1998; Chalmers & Norris 2001; Rosenman 1999).

Finally, compared with men, there are indications that women's retirement savings decisions reflect a different availability and use of resources relating to retirement planning. Women are more likely than men to state that they have not received any information on retirement planning and this is particularly the case among those working part time (Onyx 1998). Men are more likely than women to value access to written and web-based information and it is possible that this is linked to occupational structures which give greater access to resources such as computers. Men are also more likely than women not to personally consult others in regard to a superannuation decision. Women are more likely to value access to information through seminars and to consult with family and friends and colleagues. While women are more likely than men to consult with a financial planner or an accountant, they are less likely than men to rate this as their most important source of information (Clark-Murphy & Gerrans 2001).

Chalmers and Norris (2001) find that many men and women can not put a value on their expected retirement income. Onyx (1998) finds that more than 80 per cent of men and women employed part time, 74 per cent of women working full time and 53 per cent of men employed full time do not know the levels of superannuation they need to provide a liveable income. Further, 93 per cent of women employed part time, 88 per cent of women working full time, 90 per cent of men employed part time and 77 per cent of men employed full time can not estimate the expected lump sum benefits of their superannuation. Consistent with these findings are those that women are more likely than men to categorise their level of knowledge of superannuation as "none" or "little", compared with men who are more likely to describe their knowledge as "average" or "good" (Clark-Murphy & Gerrans 2001). These findings also appear consistent with the view that there is a need for education programs which create a savings culture in the community generally and among women specifically (Olsberg 2001; Bentley 2001).

## 2.4 Household structure, relationship instability and retirement planning

The studies outlined above indicate that many women, whether constrained by income or as a result of household decision making are expecting to rely on transfers as a source of retirement income. However, households are dynamic structures and the traditional view that women's retirement incomes will be provided through shared household resources is being challenged by rising divorce rates. Approximately 40 per cent of marriages contracted in the 1970s and 1980s are expected to end in divorce and approximately 12 per cent of women currently receiving the age pension are divorced. This percentage is expected to increase in future years (Maloney et al. 2000).

Women who divorce are expected to move down the income distribution (Richardson 1999). Low wealth indicators are higher for divorced women age pensioners than for those who are widowed, never married or in a married/de facto relationship and older women are more likely to experience financial disadvantage upon divorce than older men (Weston & Smyth 2000; Whiteford & Bond 2000). While this has been addressed to some extent by recent legislation allowing for superannuation splitting upon divorce and through increased workforce participation, the expected benefits of these measures may be limited. Women's unpaid work contributions tend to be undervalued during divorce proceedings and broken employment patterns tend to reduce future earnings through workforce participation (Sandor 2001).

Maloney et.al. carry out simulations for a range of scenarios which consider both the impact of increased workforce attachment and the splitting of superannuation upon divorce on the retirement incomes of divorced women. The simulations show that each of these developments can be expected to improve the retirement incomes of divorced women but that married women will continue to have relatively better financial outcomes than divorced women (Maloney et al. 2000).

In summary, existing research suggests that, in the absence of significant change to women's patterns of workforce participation and household financial practices, it is likely that younger women's patterns of participation in occupational superannuation are likely to remain relatively low compared with men's. There appear to be two areas of policy that might address this outcome. The first is to improve women's incomes through measures which support their participation in the workforce and access to well-paid, secure employment. There is also a need to promote active retirement planning by women. The results of a recent study by the Women's Economic Policy Analysis Unit into women's decisions regarding workforce participation and management of financial resources contribute information on the types of issues that affect this type of planning. These results are summarised in the following section.

## 3. *Women's Perceptions of Life, Work and Savings for Retirement*

WEPAU's research into women's perceptions of the barriers and opportunities for retirement savings (see the attached report) was based on thirty semi-structured interviews in which women defined their own approaches to saving and discussed issues of relevance to them in their management of household finances. This unique method allowed women's own ideas of saving and retirement planning to emerge from the research, and it resulted in the identification of several new issues confronting women as they approach the retirement income question. The disadvantage of the research method was, almost inevitably, that data was collected from a relatively small number of people and did not allow for the generation of quantifiable results that can be applied to the population at large. As such, these results represent contributions to an ongoing research agenda. With these caveats, however, we believe the following findings are of particular relevance to the superannuation savings of young women.

Unlike older women, the younger women who participated in our study did not focus previous regulatory constraints on their workforce participation or earnings as key factors influencing their income and savings. The conversations revealed three key areas of constraint particularly relevant to younger women's ability to plan and save for retirement: their incomes; their confidence in managing money and seeking advice; and the financial practices of their households.

## 3.1 Constrained individual incomes

Our findings from this project were consistent with previous research, outlined above, demonstrating that women's incomes and employment continuity are constrained by their responsibilities for unpaid caring work; particularly raising children but also the provision of care for older relatives or grandchildren. Some young women discussed their plans to reduce workforce participation in the future to accommodate their expected unpaid childcare responsibilities. This finding suggests that low life time incomes are a key constraint on some women's ability to save and actively engage in retirement planning.

## 3.2 Financial skills and constraints on accessing financial advice

Throughout our discussions with the women who participated in the study it was apparent that financial matters are generally considered confidential and, if discussed at all, discussions usually take place within the confines of women's own household. Thus, lessons, habits or traditions passed on from parents and reproduced within households appear to be key sources of financial education and practice for young Australian women.

The limited perceived sources of information caused some women to express a belief that their ability to save money was particularly constrained by:

- a perceived lack of necessary skills or information; or

- limited knowledge about where to go to for financial advice.

In general, the women in our study expressed a need for greater access to financial advice that was easy to understand.

The conversations conducted with the women in the study revealed an array of negative attitudes and barriers towards pursing professional financial advice. Such advice was perceived as either expensive, unreliable or in some cases inappropriate. For some women, the major stumbling block was knowing "where to start". As a result, some participants expressed a strong preference for getting financial advice from relatively unregulated or unqualified sources such as close friends, the print media or the internet. A lack of accessible information that is perceived as credible appears as a significant constraint on women's ability to save and plan for retirement.

## 3.3 Constraints resulting from the complexity of managing household finances

As was noted in Section 2, women's standards of living are often influenced by their access to pooled household income. However, managing household finances can be a relatively complex task. Throughout the conversations in our study, it emerged that households address this complexity by separating their management of finances into smaller, relatively separate tasks. These smaller tasks can be carried out routinely, with little need for constant, deliberative decision-making. Women described a wide and detailed array of separate tasks, types of money and decision-making processes that took place in their household. However, it appears that the option of using pooled household resources to save for women's retirement, or even for retirement in general, is yet to emerge as a relevant issue for many household financial agendas. Some women are therefore constrained in their ability to save for retirement by financial and social norms that govern the allocation of pooled resources within their households.

In some of these cases, it appeared that the key constraint on saving for retirement was not necessarily total household income, or financial literacy. Rather, retirement planning for women was not an issue that registered on the financial agenda or routine practices of households. Thus, although many families appear to set aside savings for their children's education, the legitimacy of separate savings accounts for women's retirement is not yet widely accepted.

## 3.4 Compromises in financial decision making

Some of the women we interviewed utilised "short cuts" for making financial decisions that were perceived as complex and beyond their level of confidence in their financial skills. Some of these short cuts appeared to act against the development of effective savings strategies. However, there were some strategies that, in the short term at least, were perceived by the participants to promote their savings. These included:

- The development of well defined savings goals, such as saving for a holiday;
- The use of electronic transfers of funds to specific accounts attached to savings goals.
- Incurring legal financial commitments, such as borrowing to purchase an investment property, to make "saving" compulsory.

The main approach relevant to long term asset accumulation was relying on forms of investment that are familiar and readily understood. In many cases this meant that purchasing a residential home and if possible, a second investment property. These were highly favoured savings strategies in the group of our study participants. *For many participants 'saving' meant 'paying off the house'.*

When the women who participated in our study discussed long term savings strategies, superannuation did not emerge as a highly recognisable or preferred savings vehicle. Some participants did not mention superannuation when discussing their savings, unless prompted to do so.

Of course, engaging in strategies that are familiar and well understood can have significant benefits. However, the preparedness to choose from a restricted range of investment options meant that there was relatively little assessment by participants of the comparative fees, costs and risks of different investment vehicles. Several women discussed their wish to understand a wider range of options, including superannuation, shares and managed funds to assist them with long term planning.

In addition to the constraints and compromises outlined above, it appears that there are very few social norms that positively reinforce women's willingness and capacity to save for their own retirement. Many participants were interested to find out about the plans of others who participated in this study to see if they were "normal" in their approach to retirement.

## *4. Some Policy Implications*

In the short term, it is possible that specific policy measures could be developed to promote saving and the development of new social norms that are particularly relevant to younger women's retirement incomes. In particular, the research described in the above section suggests that there is a keen interest among some women to access credible information that will assist them to give the issue of their financial futures a higher profile both within their own households and in public policy. At this stage, it appears that while recent changes in public policy have increased awareness of many retirement income issues, for many younger women this hasn't yet lead to the development or implementation of specific retirement savings plans.

### 4.1 Awareness of the need to plan for retirement

The fact that many people fail to adequately plan for retirement should not be surprising. Recognition of this fact helped to motivate the design of a compulsory superannuation scheme for Australians engaged in paid work in the 1990s. Rather, the results of our recent study highlight that those people with restricted access compulsory superannuation, particularly those who undertake unpaid work or engage in casual, irregular employment patterns, face barriers to adequately preparing for their retirement. One possible implication of this is that the compulsory aspects of savings for retirement need to be extended to reflect the needs of women and others whose level of engagement with the world of paid work is limited. Separate spouse accounts in superannuation schemes may be one step in this direction.

Although current and past efforts to raise general awareness of the need for retirement planning have not translated into widespread, active planning for the future among many of the women we interviewed, there appears to be some capacity to encourage household planning for retirement. Addressing general fears and misconceptions through specific information and advice, as discussed in greater detail below, could contribute to this goal.

## 4.2 Education and information

Long term savings, particularly for retirement is constrained by education and information. It is likely that the development and/or wider distribution of impartial, financial information that is easy to access and understand would be well received. In the long term, the availability of such information may assist younger women to more adequately address their longer term financial requirements.

## 4.3 Social norms of household management

Our recent research re-emphasises the difficult task involved in promoting an increase in household saving directed at women's retirement needs. Policies are needed that raise the profile of retirement savings as a long term goals within households and, more specifically, to improve the profile of the need for women to save for their retirement. This is not a strongly established social norm and some women feel that their need to save for their own retirement is not viewed as a legitimate goal. In this context, legislation allowing for the splitting of superannuation accounts between partners could have an additional benefit of raising the profile of women's retirement saving.

Policies or education programs that emphasise potential complementarities between different forms of saving, such as spreading risk between different asset classes, may assist in broadening the types of saving people are willing to consider. Again however, it is important that such information is perceived to be impartial and not promoted by vested interests.

## 4.4 Sources of income and specific purpose accounts

Policies which improve the availability and cost effectiveness of "special purpose" savings accounts may assist with retirement saving. These types of accounts appear to conform with the established norm in some households to allocate a set percentage of a particular source of income to a specific account. The development of low cost, readily understood accounts would also help to minimise the barriers to saving for specific purposes caused by expenses associated with holding multiple accounts.

## 4.5 Milestones and financial decisions

Sources of reliable and accessible information that link with particular life events may improve consciousness of the importance of long term financial planning. For example, distributing relevant information when children commence school, finish school, mortgages are paid out, commencing or recommencing employment may assist women renegotiate their long term financial plans in line with changed household responsibilities and access to income.

## 4.6 Perceptions of risk – the role of housing

Policies which rely solely on superannuation or other financial assets will not appeal to some women. There appears to be a perception that investment in housing is relatively secure. Information that addresses this form of saving and understanding its implications for accessing resources in retirement is likely to be well received. This could include information about the liquidity of housing relative to other forms of investment. A greater understanding of products such as reverse mortgages may assist future retirees understand the advantages and disadvantages of housing as a source of future income.

## 4.7 Financial incentives to save for retirement

We would not wish to suggest that taxation and financial incentives are unimportant features of retirement planning. However, for some participants in our study, the weighing of costs and benefits of different forms of retirement saving was not a particularly relevant issue. Rather, discussion of detailed financial arrangements appeared, in some cases, to increase the perceived complexity of the retirement savings framework and deter active participation or planning. More favourable financial incentives may, in some cases improve participation in occupational superannuation. However, for some women in our study, the key issue was the legitimacy of women saving for retirement as a financial goal within their households.

# *5. Conclusion*

Women's incomes are likely to remain a barrier to saving for retirement into the foreseeable future. This reflects, among other things, women's broken patterns of workforce participation which, it appears, are likely to continue to some extent. In this context, it seems likely that women's projected reliance on public and private transfers of income in retirement will remain relevant. Our research indicates, however, that there are women who would like to increase their own savings for retirement. Some just don't know how to get started while others feel that their skills and knowledge for planning their retirement could be improved. There are some indications that this is combined with strong negative sentiments towards information that is perceived to derive from sources with a vested interest, such as financial institutions. Public policy, directed at providing impartial information and education, implemented at a relatively local level, could assist those with some financial flexibility to undertake steps towards improved long term financial planning. Further, some households appear to have patterns of using special purpose accounts to manage their finances and there was a strong preference among many of the interview participants to use housing as a long-term investment strategy. Our research suggests that there may be advantages in considering a larger range of savings options, building on current preferences and practices for managing household finances, that extend beyond occupational superannuation.

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