

Insuring Women's Futures - Securing the Financial Future of the next generation

In March the CII hosted a conference about Securing the Financial Future of the next generation, which was one of the specific areas identified as important by the Insuring Women's Futures (IWF) committee set up in December 2016.

Below is a quotation from Sian Fisher regarding the IWF Committee and the part insurance has to play:

Sian Fisher, Chief Executive Officer at the CII and chair of the IWF committee, said: "Women face some very different risks from men and their resilience to financial and non-financial shocks is typically much lower than men's. That is a risk for society, not just for women. We know that women are less engaged with insurance protection products and services than men and as a consequence are under-protected. This new cross-profession advisory panel will bring together expertise in a range of areas to work with the insurance profession to address this issue."

The conference was the launch pad for disseminating the results of a study, spearheaded by PwC, which looked at women's financial lives and specifically the perils and pitfalls that can impact on a woman's financial security. The findings of the report were disseminated by Jane Portas, PwC, who was on stage for over an hour going through the headline statistics. The results were dramatic and rather depressing, as they show that, as a direct effect of the decisions women make (by choice or accident) through their lives, their financial resilience, compared to men's can be significantly lower.

The key "Moments that Matter" have been highlighted by the report writers with the aim of focussing attention on the potential risks to women and to identify interventions which could improve women's financial resilience. Everyone is likely to experience the "moments" differently so the impact on each woman's personal circumstances will vary.

The conference hall was buzzing with hundreds of attendees (not all women), and as well as Jane Portas, another key speaker was Dr Sue Black who provided a potted history of her amazing life. In the afternoon the attendees split into break out groups for more interactive discussions about topical subjects, many arising directly from the survey results and subsequent discussions. The results of the afternoon sessions were shared at the end of the day and the audience voted on the priority concerns raised which will now be followed up by the IWF committee.

At the conference one of the constant themes was financial education and providing information to young women about managing money. There were plenty of other suggestions and ideas floated on the day, but this fundamental requirement would surely provide a very important first step for any young person.

In the past, women were more protected from financial risk than now due to the safety net afforded by a long marriage, husband's pension and insurances. The wife could stay at home and look after the family and house knowing that her financial needs were met by her husband's job and his social security/employee benefits. She might also live near to extended family who would be available to assist with childcare if she

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was unwell, or who could provide support in old age. As we all know, nowadays the world is a different place with two salaries being required for a mortgage, working mother's being in the majority and families spread apart geographically. The message from the report is that women's roles have changed, and they are more exposed to financial difficulties, so intervention is required now and, in the future, to protect them.

Within the report you will see the many facts and figures catalogued, and the various risks that are identified. The solutions or, more accurately the preventative measures that could be instigated to reduce the effect of financial risks to women, will have to come from various sectors of society. Insurance has its part to play but it will require much wider intervention from charities, policy makers, government departments including education and financial regulators, local government and, probably, the community as a whole to address the risks women face. Insurance companies might be able to provide products at an appropriate price to cover some of the contingencies mentioned in the report. Some already exist, and although insurance may not be the solution for everyone, it could make a difference to women when they make important financial decisions.

In summary the findings of the report are a snapshot of the current issues facing women. The implication is that society as a whole, men and women of all ages, will be affected in the future if there is no improvement in women's financial resilience.

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<http://www.cii.co.uk/knowledge/resources/articles/insuring-women-s-futures-new-research-and-action-plan-launched/50515>

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