

Women putting away 14% less per month than men

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Men continue to beat women in financial matters

Women gaining ground when it comes to reserves for later times

Höllinger: "Women can no longer count on the state or a partner to rescue them"

Women are putting away 14% less cash than men found a representative poll conducted by the market research institute Integral on behalf of Erste Bank. On average, Austrian women set aside 173 Euros per month, with Austrian men saving 197 Euros. This means women are saving around 14% – or 24 Euros – less than men. One of the reasons for this is income disparity, with nearly a half of all working-age women employed on a part-time basis and with more than 80% of part-time staff are female they subsequently they earn less, and have to use that money for monthly bills and general outgoings. Surprisingly however, there is still money spare for future provisions.

Susanne Höllinger, Head of Private Banking at Erste Bank: "The result surprises me, because my experience suggests that women tend to neglect their financial security. Actually, many don't have the package of a personal account, savings book and a state-guaranteed pension plan. These products should be considered fundamentals. Women cannot and should not count on the state or a partner coming to the rescue."

Financial planning already an issue for women

According to the survey females are already setting aside a large portion of the funds for future. The overall result also showed that women are putting away slightly more for family members (children and partners) than men – even though they have smaller funds available. "The fact that women are thinking more of themselves when it comes to finances is a good thing," suggests Höllinger, "because even a small amount can turn into a nest egg over time. This is how one can benefit from the compound interest effect." Many women are now increasingly defying the stereotype of the financially-dependent housewife.

Men are also making provisions for themselves and their families. But the difference between Austrian men and women is that the men tend to keep to themselves what they intend to do with any spare savings.

The survey found that the earlier one starts setting money aside, the higher the yield will be (see example calculation).

Depositing 100 Euros per month...	... at an average annual net performance (after taxes and fees) of...		
	... 2% p.a.	... 4 % p.a.	... 6 % p.a.
will yield			
after 10 years ...	13,282 EUR	14,719 EUR	16,331 EUR
after 25 years ...	38,853 EUR	51,058 EUR	67,977 EUR
after 50 years ...	102,595 EUR	187,170 EUR	359,726 EUR
after 65 years ...	159,056 EUR	361,631 EUR	890,944 EUR

Finances 'a man's thing'

"The three key ingredients for a happy existence are good health, the love of family and friends and financial security. To

factor the latter component out would be a huge mistake. Women need to concern themselves with their own provisions and become aware of financial matters. Knowledge of money matters is essential," is Höllinger's message to all women. However, one in four Austrian women consider money matters to be a part of the female sphere of competence, whereas only 11% of men think so. In the overall evaluation, 41% of all Austrians reported that men and women paid equal attention to finances; 39% felt it is a man's thing and 18% a woman's thing.

In any event, women seek financial advice more often than men, according to the poll. Approximately 54% consult family members, 43% consult bank advisors and 11% speak to friends. Just 17% of Austrian women refuse to seek advice. If men do seek advice, their first council is usually a family member (42%), followed by a bank advisor (37%) and then friends (14%). Friends and financial advisors are more popular with men than women.

Both sexes make use of secure forms of investment, such as savings books, building society savings accounts and life insurance policies. However, more risky investment products – securities (e.g. stocks, funds, bonds) – are more popular amongst men (21%) than women (15%).

About the poll:

Erste Bank commissioned the market research institute INTEGRAL to conduct a telephone survey on financial investment amongst men and women. 501 individuals were interviewed between 22 and 28 February 2011. Interviewees were asked whether finances were a woman's or a man's thing, who made decisions involving money matters in their households and how much, for whom and in which products money was put aside every month. The results represent the Austrian population above fourteen years of age (= 7,090,000 people).



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