

The Tide is High: Women, Investments, and Retirement



Have you heard the '70% rule'? Not that you need to eat 70% free-range, organic, veggies (though I'm sure that rule is floating around out there). I'm talking about the idea that you'll need 70% of your working income to live comfortably when you reach retirement. Although that '70% rule' docks on some individual shores, it doesn't apply to everyone.

So how do you know how much money you need to invest for retirement? Well, it depends on many, individualized factors. Are you willing to live on less? Do you want to travel? Do you have a healthcare concern that may cost you more as you age? Without a hard and fast rule for how much you need to retire, how do you know how much to invest to ensure you aren't floating on a dock without a home at the age of 70? A good wealth advisor can help you answer that question.

Recently I was lucky enough to meet a mother and daughter duo that asked me that exact question and sought my guidance. The reason they asked it was almost as interesting as the question: the mother was widowed and floundering in a sea of new information about the investments her husband had handled and her new financial responsibilities. Her daughter was eager to help her mother make sense of it all, find a way forward, and avoid the same storm when she reached her mom's age.

A Rising Tide

Rosalie and Lisa's situation is not uncommon. At the age of 77, Rosalie lost the love of her life and the helm of their financial ship. Joe had handled their financial accounts, bills, budgets, and investments throughout their 55 years of marriage. Rosalie had never taken a role in that part of their household. With her father's passing, Lisa had stepped up to try to help her mother figure out her monthly income and how she could make ends meet. In the process, both women discovered that Joe's pension and the couples' CPP and OAS were keeping them afloat. His aggressive investment strategy and attempts to time the market instead of listening to sound advice had lost the couple a lot of money over the years and left them with a very modest RRSP balance. She definitely didn't have 70% of her pre-retirement income to live on now. Rosalie was confused, overwhelmed, and unsure of what to do next. [Like many](#), she was worried about having enough money to live on and also about running out of money.

In the past, women were less likely to control their [family's investments](#). That [trend is shifting as women outlive their husbands, become more educated, and earn more](#). For women, like Rosalie, who find themselves retired and suddenly in charge of finances and investments, there are a few ways to move forward.

Steady the Waters

Investments and their processes can be confusing and overwhelming, whether you are young or old. There is a way to avoid feeling like the waters are swelling and the waves are crashing over you: [educate yourself](#). Learn about how investing works, learn about the risks and rewards of investing conservatively versus aggressively, learn about the benefits of starting early, and learn about minimizing taxes if you've started later.

Find a Safe Port

The safest tact to take when it comes to educating yourself about investments is, shockingly, not your family, friends, or random Internet articles. When it comes to reliable advice and a solid investment plan to fund your retirement, it is important to work with a financial advisor and investment specialist. Find an advisor you connect with – someone who understands what you value and what your goals are today and in retirement. That person can educate you about investments and manage your wealth while you work and when you retire.

Take the Captain's Chair

Get involved with your investments (and finances, in general). Understand the levels of risk you feel comfortable with and what you need to do to live comfortably during retirement. Know where your money is and how it is invested. Establish a relationship of trust with a reliable advisor and confidently take charge of your investments and your life.

The Tide is High but We're Holding On

In meeting Rosalie, I learned that she was not comfortable with Joe's wealth advisor and had not asked him any questions when she met with him to learn about her investments. I reassured her that creating a relationship with a reliable wealth advisor was the best tact to take to move forward. I found Rosalie an advisor I thought she could connect with and we made an appointment for her to learn about her investments and financial situation. Although she may not have 70% of her pre-retirement income to live on today, she could maximize what she has to live more comfortably now.

If you can relate to Rosalie, or know someone who can, [reach out](#). We can help you find an advisor to educate, guide, and empower you in your investments and beyond – regardless of your retirement status.