The high-cost chromosome - XX retirement: lower pay, less savings, longer lives

Implications of discriminatory policies for women: ‘The within gender gap’
15th July 2016

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The high-cost chromosome - XX retirement: lower pay, less savings, longer lives

And we did not like it. Not one little bit.

Apologies to Dr Suess
• Marriage-like relationships can ensure economic security.
Marriage-like relationships can ensure economic security.

Widowhood can be good for a woman’s wealth.

Divorce is usually adverse (esp if kids involved).

“Alicia is unfortunately married (for money, naturally) to the gouty and morally upright Mr Johnson, a man who is too old to be agreeable, and too young to die.”
The things I wish my mother had told me…
What do women really want

‘Women want the power to decide for themselves’ Gloria Steinem
Distribution of net worth

By net worth bands
Year ended June 2015

Net worth band $(000)

More than 1,500
1,400 to 1,500
1,300 to 1,400
1,200 to 1,300
1,100 to 1,200
1,000 to 1,100
900 to 1000
800 to 900
700 to 800
600 to 700
500 to 600
400 to 500
300 to 400
200 to 300
100 to 200
0 to 100
-100 to 0
Less than -100

Mean
Median

Stats NZ 2016
### Household Net Worth Statistics: Yr June 2015

<table>
<thead>
<tr>
<th>characteristics</th>
<th>Median $</th>
<th>Mean $</th>
</tr>
</thead>
<tbody>
<tr>
<td>House-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>hold</td>
<td>Couple only</td>
<td>489,000</td>
</tr>
<tr>
<td></td>
<td>Couple 2+ kids</td>
<td>258,000</td>
</tr>
<tr>
<td></td>
<td>One-person</td>
<td>229,000</td>
</tr>
<tr>
<td>Tenure</td>
<td>Family trust</td>
<td>657,000</td>
</tr>
</tbody>
</table>
Very little gender analysis in NZ

- Individual Net Worth Statistics: Yr June 2015

<table>
<thead>
<tr>
<th>characteristics</th>
<th>Median $</th>
<th>Mean $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
<td>Male</td>
<td>88,000</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>86,000</td>
</tr>
<tr>
<td>Age</td>
<td>55-64</td>
<td>278,000</td>
</tr>
<tr>
<td></td>
<td>65+</td>
<td>288,000</td>
</tr>
</tbody>
</table>
“Here’s our new retirement plan—At age 65, we’ll get divorced then marry other people who planned better.”
Individuals in a couples do better for non NZS income

Figure I.11
Income from non-government sources for one person and couple EFUs (66+): weekly amounts per person, decile upper boundaries, deciles 1-8, HES 2012

The top two deciles are omitted to enable a sensible vertical scale to be used.
How many women are income poor?

<table>
<thead>
<tr>
<th>Whole pop</th>
<th>HES 2014</th>
<th>“Poor”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>1.81m</td>
<td>280,000</td>
</tr>
<tr>
<td>Male</td>
<td>1.72m</td>
<td>240,000</td>
</tr>
<tr>
<td>TOTAL (15+)</td>
<td>3.53m</td>
<td>520,000</td>
</tr>
</tbody>
</table>

About 55,000 of those over 65 are “poor”

“There is very little difference in poverty rates for females and males” MSD 2015
New Zealand Superannuation the great equaliser of incomes at 65

<table>
<thead>
<tr>
<th>Pension type</th>
<th>Net weekly rate (after tax at &quot;M&quot;)</th>
<th>Gross annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single, living alone</td>
<td>$385</td>
<td>$23,036</td>
</tr>
<tr>
<td>Single, sharing</td>
<td>$355</td>
<td>$21,164</td>
</tr>
<tr>
<td>Married, civil union, or de facto couple, both qualify (each)</td>
<td>$296</td>
<td>$17,472</td>
</tr>
</tbody>
</table>
No disincentive to earn

– Prototype of a basic income
– High and growing labour force participation of 65+

Labour force participation for older female workers from 1987 – 2014
(Statistics New Zealand, Household Labour Force Survey)
Equalisers of the ‘within gender gap’

What is good for all women is

- NZS
- progressive tax,
- flexible work
- individual entitlement
- Sharing of roles
Wideners of the ‘within gender’ gap

• The ‘within gender’ gap is worsened with punitive welfare

• And, when social provisions are tied to paid work-- eg
  – Student debt repayment
  – KiwiSaver employer subsidy
  – Paid parental leave
  – Working for families
Policy forces sole parents and single women to declare relationships so they can be paid less.

The complexities of relationship in the welfare system and the consequences for children (Dec 2014)
Hidden bias #1 KiwiSaver:

Better than (fairer than) many other countries’ systems, but it’s still tied to paid work - employer’s contribution - lower if your pay is lower (women more often in part-time, low-paid jobs).

The member tax credit is not paid to women at home unless they make minimum voluntary contributions.
Hidden bias # 2 Paid parental leave

New baby support is tied to paid work.
PPL is higher for high paid women
Parents get the full Working For Families only if they are working sufficient hours and not on benefits.
State funded Paid parental leave is a bonus for middle/high income households

Low income PPL is often a low payment only