

COVID-19 has caused a “she-cession” by affecting women the most



Karen Hubbard, Regional Vice-President, Client Advisory Services, Educators Financial Group, discusses strategies for those hit hardest by the pandemic: women.

By August 2020, it was clear Canada was in a COVID-induced recession, but one with a twist. While past recessions have hurt male-dominated fields of work hardest, this time women and their respective dominated industries have been feeling the brunt. Schools and childcare centres have closed, and more women than men have been laid off or forced to reduce hours of work to care for loved ones.

As a result, women are stressed. A Financial Consumer Agency of Canada survey on financial well-being showed that 66% of those designated as ‘struggling a lot’ were women. As well, the FP Canada Financial Stress Index (July 2020), stated that more women than men were likely to say their level of financial stress had been impacted by COVID-19 (47% vs 41%).

At Educators Financial Group, we saw the impact on both female and male members of the education community early. When education professionals found their March break suddenly and indefinitely extended, they not only had to learn new teaching methods, but also had questions about the unknown potential impact to their finances. I’m proud to say we responded quickly and early to our clients’ needs.

In addition to live video meetings with our financial advisors, our online Learning Centre provided informative articles on coping with financial issues and stress, as well as budgeting tools.

Many clients have asked for strategies on how to manage financially while taking prolonged time off work. We recommend preparing for a period of salary disruption by setting up a priority-based, emergency budget, and looking into a pre-approved, low-rate loan or line of credit.

Others want to know how their retirement income would be affected if they retired early. Our new online Pension Income Gap Calculator helps members of the education community know if they’re saving enough for the retirement they want. Taking a ‘trial retirement living’ – a month or two of living and spending how they would in retirement – is also a good idea.

In addition to questions about their finances, clients are asking for strategies to help them deal with stress. The good news is that working with a financial planner has been proven to reduce worry. The 2020 Financial Stress Survey by Financial Post showed that finances were a major source of worry to 40% of those who worked without a financial planner; but only 25% of respondents with a financial planner said the same.

Educators has responded to our clients’ current needs by developing a 2-part webinar series, “Mastering Optimism, Resilience, and Financial Wellness in a Changing World,” featuring advice from Educators’ Certified Financial Planner professional Lisa Raponi.

Life will always be uncertain. The best way for anyone to cope with financial change is to improve your financial literacy, and to have a trusted advisor. At Educators Financial Group, we can help you with both.

Below are some of the free online resources available from Educators Financial Group to help you acquire the knowledge you need to manage your finances and plan for the future:

- ➔ **Keys to Financial Wellness Webinar:** <https://www.educatorsfinancialgroup.ca/webinars/financial-wellness>
- ➔ **Budget Calculator:** <https://www.educatorsfinancialgroup.ca/budget-calculator>
- ➔ **Pension Income Gap Calculator:** <https://www.educatorsfinancialgroup.ca/calculatepensiongap>
- ➔ **Managing Finances During the Pandemic:** <https://www.educatorsfinancialgroup.ca/pandemic-finances>
- ➔ **How to Build a Budget:** <https://www.educatorsfinancialgroup.ca/budgeting>
- ➔ **Benefits of Professional Advice:** <https://www.educatorsfinancialgroup.ca/professional-advice>