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Gender Inequality in the Wealth of Older Canadians

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Abstract:

Beyond income, wealth is an important measure of economic well-being, because while income captures the current state of inequality, wealth has the potential for examining accumulated and historically structured inequality. This paper documents the extent of gender inequality in wealth for Canadian women and men aged 45 and older. The analysis uses data from the 1999 Canadian Survey of Financial Security, a large nationally representative survey of household wealth in Canada. Wealth is measured by total net worth as measured by total assets minus debt. We test two general hypotheses to account for gender differences in wealth. The differential exposure hypothesis suggests that women report less wealth accumulation because of their reduced access to the material and social conditions of life that foster economic security. The differential vulnerability hypothesis suggests that women report lower levels of wealth because they receive differential returns to material and social conditions of their lives. Support is found for both hypotheses. Much of the gender differences in wealth can be explained by the gendering of work and family roles that restricts women's ability to build up assets over the life course. But beyond this, there are significant gender interaction effects that indicate that women are further penalized by their returns to participation in family life, their health and where they live. When women do work, net of other factors, they are better able to accumulate wealth than their male counterparts.

Key Words: wealth, retirement, net assets, gender differences.

JEL Classifications: J14; J16

Résumé :

Au delà du revenu, la richesse constitue une mesure essentielle du bien-être économique; alors que le revenu permet de mesurer l'inégalité présente, la richesse permet potentiellement d'examiner l'inégalité cumulée et historiquement structurée. Cet article documente l'ampleur de l'inégalité de la richesse entre les femmes et les hommes canadiens âgés de 45 ans et plus. Notre analyse s'appuie sur des données tirées de l'Enquête Canadienne sur la Sécurité Financière de 1999, un vaste échantillon représentatif de la richesse des ménages au Canada. La richesse totale représente la valeur nette du patrimoine mesurée par la différence entre les avoirs et les dettes. Nous évaluons deux hypothèses générales pour expliquer les disparités de richesse entre les sexes. L'hypothèse d'exposition différentielle suggère que les femmes accumulent moins de richesses en raison de leur accès limité aux conditions matérielles et sociales qui favorisent la sécurité économique. L'hypothèse de vulnérabilité différentielle suggère que les femmes accumulent de plus faibles niveaux de richesse parce qu'elles perçoivent des rendements différentiels sur les conditions matérielles et sociales de leurs vies. Nos deux hypothèses semblent trouver un support empirique. Une fraction importante des différences dans l'accumulation des richesses observées entre les sexes peut être expliquée par la répartition des rôles dans la vie professionnelle et familiale qui limite la capacité des femmes à se constituer un patrimoine tout au long de leur vie. De plus, nous trouvons des effets d'interaction significatifs entre les sexes qui suggèrent que les femmes sont davantage pénalisées par le rendement consécutif à leur participation à la vie de famille, leur santé et l'endroit où elles vivent. Quand les femmes travaillent, indépendamment des autres facteurs, elles démontrent une meilleure capacité à se constituer un patrimoine que leurs homologues masculins.

Gender Inequality in the Wealth of Older Canadians

Introduction

Beyond income, wealth is also an important measure of economic well-being, because while income captures the current state of inequality, wealth has the potential for examining accumulated and historically structured inequality (Warren, Rowlingson & Whyley, 2001). There has been much less attention paid to the gendering of assets than to the gender differences in earning. Warren, Rowlingson & Whyley (2001) have shown that women in Britain face a reduced ability to build up assets over their working lives and the long term consequences is that older women have fewer assets than men do.

Sociologists explain this as a product of women's cumulative disadvantage through their lower levels of participation in the paid labour force and their greater likelihood to live in single person households due to divorce and widowhood (O'Rand & Henretta, 1999).

This paper documents the extent of gender inequality in wealth for women and men aged 45 and older¹ living in Canada with a focus on gender differences by age and marital status. The analysis uses data from the 1999 Canadian Survey of Financial Security, a large nationally representative survey of household wealth in Canada. Wealth is measured by total net worth as measured by total assets minus debt. We test two general hypotheses to account for gender differences in wealth. The differential exposure hypothesis suggest that women report less wealth accumulation because of their reduced access to the material and social conditions of life that foster economic security. The differential vulnerability hypothesis suggests that women report lower levels of wealth because they receive differential returns to material and social conditions of their lives.

¹ Research suggests that financial preparations for later life generally commence at middle age (Anderson et al., 2000; Statistics Canada, 2001).

Evidence for the differential exposure hypothesis and the differential vulnerability hypothesis.

Research shows that the gendering of work and family life puts women at a disadvantage in the accumulation of wealth (Hardy & Shuey, 2000). Women's relative disadvantage is often attributed to gender differences in labour market participation (Benoit, 2000).

While the typical pattern for males is a continuous and full-time labour market attachment, women typically have discontinuous work histories due to career interruptions for child bearing and child rearing and they have more job changes (Berger & Denton, 2004). They work in different occupations than men do and in different sectors of the economy and they are more likely to be single parents than men (Denton, Prus & Walters, 2004). They are also more likely to work in casual jobs (i.e., part-time, temporary) and lower status jobs, and less likely to work in jobs covered by a union contract (McDonald, 2006; Hardy & Shuey, 2000; McGary & Davenport, 2000).

The gendering of employment means that women typically earn less than men (Drolet, 2002; Shannon & Kidd, 2001). Further, they are less likely to be a member of a company pension plan, to make contributions to the government sponsored private pension plan (such as the Canada Pension Plan) and when they do contribute, their contributions are less than men's (Hardy & Shuey, 2000; Marshall, 2000; Sambamoorthi & Crystal, 1999; McGary & Davenport, 1999; Patterson, 1996). Given their lower incomes, they are less likely than men to be saving for retirement through private pensions plans (i.e., RRSPs) and when they do contribute they receive less tax assistance

than men because of their lower earnings (Statistics Canada, 2001; Marshall, 2000; Townson, 2000; Maser, 1995)

The cumulative effect of these gender differences over the life course translates into a decreased ability to accrue assets including pension assets (Moen, 2001; Prus, 2000; Mitchel, 1998). Research has shown that differences in wages, reduced pension contributions, years of job tenure, discontinuous employment and industry appear to account for much of the gender gap in pension wealth (Ginn & Arber, 1996, 2000).

Marriage is a mediating factor protecting many women from poverty (Gregoire et al., 2002). The financial security of both men and women is enhanced by being able to pool resources and share costs. Typically, married couples have the highest level of wealth, and lone parents, the lowest with singles in between (Warren, Rowlingson & Whyley, 2001; Browning & Lusardi, 1996). Research findings indicate that the dissolution of marriage, either through death or divorce, increases both men and women's vulnerability to poverty, although the effect is greater for women than men (McDonald & Robb, 2004; Davies & Denton, 2002; Warren, Rowlingson & Whyley, 2001; McDonald, 1997; Kokrda & Crammer, 1996).

Beyond gender and marital status differences, other factors are important in the accumulation of wealth. Evidence also suggests that wealth increases with age (Glass & Kilpatrick, 1998) although there may be some de-accumulation with age (Browning & Lusardi, 1996). There also appears to be a positive relationship between good health and asset accumulation (Mitchell, Moore and Phillips, 2000). There is some literature that psycho-social factors, such as self-efficacy, may also contribute to gender differences in asset accumulation (Dietz, Carrozza & Ritchely, 2003) and gender differences in

retirement planning (Glass & Kilpatrick, 1998; Perkins, 1992), although this paper does not address these issues.

In an analysis of gender differences in pension wealth, Johnson, Sambamoorthi and Crystal (1999) were able to explain about two thirds of the gender difference as due to exposure or compositional differences. It is possible that some of the remaining differences may be due to gender differences in vulnerability to the determinants of wealth, but they did not estimate these effects. To date we have not identified any studies that examine the differential vulnerability hypothesis.

Data Source and Considerations

Data used for the analysis are taken from the 1999 Survey of Financial Securities (SFS). The purpose of this survey was to provide a comprehensive view of the assets and net worth of Canadians. The survey contains information on all financial and non-financial assets as well as money owing on debts such as mortgage, credit cards, loans and vehicles, as well as miscellaneous debts.

The survey was administered in all (10) provinces. Territories were not included. Data were collected between May and July 1999 and were taken from two sources. The main sample was drawn from approximately 21,000 households. A second sample of approximately 2,000 households was taken from an area identified as “high income”. The reason for including this sample was to enhance the quality of estimates of net worth since a disproportionate share of net worth is to be found in higher income households.

Data was collected for each person in the family aged 15 and over and for the family unit. Information on demographics, ethno-cultural characteristics, education,

employment and income for 1998 was collected for each family member. The value of employer pension plans was estimated for each respondent. For each family unit data on financial and non-financial assets, business equity, debts and loans was included. This research is based on the information provided by and about the respondent.²

A difficulty in researching individual's wealth occurs especially when women and men are living in couples. In the SFS, as in most wealth surveys, financial data is collected at the level of the household. This is because when couples marry they often pool their assets and the argument is that "resources separately available to husbands and wives from pooled income or wealth cannot be separately allocated" (Levine, Mitchell & Moore, 2000: 170). As a result, most wealth studies focus on the household (Mitchell & Moore, 1998; Browning & Lusardi, 1996).

Researchers have identified a number of concerns related to the analysis of pooled data for understanding gendered inequality. The focus on the family as the level of analysis has been criticised for rendering invisible the extent of women's poverty within the home (Glendinning & Millar, 1993). When assets are analyzed at the family level, it may neglect the gender divisions within the home. Assuming that assets are pooled equally gives little indication as to who built up the majority of the financial investment. It does not consider those assets brought into the marriage that are the property of one party such as an inheritance or business. It does not consider any pre-marital agreements regarding the division of assets if the couple separates. Further, when a spouse dies the remaining spouse does not typically inherit all of the wealth because of the rules around the inheritance of pensions.

² Some studies focus on the 'head of the household' as defined by the highest income earner. This has the effect of under-representing women in the analysis (Conley, 2001).

Researchers typically complain about the difficulty of studying gender inequality in wealth. Not wishing to encounter the problems associated with conflating the assets of men and women in couples, they focus their gender analysis on single women and men (never married, divorced or separated and widowed), masking the full extent of women's positions (Warren, Rowlingson and Whyley, 2001). Others, in the case of married respondents, focus on the 'head of the household' meaning the highest income earners (usually the male) and control for differences in spouse's characteristics (Levine, Mitchell and Moore, 2000; Johnson, 1999). Still other researchers focus their gender analysis on pension wealth because data sets such as the Health and Retirement Study in the U.S. assign pension assets to the individual (Warren, Rowlingson & Whyley, 2001; Hardy & Shuey, 2000; Johnson, 1999).

Other researchers wishing to understand gendered inequality in wealth attach the household wealth data to the individual file and use multiple regression to statistically control for other determinants of wealth (Warren, Rowlingson & Whyley, 2001; Conley, 2000, 2001; Elder & Rudolph, 2000; Glass & Kilpatrick, 1998). Following this solution, we have attached the asset/wealth data from the family file to the respondent's information so that both the respondent's and the partner's wealth (if there is one), as well as other possible member of the household with an income and net worth, are included. Controls entered into the multiple regression analysis for marital status, number of earners in the household (only 15% of households have more than 2 earners) and household income should correct for this confounding. There are problems with this solution too, but despite the problems we do feel the end justifies the means, if we can learn something more about the gender wealth gap in Canada.

In Canada, where when a marriage dissolves, Canadian law mandates that the economic resources of the family are equally divided between members of a couple. This being the case, it is plausible to argue that in the majority of situations, each partner owns half the assets (although, we acknowledge that this may not be the case on the dissolution of a marriage in a minority of households where premarital agreements may exist or where couples do not have to share inheritances). While this assumption does not address some of the problems associated with disentangling the pooled data, it addresses the most serious reservation of being unable to ascertain what proportion of the assets to allocate to each partner.

Measures

Dependent Variables

The measure of wealth used here *Net worth* is defined as the difference between the value of total assets and the amount of total indebtedness. *Total assets* represent the total dollar value of all financial assets, non-financial assets and equity in business.

Respondents reported the market value of the asset (i.e., the amount they could expect to receive if they had sold the asset at the time of the survey). Respondents were asked to check financial records where available. When the value could not be determined by such means, the respondent was asked to estimate the value. Assets include: *financial assets* such as private pension assets (RRSPs and RRIFs, employer pension plans³, other private pension asset), non-pension financial assets (deposits in financial institutions,

³ The methodology for estimating the value of employer pension plan benefits is outlined in a publication from Statistics Canada, 2001. Survey of Financial Security Methodology for Estimating the Value of Employer Pension Plan Benefits, Income Statistics Division 13F0026MIE-01003. The values were estimated for persons who belonged to an RPP at the time of the survey; persons who had previously belonged to an RPP and left money in the plan or transferred it to a new plan; and persons who are receiving RPP benefits.

mutual/investment funds, stocks, bonds, other financial assets), *non-financial assets* (principal residence, other real estate, vehicles, other non-financial assets), and equity in business. *Total debt* includes mortgages, lines of credit, credit card and installment debt, student loans, vehicle loans and other debt.

Independent variables -Individual

Demographic information includes age, sex, marital status, urban size and region. Age is measured in 10 year age groups and includes only respondents aged 45 and over. Sex, marital status and region are categorical variables and entered into models as dummy variables. Urban size is an ordinal level variable ranging from 1 (rural) to 11 (1,000,000 to 9,999,995 people). Categories are not evenly spaced.

Socio-cultural data includes landed immigrant status and mother tongue (English, French, other). Mother tongue is utilized as a dummy variable. *Activity limitation* reflects whether or not the respondent has any physical limitations. *Education* has four categories ranging from less than high school to university degree and is used as a categorical dummy variable.

Employment related variables include *occupation, union status, employee pension plan at work*. Occupation has ten categories with sales and service occupations as the reference category. Employment status is captured in this variable as the last category, not in the labour force. Union status and employee pension are yes/no variables. Income variables include *total income* measured in dollars and *major source of income* represented by 7 categories.

Independent variables –Economic Family

The *number of children* in the family under 18 ranged from 0 to 7 while the *number of earners* in the family ranged from 1 to 6. *Home ownership* was categorized as owning with a mortgage, owning without a mortgage or not owning. *Total income* for the family was measured in dollars.

Analysis

To begin the analysis we first compare the mean and medium net worth of men and women. This is further sub-divided into the components of net worth. Second, the distribution of males and females by their socio-demographic and economic characteristics are shown. Third, the median household net worth and its components are shown for men and women by age and marital status. All variables are coded to ensure that all cells contain 5 or more cases. The fourth method used for analysis is multiple least-squared regressions. In all regression models, net worth has undergone log transformations to successfully obtain normal distribution. Analyses were carried out using SPSS. Tests for colinearity were conducted and because of this issue we had to combine the measures of occupation and employment status in our regression models. We are unable to distinguish between full and part-time employment. Note though that only 5% of the males and 9% of the females were working less than 30 hours per week.

To test for the differential exposure hypothesis, net worth was first regressed on gender and second regressed on gender and the remaining independent variables. To prove this hypothesis we would expect the gender coefficient to be reduced when other determinants are controlled. To test for the differential vulnerability hypothesis, gender

interaction terms were entered into the model with all respondents over 45. Significant interaction terms would indicate support for the differential vulnerability hypothesis.

Results

Women age 45 and over, on average, have a net worth of 64% of men's assets, \$282,826 compared to \$430,650. The wealth distribution is skewed heavily to the right, and so if we examine the medium net worth (the value at which 50% of the distribution falls either above or below), women's net worth is \$163,924 as compared to \$282,588. As shown in table 1, while women have about two-thirds the non-financial assets (including the value of their home) than men do, they have less than half the financial assets (including the value of their pensions and other financial assets).

As hypothesized, this may be due to the fact that women and men occupy different structural locations in society that puts women at a disadvantage in the accumulation of wealth. Table 2 documents that women, aged 45 and over, who responded to SFS are much less likely to be married than their male counterparts (33% vs. 76%) and much more likely to be never married, separated, divorced or widowed. The women, on average, are older than the men in the sample, probably due to their longer life expectancy. In keeping with the age difference, 19% of the men have children under the age of 18 as compared to 11% of women. In terms of other demographic characteristics, they are less likely to be a landed immigrant and more likely to speak English. With respect to their health, more women than men have an activity limitation.

Women respondents, as compared to men, are more likely to live in Ontario and less likely to live in Quebec or B.C. and are more likely to live in an urban environment than the men. In terms of their education, men and women also differ. Compared to men,

women are more likely to have less than high school education, to have completed high school education or a non-university diploma. Men, on the other hand, are more likely to have a University degree.

More men than women (55% vs. 36%) are currently employed, although more women than men are working less than 30 hours per week. They differ with respect to their occupations too with more women in sales and services, business, financial, administration and health occupations and more men in management, natural and applied sciences, trades and transportation, primary industry and process and manufacturing occupations. About 12% of both men and women are union members, but more men than women have employer pension plans (19% vs 15%). With respect to major source of income, the men are more likely to receive income from wages and salaries, from self-employment and from a retirement pension. Major source of income for women, on the other hand, is more likely to be government transfers and they are also more likely to have no income. Both men and women are equally likely to report income from investment as a major source of income.

In keeping with their older age and marital status, more men than women report two or more earners in the house (44% vs. 26%). Women respondents report only 49% of the total personal income that men do, and 65% of the total family income. Finally, more men than women own their own home.

The analysis of Table 2 is a clear demonstration of the very different structural and material differences of women and men (aged 45 and over) lives. Before turning to a test of the differential exposure hypothesis, we present an analysis of household wealth

differences by age and marital status, two very important gender differences in our sample, and of particular interest in this paper.

Table 3 presents median household wealth measures by gender and age and shows a curvilinear relationship between age and the measures of wealth. For both men and women, net worth and financial assets peak at age 65-74 and then decline sharply thereafter. This decline may be due to a dis-savings effect with age and/or a cohort effect, but with cross-sectional data there is no way to sort out these two effects. In terms of non-financial assets, they peak at an earlier age, 55-64, and then decline. This decline is sharper for women than men. By age 85 women's non-financial assets are less than a quarter of what they were at age 55-64; for men their non-financial assets are a little less than half of what they were at age 55-64.

Table 4 presents median household wealth measures by gender and marital status and shows that, as expected, married men and women have greater household wealth, on all measures than do other marital categories. This is followed by those living common law and those who are widowed. The divorced, and especially those who are separated, have by far the lowest household wealth, while the never married have about one-half the wealth that the married do.

Married women have slightly less household wealth than married men do. There are gender differences in widowhood with females having slightly over half the household wealth than men do. Also women, who are separated or divorced, have about equal amounts of non-financial assets, but have fewer financial assets than men do. Never married women have accumulated about the same level of wealth as their male counterparts.

The differential exposure hypothesis suggest that women report less wealth accumulation because of their reduced access to the material and social conditions of life that foster economic security. When net worth is regressed on gender, as expected, women have significantly less wealth than men (regression coefficient is .259). When net worth is regressed on gender controlling for differences in the social and material conditions of women and men's lives the gender differences are still significant but substantially reduced (regression coefficient is .046). This can be interpreted to mean that differences in the accumulation of wealth are largely a product of the gendering of work and family life over the life course.

Our second hypothesis states that women also report lower levels of wealth because they receive differential returns to the material and social conditions of their lives. To verify this hypothesis we have tested for gender interaction effects on the main determinants of wealth. Table 5 shows the significant determinants of wealth for men and women separately and also shows the significant interaction effects.

Marital status plays a very important role. For both men and women, being separated, divorce or single has a negative impact on net worth. Being widowed also has a negative impact on net worth for women, but not for men. The interaction terms show that the impact on net worth of being separated, divorced and widowed is more detrimental for women than men. For men, living common law contributes to net worth but for women the effect is negative. Being never married has a greater dis-savings effect on men, than women.

As expected, age has a positive effect on wealth accumulation for those 45- 85, but declines as age 85 and over for women, although the gender difference is not

significant. Being a landed immigrant contributes to net worth for women but not men, however speaking a first language other than English or French has a negative impact on net worth but again this impact is felt equally by men and women. Compared to living in Ontario, for men, living in the Atlantic Provinces, Quebec and the Prairies has a negative impact on net worth. For women, the negative effect is experienced in the Atlantic Provinces and B.C.. This translates into significant differences by gender for the Prairies and B.C. so that living in B.C. is an advantage for men but not for women, while the reverse is true on the Prairies. Living in a large urban place has a positive impact on net worth for both men and women. In terms of health, having an activity limitation is a dis-saving for women but not for men.

In terms of education, having less than high school is a disadvantage for both men and women though the effect is greater for women than men. Education beyond the high school level contributes to net worth for men but not for women. In our sample 49% of the males are in the labour force as compared to 27% of the women. Not working has a negative impact on wealth for men, but not women, when other determinants are controlled. There are gender differences by occupation. Compared to males in the same occupations, women in business, financial and administrative, social science, government, education, arts and culture, and trades and transportation occupations have accumulated more wealth. Being a member of an employer pension plan contributed to the accumulation of wealth for both men and women and there are no gender differences.

Compared to wages and salaries as the major source of income, self-employment income, investment income, pension income and other income are all positively associated with wealth accumulation for both men and women, but the magnitude is

greater for women than men with respect to retirement pensions. Government transfers as the major source of income has a negative effect on net worth for both men and women. Total family income contributes significantly to net worth, but the effect is stronger for men than women. Total personal income also contributes to net worth for women, but the effect is negated for men when total family income is also included in the equation. Finally, home ownership contributes to net worth for both men and women and the effects are greater for women than men.

Discussion

The findings show very clearly that, compared to men, women face a reduced ability to build up and secure a safety net of savings. Their portfolio of financial and non-financial assets can be used to provide a retirement income or a safety net to fall back upon in times of need. Financial security in retirement requires building claims to multiple sources of retirement income. On average, women have accumulated about two-thirds of what men have. And, there are specific groups of women, the separated and divorced women, in particular, who have much less than that. The wealth disparity is compounded by the demographic fact that women, on average, live five years longer than men. This being the case, one would expect that women would need more assets than men do.

The findings from this study support the differential exposure hypothesis. Much of the gender differences in wealth can be explained by the gendering of work and family roles that restricts women's ability to build up assets over their life course. The long term consequences are that the majority of women will fail to build up the financial assets to provide good incomes for their retirement.

There is some support for the differential vulnerability hypothesis. When women do work they are able to better accumulate wealth than men. However they are more disadvantaged by the social aspects of their lives including their marital status, their health and where they live. The returns to education also seem to have a stronger association with wealth accumulation for men than women when other factors are controlled.

Women who are divorced or widowed have less wealth than their male counterparts net of other factors. And never married men have accumulated less wealth than never married women. Men who live common law have more assets than do their female counterparts (which may explain their reluctance to marry). Although Canadian law stipulates an equal division of assets (with some exceptions such as a pre-marital agreement, some inheritances, assets brought into the marriage etc.), women fare less well than men after a marital dissolution. Their non-financial assets are about equal men's yet their financial assets are much less. Women sometimes trade the home for pension assets, but more importantly after the divorce they may be less able to build up their financial assets (i.e., savings and pensions) than men are given the gendering of their work and family roles. And, too, women are much less likely to remarry than men are.

The fact that many widows are poor raises questions about how couples make financial plans prior to a spouse's death. If the husband has an employer pension, the benefit is usually reduced to about half at the death of a spouse. Women are less likely to have their own pensions and the value of that pension would be less than men's. Further, like divorced women, they are less able to accumulate wealth than their male

counterparts and as they age they may need to spend some of their net worth. Given that women are much more likely to be widowed than men, the advantage that married women have may disappear with the death of their spouse.

Wealth (i.e., net assets) is an imperfect measure of economic well-being in retirement, as not all sources of wealth are easily transferred into income. For example, many older people are reluctant to sell their homes to provide the income they may need in retirement, they may be asset rich, but income poor. Since women are more likely than men to hold a greater proportion of their wealth in non-financial assets, using wealth as a measure of economic well-being in retirement may be masking older women's poverty.

The sample used in this analysis is aged 45 and over and includes just the tip of the baby boom generation. Researchers speculate that women born in the baby boom years and younger will have retirement incomes that more closely resembles that of men because they will have had more continuous work careers and their earnings will more closely approximated those of men (Rosenthal, Denton, Martin-Matthews & French, 2000). While the wealth gap may be dampened for younger cohorts of women, we should not be lulled into a false sense of optimism. These younger cohorts of women will still be at a disadvantage due to their greater likelihood of working part-time and in casual employment, of having discontinuous work careers, lower earnings, less access to employer pensions and their greater likelihood of living alone in old age.

In most western nation, there is a trend for government policies and employment practices to encourage greater individual responsibility (and risk) for economic security for later life (Kemp & Denton, 2005). There is a trend away from defined benefit employer pension plans towards defined contribution plans (Mann, 2001). Ultimately

the move to privatise economic security for later life creates new risks, and heightens inequalities in old age, particularly for vulnerable groups such as women, visible minority and ethnic groups (O’Rand & Henretta, 1999).

Although the majority of wealth is built up through participation in the labour force, inherited wealth also plays an important role, especially for the wealthiest sector of the population. Warren, Rowlingson and Whyley (2001) point out that inherited wealth may actually have a gender-neutral impact, if for example, it is bequeathed to all family members equally. As they point out, inheritance wealth actually fosters severe imbalances in assets levels which can intensify over-time and pass down through the generations. Unfortunately the SFS data did not include a useable measure of inherited assets.

Table 1: Median and Mean Assets by Gender, Aged 45 and over

Wealth Measures	Males (N=5298) Dollars (Cdn)		Females (N=3589) Dollars (Cdn)	
	Median	Mean	Median	Mean
Networth	282,588	430,650	163,924	282,827
Non-financial Assets	149,469	190,813	98,255	137,705
Financial Assets	99,276	231,457	42,000	136,699
Total Assets	303,872	455,084	179,220	296,675
Total Debt	3000	33,500	100	23,189

Table 2: Means and percentages for gender differences in social structural variables

Social Structural Determinants	Males (N=5298) %	Females (N=3589) %
Region		
Ontario (ref)**	23.0%	26.1%
Atlantic	18.3	18.5
Quebec*	17.5	15.9
Prairies	24.8	26.5
B.C.**	16.3	13.1
Marital Status	75.3%	32.5%
Married (ref)**	4.4	3.0
Com Law**	2.7	4.8
Separated**	6.6	16.4
Divorced**	5.2	35.9
Widowed**	5.8	7.4
Single**		
Age Group (years)**	36.3%	31.3%
45-54	27.3	23.3
55-64	22.1	21.2
65-74	12.1	18.4
75-84	2.3	5.8
85+	22.1%	18.3%
Landed Immigrant**		
Language	61.2%	63.4%
English (ref)*	18.5	18.6
French	20.3	17.9
Other*	19.7%	23.2%
Activity Limitations**		
Education	36.0%	40.7%
Less than HS**	17.5	19.6
HS (ref)*	21.0	24.3
NonUniv**	25.5	15.4
University**		
Employ Status**	49.1%	26.9%
Work 30 or more hours/week	4.5	8.7
Work less than 30 hours/week	46.5	64.4
NA or not working	12.8%	11.5%

Union Member	18.6%	14.5%
EPP at Work**		
Occupation	7.0%	9.6%
Sales/Service (ref)**	9.8	3.4
Management **	5.3	10.0
Bus/Fin/Admin **	4.4	0.6
Nat/Appl Sci **	1.8	4.0
Health **	4.6	3.8
SocSci/Gov/Ed	1.0	1.4
Arts/Culture	10.7	0.6
Trades/Transp**	4.9	0.6
Prim Industry**	3.9	1.7
Proces/Manuf**	46.5	64.4
Not in Labour Force**		
Major Source Income	41.4%	30.3%
Wage/Sal (ref)**	0.5	2.6
No Income**	9.3	3.7
Self Employ**	26.8	47.2
Govt Transfers**	5.2	5.9
Invest Income	15.3	8.4
Ret Pension**	1.5	2.0
Other Income*	19.0%	11.3%
Child under 18**		
Num Earners**	29.9%	47.9
0	26.5	26.3
1	27.7	17.9
2	10.2	5.5
3	4.8	2.1
4	0.9	0.3
5 or more		
Home Ownership**	18.8%	33.0%
Do Not Own (ref)	26.6	19.4
Own with Mortgage	54.6	47.6
Own No Mortgage		
	Mean (sd)	Mean (sd)
Urban*	6.4 (4.0)	6.7 (3.8)
Total Person Income**	50264 (75552)	24352 (27990)
Total Family Income**	71210 (85775)	45937 (63952)

* p<0.05, ** p<0.01

Table 3: Median and Mean Assets by Age (years)

Wealth Measures Dollars (Cdn)	Central Tendency	45-54	55-64	65-74	75-84	85+
Females						
Networth	Median	180,385	176,603	191,202	130,102	79,545
	Mean	292,409	332,630	289,975	198,307	188,617
Non-financial Assets	Median	125,278	110,245	96,000	66,435	25,005
	Mean	165,026	157,196	124,153	92,404	74,958
Financial Assets	Median	24,246	43,200	62,820	40,793	37,025
	Mean	113,599	174,916	162,532	105,591	111,838
Total Assets	Median	211,409	213,689	193,243	132,104	75,935
	Mean	325,815	352,103	293,317	199,686	187,438
Debt	Median	161,123	1,500	Nil	Nil	Nil
	Mean	47,189	23,967	6,631	1,690	641
Males						
Networth	Median	232,703	374,283	322,806	267,488	179,000
	Mean	375,304	529,453	430,370	426,553	264,799
Non-financial Assets	Median	151,086	165,300	140,000	125,000	90,120
	Mean	194,070	219,856	169,717	157,854	130,341
Financial Assets	Median	45,300	146,060	152,424	127,814	63,949
	Mean	164,690	299,177	256,211	268,376	134,457
Total Assets	Median	276,517	393,165	323,346	272,682	179,582
	Mean	411,238	554,397	436,920	430,309	267,201
Debt	Median	24,600	5,032	Nil	Nil	Nil
	Mean	53,248	35,076	13,154	4,079	2403

Table 4: Median and Mean Assets by Marital Status, age 45 and over

Wealth Measures Dollars (Cdn)	Central Tendency	Married	Common Law	Separated	Divorced	Widowed	Never Married
Females							
Networth	Median	287,942	146,147	56,383	90,316	130,628	133,000
	Mean	441,973	355,482	169,514	159,092	210,147	234,573
Non-financial Assets	Median	181,500	104,546	41,300	26,000	69,189	23,500
	Mean	226,922	159,102	88,387	80,559	101,103	86,501
Financial Assets	Median	84,601	30,621	436	8,498	40,174	64,290
	Mean	216,141	181,492	61,667	60,323	106,715	142,366
Total Assets	Median	323,628	170,020	75,316	91,394	132,998	142,810
	Mean	481,810	377,169	178,946	162,551	214,023	244,714
Debt	Median	9,160	10,800	2,670	1,500	Nil	Nil
	Mean	41,631	36,575	28,893	21,669	6,205	15,847
Males							
Networth	Median	336,479	221,757	129,012	95,710	240,070	90,783
	Mean	484,086	419,986	261,041	208,242	383,083	250,511
Non-financial Assets	Median	173,470	119,500	45,848	22,396	111,730	21,000
	Mean	218,820	184,737	122,637	80,923	143,012	82,868
Financial Assets	Median	126,685	62,396	19,693	19,766	126,208	16,335
	Mean	260,412	209,098	112,493	88,446	236,166	145,784
Total Assets	Median	364,625	256,256	124,920	79,180	246,588	77,770
	Mean	516,153	440,208	266,699	193,417	388,091	235,591
Debt	Median	6,000	17,975	4,815	1,000	Nil	Nil
	Mean	37,845	46,373	31,569	24,047	8,913	6,938

Table 5: Unstandardized OLS Regression Coefficients for Net Worth, Age 45 and over

Social structural determinant	Wealth (Net Worth)		
	Female	Male	Interaction
Marital Status			
Married (ref)	---	---	---
Com Law	-.089***	.096**	.184**
Separated	-.369***	-.251***	.118
Divorced	-.269***	-.163***	.106*
Widowed	-.197***	.005	.202***
Single	-.198***	-.330***	-.132*
Age Group			
45-54 (ref)	---	---	---
55-64	.096**	.108***	.012
65-74	.221***	.145***	-.076
75-84	.254***	.220***	-.034
85+	.135*	.223***	.088
Child under 18	.037	-.014	-.051
Landed Immigrant	.099**	-.042	-.142***
Language			
English (ref)	---	---	---
French	-.048	-.058*	-.010
Other	-.132***	-.115***	.017
Region			
Ontario (ref)	---	---	---
Atlantic	-.137*	-.256***	-.119
Quebec	-.058	-.056*	.002
Prairies	.002	-.118***	-.120**
B.C.	-.098**	.017	.114**
Urban Size	.007*	.004*	-.003
Activity Limitation	-.199***	-.042	-.142***
Education			
Less than HS	-.184***	-.063**	.121***
HS (ref)	---	---	---
Non University	-.050	.060**	.110**
University	.026	.136***	.110**
Occupation			
Sales/Service(ref)	---	---	---
Management	.181**	.097**	-.085
Bus/Fin/Admin	.163***	-.025	-.189***
Nat/Apppl Sci	.056	.047	-.009
Health	.133*	-.002	-.135
SocSci/Gov/Ed	.259***	.105*	-.154*
Arts/Culture	.283***	.077	-.206*
Trades/Transportation	.384**	-.055	-.439***
Prim Industry	.308	.225***	-.082
Proces/Manuf	-.048	-.087*	-.039
Not in labour force	.105*	-.051*	-.156**
Union Member	.052	.000	-.053

EPP at Work	.168***	.149***	-.019
Major Source Inc			
Wage/Sal (ref)	---	---	---
No Income	.087	.036	-.051
Self Employ	.123*	.137***	.015
Govt Transfers	-.093*	-.106***	-.013
Invest Income	.235***	.301***	.065
Ret Pension	.410***	.292***	-.118*
Other Income	.141*	.245**	.105
Number Earners	-.021	-.011	.011
Total Person Inc	1.948 ^{-06**}	-9.868 ^{-07*}	-2.934 ^{-06**}
Tot Family Inc	2.218 ^{-06***}	3.431 ^{-06***}	1.213 ^{-06*}
Home Ownership			
Don't Own(ref)	---	---	---
Own Mort	.679***	.568***	-.111**
Own No Mort	.886***	.822***	-.064*
Adjusted R2	.571	.536	

* p<0.05, ** p<0.01

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