

Suddenly Single – Will You Have Enough?

Trixie Rowein, B.Comm, CFP®, CIM®

Portfolio Manager & Financial Advisor

Did you know nearly 90% of women will become single during their adult lifetime due to divorce or widowhood?

Author and finance expert, Kerry Hannon, shares this statistic in her book *Suddenly Single*. Divorce or the death of your spouse is traumatic and can leave you scrambling to figure out what will happen to your assets and income during a time when you're grieving and overwhelmed. Often women are left wondering if they will be able to survive financially with no spouse.

According to Census Canada, the average age of widowhood in Canada is just 56. What's more a staggering 43% of Canadian seniors are single! Many seniors are not in a position to go back to work so they have to adjust their lifestyle to make ends meet. If you are a couple in your late 60s or older, and are both receiving maximum CPP and OAS benefits, it is important to note that the CPP and OAS benefits are gone when a spouse dies. That amount can be as much as \$1,600 per month! If you are not personally receiving the maximum benefits, as most women are not, then you are entitled to a portion of your spouse's benefits up to the maximum for one person. Additionally, your spouse's investments, along with the investment income generated, will pass on to you if you are the named beneficiary on the registered accounts.

Divorce can make figuring out what will happen to your income more complex as there may or may not be spousal or child support payments. A study from the Vanier Institute estimates that 40% of first marriages end in divorce. I know too well as I'm part of that statistic. We ended up with a shared custody arrangement with enough income for both of us, but not everyone is as fortunate.

I've learned through experience helping clients over the past 15+ years that proper planning often leads to less anxiety. Women especially have to be aware of what could happen to their income after their spouse's death or divorce as women tend to live longer and often earn and save less compared to men. Knowledge is power, so ask questions now about your finances to get a better understanding of what will happen should you suddenly find yourself single.

Trixie Rowein, B.Comm, CFP®, CIM®
Portfolio Manager and Financial Advisor
at Raymond James Ltd.

780-414-2520
trixie.rowein@raymondjames.ca
www.howdenroweingroup.com



Trixie Rowein is a Financial Advisor with Raymond James Ltd. The views of the author do not necessarily reflect those of Raymond James. This article is for information only. Raymond James Ltd., member -- Canadian Investor Protection Fund.

