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FOR IMMEDIATE RELEASE

This is the Halifax review of key differences between men and women in terms of economic and financial behaviour. It is based on data from several sources, including the ONS, DWP and from within the Lloyds Banking Group, including Halifax, LTSB and Scottish Widows.

Men v Women: The economic and financial divide 2013

Halifax's annual examination of the behaviour and experiences of men and women in the labour market and in key areas of personal finance such as spending, savings, pensions and housing

The key findings for 2013 are:

- Pay gap narrowing as women have fared better than men in the financial downturn
- Since 2009 male unemployment has fallen while women have seen an increase
- Women less inclined than men to believe they are living comfortably, and more likely to say money is tight
- Women's savings balances are larger than men's, and men are more likely to have no savings at all
- While both are equally likely to save into a company pension scheme, women are less likely to have their own personal pension
- Men are more confident than women over the outlook for house prices
- Single women are more likely than single men to own their own home, but among those who haven't bought a home women are more pessimistic about their prospects

Anthony Warrington, director for Halifax, said:

"In 2013 the financial divide between men and women remains pronounced, however in some areas the gap continues to close.

"It is positive that the pay gap between the sexes continues to reduce and that men and women are equally likely to save into a corporate pension scheme. In this regard, recent legislation in these areas should help to see positive movements in both of these areas in the coming years. However, in terms of outlook we can still see significant variations between the haves and have nots for both sexes.

"While women have a higher level of homeownership, those who are not on the housing ladder are more pessimistic than men about their prospects here – something which may be partly explained by the higher level of male employment.

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"However, some differences are simply down to demographics and will be harder to change. An example is female longevity which goes some way to explain why more women than men own their own homes, and also why men tend to have higher retirement incomes."

PAY AND JOBS

Pay: Gap continues to narrow but inequality remains

The gap between men and women's earnings has narrowed over the past decade as women's earnings have risen faster than men's. Women's earnings for full-time employees have increased by 37%, on average, in the last ten years compared with a 30% rise for men, reducing the premium for male earnings from 40% in 2002 (£27,829 against £19,911).

Women's earnings have fared better during the financial and economic downturn, rising by an average of 13% between 2007 and 2012 compared with a 7% increase for men.

Nevertheless, men in full-time employment continue to be paid significantly more than women in full-time employment. In 2012, average male earnings were £36,156; 32% higher than average female earnings of £27,291.

Employment trends: Economic environment hits women harder

Both men and women have been badly affected during the current economic downturn, but unemployment has affected women particularly badly. The number of women claiming unemployment benefits has more than doubled over the past five years, rising by 144%, more than double the 71% increase in the number of men on the unemployment claimant count.

Male unemployment has fallen by 14% over the past three years while female unemployment has risen by 22%.

The headline figures show participation in the labour market remains skewed in favour of men:

- Men are more likely to be in employment than women – 64% against 54%
- Men are more likely to be in full-time employment than women – 57% against 33%
- Women are three times more likely than men to be in part-time employment – 21% against 7%
- Men are twice as likely to be self-employed than women – 10% against 5%

SPENDING BEHAVIOUR

As of February 2013, women, generally, are less inclined than men to think that they are currently living comfortably (14% against 20%), with a bigger proportion of women also reporting that money is tight (46% compared with 41%).

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It may be an indication of who does the shopping, but women (63%) are more inclined to say that they are spending more or a lot more than a year ago on household groceries than men (56%). More women report they are spending a lot less than a year ago on going out and treating themselves – 25% against 19% – and less or a lot less on clothes (42% against 33%).

FINANCIAL BEHAVIOUR

Current accounts: Parity for men and women

In 2002, women were slightly less likely to have a current account than men (82% against 85%), however women have caught up and now both are equally likely to have a current account with 90% of both sexes doing so.

Deposit based savings: Women have higher savings balances

The typical savings balance held by female customers is £8,211 compared to £7,699 held by men – a difference of £512.

Female savers with Halifax have an average balance equivalent to 41% of their average annual gross earnings, whereas men have an average balance of just 23% of their earnings – a difference of 18 percentage points.

Men are also more likely to have no savings, with 37% of single men reporting to have none compared with 30% of single women.

Savings and Investments: Women more likely to have an ISA but less likely to have share related investments

A slightly higher proportion of women (34%) have an ISA than men (31%). But despite having a higher uptake of ISAs, those women with savings in an ISA have a slightly lower balance than men, on average: 2% lower at £8,816 against £8,973.

Men are more likely to have share related investments: stocks and shares (14% against 11%), unit trusts (3% against 2%) and company share schemes (3% against 1%).

While 23% of both men and women participate in an employer-sponsored pension, fewer women have a personal pension (3% against 7%), with. (FRS T8.1)

Pensions: Male pensioners are better off and men are making better provision for retirement

It follows that women are making less provision for their retirement than men, with just 42% of women currently saving adequately compared with 49% of men.

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As such the gender gap has continued to widen. The latest data shows the average savings ratio for women fell from 8.8% to 7.5% in the year to March 2012, whereas for men it increased from 9.7% to 10.2%.

On average, male pensioners have higher incomes than female pensioners. Single male pensioners had an average net income after housing costs of £257 per week in 2010-11 compared with £211 for single female pensioners – a difference of 22%.

HOUSING

Housing Market Confidence: Men are more optimistic about house price prospects

Men are a little more confident in the outlook for the housing market with 39% predicting that house prices nationally will increase over the next year. The corresponding proportion of women forecasting a price rise is 36%.

Consistent with men being more confident in the prospects for house prices, a higher proportion of men (55%) than women (51%) think that it is good time to buy a property.

Men and women are very similar in identifying concerns over job security as the main headwind facing potential homebuyers, at 59% and 58% respectively.

Housing Tenure: Women more likely to be homeowners and less likely to be renting

Single men (53%) are less likely to be homeowners than single women (62%). They are less likely to own their own homes outright (30% against 47%), and more likely to be buying with a mortgage (23% against 15%).

It follows that single females (12%) are much less likely than single males (21%) to be renting privately.

Home Ownership Expectations: Women are more pessimistic about becoming homeowners

Despite this, men are more optimistic than women about their prospects of ever owning their own home:

- Just over a third (34%) of men aged between 20 and 45 would like to buy a home, but do not think they will ever be able to, compared to 43% of women of the same age.
- 51% of women aged between 20 and 45 believe that Britain should remain a nation of homeowners compared to 58% of men of the same age.

ENDS

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Editors' Notes:

Data sources:

Earnings figures from ONS.

Employment data from ONS (January 2013) and DWP's 'Family Resources Survey, 2010-2011' publication.

Spending data is from Lloyds Tracker Survey (February 2013) conducted by TNS. A total of 2,370 consumers were questioned. Interviewing took place via an online survey between 12th and 18th February 2013.

Current account, savings and investments and pensions: DWP's 'Family Resources Survey' publications, 2000-01 and 2010-2011; current deposit based (December 2012) and ISA savings balances (January 2013) from Halifax; adequacy of pensions savings and savings ratios by gender from Scottish Widows, 'UK Pensions Report 2012 (May 2012)'.
Pensioner incomes from DWP's 'Pensioners' Income Series 2010-11' publication.

Housing tenure statistics from DWP's 'Family Resources Survey, 2010-2011' publication.

Housing market confidence figures: Halifax Housing Market Confidence Tracker, December 2012 survey conducted by Ipsos MORI on behalf of Halifax. A representative sample of 1,890 British adults aged 16+ across Britain was undertaken between 30th November and 10th December 2012.

Home ownership expectations: Halifax and NatCen Social Research review based on interviews with 8,042 20-45 year olds, May 2012.

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