HOUSE OF COMMONS
LIBRARY

BRIEFING PAPER

Number CBP07286, 6 November 2018

Women and pensions

By Djuna Thurley; Richard Keen, Rod McInnes and Feargal McGuinness

Inside:

Contents

Contributing Authors: Djuna Thurley (pensions policy); Richard Keen and Rod McInnes (pension statistics); Feargal McGuinness (labour market statistics)

Summary

Challenges facing women pension savers

Participation in the labour market and earnings from employment help determine people's future pension incomes. Time spent in employment means individuals can build up their National Insurance record and may be able to invest some of their income in a private pension.

The number of women in work has increased over the past few decades, although the employment rate is still lower for women than for men. Women are more likely than men to spend time out of the labour market, mainly owing to caring responsibilities, and to work part-time. Additionally, female employees tend to earn less than male employees, although the pattern varies by age group.

Women tend to live longer than men, although the gap is narrowing.

The trade union Prospect estimates that in 2016/17 there was a 39.5% gender pension gap' (defined as the % difference in average gross pension income between men and women in receipt of the State Pension).

The State Pension for people who reached State Pension age before 6 April 2016

When the contributory state pension was introduced in 1948, there was provision for married women to pay reduced rate National Insurance (NI) and rely on their husband's insurance record for a pension, paid at 60 per cent of the full amount. This option was removed in 1978, when Home Responsibilities Protection was introduced to protect the State Pension entitlement for people with caring responsibilities. Further steps to improve entitlements have included measures to credit-in carers more effectively and a reduction in the number of years needed for a full basic State Pension.

Despite these changes, state pension outcomes for women have tended to lag behind changes in their social and economic position. In February 2018 the average weekly amount received of State Pension by women was 82% that of the average for men; on average women received £126.72 per week, compared to £153.97 for men. For recipients of the new State Pension, the difference is smaller: women's average amounts under the new system were 95% those for men.

The new State Pension

The introduction of the new State Pension for future pensioners from 6 April 2016 was expected to bring forward the date by a decade – to the 2040s - the point at which women get equivalent state pension outcomes to men. However, according to the Institute for Fiscal Studies, in the longer-term the new pension will be less generous than the current system for almost everyone, particularly those who contribute for longer, whether through paid work or caring responsibilities. This will increase the importance of private pension savings for an adequate income in retirement.

Issues relevant to women debated when the legislation was before Parliament included: the position of women born between April 1951 and 1953 who do not qualify although a man born on the same day would; the removal – with some transitional protection - of the right to derive a state pension entitlement on the basis of a spouse or civil partner's contribution record; and the position of people with multiple jobs below the lower earnings limit (LEL).

The State Pension age

The *Pensions Act 1995* provided for the State Pension age (SPA) for women to increase from 60 to 65 over the period April 2010 to 2020. The Coalition Government legislated in the *Pensions Act 2011* to accelerate the latter part of this timetable, so that women's SPA would reach 65 in November 2018. The reason was increases in life expectancy since the timetable was last revised. It had initially intended that the equalised SPA would then rise to 66 by April 2020. However, it pushed this back to October 2020, because of concerns expressed about the impact on women born in March 1954 who would see their SPA increase by as much as two years as a result.

Some women born in the 1950s argued they have been hit particularly hard, with significant changes to their SPA imposed with a lack of appropriate notification. However, the Government has said it will not revisit the 2011 Act timetable.

Private pensions

John Cridland's review of the State Pension age found that the discrepancy in pension outcomes for men and women reflects different private pension outcomes. (Interim report, October 2016, p10).

Historically, the proportion of women employees in workplace pensions has been lower than that of men. This is not now the case: in 2017 almost equal proportions of men and women working full time in both the public and private sectors had a workplace pension. However, the proportion of part-time workers with a workplace pension was higher among women: 82% of women and 69% of men working part time in the public sector; 43% of women and 33% of men in the private sector.

To increase participation in workplace pensions, the Government has introduced duties on employers to auto-enrol workers with earnings above a set level (£10,000 in 2018/19) into a workplace pension and – unless they opt out – make minimum contributions.

In its 2017 review of auto-enrolment, the Government proposed that, from the mid-2020s and subject to consultation, pension contributions would be calculated from the first pound earned, rather than from the lower earnings limit (£6,032 in 2018/19). This would create additional pension saving and ensure that multiple jobholders qualified for employer contributions in all jobs. Those below the earnings trigger for auto-enrolment could choose to opt in and be automatically entitled to employer contribution.

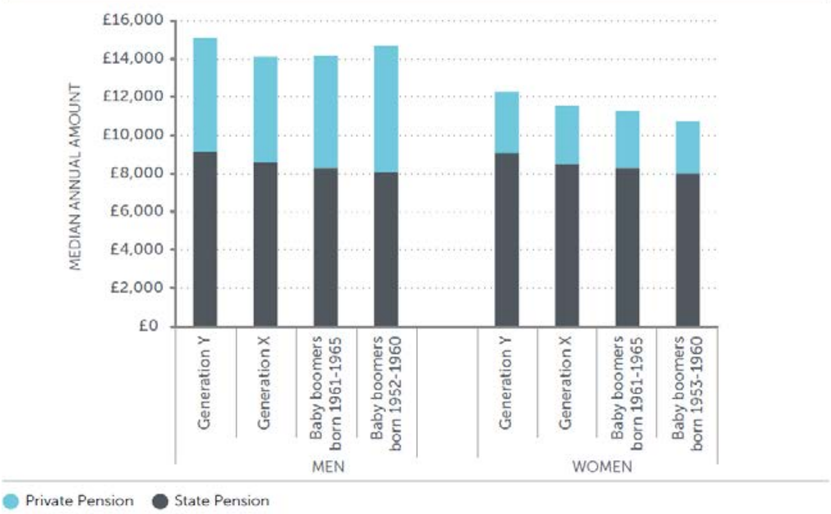
1. Introduction

Women have historically faced a number of barriers to accumulating pension provisions: including labour market patterns, their likelihood of joining a pension scheme, their level of private pension contributions and the private pension they build up.[1]

Analysis conducted for John Cridland's review of the State Pension age in 2016 found that the discrepancy in pension outcomes for men and women reflected differences in private pension outcomes:[2]

> Taking a broad look across all current working age groups, men are projected to have around a 25% higher income on average than women in their first year of retirement. This equates to a difference of approximately £3,000 per annum. Although the gender gap in pension income is set to narrow for generation X, it in fact widens again for generation Y. This is due to the fact that automatic enrolment's better coverage and the decline in defined benefit income is offset by the continuing trend of men's consistent higher earnings and women taking time out of the labour market.
>
> Men and women across all generations are set to receive very similar amounts of State Pension. The discrepancy in pension outcomes for men and women instead reflects different private pension outcomes. On average across all generations, just under 30% of women's total pension is made up of private pension, compared to just over 40% of men's. Private pension outcomes are driven by the labour market and reflect the fact that women currently earn on average less than men across their working lives and are more likely to take career breaks and this is assumed to continue into the future.
>
> The chart below shows amounts received by men and women on reaching State Pension age:

Figure 22: Projected median average amounts of State and Private Pension in 1st year of retirement, by gender and generation



Source: PENSIM2

---

[1] DWP, Women and pensions: the evidence, November 2005

[2] Independent Review of the State Pension age – interim report, October 2016, p75

The Pensions Policy Institute (PPI) published a series of reports on the "under-pensioned" in 2008. It found that the pension income of women was reduced by low earnings and time out of the labour market. Living longer reduced their pension income. Disadvantage was cumulative:

> Many women will face lower levels of individual pension income in retirement than the stereotype individual normally used to illustrate the outcomes of the pension system. [3]

A PPI further report in 2016 found that differences in pension savings and income between men and women were reducing, due to past changes to State Pension policy. The introduction of the new State Pension (nSP) in April 2016, together with the National Living Wage, was expected to contribute to further reductions. And once the nSP had been fully phased-in (after a lengthy transitional period) there would no longer be significant differences in state pension income between under-pensioned groups and the average for all pensioners. However, lower private pension saving and income levels among the under-pensioned were projected to continue. These mainly arose from particular labour-market characteristics, found more prevalently among these groups.[4]

In October 2018, the trade union Prospect produced a report on the 'gender pension gap', which it estimated to be 39.5% in 2016/17:[5]

	2014-15	2015-16	2016-17
Gender pension gap	41.6%	40.7%	39.5%

It defined the gender pension gap as the % difference in average gross pension income for women and women receiving the State Pension. It acknowledged that this definition could be criticised for conflating a gender effect and an age effect (because there will be more older women in the sample and pension income tends to decline with age). However, other studies – taking different approaches - which showed a similar overall picture.

Prospect noted that:

> […] occupational pension income is linked to salary so the gender pay gap feeds through to lower pension income, meaning women continue to be penalised even after they have retired. However, the gender pension gap is even bigger than the gender pay gap because women bear a disproportionate share of the burden of caring for children and other relatives and this leads to extensive gaps in their occupational pension scheme service.[6]

It recommended:

- Statutory requirement for DWP to report annually on the gender pension gap

3 PPI, *The under-pensioned: women*, 2008, summary
4 Pensions Policy Institute, The Under-pensioned 2016, March 2016
5 Prospect, Tackling the gender pension gap, 1 November 2018
6 Prospect research reveals scale of the gender pension gap, 31 October 2018

- Positive recognition of caring responsibilities in the state pension system
- A new pension commission
- Abolish the automatic enrolment earnings trigger
- Credits for people who opt out of receiving child benefit
- Tax relief for low earners in net pay pension schemes.[7]

[7] Ibid

2. Background: challenges facing women pension savers

Summary

Participation in the labour market and earnings from employment help determine people's future pension incomes. Time spent in employment means individuals can build up their National Insurance record and may be able to invest some of their income in a private pension.

The number of women in work has increased over the past few decades, although the employment rate is still lower for women than for men. Women are more likely than men to spend time out of the workforce, mainly owing to caring responsibilities, and to work part-time. Additionally, female employees tend to earn less than male employees, although the pattern varies by age group.

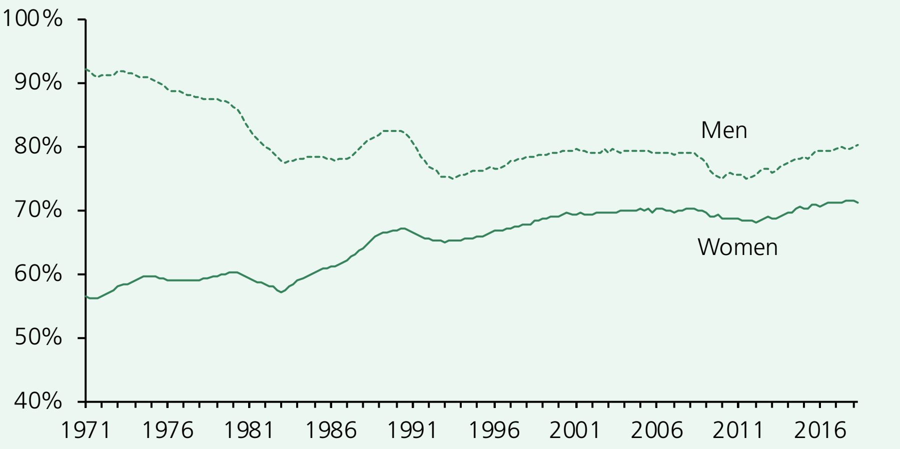
Women tend to live longer than men, although the gap is narrowing.

2.1 Employment rates

71% of women aged between 16 and State Pension age (SPA) are in employment in 2018, compared to 80% of men. The gap between male and female employment rates narrowed significantly during the 1970s and 1980s:[8]

EMPLOYMENT RATES FOR MEN AND WOMEN

All people aged 16 to State Pension age, UK, 1971-2018



Source: ONS *UK Labour Market*, Tables A03 SA and A04

2.2 Time spent out of the workforce

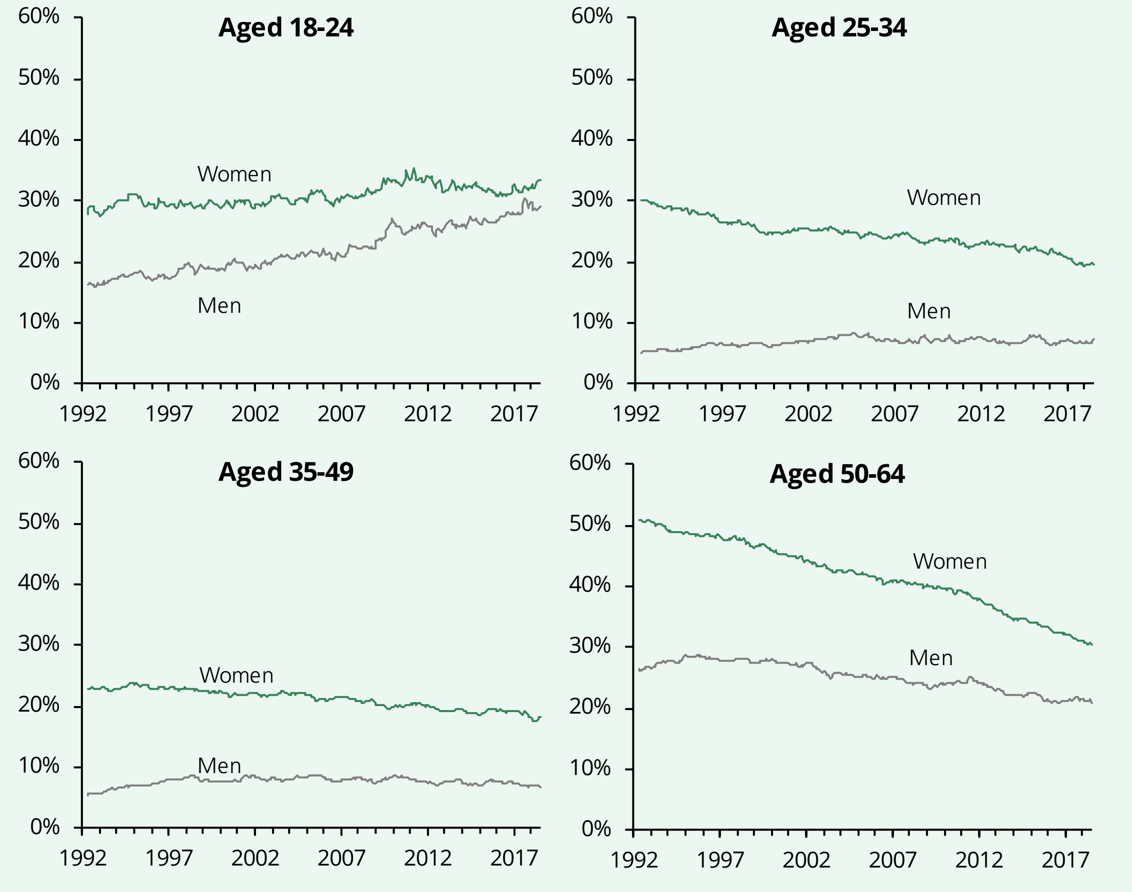
Around 26% of women aged below SPA are currently economically inactive (not in work and not looking for or available to work), compared to 16% of men.

The proportion of women below SPA who are inactive declined from over 40% in the early 1970s to 28% at the start of the 1990s; it continued to decline during the 1990s and 2000s albeit more slowly. The economic inactivity rate for men aged 16-64 increased from 5% at the start of the 1970s to around 16% at the end of the 1990s. Women remain more likely to be inactive than men across age groups, as shown in the charts:

[8] Data in this section is from the ONS [UK Labour Market](#) bulletin unless stated otherwise

WOMEN ARE MORE LIKELY THAN MEN TO BE ECONOMICALLY INACTIVE ACROSS AGE GROUPS

% of age group who are economically inactive, UK

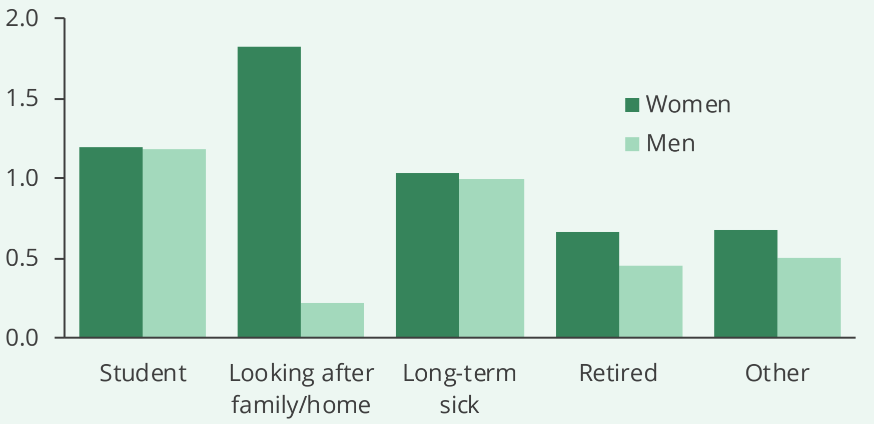


Source: ONS *UK Labour Market* , Table A05 SA

The most common reason why women of working-age are economically inactive is because they are looking after family or home (1.82 million women aged 16-64 at June-August 2018, out of a total inactive female population of 5.38 million):

ECONOMIC INACTIVITY BY REASON

Millions of people aged 16-64, June-August 2018



Source: ONS *UK Labour Market* , Table INAC01 SA

2.3 Full-time and part-time work

41% of women in employment are working part-time, compared to 13% of men. Part-time workers are unlikely to be able to pay as much of their earnings into occupational pension schemes as full-time workers. Those on low levels of pay or working only a small number of hours may also not meet the threshold for National Insurance contributions.

6.23 million women were working part-time at June-August 2018, compared to 9.00 million working full-time. As a proportion of total employment, the share of women working part-time has declined from 45% in the mid-1990s to 41% currently.

OVER 40% OF FEMALE EMPLOYMENT IS PART-TIME

Number of women in the UK working full-time and part-time; Millions

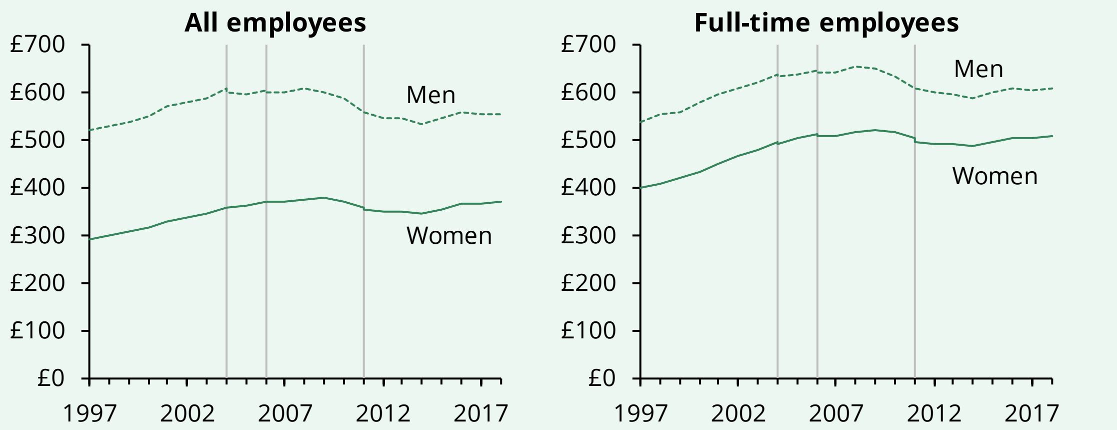
Source: ONS, *UK Labour Market*, Table EMP01

2.4 Lower earnings

On average, women tend to have lower earnings from employment than men, which affects how much they are able to pay into pensions. Median weekly pay for female employees working full-time was £509 in April 2018, compared to £609 for men. The median is the point at which half of people earn more and half earn less.

AVERAGE EARNINGS ARE HIGHER FOR MEN THAN WOMEN

Median weekly employee earnings at April 2018 prices (adjusted for CPI inflation)



Source: ONS *Annual Survey of Hours and Earnings*. Vertical lines indicate breaks in series.

Seeing as women are more likely than men to work part-time, there is a larger gap in median pay for men and women across *all employee jobs* than for full-time employees only, as shown in the charts.

Some of the difference between male and female average weekly earnings is down to numbers of hours worked. The gender pay gap, which looks at differences between male and female pay, is commonly measured with reference to hourly earnings and the Library's briefing paper on the Gender pay gap provides further information. However, in this context (of how much individuals are able to pay into pensions) it is more informative to look at weekly earnings.

2.5 Increases to life expectancy

In 2016, cohort life expectancy at 65 was 22.7 years for women compared to 20.5 years for men. Cohort life expectancies are calculated using age-specific mortality rates that allow for known or projected changes in mortality in later years. Thus, cohort life expectancies show the average number of remaining years someone turning 65 in each given year may expect to live based on projected mortality rates.

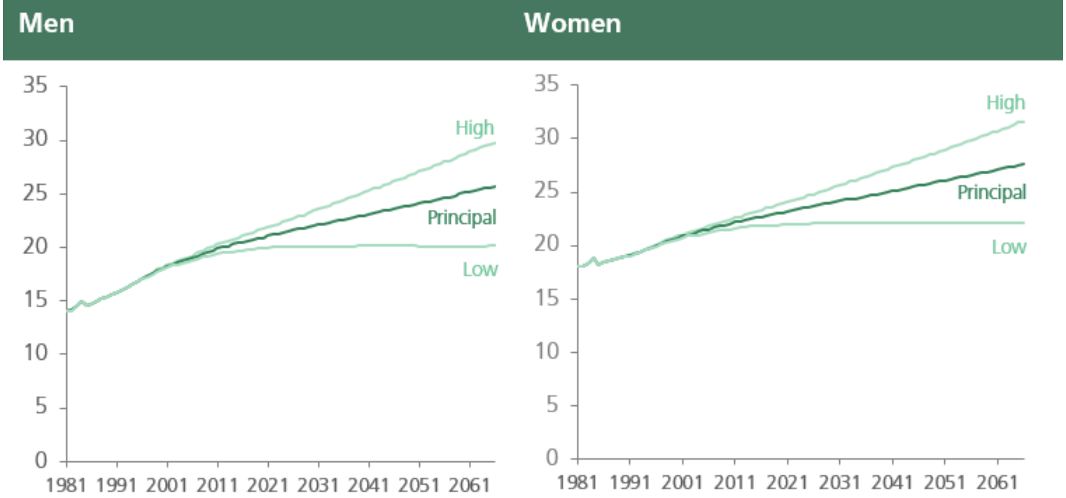
The table below shows ONS projections for the cohort life expectancy of individuals upon reaching 65 in 1986, 2016, 2036 and 2066. Over the half century 2016 to 2066, it is projected that remaining life expectancy at aged 65 in the UK will increase by around 5 years for both men and women: from 22.7 years to 27.6 years for women, and from 20.5 years to 25.7 years for men.

PROJECTED COHORT LIFE EXPECTANCY AT AGE 65
UK; years

	1986	2016	2036	2066
Men				
High life expectancy	14.7	21.1	24.4	29.8
Principal expectancy	**14.7**	**20.5**	**22.6**	**25.7**
Low life expectancy	14.7	19.7	20.1	20.2
Women				
High life expectancy	18.5	23.3	26.5	31.6
Principal expectancy	**18.5**	**22.7**	**24.6**	**27.6**
Low life expectancy	18.5	21.8	22.1	22.1

Source ONS period and cohort life tables, 2016-based

PROJECTED COHORT LIFE EXPECTANCIES AT AGE 65 (low, principal & high; years)



Source ONS 2016-based historic & projected mortality data

3. The State Pension before April 2016

Summary

When the contributory state pension was introduced in 1948, there was provision for married women to pay reduced rate National Insurance (NI) and rely on their husband's insurance record for a pension, paid at 60 per cent of the full amount. This option was removed in 1978, when Home Responsibilities Protection was introduced to protect the State Pension entitlement for people with caring responsibilities. Further steps to improve coverage of the state pension have included measures to credit-in carers more effectively and a reduction in the number of years needed for a full basic State Pension.

Despite these changes, state pension outcomes for women tended to lag behind changes in their social and economic position. In February 2018 the average weekly amount received of State Pension by women was 82% that of the average for men; on average women received £126.72 per week, compared to £153.97 for men.

3.1 Overview

For people who reached State Pension age before 6 April 2016, there are two main categories of State Pension: Categories A and B.[9] Individuals generally qualified for the Category A pension on the basis of their own National Insurance (NI) contribution record. To be entitled, they must have: reached SPA, have made a claim and meet the relevant contribution conditions.[10] The 'old' State Pension had two tiers: [11]

- the **basic State Pension (BSP)** – a contributory flat-rate benefit to which people build entitlement on the basis of the NI record, with 30 'qualifying years' needed for the full amount (£125.95 pw in 2018/19). A qualifying year is one in which a person has paid, been treated as having paid, or been credited with, enough NICs for it to count.[12] People with fewer qualifying years get a proportionate amount.[13]

- the **additional State Pension** – this depended on the earnings or deemed earnings during their working life since 1978. People accrued entitlement through the State Earnings Related Pension Scheme (SERPS) between 1978 and 2002 and the State Second Pension (S2P) from 2002 onwards.[14] It is possible to contract-out into a private pension scheme that meets set requirements, in return for which the employee (and their employer) pays a lower rate of NI.[15]

A person who is, or has been, married or in a civil partnership may be able to qualify for a BSP, or an increase to their own BSP, based on the

The State Pension

For more detail, see DWP, *State Pensions – Your Guide* (October 2014) and HC Library briefing SN03111 Basic State Pensions – contribution conditions (October 2014).

[9] *Social Security Contributions and Benefits Act 1992*, s43-55
[10] Ibid s44; *Social Security Administration Act 1992*, s5; *Social Security (Claims and Payments) Regulations 1987* (SI 1987/1968), regulation 3
[11] *Social Security Contributions and Benefits Act 1992*, s44
[12] Ibid s122
[13] Ibid s44 and Sch. 3
[14] Ibid s44, 44A-C and 45
[15] DWP, *A state pension for the 21st century*, Cm 8503, April 2011

NI record of their spouse or civil partner (a Category B pension).[16] These rules can provide a basic State Pension of up to £75.50 pw for a married person or civil partner and up to £125.95 pw for a widow, widower or surviving civil partner (2018/19 amounts).[17] A person who was divorced or whose civil partnership had been annulled might be able to draw on the contribution record of a former spouse to increase their entitlement.[18]

In addition, a widow(er) or surviving civil partner might be able to inherit a proportion of their late spouse or civil partner's additional State Pension, with the proportion they could inherit depending on age at the time of death.[19]

3.2 Policy development

When the contributory state pension was introduced in 1948, there was provision for married women to opt out and rely on their husband's insurance record for a state pension paid at a reduced rate – 60 per cent of the full State pension. This was based on the assumption that married women would not work full-time and would be financially dependent on their husband's as breadwinners.[20] Although, as discussed below, the system has evolved a great deal since then – with specific steps taken to improve outcomes – these have tended to lag behind changes in the social and economic position of women.[21]

In February 2018 the average weekly amount received of State Pension by women was 82% that of the average for men; on average women received £126.72 per week, compared to £153.97 for men. For recipients of the new State Pension (for people reaching State Pension age from 6 April 2016 – see below), the difference is smaller: women's average amounts under the new system were 95% those of men's.

---

16 *Social Security Contributions and Benefits Act 1992,* s48A
17 Ibid s48B
18 Ibid s48
19 Ibid, s48A, 48B, 48BB and 51; DWP, State Pension entitlements derived from a current or former spouse's or civil partner's national insurance contributions, March 2013, Annex A
20 DWP, Women and pensions: the evidence, 2005, Chapter 2, p18
21 DWP, Women and pensions: the evidence, 2005, Executive Summary

WOMEN'S AVERAGE STATE PENSION AWARD IS 82% OF MEN'S
February 2018, £ per week

Age	All recipients		of whom: Women		of whom: Men		Women's average award as a % of men's
	millions of recipients	Average weekly award (£)	millions of recipients	Average weekly award (£)	millions of recipients	Average weekly award (£)	
60-64	0.18	142.16	0.18	142.20			
65-69	3.42	138.86	1.78	129.40	1.64	149.16	*87%*
70-74	3.37	135.35	1.75	119.27	1.62	152.67	*78%*
75-79	2.36	137.22	1.26	120.70	1.09	156.28	*77%*
80-84	1.76	144.11	0.99	130.83	0.77	161.08	*81%*
85-89	1.08	146.09	0.65	136.57	0.42	160.83	*85%*
90 and over	0.60	138.05	0.41	133.18	0.18	148.99	*89%*
All recipients	**12.76**	**138.96**	**7.03**	**126.72**	**5.73**	**153.97**	**82%**
of whom: receiving New State Pension	0.73	150.37	0.14	143.76	0.59	151.95	*95%*

Source DWP Stat Xplore, State Pension caseload data

Women account for 55% of State Pensioners and 50% of total State Pension expenditure.

3.3 Basic State Pension

In a 1975 White Paper, the then Secretary of State for Social Services Barbara Castle said that her Government was not prepared to perpetuate a system under which:

> […] married women and some widows who go out to work have a choice between paying full contributions for inferior benefits and paying at a reduced rate which confers no benefit rights.[22]

She argued that women who went out to work should "share equal responsibilities and enjoy equal rights."[23] Under the *Social Security (Pensions) Act 1975*, the option for married women to pay reduced rate NICs was withdrawn from 1977. However, to prevent them experiencing a "sharp reduction in take-home pay", married women and widows with a reduced-rate election already in force, could retain it.)[24] The 'half-test', whereby a married woman had to have paid NI or been awarded credits in at least half the weeks between her marriage and State Pension age (SPA) to be entitled to a BSP in her own right, was also abolished.[25]

Married women and state pensions

For more detail, see HC Library briefing CBP-1901 Married women and state pensions (October 2014)

To protect the state pension entitlement of people with caring responsibilities, Home Responsibilities Protection (HRP) was introduced from 1978. This reduced the number of qualifying years needed for a

22 Ibid
23 HC Deb, 18 March 1975, c1486-7
24 HM Treasury, Tax Benefit Reference Manual, 2009-10 Edition, July 2009
25 DHSS, Better pensions fully protected against inflation: proposals for a new pensions scheme, Cmnd 5713, September 1974, para 45-6

full BSP, although not below 20. Married women and widows with a reduced rate election in force were excluded from HRP.[26]

The report of the Pensions Commission in 2005 concluded that the existing system disadvantaged many people with interrupted careers, caring responsibilities or multiple part-time jobs.[27] The Labour Government agreed, saying that although reforms since the 1970s had had a "dramatic and very positive" impact, there remained a generation of women aged over 45 who could expect to reach SPA with "significantly lower amounts" of BSP than men.[28]

Improving coverage

For more detail, see Library Briefing Paper SN 3111 Basic State Pension contribution conditions (October 2014)

Significant reforms introduced in the *Pensions Act 2007* included a reduction in the number of years required for a full BSP from 44 (men) and 39 (women) to 30 for both men and women reaching SPA from 6 April 2010. In addition, Home Responsibilities Protection – in some ways inflexible – was replaced by a new system of weekly carers' credits.[29] This was expected to increase the proportion of women reaching SPA with a full BSP in 2010 from 50 per cent without the reform, to 75 per cent. By 2025, around 90 per cent of women would reach SPA with a full BSP, the same proportion as men.[30] When the legislation was before Parliament, concerns were raised about the fact that women who reached SPA before 6 April 2010 would not benefit. Having debated and rejected a number of policy measures to address this, the Government decided to allow some people to pay an additional six years voluntary NICs to improve their entitlement.[31]

The 2007 Act reforms had still to work through, so are not yet fully reflected in the published statistics for all pensioners. However, last data available showed a higher proportion of pensioners in the youngest age group with a full BSP for those five years older. In September 2014 – that last date for which figures are available - 80% of recently retired people (i.e. women aged 60 to 64 and men aged 65 to 69) were receiving a full BSP. Nearly three quarters (72%) of women aged 60 to 65 had a full BSP, compared with 36% of those aged 65 to 69. 88% of men aged 65 to 69 had a full BSP, compared with 75% of those aged 70 to 74.

[26] *Social Security Contributions and Benefits Act 1992*, s21 and Sch 3 (7); *The Social Security Pensions (Home Responsibilities and Miscellaneous Amendments) Regulations 1978 (SI 1978/508)*

[27] The Second Report of the Pensions Commission, Nov 2005, p 22, p148, p202-210

[28] DWP, Security in retirement: towards a new pensions system, Cm 6841, May 2006; DWP, The Gender Impact of Pension Reform, December 2006, page 13

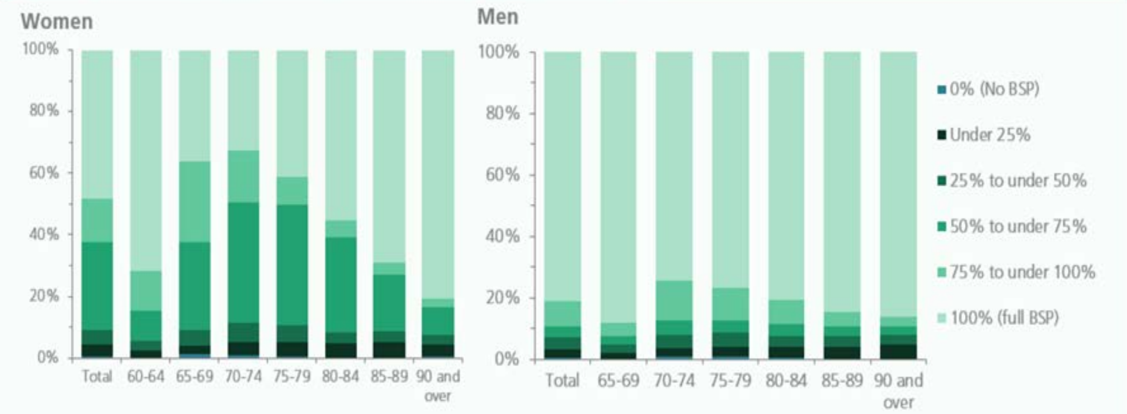
[29] *Pensions Act 2007*, Ss 1-3; *Social Security (Contributions Credits for Parents and Carers) Regulations 2010* (SI 2010/19)

[30] DWP, *Gender Impact Assessment of Pension Reform*, 5 December 2007; See also HC Deb, 26 October 2009, c166W; See also HC Deb, 15 Oct 2009, c1026W

[31] *Pensions Act 2008*, s135

WOMEN AGED 60-64 WERE MORE LIKELY THAN OLDER COHORTS TO RECEIVE THE FULL BASIC STATE PENSION, MEN OF ALL AGES WERE MORE LIKELY THAN WOMEN TO RECEIVE THE FULL BASIC STATE PENSION

Great Britain, percentage of all claimants in receipt of the State Pension, September 2014



Source DWP Tabulation Tool, September 2014 data (note this is historic data; the DWP tabulation tool is no longer avilable online and this breakdown of caseload data is not avilable from the Tabulation Tool's replacement, DWP Stat Xplore)

3.4 The additional State Pension

State Earnings Related Pension Scheme

The *Social Security Pensions Act 1975* also introduced the State Earnings Related Pension Scheme (SERPS). The existing combination of a mainly flat-rate NI pension and "occupational pensions of sharply varying quality and limited coverage" had failed to "guarantee all pensioners more than a low standard of living, or to prevent large numbers of them from having to rely on means-tested supplementary benefits."[32] SERPS was intended to work in partnership with occupational pensions. Individuals could contract-out into a pension that met set requirements.

SERPS was designed to enable carers to build an entitlement, with membership of the scheme able to continue during periods at home caring for children and entitlement based on the best 20 years of earnings.[33] As part of reforms in the 1980s designed to limit the cost of SERPS the "best 20 years rule" was removed. The Conservative Government of the time intended to protect carers by extending HRP to SERPS.[34] However, in the event, the 1997 general election intervened and the regulations were not laid.[35]

State Second Pension

From 2002, the Labour Government replaced SERPS with a new State Second Pension (S2P). S2P was designed to "boost the pension entitlement of those on low incomes and carers."[36] It did this by treating those with earnings above the NI Lower Earnings Limit (£3,432

[32] DHSS, *Better pensions fully protected against inflation: proposals for a new pensions scheme*, Cmnd 5713, September 1974
[33] DHSS, Better pensions fully protected against inflation: proposals for a new pensions scheme, Cm 5713, September 1974, para 8 and 20
[34] HC Deb 19 December 1985 c319-20W;
[35] *Social Security Act 1986*, section 18; DSS Equality in State Pension Age *Cm 2420* December 1993, para 3.7
[36] DSS, *A new contract for welfare: partnership in pensions*, Cm 4179, December 1998, p 39

in 1999/00) but below a new 'low earnings threshold' (LET) (£9,500 in 1999/2000) as though they earned at the LET. Carers (including people in receipt of Child Benefit for a child under 6) were also treated as though they had earnings at the LET.[37]

A further change was made in the 2007 Act, widening the number of carers who would be credited into S2P to include:

- Those in receipt of Child Benefit for a child under age of 12 (up from age 6); and
- Those engaged in caring.[38]

The Government said the reforms would result in more women building up S2P entitlement:

> Extending credits for childcare in State Second Pension from age 6 to age 12 means that from 2010 around an extra 780,000 women and an extra 30,000 men will accrue entitlement to the State Second Pension.
>
> Currently around 1.9 million carers (over 90 per cent of them women) and around 6.2 million low earners (around 60 per cent of them women) are accruing entitlement to State Second Pension entitlement. **As a result of the reform around an extra 1 million people will accrue State Second Pension and approximately 90% of them will be women.**[39]

In a Green Paper published in April 2011, the Coalition Government argued that these reforms had not gone far enough. For instance, although steps had been taken to accelerate the evolution to a two-tier flat-rate pension, this would take time to come into effect: the first person will not retire with a completely flat-rate pension until the 2080s. Women would not reach comparable outcomes with men in the State Second Pension until 2050:

> The proportion of women qualifying for a full basic State Pension will not catch up with men until around 2020. It will take a further 30 years, until 2050, before women reach comparable outcomes with men in the State Second Pension.[40]

---

37 *Child Support, Pensions and Social Security Act 2000 – Explanatory Notes para 348*
38 *Pensions Act 2007*, s3
39 DWP, The gender impact of pension reform, November 2006, p6
40 DWP, *A state pension for the 21st century*, Cm 8053, April 2011, p18 and 22. See also, DWP, Gross State Pension entitlement, February 2011

4. Pension Credit

The Labour Government introduced Pension Credit in October 2003 as a means of targeting help to those with lower retirement incomes.[41] In 2005, it argued that this had had "a huge and immediate positive impact on the living standard of today's female pensioners."[42] In 2010, it said that increases in the basic Pension Credit guarantee meant that:

> No single pensioner need live on under £132.60 a week in 2010-11, compared with around £69 in 1997, and no couple on under £202.40.[43]

In November 2017 around 59% of Pension Credit claimants were single women. Overall, 63% of Pension Credit claimants were women.[44]

4.1 Guarantee and Savings Credit

Pension Credit is a means-tested benefit. For people reaching State Pension age before 6 April 2016, it has two elements, the Guarantee Credit and Savings Credit. [45]

The **Guarantee Credit** provides financial help for people who have reached the "qualifying age" for Pension Credit, which is linked to the SPA for women (see section 6 below) and whose income is below their appropriate amount.

An individual's 'appropriate amount' is made up of a standard minimum guarantee (SMG) - £163.00 pw for a single person in 2018/19 - and additional amounts which can apply if the claimant or their partner: has a severe disability, looks after a severely disabled person or; is liable for certain housing costs.[46]

The aim of **Savings Credit** aims to reward people over 65 with modest levels of "qualifying income" (including state, occupational and personal pensions) above the Savings Credit "threshold", up to a maximum.[47] The maximum amounts of Savings Credit in 2018/19 are £13.40 for a single person and £14.99 per week for a couple.[48] The Savings Credit was removed for people reaching State Pension age from 6 April 2016 when the new State Pension was introduced (see below).

---

41 DWP, The gender impact of pension reform, November 2006, para 15
42 DWP, Women and pensions: the evidence, 2005, Chapter 5, para 40
43 HM Treasury, Budget 2010, March 2010, Box 5.2
44 DWP Stat Xplore; Pension Credit caseload data, November 2017
45 *State Pension Credit Act 2002; State Pension Credit Regulations 2002 (SI 2002/1792)*
46 *State Pension Credit Regulations 2002* (SI 2002 No. 1792), reg 6
47 *State Pension Credit Act 2002*, s3 (1); The age of eligibility for SC will rise with the State Pension age
48 For more detail see SN 5649 *State Pension uprating – 2010 onwards* (January 2015)

4.2 Claimants since 2003

The number of women claiming Pension Credit has been consistently higher than that of men since its introduction (in present form) in 2003.

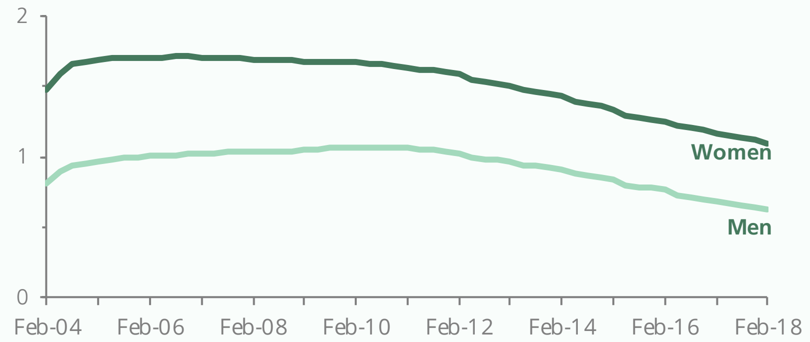
The chart below shows the number of Pension Credit claimants by gender since 2003. In November 2003 there were 2.08 million claimants, of which 0.73 million (35%) were men and 1.35 million were women (65%).

When the number of Pension Credit claimants was at its peak (November 2009), women accounted for 61% of claimants (1.67 million out of 2.74 million).

By February 2018 the number of Pension Credit claimants had declined to 1.7 million, of whom 1.1 million (63.5%) were women.

THERE ARE MORE WOMEN PENSION CREDIT CLAIMANTS THAN MEN

Millions of claimants, quartery data, Feburary 2004 to February 2018

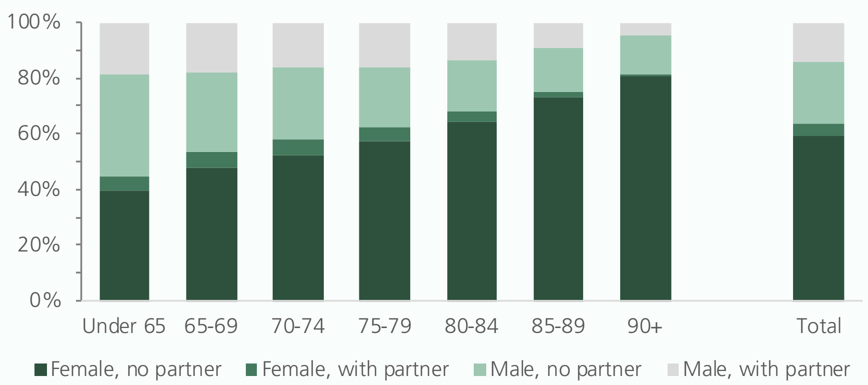


Source DWP Stat-Xplore, Pension Credit dataset

The chart below shows male and female Pension Credit claimants by whether they are single claimants or claiming on behalf of a couple. Single women are the majority of Pension Credit claimants (59% in February 2018) and account for a larger proportion of total Pension Credit claimants in each successive age group (40% of claimants aged 60-64, rising to 81% of Pensions Credit claimants aged 90 and over).

PENSION CREDIT CLAIMANTS BY GENDER AND PARTNER STATUS

February 2018



Source DWP Stat-Xplore

5. The new State Pension

Summary

The introduction of the new State Pension for people reaching State Pension age from 6 April 2016 was expected to bring forward the date by a decade – to the 2040s - the point at which women get equivalent state pension outcomes to men. However, the Institute for Fiscal Studies, found that, in the longer-term it would be less generous than the pre-existing system for almost everyone, particularly those who contribute for longer, whether through paid work or caring responsibilities. This would increase the importance of private pension savings for an adequate income in retirement (see section 6 below).

Issues relevant to women debated when the legislation was before Parliament included: the position of women born between April 1951 and 1953 who do not qualify although a man born on the same day would; the removal – with some transitional protection - of the right to derive a state pension entitlement on the basis of a spouse or civil partner's contribution record; and the position of people with multiple jobs below the lower earnings limit (LEL).

In a Green Paper published in April 2011, the Coalition Government said it wanted to reform the state pension to address three main problems: complexity and uncertainty of outcomes; high levels of means-testing; and significant inequality in the system, with groups such as women, the low paid and the self-employed tending to have lower state pensions.[49] It argued that reforms introduced in the *Pensions Act 2007*, had not gone far enough. For instance, although steps had been taken to accelerate the evolution to a two-tier flat-rate pension, this would take some time:

> 40. In an attempt to simplify the state pension and give people greater clarity over what they will get when they retire, the *Pensions Act 2007* legislated to remove the earnings-related component of the State Second Pension so that the state pension will evolve into two separate flat-rate components by the 2030s.
>
> 41. One of the reasons for this change was that a flat-rate pension, in contrast to the complexity of the partly earnings-related State Second Pension we have today, would make the state pension more transparent and make it easier for people to work out what they will get from the state when they retire.
>
> 42. However, it takes time for the greater simplicity and clarity provided by a flat-rate pension to come into effect – the first person will not retire with a completely flat-rate pension until the 2080s.[50]

Women would not reach comparable outcomes with men in the State Second Pension until 2050:

> 55. The comparatively poorer state pension outcomes for women can be seen to result from the fact that, historically, women have tended to have lower earnings and were less likely to have a sufficient number of qualifying years to get a full basic State Pension. They were also less likely to be entitled to a comparable level of additional State Pension because periods spent outside the

[49] DWP, *A state pension for the 21st century*, Cm 8053, April 2011, p13
[50] Ibid, p18

> labour market caring for children were not recognised in the additional State Pension until 2002.
>
> 56. As part of the *Pensions Act 2007*, reforms were taken forward in an attempt to reduce inequalities for women in the state pensions system. Key measures included reducing to 30 the number of years needed to qualify for a full basic State Pension and introducing more generous credits for carers to ensure more people, particularly women, could become entitled to a higher level of State Second Pension.
>
> 57. However, it will take time for these measures to translate into improved pension entitlement. The proportion of women qualifying for a full basic State Pension will not catch up with men until around 2020. It will take a further 30 years, until 2050, before women reach comparable outcomes with men in the State Second Pension.[51]

The Green Paper asked for views on two broad options for reform: acceleration of existing reforms so that the state pension became flat-rate more quickly; and more radical reform to a single-tier flat-rate pension set above the level of the basic means-tested guarantee.[52]

In a White Paper was published on 14 January 2013, the Government announced that it would proceed with the more radical reform – introducing a single-tier State Pension for future pensioners (i.e. people reaching State Pension age after the date of implementation).[53]

A new State Pension (nSP) was introduced from 6 April 2016 for people reaching State Pension age (SPA) from that date. People who had already reached SPA continue to get their pension under the 'old rules' (see above).[54] The nSP is different in a number of ways:

- It is set above the basic means-tested guarantee - at £164.35 pw in 2018/19;
- Thirty-five qualifying years are needed for the full amount (although transitional arrangements mean that not everyone with 35 qualifying years in April 2016 will receive this amount);
- It is single-tier, so the option to 'contract-out' has ended; and
- The ability to derive an entitlement based on the NI record of a former spouse or civil partner has been removed, with limited transitional protection.

The new State Pension

For more detail, see Library Briefing Paper SN06525 The new State Pension - background (August 2016);

DWP, Your new State Pension explained (April 2018)

5.1 Expected impact

The Government said the reforms would bring forward by a decade the point at which women get equivalent State Pension outcomes to men:

> 83. Historically, women have tended to get lower outcomes from the state pension system. While the 2007 Pensions Act delivered improvements for women, the proportion of women in Great Britain qualifying for a full basic State Pension is not expected to equalise with men until around 2020, and it is expected to take

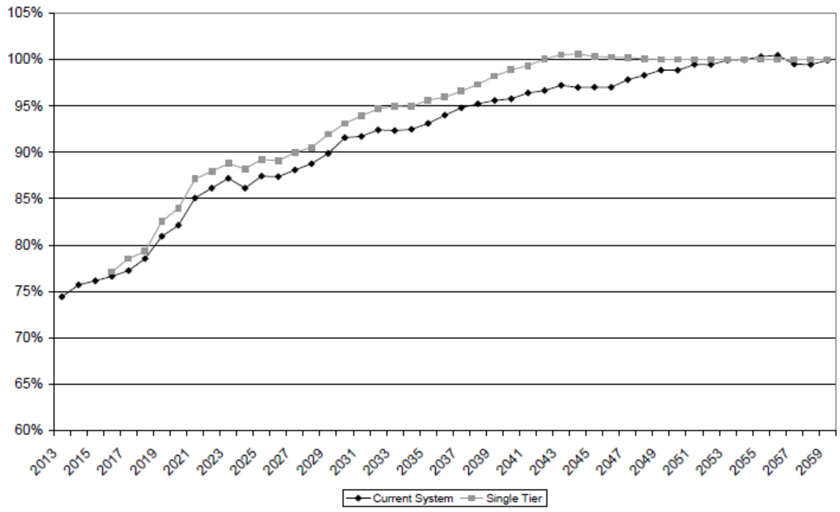
[51] Ibid, p22. See also, DWP, Gross State Pension entitlement, February 2011
[52] DWP, A state pension for the 21st century, Cm 8053, April 2011, p21
[53] DWP, The single-tier pension: a simple foundation for saving, January 2013 (Cm 8528), Executive Summary, para 14
[54] *Pensions Act 2014* (PA 2014), s1

more than a further 30 years for State Second Pension outcomes to equalise (according to DWP forecasts).

84. The main reason for this inequality is that women are more likely to take time out of the labour market or work part-time, and on average tend to earn less than their male counterparts. Since 2002 those with caring responsibilities have been able to earn credits towards the State Second Pension, but it will be some time before their outcomes equalise with men.

85. Single tier brings forward by a decade the point at which women get equivalent state pension outcomes to men, as illustrated in Chart 3.6. As there is a period of transition from the old system, inequalities take time to be fully removed.

Chart 3.6: Median female gross state pension income (excluding MTBs) as a proportion of median male gross state pension income, for those reaching State Pension age in each year, under the current system and single tier



86. The gender gap closes due to the end of the earnings-related State Second Pension, and also because a new single-tier year is worth more than a current basic State Pension year. As a consequence, the median female state pension is projected to align with the male median state pension around a decade earlier under single-tier, in the early 2040s rather than the early 2050s.

87. The main reason that notional outcomes for women improve more quickly in the early years is that the single-tier valuation benefits lower paid and part time workers, who are predominantly women. In 2016, around 40% of women reaching State Pension age would get a notionally higher state pension as a result of the single-tier valuation, with around 1 in 6 men also benefiting from this element of the reform. This mechanism results in the gap between average pension outcomes for men and women closing more quickly for early cohorts.[55]

The Government expected that around 650,000 women who reach State Pension age in the first ten years after the single-tier pension is implemented will receive an average of £8 per week more in state pension (in 2013/14 earnings terms).[56]

A study published by the Institute for Fiscal Studies in March 2014 said those who gained in the short-term would include people with caring

55 DWP, Single-tier impact assessment, October 2013, para 86-7
56 Ibid, para 88

responsibilities before 2002. However, in the longer-term, the new State Pension would be less generous than the current system:

> People particularly worse off will be those who contribute to the system for longer, whether that contribution is through paid employment, caring responsibilities or receipt of disability-related benefits.
>
> The only groups who will get a significantly higher state pension income under the proposed system in the long-run are those who spend long periods in self-employment and those who will start to receive credits to the state pension for the first time under Universal Credit.[57]

The Pensions Policy Institute found that the new State Pension (nSP) would provide a greater level of income distribution in future as inequalities arising from the way additional State Pension entitlement was accrued gradually reduced. There would be a lengthy transitional period in which some people receive more than the full amount of the nSP, based on their accrued entitlement under the two-tier system. However, once the majority of pensioners were under the nSP, inequalities in state pension income would reduce to very low levels. The nSP was likely to benefit people with persistently low earnings, time out of the labour market and/or part-time work, as long as they generally earn above the Lower Earnings Limit - £6,032 (2018/19). [58]

5.2 Issues

The potential impact of the reforms on women were discussed when the legislation was before Parliament.

Thirty-five qualifying years

The Government initially proposed requiring 30 qualifying years for a full BSP.[59] However, by the time of the January 2013 White Paper, it had decided on 35.[60] The then Pensions Minister, Steve Webb, argued that this struck the right balance:

> We think that 35 years allows people to have about 15 non-qualifying years. Bear in mind, it is 35 years of contributions or credits. It is not just paid work; it is caring, being at home with young children and active job searching. It is a comprehensive definition of what a person has to do to get the qualifying year. We think that 35 out of about 50 is the right balance. Of course, there will be the odd year when the person does not qualify – there are a range of things that people can be doing- but it seems about right to be asking people to be doing something creditable or contributing for roughly two thirds of their adult life. When people do not have 35 years, the amount is reduced pro rata, as with the current system.[61]

57 JRF, A single-tier pension: what does it mean for individuals?, 2014
58 PPI, The under-pensioned 2016, March 2016, p39-40 and 69-70
59 DWP, A State Pension for the 21st century, Cm 8503, April 2011, p30
60 DWP, The single-tier pension: a simple foundation for saving, Cm 8525, January 2013, p91, para 14
61 PBC Deb 2 July 2013 c141-2

The Government estimated that around 85% of people reaching SPA in 2020 would have at least 35 qualifying years.[62] The proportion reaching SPA with 30 qualifying years is around 90%.[63]

The TUC described the decision to require 35 qualifying years rather than 30 as 'regressive'. Along with organisations such as the Women's Budget Group, it argued that the impact of this should be mitigated by setting the starting rate of the new State Pension at a higher level.[64] (The Government had committed to setting the nSP above the level of the basic Pension Credit guarantee, with the precise amount to be announced close to implementation.)[65]

Special rules for marriage, divorce and bereavement

Under current rules, people with insufficient qualifying years in their own right, may be able to draw on the contributions of a (former) spouse or civil partner.[66]

The Government intended people to qualify for the single-tier on the basis of their own contributions and said there would be "no rationale" for allowing people to "inherit or derive state pension income based on the National Insurance record of their spouse or civil partner." However, there would be "transitional protection to cover a variety of circumstances where the Government believes it is right to recognise contributions made prior to implementation of the single tier pension."[67] In particular, there would be transitional arrangements to protect the position of women who opted to pay reduced rate NICs as a married woman before 1977. The reason for this was that:

> 33. Fully removing the potential to derive basic State Pension from a spouse under the single-tier pension would disadvantage women who elected to pay reduced rate National Insurance contributions. They may have few or no qualifying years as a result of their election, which would leave them with potentially no state pension under single-tier rules despite a long history of paying National Insurance contributions and engaging with the system.[68]

Beyond this, whether an individual retains the right to derive a State Pension entitlement depends on when they and their partner reach State Pension age (SPA).[69] In broad terms, where the 'dependant' reaches SPA after 6 April 2016, they are not able to derive an entitlement (although they may be able to inherit some additional State

62 Cm 8525, p91, para 14

63 DWP, Gender Impact Assessment of Pension Reform, 5 December 2007, para 2.4

64 TUC written evidence to the Work and Pensions Committee, February 2013; Written evidence from Dr Jay Ginn of the Women's Budget Group, February 2013

65 DWP, *A State Pension for the 21st century*, Cm 8503, April 2011, p30; HM Treasury, *Autumn Statement 2014*, Cm 8961, December 2014, para 1.235

66 For more detail, see DWP, State Pension entitlements derived from a current or former spouse's or civil partner's NI contributions, March 2013, Annex A

67 Ibid; DWP, The single-tier pension: a simple foundation for saving, Cm 8528, January 2013, Annex 3D

68 Cm 8528

69 DWP, State Pension entitlements derived from a current or former spouse's or civil partner's NI contributions, March 2013

Pension) unless they are covered by the specific transitional protection arrangements for women

The Government estimated that some 290,000 people would be affected up to 2030 (some 4% of those reaching SPA up to that point) by the loss of derived entitlement to the BSP. In one year – 2020 – the figure would be 30,000. While some people would lose the ability to inherit additional pension from a spouse or civil partner, they may "nevertheless suffer no overall notional loss due to gaining from another aspect of the reform package."[70]

The Work and Pensions Select Committee recommended that the Government should consider finding a solution for women close to SPA affected by this change:

> We believe that it should also be possible to find a solution for another small group of women [in addition to those covered by the transitional arrangements for women with a reduced rate election]: those who did not build up their own NI record because they had a legitimate expectation that they would be able to rely on their husband's contributions to give them entitlement to a Basic State Pension. One option might be that women in this position who are within 15 years of State Pension Age should be able to retain this right.[71]

The Government responded that there was no longer a substantial need for the provisions:

> The provision for derived entitlement dates back to the 1940s when men and women stayed at home. This has not resembled the structure of our society and there is no longer a substantial need for these provisions: by 2020 fewer than 30,000 women in GB will receive a notionally lower State Pension outcome because of the removal of derived entitlement. The Pension Credit Guarantee Credit will remain in place as a safety net for those living in GB.
>
> Additionally, the derived entitlement arrangements have evolved over time so that they now result in outcomes not intended under the original policy, as envisaged in the 1940s to support dependent souses. Provided a person in the UK has at least one qualifying year of UK NI contributions or credits, a State Pension (including any derived entitlement) is payable anywhere in the world, enabling dependants of UK contributors to benefit, even if they have never been to the UK […] [72]

Earnings from multiple jobs

The position of people who with multiple jobs with earnings below the Lower Earnings Limit for NI and who are therefore not building up State Pension entitlement has been a recurrent issue. When the Bill to introduce the new State Pension was before Parliament, the late Baroness Hollis successfully amended it to allow regulations to be made

[70] HL Deb 18 December 2013 c341 [Lord Freud]; DWP, Single-tier State Pension: summary of impacts, October 2013, para 92

[71] Work and Pensions, The Single-tier State Pension: Part 1 of the draft Pensions Bill, 5th Report of 2012-13, HC 1000, 4 April 2013

[72] DWP, Government Response to the Fifth Report of the House of Commons Work and Pensions Select Committee, Session 2012-13, into Part 1 of the draft Pensions Bill, Cm 8620, May 2013

providing for "circumstances in which a person may opt to have a year treated as a qualifying year if by aggregating income from two or more jobs, that person's earnings is equal to or greater than the earnings factor for that year."[73] The amendment was overturned when the legislation returned to the Commons. The then Pensions Minister Steve Webb announced steps to build a firmer evidence base regarding the link between multiple mini-jobs and not making the 35 years.[74] DWP published the results of this work in February 2015. It said:

> • Numbers in this group [individuals with earnings in two or more jobs below the LEL but whose combined earnings were above it and who would not otherwise be gaining a 'qualifying year'] are currently around 50,000 each year. This is slightly higher than in the previous decade when numbers were around 30,000-40,000.
>
> • However, the main reason for this is a policy change in 2010 to reduce the age of the child at which childcare credits could be claimed: from below 16 to below 12.
>
> • When controlling for this, the number of individuals who are in this group has remained fairly stable since 1996-97.
>
> • Childcare credits mean that, since 2010, approximately 30% of individuals in this group who have not gained a qualifying year through work have gained a qualifying year through credits.[75]

Future pensioners only?

The fact that people who had already reached State Pension age before 6 April 2016 would not be eligible for the nSP attracted significant comment from respondents to the consultation, in particular those who were pensioners themselves and organisations such as the TUC, the National Assembly for Women and the National Pensioners Convention.[76] The Women's Budget Group argued that people with partial entitlements due to caring responsibilities should be able to opt to receive the new pension.[77]

The Coalition Government said that the reason for introducing reforms for future pensioners only was that they were being asked to take greater personal responsibility to save for their retirement.[78] Furthermore, increasing the State Pension of all existing pensioners to the proposed level of the single-tier would have a considerable cost: around £10 billion a year in the medium term.[79]

As regards existing pensioners, it had put in place measures to support them, including uprating the BSP by the triple lock and protecting pensioner benefits such as the Winter Fuel Payment, free bus passes,

---

[73] HL Deb 24 February 2014 c711 and c728-30; HC Deb 17 March 2014 c572
[74] Ibid c565-6
[75] DWP, State Pension coverage: lower earnings limit and multiple jobs – further analysis: UK 1996/97 to 2013/14, February 2015
[76] DWP, A state pension for the 21st century: a summary of responses to the public consultation, Cm 8131 July 2011, chapter 4, p45
[77] Work and Pensions Committee - The Single-tier State Pension: Part 1 of the draft Pensions Bill; Written evidence submitted by Dr Jay Ginn, Women's Budget Group (Visiting Professor, Institute of Gerontology , King's College, London)
[78] DWP, The single-tier pension: a simple foundation for saving, Cm 8528, January 2013, p18
[79] HC Deb 14 February 2013 c775-6W

free prescriptions, free eye tests and free TV licences.[80] In addition, it introduced a time-limited option of paying class 3A voluntary national insurance contributions for those wanting to increase their additional State Pension entitlement.[81]

Women born between April 1951 and 1953

An implementation date of 6 April 2016 meant that men were entitled if they are born on or after 6 April 1951 and women if they were born on or after 6 April 1953. The reason for the difference was that the State Pension age for men and women was still unequal on that date.[82]

In debate on the legislation, concerns were raised about those women born between 6 April 1951 and 5 April 1953 who will not qualify although a man born on the same day would.[83]

In evidence to the Work and Pensions Committee, the Women's Budget Group argued that it would not be unreasonable for this group – who were having their State Pension age increased - to receive the single-tier pension.[84] Age UK suggested this group should be given the option of being treated as a man with the same date of birth.[85]

The Work and Pensions Committee concluded that it was "far from clear" that all of those who would not qualify would have been better off had they done so. It noted that they had the option to defer their State Pension and, if they did so, would qualify for more generous increases in entitlement than future pensioners.[86] The Committee recommended that this group should be "prioritised as part of the Government's communications strategy for the reforms.[87] DWP produced a note on the issue. They key points were:

- Due to unequal State Pension ages, a man born between 6 April 1951 and 5 April 1953 may receive a single-tier pension (based on an April 2016 implementation date), whereas a woman will not.
- Because of this inequality in State Pension age, the women in this cohort can draw a State Pension between 2 and 4 years sooner than a man born the same day as them. This means that they could receive between £13,000 and £26,000 in State Pension in the interval between their legislated State Pension age and the male equivalent of 65.

[80] DWP, *The single-tier pension: a simple foundation for saving*, Cm 8528, January 2013, p21, para 5
[81] *Pensions Act 2014*, s25 and Sch15. For more detail see SN07067; DWP State Pension top up: booklet 9 October, 2015; DWP, Topping up your State Pension – The current State Pension 13 October, 2015
[82] For more detail, see HC Library Briefing SN05649 State Pension age increases (June 2015)
[83] Written evidence to the Work and Pensions Committee's enquiry on the Single-tier State Pension
[84] Written evidence to the Work and Pensions Committee enquiry on the Single-tier State Pension
[85] Written evidence to the Work and Pensions Committee's enquiry on the Single-tier State Pension
[86] For more detail, see Library Note SN06525 The new 'single-tier' State Pension (March 2015), section 6.4
[87] Work and Pensions Committee, The single-tier State Pension: Part 1 of the draft Pensions Bill, March 2013, para 167-8

- The median valuation for this cohort is £125 per week, when assessed under the rules of the current system. When assessed using single-tier rules, the median valuation is £6 higher - £131 per week, and not the full £144 of single tier.
- Approximately 90% of the women in this cohort would receive more in lifetime state pension and other benefits under the current system than they would if they had a State Pension age of 65 and received a single-tier pension.
- The women in this cohort will retain access to aspects of the current system which are being abolished as part of the single tier reforms, with a view to ensuring that today's workers have sufficient clarity and certainty to plan for their retirement. These legacy features include Savings Credit and derived entitlement to State Pension.
- By choosing to defer their State Pension until they reach 65, and opting to receive increments, approximately 85% of the women in this cohort could receive an initial entitlement of £144 or more.[88]

DWP explained that there were approximately 700,000 women in this cohort. A letter from Lord Freud in December 2013 explained that the Government had not estimated the cost of putting individuals in this group into the single-tier (without giving them a choice). However, if people were allowed to opt in, then assuming they made the optimal decision, the cost would be: a total of £4.5bn over the first 20 years and peak costs of £300m in the mid-2030s.[89]

In evidence to the Work and Pensions Committee, Steve Webb argued that giving people an option would create new problems:

> What would happen if a woman chose to be treated as a man, did not get the pension until they were 65, were on a low income, came to us for Savings Credit, and we said, "Sorry, you have just rejected Savings Credit because you chose to be treated as a Single- tier pensioner"? […] There are a lot of issues of that sort. As soon as you try to give people choices and options, when you do not know for sure who would be better off, you create new losers, new complaints, appeals and options.[90]

[88] DWP, Note on the cohort of women born between April 1951 and April 1953, 12 April 2013
[89] Letter to Members of the House of Lords, 13 December 2013, DEP 2013-2066
[90] Evidence to the Work and Pensions Committee, 11 March 2013, Q173

6. State Pension age

Summary

The *Pensions Act 1995* provided for the State Pension age (SPA) for women to increase from 60 to 65 over the period April 2010 to 2020. The Coalition Government legislated to accelerate the latter part of this timetable, so that women's SPA would reach 65 in November 2018. The reason was increases in life expectancy since the timetable was last revised. It had initially intended that the equalised SPA would then rise to 66 by April 2020. However, because of concerns expressed about the impact on women born in March 1954 who would see their SPA increase by as much as two years as a result, it decided that this should happen over a longer period, with the SPA reaching 66 in October 2020.

Some women born in the 1950s argue they have been hit particularly hard, with significant changes to their SPA imposed with a lack of appropriate notification. However, the Government has said it will not revisit the 2011 Act timetable.

6.1 Overview

From the 1940s until April 2010, the State Pension age (SPa) was 60 for women and 65 for men. Since then, there has been legislation to:

- Increase the SPa for women from 60 to 65 over the period April 2010 to 2020, bringing it into line with that for men in the *Pensions Act 1995*.
- Increase the equalised SPa from 66 to 68 in stages between 2024 and 2046 in the *Pensions Act 2007* ;
- Bring forward the increase to 65 in women's SPa to November 2018 and the increase to 66 to October 2020 in the *Pensions Act 2011;*
- Bring forward the increase in the SPa to 67 to between 2026 and 2028 is in the *Pensions Act 2014*. People born after 5 March 1961 but before 6 April 1977 have an SPa of 67.[91]
- Establish periodic reviews of the SPA.[92] Following the first such review, the current Government proposed to bring forward the increase to 68 to between 2037 and 2039, subject to a further review before legislating to enable consideration of the latest life expectancy projections and evaluation of the effects of increases already under way.[93]

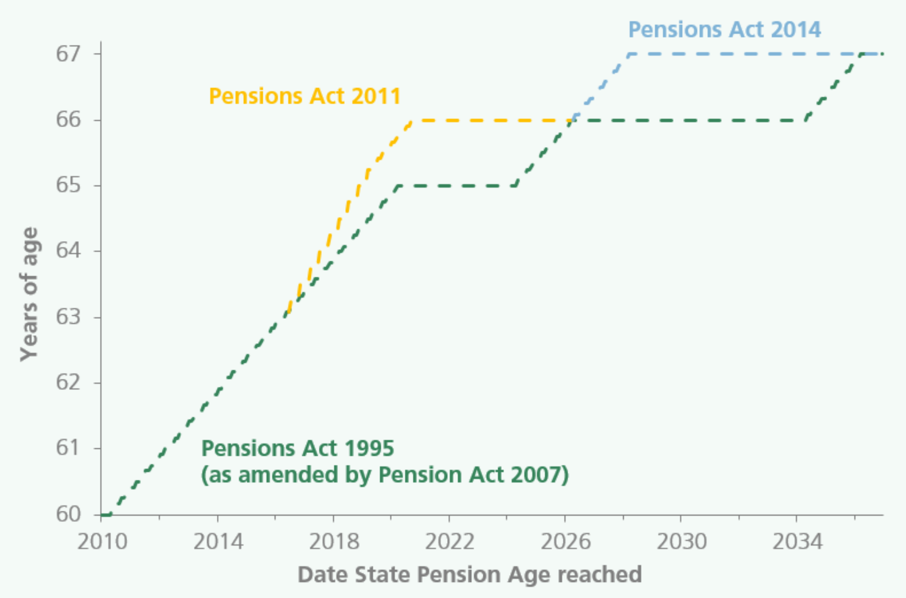
For more detail, see…

Library Briefing Paper CBP-06546 State Pension age review (August 2017).

[91] Pensions Bill Impact Assessment – Summary of Impacts, May 2013, para 19
[92] Ibid, p13
[93] HC Deb 19 July 2017 c865-6; DWP, State Pension age review, July 2017, p10

The chart below shows planned changes to the State Pension Age for women as legislated by the *Pensions Act 1995* (amended by pensions acts in 2007, 2011 and 2014).

STATE PENSION AGE FOR WOMEN, 2010 TO 2036



6.2 Equalisation

When the first State Pensions were introduced in 1908, the State Pension age (SPA) was equal for men and women.[94] A differential SPA – 65 for men and 60 for women - was introduced in the 1940s. Debates on the legislation suggested three reasons for the differential:

- There was a desire to improve pensions generally and this provided an opportunity which was less costly than other options;
- The fact that wives tended to be younger than their husbands meant that a common pension age was seen as problematic. It was felt that wives should qualify for their pensions at the same time as their husbands;
- Women's domestic responsibilities on top of their paid work were felt to leave them 'tired' at 60.[95]

During the 1970s and 1980s, pressure built for equalisation of the SPA for a number of reasons, including demographic changes, international comparisons and trends to equalise pension ages in occupational schemes in response to developments in European law.[96]

In his Budget statement on 30 November 1993, the then Chancellor of the Exchequer, Ken Clarke, announced that the Government had decided to equalise the SPA at 65. The change would be phased in over ten years starting in 2010, so it would not affect anyone aged 44 or over at the time of the announcement.[97] When the legislation was

---

[94] For further information, see HC Library Briefing Paper 4817, *Old Age Pensions Act 1908*

[95] HC Deb, 20 February 1940, cc1193-1498

[96] For further detail, see HC Library Briefing Paper *RP 95/47 The Pensions Bill: Social Security Aspects,* 19 April 1995

[97] HC Deb 30 November 1993, c 929

before Parliament, Lord Mackay of Ardbrecknish, then Minister of State at the Department of Social Security, elaborated on the reasons for equalising at 65:

> We believe that it is right to equalise at 65 because, first, women are increasingly playing a role equal to men in the economy. They live longer and can expect to work as long as men. Secondly, equalising at 65 will improve the future support ratio between those working and those on a state pension. Lastly, throughout the world, countries are equalising upwards or increasing pension ages for both sexes. This move will help to maintain our international competitiveness while ensuring that the state pension remains affordable. It is also right in the light of developments in occupational pensions.[98]

Schedule 4 of the *Pensions Act 1995* sets out the dates on which women born between 6 April 1950 and 5 April 1955 reach State Pension age. The increase to 65 was originally scheduled to be phased-in between April 2010 and 2020. However, as discussed below, the latter part of this timetable was changed by the *Pensions Act 2011.*

6.3 Accelerating increases to 65 and 66

Following the 2010 General Election, the Coalition Government announced that it would bring forward the increase to 66 in the light of increases in life expectancy since the 2007 Act. It initially proposed to do this by April 2020. To enable this, it would accelerate the increase in women's SPA from April 2016 (when it would be 63) to reach 65 by November 2018 rather than April 2020.[99] The increase would be phased in at a rate of three months' increase in the SPA every four months.[100] This compared to an increase of one month every two months under the 1995 and 2007 Acts (so that each single year took two years to phase-in).[101] The legislation affected around 5 million people (2.6 million women and 2.3 million men) born between 6 April 1953 (for women, 6 December 1953 for men) and 5 April 1960 would have to wait longer before they reach SPA.[102]

When the legislation that became the *Pensions Act 2011* was before Parliament the then Shadow Pensions Minister, Rachel Reeves, said she recognised that life expectancy had increased but was concerned that some women would see their SPA delayed by more than a year, and in some cases by as much as two years, as a result.[103]

The Government amended the legislation in its final stages in Parliament to cap the maximum increase at 18 months, relative to the timetable in the 1995 Act. Women's SPA would still reach 65 in November 2018 but

98 HL Deb, 24 January 1995, c 977. For further detail, see Library Research Paper RP 95/47 The Pensions Bill: Social Security Aspects
99 DWP, *A sustainable State Pension: when the State Pension age will increase to 66,* CM 7956, November 2010, page 27
100 Ibid, Executive Summary, para 6
101 *Pensions Bill 2011. Annex A – Impact Assessment – State Pension age,* para 1.23
102 DWP, Pensions Bill 2011 – Impacts – Annex A: State Pension age, p10 and 24
103 PBC Deb, 5 July 2010 (morning), c5; See also See, for example, *HC Deb, 20 June 2011*, c61 [Liam Byrne] and *HL Deb, 30 March 2011, c1250-1* [Lord McKenzie of Luton]

the increase to 66 would happen by October 2020 rather than April. This improved the position (compared to the legislation as originally drafted) for women born between 6 January 1954 and 5 September 1954. They would otherwise have seen their SPA increase by more than 18 months and, as much as two years in some cases.[104] The then Pensions Minister Steve Webb described the amendments as a "huge achievement", given the "difficult fiscal position."[105] The then Shadow Pensions Minister, Gregg McClymont welcomed the amendments but said they did not go far enough – the Bill continued to place "the longevity burden disproportionately heavily on women in their later 50s".[106]

How much notice is enough?

In debates on the 2011 Act, the Opposition highlighted the short notice women affected would receive - in some cases, only around five years.[107] The then Pensions Minister, Steve Webb, said he accepted that the period of notice being given to some women was "the key issue".[108]

In its April 2011 Green Paper, the Government asked for views on how it should respond to frequent revisions in life expectancy projections, while giving individuals sufficient time to prepare.[109] Its summary of responses said that views varied, with the majority of individuals and organisations saying 10 years notice was appropriate.[110]

In 2005, the Pensions Commission had suggested that "a policy of significant notice of any increase (e.g. at least 15 years) should be possible."[111]

Awareness

Analysis by the National Centre for Social Research in 2008 found that fewer than half (43%) of the women who, at that point, would not be eligible for their state pension until they were 65 were aware of the planned change.[112] In a survey of women in 2013, the Pensions Advisory Service found that over a third (36%) did not know when their State Pension would be paid.[113]

---

[104] For more details, see Library Briefing Paper SN06082, *Pensions Bill 2011 – final stages.*
[105] HC Deb, 18 October 2011, c823
[106] Ibid c780-2
[107] PBC Deb, 5 July 2010 (morning), c5; See also See, for example, *HC Deb, 20 June 2011*, c61 [Liam Byrne] and *HL Deb, 30 March 2011, c1250-1* [Lord McKenzie of Luton]; Counting from 2011 when the legislation received Royal Assent to 2016 when the increase in the SPA would start to accelerate
[108] HC Deb 11 May 2011 c437WH [Steve Webb]
[109] DWP, A State Pension for the 21st century, Cm8053, April 2011, p48
[110] DWP, A state pension for the 21st century: a summary of responses to the public consultation, July 2011, Cm 8131, p11; DWP, The single-tier pension: a simple foundation for saving, January 2013, Cm 8528, p75
[111] Pensions Commission, 2nd report, December 2005, p14
[112] Women's state pension age changes – evidence from the English Longitudinal Study of Ageing, NatCen, 21 June 2011
[113] TPAS, Women and Pensions report 2013, January 2014, Executive Summary

In debate in Parliament in 2013, Steve Webb, acknowledged that not everyone affected by the 1995 Act had been aware of it:

> The *Pensions Act 1995* began the process of equalising the pension ages of men and women at 65 over the decade from 2010 to 2020. The increase in pension age beyond 60 for these women was therefore legislated for in 1995. It was not a short-notice change, although I accept that some women did not know about it, and not everybody heard about it at the time. Although it was all over the papers at the time, these women were a long way from pension age and probably turned the page when they saw the word "pension", so I accept that some women did not know about this […] The Government have indeed changed some pension ages for women who reach pension age after 6 April 2016, and every woman for whom we have increased the state pension age will get the single-tier pension.[114]

Once the 2011 Act had received Royal Assent, DWP wrote to women born between 1950 and 1960. The Pensions Minister said:

> We have written to over a million women whose state pension age was increased under the Pensions Acts of 1995 or 2011. These women were born between 6 April 1950 and 5 April 1955 inclusive. In addition we wrote to men born 6 December 1953 to 5 April 1955 whose pension age also increased under the 2011 Act.
>
> We have now started to write to men and women born between 6 April 1955 and 5 April 1960 telling them their new state pension age will be 66.
>
> These letters will be sent to around 4.6 million people over a period of two years. People can also find out their state pension age under current law by using the state pension calculator on the www.gov.uk website[115]

On 2 November 2015, the then Work and Pensions Minister, Shailesh Vara, said the Government had been writing to women affected:

> Between April 2009 and March 2011, the Department proactively mailed all women born between 6 April 1950 and 5 April 1953, informing them of their state pension age under the Pensions Act 1995. Following the 2011 changes, the Department wrote to all individuals directly affected to inform them of the change to their state pension age. Sending mail to those individuals, who are due to reach state pension age between 2016 and 2026, was completed between January 2012 and November 2013.[116]

Ongoing campaigns

A campaign group – Women Against State Pension Inequality (WASPI) – argues that women in the 1950s have been treated "unfairly and unequally".

> Significant changes to the age we receive our state pension have been imposed upon us with a lack of appropriate notification, with little or no notice and much faster than we were promised – some of us have been hit by more than one increase.

---

114 HC Deb 8 October 2013 c54WH
115 HC Deb 19 November 2012 c257W
116 HC Deb 2 November 2015, c698; PQ 3828, 29 June 2015

> As a result, hundreds of thousands of us are suffering financial hardship, with not enough time to re-plan for our retirement. Women are telling us that they can't believe their retirement age has increased by 4, 5 or 6 years and they didn't even know about it!![117]

Concerns have continued to be raised in Parliament.[118] In response, the Government has consistently argued that the changes in the 2011 Act were debated at length and a decision made by Parliament, as part of which a concession was made to limit the impact on those most affected. It says it will "make no further changes to the pension age or pay financial redress in lieu of a pension."[119] Reiterating the Government's position on 8 February 2018, Pensions Minister Guy Opperman concluded by saying:

> The key choice a Government face when seeking to control state pension spend is to increase state pension age or pay lower pensions, with an inevitable impact on pensioner poverty. The only alternative is to ask the working generation to pay an even larger share of its income to support pensioners. I believe that successive Governments have made appropriate but difficult decisions to equalise and increase the state pension age. A significant concession was made in 2011 so that no woman will see an increase to her state pension age of more than 18 months, relative to the 1995 Act timetable. To renege on our decisions and further increase costs to the public, especially the working population, would be unfair and unaffordable.[120]

A petition on the issue organised by Women Against State Pension Inequality (WASPI) said:

> The Government must make fair transitional arrangements for all women born on or after 6th April 1951 who have unfairly borne the burden of the increase to the State Pension Age (SPA). Hundreds of thousands of women have had significant changes imposed on them with a lack of appropriate notification.
>
> The 1995 Conservative Government's Pension Act included plans to increase women's SPA to 65, the same as men's. Women Against State Pension Inequality (WASPI), agree with equalisation, but don't agree with the unfair way the changes were implemented – with little/no personal notice (1995/2011 Pension Acts), faster than promised (2011 Pension Act), and no time to make alternative plans. Retirement plans have been shattered with devastating consequences.[121]

The Government responded that:

> State Pension age changes were first made in 1995. All women affected have been directly contacted following the changes. There are no plans to alter State Pension age arrangements for this group.[122]

---

117 Women Against State Pension Inequality – Justice for Women born in the 1950s
118 See section 8 of Library Briefing Paper CBP-7405 Increases in the State Pension age for women born in the 1950s (October 2018)
119 PQ 49721 27 October 2016; HC Deb 15 November 2016 c48WH
120 HC Deb 8 February 2018 c1693-4; See also the Government's response to the WASPI petition.
121 UK Parliament petition – Make fair transitional state pension arrangement for 1950s women
122 Ibid

In more detail it said:

> Firstly, to clarify, State Pension age (SPa) changes affect individuals in the following way:
>
> • Women born between 6th April 1950 and 5th April 1953 have an SPa set by the 1995 Pensions Act, of between 60 and 63. This group will reach SPa by March 2016, and will therefore receive a State Pension under the current system.
>
> • Women born between 6th April 1953 and 5th December 1953 have an SPa set by the 2011 Pensions Act, of between 63 and 65. The maximum increase in SPa that anybody will experience relative to the 1995 timetable is 16 months. This group will reach pension age after the introduction of the new State Pension.
>
> • Men and women born between 6th December 1953 and 5th April 1960 have an SPa set by the 2011 Act, of between 65 and 66. Of the approximately five million individuals affected by the 2011 change, two point four million are men. For women, the maximum increase in SPa relative to the previous timetable is 18 months and for men it is 12 months. This group will also reach pension age after the introduction of the new State Pension.
>
> Both the 1995 and 2011 changes followed on from public calls for evidence. The Government has notified the women affected by the State Pension age changes. Following the 2011 changes, DWP wrote to all those directly affected to inform them of the change to their State Pension age - using the address details recorded by HMRC at the time. Mailing to these individuals, due to reach State Pension age between 2016 and 2026, was completed between January 2012 and November 2013, subject to the accuracy of their address details with HMRC. Letters to women with a State Pension age determined by the 1995 timetable (born between 6th April 1950 and 5th April 1953) were sent between April 2009 and March 2011. The DWP also has information on State Pension age changes and who they affect on gov.uk. This includes State Pension age timetables, impact assessments (including an impact assessment for the 2011 Pensions Act) and a State Pension age calculator. In addition, the State Pension age equalisation changes were built into the State Pension statement IT system; introduced in 2001. Therefore, statements produced on request using this system would have included women's new State Pension ages as determined by the 1995 Pensions Act.
>
> The Government will not be revisiting the State Pension age arrangements for women affected by the 1995 or 2011 Acts. The Government carried out extensive analysis of the impacts of bringing forward the rise to 66 when legislating for the change (impact assessment available at Gov.uk). The decision to amend the timetable originally set out in the bill, to cap the maximum increase at 18 months rather than 2 years, was informed by this analysis.
>
> All women affected by faster equalisation will reach State Pension age after the introduction of the new State Pension. The new State Pension will be more generous for many women who have historically done poorly under the current, two-tier system - largely as a result of lower average earnings and part-time working. Around 650,000 women reaching State Pension age in the first ten years will receive an average of £8 per week (in 2014/15 earnings terms) more due to the new State Pension valuation of their National Insurance record.

> Regular consideration of State Pension age is necessary to ensure the pensions system remains sustainable as life expectancy grows. The 2014 Act provides for a 6-yearly review, to take into account up-to-date life expectancy data and the findings of an independently-led review. The first review will conclude by May 2017 and will consider, amongst a number of other factors, the impact of State Pension age change on women.
>
> The policy decision to increase women's State Pension age is designed to remove the inequality between men and women. The cost of prolonging this inequality would be several billions of pounds. Parliament extensively debated the issue and listened to all arguments both for and against the acceleration of the timetable to remove this inequality. The decision was approved by Parliament in 2011 and there is no new evidence to consider.[123]

Women affected continue to campaign for change.[124] It has encouraged women affected who think they were given inadequate information to make complaints. By May 2018, over 3,500 women had done so.[125]

On 11 October 2018, Mr Opperman said the ICE had not upheld "any specific complaints that the DWP failed to provide adequate and timely information relating to the increase in State Pension age."[126]

A campaign group called BackTo60 is seeking to lodge a judicial review of the policy.[127]

6.4 Increase to 67

In its 2011 Autumn Statement, the Government said it would bring forward the increase to 67 to between 2026 and 2028. The reason was that:

> Since the life expectancy projections underpinning the original State Pension age timetable were published, average life expectancy at State Pension age in 2028 has increased by at least one and a half years for men and women.[128]

This was legislated for in the *Pensions Act 2014*. Section 26 provided for the State Pension age to increase from 66 to 67 between 6 April 2026 and 5 March 2028.

SPA increases

For more detail, see HC Library Briefing Paper SN06546 State Pension age review (August 2017).

6.5 Periodic reviews

The 2014 Act also provided for a periodic review of the SPA in the light of changes in life expectancy and other factors, with the first such report to be published by May 2017.[129] The reviews would be based around the principle of maintaining a given proportion of adult life in

---

123 Ibid

124 Government faces legal action over women who've lost out on pensions, *The Independent*, 6 November 2015; #WASPI Campaign

125 PQ 146343, 24 May 2018

126 PQ 176557 11 October 2018

127 Back to 60, Statement from legal team, 8 April 2018'; 'Women's state pension age case heads to High Court', FT adviser, 12 October 2018; see also Sunday Times, 14 October 2018 (£); See also 'State pension changes in breach of UN law', says academic, FT adviser, 21 September 2018.

128 HM Treasury, *Autumn Statement 2011*, Cm 8231, November 2011

129 Section 27; *Pensions Act 2014* – Explanatory Notes, paras 126-9

receipt of state pension and will be informed by a report from an independently-led body on the wider factors to be taken into account, such as variations in life expectancy. They would also seek to provide a minimum of ten years' notice to those affected by any increase.[130]

John Cridland's Review

The Government asked John Cridland to conduct the first independent review of the State Pension age. The review was to be forward looking and would not cover the existing State Pension age timetable up to April 2028.[131]

An interim report published in October 2016, identified certain groups as likely to be disproportionately impacted by increases in the SPA - carers, people with disabilities, the self-employed, ethnic minorities and women. A common factor was difficulty accruing sufficient private pension to provide them with an adequate income in retirement. Regarding women, it said:

> Men and women across all generations are set to receive very similar amounts of State Pension. The discrepancy in pension outcomes for men and women instead reflects different private pension outcomes. On average across all generations, it is projected that just under 30% of women's total pension is made up of private pension, compared to just over 40% of men's.[132]

The review recognised that having worse outcomes in the labour market and lower private pension income made it more difficult to adjust to increases in the State Pension age:

> In particular, they may not be able to draw down early on their private pension or be able to change how they participate in the labour market in response to changes in their circumstances without considerably impacting their retirement income later.[133]

It said that if any changes were made to the SPA, additional support may be required to "mitigate the impact on the seriously affected groups discussed above and smooth their transition between work and retirement." Options included:

- Support to work longer or increase their private savings;
- Early access to a reduced pension or enhanced working age benefits for certain groups[134]

The final report of the review, published in March 2017, recommended: allowing access to Pension Credit one year before SPa and adjusting conditionality under Universal Credit for people approaching SPa.[135]

For more detail, see Library Briefing Paper CBP 6546 State Pension age review (August 2017).

---

[130] DWP, *The single-tier pension: a simple foundation for saving*, Cm 8528, January 2013, Chapter 6

[131] HCWS 562 1 March 2016; DWP Press release, John Cridland appointed to lead the UK's first State Pension age review, 1 March 2016

[132] Independent review of the State Pension age – interim report, October 2016

[133] Ibid, p77

[134] Ibid p11

[135] Independent review of the State Pension age: Smoothing the Transition. Final Report, March 2017

7. Private pensions

Summary

Historically, the proportion of women employees in workplace pensions has been lower than that of men. This has been particularly the case in the private sector, where in 2014 57% of women working full-time had a workplace pension, compared to 59% of men. Among part-time workers, 22% of women had a workplace pension, compared to 27% of men. Women are less likely to be in receipt of a private pension and their private pension wealth is lower than that of men at all ages – particularly among the over 65s.

To increase participation in workplace pensions, the Government is introducing duties on employers to automatically enrol workers with earnings above a set level (£10,000 in 2018/19) into a workplace pension and – unless they opt out – make minimum contributions. Concerns have been expressed that increases in the earnings threshold over time have excluded low paid workers from the scope of auto-enrolment, disproportionately affecting women. However, the Government argued that the increases were justified and would avoid the tiny levels of contributions possible under previously existing arrangements. The Women's Budget Group has questioned the extent to which auto-enrolment reduce the gender gap in private pensions, given that differences in employment histories remain for mothers, bringing loss of earnings and restricting opportunities for private pension contributions. It argues that continuing disadvantage in private pensions makes the level of the new State Pension particularly important for women.

Women are less likely than men to be in receipt of a private pension. Furthermore, women's private pension wealth is lower than that of men at all ages – particularly among the over 65s. As the ONS notes, these differences highlight "that women in these age groups had fewer opportunities to contribute to pensions when they were of working age than did similarly aged men."[136]

This section provides statistics on the private pension wealth of current pensioners and on the efforts of successive governments to auto-enrol working age individuals onto workplace pension schemes.

7.1 Current private pension wealth

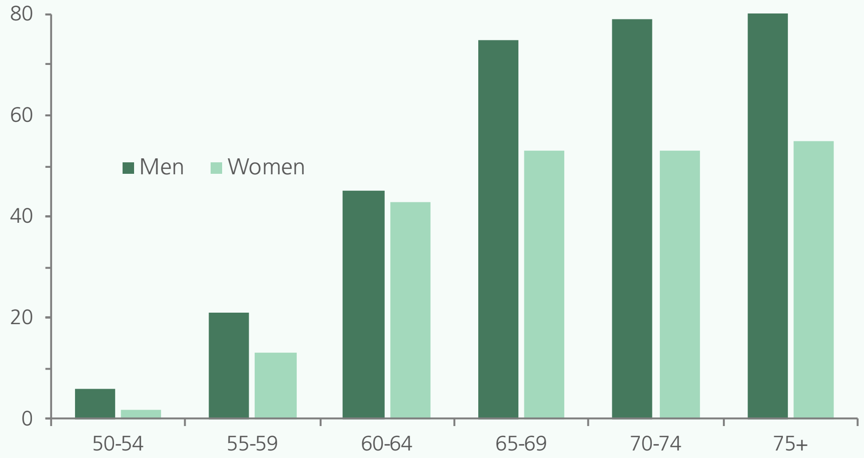
The figures below are based open the ONS's Wealth and Assets Survey 2014/16 (latest available data). Both figures show pensions-in-payment data for individuals aged 50 and over. Note that in some circumstances individuals may be receiving income from one private pension while still paying in to another.

A lower proportion of women were in receipt of a private pension than men in each of these age groups. The greatest disparity is for the 70-74 age group, in which 53% of women and 79% men are in receipt of private pension income. Among the over 75s, 55% of women and 80% of men are in receipt of private pension income.

[136] ONS; Chapter 6 Private Pension Wealth; Wealth in Great Britain 2010-12

PERCENTAGE OF INDIVIDUALS RECEIVING A PRIVATE PENSION, INCLUDING PERSONS WITH ZERO PENSION WEALTH

Great Britain, July 2014 to June 2016, per cent



Source ONS Wealth and Assets Survey

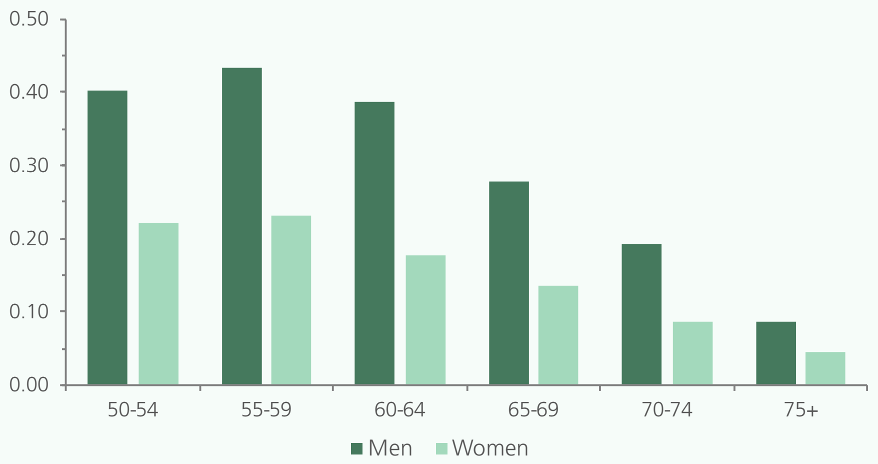
The chart below shows the median pension wealth held in private pensions in payment, by age and sex. These pension wealth figures are estimates for a person's total 'pension pot'. The ONS estimates this by looking at people's current private pension income and then using assumed annuity rates to calculate how much would be needed to purchase an annuity sufficient to supply this income for the remainder of their lives.

Among 55- to 59-year-olds (the age group in which private pension recipients have the largest private pension wealth), women's median private pension wealth was £230,300 while men's was £433,000.

Among 65- to 69-year-olds (the cohort with the largest number of private pensions in payment), median private pension wealth was £136,600 for women and £279,000 for men.

MEDIAN WEALTH HELD IN PRIVATE PENSIONS IN PAYMENT, EXCLUDING PERSONS WITH ZERO PENSION WEALTH

Great Britain, July 2014 to June 2016, £ millions

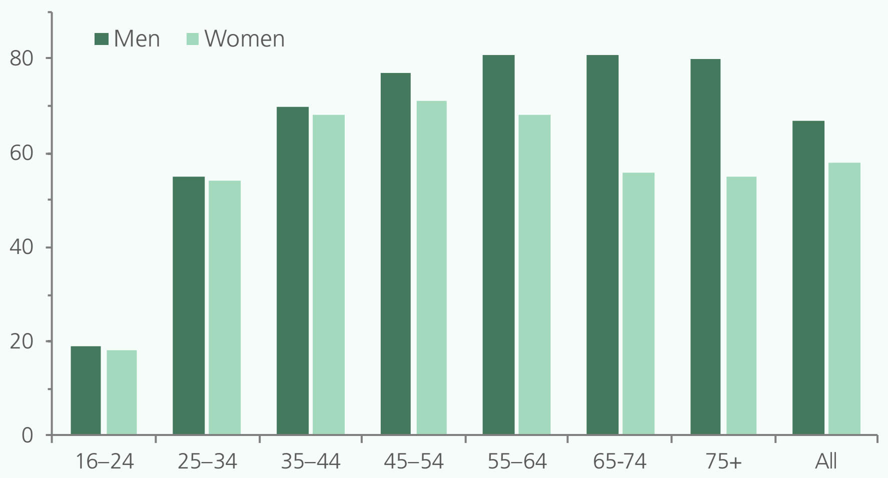


Source ONS Wealth and Assets Survey

Looking more broadly at the private pension wealth of all adults – i.e. including those who have not yet begun to draw a pension, we find that in the youngest age groups (16-24 and 25-34) women and men are similarly likely to have amassed some private pension wealth, and that the median private pension wealth of women in these younger age groups is slightly higher than that of their male peers: the median pension wealth of women aged 25-34 was £14,400 compared with £12,100 for men.

PERCENTAGE OF INDIVIDUALS WITH PRIVATE PENSION WEALTH, INCLUDING PERSONS WITH ZERO PENSION WEALTH

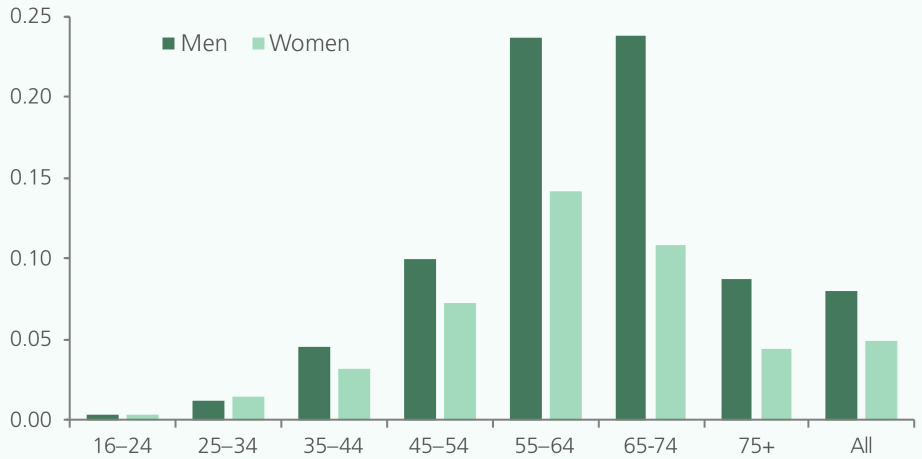
Great Britain, July 2014 to June 2016, per cent



Source ONS Wealth and Assets Survey

MEDIAN WEALTH HELD IN PRIVATE PENSIONS, EXCLUDING PERSONS WITH ZERO PENSION WEALTH

Great Britain, July 2014 to June 2016, £ millions



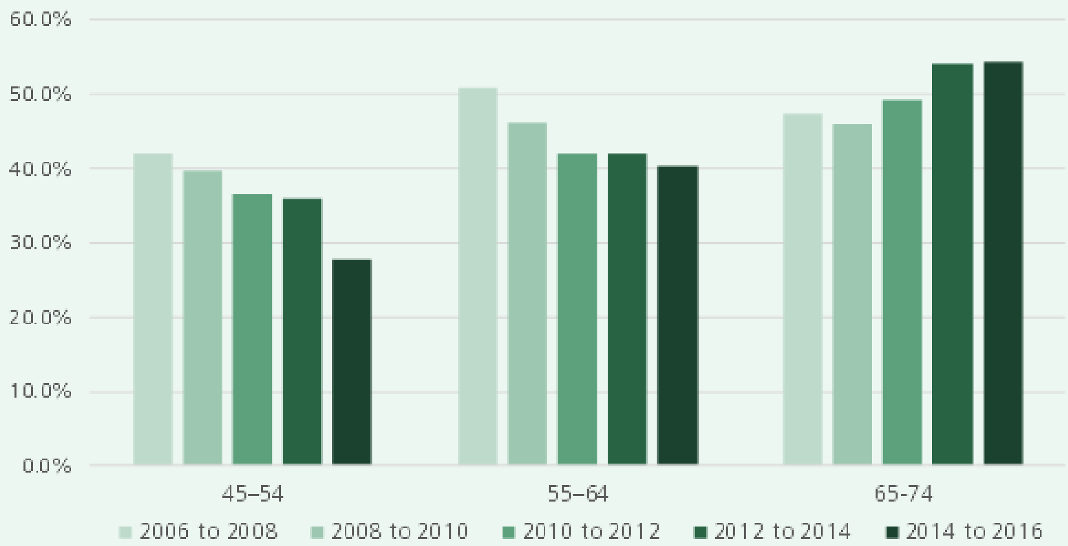
Source ONS Wealth and Assets Survey

How is the picture changing over time?

The Wealth and Assets Survey not only indicates that younger women are saving more than before in absolute terms, but also indicates that the gap between the private pension wealth of women and men within the age groups closest to retirement is shrinking over time. Among 45- to 54-year olds with private pension wealth for example, the median held by women in 2016-2018 was £72,000 and the median for men was £100,000, a difference of 28% - which is 14 percentage points lower than eight years previously. The difference has also fallen among 55- to 64-year olds (from 51% to 40%) over the same period.

THE 'GENDER PENSION WEALTH GAP' IS FALLING AMONG 45- TO 64-YEAR OLDS

Difference between women's and men's median private pension wealth, as a percentage of men's median private pension wealth (excluding people without such wealth), in selected age groups



Source: ONS Wealth and Assets Survey

7.2 Workplace pensions

Occupational or "workplace" pensions are those set up and arranged by an employer (as opposed to private personal pensions, which an individual arranges themselves). In most cases both the employer and employee contributes to an occupational pension. There are different types including:

- **Defined Benefit** schemes, in which pension benefits are based on fixed factors, typically salary and length of service;
- **Defined Contribution** schemes, in which contributions are paid into a 'pension pot', which is invested and which can then be used to buy an income at retirement;
- **Group Personal Pensions**, in which arrangement is made for the employees of a particular employer(s) to participate in a personal pension on a group basis.
- **Group Stakeholder Pensions**. Available since 2001, stakeholder pensions are personal, portable, flexible pensions provided by insurance companies for capped management charges. A Group Stakeholder Pension in an arrangement in which the employees of a particular employer(s) participate in a personal pension on a group basis.

The case for auto-enrolment

Historically, the proportion of women employees – particularly in the private sector – in workplace pensions has been lower than that of men due to the fact women were more likely to work part time and receive lower pay.

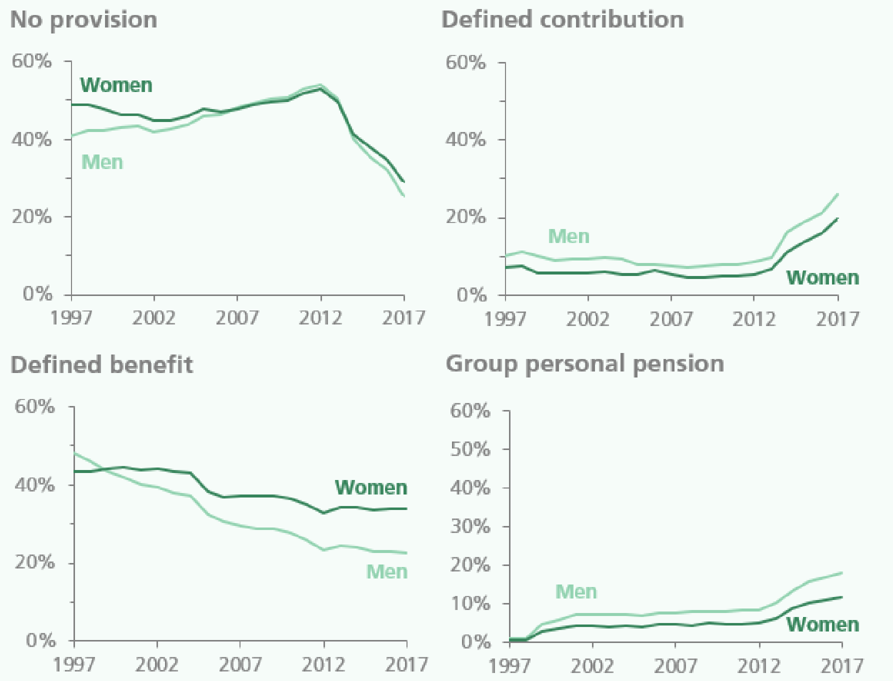
In 2017 an almost equal proportion of men and women working full time in both the public and private sectors were participating in a workplace pension scheme. However, the proportion of part-time workers with a workplace pension scheme was higher among women: in the public sector 82% of women working part time and 69% of men working part time were a scheme member, and 43% of women and 33% of men in the private sector.[137]

The chart below shows the percentage of employees in workplace pension schemes by gender and scheme type, from the ONS's Annual Survey of Hours and Earnings (ASHE). Following the introduction of auto-enrolment from 2012, the proportion of female employees with no pension provision has fallen from 50% in 2013 to 29% in 2017. The proportion of male employees with no pension provision fell from 51% to 25% over the same period.

---

[137] ONS, Annual Survey of Hours and Earnings pension tables, UK: 2017 provisional and 2016 revised results

THE PROPORTION OF FEMALE EMPLOYEES WITH NO PENSION PROVISION HAS FALLEN FROM 53% IN 2012 TO 29% IN 2017
Great Britain, pecentage of all employee jobs



Source Annual Survey of Hours and Earnings Pension Tables, 1997-2017: Pension type by age group and gross weekly earnings bands: Table P1

The Pensions Commission, set up by the Labour Government in 2002 to review the system of private pension savings, recommended requiring employers to automatically enrol workers into a workplace pension saving scheme. To encourage participation, employers would be required to make a minimum contribution.[138] The Commission also recommended the creation of a low cost, national, funded pension savings scheme, available to any employer who chose to use it. This was needed because there was:

> [...] a segment of the market, employees of average and lower earnings working in small and medium companies, plus many self-employed, which the retail financial services industry cannot serve profitably except at Annual Management Charges (AMCs) which are disincentives to saving and which substantially reduce pensions available in retirement. [139]

The Labour Government legislated for these reforms in the *Pensions Act 2008.* The reforms would start to be phased-in from October 2012, by size of employer, starting with the largest. Minimum contribution rates would also be phased-in, reaching the full amount (3% for employers, 4% for employees and 1% in tax relief) in October 2018. [140] The National Employment Savings Trust (NEST) was set up as a low cost national pension saving scheme, available for any employer who wanted to use it.

[138] Ibid, p158-160
[139] Ibid p6
[140] SI 2012/1813

It said the reforms would ensure equality of access to a workplace pension of a minimum standard, which was particularly relevant for women, who were more likely to be lower earners and to work for small firms, two groups not current served well by the pensions market.[141]

How much difference will it make?

The Women's Budget Group has questioned the impact auto-enrolment can have on the gender gap in private pensions, given continuing gender differences in employment histories for mothers, bringing loss of earnings and restricting opportunities for private pension contributions. It argues that women's continuing disadvantage in accumulating private pensions makes the level at which the new State Pension is set particularly important for them.[142]

In a 2016 report on "under-pensioned" groups, the Pensions Policy Institute said auto-enrolment would "go some way to increasing levels of private pension saving for those in under-pensioned groups", including women. However, the way the policy was structured meant that employed people from those groups were less likely to be auto-enrolled. 32% of employed women aged between 22 and State Pension age did not meet the eligibility criteria, compared to 16% of men. It concluded that differences in private pension income were likely to continue as these were related to working patterns and earnings. Changes to the structure of auto-enrolment could make a difference:

> Lowering the automatic enrolment earnings threshold for eligibility would increase private pension saving for some people but could lead to higher opt-out rates or some people losing out on means-tested benefits in retirement. ·
>
> Removing the automatic enrolment qualifying earnings band entirely has a greater positive impact on retirement income than increasing minimum contribution levels to 10% of qualifying earnings, though both scenarios increase pension saving levels.[143]

The Government has argued that auto-enrolment and the new State Pension - will improve retirement incomes for many, addressing historic inequalities in the pension system for women and the low paid.[144] Its 2017 review found that by 2018, when the roll-out of the policy was complete, 10 million people would be newly saving or saving more and workplace pension participation between men and women would be equalised:

> Since automatic enrolment started in 2012, workplace pension participation has increased among eligible employees from a low of 55 per cent in 2012 to 78 per cent in 2016. For the private sector this shift has been transformative; among eligible

[141] DWP, Gender Impact Assessment of Pension Reform, November 2007, Executive summary
[142] The Single-tier State Pension: Part 1 of the draft Pensions Bill: Written evidence submitted by Dr Jay Ginn, Women's Budget Group (Visiting Professor, Institute of Gerontology , King's College, London , 2012/13
[143] Pensions Policy Institute, The Under-pensioned 2016 - summary, March 2016
[144] DWP, Framework for the analysis of future pension incomes, September 2013, para 1.5 and 4.6

> employees, participation has risen by over 31 percentage points since 2012 to 73 per cent of eligible employees in 2016. The greatest increases have been among those who have traditionally had least access to workplace pensions: the lowest earners; younger people (those aged 20 – 29); and women. Workplace pension participation among eligible men and women has been equalised. Total annual contributions into workplace pensions are currently at a ten-year high of £87 billion in 2016.[145]

The review looked at options for improving coverage and scope, through the eligibility and minimum contribution criteria.

Earnings trigger

Employers are required to automatically enrol workers who:

- Are not already in a workplace pension scheme;
- Are between age 22 and State Pension age; and
- Earn more than a minimum threshold.[146]

The earnings trigger was initially set at £5,035 (2006/07) earnings terms, with contributions paid from the same level. However, the 2011 Act increased the earnings trigger – bringing it into line with the income tax personal allowance – and provided for contributions to be paid from a lower level. The argument was that this would avoid very small pots being built up. However, some commentators have expressed at the number of low-paid workers, many of them women, who have been excluded from the policy as a result.

Auto-enrolment earnings trigger:

For more detail, see Library Note SN06417 Pensions: Automatic enrolment -2010 onwards (October 2015).

Pensions Act 2008

The Labour Government decided that people should be automatically enrolled from a low level of earnings:

> Because contributions will be calculated on a band of earnings starting at around £5,000 a year, costs will be low for people earning just above this level. Low earners will be brought into pension saving, will get into the savings habit and will see their savings increase as their earnings grow and, of course, they will have the right to opt out.[147]

Under *Pensions Act 2008,* employers were required to automatically enrol jobholders with "qualifying earnings" i.e. earnings of at least £5,035 pa (2006/07 earnings terms).[148] Minimum contributions would be paid on a band of "qualifying earnings" - i.e. between £5,035 and £33,540 (2006/07 earnings terms).[149]

2010 Making automatic enrolment work review

The Coalition Government set up a review team to look again at policy of auto-enrolment. In its report published in October 2010, the review team said it wanted to re-align the auto-enrolment thresholds with

[145] DWP, Auto-enrolment review: maintaining the momentum 2017, introduction
[146] *Pensions Act 2008,* s13-14
[147] DWP, Security in retirement: towards a new pensions system, Cm 6841, May 2006, para 1.87
[148] Pensions Act 2008, sections 1 (1), 3 (1) and 13
[149] The figures for the qualifying earnings band are set out in section 13 (1) of the 2008 Act. Increased in line with average weekly earnings, the equivalent figures for 2011/12 are £5,805 and £38,670. House of Commons Library calculation.

those for tax or NI, thus simplifying administration for employers. It argued that although this would have the effect of excluding some low-paid workers, because contributions would be paid from a lower level, it would avoid the tiny levels of pension contribution possible under the existing arrangements.[150] However, it decided against recommending a significant increase in the earnings trigger for auto-enrolment, for example, somewhere in the £10,000 – 15,000 range:

> There are several considerations which militate against such a conclusion. These include the existence of working tax credits, which provide a big incentive for many low earners to save in pensions, and the fact that earnings fluctuate such that most low earners go on to earn more at some point and only through saving year on year can they accumulate a pot of reasonable value. But much the most important consideration is the fact that in the real world, for most people, it makes little sense to look at individual replacement rates like those quoted. Most of us live in households with others. And most very low earners are women living with men who earn rather more. It may well be desirable for them to be accumulating a pension pot of their own.[151]

The Coalition Government decided to set the earnings trigger for auto-enrolment at the level of the income tax personal allowance (with contributions made on earnings from a lower level).[152] However, because of a concern about the potential impact on retirement incomes, it decided that the earnings trigger should remain frozen at £10,000 in 2015/16, rather than following the tax threshold up to £10,000.[153]

Under section 14 of the *Pensions Act 2008* as amended by the 2011 Act*,* the Secretary of State is required to review and revise the automatic enrolment earnings trigger and qualifying earnings bands each year and can take into account:

> national insurance earnings limits and thresholds, the income tax personal allowances, the level of basic state pension for single adults, or the general level of prices and earnings. The Secretary of State may also consider any other factors that are considered relevant.[154]

Annual reviews have been conducted in each year since the 2011 Act got Royal Assent. In summary:

- The **upper and lower limits of the qualifying earning band** (on which minimum contributions are paid) have been aligned with the lower and upper earnings limits for National Insurance since 2011/12.[155]
- The **earnings trigger** was aligned with the PAYE income tax threshold in 2012/13, 2013/14 and 2014/15. However, the Government has decided to keep it frozen at £10,000 from

[150] Johnson et al, Making automatic enrolment work. A review for the Department for Work and Pensions, October 2010, p4
[151] Ibid, p3
[152] *Pensions Act 2011*, s5 and 8
[153] HCWS131 [Automatic enrolment annual threshold review] 17 December 2014
[154] *Pensions Act 2011 – Explanatory Notes*, para 83
[155] HCWS131 17 December 2014

2015/16 rather than following the personal tax allowance upwards.[156]

The earnings trigger and qualifying earnings band in each year since 2011/12 is in the table below:

	Earnings trigger for auto-enrolment	Qualifying earnings band	
		Lower Limit	Upper Limit
2011/12	£7,475		
2012/13	£8,105	£5,564	£42,474
2013/14	£9,440	£5,720	£41,450
2014/15	£10,000	£5,772	£41,865
2015/16	£10,000	£5,824	£42,385
2016/17	£10,000	£5,824	£43,000
2017/18	£10,000	£5,876	£45,000
2018/19	£10,000	£6,032	£46,350

Increases in the earnings-trigger over the years 2011/12 to 2014/15 reduced the eligible target population for auto-enrolment by around 1.29 million people (predominantly women). The freezing of the earnings trigger from 2015/16 has brought around 220,000 people back into its scope (again predominantly women):[157]

Impact of increases in the earnings trigger for auto-enrolment on the number of individuals in the eligible target population for auto-enrolment

Earnings trigger for auto-enrolment	Change in the number of individuals in the eligible target population for auto-enrolment
Raising the 2011/12 value of the earnings trigger from £5,035 (2006/07 terms) to £7,457	600,000 excluded (78% of them women)
Raising the 2012/13 value of the trigger from £7,457 in 2012/13 to £8,105	100,000 excluded (82% of them women)
Raising the 2013/14 value of the trigger from £8,105 to £9,400	420,000 excluded of whom 320,000 (76%) are women
Raising the 2014/15 value of the trigger from £9,400 to £10,000	170,000 excluded of whom 120,000 (69%) are women
Freezing the trigger at *£10,000 in 2015/16*	20,000 extra included of whom 14,000 (70%) are women
Freezing the trigger at £10,000 in 2016/17	130,000 extra included of whom 91,000 (71%) are women
Freezing the trigger at £10,000 in 2017/18	70,000 extra included of whom 50,000 (75%) are women
Freezing the trigger at £10,000 in 2018/19	100,000 extra included of whom 72,000 (72%) are women

December 2014; Annex B. NB. The figures for earlier years are not directly comparable with the 2015/16 estimates that are based on updated information about the pension landscape, prices and earnings.

[156] For details of the tax allowances from 2017/18 onwards – see Income Tax rates and allowances: current and past, Updated 26 April 2017

[157] DWP, *Automatic enrolment earnings thresholds review and revision 2015/16*, October 2014; DWP, *Automatic enrolment earnings threshold review and revision 2015/16 – Government response to the consultation on revision proposals for the automatic enrolment earnings trigger and the qualifying earnings band*, Dec 2014,Annex B

2017 auto-enrolment review

The 2017 auto-enrolment review considered lowering the trigger, which would bring more low-earners, predominantly women into saving:

> Lowering the trigger to align with the current LEL would bring in an estimated additional 1.5 million savers in 2018/19 of which 73 per cent are women. The Review has considered reducing the trigger which would have a significant impact on increasing participation in workplace pensions. It would also enable more individuals with multiple jobs to be automatically enrolled. However, it would clearly lead to significant costs for employers, and government in the form of tax relief, and also risk bringing in greater numbers of individuals for whom it may not make economic sense to save and who then may be disproportionately likely to opt-out of saving. Diverting income away from the day-to-day needs of the lowest earners risks impacting significantly on their living standards. For those lower earners who are in a position to contribute, the option remains to opt-in. [158]

It concluded that the trigger should remain frozen at £10,000:

> In concluding that the trigger should be retained at £10,000 the annual thresholds review has considered the need for stability for employers, and enabling them to manage costs at a time when contributions will increase, and achieving the right balance between affordability and participation. Freezing the trigger results in an increase in the number of individuals eligible to be automatically enrolled as this would amount to a real terms decrease in the value of the trigger.[159]

It also recommended that contributions from the first pound of earnings should count.

Are minimum contributions enough?

Improving outcomes for DC pension savers

For more detail, see SN06956 (Sept 2014)

An issue of ongoing debate has been whether minimum auto-enrolment contribution rates – particularly for high and moderate earners – need to increase if people are to achieve adequate incomes in retirement.[160] However, the challenge would be to get the balance right, so that those who would otherwise benefit from saving are not prompted to opt out entirely.

The Government's 2017 review of auto-enrolment noted that auto-enrolment had helped equalise the proportions of men and women saving in a private pension. However, current saving levels presented a "substantial risk" that the retirement expectations for a significant proportion of the working-age population would not be supported. In addition, the current structure of auto-enrolment meant there were gaps in coverage – notably for those in low-paid multiple part-time jobs and younger workers.[161]

---

[158] DWP, Automatic enrolment review 2017 – maintaining the momentum, December 2017, p48

[159] Ibid

[160] Ibid, para 7.1-4

[161] DWP, Automatic enrolment review 2017 – maintaining the momentum, December 2017, p35

It proposed removing the lower earnings limit from which contributions are paid, which it said would:

> […] create an additional £2.6 billion in annual pension savings through an additional £1 billion in employer contributions, £1.2 billion in employee contributions and £0.4 billion in income tax relief on individuals' pension contributions in 2020/21.[162]

It would also:

> […] ensure that multiple jobholders will qualify for employer contributions in all jobs and will be able to pay their own contributions from the first pound on all earnings. under the earnings trigger in any of their employments could choose to opt in and would automatically be entitled to the employer contribution, giving them the opportunity to build the same retirement savings as individuals who have only one job.
>
> Removal of the LEL will not resolve the "automatic" element of automatic enrolment for those earning at or below the earnings trigger but who have a combined income of more than £10,000. However, it will ensure that everyone will be entitled to an employer contribution should they choose to opt-in.[163]

The Government expected that its proposed package of auto-enrolment reforms would have a modest impact on the estimated number of individuals' under-saving, using the Pensions Commission adequacy measure." However, it would increase resilience of those under-saving – moving an estimated 100,000 individuals from being 'modest' under-savers to 'mild' under-savers.[164] It would look again at contribution rates once it has evidence of the increases in contributions already planned (to 5% and 8 per cent):

> Recognising that these proposals present significant additional costs we will seek to better understand the full impacts for all stakeholders as part of the consultation process and plan to do a full impact assessment of the increased costs to businesses. For employers, we will explore the potential for cost mitigation as part of the consultation process. We recognise that an estimated 12 million individuals will be under-saving for their retirement even when we reach the 8 per cent contribution rate in 2019. We will continue to monitor and evaluate the impact of the legislated increases in contributions and will carry out further analysis to inform a longer-term debate on the right balance between statutory and voluntary pension contributions, and the optional overall savings rate.[165]

In a Westminster Hall debate on 28 February 2018, Pensions Minister Guy Opperman said the Government accepted that contribution rates would need to increase:

> We wish to continue with the April '18 and April '19 increases, and once we have done those, we will assess where we go thereafter. Hon. Members should be under no doubt that there is an acceptance in all parts of Government that 8% is not sufficient for a long-term retirement. There are various examples from

---

162 DWP, Automatic enrolment review 2017 –analytical findings, December 2017
163 DWP, Automatic enrolment review 2017 – maintaining the momentum, December 2017
164 Ibid
165 Ibid p35

> around the world. Australia is several years ahead of us, and has pushed into double figures. That is clearly the direction of travel in which we will go at some stage.[166]

Tax relief – net pay and relief at source

The principle of the current system of tax relief is that contributions to pensions are exempt from tax when they are made, but taxed when they are paid out to the individual. Pension contributions made by individual employees are usually paid out of pre-salary, so tax relief is received at the individual's marginal tax rate. There are two ways to administer tax relief on pension contributions:

- "Net Pay" takes pension contributions before tax has been paid, so people automatically receive tax relief at their correct marginal rate;
- "Relief at Source" where contributions are deemed to have had tax at the basic rate deducted and the pension scheme then claims the relief from HMRC.

Non-taxpayers can benefit from tax relief but only if their pension scheme operates 'relief at source' arrangements.[167]

Concerns have been raised about the unfairness of people earning below the income tax threshold in net pay arrangements missing out tax relief. The Low Income Tax Reform Group (LITRG) estimates, based on HMRC figures, that in the 2015/16 tax year, 1.22 million in net pay arrangements received no tax relief on their pension contributions because they were non-taxpayers. It thinks this figure will have increased significantly, with the roll-out of auto-enrolment and increases in the income tax personal allowance. [168]

In response to PQs, the Government has indicated that the type of scheme is a choice for employers – one on which the Pensions Regulator provides guidance.[169] In its 2017 review of auto-enrolment, the Government said that it had not been possible to identify a straightforward or proportionate solution so far but that this might change as tax administration was digitised:

> To date, it has not been possible to identify any straightforward or proportionate means to align the effects of the net pay and relief at source mechanisms more closely for this population. The government is currently increasing the data provided directly to HMRC as part of our ambition for HMRC to become one of the most digitally advanced tax administrations in the world. The government is already committed to ensuring we can deliver a modern digital tax system to make it more effective, more efficient and easier for customers to comply and reduce the amount of tax lost through avoidable error. This may present opportunities to look afresh at the two systems of paying pension tax relief. Alongside further work on the automatic enrolment changes in this report, the government will examine the processes

---

166 HC Deb 28 February 2018 c416WH
167 Gov.UK Tax on your private pension contributions
168 LITRG, Budget 2018 representation. Net pay arrangements for lower paid workers, September 2018
169 PQ 10359, October 2017

> for payment of pensions tax relief for individuals to explore the current difference in treatment and ensure that we can make the most of any new opportunities, balancing simplicity, fairness, and practicality. We will also engage with stakeholders to seek their views.[170]

A letter to the Chancellor of the Exchequer in advance of the 2018 Budget, signed by former pensions Ministers, Steve Webb and Ros Altmann and organisations including Age UK and the LITRG argued that action on the issue was becoming increasingly important with the increase in minimum auto-enrolment contributions:

> Somebody earning £11,850, paying auto enrolment minimum contributions, is missing out on £34.91 in the current tax year. By 2020/21, when the personal allowance is expected to have risen to £12,500 (and the minimum contribution rate has also risen to 5%), affected savers could miss out on nearly £65 per year. [171]

They argued that savers should automatically pension tax relief, regardless of the type of pension arrangement, without having to ask HMRC for it. They urged the Chancellor to legislate for a solution in the Finance Bill and to use the system of changes already underway in HMRC to tackle the devolution problem.[172]

In its Budget 2018 representation, LITRG said it thought it had found a solution, by using HMRC's Pay As You Earn Real Time Information:

> 1.8 We now believe we have found such a solution, which would see HMRC using Pay As You Earn (PAYE) Real Time Information (RTI) data to identify those making pension contributions under net pay arrangements. They could then provide tax relief (where appropriate) through an annual reconciliation process – whether that is through self-assessment or – as is more likely – the informal P8002 process.
>
> 1.9 As part of the P800 'solution', HMRC would have to look at an individual's total income, the amount of pension contributions paid and the amount of tax free allowances due (information that is readily available to them), in order to identify the amount of unrelieved pension contributions. This amount would then become eligible for a 20% tax refund. We enclose as an Appendix, a graphic showing how this solution would work in practice.
>
> 1.10 The change could be effected by a simple amendment to s23 *Income Tax Act 2007*,3 cross referring to some amended provisions in Chapter 4 of *Finance Act 2004*.[173]

There was no announcement was made on this in the 2018 Budget.[174] In response to a PQ on 1 November 2018, the Government repeated what it had said in its 2017 review of auto-enrolment:

---

170 DWP, Automatic Enrolment Review 2017: Maintaining the Momentum, Cm 9546, December 2017, p47-48
171 'Campaigners press government for action on pension tax relief', LITRG press release, 5 October 2018
172 Ibid
173 LITRG, Budget 2018 representation. Net Pay Arrangements for lower paid workers, September 2018
174 HM Treasury, Budget 2018, HC 1629, 29 October 2018

To date, it has not been possible to identify any straightforward or proportionate means to align the effects of the net pay and relief at source mechanisms more closely for this population.

However, the government's ambition for HMRC to become one of the most digitally advanced tax administrations in the world may present opportunities to look afresh at the two systems of paying pension tax relief, to explore the current difference in treatment, and ensure that we can make the most of any new opportunities, balancing simplicity, fairness, and practicality.[175]

[175] PQ HL10749 31 October 2018

8. Further reading

UK

Prospect, Tackling the gender pension gap, November 2018

Pensions Policy Institute, The under-pensioned 2016, March 2016

Exploring the private pension gender gap and occupation in later working life, Work, employment and Society, 2015

Women's pensions in the European Union and the current economic crisis, Policy and Politics 42(4) 2014

Women and retirement report, Scottish Widows, 2014

Women and Pensions report 2013, Pensions Advisory Service, January 2014

The Single-tier State Pension: Part 1 of the draft Pensions Bill: Written evidence submitted by Dr Jay Ginn, Women's Budget Group (Visiting Professor, Institute of Gerontology , King's College, London , 2012/13

'I might not live that long!' A study of young women's pension planning in the United Kingdom, Social Policy and Administration, 2012

DWP, Gender Impact Assessment of Pension Reform, 5 December 2007

DWP, The Gender Impact of Pension Reform, November 2006

DWP, Women and pensions: the evidence, November 2005

EU/International

Old-age Poverty in OECD Countries and the Issue of Gender Pension Gaps, Centre for Economic Studies (Munich). August 2015

The Gender dimensions of pension systems: Policies and constraints for the protection of older women, UN Women, July 2015

Gender gap in pensions in the EU: Research note to the Latvian Presidency, European Institute for Gender Equality, 2015

Opinion on reducing the gender gap in pensions, European Commission Advisory Committee on Equal Opportunities for Women and Men, 2014

The Changing Face of Retirement, Women: balancing family, career & financial security, AEGON, 2014

The Gender Gap in Pensions in the EU, European Commission, 2013

About the Library

Disclaimer

BRIEFING PAPER
Number CBP07286, 6 November 2018