

Closing the Gender Pensions Gap

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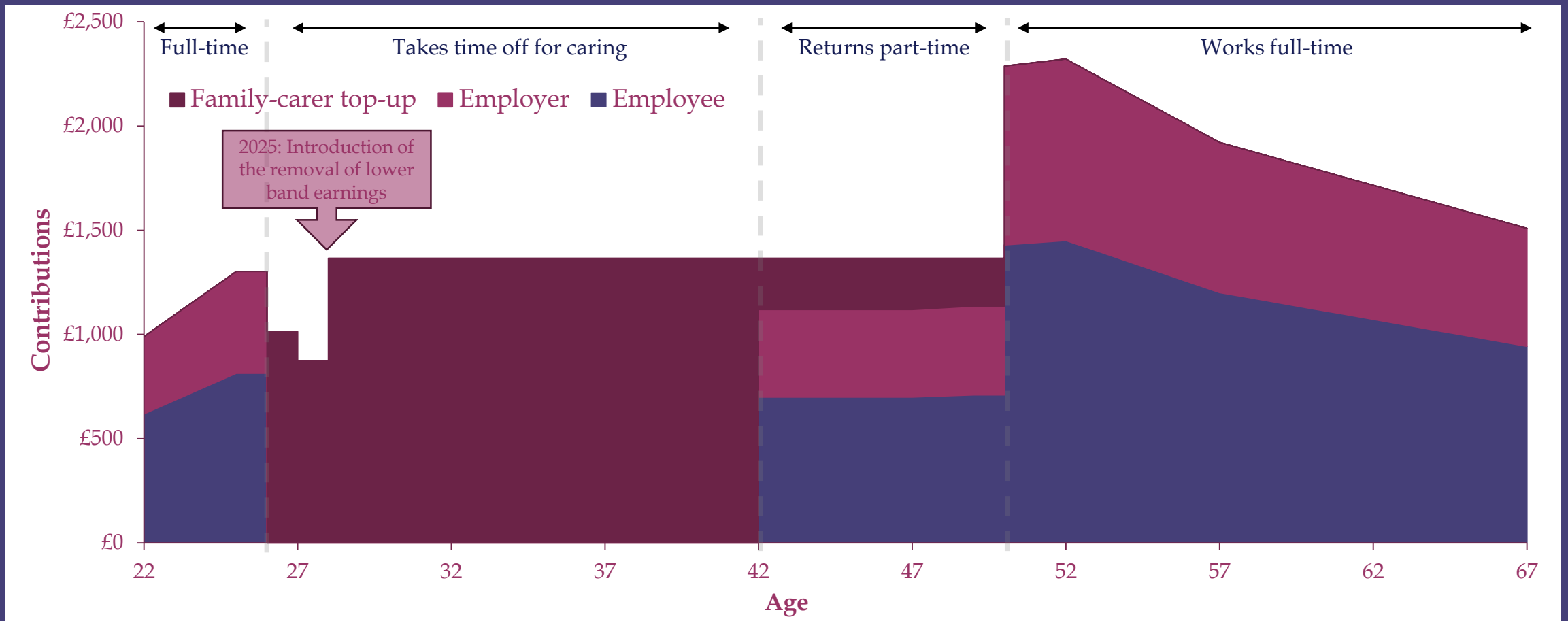
4th November 2019

Modelling sponsored by Now: Pensions

www.pensionspolicyinstitute.org.uk

The two policies help smooth contribution levels during working life

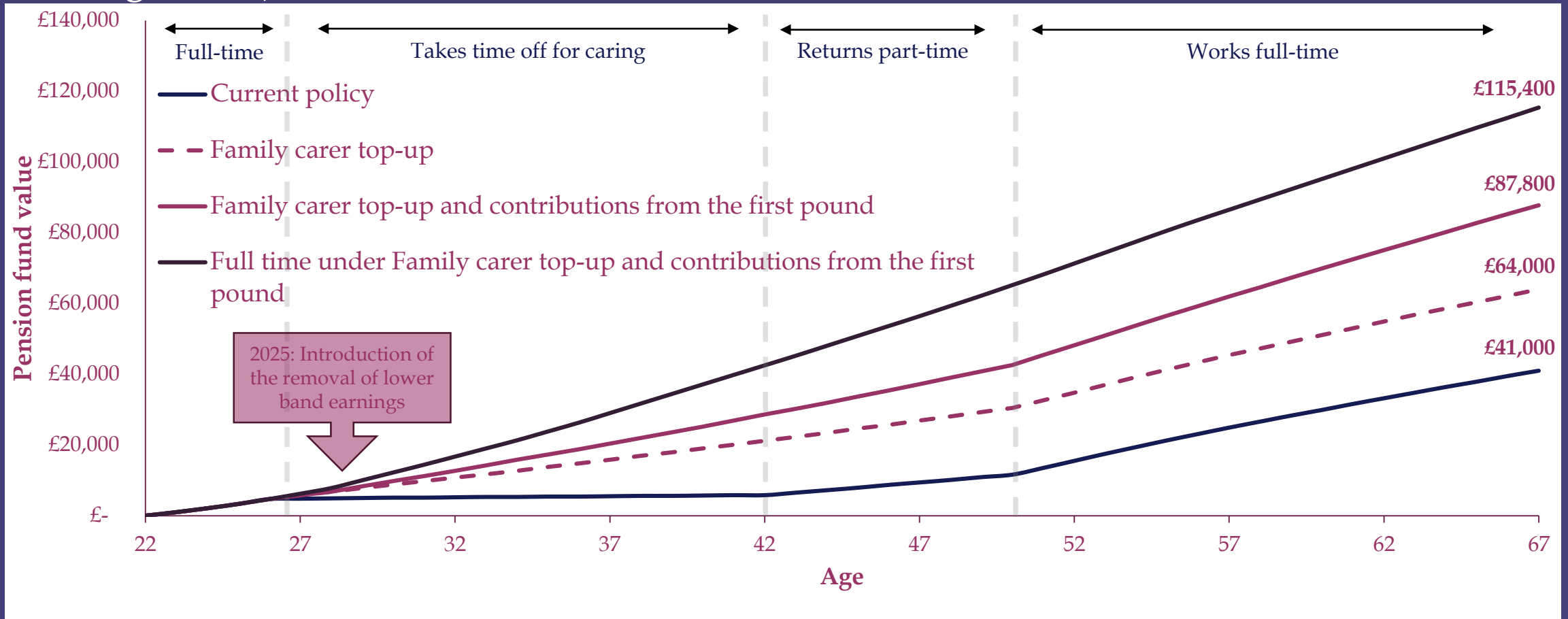
The projected pension contributions of women currently aged 22 under a typical life course (2019 earnings terms)¹



¹ PPI modelling

The two policies combined could make up around two thirds of the difference between working full time and taking time out for caring

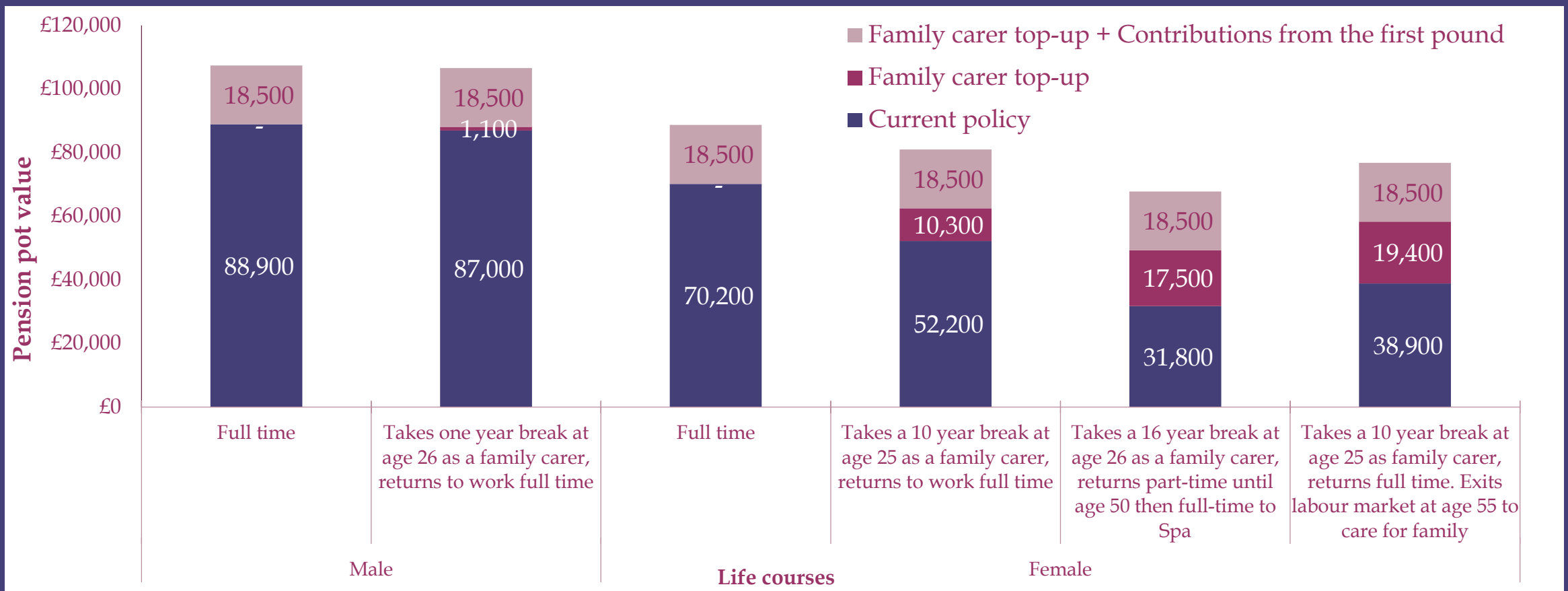
The projected pension savings of women currently aged 22 under a typical life course (2019 earnings terms)¹



¹ PPI modelling

The policies reduce the differences between men and women but do not fully compensate for time out or the gender pay gap

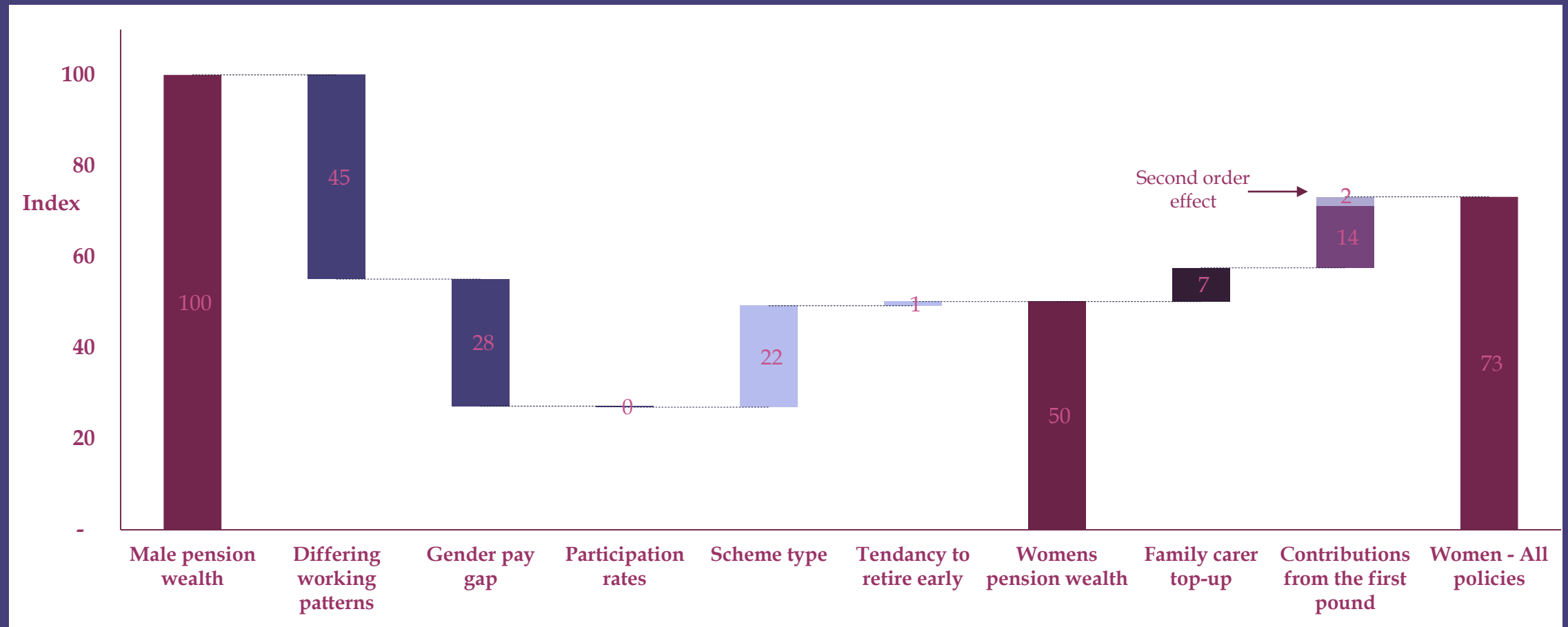
Projected AE pension pot at retirement (2019 earnings terms) with a family carer top-up and contributions from the first pound¹



¹ PPI modelling

The two policies could reduce the gap by around 50%

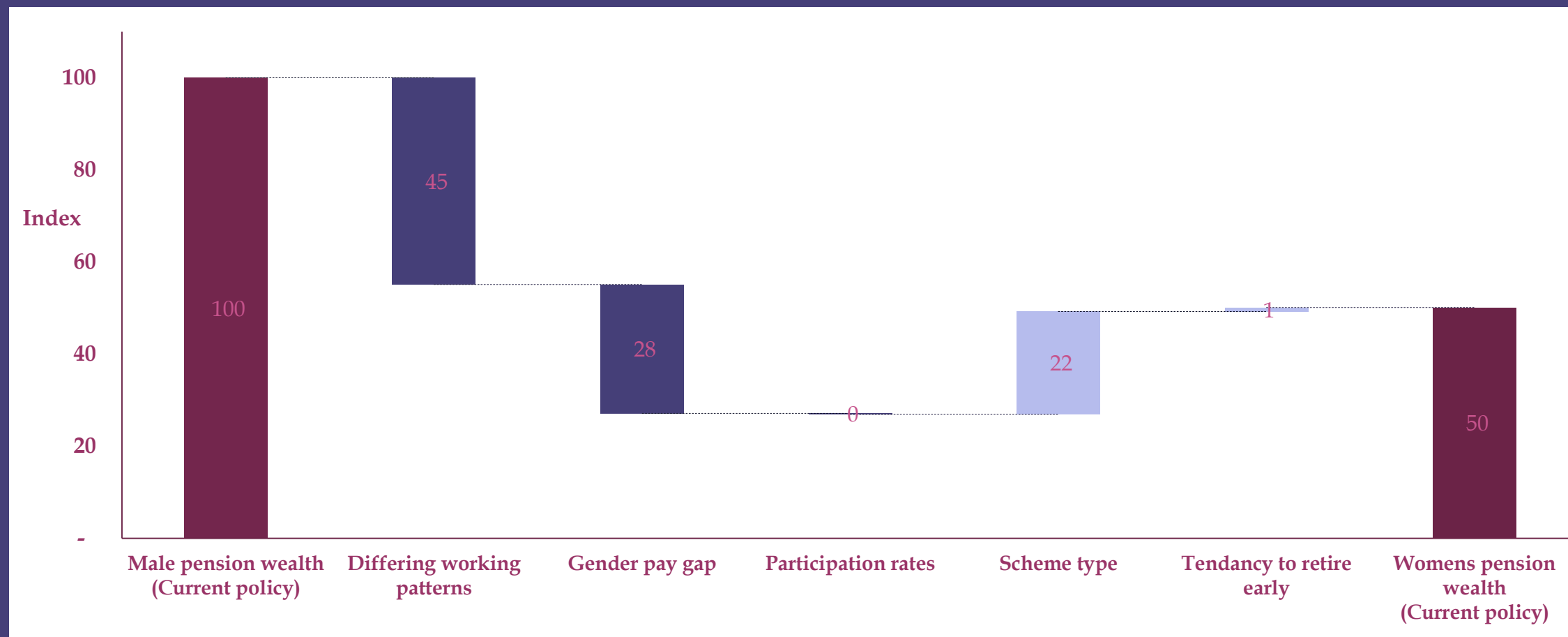
Proportion of gender gap attributable to different factors and extent to which policies reduce the gap¹



¹ PPI modelling

The two policies address both working pattern differences and the pay gap

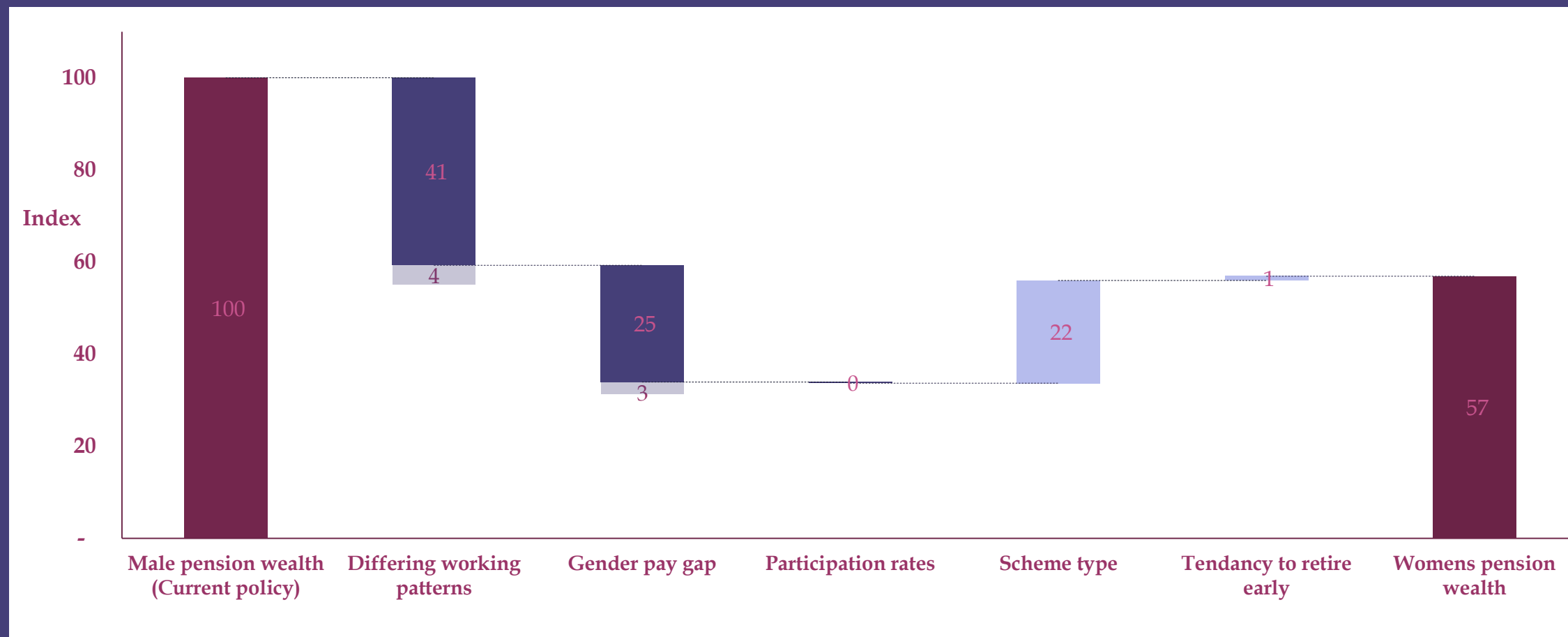
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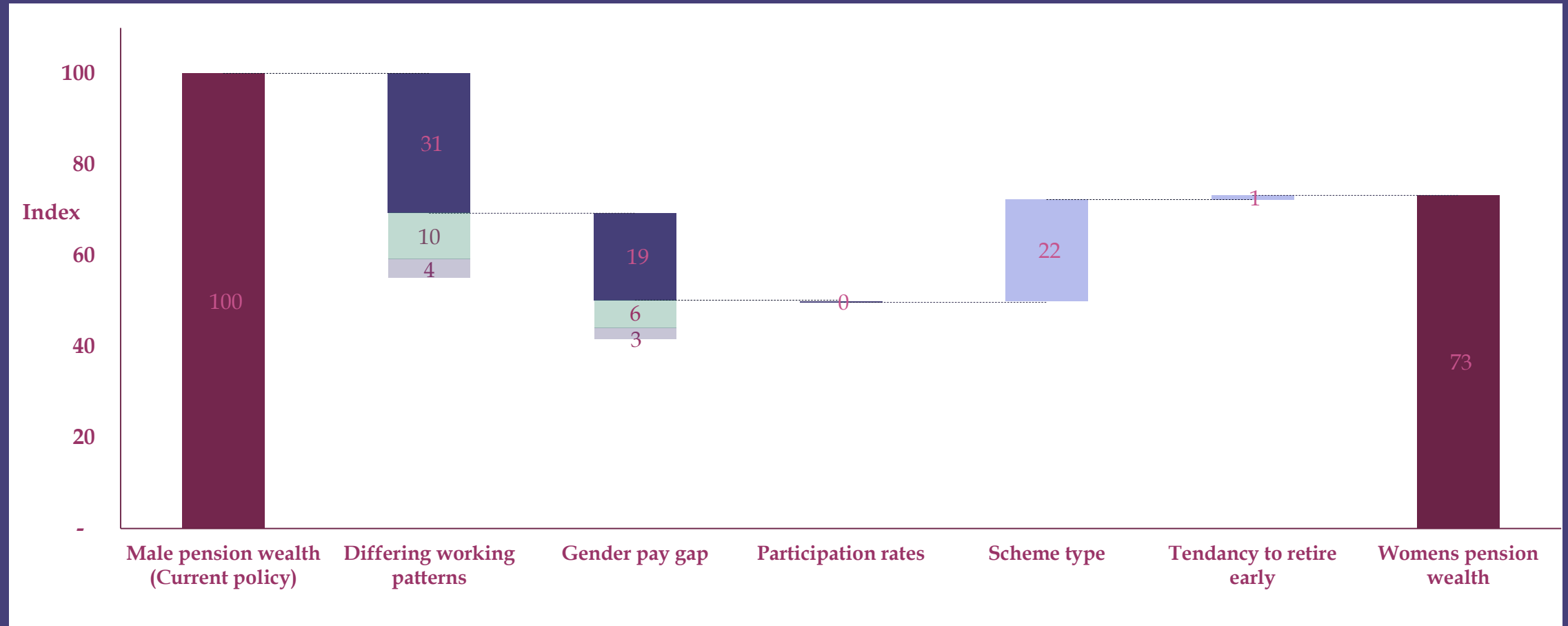
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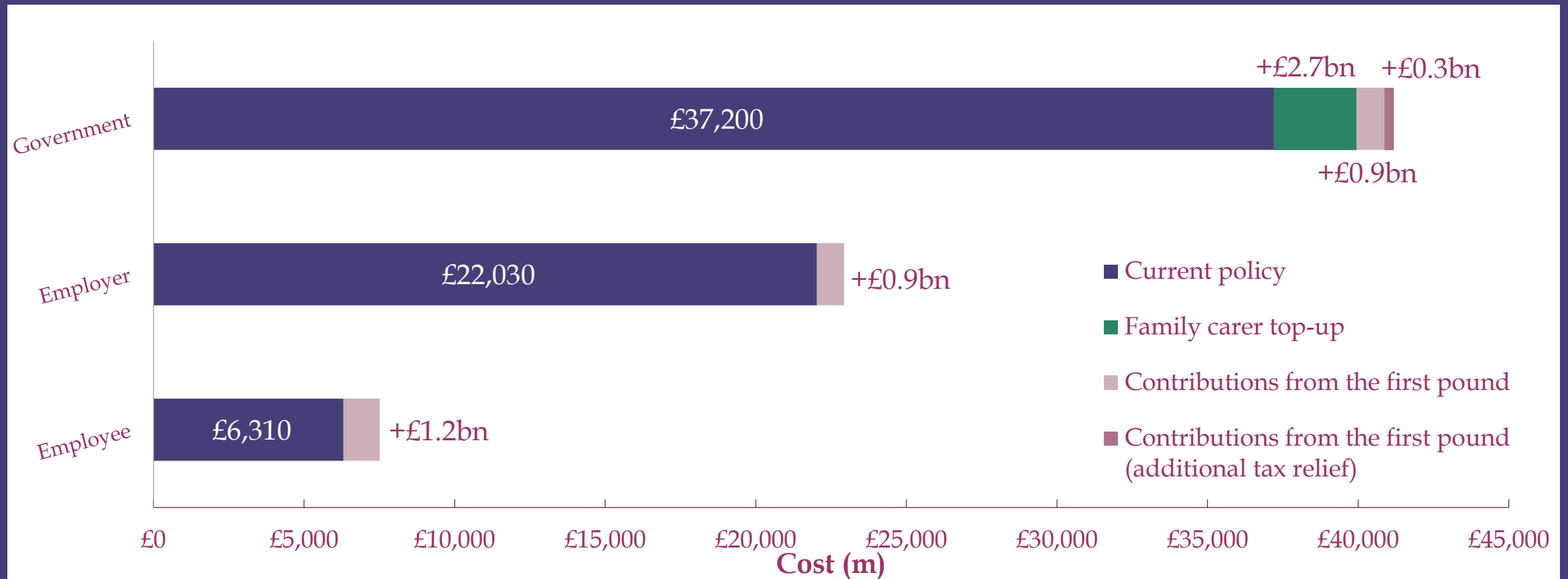
Proportion of gender gap attributable to different factors and extent to which policies reduce the gap¹



¹ PPI modelling

The two policies combined would cost an extra £6.1 billion per year

Extra costs arising from policies to Government, employers and employees, aggregate (2019 earnings terms)¹



¹ WAS Wave 5, ONS MQ5 Table 4.3 Self-administered pension funds' income and expenditure, ONS PEN2 Personal Pensions (including stakeholder pensions): Scheme members' annual contributions and DWP analysis

Thank you for listening

Any questions?

