

Women and pensions checklist



An tÚdarás Pinsean
The Pensions Authority

www.pensionsauthority.ie

This checklist describes the ways in which women can improve financial security for themselves and their dependants in retirement. Although men and women are treated equally in relation to pension provision, there are a number of areas such as maternity leave, part-time working and breaks in employment that are of particular interest to women. Many women are homemakers and rely on benefits available from their spouse/civil partner's pension scheme. Also, women generally live longer than men. These factors mean that women can be more vulnerable in relation to retirement.

Women may receive pension income from a number of sources in retirement. For more information on these arrangements, including available tax relief, see the Pensions Authority's guide 'What are my pension options?' available [here](#).

State pension

The current State full rate contributory pension entitlement is €253.30 per week or approximately €13,172 per year. If you do not have a full PRSI contribution history, you may be entitled to credits or disregards for periods when you have been out of the workforce.

- Are you currently entitled to a State pension?
- Will you be entitled to a State pension at retirement in your own right?
- Have you been out of the workforce and do you know how this will affect your State pension entitlements?

For more information on State pension entitlements, see the Department of Social Protection website www.welfare.ie.

Key points – estimating your pension at retirement

If you have a personal pension plan or PRSA, or you are a member of an occupational pension scheme, you will receive statements at least annually. These statements tell you how much pension or retirement savings you have built up to date. You may also be entitled to receive a projection of your possible benefits at retirement based on certain assumptions. The Pensions Authority has developed an online '[Pension Calculator](#)', available on its website, to help you plan for your retirement.

Occupational pension schemes

Occupational pension schemes are provided by employers in the public and private sector. Depending on the type of pension scheme you are in, your benefits could include a pension calculated according to a formula based on your salary and service (a defined benefit scheme) or a retirement fund built up by contributions made by you and your employer and investment returns (a defined contribution scheme), or a combination of both.

- Are you a member of an occupational pension scheme?
- Are you entitled to join an occupational pension scheme but have not done so?
- Do you know what benefits will be paid to you at retirement?
- Are these benefits sufficient to provide financial security for you in your retirement?
- Have you considered increasing your contributions or paying additional voluntary contributions (AVCs) to increase your retirement benefits?
- Do you know what benefits would be available for your family were you to die or become disabled and unable to work?

Personal retirement savings

You can save for retirement through a personal retirement fund if you do not have access to an occupational pension scheme (for example if you are self-employed), or if you want to supplement your retirement savings. These may be either Personal Retirement Savings Accounts (PRSAs) or Retirement Annuity Contracts (RACs).

- Have you considered taking out a PRSA or an RAC but have not done so?
- If you have a PRSA or an RAC, are the benefits you expect to get sufficient to provide financial security for you in your retirement or should you consider increasing your contributions?

Spouse/civil partner's pension

Your spouse/civil partner may have income from any of the above sources. In addition, your spouse/civil partner's pension arrangements may provide an income for you in the event of his/her death.

- Are you dependent on your spouse/civil partner's pension arrangements for your own financial security in retirement?
- Do you know what benefits, if any, are available under your spouse/civil partner's pension arrangements?
- Do you know what benefits would be available for you and your family were your spouse/civil partner to die or become disabled and unable to work?

Breaks in employment

One of the issues that can have a particular impact on pensions for women is the greater likelihood of breaks in employment, perhaps as a result of raising a family or acting as carer for a relative.

If you have been out of the workforce for some years, you will need to consider the implications for your retirement. In particular you will need to consider if you should save more to make up for the loss in pensionable service and retirement benefits while you were out of the workforce.

- If you were a member of any pension scheme before your break in employment, are you entitled to any benefits from these schemes?
- If you re-joined the same employer, have you looked into the possibility of re-joining your employer's pension scheme and looked into the terms that would apply?
- Have you considered making additional voluntary contributions (AVCs), taking out a PRSA or if you are a civil or public servant, buying notional years' service (buying added years) or purchasing retirement benefits to supplement your pension and make up for the missing years?
- If you have changed your name or address have you informed the administrators where you have a pension benefit?

Part-time/job-sharing and fixed-term work

If you are a part-time worker/job-sharer or fixed term worker who works at least 20% of the hours of a comparable employee, you are entitled to the same benefits as the comparable employee. For more information, see the Pensions Authority's guide '[What are my pension options?](#)' available on the Authority's website.

Key points – investment and charges

- Do you get to choose how your pension funds are invested?
- If so, are you aware of the choices available to you and the choices you have already made? Not making an active choice usually means your funds are invested in the 'default option' – you should be aware of what this means for you.
- If you have a choice in how your pension funds are invested, have you reviewed your investment funds recently to ensure they are suitable to your circumstances, years to retirement and your attitude to investment risk?
- Do you know the fees and charges payable in relation to your pension and are you satisfied that these are appropriate and competitive for the services provided?
- For more information, see the section **Investment: risk and reward** on the Pensions Authority's website.

Maternity, adoptive, parental and carer's leave

In the case of statutory and paid maternity and adoptive leave, service as a member of a pension scheme continues to accrue as normal (including the requirement to pay contributions, if applicable). In the case of parental and carer's leave, service as a member of a pension scheme before and after leave must be treated as continuous, but service may not continue to accrue for the period of the leave itself. For more information, see the Pensions Authority's guide '[What are my pension options?](#)' available on the Authority's website.

- If you have taken maternity, adoptive, parental or carer's leave, are you satisfied that the treatment of your pension benefits is correct?

Equal pension treatment

The principle of equal pension treatment is that there should be no discrimination on any of nine discriminatory grounds in respect of any rule of a pension scheme. This includes gender, civil status and family status. For more information, including what to do if you believe you are being discriminated against, see the Pensions Authority's guide '[A brief guide to equal pension treatment](#)' available on the Authority's website

Pensions on separation and divorce

The pension entitlements of you and your spouse/civil partner arising from occupational or personal pension arrangements may be affected by separation or divorce under Family Law. The Pensions Authority has produced a guide '[A brief guide to the pension provisions of the Family Law Acts](#)' and an accompanying checklist, both of which are available on the Authority's website. Under Family Law, an order can be made following a decree of judicial separation or divorce whereby the court adjusts a pension scheme member's pension rights in favour of an ex-spouse or dependent child. These provisions now also apply to civil partners and co-habiting couples.

- If you are separated or divorced or undergoing a separation or divorce, do you know the implications for your pension benefits or the implications for the pension benefits of your spouse, civil partner or co-habitant?
- Have you sought a Pension Adjustment Order (PAO) in relation to your ex-spouse/civil partner's pension scheme benefits? If not, and you would like to find out more about seeking a PAO and what this could mean for you, you should talk to a solicitor who can advise you on the process.
- Has your ex-spouse/civil partner sought a PAO in relation to your pension scheme?
- If you have not already sought a PAO and you are going to remarry, should you consider seeking one? If so, you should talk to a solicitor.
- If your decree of judicial separation or divorce is less than 12 months old, but you have not previously sought an order in relation to benefits payable on the death of your ex-spouse/civil partner, should you consider doing this?

Key points – nearing retirement

- If you are retiring soon, have you considered the benefit options available to you and chosen the options most suited to your personal circumstances?
- Have you made allowance for your dependants?
- Have you considered taking financial advice?



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