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Gender Pension Gap Day highlights stark inequality

Today is Gender Pension Gap Day – the point of the year from which, if women received their pension at the same rate as men, they wouldn't get another penny until January.

The fact that we reach this point in the middle of the summer holidays is a stark illustration of the levels of inequality in our pension system.

The gender pensions gap is the difference in pensions wealth between men and women. Due to trade union campaigning it is now officially measured and stands at a sobering 37.9%.

The result is that, taking into account all forms of pension, retired women today have incomes around £7,000 a year lower than retired men.

There are 3 main drivers of the gender pensions gap:

- Different lifetime working patterns that mean women are more likely to take time out of the labour market or work part-time, most often because of unpaid caring responsibilities
- The gender pay gap, exacerbated by a workplace pension system that excludes many low earners altogether
- Differing levels of state pension entitlement.

In particular, [TUC analysis](#) highlights the fact that women are much more likely than men to spend time out of work or working part-time because of caring commitments than men and this matters because our pension system is designed so that the typical worker will get around half the retirement income they need from the state pension and half from a workplace pension.

National Insurance credits generally recognise the value of unpaid work such as caring so that people continue to build up state pension entitlement, but those

out of paid work stop building up their workplace pension. These contribution gaps are the biggest factor in women with a defined contribution pension approaching retirement having a pension worth as little as half that of men in some cases.

The gender gap is a glaring injustice which must be addressed in reviewing future pensions policy.

Tell us your experience of pensions inequality. Email editor@pcs.org.uk