WOMEN, BUSINESS AND THE LAW 2020
Why pension matters for working women

Natália Mazoni S. Martins | July 29, 2020
LAWS AFFECT WOMEN THROUGHOUT THEIR WORKING LIVES

Mobility  Workplace  Pay  Marriage  Parenthood  Entrepreneurship  Assets  Pension
“SHECESSION”

The coronavirus will have a disproportionate impact on women's pensions

Coronavirus Likely To Widen Gender Gap in Retirement

Opinion FTfm

Coronavirus will have a long-term impact on work and retirement

Women's pensions fell three times more than men's during the pandemic
WHY IS THERE A GENDER GAP IN PENSIONS?

- SHORTER WORKING LIVES
- REDUCED CONTRIBUTION RECORDS
- FEWER OPPORTUNITIES TO BUILD SAVINGS
ON AVERAGE, WOMEN LIVE 6-8 YEARS LONGER THAN MEN
The woman in question...

| • Gave birth without complications to two healthy children. |
| • Ceased all paid activity during periods of childcare. |
| • If the period covered by a pension credit is conditioned on the age of the child, the period until the child reaches age 1 is counted. |
| • If transitional provisions gradually increase, decrease or equalize the statutory retirement age, the answer will reflect the retirement age as of September 1, 2019, even if the law provides for changes over time. |
| • Ages are reported as years plus a fraction of the months in a year. |
PENSION

1. Full Pension Age
2. Partial Pension Age
3. Mandatory Retirement Age
4. Pension Care Credits
PENSION INDICATOR

Pension average score: 73.2

Average Regional Scores:
- High income: OECD: 90.63
- Latin America & Caribbean: 80.47
- Sub-Saharan Africa: 80.21
- East Asia & Pacific: 66.00
- Middle East & North Africa: 58.75
- Europe & Central Asia: 54.00
- South Asia: 50.00
The ages at which men and women can retire with full benefits are equal in two thirds of economies.

**YES** 65% (124 economies)

**NO** 35% (66 economies)

**EAP:** East Asia & Pacific  | **ECA:** Europe & Central Asia  | **OECD:** High income  | **LAC:** Latin America & Caribbean  
**MENA:** Middle East & North Africa  | **SA:** South Asia  | **SSA:** Sub-Saharan Africa
THE AVERAGE PENSION AGE GAP IS 4 YEARS
THE CASE OF MALTA

1948
Old Age Pensions Act

1970

60

1980

1987
Social Security Act Ch 318

1990

2000

2010

2020

2006
Act n. XIX (gradual increase)

2014
Equalized Ages at 62

2027
Equalized ages at 65

* Ages as of September 1, 2019 and reported in Women, Business and the Law 2020
Mongolia’s Law on Social Insurance

GRADUAL INCREASE AND EQUALIZATION

* Ages as of September 1, 2019 and reported in Women, Business and the Law 2020
THE AGES AT WHICH MEN AND WOMEN CAN RETIRE WITH PARTIAL PENSION BENEFITS ARE **EQUAL IN 152 ECONOMIES**

**BRAZIL**

- Full: 35 years **100%**
- 30 years **100%**
- Partial: 20 years **90%**

* Ages as of September 1, 2019 and reported in Women, Business and the Law 2020
MANDATORY RETIREMENT AGES ARE EQUAL IN 175 ECONOMIES, BUT...

Algeria

Section 3 – Termination of the employment relationship
Art. 66 – The employment relationship ends as a result of:
(…)
- Retirement

Kazakhstan

Article 52. Grounds for termination of an employment contract at the initiative of the employer
24) reaching the retirement age by the employee, established by paragraph 1 of Article 11 of the Law of the Republic of Kazakhstan "On Pensions in the Republic of Kazakhstan"

Men – 60
Women – 55

Men – 63
Women – 59

in 15 economies
PENSION CREDITS FOR PERIODS OF CARE

Azerbaijan

- Joined the workforce: age 25
- Maternity + Parental leave: ~3.5 years
- Age 30
- Maternity + Parental leave: ~3.5 years
- Age 35
- Retirement Age: age 61

Women are more likely to take time out of work to care for children.
ARE PERIODS OF ABSENCE FROM WORK DUE TO CHILDCARE ACCOUNTED FOR IN PENSION BENEFITS?

105 economies

Periods of absence from work due to childcare are accounted for in pension benefits

EAP: 12%  
ECA: 80%  
OECD: 94%  
MENA: 40%  
SA: 12.5%  
LAC: 56%  
SSA: 52%

EAP: East Asia & Pacific  |  ECA: Europe & Central Asia  |  OECD: High Income  |  LAC: Latin America & Caribbean  
MENA: Middle East & North Africa  |  SA: South Asia  |  SSA: Sub-Saharan Africa
7 ECONOMIES IN 6 REGIONS ENACTED REFORMS IN THE PAST 2 YEARS
RECENT PENSION REFORMS

Argentina
Equalized the mandatory retirement age (70 years)

DRC
Equalized the mandatory retirement age (60 years) and established pension care credits

Saudi Arabia
Equalized the age at which men and women can retire with full pension benefits, equalized mandatory retirement age (60 years)

Nepal
Adopted its first old age pension system, women and men can retire with full pension benefits at age 60

Italy
Equalized the age at which men and women can retire with full pension benefits (67 years)

Timor-Leste
Explicitly accounted periods of absence due to childcare in pension benefits
50 YEARS OF PENSION REFORMS

1967
ILO Convention n. 128

36 Economies
Introduced old-age pension systems

1970s – 1980s

51 Economies
Accounted for periods of absence in pension benefits

1990s – 2000s

2000
ILO Convention n. 183

2006
EU Directive 2006/54/EC

2010s – 2020

20 Economies
Equalized retirement age for full pension

1967
ILO Convention n. 128
50 YEARS OF PENSION REFORMS

Average Score: 47/100

Average Score: 73/100

137 economies enacted 171 reforms over 50 years
GOOD PRACTICES TO SUPPORT WOMEN IN OLD AGE

✓ Eliminate discrimination in employment
✓ Close the gender pay gap
✓ Provide maternity and parental leave benefits
✓ Equalize ages for retirement
✓ Account periods of childcare in pension benefits

Ensure equitable pension outcomes for women
Women, Business and the Law (WBL) measures gender inequality in the law. The dataset identifies barriers to women's economic participation and encourages the reform of discriminatory laws. Read more

Women, Business and the Law 2020

Women, Business and the Law 2020 analyzes laws and regulations affecting women's economic inclusion in 190 economies. While celebrating the progress made, the data and analysis emphasize the work still to be done to ensure economic empowerment for all.

Read the Study | Get the data | Learn more

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