



saco-s AKADEMIKER I STATEN

Your occupational pension – A collective agreement benefit



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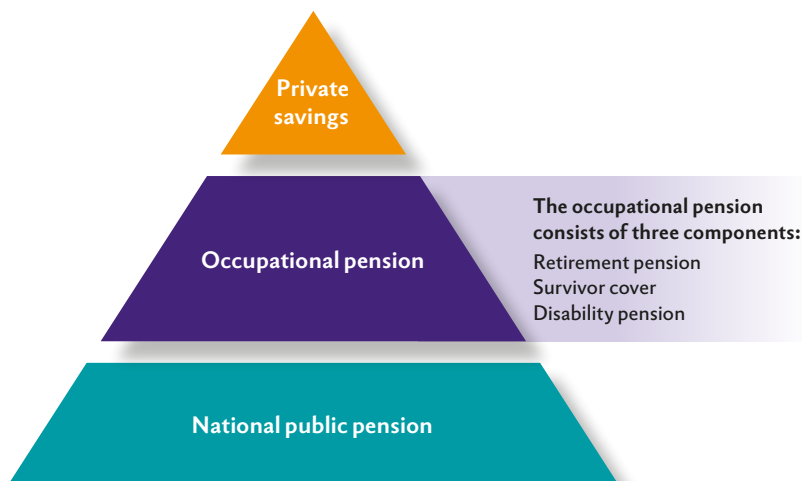
Tjänstetandläkarna

Where does your pension come from? And what is PA16?

Saco-S has negotiated a highly favourable collective agreement on occupational pensions. The agreement is called PA16 and came into force on 1 January 2016. It replaced the previous pension agreement, PA03, and consists of two pension plans: Section I, covering those born in or after 1988, is a defined-contribution retirement pension; Section II, covering those born in 1987 or earlier, corresponds to the provisions that applied in PA03 and is made up of both defined-contribution and defined-benefit components. Under certain conditions, you may agree with your employer to move from Section II to Section I.

From 1 January 2024, certain changes have been introduced for employees covered by Section II. These apply to defined-contribution components and include the right to earn occupational pension up until the month before your 69th birthday if you continue to work. Previously, pension contributions continued until no later than your 65th birthday. Additionally, defined-contribution flexipension, or partial pension as it is sometimes called, has been introduced in Section II. Previously, only employees covered by Section I were entitled to flexipension.

Your occupational pension is an important complement to the national public pension and any private pension savings you may have. It provides a significant supplement to your retirement income. In addition to the retirement pension, the occupational pension agreement PA16 also contains benefits in the form of a disability pension if you can no longer work due to ill-health and a survivors' pension for your relatives if you should die.





Things to bear in mind during your working life

- In the public pension system, your pension is based on your entire lifetime income.
- For defined-contribution occupational pension, your income level is important throughout your working life. Long periods of parental leave or part-time work, for example, can therefore have an impact on your final pension. For more information, read *Parental leave and your future pension*, which is available to download from saco.se.
- For defined-benefit occupational pension, it is your salary in the last five years before retirement and how long you have worked in the state sector that determines the level of your pension.
- You can make an active choice of insurer and choose between unit-linked insurance and traditional pension insurance. If you do not choose yourself, your occupational pension is managed by Kåpan Pensioner for a small fee.
- You can also choose the form of investment and the investor for the premium pension component of your national public pension. You make this choice through the Swedish Pensions Agency, Pensionsmyndigheten. Remember that the level of the management fee can have a major impact on your pension outcome. If you do not make an active choice, your premium pension is managed by AP7 Såfa.
- Check whether your occupational pension and your premium pension include repayment protection. This can provide extra security for your family if you should die, but it also means that your pension will be lower as a result. It is therefore important to opt out of repayment protection if you do not need it.



The Saco-S agreement allows you to sign an individual agreement on increased pension contributions. You should only waive salary to increase pension contributions if you have a salary that is above the income ceiling of 8.07 income base amounts, (approximately SEK 51 245 per month in 2024). In the event of salary exchange below this ceiling, , i.e. exchanging part of your gross salary for a benefit such as pension contributions or a car, the basis for national public pensions and other social insurance benefits is eroded. The option of extra pension contributions applies if you continue to work up to and no later than your 69th birthday. We recommend that you consult with your union or your local Saco-S association before signing any individual agreement.

- Depending on your situation, you may need to consider the need for other savings in addition to your occupational pension. At a younger age, it may be worth considering other forms of saving, such as funds, shares or increased home loan repayments.
- Are you planning to change job? Find out whether your new employer has a collective agreement on pensions. If there is no agreement, you need to compensate for this through a higher salary or other conditions. It is vital that you contact your union for advice.
- If your new employer has a different pension agreement to your previous one, that may affect your future pension. Find out what applies in your case by contacting the National Government Employee Pensions Board (SPV) and the administrator who manages your new employer's agreement.

If you have earned pension in Sweden, you can see your whole pension and make pension forecasts by logging in at the website minpension.se.

What to think about before retirement

- By law, you have the right to work until the age of 69. You have the right to draw your national public retirement pension from the age of 63. That age will be raised to 64 in 2026.
- The earliest you can draw occupational pension is at the age of 63 if you are covered by Section I or if you are covered by Section II and were born in 1966 or later. If you are covered by Section II and were born in 1965 or earlier, you can draw your occupational pension from the age of 61.
- The national public pension system and PA16 offer good opportunities for flexible solutions for drawing your pension with regard to time and amount. More information on options for drawing your pension is available from the Swedish Pensions Agency and SPV.
- Remember that the point in time when you choose to retire has a great impact on the level of your pension. Early retirement has negative consequences, whereas delaying retirement results in a higher pension. Your decision on when to retire should therefore be considered very carefully. You can find tools for calculating your pension in different scenarios at minpension.se.
- In order to start receiving your national public pension, you need to submit an application to the Swedish Pensions Agency. In order to start receiving payments at the right time, you should apply at least three months in advance.
- Apply in good time for your defined-benefit PA16 pension through your state employer and through the company that manages your defined-contribution pension. If you have previously terminated your employment with a state employer, you apply directly through SPV. Read more about how to apply for your pension at spv.se.
- Remember that you may be entitled to occupational pension from previous employers outside the state sector. Log in to minpension.se to see where you have earned occupational pension during your working life.
- You are also welcome to contact your trade union if you have questions about your occupational pension.

More information is available from

Saco-S

Visit our website for more information about pensions for academics in the state sector.

www.saco-s.se

The National Government Employee Pensions Board (SPV)

Calculates and pays out occupational pensions and other benefits for employees in the state sector.

www.spu.se

Kåpan Pensioner

Manages defined-contribution pensions linked to the state sector pension agreements PA91 and PA16.

www.kapan.se

Min pension

Provides an overview of your total pension.

www.minpension.se

The Swedish Pensions Agency

Administers the national public pension.

www.pensionsmyndigheten.se

This is Saco-S

Saco-S is a collective bargaining organisation for state-employed academics. We negotiate centrally with the Swedish Agency for Government Employers (*Arbetsgivarverket*) and sign collective agreements on matters such as pensions, general terms of employment, annual holiday leave, sickness compensation and parental leave.

Saco-S is made up of 18 Saco trade unions. Together we represent round 90,000 employees. As a member of a Saco-S union, you are covered by our negotiation activities and agreements.

Trade union matters regarding salary and employment conditions are common to all state-employed academics. The unions therefore came together to form Saco-S to provide a stronger and more efficient organisation for their members.

Visit us at www.saco-s.se.



To find out how to become a member of a Saco-S trade union, visit saco-s.se