



**Stay at home
parents**

Single parents

Older couples

*Why might the above
people need life
insurance?*

The shape of families has changed in Ireland in recent years. How we live has also changed. People are **living longer**. And as a result the need for life insurance has also changed. Why **life insurance is considered a necessity** for different people is shown below.



Stay at home parents

Most people agree that the wage earner in a family should have some form of life insurance protection. After all, how would a family survive financially if this income was no longer there? But what if something were to happen to the parent who remains at home?

This person performs many vital roles which may include childcare, looking after the home, preparation of meals and many other activities like school runs, grocery shopping, laundry, play dates etc. According to Early Childhood Ireland (ECI), the average cost of childcare here accounts for 35% of household income in 2016. How would the loss of the stay at home parent financially impact a family? It's an important consideration therefore for the stay at home parent to have their own life insurance protection.

How much life insurance is needed?

There are no set rules here as no two families are the same. According to the European Commission (2016), as a percentage of wages, net childcare costs in Ireland are among the highest in the EU*. To try and estimate the level of life insurance needed, the financial value of the services that the stay at home parent provides must first be determined and then calculated for a 12 month period. Then following a general rule of thumb is to times this figure by the number of years until the youngest child is out of school/college.

So for example, what would the cost of childcare be? Or the cost of a cleaner? Let's say you decide that the annual amount needed is €40,000 and your youngest child has 16 years until they finish school/college. Then the assumed amount of life insurance needed would be €640,000.

*ECI 2016

€8.70 per week can put this life insurance in place

A stay at home parent aged 33 could have €640,000 worth of Life Cover for a term of 16 years.

These figures are for illustration purposes only and are based on level cover with no medical free conversion option. They are based on a non-smoker accepted at standard rates. Benefits are subject to underwriting and acceptance by the life insurance company. The premium quoted includes the Government levy (currently 1% of the premium amount).



Single parents

Life insurance becomes a need for all new parents. What kind of life will a child have if something were to happen to a parent? It's something that no parent wants to think about but life insurance can become even more important as a single parent as you are the sole person who is financially responsible for your child. According to the Central Statistics Office there were 191,100 single parent households in Ireland in 2015. If this includes you, putting adequate life insurance in place could help take care of your child financially and allow them to have the life that you want for them if something were to happen to you.



Older Couples

It used to be the case that couples nearing retirement reduced their level of life insurance so that they could cover funeral expenses only. But with longer life expectancy this is no longer the case. If you are still in employment, how would your death financially impact your partner? Do you have older dependants in care whose monthly bills need to be met?

A Financial Broker can meet with you to discuss your protection needs and help put a plan in place designed to achieve your financial goals. Terms and conditions apply. Benefits are subject to underwriting and acceptance by the life insurance company. The information set out in this document is intended to be a guide only and should not be relied on without seeking professional advice.