



Department
for Work &
Pensions

Ministerial
Correspondence
Caxton House
Tothill Street
LONDON
SW1H 9DA

0207 340 4000

www.dwp.gov.uk

ministers@dwp.gsi.gov.uk

Your ref: DE

Mr Damian Eaton
CSS Manager
Democratic Services
Town Hall
Stockport
SK1 3XF

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Dear Mr Eaton

Thank you for your letter of 20 April regarding the increases in women's State Pension age.

From the 1940s until April 2010, the State Pension age was 60 for women and 65 for men. State Pension reform has focused on maintaining the right balance between sustainability of State Pension and fairness between generations in the face of demographic change. The decision to equalise the State Pension age for men and women dates back to 1995 and addresses a longstanding inequality between men and women's State Pension age. If State Pension ages had not been equalised, women would be spending over 40 per cent of their adult life in retirement and this proportion would be continuing to increase.

Further changes were recommended by the Pensions Commission in 2005 as it became clear that a State Pension age fixed at age 65 was not affordable or sustainable. It recommended that in the future State Pension age should increase in line with life expectancy and also recommended the introduction of a State Pension age timetable that reflected this.

The 2010 to 2015 Government made the decision to bring in changes to the State Pension age, following extensive debates in both Houses of Parliament. These changes were introduced in order to protect public finances and maintain the sustainability of the State Pension over the long term. The 2011 Pensions Act accelerated the equalisation of women's State Pension age by 18 months and brought forward the increase in men and women's State Pension age to 66 by five and a half years, relative to the previous timetables. Failing to act in light of compelling demographic evidence would have been irresponsible and would have placed an unfair fiscal burden on the working population. I attach to this letter a chart that demonstrates the impact of the Pensions Act 2011.

Women retiring today can still expect to receive the State Pension for over 23 years on average – over two years longer than men. It is right that we have equalised, and increased, the State Pension age for men and women. This also strongly supports the Government's objectives to eliminate gender inequalities and help older people to continue to play an active role in society.

While I have noted your concerns, the Government has no plans to revisit the policy on women's State Pension age and does not intend to make further concessions. The changes in the 2011 Act occurred following a public Call for Evidence and extensive debates in Parliament. A concession limiting the increase in State Pension age under the 2011 Act in any individual case to 18 months, relative to the 1995 Act timetable, has already been made during the passage of the Act (at a cost of £1.1 billion).

I should also point out that reversing the 2011 Act would cost in excess of £30 billion. Returning to a State Pension age of 60 for women would cost more than £77 billion up to the end of 2020/21, and further substantial costs would continue to accrue after this point for as long as women's State Pension age was less than 66.

We have to be realistic and acknowledge that people are living longer. In order to secure the affordability and sustainability of the pensions system for current and future generations, we needed to equalise the State Pension age for men and women faster and bring forward the rise to 66. Changes to the State Pension age put right a long lasting inequality which was based on an outdated rationale that women were dependent on their husband's incomes.

Even after equalising women's State Pension age with men's, women will spend on average around two years more in receipt of their State Pension because of their longer life expectancy. Women reaching 65 in 2018 are expected to live until 87.9 years whilst the figure for men is 85.7 years. Crucially, the equalisation of State Pension age brought the average proportion of time spent in retirement by men and women more in line with one another, with women spending slightly longer in retirement due to a higher life expectancy. Without equalisation, women would spend over 40 per cent of their adult lives in retirement.

In the years after the 1995 legislation (1995 to 2011) this equalisation was frequently reported in the media and debated at length in Parliament. People were notified with leaflets, an extensive advertising campaign was carried out, and later individual letters were posted out. Throughout this period the Department has been providing individuals with their most up-to-date State Pension age when they have requested a Pension statement. Between April 2000 and the end of March 2018, the Department provided more than 21 million personalised State Pension statements to people who requested them (either online or by telephone or post; and based on both old and new State Pension rules). We continue to encourage people to request a personalised State Pension Statement as part of our on-going communications.

There are more women in their early 60s in work today than there were 10 years ago. The number of women aged 60-64 in employment increased from 576,000 in 2007 to 821,000 in 2017. This is an increase of over 40 per cent.

It is important to point out that women who have had their State Pension age increased have the same eligibility to working-age in work, out of work and disability benefits as a man with the same date of birth. Those who are not in work can make initial enquiries about what support may be available to them by calling the Department's claim line on 0800 055 6688, or by checking the information on claiming benefits on the Government website at www.gov.uk.

Providing support to individuals aged 50 years and over to remain in, and return to, the labour market and tackle the barriers to doing so, remains a priority for the Government. To achieve this, the Government has reformed legislation to create the right framework, including:

- the removal of the Default Retirement Age;
- extending the right to request Flexible Working; and
- the introduction of the National Living Wage and Universal Credit to create the right conditions to support longer working.

To ensure that employers are aware of the wealth of skills and experience that older workers bring to the workplace, the Government has appointed the Business In The Community (BITC) Age at Work leadership team. The BITC team spearhead the Government's work to support employers to retain, retrain and recruit older workers. They actively promote the benefits of older workers to employers across England – influencing them both strategically and in terms of practical advice.

To help people return to the labour market, Jobcentre Plus work coaches have the flexibility to offer all claimants a comprehensive menu of help which includes skills provision and job search support. All claimants who are long term unemployed can access back to work support. For claimants who are disabled and people with health conditions, a new Personal Support Package is being introduced which will ensure they receive tailored support to meet their individual needs.

While many people with caring responsibilities can and do balance employment and care, it can have a significant impact on an individual's ability to work. We want to ensure that carers can be supported to remain in, or return to, the labour market. Government is working with employers nationwide to encourage the adoption of carer friendly employment policies - for instance more flexible working opportunities - whilst providing practical support for carers.

The Government also recognises training and development and active career planning is crucial to enable older workers to remain competitive in the labour market. The Government is transforming the skills system so that it can

improve the provision of lifelong learning and address barriers to learning for adults throughout their working life, meeting the specific needs of the individual and identified skills gaps in the wider labour market.

Challenging outdated attitudes and perceptions about older workers, remains a key aspect of Government's approach. In February 2017, the Government published a new strategy 'Fuller Working Lives: A Partnership Approach', which aims to increase the retention, retraining and recruitment of older workers. More details of the Strategy can be found on the Government website at: www.gov.uk using the title as a search term.

I hope this helps to explain the position.

A handwritten signature in blue ink, which appears to read 'Yours ever, Guy Opperman'. The signature is written in a cursive style with a large initial 'Y' and a long horizontal stroke at the end.

GUY OPPERMAN MP
MINISTER FOR PENSIONS AND FINANCIAL INCLUSION

Changes to State Pension age of women born between 6 April 1953 and 5 April 1960 as a result of legislation since 1995

Women's date of birth	Pensions Act 1995 (amended by Pensions Act 2007) schedule		Pensions Act 2011 schedule (current schedule for these date-of-birth cohorts)		Max additional time to wait until receipt of State Pension (compared to 1995 Act)		
	Age when pension age attained	Day pensionable age attained	Age when pension age attained	Day pensionable age attained			
Between 06 Apr 1953	And 05 May 1953	Between 63 y 1 d	And 06 Jul 2016	Between 63 y 2 m 1 d	And 63 y 3 m	2 months	
06 May 1953	05 Jun 1953	63 y 1 m 1 d	06 Nov 2016	06 Nov 2016	63 y 5 m 1 d	63 y 6 m	4 months
06 Jun 1953	05 Jul 1953	63 y 2 m 1 d	06 Mar 2017	06 Mar 2017	63 y 8 m 1 d	63 y 9 m	6 months
06 Jul 1953	05 Aug 1953	63 y 3 m 1 d	06 Jul 2017	06 Jul 2017	63 y 11 m 1 d	64 y	8 months
06 Aug 1953	05 Sep 1953	63 y 4 m 1 d	06 Nov 2017	06 Nov 2017	64 y 2 m 1 d	64 y 3 m	10 months
06 Sep 1953	05 Oct 1953	63 y 5 m 1 d	06 Mar 2018	06 Mar 2018	64 y 5 m 1 d	64 y 6 m	12 months
06 Oct 1953	05 Nov 1953	63 y 6 m 1 d	06 Jul 2018	06 Jul 2018	64 y 8 m 1 d	64 y 9 m	14 months
06 Nov 1953	05 Dec 1953	63 y 7 m 1 d	06 Nov 2018	06 Nov 2018	64 y 11 m 1 d	65 y	16 months
06 Dec 1953	05 Jan 1954	63 y 8 m 1 d	06 Mar 2019	06 Mar 2019	65 y 2 m 1 d	65 y 3 m	18 months
06 Jan 1954	05 Feb 1954	63 y 9 m 1 d	06 May 2019	06 May 2019	65 y 3 m 1 d	65 y 4 m	18 months
06 Feb 1954	05 Mar 1954	63 y 10 m 1 d	06 Jul 2019	06 Jul 2019	65 y 4 m 1 d	65 y 5 m	18 months
06 Mar 1954	05 Apr 1954	63 y 11 m 1 d	06 Sep 2019	06 Sep 2019	65 y 5 m 1 d	65 y 6 m	18 months
06 Apr 1954	05 May 1954	64 y 1 d	06 Nov 2019	06 Nov 2019	65 y 6 m 1 d	65 y 7 m	18 months
06 May 1954	05 Jun 1954	64 y 1 m 1 d	06 Jan 2020	06 Jan 2020	65 y 7 m 1 d	65 y 8 m	18 months
06 Jun 1954	05 Jul 1954	64 y 2 m 1 d	06 Mar 2020	06 Mar 2020	65 y 8 m 1 d	65 y 9 m	18 months
06 Jul 1954	05 Aug 1954	64 y 3 m 1 d	06 May 2020	06 May 2020	65 y 9 m 1 d	65 y 10 m	18 months
06 Aug 1954	05 Sep 1954	64 y 4 m 1 d	06 Jul 2020	06 Jul 2020	65 y 10 m 1 d	65 y 11 m	18 months
06 Sep 1954	05 Oct 1954	64 y 5 m 1 d	06 Sep 2020	06 Sep 2020	65 y 11 m 1 d	66 y	18 months
06 Oct 1954	05 Nov 1954	64 y 6 m 1 d	06 Oct 2020	05 Nov 2020	66 y	66 y	17-18 months
06 Nov 1954	05 Dec 1954	64 y 7 m 1 d	06 Nov 2020	05 Dec 2020	66 y	66 y	16-17 months
06 Dec 1954	05 Jan 1955	64 y 8 m 1 d	06 Dec 2020	05 Jan 2021	66 y	66 y	15-16 months
06 Jan 1955	05 Feb 1955	64 y 9 m 1 d	06 Jan 2021	05 Feb 2021	66 y	66 y	14-15 months
06 Feb 1955	05 Mar 1955	64 y 10 m 1 d	06 Feb 2021	05 Mar 2021	66 y	66 y	13-14 months
06 Mar 1955	05 Apr 1955	64 y 11 m 1 d	06 Mar 2021	05 Apr 2021	66 y	66 y	12-13 months
06 Apr 1955	05 Apr 1959	65 y	06 Apr 2021	05 Apr 2025	66 y	66 y	12 months

Simplified version of House of Commons research briefing, which can be found here: <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-7405>

