

Written evidence submitted by Women Against State Pension Inequality (WASPI) Campaign (MRS0186)

Introduction

I am the Chair of the Women Against State Pension Inequality (WASPI) Campaign. We represent women born in the 1950s who expected to receive their State Pension at 60. Although the State Pension age was changed initially in 1995, and again in 2007 and 2011, communication about the changes from the Department of Work and Pensions was inadequate and most women received less than 2 years notice of a major change (up to 6 years) in their State Pension age. This resulted in a massive loss of expected retirement income (up to £50,000) with no time to make alternative plans. Although women's State Pension age was increased to equalise with men, it did not result in equality. Because women our age never achieved equal pay, they will never achieve equal pensions. Research by the Pensions Policy Institute in July 2019 [estimated](#) the pensions gap between men and women at approximately 49%. The report states "In their early 60s the median private pension wealth of women is one third of men's private pension wealth. By retirement, women would have approximately accrued £51,000, whilst men would have about £157,000 of pension wealth. This is a result of all of the contributing factors discussed in this report." Many women have no choice but to continue working. WASPI women generally suffer discrimination in the workplace, especially during the selection process. Women with noticeable health issues / limited physical abilities do not do well in interviews.

Reasons for submitting evidence

Many women in their 60s are unable to work in the regular economy for many reasons. They have caring responsibilities; they have health issues, they have skill and confidence issues, they are subject to age discrimination by many employers. For these reasons they take up jobs in the gig economy – part time, casual, often short term, often "bank" workers (those used to stand in at short notice for absences), very often zero hours contracts. These jobs have all but disappeared and many of the women who occupied them fall through the Governments emergency measures.

The social distancing measures, although necessary, have caused more hardship for WASPI women. Our shopping habits have changed. No longer can we shop in different stores to get the cheapest items in each. Nor can we pop to the supermarket at the end of the day to pick up those "reduced for quick sale" items. We must stay home, using our own electricity, when we used to go to the library or museum. Some have no access to computers or the internet at home as their limited income has forced them to make tough choices. They now no longer have access to computers at the library.

Many women in their 60s are in receipt of small occupational pensions – some as low as £400 per month. A woman younger than State Pension age, living in her own small bungalow, council tax band B, no outstanding mortgage, savings of £5,000 with income of £400 per month is not eligible for Universal Credit. If she was of State Pension age, she would be eligible for pension credit of £352.92 per month. The younger woman has no access to employment during the Covid-19 pandemic. Her circumstances are dire.

If the woman co-habits with a partner, their income is taken into account. This woman may have no money to call her own, yet she must rely on someone else to provide for her. This puts her in a very vulnerable position.

Types of Messages received from WASPI women

- Husband / partner was self employed and is unable to work during the pandemic either because the work has disappeared, or he must self-isolate. Both are now relying totally on his State Pension
- Women in their early to mid-60s working in jobs generally filled by young males (e.g. delivery drivers, warehouse operatives) concerned about their health in an environment where their colleagues are not. They are not on the Government's "at risk" list even though they are on the WHO "at risk" list.
- Women with small occupational pensions who always worked to supplement their income now unable to get suitable work. Many worked as exam invigilators, supply teachers, and the like. Jobs which are now unavailable. Most were zero hours contracts, or casual employees so fall through the Governments furlough scheme
- Women who don't enjoy good health working as carers. Unable to self-isolate as they have no other means of income.
- Women who worked as cleaners in people's homes. No longer required as their employers are working from home and social distancing.
- Women who are forced to stay with a partner in a loveless relationship as they have no independent income and nowhere else to live.

Further evidence supporting our concerns for WASPI women during the Covid-19 emergency

We are concerned about the disproportionate impact the outbreak is having on 1950s-born women who are already suffering severe hardship, and now find themselves in an even more challenging position. We already know, based on research from [public health specialists](#), that increases to the State Pension Age may have unintended consequences such as worsening the health of those already ill and adding new demands on primary medical care services. Because of ill health or disability, many WASPI women are unable to work, especially in those "heavy duty" jobs such as care work, which is often the only jobs available to unskilled, older workers.

IFS Research has [shown](#) that women are about one-third more likely than men to work in a sector that is now shut down. Although the sector most affected are the under 25s, those over 55 come a close second.

We have been campaigning for several years for Fair Transitional State Pension arrangements for women born in the 1950s, and compensation for those in receipt of State Pension. In the longer term we will continue with this campaign however emergency measures are needed now to support women struggling to live below the poverty line.

The Covid-19 emergency has created more disparity for women born in the 1950s because of the reasons stated above. Those struggling to cope before the emergency are now in abject poverty because their coping strategies have all but disappeared.

What needs to change or improve?

The very least the Government should do in the immediate term is to review the support available to women aged between 60 and 66 who are living below the poverty line, not yet in receipt of their State Pension, and without permanent full time employment. A review of this kind would corroborate the empirical evidence we have detailed above.

Should this review confirm that these women are in fact struggling to cope while living well below the poverty line, then remedies which could be considered include:

- 1) **Early access to Pension Credit:** Revert to the 1995 Act timetable for Pension Credit. Reducing the age criteria to 60 would allow women (and men) who met all other criteria to claim. The House of Commons Library briefing paper no [CBP-7405](#) Section 8.2 estimated that this would cost £1billion over a 3 year period. Labour in 2016 estimated that the cost would be £860 million over this parliamentary term. This change will support some of the poorest WASPI women living in the UK. They fall into a clear gap because their income is low, but they don't qualify for other support like Universal Credit.
- 2) **Early access to the State Pension for WASPI women due to reach State Pension age this year.** This change will support WASPI women who are unlikely to work again before reaching retirement age because of the Covid-19 emergency. It will take them out of the unemployment figures, negate the need for Covid-19 benefits (e.g. furlough pay), and keep them economically active therefore helping with the economic recovery.

These changes are urgently required and whilst unlikely to occur in the next three weeks should happen sooner than the next six months.

Conclusions

Equalisation of the State Pension age between women and men created further inequalities between women and men aged over 60.

Social distancing measures, although necessary, disproportionately affect women mainly the young (under 25s) and older women (over 55s)

Women aged between 60 and 66 are rarely included in the measures already announced by the Government to help those affected by the Covid-19 emergency.

Women aged between 60 and 66 with income below subsistence levels do not qualify for benefits already in place (e.g. Universal Credit, Job Seekers Allowance)

Women aged between 60 and 66 who are most adversely affected, and those who are unlikely to work again once the Covid-19 emergency has abated must be helped to survive this emergency.

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